Meeting Date: **5/17/2016**

Report Type: Consent

Report ID: 2016-00231

City of SACRAMENTO 09

City Council Report
915 I Street, 1st Floor
www.CityofSacramento.org

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

Location: District 2

Recommendation: Pass 1) a Resolution directing filing of Annual Report for Fiscal Year 2016/17; and 2) a Resolution approving Engineer's Annual Report and Intention to Order Maintenance of Improvements for Fiscal Year 2016/17 and setting a time and place for a Public Hearing on June 14, 2016.

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

Presenter: None

Department: Finance

Division: Public Improvement Finance

Dept ID: 06001321

Attachments:

1-Description/Analysis

2-Schedule of Proceedings

3-Resolution Ordering Engineer's Report

4- Resolution of Intention

City Attorney Review

Approved as to Form
Michael W. Voss
5/5/2016 1:36:28 PM

Approvals/Acknowledgements

Department Director or Designee: Leyne Milstein - 5/4/2016 10:34:39 AM

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 North Pointe subdivisions one through five and the Norwood subdivision petitioned the City of Sacramento to form the District in order to provide maintenance services in the area.

The District provides for 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.

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) 2016/17.

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 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.

Environmental Considerations: Under the California Environmental Quality Act Guidelines, administration of the District does not constitute a project and is therefore exempt from review.

Rationale for Recommendation: The actions in the recommended Resolutions 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 $118.88, per single family home, is 6% lower than last year's assessment of $126.04 and 32% below the maximum allowed assessment of $174.81 for FY2016/17. Each year the assessment may be increased by the February-over-February change in the

Consumer Price Index for the San Francisco-Oakland-San Jose area (All Urban Consumers).

The total estimated budget for the District in FY2016/17 is $27,963 as shown on Exhibit B to the Resolution 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, $24,307 of assessment revenue can be used to fund special benefits and the remaining $3,656, 20.19% of the direct maintenance cost detailed in Exhibit B, will be provided by the Department of Public Works Streets Division operating budget.

Local Business Enterprise (LBE): Not applicable

SCHEDULE OF PROCEEDINGS
VILLAGE GARDEN LANDSCAPE MAINTENANCE DISTRICT 2011-01

FY2016/17

May 17, 2016	**Council - Resolution of Intention and Set Date for Public Hearing**
June 2, 2016	Publish Notice of Meeting and Public Hearing
June 14, 2016	Council – Public Hearing, Council Orders Annual Levy
August 2016	Assessments to County for Placement on Tax Roll

RESOLUTION NO.

Adopted by the Sacramento City Council

DIRECTING FILING OF ANNUAL REPORT
FOR THE VILLAGE GARDEN LANDSCAPE MAINTENANCE DISTRICT 2011-01
FISCAL YEAR 2016/17
(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. The Engineer's Report incorporates analysis determining the special benefit derived from District activities by each parcel paying the assessment and separating that from the general benefit received by people outside of the District.

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 C are true and correct.

Section 2 The Supervising Engineer of the Department of Public Works, the person designated by this Council as the Engineer of Work for the District, is hereby directed to file the updated annual report in accordance with the provisions of the 1972 Act.

Section 3 This resolution is adopted pursuant to Section 22622 of the Streets and Highways Code.

Section 4 Exhibit A is part of the resolution.

