



# City of Sacramento City Council

915 I Street, Sacramento, CA, 95814  
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**Meeting Date:** 6/7/2012

**Report Type:** Public Hearing

**Title:** Village Garden Landscape Maintenance District No. 2011-01 ( Noticed on 5-16-12)

**Report ID:** 2012-00376

**Location:** District 2

**Recommendation:** Conduct a public hearing and upon conclusion, pass a resolution confirming the assessment diagram and the assessment, and levying the assessment for FY2012/13 for the Village Garden Landscape Maintenance District 2011-01.

**Contact:** Sheri Smith, Finance Department, Program Specialist, (916) 808-7204; Mark Griffin, Finance Department, Program Manager, (916) 808-8788

**Presenter:** Sheri Smith, Program Specialist, (916) 808-7204, Finance Department

**Department:** Finance

**Division:** Public Improvement Finance

**Dept ID:** 06001321

## **Attachments:**

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- 1-Description/Analysis
- 2-Background
- 3-Schedule of Proceedings
- 4-Resolution

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### **City Attorney Review**

Approved as to Form  
Jeffrey Heeren  
5/24/2012 12:05:31 PM

### **City Treasurer Review**

Reviewed for Impact on Cash and Debt  
Janelle Gray  
5/17/2012 1:37:55 PM

### **Approvals/Acknowledgements**

Department Director or Designee: Leyne Milstein - 5/23/2012 4:53:10 PM

## **Description/Analysis**

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

The District is required by the California Streets and Highways Code to present an annual budget to City Council. Approval of the District's annual budget will authorize the City to collect assessments in the amount sufficient to provide funding for maintenance activities in the Village Garden Landscape Maintenance District for Fiscal Year (FY) 2012/13.

**Policy Considerations:** The recommended action supports continued maintenance of masonry walls, landscaping, and irrigation systems within the District.

## **Environmental Considerations:**

**California Environmental Quality Act (CEQA):** Under CEQA guidelines, administration and formation of the District does not constitute a project and is therefore exempt from review.

**Sustainability:** There are no sustainability considerations applicable to the formation or renewal and administration of an assessment district.

**Commission/Committee Action:** None

**Rationale for Recommendation:** The actions in the recommended resolution are 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 proposed assessment of \$148.67 per single-family residential parcel will be used to cover the expenses associated with maintenance services and administration provided in the District. The total estimated budget for the District in FY2012/13 is \$41,229 as shown on Exhibit B to the resolution, and detailed in the Engineer's Report on file with Public Improvement Financing, designated by the City Clerk's Office to be the repository of documents associated with special districts.

The proposed assessment of \$148.67 is below the maximum allowed assessment of \$158.08 for FY2012/13. The maximum allowed will adjust annually as determined by the February-over-February change in the Consumer Price Index for the San Francisco-Oakland-San Jose area (All Urban Consumers). The District is self-supporting and has no impact to the General Fund.

The annual operating budget for the District will be adjusted to reflect the Council approved assessments and expenditure plans.

**Emerging Small Business Development (ESBD):** City Council approval of these proceedings is not affected by City policy related to the ESBD Program.

## **BACKGROUND**

On December 8, 1987, Council adopted Resolution No. 87-1012 ordering the formation of the Village Garden North Landscaping and Lighting Assessment District 1987-01 (District 87-01). During the annual proceedings for FY2001/02, Council changed the name of the district to Village Garden Landscape Maintenance District. District 87-01 was formed to provide funding to maintain frontage landscaping for 208 residential parcels.

At the time of the District 87-01 formation, a maximum authorized assessment of \$100.00 per residential parcel was established. The maximum authorized assessment did not contain a provision to allow flexibility in adjusting the assessment cap on an ongoing or as needed basis. With rising operating costs, actual maintenance and operating expenses of District 87-01 outpaced revenue. The District 87-01 fund balance was insufficient to cover a projected financial shortfall in FY2010/11. Staff reviewed all possible options to reduce costs and determined that an increase in the assessment was necessary to fund the required maintenance services.

