



City Council Report

915 I Street, 1st Floor

Sacramento, CA 95814

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File ID: 2019-00073

June 4, 2019

Public Hearing Item 16

Title: Village Garden Landscape Maintenance District No. 2011-01 [Noticed 05/24/2019]

Location: District 2

Recommendation: Conduct a public hearing, and upon conclusion, adopt a Resolution confirming the assessment diagram, confirming the assessment, and levying the assessment for Fiscal Year (FY) 2019/2020 for the Village Garden Landscape Maintenance District.

Contact: Arwen Wacht, Program Specialist, (916) 808-7535; Sheri Smith, Special Districts Manager, (916) 808-7204, Department of Finance

Presenter: Arwen Wacht, Program Specialist, (916) 808-7535, Department of Finance

Attachments:

- 1-Description/Analysis
- 2-Schedule of Proceedings
- 3-Resolution – Confirming & Levying Assessment
- 4-Exhibit A – District Boundary Map
- 5-Exhibit B – District Budget & Parcel Assessment

Description/Analysis

Issue Detail: On July 19, 2011, Council approved formation of the Village Garden Landscape Maintenance District No. 2011-01 (District). The property owners within the North Pointe subdivisions one through five and the Norwood subdivision petitioned the City of Sacramento to form the District to provide maintenance services in the area (see Attachment 4, Exhibit A).

The District provides for the maintenance of masonry walls, landscaping and irrigation systems within the subdivisions. Maintenance efforts include periodic mowing of grass, trimming of trees and shrubs, fertilizing landscaped areas, furnishing water for irrigation of all plant material, as well as upkeep, repair, and replacement of the irrigation system, planted materials, amenities, and masonry walls.

On May 14, 2019, Council passed Resolution 2019-0141 approving the annual Engineer's Report and declaring the intention to levy an assessment for the District. Approval of the attached Resolution will authorize the City to collect assessments to provide partial funding for maintenance activities in the District for FY2019/20.

The District funds only a portion of the total cost of providing maintenance services to the District. The Engineer's Report separates the benefits of the District between "special benefits" to the property and "general benefits" to society at-large. Only special benefits can be funded by District assessments. Analysis of the use of the District amenities shows that residents of the District represent approximately 80% of those benefitting from the improvements. This percentage is the special benefit provided by the District. The remaining amount must be funded from other sources, which are detailed in the Financial Considerations section and in Exhibit B to the Resolution.

Policy Considerations: The recommended action supports funding for landscape maintenance services in the District via property-based assessments.

Economic Impacts: None.

Environmental Considerations:

California Environmental Quality Act (CEQA): Under CEQA Guidelines, administration of the District does not constitute a project and is therefore exempt from review [14 Cal. Code Regs. §15378(b)(2)&(5)].

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

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

Financial Considerations: The total estimated expense budget for the District in FY2019/20 is \$35,496 as shown on Exhibit B to the Resolution (Attachment 5) and detailed in the Engineer's Report on file with the Public Improvement Finance Division of the Department of Finance, designated by the City Clerk's Office to be the repository of documents associated with special districts. Pursuant to the Engineer's Report, \$28,329 of assessment revenue can be used to fund special benefits, and \$7,167, the remaining 20.19% of the direct maintenance cost detailed in Exhibit B, will be provided by the Department of Public Works Streets Division's and Department of Finance Public Improvement Finance Division's operating budgets.

The proposed assessment of \$119.16, per single family home, is a 4% increase from last year's assessment of \$113.50 and is 38% below the maximum allowed assessment of \$193.87 for FY2019/20. The proposed assessment is being increased to address rising maintenance and administrative costs for this District, while maintaining adequate reserves to cover extraordinary maintenance.

Local Business Enterprise (LBE): Not applicable.

Attachment 2

**SCHEDULE OF PROCEEDINGS
VILLAGE GARDEN LANDSCAPE MAINTENANCE DISTRICT 2011-01**

FY2019/20

March 26, 2019 Council – Direct Filing of Engineer’s Report
May 14, 2019 Council - Resolution of Intention and Set Date for Public Hearing
May 24, 2019 Publish Notice of Meeting and Public Hearing

June 4, 2019	Council – Public Hearing, Council Orders Annual Levy
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August 2019 Assessments to County for Placement on Tax Roll

RESOLUTION NO.

