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DATE: April 22, 2008

TO: Mayor and City Council

FROM: Director of Community and Economic Development

SUBJECT: Maintenance District No. 2 – Eden Shores Buffer Zone and Pre-Treatment Pond
- Preliminarily Approve the Engineer's Report, Adopt a Resolution of Intention
and Set June 17, 2008, as the Public Hearing

RECOMMENDATION

That the City Council adopts the attached resolution of intention, and sets June 17, 2008, as the public hearing date pertaining to Maintenance District No. 2.

BACKGROUND

The annual Engineer's Report (Report) for Maintenance District No. 2 is presented to the City Council in compliance with the City of Hayward Municipal Code Chapter 10, Article 10. The Report is attached and includes the recommended amount of assessment to be levied against each property for the 2009 Fiscal Year.

Maintenance District No. 2 ("District") was formed to fund the operation and maintenance of storm water facilities, the water buffer zone bordering the residential portion of Eden Shores, masonry walls, and landscaping within the proposed development area. The District includes three residential tracts in Eden Shores, totaling 534 homes. The developer has been providing a notice and information to all home purchasers about the maintenance district, and their obligation for annual assessments.

This District was formed in June 2003, but Standard Pacific is responsible to fund maintenance of all facilities until accepted by either the City or the Alameda County Flood Control and Water Conservation District ("Flood Control District"). The funds being collected from the property owners within the District are being used to establish capital replacement funds, which would be utilized to repair or replace sections of fencing, masonry walls, pumps or structures in the future.

Water buffer improvements were accepted as complete by the City Engineer in January 2006, but the developer remained responsible for buffer operation and maintenance for a period of between 24 and 36 months after completion, consistent with the development conditions of approval. The City Engineer has advised that assumption of maintenance by the District is anticipated to occur June 2008 consistent with the 24 month period.

DISCUSSION

The base assessment rate that could be levied in FY 2009 is \$729.80 per parcel. However, Mr. David Huang, president of the Eden Shores Homeowners' Association, had requested that the assessment for FY 2009 be lower than the previous year, due to current economic conditions (refer to attachment). Staff analyzed the conditions and determined that it is possible for a one year period, and because the current balance of the reserves is healthy, a collection rate be set at \$100.00 per parcel for FY 2009.

Since the proposed assessment for the 2009 Fiscal Year is below the maximum base assessment of \$729.80, Proposition 218 proceedings are not needed.

PUBLIC CONTACT

Before the City Council public hearing on June 17, 2008, notices will be sent to all affected property owners about the public hearings. A public meeting has been scheduled for May 5, 2008, for the property owners within the District. At the meeting, staff will be available to explain District responsibilities and funding, and property owners will be given the opportunity to ask questions regarding assessments and services. The property owners can also raise concerns about assessments during the June 17 Council public hearing.

FISCAL IMPACT

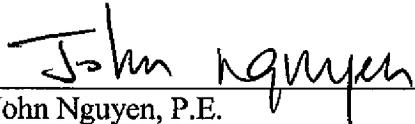
For the present, there is no fiscal impact for this recommendation because the present expenditures are to be paid for by the Maintenance District No. 2 fund account, with some augmentation from a healthy operating and reserve balance.

NEXT STEPS

Once the City Council adopts the attached resolution of intention, the following meeting schedules will be implemented:

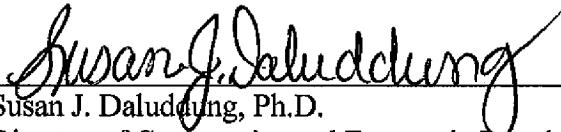
1. On May 5, 2008, a public meeting will be held with the property owners within the District. At the meeting, staff will be available to explain District responsibilities and funding, and property owners will be given the opportunity to ask questions regarding assessments; and
2. On June 17, 2008, Council will hold a public hearing to consider approving the Engineer's Report and ordering the levy of assessment for FY 2008-09.

