

## RESOLUTION NO. 19-8685

A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA OF INTENTION TO ORDER THAT THE ALTERNATIVE METHOD FOR THE LEVY OF BENEFIT ASSESSMENT BE MADE APPLICABLE TO CITY OF SANTA CLARA CONVENTION CENTER COMPLEX MAINTENANCE DISTRICT NO. 183, PROVIDING FOR NOTICE OF HEARING THEREON, APPROVING THE DISTRIBUTION OF THE DIRECTOR'S REPORT, AND PROVIDING FOR NOTICE OF HEARING ON DIRECTOR'S REPORT FOR FISCAL YEAR 2019-20

### BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

**WHEREAS**, pursuant to Chapter 16.10 of "The Code of the City of Santa Clara, California" ("City Code"), the City Council of the City of Santa Clara, California ("Council") adopted Resolution No. 5081 on June 3, 1986, creating "City of Santa Clara Convention Center Complex Maintenance District No. 183" ("District") in the City of Santa Clara, California ("City"). Resolution No. 5081 also ordered that the costs and expenses of maintaining and operating the on-site public improvements ("Public Improvements") on the property within the District, including the cost of necessary repairs, replacements, fuel, power, electrical current, care, supervision and any and all other items necessary for the proper maintenance and operation of the Public Improvements be raised by the levy of an annual special benefit assessment apportioned according to special benefits conferred among the parcels of property within the District in accordance with a formula set forth in Resolution No. 5081, and in accordance with and pursuant to the provisions for the alternative method for the levy of benefit assessments in maintenance districts in the City as provided in the City Code;

**WHEREAS**, Resolution No. 5081 provided that the Council shall, in addition to all other taxes, annually fix and levy a special assessment tax upon the real property (land and improvements) within the District as therein provided, sufficient to raise the amount of money necessary to pay the annual costs of maintenance and operation;

**WHEREAS**, the Council adopted Ordinance No. 1401 on April 8, 1980, which provided for an alternative method for annually fixing and levying a special benefit assessment within maintenance districts located in the City for said purpose;

**WHEREAS**, in the opinion of this Council, the annual costs of maintenance and operation of the Public Improvements shall be appropriately financed pursuant to the provisions of Ordinance No. 1401 and Resolution No. 5081 and related provisions of the City Code;

**WHEREAS**, pursuant to the provisions of Resolution No. 5081, the City's Director of Public Works has made and filed with the City Clerk a written report ("Director's Report") setting forth the budget, the formula for the annual assessment levy, a description of each lot or parcel of property to be assessed and the amount of the assessment to be levied against each lot or parcel of property in accordance with said formula. The costs of operation, maintenance, and servicing of improvements to be funded by the District are apportioned to each parcel in proportion to the special benefit it receives;

**WHEREAS**, City Staff met with the affected property owners on April 4, 2019 to discuss the Director's Report;

**WHEREAS**, Proposition 218 passed by the voters in the general election on November 5, 1996, added Articles XIIIC and XIID to the State of California Constitution which require the property owners within the District to annually approve any assessment increase that is more than any previous assessment;

**WHEREAS**, in the event of an assessment that is greater than any previous assessment, the procedures of approval under Proposition 218 not only require the preparation of a Director's Report on how the assessments were prepared and based, but further necessitate a written ballot ("Ballot") to be returned in order to determine approval of any assessment increases for the District;

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**WHEREAS**, the Director's Report, Ballot, and public hearing notice are to be sent out at least 45 days in advance of the public hearing to all property owners, and any tenants within the District who are responsible for paying each assessment;

**WHEREAS**, in the event of an assessment that is greater than any previous assessment, a majority weighted vote of the Ballots (weighting determined by an amount of assessment paid), must be received in order to approve any proposed increase in assessment;

**WHEREAS**, for Fiscal Year 2019-20, the assessments are increasing and therefore, Proposition 218 requirements do apply; and

**WHEREAS**, the Council has duly considered the Director's Report and finds that it is sufficient and does not require modification.

**NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:**

1. That the recitals set forth above are true and correct and by this reference, the Council makes them a part hereof.
2. That the public interest and convenience require and this Council hereby orders that the costs and expenses of acquiring, constructing, reconstructing, installing, extending, enlarging, repairing, improving, maintaining and operating the Public Improvements now existing or hereafter to be constructed in and for the District which benefit the District as a whole, including the cost of necessary repairs, replacements, water, fuel, power, gas, electric current, care, supervision and any and all other items necessary for the proper maintenance and operation thereof, and of all additions, improvements and enlargements thereto which may hereafter be made, be raised by an annual special benefit assessment in accordance with and pursuant to the provisions for the alternative method for the levy of benefit assessments in maintenance districts in the City, as provided in Section 16.10.490 and Section 16.10.500 of the City Code, on all lots or parcels of property within the District.

3. That the costs and expenses of maintaining and operating the Public Improvements within the District shall annually be assessed, either partly or wholly, upon the benefited lots and parcels of property within the District by apportioning the costs and expenses according to benefits in proportion to the special benefits received by each lot or parcel of property within the District in accordance with the formula set forth in EXHIBIT "B" of Resolution No. 5081.

4. That the City Manager caused a budget to be prepared for the costs of the expenses of maintaining and operating the Public Improvements during fiscal year 2019-20 and the Director of Public Works prepared and filed a Director's Report with the City Clerk which provides the basis for the levy of benefit assessments for the cost of maintenance and operation on all lots or parcels of property within the District.

5. NOTICE IS HEREBY GIVEN that on Tuesday, June 4, 2019, at 7:00 p.m., at its regular meeting place in the Council Chambers at City Hall, 1500 Warburton Avenue, Santa Clara, California, the Council will hold a public hearing during which it will hear any and all evidence and protests relating to said alternative method for the levy of benefit assessments and said formula for the District, and if the assessment is greater than any previous assessment, certify any ballots received and determine any weighted vote necessary, examine said Director's Report and hear all persons interested therein. Any interested property owner, who objects to the alternative method for the levy of benefit assessments, the formula, or to the amount of the assessment on any lot or parcel of property owned by him/her, may file a signed written protest with the City Clerk before the commencement of the Council meeting during which the public hearing will be held, describing the lot or parcel of property owned by him/her so that it may be identified and stating the grounds of his/her protest. The property owner may appear at the hearing and be heard with regard to his/her protest.

6. Written ballots are to be completed and returned to the City Clerk's office not later than Tuesday, June 4, 2019, at 7:00 p.m., or at the time this matter is heard.

7. The City Clerk is hereby authorized and directed to a) post a copy of notice of hearing on or near the Council Chamber door or any bulletin board in or adjacent to the City Hall and b) publish a copy of notice of hearing at least once in a newspaper of general circulation, pursuant to City Code Section 16.10.490(p).

8. The Director of Public Works is hereby authorized and directed to give notice of said hearing by mailing a copy of this Resolution of Intention and Director's Report, postage prepaid to record owners of any lot or parcel of property subject to a benefit assessment to pay said costs of maintenance and operation, as determined by the last assessment roll. This Resolution will be available for public inspection in the City Clerk's office; and said mailing shall be done at least forty-five (45) days, and posting and publication shall be completed not less than ten (10) days, prior to the date fixed (June 4, 2019) for the hearing.

9. Effective date. This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A AND A REGULAR MEETING THEREOF HELD ON THE 9<sup>TH</sup> DAY OF APRIL, 2019, BY THE FOLLOWING VOTE:

AYES:	COUNCILORS:	Chahal, Davis, Hardy, O'Neill and Watanabe and Mayor Gillmor
NOES:	COUNCILORS:	None
ABSENT:	COUNCILORS:	Mahan
ABSTAINED:	COUNCILORS:	None

ATTEST:



NORA PIMENTEL, MMC  
ASSISTANT CITY CLERK  
CITY OF SANTA CLARA

Attachments incorporated by reference:  
1. Director's Report

**DIRECTOR'S REPORT**  
**CITY OF SANTA CLARA**  
**SANTA CLARA CONVENTION CENTER COMPLEX**  
**MAINTENANCE DISTRICT NO. 183**  
**FISCAL YEAR 2019-2020**

**4/9/2019**

COUNCIL APPROVED: (proposed June 4, 2019)

Director of Public Works/City Engineer

**SANTA CLARA CONVENTION CENTER COMPLEX  
MAINTENANCE DISTRICT NO. 183  
City of Santa Clara, California**

**SPECIAL BENEFIT ASSESSMENT for Fiscal Year 2019-2020**

**DIRECTOR'S REPORT**

The Director of Public Works/City Engineer of the City of Santa Clara, California, pursuant to the provisions of Section 16.10.490 of the Code of the City of Santa Clara, hereby makes this report and the following special benefit assessment to cover the costs and expenses of maintaining and operating the improvements within Santa Clara Convention Center Complex Maintenance District No. 183 of said City, including the costs and expenses incidental thereto, to be paid by said Maintenance District.

