



City Council Report

915 I Street, 1st Floor

Sacramento, CA 95814

www.cityofsacramento.org

File ID: 2019-00076

May 14, 2019

Consent Item 18

Title: Neighborhood Landscaping District - Initiate Annual Proceedings

Location: Districts 2, 5, 6, 7, and 8

Recommendation: Adopt a Resolution approving the Engineer's Annual Report and Intention to Order Maintenance of Improvements for Fiscal Year (FY) 2019/20 for the Neighborhood Landscaping District (District) and setting a time and place for a Public Hearing for June 4, 2019.

Contact: Eric Frederick, Program Specialist, (916) 808-5129; Sheri Smith, Special Districts Manager, (916) 808-7204, Department of Finance

Presenter: None.

Attachments:

1-Description/Analysis

2-Background

3-Schedule of Proceedings

4-Resolution Approving Engineer's Annual Report

5-Exhibit A: District Map

6-Exhibit B: FY2019/20 Subdivision Budgets & Parcel Assessments

Description/Analysis

Issue Detail: The District is required by the California Streets and Highways Code to present an annual budget to City Council (Council) for approval. Approval of the annual budget will authorize the City to collect assessments to provide funding for the maintenance of the landscaped areas adjacent to the 34 subdivisions in this District for FY2019/20. Additional information on this District is provided in the Background section of this report.

Policy Considerations: The recommended action supports funding, via property-based assessments, for maintenance of landscaping improvements located adjacent to or along the frontage of residential subdivisions within the District.

Economic Impacts: Not applicable.

Environmental Considerations:

California Environmental Quality Act (CEQA): Under CEQA Guidelines, the continuing administrative activities of an assessment district do not constitute a project and are therefore exempt from review (14 Cal. Code Regs. §15378(b)(2 & 5)).

Sustainability: Not applicable.

Commission/Committee Action: None.

Rationale for Recommendation: The actions in the recommended Resolution are required by the Landscaping and Lighting Act of 1972, California Streets and Highways Code Sections 22500, et. seq., for annual proceedings of an existing district.

Financial Considerations: The total District assessment is projected to be \$299,046 for FY2019/20 in support of a projected operating budget of \$325,840, with the difference being paid from fund balance. This equates to a weighted average assessment of \$99.54 per single family parcel, which is an increase of \$3.43 or 3.56 percent over the weighted average assessment in the current year. The 34 subdivisions in the District each have assessments that vary based on their operational needs, and that are at or below their FY2019/20 maximum authorized amounts. The FY2019/20 costs for each subdivision, as well as a breakdown of cost per single-family lot, is provided in Exhibit B to the Resolution.

It is projected that five subdivisions will end FY2018/19 with a negative fund balance (compared to six subdivisions in the previous fiscal year). Staff continues to work with the Department of Public Works to develop funding and maintenance solutions. The FY2019/20

Proposed Budget reflects a plan to continue to repay the fund balance of those five subdivisions with a negative balance and ensure each subdivision in the District stays within budget.

The assessments and the method by which they were derived are detailed in the Engineer's Report on file with the City Clerk

Local Business Enterprise (LBE): Not applicable.

ATTACHMENT 2 BACKGROUND

On July 23, 1991, Council approved formation of the District, formerly known as the Subdivision Landscaping Maintenance District. At the time of formation, the initial District included the Laguna Verde and Laguna Parkway subdivisions, located in Council District 8. Since then, Council has annexed 32 additional subdivisions to the District for a total of 34 subdivisions. A map showing the location of all 34 subdivisions is included as Exhibit A to the resolution.

District services include the annual maintenance of landscaping improvements located adjacent to and/or along the frontage of residential subdivisions, and the District administration and billing costs. In 18 of the subdivisions, a provision was included to mitigate cost increases by automatically increasing the maximum annual assessment based on the annual average increase in the Consumer Price Index (CPI), San Francisco Area - All Urban Consumers. However, this automatic increase cannot exceed 3 percent in four of these subdivisions and cannot exceed 4 percent in the other 14 subdivisions. For FY2019/20, the change in the prior year annual average CPI was 3.87 percent, and the annual maximum assessments will be increased by either 3.87 percent or 3 percent, depending on the maximum increase allowed. The remaining 16 subdivisions do not have such a provision and their annual assessment may not increase above the amount set forth at the time the subdivision annexed to the District.

Each year the City must adopt a new Engineer's Report and budget. The recommended Council action is necessary to allow staff to notify the public of the proposed hearing, which has been set for June 4, 2019. At the conclusion of the public hearing, staff will recommend Council adopt the budget and levy the assessments.

