

RESOLUTION NO. _____ (N.C.S.)

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SALINAS EXPANDING
THE DOWNTOWN SALINAS COMMUNITY BENEFIT DISTRICT AND LEVYING
ASSESSMENT THEREWITH**

WHEREAS, on December 16, 2014, the City Council adopted Ordinance No. 2556, the City of Salinas' Community Benefit District Ordinance, authorizing the City to establish a Community Benefit District ("CBD") for up to 20 years to enhance the security, safety, appearance, and economic viability within such districts; and

WHEREAS, the Ordinance authorizes the City to levy and collect assessments on real property within such districts for the purpose of providing improvements and promoting activities that specially benefit real property within such districts; and

WHEREAS, the Ordinance authorizes the City to use the procedures set forth in the Property and Business Improvement District Law of 1994 (Streets & Highways Code sections 36600 *et seq.*, the "PBID Law") as modified by the Ordinance for purposes of forming an assessment district; and

WHEREAS, Articles XIIC and XIID of the California Constitution and Section 53753 of the California Government Code (Proposition 218 Omnibus Implementation Act) also impose certain procedural and substantive requirements relating to the notice, protests and hearing requirements pertaining to new or increased assessments; and

WHEREAS, on May 26, 2015, the City Council adopted a Resolution of Intention (Resolution No. 577) to form the Salinas Downtown Community Benefit District (the "District" or "CBD"). This action included adoption of a District Management Plan and Engineer's Assessment Report and direction to the City Clerk to mail ballot packets and notice of the public hearing to be held on July 21, 2015 to the proposed district property owners; and

WHEREAS, on July 21, 2015, the City Council adopted Resolution No. 2080 certifying the positive results of a duly held election process confirming that the majority of property owners within the District agreed to its formation; and

WHEREAS, during the last year, two owners of property adjacent to the adopted boundaries of the 2015 District Engineer's Report, expressed their interest in joining the District and having an assessment levied against their properties in order to receive special District benefits; and

WHEREAS, on January 25, 2017, the Salinas City Center Improvement Association, the District's management association, submitted a written request that the City add properties at 318 Cayuga Street and 401 Monterey Street to the District; and

WHEREAS, a First Addendum to the Engineer's Report (the "Addendum") has been prepared and includes an amended boundary description and map; and

WHEREAS, the sole purpose of the First Addendum is to add these two (2) subject properties to the District. It does not in any way change the required "nexus" of rationale between

assessment amounts levied and special benefits conferred on properties within the District, nor does it change the formula/methodology for calculating assessment amounts; and

WHEREAS, on June 6, 2017, the City Council adopted Resolution 603 (the “Resolution of Intention” or ROI”)

1. declaring the intention to expand the boundary of the Downtown Salinas Community Benefit District (“District”);
2. approving a First Addendum to the Engineer’s Report dated May 26, 2015;
3. directing the City Clerk to mail ballots to affected property owners; and
4. setting set July 11, 2017 at 4:00 p.m. as the date and time for convening a public hearing in the City Council Rotunda at 200 Lincoln Avenue to tabulate returned ballots, and determine if affected property owners approve of said expansion; and

WHEREAS, as directed by the ROI, on June 7, 2017, the City Clerk mailed the owners of affected parcels a ballot Packet including a notice of the July 11, 2017 public hearing on the expansion, and a Ballot Packet consisting of the ballot with the proposed assessment amount, a copy of the Resolution of Intention and First Addendum, and a link to the Management Report, Engineer’s Report and other data describing the process, as required by Article XIII D, Section 4 of the California Constitution and Section 53753 of the Government Code; and

WHEREAS, in order to be effective in FY 2017-2018, the District expansion approval process must be completed by July 31, 2017. While State law requires that property owners have no less than 45 days to respond to the ballot, in this instance, the public hearing is scheduled 35 days after noticing. Provided the Property Owners respond in the affirmative prior to the end of the public hearing, the Council may proceed to consider adoption of the Resolution of Expansion; and

WHEREAS, on July 11, 2017 at 4:00 p.m. or as soon thereafter as was practicable, in the City Council Rotunda, the City Council held a public hearing, at which it heard and considered oral and written testimony from all interested persons; and

WHEREAS, following the public input portion of the public hearing, all assessment ballots that had been returned to the City were tabulated pursuant to the procedures set forth in the ROI; and

WHEREAS, based on the tabulation, the City Council determined that the Property Owners consent to join the District and accept the levy of an assessment against their properties; and

WHEREAS, the subject properties will benefit from the improvements and activities funded in connection with the CBD. The assessment against each parcel does not exceed the reasonable cost of the proportional special benefit conferred on that parcel.

WHEREAS, the City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this

matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SALINAS AS FOLLOWS:

Section 1. The above recitals are true and correct.

Section 2. Pursuant to Article 4 of Chapter 21D of the of the Salinas City Code (Ordinance 2556), which incorporates provisions of Section 36621 of the PBID Law, the Downtown Salinas Community Benefit District is expanded to levy and collect assessments against the aforementioned subject parcels commencing fiscal year 2017-2018 and ending December 1, 2030.

Section 3. For a complete description of the expanded CBD, its boundaries and activities, as well as a complete description of the assessment authorized in connection with the Downtown Salinas CBD, reference is made to the Downtown Salinas Management District Plan dated April 21, 2015, the Downtown Salinas Community Benefit District Engineer's report also dated April 21, 2015, and the First Amendment to the Engineers Report dated June 6, 2017, each of which are on file and available for public inspection in the Office of the City Clerk, on the City's website, and incorporated herein by reference. Properties in the Downtown Salinas CBD shall be subject to any amendments to the law.

Section 4. The adoption of this Resolution constitutes the levy of the assessment in each of the fiscal years referred to in the Management District Plan; however, each year's levy shall be conditioned on approval, by resolution, of an annual report pursuant Section 36650 of the PBID Law. The approval of such report is at the discretion of the Council.

Section 5. The City Clerk is hereby authorized and directed to record the notice of assessment required by Section 36627 of PBID Law.

PASSED AND APPROVED this 11th day of July 2017 by the following vote:

AYES:

NOES:

ABSENT:

APPROVED:

Joe Gunter, Mayor

ATTEST:

Patricia M. Barajas, City Clerk