

REPORT TO THE CITY COUNCIL



DATE: May 1, 2018

TITLE: Cancel Hearing and Abandon the Proceedings to Annex and Assess 259 Homes Commonly Known as Rancho Del Oro to the City of Desert Hot Springs Landscape and Lighting Maintenance District No. 2

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Reviewed by: Jennifer Mizrahi, City Attorney

RECOMMENDATION

That the City Council by Minute Order move to cancel the Public Hearing for May 15, 2018 and abandon the proceedings to annex and assess property to Landscape and Lighting Maintenance District No. 2 (Annexation No. 18, Zone 19) and to continue to maintain certain landscaping surrounding Rancho del Oro.

DISCUSSION

In 2004, the City Council formed the Landscape and Lighting Maintenance District No. 2 ("the District") to collect annual assessments from properties throughout portions of the City to provide a funding mechanism for the installation, maintenance and servicing of landscaping. The District is currently comprised of 18 zones throughout the City and the improvements being provided may include but are not limited to: ground cover, shrubs, plants and trees, irrigation systems, landscape lighting, street lighting, graffiti removal, masonry walls, entry monuments, and associated appurtenant facilities. Services provided include all necessary service, operations, administration and maintenance required to keep the above mentioned improvements in a healthy, vigorous and satisfactory working condition.

The Rancho Del Oro residential subdivision is located on the north side of Mission Lakes Blvd. between Sonora Drive and West Drive, just south of Avenida Jalisco. The subdivision tracts were developed and recorded in 1992 and 1993. 259 single family homes were completed and the majority of the perimeter landscaping was installed. However, no provisions were made to maintain any of the perimeter landscape improvements and no assessment district was established or formed. A typical process for formation of such a district is for the property owners in each subdivision to form a Landscape Maintenance District in which the cost of maintaining the landscaping is funded through an assessment that is paid for by the corresponding benefitting lots.

In the interest of keeping the landscaping alive and viable, the City has been maintaining. However, the landscaping responsibility is not that of the City's. Therefore, throughout the last few years, City Staff worked with the Rancho Del Oro residents in an effort to establish a permanent solution to fund the landscape maintenance. In 2017, City Council held the requisite meetings and public hearings to initiate annexation into the District. Ultimately, however, annexation into the District failed due to a higher number of residents voting "no."

Subsequently, the City received a petition from 93 property owners within Rancho Del Oro to consider a funding mechanism to permanently fund the landscaping. In response to the Petition, the residents of Rancho Del Oro, on February 6, 2018, the City Council (the "City Council")

passed a Resolution of Intention to, among other things, initiate proceedings for the annexation of certain property, as Annexation No. 18, Zone 19, to Landscape and Lighting Maintenance District No. 2 of the City of Desert Hot Springs (the "Assessment District") pursuant to the Landscaping and Lighting Act of 1972, as found in Part 2 (commencing with Section 22500) of Division 15 of the California Streets and Highways Code ("the Act"), for the planting and installation of public landscaping and facilities which are appurtenant thereto and the maintenance and servicing thereof in accordance with Section 22525 of the California Streets and Highways Code ("Resolution of Intention").

The Resolution of Intention, among other things, set the hearing for 6:00 p.m. on April 3, 2018. In an effort to provide more time to the property owners to submit their ballots on the proposed annexation and assessment, the hearing date was postponed to 6:00 p.m. on May 15, 2018.

CURRENT REQUEST

It has come to the City's attention that more time and outreach may be needed by the Rancho del Oro residents to strategize about permanent funding for the landscaping. In order to provide this time to the Rancho del Oro residents, at this time the City would like to cancel the public hearing and abandon these annexation proceedings in order to further analyze the annexation, the engineers report, and the available landscaping options and costs.

FISCAL IMPACT

There are currently no funds appropriated for the costs associated with the on-going landscape maintenance of the Rancho Del Oro landscaping. Expense are estimated at \$4,000 per month and charged to account 501-4345-4266.