**ATTACHMENT 3
SCHEDULE OF PROCEEDINGS
NEIGHBORHOOD LANDSCAPING DISTRICT
FY2019/20 SCHEDULE**

May 14, 2019	Council Considers Resolution of Intention and Sets Date for Public Hearing
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May 24, 2019 Publish Notice of Public Hearing

June 4, 2019 Hold Public Hearing
Council Orders Annual Levy

August 2019 Assessments to County for Placement on Tax Roll

RESOLUTION NO.

Adopted by the Sacramento City Council

Approving Engineer's Annual Report and Intention to Order Maintenance of Improvements for the Neighborhood Landscaping District for Fiscal Year 2019/20 (Pursuant to Landscaping and Lighting Act of 1972)

BACKGROUND

- A. The Neighborhood Landscaping District (the District), as depicted in Exhibit A, was established by the City Council and approved by the property owners on July 29, 1991.
- B. The City Council established the District under the Landscaping and Lighting Act of 1972 (Part 2 of Division 15 in the Streets and Highways Code, beginning with Section 22500) (the 1972 Act), and has previously levied assessments on property in the District to pay for landscaping maintenance services and related services to be provided within the District, all in accordance with the 1972 Act.
- C. The District has 34 subdivisions with assessments that change by varying amounts primarily based on the operational needs of each subdivision. Seventeen subdivisions will be assessed the maximum allowed amount for Fiscal Year (FY) 2019/20. In eight of these subdivisions, the maximum and actual assessments are increasing by the permissible change in the Consumer Price Index, which is 3.87%. The average increase in actual assessments in all 34 subdivisions is 4.00% from the current FY2018/19 assessments.
- D. On March 26, 2019, the City Council directed the Supervising Engineer of the Department of Public Works, designated by the City Council as the Engineer of Work for the District, to file an annual report in accordance with the provisions of the 1972 Act (Resolution No. 2019-0087).

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The City Council finds and determines that the background statements A through D are true and correct.
- Section 2. The City Council hereby approves the Engineer's Annual Report for FY2019/20 on file in the City Clerk's Office.
- Section 3. The City Manager is authorized to make any necessary budgetary

adjustments associated with the approval of the Engineer's Annual Report for FY2019/20.

Section 4. The City Council intends to levy and collect assessments within the District during FY2019/20. The area of land to be assessed is in the City of Sacramento, Sacramento County.

Section 5. The maintenance of improvements to be made in this District is generally described as follows:

The maintenance or servicing, or both, of any of the landscaping, water irrigation and masonry walls, including: (a) repair, removal or replacement of all or part of any improvement; (b) the provision for the life, growth, health and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing or treating for disease or injury; (c) the removal of trimmings, rubbish, debris and other solid waste; and (d) the furnishing of water for the irrigation of any landscaping, the operation of any fountains, or the maintenance of any other improvements.

Section 6. In accordance with the City Council's resolution directing the filing of an annual report, the Engineer of Work has filed the report required by the 1972 Act with the Public Improvement Finance Division. All interested parties are referred to that report for a full and detailed description of the improvements, the boundaries of the assessment district, and the proposed assessments upon assessable lots and parcels of land within the assessment district.

Section 7. At the hour of 5:00 pm on Tuesday, June 4, 2019, the City Council will conduct a public hearing on the question of the levy of the proposed annual assessment. The hearing will be held at the meeting place of the City Council located in the New City Hall, 915 I Street, First Floor, Sacramento, California.

Section 8. Assessments for all subdivisions within the District are at or below the highest authorized amount for this district, as shown on Exhibit B.

Section 9. The City Clerk is authorized and directed to give the notice of hearing required by the 1972 Act.

Section 10. Exhibits A and B are part of the resolution.

