PUBLIC HEARING AND RESOLUTIONS LEVYING FISCAL YEAR 2022-2023 ASSESSMENTS FOR LANDSCAPE MAINTENANCE DISTRICTS & STREET LIGHTING ASSESSMENT DISTRICT

Finance Department

City Council
July 5, 2022

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BACKGROUND

1. The Landscaping and Lighting Act of 1972 requires that Council order, prepare and approve an Engineer's Report for each existing Maintenance District that it proposes to levy assessments.
2. February 15, 2022 – Resolution of Intention/Request Engineer's Report
3. June 7, 2022 – Approve Engineer's Report/Set Public Hearing
4. July 5, 2022 – Noticed Public Hearings are the third and final step in the process.

CITY MAINTENANCE DISTRICTS

The existing maintenance districts for which annual assessments are proposed are:

1. Street Lighting Assessment District No. 1 (Citywide)
2. Sycamore Highlands Landscape Maintenance District (Ward 2)
3. Riverwalk Landscape Maintenance District (Ward 7)

ASSESSMENT AMOUNTS

1. Street Light Assessment District – maximum capped by Measure EE in 1997 – no adjustments
2. Landscape Maintenance District Assessments adjusted based on Consumer Price Index for Riverside-San Bernardino-Ontario

Comparison of Assessments per Residential Unit

	Street Light AD	Riverwalk LMD	Sycamore LMD
Maximum Tax	$31.44	$396.34	$105.35
2021-22 Assessed	$31.44	$286.94	$99.93
2022-23 Proposed	$31.44	$315.76	$105.35
Increase	$0	$28.82	$5.42

GENERAL FUND SUBSIDY

Due to the fixed Maximum Tax for Street Light AD and reasonable/maximum allowances of CPI increases for Riverwalk and Sycamore LMDs, all three Assessment Districts will require a General Fund Subsidy for Fiscal Year 2022-2023

	Street Light AD	Riverwalk LMD	Sycamore LMD
2021-2022 Assessed	$3,515,357.00	$419,415.00	$104,934.00
2022-2023 Proposed	$3,552,636.00	$461,540.00	$110,615.00
Projected Expenses	$4,770,777.00	$575,933.00	$120,500.00
General Fund Subsidy	($1,218,141.00)	($114,393.00)	($9,885.00)

STRATEGIC PLAN ALIGNMENT

This item contributes to **Strategic Priority 5 – High Performing Government** and **goal 5.3** – Enhance communication and collaboration with community members, to improve transparency, build public trust, and encourage shared decision-making.

This item aligns with of the five Cross-Cutting Threads as follows:

1. **Community Trust** – The preparation and approval of an annual engineer's report and levy process provides transparency for community members to whom the assessments are levied each year.
2. **Equity** – The annual maintenance cost of each District is funded through an annual levy calculated based on the special benefit shared by each parcel within the District.
3. **Fiscal Responsibility** – Assessments are levied annually to pay costs associated with maintaining enhanced improvements within the District.
4. **Innovation** – Utilizing Landscape Maintenance Districts is an innovative way to offset the cost to maintain improvements that were constructed outside of normal City standards.
5. **Sustainability & Resiliency** – Use of a Landscape Maintenance District provides a transparent and equitable way to fund and report on maintenance and improvements that provide a special benefit to a select group of property owners.

RECOMMENDATIONS

That the City Council:

1. Conduct three public hearings to receive comments relative to the Fiscal Year 2022-2023 assessments for each District; and
2. Adopt three resolutions authorizing the City of Riverside to confirm the diagrams and assessments contained in the Engineer's Reports and establish the Fiscal Year 2022-2023 assessments for each District.