Adopted by the Sacramento City Council

CONFIRMING THE ASSESSMENT DIAGRAM AND ASSESSMENT AND LEVYING THE ASSESSMENT FOR THE VILLAGE GARDEN LANDSCAPE DISTRICT FOR FISCAL YEAR (FY) 2019/20

BACKGROUND:

- A.** The Village Garden Landscape Maintenance District No. 2011-01 (District), the boundaries of which are depicted in Exhibit A, was established by the City Council and approved by the property owners on July 19, 2011.
- 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.** Pursuant to Chapter 3 of the 1972 Act, City Council directed the Supervising Engineer of the Department of Public Works, as the Engineer of Work for the District, to prepare and file an Annual Engineer's Report for FY2019/20 (Resolution No. 2019-0087).
- D.** The annual report includes analysis that quantifies the amount of special benefit derived from District activities by the parcels paying the assessment. The result of the analysis is that 79.81% of the maintenance and administrative services provided in the district are a special benefit to the parcels within the District and 20.19% of the services are a general benefit to people outside of the District. Pursuant to state law, the City can only collect assessments in the amount needed to provide special benefit and must utilize other sources of funding to provide the general benefit portion. A detailed budget is shown on Exhibit B.
- E.** The Engineer of Work filed the Annual Report on May 14, 2019, and the City Council adopted Resolution 2019-0141 approving the Annual Engineer's Report and intention to levy and collect assessments within the assessment district for FY2019/20 and set a public hearing for June 4, 2019, in the meeting place of City Council, City Hall, 915 I Street, First Floor, Sacramento, California. Notice of the hearing was given in the time and manner required by law.
- F.** The assessment in FY2019/20 represents an increase of four percent as compared to the assessment in the prior fiscal year as shown in Exhibit B, which is well below the maximum authorized amount.

**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 F are true and correct.
- Section 2 The City Council confirms the assessment diagram and the assessment roll set forth in the Engineer's Annual Report and levies the assessment set forth in the Engineer's Annual Report.
- 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 Exhibits A and B are part of this resolution.

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Exhibit A: District Boundary Map