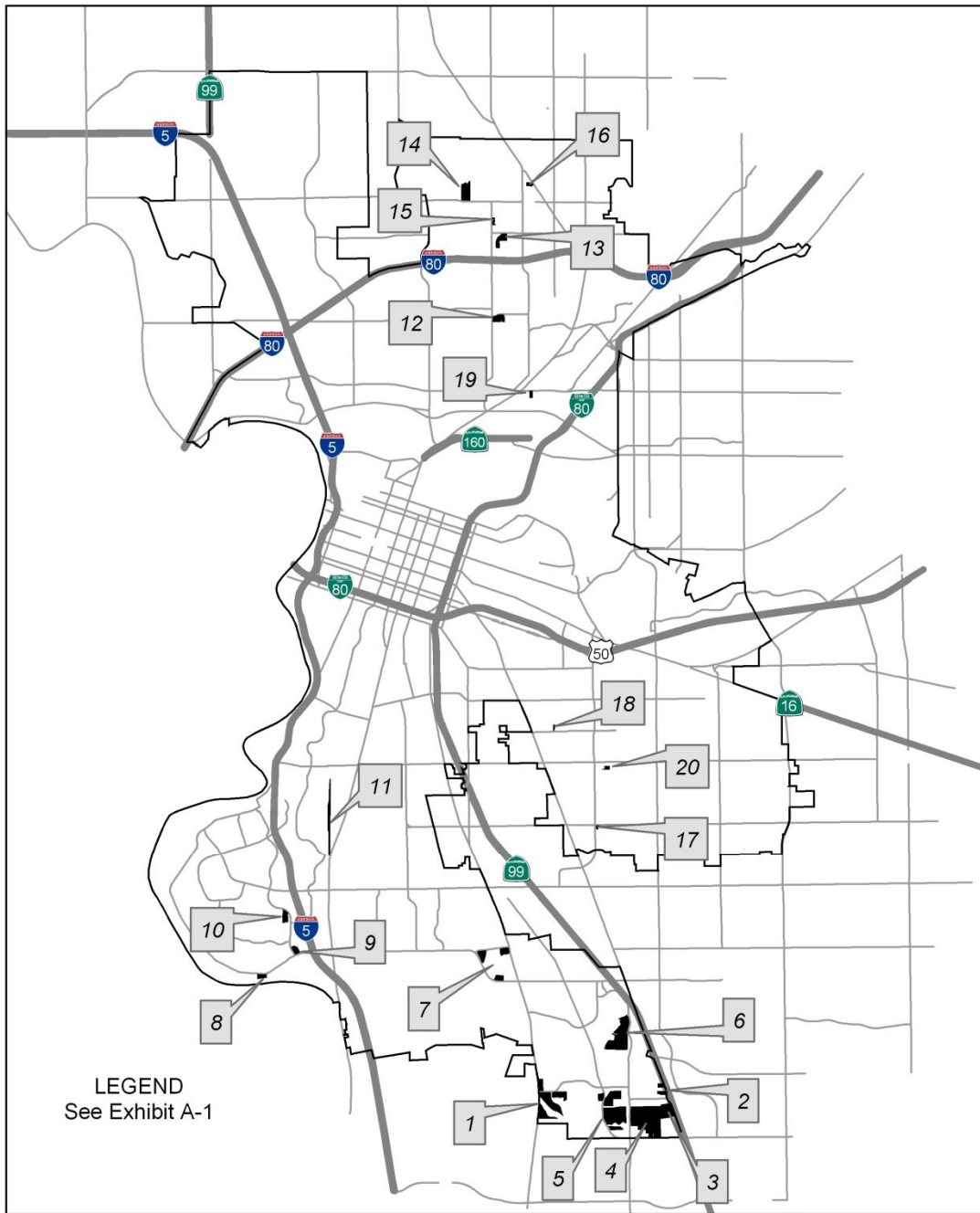
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Exhibit A – District Map

Exhibit B – FY2019/20 Subdivision Budgets & Parcel Assessments

EXHIBIT A

Neighborhood Landscaping District Location Map



LEGEND
See Exhibit A-1



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Miles



G.I.S.
City of
Sacramento

Planning Department

...SPECIAL DISTRICTS\Neighborhood Landscaping District\Location Map.mxd BMueller 3/06/08

EXHIBIT A-1

NEIGHBORHOOD LANDSCAPING DISTRICT

LOCATION MAP LEGEND

- | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|
| <p><u>1</u>
Arlington Park #1
Arlington Park Creekside #2
Arlington Park Creekside #3
Arlington Park Creekside #4
Wickford Square</p> | <p><u>9</u>
Villa Palazzo</p> |
| <p><u>2</u>
Jacinto Village #3
Shasta Meadows</p> | <p><u>10</u>
Windemere Estates</p> |
| <p><u>3</u>
Laguna Vista</p> | <p><u>11</u>
East Land Park Village</p> |
| <p><u>4</u>
Cameron 5
Laguna Vega
Sheldon Farms
Sheldon Whitehouse</p> | <p><u>12</u>
Del Paso Nuevo #1 & #3</p> |
| <p><u>5</u>
Laguna Verde #1
Laguna Verde #2
Laguna Parkway
Newport Cove</p> | <p><u>13</u>
Chardonnay</p> |
| <p><u>6</u>
Regency Place
Stonewood</p> | <p><u>14</u>
Kelton</p> |
| <p><u>7</u>
Brookfield Meadows #2
Colony Brookfield
Liberty Lane</p> | <p><u>15</u>
Sunrise 94</p> |
| <p><u>8</u>
Carriage Estates</p> | <p><u>16</u>
Jones Ranch</p> |
| | <p><u>17</u>
Elder Place</p> |
| | <p><u>18</u>
Zorba Court</p> |
| | <p><u>19</u>
Evergreen Phase I</p> |
| | <p><u>20</u>
66th Street Subdivision</p> |

EXHIBIT B

NEIGHBORHOOD LANDSCAPING DISTRICT SUBDIVISION BUDGET AND PARCEL ASSESSMENTS FUND 2205, FOR FY2019/20

The annual budget for each individual subdivision is as follows:

