



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: July 13, 2010

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Eucalyptus Hill Road Underground Utility Assessment District Engineer's Report And Recommended Project Conclusion

RECOMMENDATION: That Council:

- A. Receive the Assessment Engineer's Report (Report) for the Eucalyptus Hill Road Underground Utility Assessment District (UUAD); and
- B. Take no further action regarding the formation of the proposed Eucalyptus Hill Road UUAD.

DISCUSSION:

Background

On May 22, 2007, Council received and filed a petition from property owners of a portion of Eucalyptus Hill Road (generally between 1808 and 1981 Eucalyptus Hill Road), requesting that a UUAD be initiated (see Attachment), and adopted a Resolution initiating proceedings for the formation of a UUAD for Eucalyptus Hill Road. Of the 30 property owners listed on the petition, 20 demonstrated their interest or support for the UUAD. At that time, Council also authorized the issuance of Purchase Orders to hire consultants, including the Assessment Engineer, utility company design services, and project management services.

Staff held public neighborhood information meetings on November 14, 2007, May 28, 2008, January 29, 2009, October 29, 2009, and April 26, 2010.

Assessment Engineer's Report

The Assessment Engineer prepared an Engineer's Report (Report) under the provisions of the California Municipal Improvement Act of 1913 and the City's Municipal Code. This included obtaining Santa Barbara County Assessor's property owner information, preparing a Boundary Map and Assessment Diagram, preparing benefit methodology which specifies the method used to apportion the costs to properties within the UUAD, and reviewing preliminary cost estimates.

The Report identified four additional properties outside the originally petitioned UUAD area (1893, 1929, and 1931 Eucalyptus Hill Road, and 871 Deerpath Road) that must be added to the UUAD because the Assessment Engineer determined these properties would receive a special benefit if this UUAD was formed. It was also determined that one property (1840 Barker Pass Road) would not receive a special benefit if this UUAD was formed and was subsequently removed from the UUAD assessment.

The Report identifies that the purpose of the UUAD is to provide financing to underground electrical, telephone and cable utilities, which will enhance neighborhood aesthetics, improve emergency ingress and egress, and provide new and upgraded facilities. It reflects property assessments ranging from \$8,004 to \$64,030 for 100% payoff and from \$9,472 to \$75,775, if financed through the UUAD Program. Per state law, these assessments are required to be in direct proportion to the benefit received by the proposed undergrounding of the existing overhead utilities. The Assessment Engineer made a presentation of these costs at an April 26, 2010, neighborhood information meeting.

The Report has been filed with the City Clerk, as required by the City Municipal Code, and reflects updated assessment criteria modified in response to public input, various recommendations by the Assessment Engineer regarding apportionment of costs, construction cost estimates, and input received from the utility companies.

Staff has compared this Report with other approved assessment reports within the state and has determined that this Report is acceptable and appropriate.

Eucalyptus Hill Road Status

The February 12, 2008 Council meeting included discussion related to the level of neighborhood support necessary for Council to approve this UUAD. In summary, Council indicated that there would need to be strong neighborhood support for Council to approve the UUAD.

In accordance with the UUAD Program procedures, staff conducted a survey in May 2010 to gauge the current level of neighborhood support to form the UUAD. This was subsequent to the April 26, 2010 meeting outlining anticipated property assessments. The question was: "Do you support the proposed Eucalyptus Hill Road UUAD based on the project cost estimates, including the estimated cost to be assessed against your property?" The survey results showed that 18 property owners responded "no," 12 property owners responded "yes," and 3 property owners did not respond. Based on the survey results, staff recommends no further action toward the formation of the proposed UUAD.

If the UUAD was to proceed, the next steps would be to bid the project to finalize costs, finalize loan financing for the UUAD, and then proceed to a final vote by the property owners. In accordance with Proposition 218, the final vote must be a "weighted vote" proportional to the benefit received. If the final weighted vote had the same results as the recent survey, the project would not meet the 50% weighted majority vote required by Proposition 218 for approval.

Conclusion

Since the majority of property owners in this UUAD have submitted written responses of non-support of the project, staff recommends that Council acknowledge the Report as an approvable report, but take no further action regarding the formation of the proposed Eucalyptus Hill Road UUAD. By taking no further action, the City's work on the proposed UUAD will be concluded. A notice was mailed to property owners within the proposed UUAD to advise the property owners of the outcome of the survey and staff's recommendation that Council take no further steps toward the formation of the UUAD.

