



# The Week in Review

City Manager Grace K. Leung  
July 26, 2019

---

## Upcoming Events

**Wednesday, July 31**  
**Hearing Officer – Community Development Dept. matters**  
City Hall, Newport Beach  
Conference Room (Bay1B)  
100 Civic Center Dr.  
10:30 a.m.

**Tuesday, August 6**  
**National Night Out**  
Bonita Canyon Sport Park  
1990 Ford Road  
4 p.m. – 7 p.m.

**Tuesday, August 6**  
**Parks, Beaches & Recreation Commission Meeting**  
City Hall, City Council Chambers  
100 Civic Center Drive  
6 p.m.

**Thursday, August 8**  
**City Arts Commission Meeting**  
Central Library  
1000 Avocado Ave.  
5 p.m.

**Thursday, August 8**  
**Planning Commission Meeting**  
City Hall, City Council Chambers  
100 Civic Center Dr.  
6:30 p.m.

**Thursday, August 15**  
**Zoning Administrator Mtg.**  
City Hall, Corona del Mar  
Conference Room (Bay1E)  
100 Civic Center Dr.  
3 p.m.

## City Maintains Aaa Credit Rating from Moody's

Credit rating agency Moody's recently released its latest credit rating for the City of Newport Beach. The report states "The credit position for Newport Beach is outstanding. Its Aaa rating far exceeds the median rating of Aa3 for US cities. Key credit factors include a very large tax base with an affluent wealth and income profile, a robust financial position, a modest debt burden and a significant pension liability." The full report can be accessed here, [Moody's Annual Issuer Comment Report](#).

## Assist the OC Registrar of Voters in Selecting Vote Center Locations

Get involved in vote center planning by attending public meetings or providing feedback online. If you know a site that might make a great vote center please click [here](#) to make a suggestion. For additional information, including the schedule of public meetings, please visit [ocvote.com](#).

## Vivante Senior Housing Project

The Vivante Senior Housing project, a 90-unit senior housing and 27-bed memory care facility located at 850 and 856 San Clemente Drive, was reviewed and recommended for City Council approval by the Planning Commission at their July 18 meeting. The Airport Land Use Commission also reviewed the project on July 18 and found the project consistent with the Airport Environs Land Use Plan for John Wayne Airport. The project applications include requests for a General Plan amendment, Planned Community Development Plan amendment, Development Agreement, Major Site Development Review, Conditional use Permit, Lot Merger, and certification of an EIR addendum. The project is scheduled for City Council review on August 13, 2019, which will start at 7 p.m. in the City Council Chambers. For more information, please visit the [project webpage](#).

Visit the City's website for a complete listing of meetings and events at [newportbeachca.gov/events](http://newportbeachca.gov/events).

### **Balboa Village Advisory Committee Meeting**

The Balboa Village Advisory Committee (BVAC) met last Wednesday at Marina Park. The BVAC was shown the final design concepts for the revamped wayfinding signage proposed throughout the Village. Installation of the new signage is anticipated for Fall 2019, and will include new directional signs as well as four kiosk-type signs to help visitors navigate through the Village using landmarks.

Also at this meeting, the BVAC reviewed its progress with addressing the strategies identified in the City Council-approved Balboa Village Master Plan. At its next meeting, the BVAC will discuss a few of the specific strategies and how they have been addressed and will also discuss potential future initiatives.

The BVAC meets on the third Wednesday of each month at Marina Park on an as-needed basis. For additional information, please check the City's webpage [here](#).

### **June Treasury Report**

The June 2019 Treasury Report is available on the City's website at: [www.newportbeachca.gov/treasury](http://www.newportbeachca.gov/treasury).

As of June, the City's portfolio totaled just over \$291 million, from all sources. Roughly \$29 million of this portfolio was highly liquid, meaning it was available for cash flows associated with day-to-day operations and cash funding of major construction expenditures.

The short-term portfolio (\$217 million) had a weighted average effective maturity of 1.84 years. The trailing twelve months' total return was 4.00%. This return compared favorably to our benchmark for the same period, the BAML 1-3 Year Treasury index, which returned 3.96%. The income yield on the portfolio, a better measure of income derived from the portfolio, was 1.87%.

### **Assessment Districts No. 116 and No. 116B Bond Financing**

An underground utility assessment district is a special district formed by a local government agency, such as the City of Newport Beach, at the request of local property owners for the purpose of undergrounding utilities or other public improvements in the public right-of-way. The assessment district includes all property owners that will directly benefit from the undergrounding improvements.

The purpose of Assessment Districts No. 116 (AD 116) and No. 116B (AD 116B) is to provide financing to underground power, telephone, and cable facilities in the area generally bounded by 44th Street to 38th Street and Balboa Boulevard to Rivo Alto Channel, and on the east and west side of Balboa Boulevard between 47th Street and 45th Street.

The underground utility improvements will provide conversion to an upgraded utility system and will enhance neighborhood aesthetics, safety and reliability. An assessment can be paid in cash or through bond financing. Once the assessment district has been approved by the City Council, property owners have the ability to pay the assessment in cash and any unpaid portion of the assessment is financed through the sale of bonds. If the property owner elects to finance the improvement, annual installments of principal, interest, and administrative fees will be collected with the owner's annual property tax bill.

At the June 25 meeting, City Council authorized the issuance of limited obligation improvement bonds to finance the remaining unpaid assessments for AD 116 and AD 116B, in principal amounts not to exceed \$1,575,000 and \$665,000. Since then, Accounting Division Staff has been working with the financing team comprised of a Municipal Advisor, Bond Counsel, Underwriter, Trustee, and others, to finalize the necessary legal documents. On Tuesday July 23, these two bond-financing transactions successfully closed without issue. Because the credit position of the City is considered outstanding, these bonds experienced high demand from investors and bear

interest rates lower than anticipated ranging from 2.00% to 3.00% over a twenty-year amortization period. The lower interest rates mean the total cost will be less for those property owners who financed their assessments. Up next for these two districts is the construction phase.

### **Underground Utility Assessment District No. 116**

Civil construction work for Underground Utility Assessment District No. 116 in West Newport has begun. The contractor Asplundh Construction Corp., has completed work on the alley bounded by Balboa Boulevard and River Avenue and 39<sup>th</sup> Street and 38<sup>th</sup> Street. They are also currently working on the vault located at River Avenue and 38<sup>th</sup> Street, as well as mainline trenching for conduits along River Avenue. This work can be a bit time consuming due to the amount of groundwater the contractor has to dewater and the narrow alleys make it difficult to maneuver equipment and material around existing utilities. Next up, work on the alley located between 42<sup>nd</sup> and 41<sup>st</sup> Street.