Exhibit B: FY2019/20 District Budget & Parcel Assessment

EXHIBIT A

District Boundary Map

Village Garden Landscape
Maintenance District No. 2011-01

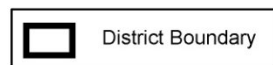
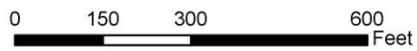
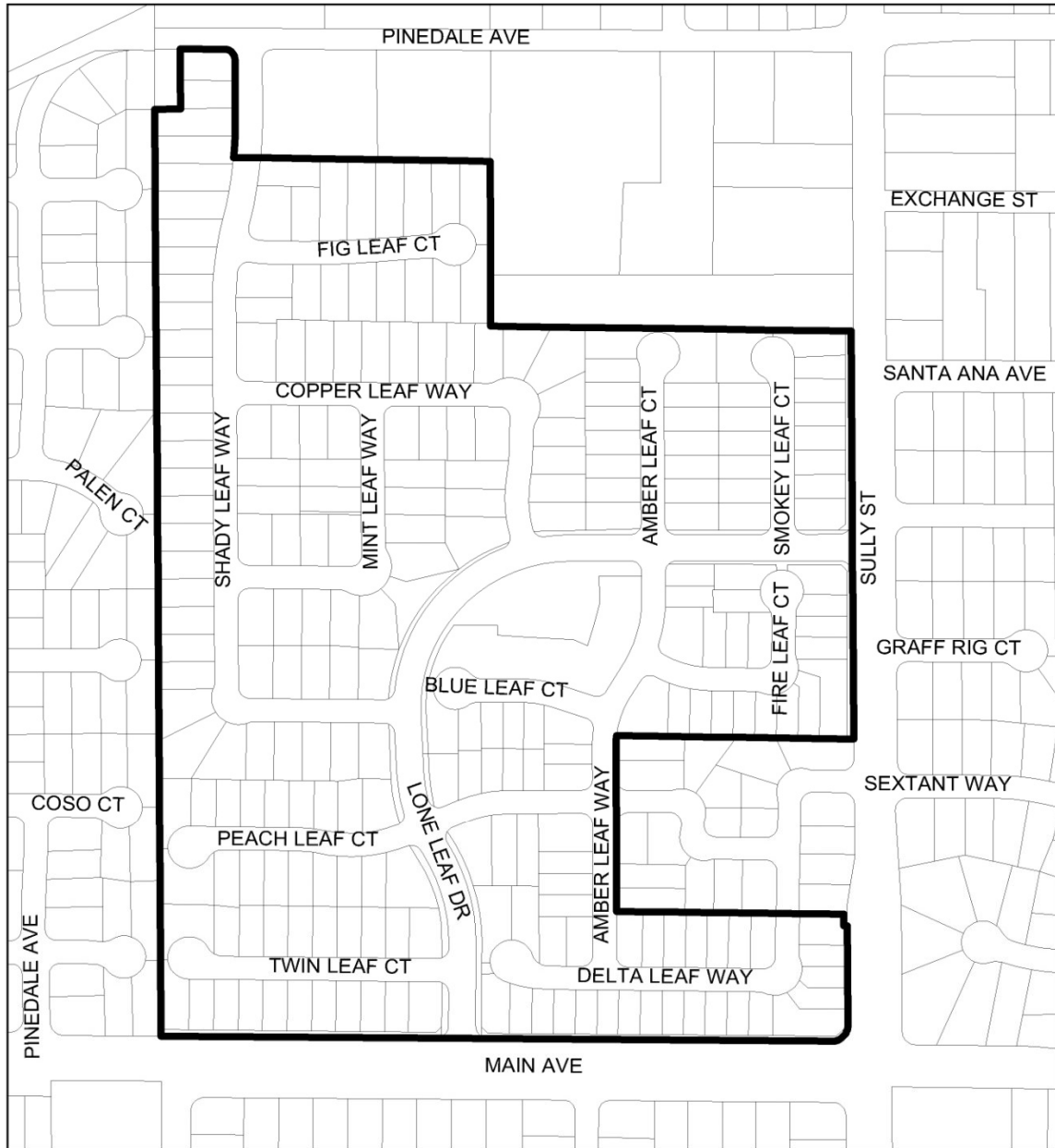


EXHIBIT B

**Village Garden Landscape Maintenance District No. 2011-01
FY2019/20
District Budget
Fund 2231**

	Fund 2231	General Benefit Contribution	Total
Split of Special and General Benefit Respectively	79.81%	20.19%	
Estimated Beginning Fund Balance	27,602		
Total Assessed to Property Owners	28,122		
Total Resources	\$55,724	\$7,167	\$62,890
Maintenance Tasks			
Maintenance	15,882	4,018	19,900
Administrative Costs			
Public Improvement Financing	11,416	2,888	14,304
Accounting			
Administration	848	215	1063
County Billing	183	46	229
Total Expenditures	\$28,329	\$7,167	\$35,496
Estimated Ending Fund Balance	27,394		
Year-Over-Year Change in Fund Balance	-208		

Parcel Assessment

District Name	FY2019/20 Maximum Assessment	FY2018/19 Assessment per Residential Parcel	FY2019/20 Assessment per Residential Parcel
Village Garden Landscape Maintenance District No. 2011-01	\$193.87	\$113.50	\$119.87

The maximum annual assessment may be increased for inflation. The amount of the increase will be based on the change in the February-over-February Consumer Price Index for the San Francisco-Oakland-San Jose area (All Urban Consumers) or a substitute index of a similar nature should that index be discontinued.

Note: If the change in the February-over-February CPI is negative in any given year, the maximum assessment in the subsequent tax year will remain the same as in the prior year.