



NOTICE OF PUBLIC HEARING AND ASSESSMENT BALLOT PROCEDURES
LOCAL LANDSCAPING ZONE L-4A
STREET LIGHTING AND LANDSCAPING MAINTENANCE DISTRICT
CITY OF YORBA LINDA

Purpose of this Notice

The purpose of this notice, that includes both this document and the accompanying Assessment Ballot which also includes Instructions for Completion and Delivery of Assessment Ballot, is:

- to provide information to the record owners of property within Local Landscaping Zone L-4A (“Zone L-4A”) of Street Lighting and Landscaping Maintenance District (“District”) of the City of Yorba Linda (“City”), regarding proceedings being undertaken by the City to levy new or increased annual assessments (“increased assessment”) on those properties;
- to transmit an Assessment Ballot to the owners of property within Zone L-4A, to enable such owner or owners to express support or opposition to the levy of the proposed increased assessment on such property, by completing and returning the Assessment Ballot; and
- to identify the time and place of the scheduled public hearing on these matters and to provide instructions to the owner or owners to assist in completing the Assessment Ballot and returning it to the City.

Reason for the Assessment

The proposed increased assessment on properties within Zone L-4A will provide a stable revenue source to fund the ongoing special benefit expenses associated with the servicing and maintenance of local landscape improvements for Zone L-4A including, but not limited to the proposed 164,404 square feet of designated landscape improvement area that incorporates an estimated 79,434 square feet of sloped/mostly-sloped landscaped area of which 34,194 square feet is irrigated and 45,240 square feet is non-irrigated area; and 84,970 square feet of flat/moderately-sloped landscaped area of which 22,449 square feet is irrigated and 62,521 square feet is non-irrigated (35,408 square feet of natural vegetation or minimal-landscaped areas and 27,113 square feet of trails). These improvements are considered a particular and distinct special benefit to properties in Zone L-4A, and the increased assessments are intended to support the continued maintenance of these improvements at an appropriate level of service as well as related renovations or capital improvements.

Basis upon which the Increased assessments are Calculated

Each year the City determines the estimated cost to maintain and service the improvements within each Zone of the District to appropriately allocate those costs to only the benefiting properties. The cost of providing the improvements determined to be of special benefit are allocated to parcels within each Zone based on a benefit formula that equitably distributes those costs based on the proportional special benefits to each parcel. Parcels within each Zone are assigned an Equivalent Benefit Unit (EBU) that reflects each parcel’s proportional special benefit as compared to other parcels that benefit from the improvements. In Zone L-4A, the benefiting properties assessed are primarily residential properties, with each single-family residential parcel being assigned 1.00 EBU. Other land uses in this Zone are assigned a proportional EBU based on acreage and may include Park or Vacant/Undeveloped parcels at 0.75 EBU per acre. The total eligible special benefit expenses for Zone L-4A (“Balance to Levy”), is divided by the total EBU of all parcels within Zone L-4A. The result of this calculation establishes an assessment rate per Equivalent Benefit Unit (“Levy per EBU” or “Assessment Rate”). This Assessment Rate multiplied by each parcel’s assigned EBU equals each parcel’s annual assessment amount.

$$\begin{aligned} \text{Total Balance to Levy} / \text{Total EBU} &= \text{Levy per EBU (Assessment Rate)} \\ \text{Levy per EBU} \times \text{Parcel EBU} &= \text{Parcel Levy Amount} \end{aligned}$$

A more detailed description of the improvements and basis upon which increased assessments have been calculated is described in the Engineer’s Report, which is on file with the City and available on the City’s website.

The Total Annual Assessment Proposed to be Charged

The total annual amount of the assessments being balloted to properties within Zone L-4A is \$83,484.30. This total amount balloted divided by the total number of Equivalent Benefit Units (EBUs) within Zone L-4A results in an increased assessment rate to \$588.00 per EBU (Maximum Assessment Rate for Fiscal Year 2020/2021). The amount of the increased assessment identified on the accompanying Assessment Ballot as “Your Parcel’s Balloted Assessment Amount” is based upon this new Maximum Assessment Rate and your property’s proportional special benefit based on your parcel’s EBU assignment. Your parcel’s actual assessment for Fiscal Year 2020/2021 may be equal to or less than the amount indicated on the accompanying Assessment Ballot as “Your Parcel’s Balloted Assessment Amount”. If the increased assessments are approved in these proceedings, your parcel’s assessment amount and the assessment rate in subsequent fiscal years are subject to the annual inflationary adjustment described herein.

