



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: FEBUARY 24, 2026

FROM: FINANCE DEPARTMENT WARD: 2

SUBJECT: RESOLUTION INITIATING PROCEEDINGS TO LEVY AND COLLECT ASSESSMENTS FOR FISCAL YEAR 2026/27 IN LANDSCAPE MAINTENANCE DISTRICT 88-1 (SYCAMORE HIGHLANDS, FORMERLY HIGHLANDER); APPOINTING WEBB MUNICIPAL FINANCE, LLC AS ENGINEER OF RECORD; AND ORDERING PREPARATION OF AN ENGINEER'S REPORT

ISSUE:

Adopt a resolution to initiate proceedings to levy and collect assessments for Fiscal Year 2026/27 in Landscape Maintenance District 88-1 (Sycamore Highlands); appoint Webb Municipal Finance, LLC as the Engineer of Record; and order the preparation of an Engineer's Report.

RECOMMENDATIONS:

That the City Council:

1. Adopt a resolution to initiate proceedings to levy and collect assessments for fiscal year 2026/2027 in Landscape Maintenance District 88-1 (Sycamore Highlands);
2. Appoint Webb Municipal Finance, LLC as the Engineer of Record; and
3. Order the preparation of an Engineer's Report.

BACKGROUND:

In September 1988, Landscape Maintenance District 88-1 (District) was formed under provisions of the Landscaping and Lighting Act of 1972. The District was originally formed in conjunction with a Development Agreement for the Lusk-Highlander project. Pursuant to the requirements established by Proposition 218, Landscape Maintenance District 88-1 was then confirmed by property owner ballot in July 1997. The original construction of the improvements was funded by the Highlander Community Facilities District 90-1. Landscape Maintenance District 88-1 was formed to assess property owners for the ongoing maintenance costs associated with those improvements within the district area.

DISCUSSION:

Apportionment of annual maintenance costs within the District requires the preparation of an Engineer's Report. The report outlines the total annual landscaping expense for the District and apportions the proposed assessment of the cost of maintenance per parcel for the next fiscal year. The assessment formula adopted in 1997 for the District provides that the assessment amount can be increased as of July 1st of each year based on year-over-year percentage increases in the Consumer Price Index for All Urban Consumers (CPI-U) for Riverside–San Bernardino–Ontario, California Standard Metropolitan Statistical Area.

To proceed with the Landscape Maintenance Assessment District process, the City Council must adopt a Resolution ordering the preparation of the Annual Engineer's Report. When the report is complete, Finance staff will schedule a public hearing and will present the report to City Council.

The District is scheduled to expire in FY 2026–27. As the expiration date approaches, staff will coordinate with the Finance Department and City Management to evaluate available options moving forward. Additional information will be provided at a later date.

FISCAL IMPACT:

There is no fiscal impact to the City related to this report. The cost of preparing the Engineering Report is factored into the total anticipated expenses for the District and reimbursed through the levy.

Prepared by:	Meline Carranza, Debt & Treasury Manager
Approved by:	Sergio Aguilar, Deputy Finance Director
Certified as to availability of funds:	Julie Nemes, Interim Finance Director
Approved by:	Edward Enriquez, Assistant City Manager/Chief Financial Officer/Treasurer
Approved as to form:	Rebecca McKee-Reimbold, Interim City Attorney
Attachment:	Resolution