Prepared by:



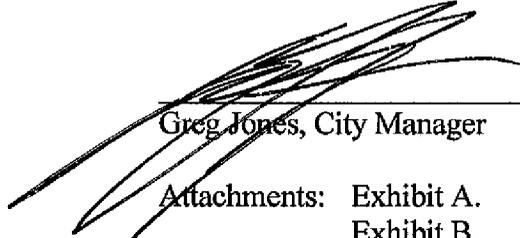
John Nguyen, P.E.
Development Review Engineer

Recommended by:



Susan J. Daluddung, Ph.D.
Director of Community and Economic Development

Approved by:



Greg Jones, City Manager

Attachments: Exhibit A. Engineer's Report
Exhibit B. Copy of Letter from Eden Shores HOA
Draft Resolution

PRELIMINARY ENGINEER'S REPORT

CITY OF HAYWARD
MAINTENANCE DISTRICT No. 2
(Eden Shores)

Fiscal Year 2008-09



April 22, 2008

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CITY COUNCIL MEMBERS AND CITY STAFF

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Mayor

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Council Member

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Greg Jones
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Michael Lawson
City Attorney

Angelina Reyes
City Clerk

Robert Bauman, Ph.D., P.E.
Director of Public Works

John Nguyen, P.E.
Engineer of Work

ENGINEER'S REPORT

CITY OF HAYWARD
MAINTENANCE DISTRICT NO. 2
FISCAL YEAR 2008-09

The undersigned, acting of behalf of the City of Hayward, respectfully submits the enclosed Engineer's Report as directed by the City of Hayward City Council. The undersigned certifies that he is a Professional Engineer, registered in the State of California.

Dated: _____

By: _____

John Nguyen, P.E.
RCE No. 55104

I HEREBY CERTIFY that the Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached, was filed with me on the ____ day of _____, 2008.

Angelina Reyes
City Clerk, City of Hayward

By: _____

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and the Assessment Diagram thereto attached, was approved and confirmed by the City Council of the City of Hayward, Alameda County, California, on the ____ day of _____, 2008.

Angelina Reyes
City Clerk, City of Hayward

By: _____

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and the Assessment Diagram thereto attached, was filed with the County Auditor of the County of Alameda, on the ____ day of _____, 2008.

By: _____

John Nguyen, P.E.
RCE No. 55104

SECTION I

INTRODUCTION
ENGINEER'S REPORT

CITY OF HAYWARD
MAINTENANCE DISTRICT NO. 2

FISCAL YEAR 2008-09

Background Information

On April 16, 2002, by Resolution No. 02-043, the City Council approved the Final Map of Tract 7317 for a 114 lot residential subdivision, with 109 single-family homes, located on the northerly side of Eden Shores Boulevard and westerly of the Union Pacific Railroad.

On November 26, 2002, by Resolution No. 02-171, the City Council approved the Final Map of Tract 7361 for a 120 lot residential subdivision, with 116 single-family homes, located on the southerly side of Eden Shores Boulevard and westerly of the Union Pacific Railroad.

On June 3, 2003, by Resolution No. 03-083, the City Council approved the Final Map for Tract 7360, for a 318 lot residential subdivision, with 309 single-family homes located on the southwesterly side of Eden Shores Drive and westerly of the Union Pacific Railroad. The additional lots in each subdivision, 27 total, will be landscaped areas, parks, wetlands or buffer areas.

Conditions of approval for Tracts No. 7317, 7360 and 7361, included provisions for construction of a water buffer channel and storm-water pretreatment pond, masonry walls, anti-predator fences, and landscaping within the proposed development area. Maintenance District No. 2 will provide a funding source to operate and maintain these improvements, including the furnishing of water and electrical energy along with debris removal, weeding, trimming and pest control spraying.

On June 24, 2003, by Resolution No. 03-102, the City Council ordered the formation of Maintenance District No. 2 to provide the funding for the operation and maintenance of these facilities.

Proposition 218 Compliance

On November 5, 1996, California voters approved Proposition 218 entitled "Right to Vote On Taxes Act," which added Articles XIII C and XIII D to the California Constitution. While its title refers only to taxes, Proposition 218 establishes new procedural requirements for the formation and administration of assessment districts.

These new procedures stipulate that, even if assessments are initially exempt from Proposition 218, future increases in assessments must comply with the provisions of Proposition 218. However, if the increase in assessment was anticipated in the assessment formula (e.g., Consumer Price Index (CPI) increase or assessment cap) then the City would be in compliance with the provisions of Proposition 218 if the assessments did not exceed the previously approved assessment formula.