Inflationary Adjustment

Because the cost of servicing and maintaining local landscaping improvements are impacted by inflation over time, the proposed maximum assessment rate of \$588.00 per EBU and your parcel’s corresponding calculated assessment amount includes an annual inflationary adjustment to the maximum assessment rate that may be assessed each fiscal year. This annual inflationary adjustment allows the previous fiscal year or approved maximum assessment rate for the Zone to be

adjusted by the percentage increase of the Local Consumer Price Index (CPI) plus three percent (CPI + 3.%) The Consumer Price Index used for the inflationary adjustment shall be the CPI for the Los Angeles-Long Beach-Anaheim, CA, Area for All Urban Consumers, as developed by U.S. Bureau of Labor Statistics. As part of your support or opposition to the increased assessment described in this notice and presented on the accompanying Assessment Ballot, you are also indicating your support or opposition to this annual inflationary adjustment that may be applied to future assessments. If the increased assessment is approved, this annual inflationary adjustment shall be applied to the maximum assessment rate established in these proceedings (maximum assessment rate for Fiscal Year 2020/2021) commencing in fiscal year 2021/2022 and your calculated assessment each year may be adjusted accordingly.

Duration of the Assessments

If approved, the proposed assessment indicated on the accompanying ballot may be assessed and appear on your 2020/2021 property tax bill, or a supplemental bill from the County or City. (At the City Council's discretion, a lesser amount may be assessed). Because the proposed assessments will provide annual funding for the ongoing maintenance and operation of the improvements, there is no sunset on the assessments (no end date), but the annual budget and assessments shall be presented at a public hearing each fiscal year, which is open to the public for comment and testimony.

Public Hearing

Notice is hereby given that a public hearing regarding the proposed levy of an increased assessment for Local Landscaping Zone L-4A, will be held during a regular meeting of the Yorba Linda City Council, in the City Council Chambers at City Hall, located at 4845 Casa Loma Avenue, Yorba Linda, California, on the following date and commencing at the following time:

Tuesday, May 5, 2020, starting at 7:00 P.M.

The City Council shall consider all objections and protests, if any, to the proposed increased assessment on properties within Zone L-4A which has been deemed necessary for the operation and maintenance of Zone L-4A's landscaping improvements. Any interested person shall be permitted to present written and oral testimony regarding these proceedings. The City Council may impose reasonable time limits on both the length of the entire public hearing and the length of each interested person's oral testimony. The City Council may also continue the public hearing from time to time.

Protest Provisions

Pursuant to California Constitution Article XIID, Section 4 (e), at the Public Hearing, the City Council shall consider all protests against the proposed increased assessment. In addition to the property owner assessment ballots, written protests regarding the District and assessments may be filed with the City Clerk prior to or during the Public Hearing. The City shall not impose an assessment increase for Zone L-4A if there is a majority protest, as calculated set forth below.

Assessment Ballot

The amount of the assessment identified on the accompanying Assessment Ballot as "Your Parcel's Balloted Assessment Amount" represents your parcel's proportional special benefit of the total amount being balloted at the maximum assessment rate. Any time before the end of the Public Hearing, you may submit the Assessment Ballot to the City Clerk. To do so: mark the Ballot either " YES — IN FAVOR OF THE INCREASED ASSESSMENT" or " NO — OPPOSED TO THE INCREASED ASSESSMENT", sign the Ballot, seal the Ballot in the enclosed return envelope, and mail or deliver it to the City Clerk. If you do not use the envelope provided, the return envelope should have the words "ASSESSMENT BALLOT, DO NOT OPEN" printed on the outside to ensure it is not opened in advance of the Public Hearing. The Ballot may be submitted, changed or withdrawn at any time before the end of the Public Hearing. If you need a replacement Ballot, call the "Contact Person" listed below or the Office of the City Clerk.

Only ballots issued by the City are considered valid ballots (copies or facsimiles are not valid ballots). Any Ballot returned unmarked or unsigned, or not received by the City Clerk before the end of the public hearing will be rejected and not counted.

The proposed new assessment will not be imposed for Zone L-4A if the Ballots submitted in opposition to the increased assessment exceed the Ballots submitted in favor of the assessment, with each Ballot weighted according to the dollar amount of the assessment on the property to which that Ballot relates. In such case, the properties within Zone L-4A will continue to be subject to annual assessments for maintenance of improvements up to the authorized maximum assessment rate per EBU of \$96.59 plus the annual inflationary adjustment based on the annual percentage change in the local Consumer Price Index that was previously established by the City Council for Zone L-4A.

Only valid ballots received by the City Clerk before the end of the public hearing shall be counted. In addition to the property owner assessment ballots, written protests regarding the District and assessments may be filed with the Office of the City Clerk prior to or during the Public Hearing. Please ensure that your Assessor's Parcel Number (APN) listed on the accompanying Assessment Ballot is included on any written protest or correspondence so that your property can be correctly identified for the record. Please refer to the City's website for additional information and future actions upon completion of the ballot proceedings.

Contact Information

For more information, please contact the City's Public Works Department at 714.961.7170.

In addition to what is outlined above, important information can be found on the City's website www.yorbalindaca.gov.