The amount to be paid therefore by said Maintenance District for the Fiscal Year 2019-2020 is as follows:

	<u>As Preliminarily Approved</u>
Maintenance and Operations	\$ 1,428,119
Permanent Parking Controls	\$ 15,000
Reserve for Dynamic Parking Controls	\$ 255,000
Exceptional Improvements	\$ 0
Funds Advanced by and to be Repaid to City	\$ 0
<b>TOTAL COST</b>	<b>\$ 1,698,119</b>
Less Amount of Surplus From Prior Years:	
Convention Center	\$ 0
Hyatt Corporation - A Delaware Limited Liability Corporation	\$ 0
Hudson Techmart Commerce Center L.L.C	\$ 0
Amount of Reserves:	\$ 0
Amount of Contribution:	\$ 0
<b>BALANCE OF ASSESSMENT</b>	<b>\$ 1,698,119</b>

And I do thereby assess and apportion the amount of said costs and expenses, including the costs and expenses incidental thereto, upon the several lots or parcels of property liable therefore and specially benefited thereby, in proportion to the benefits to be received by each lot or parcel of property, from the maintenance and operation thereof and more particularly set forth in the list hereto attached and by reference made a part hereof.

Each lot or parcel of land is described in the assessment list by reference to its parcel number as shown on the assessor's maps of the County of Santa Clara for Effective Roll Year 2019-2020 to the right of the parcel numbers and include all of such parcel.

I hereby certify to the best of my professional knowledge and experience that each of the identified benefiting properties located within the District receives a special benefit over and above the benefits conferred to the public at large and that the amount of the assessment is proportional to the benefits specially received or enjoyed by each parcel or property within the District.

Date: \_\_\_\_\_  
Director of Public Works  
City of Santa Clara

**SANTA CLARA CONVENTION CENTER COMPLEX  
MAINTENANCE DISTRICT NO. 183**  
City of Santa Clara, California  
**SPECIAL BENEFIT ASSESSMENT for Fiscal Year 2019-2020**

**DIRECTOR'S REPORT**

**TABLE 1. BUDGET**

Category	Estimated Cost	Description Of Category
Maintenance and Operation	\$1,428,119	Labor, materials, supplies and equipment to maintain and operate Maintenance District No. 183 including, but not limited to water, sewer, electrical and other utility costs, sweeping of parking lots, maintenance of pavement and sidewalks, pavement striping, signs, fountains, landscaping, storm drains, lighting, space frames, parking structure, bridges, other common improvements, City supervision and management of maintenance district, insurance, contingencies, and incidental expenses.
Permanent Parking Controls	\$ 15,000	Labor, materials, supplies and equipment to maintain and operate fixed directional signs, electronic signs, automatic vehicle counting devices, cashiering stations, ticket printer, dispensers, card readers, cashier booths, including regularly scheduled parking attendants and guards.
Dynamic Parking Controls	\$ 255,000	Labor, materials, supplies and equipment to maintain and operate movable barriers and barrier placement, special parking attendants and guards, implementation of adjustable gates, special directional signs, and implementation of electronic signs.
Exceptional Improvements	\$ 0	Special improvement project benefiting special parcel.
Funds Advanced by and to be Repaid to City	\$ 0	For deficits which occurred in prior years
<b>TOTAL COST</b>	<b>\$ 1,698,119</b>	

Less	Amount of Surplus From Prior Years:	
	City of Santa Clara	\$ 0
	Hyatt Regency Hotel Santa Clara	\$ 0
	Hudson Techmart Commerce Center L.L.C	\$ 0
	Amount of Reserves:	\$ 0
	Amount of Contribution:	\$ 0
	<b>BALANCE OF ASSESSMENT</b>	<b>\$ 1,698,119</b>