For FY 2008-09, the proposed collection rate is \$100.00 per parcel which is \$55.00 less than last fiscal year. The reduced collection rate was requested by the developments HOA and is possible for a one year period due to a healthy operating and capital reserve balance. Since the proposed FY 2008-09 assessment is below the maximum base assessment of \$729.80, Proposition 218 proceedings are not needed.

Current Annual Administration

The annual Engineer's Report includes: (1) a description of the improvements to be operated, maintained and serviced, (2) an estimated budget, and (3) a listing of the proposed collection rate to be levied upon each assessable lot or parcel.

The City of Hayward will hold a public hearing on June 17, 2008, to provide an opportunity for any interested person to be heard. At the conclusion of the public hearing, the City Council may adopt a resolution confirming the levy of assessments as originally proposed or as modified. Following the adoption of this resolution, the final Assessor's Roll will be prepared and filed with the County Auditor's office to be included on the FY 2008-09 tax roll.

Payment of the assessment for each parcel will be made in the same manner and at the same time as payments are made for property taxes. All funds collected through the assessment must be placed in a special fund and can only be used for the purposes stated within this report.

SECTION II

ENGINEER'S REPORT PREPARED PURSUANT TO THE PROVISIONS
OF CHAPTER 26 OF PART 3 OF DIVISION 7 OF THE STREETS AND HIGHWAYS CODE OF
THE STATE OF CALIFORNIA

CITY OF HAYWARD
MAINTENANCE DISTRICT NO. 2

FISCAL YEAR 2008-09

Pursuant to Part 3, Division 7 of the Streets and Highways Code of the State of California and the Chapter 10, Article 10 of the Hayward Municipal Code, and in accordance with the Resolution of Intention, being Resolution No. 08-_____, Preliminarily Approving the Engineer's Report, on April 22, 2008, by the City Council of the City of Hayward, County of Alameda, State of California, in connection with the proceedings for:

CITY OF HAYWARD
MAINTENANCE DISTRICT No. 2

Hereinafter referred to as the "District", I, John Nguyen, P.E., the duly appointed ENGINEER OF WORK, submit herewith the "Report" consisting of five (5) parts as follows:

PART A: PLANS AND SPECIFICATIONS

This part describes the improvements in the District. Plans and specifications for the improvements are as set forth on the lists thereof, attached hereto, and are on file in the Office of the City Clerk of the City of Hayward, and are incorporated herein by reference.

PART B: ESTIMATE OF COST

This part contains an estimate of the cost of the proposed improvements, including incidental costs and expenses in connection therewith, as set forth on the lists thereof, attached hereto, and are on file in the Office of the City Clerk of the City of Hayward.

PART C: MAINTENANCE ASSESSMENT DISTRICT DIAGRAM

This part incorporates, by reference, a Diagram of the Maintenance Assessment District showing the exterior boundaries of the Maintenance Assessment District and the boundaries of any zones within the Maintenance Assessment District.

PART D: METHOD OF APPORTIONMENT OF ASSESSMENT

This part describes the method of apportionment of assessments based upon the parcel classification of land within the Assessment District, and in proportion to the estimated benefits to be received.

PART E: PROPERTY OWNER LIST & ASSESSMENT ROLL

This part contains an assessment of the estimated cost of the improvements on each benefited lot or parcel of land within the Assessment District. The Assessment Roll is filed in the Office of the Hayward City Clerk.

PART A

PLANS AND SPECIFICATIONS

The facilities, which have been constructed within the City of Hayward's Maintenance District No. 2 boundaries, and those which may be subsequently constructed, will be operated, maintained and serviced and are generally described as follows:

DESCRIPTION OF IMPROVEMENTS

CITY OF HAYWARD
MAINTENANCE DISTRICT No. 2

FISCAL YEAR 2008-09

The following improvements are proposed to be operated, maintained and serviced in Maintenance District No. 2 for FY 2008-09:

- *Water Buffer Channel;*
- *Storm-water Pre-Treatment Pond;*
- *Masonry Walls;*
- *Anti-predator Fences; and*
- *Miscellaneous Landscaping*

The operation, maintenance and servicing of these improvements include, but are not limited to: personnel; water, for irrigation and buffer replenishment; electrical energy; materials, including diesel fuel and oil, debris removal, weeding, trimming, pest control spraying, etc.