On June 1, 2010, staff prepared a report for Council's consideration – the intent to reform District 87-01, in an effort to bring assessment revenue levels in line with the actual operating expenses. Staff recommended the dissolution of District 87-01 and the formation of the Village Garden Landscape Maintenance District No. 2010-03 (District 10-03). Assessment ballot packages were mailed to property owners of record requesting an increase in the assessment rate from \$100.00 to \$140.56 per single-family residential parcel beginning in FY2010/11. Unfortunately, based on the results of the ballots returned to the City and not withdrawn, a majority protest existed. The majority protest led to abandoning formation proceedings for District 10-03. As such, District 87-01 was dissolved on August 5, 2010, and maintenance of the district was turned over to property owners in the area as a result of the City's financial inability to continue to supplement the ongoing costs of District 87-01.

In November 2010, City staff began receiving inquiries regarding the effects of the discontinuation of maintenance services and irrigation previously provided by the City. Interest was expressed by numerous property owners in re-forming the Village Garden Maintenance District and having the City resume maintenance and irrigation services. A petition was provided to property owners in the original District 87-01 boundary (inclusive of the Village Garden North subdivisions one through five). Additional interest was expressed by property owners in the adjacent Norwood subdivision. Petitions were received by the majority of the 236 property owners within the boundary of the proposed new Village Garden Landscape Maintenance District No. 2011-01 (District) expressing interest in re-forming the district and paying an associated assessment.

On May 24, 2011, staff initiated proceedings to form the District. The District was formed on July 10, 2011, and maintenance services resumed in August of 2011. The maximum assessment was initially set at \$155.44 and has adjusted by 3% to \$158.08 in FY2012/13 as permitted. The required assessment for FY2012/13 is \$148.67 as shown on Exhibit B to the attached resolution.

**SCHEDULE OF PROCEEDINGS**

**VILLAGE GARDEN LANDSCAPE MAINTENANCE DISTRICT 2011-01**

**FY2012/13**

April 26, 2012 Council Considers Resolution of Intention and Sets Date for Public Hearing

May 16, 2012 Publish Notice of Meeting and Public Hearing

<b>June 7, 2012</b>	<b>City Council – Public Hearing Council Orders Annual Levy</b>
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August 2012 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 FY2012/13 (Pursuant to Landscaping and Lighting Act of 1972)**

### **BACKGROUND:**

- A.** The Village Garden Landscape Maintenance District No. 2011-01 (District), 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 Transportation, as the Engineer of Work for the District, to prepare and file an Annual Engineer’s Report for the Fiscal Year (“FY”) 2012/13.
- D.** The Engineer of Work filed the Annual Report on April 26, 2012, and City Council adopted a Resolution approving the Annual Engineer’s Report and Intention to Levy and Collect Assessments within the assessment district for FY2012/13 and set a public hearing for June 7, 2012, 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.
- E.** The assessment in FY2012/13 represents a 4% decrease as compared to the assessment in the prior fiscal year as shown on Exhibit B.
- F.** The Council is fully advised in this matter.

### **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:

- (a) Confirms the assessment diagram and the assessment roll set forth in the Annual Engineer’s Report; and
- (b) Levies the assessment set forth in the Annual Engineer’s Report.