Subdivision	FY2019/20 Estimated Beginning Fund Balance	FY2019/20 Assessments	FY2019/20 Expenditures	FY2019/20 Estimated Ending Fund Balance
66 th Street Subdivision	7,891	3,703	4,918	6,676
Arlington Pk #1	(2,642)	5,628	4,828	(1,842)
Arlington Pk Creekside #2	9,585	16,728	19,147	7,166
Arlington Pk Creekside #3	(2,759)	7,200	6,300	(1,859)
Arlington Pk Creekside #4	(1,985)	7,735	6,735	(985)
Brookfield Meadows #2	7,613	13,259	13,259	7,613
Cameron 5	4,924	7,031	8,281	3,674
Carriage Estates	17,709	7,064	11,754	13,019
Chardonay	6,666	3,686	3,686	6,666
Colony Brookfield	7,643	13,325	13,325	7,643
Del Paso Nuevo (Units 1 and 3)	79,685	13,239	19,959	72,965
East Land Park Village	16,422	22,996	27,403	12,015
Elder Place	14,695	4,863	5,763	13,795
Evergreen Phase I	11,090	-	-	11,090
Jacinto Village #3	(13,938)	4,168	308	(10,078)
Jones Ranch	14,934	4,550	5,404	14,080
Kelton	9,916	8,848	11,313	7,451
Laguna Parkway	12,863	20,040	21,914	10,989
Laguna Vega	3,779	14,022	13,481	4,320
Laguna Verde	8,995	12,731	12,731	8,995
Laguna Verde 2	1,057	7,669	7,634	1,092
Laguna Vista	8,163	5,796	7,696	6,263
Liberty Lane	8,462	8,670	7,753	9,379
Newport Cove	11,245	7,977	6,605	12,617
Regency Place	5,793	9,047	9,047	5,793
Shasta Meadows	10,155	5,962	7,714	8,403
Sheldon Farms	6,610	8,872	10,975	4,507
Sheldon Whitehouse	3,033	10,693	10,693	3,033
Stonewood	14,201	7,085	9,290	11,996
Sunrise 94	6,065	4,668	4,668	6,065
Villa Palazzo	4,402	5,115	5,768	3,749
Wickford Square	(9,104)	15,319	13,319	(7,104)
Windemere Estates	10,700	8,256	11,072	7,884
Zorba Court	1,410	3,101	3,101	1,410
Total	295,278	299,046	325,840	268,484

EXHIBIT B (Continued)

The following is a breakdown of the actual cost per single-family lot in each subdivision.

Subdivision	# of Lots	Maximum	Actual	Proposed
		Authorized In FY2019/20	FY2018/19	Actual FY2019/20
66 th Street Subdivision	19	256.46	187.64	194.88
Arlington Pk #1	84	67.00	67.00	67.00
Arlington Pk Creekside #2	76	265.00	211.64	220.10
Arlington Pk Creekside #3	60	120.00	120.00	120.00
Arlington Pk Creekside #4	119	65.00	65.00	65.00
Brookfield Meadows #2	55	241.07	234.04	241.06
Cameron 5	26	270.41	260.34	270.40
Carriage Estates	23	373.74	279.20	307.12
Chardonay	97	38.00	38.00	38.00
Colony Brookfield	74	190.00	173.14	180.06
Del Paso Nuevo (Units 1 and 3)	79	199.58	167.58	167.58
East Land Park Village	90	255.51	246.00	255.50
Elder Place	14	509.96	318.70	347.32
Evergreen Phase I **	60	124.95	-	-
Jacinto Village #3	29	143.71	138.32	143.70
Jones Ranch	23	301.63	190.46	197.82
Kelton	146	60.60	60.60	60.60
Laguna Parkway	318	63.02	63.02	63.02
Laguna Vega	270	63.87	49.46	51.92
Laguna Verde	128	99.46	99.46	99.46
Laguna Verde 2	43	178.34	178.34	178.34
Laguna Vista	72	145.97	73.18	80.50
Liberty Lane	74	206.72	112.80	117.16
Newport Cove	62	128.66	128.66	128.66
Regency Place:				
Single Family	133	52.88	52.88	52.88
Multi Family	56	35.97	35.96	35.96
Shasta Meadows	22	301.63	246.38	271.02
Sheldon Farms	103	153.29	74.90	86.14
Sheldon Whitehouse	163	70.88	59.64	65.60
Stonewood	261	31.68	26.10	27.14
Sunrise 94	19	245.67	236.52	245.66
Villa Palazzo	80	105.00	58.12	63.92
Wickford Square	103	148.73	143.20	148.72
Windemere Estates	50	190.00	158.98	165.12
Zorba Court	9	344.51	334.42	344.50

** This subdivision is annexed but inactive due to a lack of development.