For FY 2008-09, the collection rate will be reduced from \$155.00 to \$100.00 per parcel. This reduced collection rate was requested by the developments HOA and is possible for a one year period due to healthy operating and capital reserve balances. In future years, if there is a need for additional revenue, the collection rate may be increased up to the base assessment rate, which is currently \$729.80 per parcel. This base assessment amount is increased annually based upon the change in the Consumer Price Index. Future increases in the collection rate up to the base assessment amount would not require the noticing and balloting of property owners per the requirements of Proposition 218.

PART B

ESTIMATE OF COST

Chapter 10, Article 10 of the Hayward Municipal Code and as supplemented by the provisions of Chapter 26 of Part 3 of Division 7 of the Streets and Highways Code of the State of California provides that the total cost of operation, maintenance and servicing of the water buffer channel, water treatment pond, masonry walls, anti-predator fences and landscaping can be recovered by the District. Incidental expenses including administration of the District, engineering fees, legal fees and all other costs associated with these improvements can also be included.

The base assessment rate was set at \$655.00 per parcel for the base year July 1, 2003 with an automatic allowance for a CPI increase annually from April 1st to March 31st of each year. On July 1, 2003, the CPI Index was set at 192.25. The most current CPI Index available at the time of this report was December 2007. The December 2007 CPI was 214.204 which translates to a 11.42% (214.204/192.25) increase since the base year. Therefore, the revised base assessment that could be levied in FY 2008-09 is \$729.80 per parcel. Future CPI increases in the base assessment rate do not require the noticing and balloting of property owners per the requirements of Proposition 218.

The costs for FY 2008-09 are summarized on the following page. These cost estimates have been provided by the City of Hayward.

TABLE I: COST ESTIMATE - FY 2008-09	
Maintenance District No. 2 - Eden Shores	
	FY 2008-09 Budget
<u>I. MAINTENANCE COSTS</u>	
(a) Landscaping maintenance including debris removal, weeding, trimming, and spraying	\$7,500.00
(b) Masonry wall (surface maintenance)	\$800.00
(c) Electrical energy	\$400.00
(d) Irrigation and buffer replenishment water	\$8,000.00
(e) Predator fence maintenance	\$9,000.00
(f) Steel structures maintenance	\$4,200.00
(g) Buffer lake maintenance	\$13,000.00
(h) Pre-treatment pond	\$10,000.00
(i) Contingency (15%)	<u>\$7,935.00</u>
Total Maintenance Cost	\$60,835.00
<u>II. INCIDENTAL COSTS</u>	
(a) Administration (City)	\$4,500.00
(b) Engineer's Report, preparation of documents, printing, and advertising	\$2,950.00
(c) County Collection Charges (1.7%)	<u>\$907.80</u>
Total Incidental Costs	\$8,357.80
<u>III. RESERVES</u>	
(a) Operating Reserves (50% of Maintenance & Incidentals) ¹	\$34,596.40
(b) Capital Reserves ²	<u>\$212,364.28</u>
Total Reserve Costs	\$246,960.68
<u>IV. TOTAL ASSESSABLE COSTS</u>	
Reserve Balance Carried Forward from Prior Fiscal Year	<u>\$262,753.48</u>
NET ASSESSMENT COLLECTION FOR FISCAL YEAR	\$53,400.00
Number of Assessable Parcels	534
Collection per Parcel	\$100.00
Base Assessment per Parcel	\$729.80
NOTES:	
<p>⁽¹⁾ Operating reserves are needed for future fiscal years because the City does not receive the assessment revenue from the County until January, therefore it is necessary to have an operating reserve fund to cover 6 months of cash flow from July 1 through December 31 each fiscal year.</p> <p>⁽²⁾ In the event capital facilities need replacement because of failure, damage or vandalism these funds will be used.</p>	