**Section 3.** Exhibits A and B are part of the resolution.

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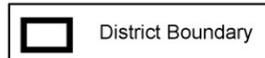
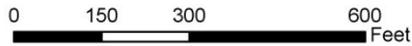
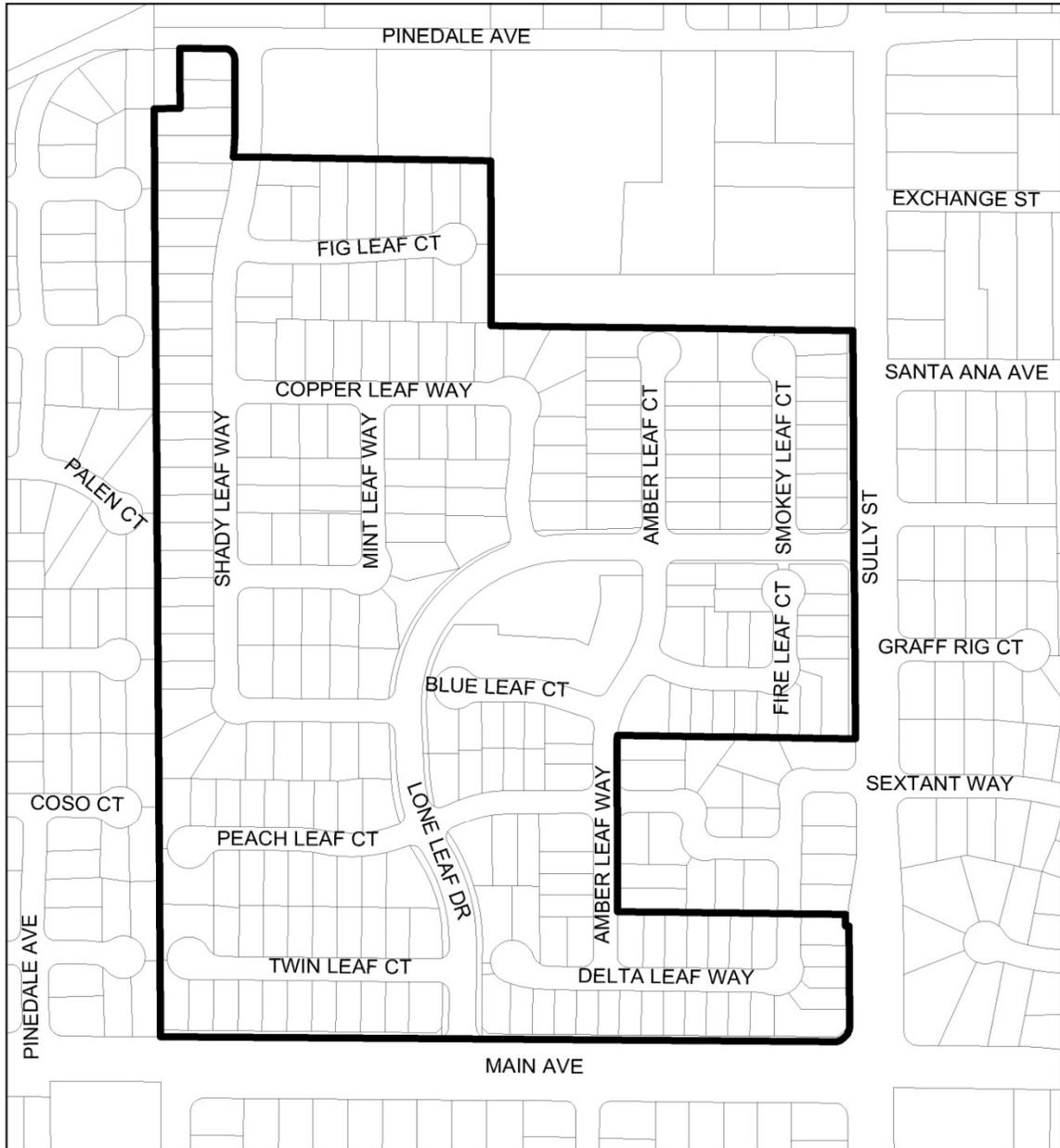
Exhibit A: District Map

Exhibit B: FY2012/13 District Budget & Parcel Assessment

# EXHIBIT A

## District Boundary Map

### Village Garden Landscape Maintenance District No. 2011-01





Note: Going forward, 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.

District Name	FY2012/13 Maximum Assessment	FY2011/12 Assessment per Residential Parcel	FY2012/13 Assessment per Residential Parcel
Village Garden Landscape Maintenance District No. 2011-01	\$158.08	\$155.44	148.67