**SANTA CLARA CONVENTION CENTER COMPLEX  
MAINTENANCE DISTRICT NO. 183  
City of Santa Clara, California**

**SPECIAL BENEFIT ASSESSMENT for Fiscal Year 2019-2020**

**DIRECTOR'S REPORT**

**TABLE 2. PROPERTY OWNERS TO BE ASSESSED**

Name & Address of Owner	Assessor's Parcel Number	As Finally Confirmed	As Preliminarily Approved
City of Santa Clara 1500 Warburton Avenue Santa Clara, CA 95050 Santa Clara Convention Center (Convention Center)	104-55-017	\$	\$ 771,348
Hyatt Corporation as agent of IA Lodging Santa Clara TRS, L.L.C dba Hyatt Regency Santa Clara Eron Hodges – General Manager 5101 Great America Parkway Santa Clara, CA 95054 (Hotel)	104-55-005 104-55-012	\$	\$ 358,060
Hudson Techmart Commerce Center L.L.C Rebecca Agbuya, Portfolio Manager 2055 Gateway Place, Suite 200 San Jose, CA 95110 (Techmart)	104-55-013	\$	\$ 568,710
<b>TOTAL</b>		<b>\$</b>	<b>\$ 1,698,118</b>
<p>Also Send Copy of Director's Report To:</p> <p>Hyatt Regency Santa Clara Eron Hodges – General Manager 5101 Great America Parkway Santa Clara, CA 95054</p> <p>Hudson Techmart Commerce Center L.L.C Rebecca Agbuya, Portfolio Manager 2055 Gateway Place, Suite 200 San Jose, CA 95110</p>			

**SANTA CLARA CONVENTION CENTER COMPLEX  
MAINTENANCE DISTRICT NO. 183  
City of Santa Clara, California**

**SPECIAL BENEFIT ASSESSMENT for Fiscal Year 2019-2020**

**DIRECTOR'S REPORT**

**TABLE 3. BUDGET/ASSESSMENT COMPARISON**

	Budget For Fiscal Year 2018-2019			Budget For Fiscal Year 2019-2020		
	Total Assessment	Reduced By Proportion From Prior Year's Surplus	Net Assessment	Total Assessment	Reduced By Proportion From Prior Year's Surplus	Net Assessment
City of Santa Clara (Convention Center)	\$ 706,591	\$ 0	\$ 706,591	\$ 771,348	\$ 0	\$ 771,348
Hyatt Regency Hotel Santa Clara	\$ 330,823	\$ 0	\$ 330,823	\$ 358,060	\$ 0	\$ 358,060
Hudson Techmart Commerce Center L.L.C	\$ 525,705	\$ 0	\$ 525,705	\$ 568,710	\$ 0	\$ 568,710
<b>TOTAL</b>	<b>\$ 1,563,119</b>	<b>\$ 0</b>	<b>\$ 1,563,119</b>	<b>\$ 1,698,118</b>	<b>\$ 0</b>	<b>\$ 1,698,118</b>

**SANTA CLARA CONVENTION CENTER COMPLEX  
MAINTENANCE DISTRICT NO. 183  
City of Santa Clara, California**

**SPECIAL BENEFIT ASSESSMENT for Fiscal Year 2019-2020  
DIRECTOR'S REPORT**

**TABLE 4. FORMULA FOR ASSESSMENT LEVY**

	Category	Estimated Expenditure	City of Santa Clara (Conv. Center)	Hyatt Regency Hotel Santa Clara	Hudson Techmart Commerce Center
			39.64%	22.94%	37.42%
I.	Maintenance and Operations	\$ 1,428,119	\$ 566,106	\$ 327,610	\$ 534,402
			30.04%	22.12%	47.84%
II.	Permanent Parking Controls	\$ 15,000	\$ 4,506	\$ 3,318	\$ 7,176
			78.72%	10.64%	10.64%
III.	Dynamic Parking Controls	\$ 255,000	\$ 200,736	\$ 27,132	\$ 27,132
IV.	Exceptional Improvements	\$ 0	\$ 0	\$ 0	\$ 0
V.	Funds Advanced by/to be Repaid to City	\$ 0	\$ 0	\$ 0	\$ 0
VI.	Surplus Funds from Prior Year	\$ 0	\$ 0	\$ 0	\$ 0
	<b>TOTAL ASSESSMENT</b>	<b>\$ 1,698,119</b>	<b>\$ 771,348</b>	<b>\$ 358,060</b>	<b>\$ 568,710</b>