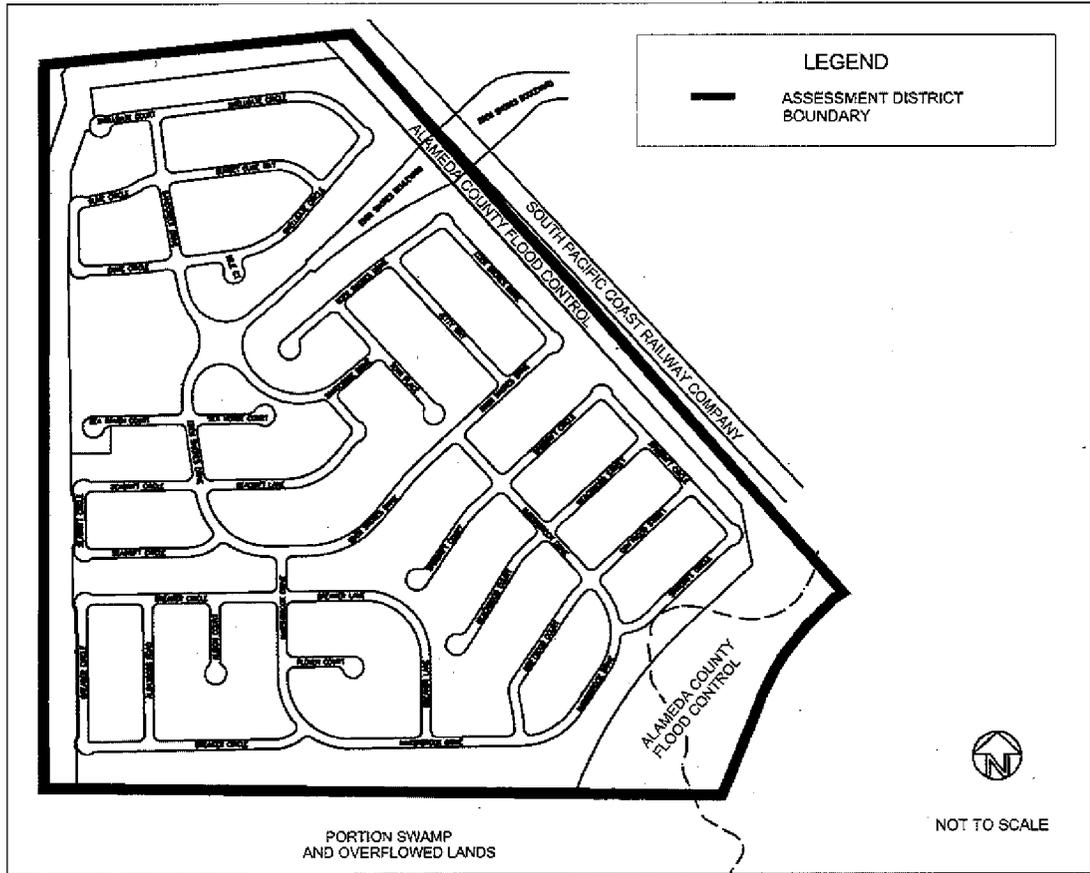
PART C

ASSESSMENT DISTRICT DIAGRAM

The Assessment District Diagram for the City of Hayward's Maintenance District No. 2 (Eden Shores) is on file in the Office of the Hayward City Clerk and is incorporated in this report on the following page.

A detailed description of the lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions shown on the maps of the Assessor of the County of Alameda for FY 2008-09.

For additional information as to the bearings, distances, monuments, easements, etc. of subject subdivisions, reference is hereby made to Tracts No. 7317, 7360 and 7361 filed in the Office of the Recorder of Alameda County.



NOTE:

For a detailed description of the lines and dimensions of the lots, reference is made to the Alameda County Assessor's Maps for the fiscal year 2004-05. For information on the streets and other appurtenant lines and dimensions within the subdivided area, reference is made to the filed final map of Tracts 7065, 7317, 7360, and 7361.

**ASSESSMENT DIAGRAM
MAINTENANCE DISTRICT NO. 2
(Eden Shores)**

**APPROVED
ENGINEER OF WORK**

BY: _____ DATE _____

Filed in the Office of the City Clerk of the City of Hayward, County of Alameda, State of California this _____ Day of _____

CITY CLERK, CITY OF HAYWARD
COUNTY OF ALAMEDA, CALIFORNIA

An assessment was Confirmed and Levied by the City of Hayward, California, on the Lots, Places and Parcels of Land shown on this Assessment Diagram on the _____ Day of _____ and said Assessment Diagram and the Assessment Roll were filed in the Office of the City Clerk, City of Hayward on the _____ Day of _____. Reference is made to said Recorded Assessment Roll for the Exact Amount of each Assessment levied against each Parcel of Land Shown on the Assessment Diagram.

