



City Council Report

915 I Street, 1st Floor

Sacramento, CA 95814

www.cityofsacramento.org

File ID: 2019-00070

May 14, 2019

Consent Item 15

Title: Village Garden Landscape Maintenance District No. 2011-01- Initiate Annual Proceedings

Location: District 2

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

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

Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Schedule of Proceedings
- 3-Resolution – Approving Engineer's Annual Report
- 4-Exhibit A – District Boundary Map
- 5-Exhibit B – District Budget & Parcel Assessment

Description/Analysis

Issue Detail: On June 19, 2011, Council approved the 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 maintenance of masonry walls, landscaping, and irrigation systems within these 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.

The California Streets and Highways Code requires that an annual report be presented to Council for the District. Approval of the annual report and budget will authorize the City to collect assessments to provide partial funding for maintenance activities in the District for Fiscal Year (FY) 2019/20.

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. The sources and budget are detailed in the Financial Considerations section and on 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 action in the recommended Resolution is required by the California Streets and Highways Code, as set forth in Section 22500 of 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 in 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 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 and administration costs 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 1

**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
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May 24, 2019 Publish Notice of Meeting and Public Hearing

June 4, 2019 Council – 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
VILLAGE GARDEN LANDSCAPE MAINTENANCE DISTRICT 2011-01
FISCAL YEAR 2019/20
(Pursuant to Landscaping and Lighting Act of 1972)**

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. On March 26, 2019, City Council directed the Supervising Engineer of the Department of Public Works, designated by 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).
- 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.

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 Fiscal Year (FY) 2019/20 on file with the Public Improvement Finance division, designated by the City Clerk to be the repository of documents associated with special districts.

- 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 assessment district is generally described as follows:
- Furnish all tools, equipment, apparatus, facilities, labor, material, supplies, and utilities necessary or desirable to maintain and service the landscape improvements as shown on Exhibit A, and more particularly described on plans and specifications approved by the City of Sacramento on file at the City of Sacramento, Public Improvement Finance Division, 915 I Street, 5th Floor, Sacramento, California 95814.
- The improvements generally consist of masonry walls, landscaping, and irrigation systems for the landscape areas within or adjacent to the residential subdivisions identified on the attached schematic diagram. Maintenance of the improvements will include, but not be limited to, periodic mowing of grass, trimming of trees and shrubs, and fertilizing, together with the regular furnishing of water for irrigation of all plant material, and the repair, maintenance, and replacement of the irrigation system, planted materials, and amenities. Maintenance of masonry walls includes periodic repair as required.
- Section 6 In accordance with 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 questions of the levy of the proposed annual assessment. The hearing will be held at the meeting place of the City Council located in the City Hall, 915 I Street, First Floor, Sacramento, California.
- Section 8 The proposed assessment of \$119.16 per single family home is an increase of 4% from last year's assessment of \$113.50 and is 38% below the maximum allowed assessment of \$193.87 for FY2019/20 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 Boundary Map

Exhibit B: FY2019/20 District Budget & Parcel Assessment

EXHIBIT A

District Boundary Map

Village Garden Landscape
Maintenance District No. 2011-01

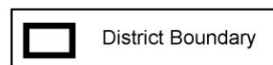
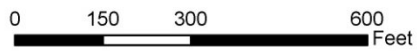
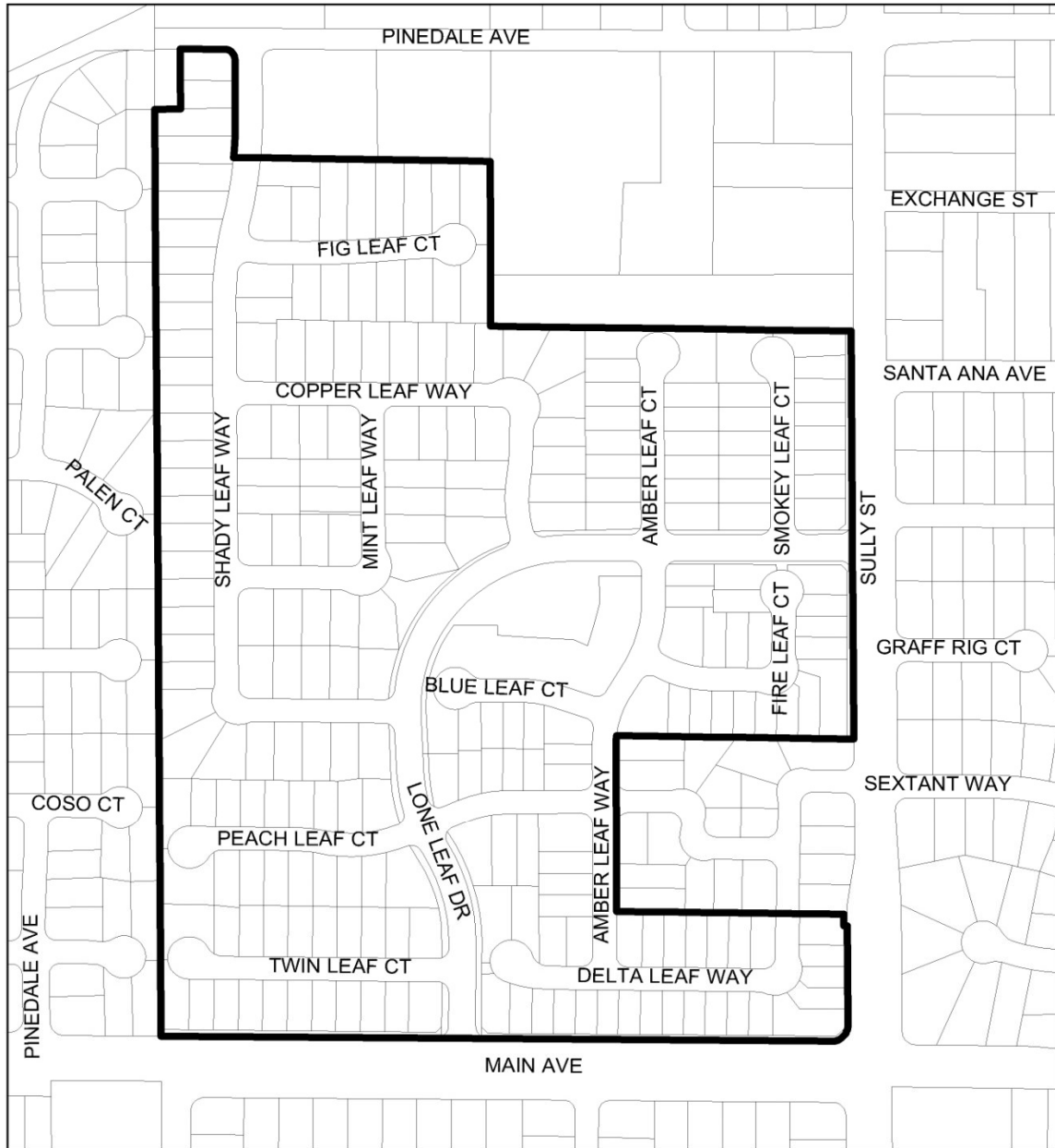


EXHIBIT B

**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.