



STAFF REPORT

CITY of YORBA LINDA

PUBLIC WORKS DEPARTMENT

DATE: SEPTEMBER 20, 2022

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: JAMIE LAI, P.E., DIRECTOR OF PUBLIC WORKS/CITY ENGINEER
PREPARED BY: AUSTIN POSTOVOIT, SENIOR MANAGEMENT ANALYST

SUBJECT: CANCELLATION OF STREET LIGHTING AND LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT (LMAD) SPECIAL ASSESSMENT FEES FROM ASSESSMENT YEAR 2016 FOR APN 343-561-27

RECOMMENDATION

It is recommended that the City Council cancel the Street Lighting and Landscape Maintenance Assessment District (LMAD) special assessment fees from assessment year 2016 for APN 343-561-27, and direct staff to provide written authorization to the Office of the Treasurer-Tax Collector to remove the specified charges.

BACKGROUND

The City's Street Lighting and Landscape Maintenance Assessment District (LMAD) was formed pursuant to the Landscaping and Lighting Act of 1972 ('72 Act), which is included in the State of California Streets and Highways Code Division 15, Part 2, and the provisions of the California Constitution, Article XIII D (commonly referred to as Proposition 218). Under such provisions, the City annually levies and collects special assessments for the City's LMAD in order to provide and maintain various landscaping, lighting and traffic signal improvements throughout the City that provide benefits to properties within the LMAD. As part of this process, the City annually submits the assessment amounts for each parcel by APN to the Orange County Auditor/Controller's Office for placement on the annual property tax roll.

At any point, the County may notify the City of parcels on which the County requests that the City remove the LMAD assessment. The County makes such requests when the property taxes on the property are delinquent and have not been paid for a number of years. In the usual course, the County proceeds to auction off the properties for failing to pay the taxes; however, the County does not auction parcels that are tax exempt or government owned.

DISCUSSION

On August 4, 2022, the City received a request from the Office of the Treasurer-Tax Collector (County) to consider cancellation of LMAD special assessment fees for APN 343-

561-27 from assessment year 2016. Since the parcel has a prior year delinquency, as a result of the outstanding LMAD special assessment fees, the County also requested that staff research the issue. Research indicated that the parcel in question had been subdivided as a part of housing development project. The parcels were identified by the County's land use code as Residential Single-Family and as they were a part of Tract 17548, which was being developed at the time, and would have all been assessed as Vacant/Undeveloped properties. By the following fiscal year an updated Assessor's Parcel Number map for parcel 343-561-27 was available and correctly identified it as a street and therefore reclassified as exempt for the FY17/18 Engineer's Report. When assessments were submitted to the County of Orange Auditor/Controller on behalf of the City, the County Assessor's Office had already retired APN 343-561-27.

The parcel is located within LMAD Arterial Landscaping Zone A-8, along Yorba Linda Boulevard between Eureka Avenue and Mountain View Avenue. Further, the area in question is comprised primarily of streetscape landscaping planters, which are maintained by the LMAD. The land use classification for this parcel was correctly revised to "exempt" (not to be assessed) during a prior tax year, so no corrective requests to the County are in order. Based on the prior reclassification of the parcel's land use and its existing delinquent status, staff is recommending cancellation of the parcel's special assessment fees for assessment year 2016. In order for the County to remove this property from the auction list as it cannot auction parcels that are tax exempt, the originating agency (the City in this case), must provide written authorization. Therefore, staff is also recommending Council direct staff or it's consultant to provide such written authorization to comply with the County procedures.

FISCAL IMPACT

Cancellation of the special assessment fees for assessment year 2016 amounts to a total revenue loss of \$60.72, within the LMAD Assessment Revenue Account (2015110-382010). However, based on its existing delinquent status, there is a low potential of recovering such fees.

ALTERNATIVES

The City Council could determine to not approve the cancellation of the special assessment fees, which would leave the assessments on this parcel and the parcel would continue to be in a tax default status. Based on the previous reclassification of the land use classification of this parcel, staff does not recommend this alternative.

ATTACHMENTS

1. Letter from Office of the Treasurer-Tax Collector dated August 4, 2022
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