CITY CLERK, CITY OF HAYWARD, CA

COUNTY AUDITOR'S CERTIFICATE:

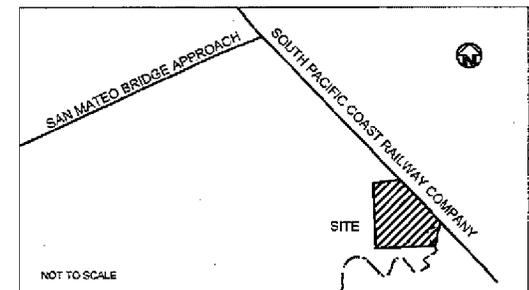
On this _____ Day of _____, this Assessment Diagram and the Accompanying Assessment Roll have been filed in the Office of the Auditor of Alameda County.

AUDITOR OF THE COUNTY OF ALAMEDA,
STATE OF CALIFORNIA

COUNTY RECORDER'S CERTIFICATE:

Recorded this _____ Day of _____, in the Office of the County Recorder of the County of Alameda, in Book _____ of Maps of Assessment District at Pages _____ Thereof at _____.

COUNTY RECORDER,
COUNTY OF ALAMEDA, STATE OF CALIFORNIA



PART D

METHOD OF APPORTIONMENT OF ASSESSMENT

GENERAL

Chapter 10, Article 10 of the Hayward Municipal Code and as supplemented by the provisions of Chapter 26 of Part 3 of Division 7 of the Streets and Highways Code of the State of California permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements which include the operation, maintenance and servicing of water buffer channels, water treatment ponds, masonry walls, predator fences and landscaping.

Proposition 218 requires that maintenance assessments must be levied according to benefit rather than according to assessed value. In addition, Article XIII D, Section 4(a) of the California Constitution limits the amount of any assessment to the proportional special benefit conferred on the property.

Because assessments are levied on the basis of benefit, they are not considered a tax, and, therefore, are not governed by Article XIII A of the California Constitution.

Article XIII D provides that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment. Exempted from the assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-ways.

The properties benefiting from the operation, maintenance and servicing of water buffer channels, water treatment ponds, masonry walls, predator fences and landscaping consist of the 534 single-family residential lots located within Tracts No. 7317, 7360 and 7361.

Each of the 534 single-family residential lots receive a special benefit in that they are able to be developed because protection to the adjacent open space has been provided through the construction of these improvements. The special benefit derived by the individual parcels is indistinguishable between parcels. Therefore, all residential parcels derive the same benefit and the corresponding method of assessment for residential land uses is based on a per parcel basis.

The estimated FY 2008-09 assessment revenue needed is \$53,400.00. The collection rate for FY 2008-09 will be \$100.00 per parcel.

PART E

PROPERTY OWNER LIST & ASSESSMENT ROLL

A list of names and addresses of the owners of all parcels within the City of Hayward's Maintenance District No. 2 is shown on the last equalized Property Tax Roll of the Assessor of the County of Alameda, which is hereby made a part of this report. This list is keyed to the Assessor's Parcel Numbers as shown on the Assessment Roll on file in the Office of the Hayward City Clerk.

The proposed collection rate and the amount for FY 2008-09 apportioned to each lot or parcel, as shown on the latest roll at the Assessor's Office, are on file in the Office of the City Clerk. The description of each lot or parcel is part of the records of the Assessor of the County of Alameda and these records are, by reference, made a part of this report.

The total amount proposed to be collected for FY 2008-09 is \$53,400.00.

The Assessment Roll for FY 2008-09 is included on the following page of this Report and is on file in the Office of the Hayward City Clerk.

