April 16, 2019

Board of Supervisors
3501 Civic Center Drive
San Rafael, CA  94903

SUBJECT:  Call for Election to Establish a Special Tax for the Inverness Subdivision Number Two Permanent Road Division and Post Notices as Required by the Streets and Highways Code

Dear Board Members:

RECOMMENDATION:  1) Call for an election to establish a special tax for the Inverness Subdivision Number Two Permanent Road Division; and 2) approve the Resolution; and 3) direct the Clerk to advertise the notice of election in the Marin IJ on August 6th, August 13th, and August 20th, 2019.

SUMMARY: Pursuant to Streets and Highway Code Sections 1160 through 1197 (the Permanent Road Division Law), your Board is authorized to call for an election to levy a special tax. State law provides that at least 2/3 of residents within the division must vote to pass the special tax. Your Board has received a petition requesting the establishment of a special tax for roadway improvements in the Inverness Subdivision Number Two Permanent Road Division (IS2PRD), the area of which includes 48 parcels of unincorporated land fronting Ranooch Way, Keith Way, and Stirling Way in Inverness as set forth in the attachments. The boundaries of IS2PRD were last approved by the Board of Supervisors on September 15, 1998 pursuant to Resolution No. 98-130 including parcel number 112-131-09, with physical property address 168 Vision Road. In accordance with the attached petition, residents within IS2PRD propose that this property not be assessed the special tax because the parcel does not access any street within the IS2PRD boundary and therefore does not benefit from the proposed improvements. The attached map entitled “Inverness Sub No 2 PRD for 2019-08” reflects the properties that would be subject to the special tax. In accordance with Department policy that a minimum of 70% of residents within the division be garnered, the attached petition has over 70% of landowners within the IS2PRD in favor of the assessment.

The roads within IS2PRD are non-County maintained roads and maintenance responsibility falls to the fronting property owners. The levy of a special tax would allow residents within IS2PRD to pursue road improvements as shown on exhibit A in the attached petition. Should the special tax pass it would result in assessments of approximately $1383.70 per improved parcel and $691.85 per unimproved parcel per year for 10 years resulting in a total assessment of $534,480. Thereafter, each lot shall be assessed $400 per year for ongoing maintenance, with a provision for an annual increase effective July 1 in accordance with the change in the State of California Consumer Price Index for All Urban Consumers for the previous calendar year.
The proposed assessments are not guaranteed to fund the improvements as more comprehensive details will be developed, and competitive bids will be sought upon passage of the special tax. Until bids are received, the actual cost of the proposed improvements will not be known. The residents of IS2PRD acknowledge that the scope and scale of improvements may need to be adjusted to fit within assessments or additional funds may be required.

The election shall be noticed in accordance with the Permanent Road Division Law and the results will be presented to your Board at a future meeting. Noticing includes the advertisement in a local newspaper for three consecutive weeks within a week of the election and posting of the Notice of Election 15 days prior to the date of election on the roadways to be improved. Staff will ensure that all noticing is conducted and documented for the election. The Department of Finance has agreed to loan IS2PRD funds for the improvements should the special tax pass and financing costs have been included in and are covered by the proposed assessments.

**FISCAL IMPACT:** Staff has spent approximately $10,000 to date on general administration and assistance to the IPRD2 road committee. Additional staff costs estimated at $10,000 will be incurred to administer the election. Future costs for the Department of Finance to administer loans and collect taxes and future costs for the Department of Public Works to bid and award construction contracts are anticipated. Should the special tax pass, these costs are recoverable under the Permanent Road Division Law and IS2PRD has included administration funds in the amount of $32,773 in the proposed assessments. Should the special tax fail, these costs cannot be recovered. There are no further impacts to the General Fund by this action.

**REVIEWED BY:**
- [X] County Administrator [ ] N/A
- [X] Department of Finance [ ] N/A
- [X] County Counsel [ ] N/A
- [ ] Human Resources [ X ] N/A

Respectfully submitted,

Ernest Klock
Assistant Director

c: Jenna Brady, County Counsel

Attachments:
Petition for Special Tax
Revised Inverness Subdivision Number Two Permanent Road Division Boundary Map
Resolution for Election
Election Notice