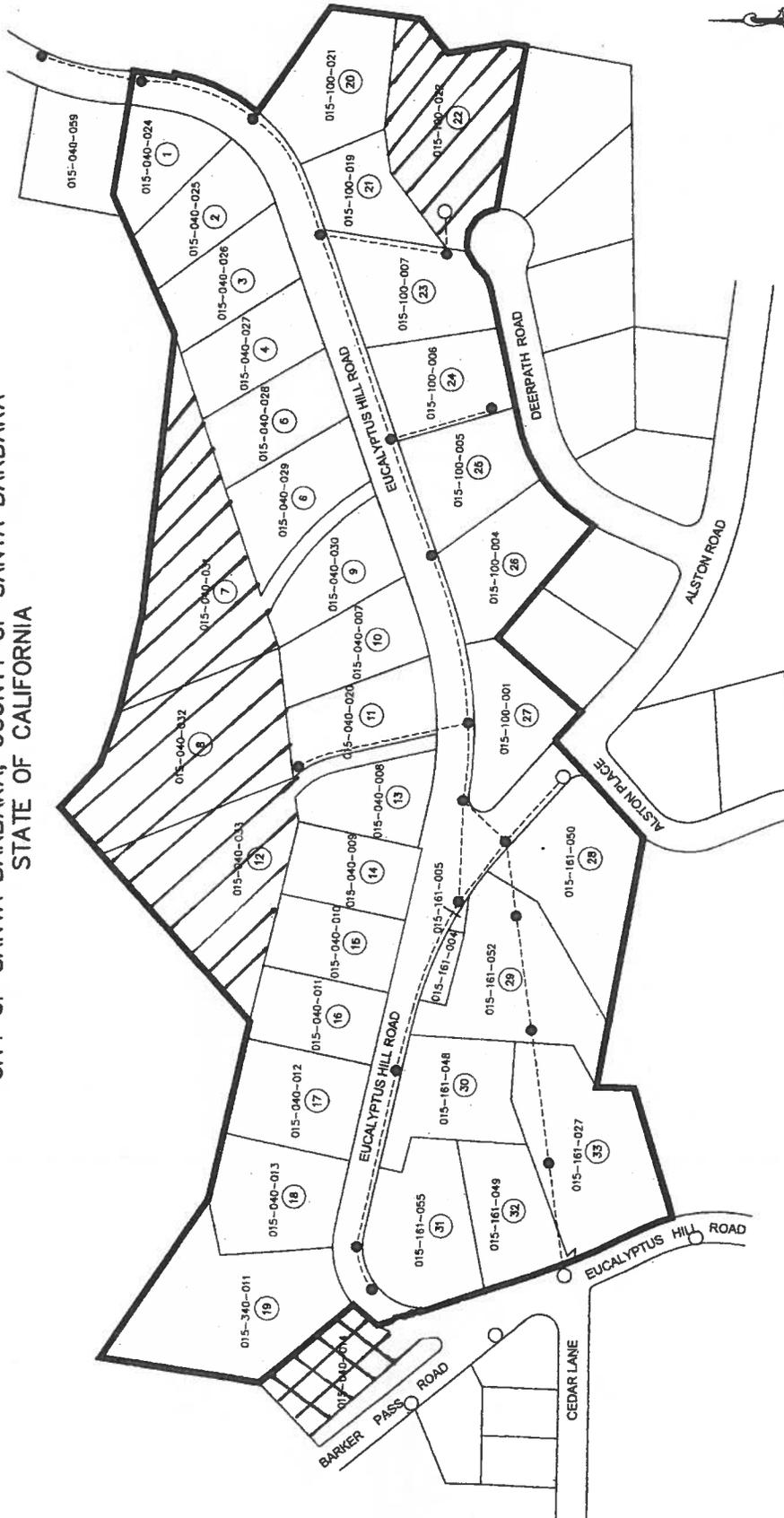
ATTACHMENT: Eucalyptus Hill Road UUAD Boundary Map

PREPARED BY: John Ewasiuk, Principal Civil Engineer/LA/mj

SUBMITTED BY: Christine F. Andersen, Public Works Director

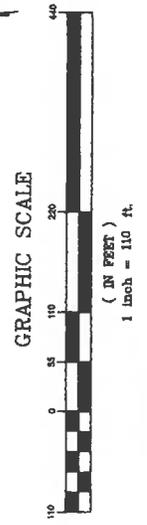
APPROVED BY: City Administrator's Office

ASSESSMENT DIAGRAM
 EUCALYPTUS HILL ROAD
 UNDERGROUND UTILITY ASSESSMENT DISTRICT
 CITY OF SANTA BARBARA, COUNTY OF SANTA BARBARA
 STATE OF CALIFORNIA



LEGEND:

- ASSESSOR'S PARCEL LINE
- ASSESSMENT DISTRICT BOUNDARY
- POLE TO BE REMOVED
- POLE TO REMAIN
- LINES TO BE REMOVED
- 123-456-789 ASSESSOR'S PARCEL NUMBER (APN)
- ① ASSESSMENT NUMBER



Properties added
 Property removed

THE BOUNDARY OF THE PROPOSED ASSESSMENT DISTRICT COINCIDES WITH THE ASSESSOR'S PARCELS WITHIN THE BOUNDARY SHOWN ON THIS MAP. FOR PARTICULARS OF LINES AND DIMENSIONS OF ASSESSOR'S PARCELS, REFERENCE IS MADE TO THE MAPS OF THE SANTA BARBARA COUNTY ASSESSOR.