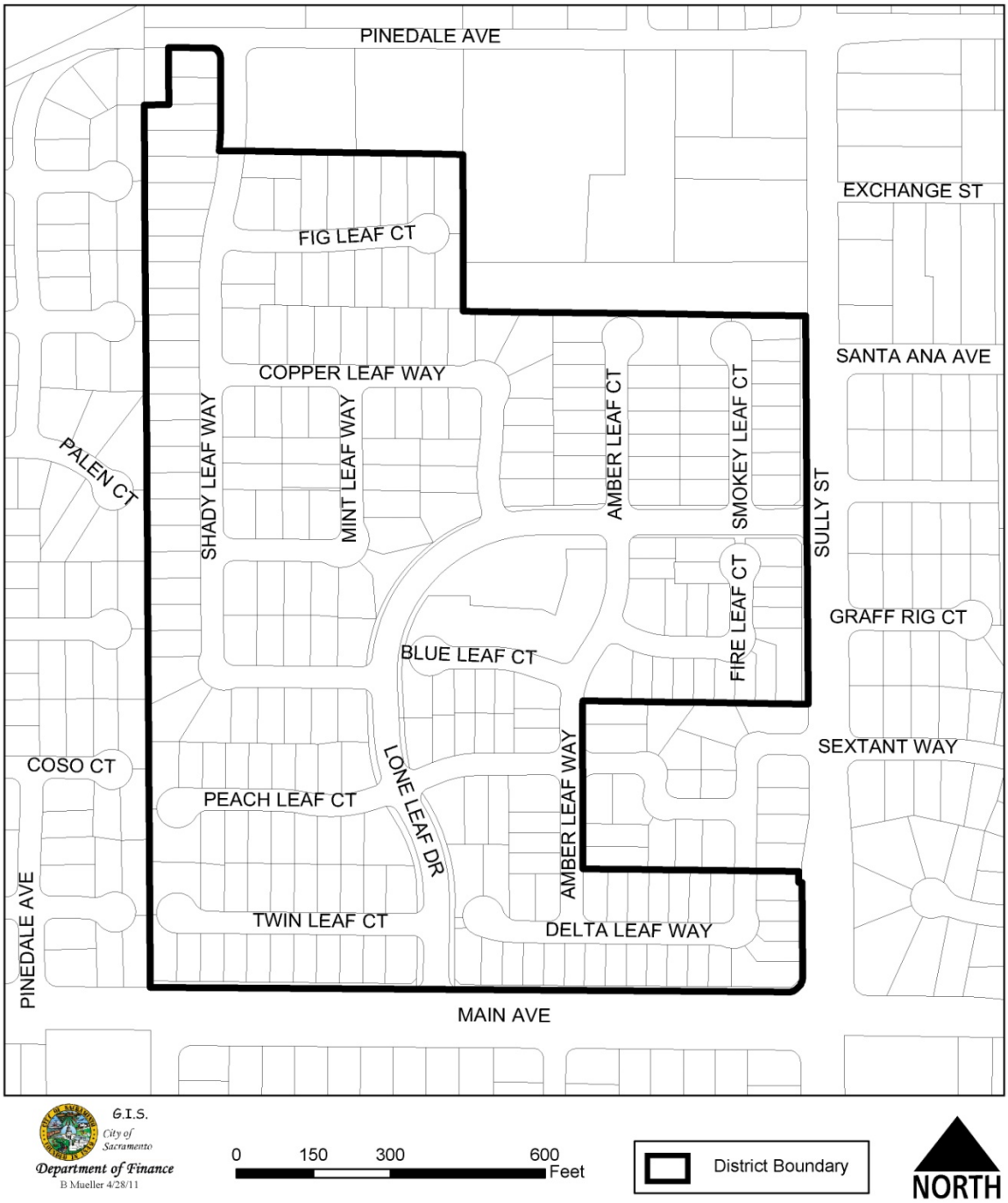
Table of Contents:

Exhibit A: District Map

EXHIBIT A

District Boundary Map

Village Garden Landscape
Maintenance District No. 2011-01



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 2016/17
(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. The Supervising Engineer of the Department of Public Works, the person designated by this Council as the Engineer of Work for the District, was directed to file an annual report in accordance with the provisions of the 1972 Act.

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 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) 2016/17 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 FY2016/17.

Section 4 The City Council intends to levy and collect assessments within the District during FY2016/17. The area of land to be assessed is located 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, 3rd 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 this Council's resolution directing the filing of an annual report, the Engineer of Work has filed, with the Public Improvement Finance division, the report required by the 1972 Act. 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 6:00 pm on Tuesday, June 14, 2016, 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 $118.88, per single family home, is 6% lower than last year's assessment of $126.04 and 32% below the maximum allowed assessment of $174.81 for FY2016/17 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.