APPENDIX A
FY 2008-09
ASSESSMENT ROLL

*CITY OF HAYWARD - EDEN SHORES
 MAINTENANCE DISTRICT NO. 2*

APPENDIX A

PARCEL NUMBER	LEG. NO.	FINAL AMOUNT	DESCRIPTION
461-0103-052-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-053-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-054-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-055-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-056-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-057-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-058-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-059-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-060-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-061-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-062-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-063-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-064-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-065-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-066-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-067-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-068-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-069-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-070-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-071-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-072-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-073-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-074-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-075-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-076-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-077-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-078-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-079-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-080-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
461-0103-081-00	641	\$100.00	MAINTENANCE DISTRICT NO. 2, EDEN SHORES
TOTAL		\$53,400.00	



EDEN SHORES HOMEOWNERS ASSOCIATION
2723 Breaker Lane, Hayward, CA 94545
www.edenshoreshoa.org

March 10, 2008

John Nguyen,
Development Review Engineer
City of Hayward
City Hall Building
777 B Street
Hayward, CA 94541-5007

Re: LLAD #96-1 Zone 10 & Maint. Dist. #2

Dear Mr. Nguyen

Thank you for meeting with me last Friday and reviewed the proposed new budget for LLAD 96-1 Zone 10 and MD-2. I appreciate that you willing to review the history of actual spending and adjust the next year's budget based on prior expenditures.

As you already know that the Citizens of Hayward are encountering one of the worst financial hard times. Many of the homeowners are not able to afford the high property taxes and excessive assessments. There is a large increase in the numbers of homeowners falling behind in their monthly HOA dues and mortgage payments.

The Board of Directors and I appreciate that the LLAD and the City will take the action to adjust the LLAD 96-1, Zone 10 assessment to less than \$330 per unit per year, and make MD-2 assessment less than \$100 per unit per year. This will provide a total of \$229,620 per year for maintenance, and will still provide a healthy reserve fund. We also hope the City will work with us to improve the operation efficiency in the coming year. Many Thanks.

Sincerely,

David Huang, AIA
President
650 903 6267
Email: DavidHuang2746@Gmail.com

DRAFT

HAYWARD CITY COUNCIL

RESOLUTION NO. 08-

Introduced by Council Member _____

mal
4/1/08

RESOLUTION PRELIMINARILY APPROVING ENGINEER'S REPORT, DECLARING INTENTION TO LEVY ASSESSMENTS FOR FISCAL YEAR 2008-09 AND SETTING JUNE 17, 2008, AS THE PUBLIC HEARING DATE CONCERNING MAINTENANCE DISTRICT NO. 2 - EDEN SHORES STORM WATER FACILITIES AND WATER BUFFER (MD NO. 2)

BE IT RESOLVED by the City Council of the City of Hayward, as follows:

1. Maintenance District No. 2-Eden Shores Buffer Zone and Pre-Treatment Pond (the "maintenance district") was established by the adoption of Resolution No. 03-102 to provide funds for the operation and maintenance of storm water facilities and the wetland buffer bordering the residential portion of Eden Shores which encompasses the three residential tracts in Eden Shores totaling 534 homes. The maintenance district consists of the properties as shown on the Assessment Roll on file in the Office of the Hayward City Clerk.
2. The Engineer of Work has prepared a report in accordance with the City of Hayward Municipal Code, Chapter 10, Article 10, section 10-10.25. Said report has been made, filed, and duly considered by this City Council and is hereby deemed sufficient and preliminarily approved. Said report shall stand as the report for all subsequent proceedings related to the proposed levy of district assessments for fiscal year 2008-2009.
3. It is the intention of the City Council to order the levy and collection of assessments for the maintenance of the storm water facilities and wetland buffer pursuant to Part 3, Chapter 26 of Division 7 of the California Streets and Highways Code (commencing with section 5820 thereof).
4. The proposed assessment is \$100 per parcel, \$55 less than what was assessed in fiscal year 2007-2008.
5. Reference is hereby made to the aforementioned report on file with the City Clerk for a full and detailed description of the improvements, the boundaries of the proposed maintenance district, and the proposed assessments upon assessable lots within said district.
6. On June 17, 2008, at the hour of 8 p.m., in the regular meeting place of this City Council, City Council Chambers, 777 B Street, Hayward, California, a public hearing will be held on the levy of the proposed assessment.

Prior to the conclusion of said public hearing, any interested person may file a written protest with the City Clerk, or having previously filed a protest, may file a written withdrawal of that protest. A written protest by a property owner shall contain a description sufficient to identify the property owned by such owner.

7. The City Clerk is hereby directed to cause a notice of said meeting and hearing to be made in the form and manner provided by law, specifically section 54954.6 of the Government Code of the State of California.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2008

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward