

REPORT TO THE CITY COUNCIL



DATE: May 21, 2019

TITLE: Landscape and Lighting maintenance District No. 1
Intention Proceedings for the Levy and Collection of
Assessments

Prepared by: Webb Municipal Finance, LLC, Tax Administration
Consultant

Reviewed by: Linda Kelly, Finance Director

RECOMMENDATION

- 1) Adopt a Resolution of the City Council, declaring its intention for the levy and collection of assessments for the Citywide Landscape and Lighting Maintenance District No. 1, Zone A and Zone B, for the Fiscal Year 2019-20; and
- 2) Adopt a Resolution of the City Council, Approving the Annual Engineer's Report regarding the proposed levy and collection of assessments for the Landscape and Lighting Maintenance District No. 1 for the Fiscal Year 2019-20.

BACKGROUND:

The City Council has by previous resolutions formed and levied annual assessments for Landscape and Lighting Maintenance District No. 1 (the "District") pursuant to the Landscape and Lighting Act of 1972, and Articles XIII C and XIII D of the Constitution of the State of California (collectively, "Assessment Law") to pay for the maintenance of improvements and facilities and services related thereto by all parcels that have special benefit conferred upon them. Under the Assessment Law, all parcels that have special benefits conferred upon them because of the maintenance and operation of improvements shall be identified, and the proportionate special benefit received by each identified parcel shall be determined in relationship to the entire cost of the maintenance and operation of improvements. Only parcels that receive special benefit are assessed, and each parcel is assessed in proportion to the estimated benefit received.

The improvements provided within the District may include but are not limited to, the construction, operation, maintenance and servicing of landscaping, sidewalks, trees, street lighting, park facilities, parkways, street tree lighting and appurtenant facilities. Services and maintenance include, but are not limited to, personnel, electrical energy and lease costs from utility providers, water and gas costs from utility providers, equipment, maintenance of vehicles, materials, contracting services, and other items necessary for the satisfactory operation of the facilities.

DISCUSSION:

The annual engineer's report has been prepared, setting forth the District's improvements, and the annual costs and expenses of services, operations, and maintenance of the District, and additionally, providing the assessment roll containing the Fiscal Year 2019-20 levy for each assessor's parcel within the District ("Engineer's Report").

Approval of the two resolutions attached to this staff report would declare the City's Council's intention to levy the appropriate assessments, and additionally, approve the Engineer's Report upon which said levies would be based, in accordance with the procedures set forth by the Assessment Law, for the collection of assessments to pay for the maintenance, services, and operation of all improvements and facilities within the District.

FISCAL IMPACT:

The levy and collection of assessments for the Fiscal Year 2019-20 is estimated to generate \$575,130.30 for Landscape and Lighting Maintenance District No. 1. The Budget as prepared by staff includes expenses totaling \$801,438.70 which are presented in the Engineers Report. There is a shortfall of assessment funding totaling \$226,308.40. The General Fund (001) transfer to the Restricted Landscape and Lighting Maintenance District Fund (501) will need to be increased in the 2019-2020 adopted budget from \$100,000 to a total of \$226,308.40. Once approved a budgetary adjustment will be completed by the Finance Department.

EXHIBITS:

- 1) Resolution – Declaring Intention LLMD No. 1
- 2) Resolution – Approval of Annual Engineer’s Report for LLMD No. 1
- 3) Preliminary Annual Engineer’s Report for Fiscal Year 2019-20
- 4) Council Member Property Map