Table of Contents:

Exhibit A: District Map
Exhibit B: FY2016/17 District Budget & Parcel Assessment

EXHIBIT A

District Boundary Map

Village Garden Landscape
Maintenance District No. 2011-01

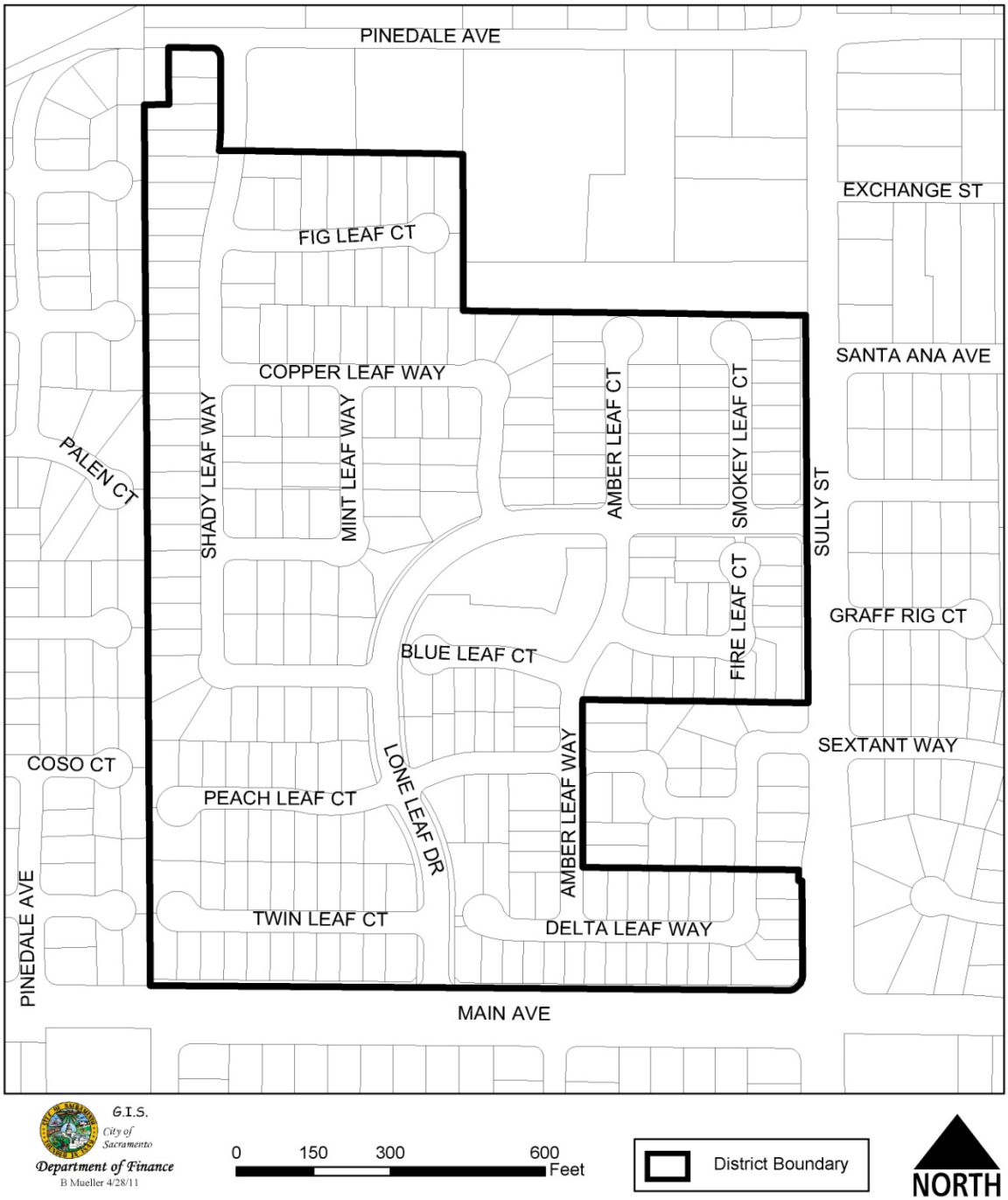


EXHIBIT B

Village Garden Landscape Maintenance District No. 2011-01
FY2016/17
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	15,990		
Total Assessed to Property Owners	28,056		
Total Resources	**$44,046**	**$3,656**	**$47,702**
Maintenance Tasks			
Maintenance	14,454	3,656	18,110
Administrative Costs			
Public Improvement Financing	8739		8739
Accounting			
Administration	987		958
County Billing	127		200
Total Expenditures	**$24,307**	**$3,656**	**$27,963**
Estimated Ending Fund Balance	19,739		
Year-Over-Year Change in Fund Balance	3,749		

Parcel Assessment

District Name	FY2016/17 Maximum Assessment	FY2015/16 Assessment per Residential Parcel	FY2016/17 Assessment per Residential Parcel
Village Garden Landscape Maintenance District No. 2011-01	$174.81	$126.04	$118.88

The 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.