



*City of Arts & Innovation*

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL** **DATE: MAY 24, 2016**

**FROM: FINANCE DEPARTMENT** **WARD: 7**

**SUBJECT: SETTING PUBLIC HEARING – 2016/17 RIVERWALK LANDSCAPE MAINTENANCE DISTRICT – RESOLUTION ADOPTION**

## **ISSUES:**

The issue for City Council consideration is to adopt a resolution providing preliminary approval of the Engineer's Report for the Riverwalk Landscape Maintenance District and set a Public Hearing for the final approval of the levy of special assessments consistent with the statutory process required for the annual levy of special assessments

## **RECOMMENDATIONS:**

That the City Council adopt the necessary Resolution giving preliminary approval to the Engineer's Report for the Riverwalk Landscape Maintenance District and set a Public Hearing for June 28, 2016, at 3:00 p.m.

## **BACKGROUND:**

On February 9, 2016, the City Council adopted a Resolution ordering the preparation of the attached annual Engineer's Report for the Riverwalk Landscape Maintenance District (District). The cost of maintaining the landscaping and administration of the District will be assessed to the property owners within the District. All parcels within the District have been assessed annually regardless of the status of its development.

The Riverwalk Landscape Maintenance District was formed under the provisions of the 1972 Street Lighting and Landscaping Act. In July 2002, a property owner ballot, required by Proposition 218, approved the formation of the District. The landscape improvements designed for the project area are in excess of normal City standards and the construction of the improvements has been funded by the developer of the Riverwalk neighborhood.

At the end of each year any remaining unspent balance stays with the District and can serve to reduce subsequent years' assessments. An excess balance of \$137,011 was used to reduce the current year's assessments. The Engineer's Report has then calculated the annual assessment for the 2016/17 fiscal year to be \$225.72 per residential parcel. The July 2002 District formation process allowed for an annual increase to the preceding fiscal year assessment ranges by the change in the Consumer Price Index (CPI) as measured on each July 1. For example, the 2002-03 base year assessment range for an equivalent dwelling unit (EDU), or single-family residential parcel, was \$150.00-\$230.00. Per the cumulative CPI changes as detailed in the Engineer's Report, the maximum allowed assessment range in 2016/17 per EDU is \$206.13-\$316.05.

The procedures of the Lighting and Landscaping Act of 1972 require the adoption of a Resolution giving preliminary approval to the Engineer's Report and setting the required Public Hearing for 3:00 p.m. on June 28, 2016.

**FISCAL IMPACT:**

The cost of maintaining the parcels within the District will be assessed to the property owners within the District. Assessments are based on actual and projected expenditures and do not exceed the amount established in 2002/03 during District formation, adjusted for changes in the CPI. The 2016/17 estimated landscape budget for the Riverwalk area is \$461,116; the assessment per residential parcel will be \$225.72. In 2015/16 the estimated landscape budget for the District was \$438,772 and the assessment per residential parcel was \$225.74.

Prepared by:	Scott Miller, Interim Finance Director/Treasurer
Certified as to availability of funds	Edward Enriquez, Controller
Approved by:	Marianna Marysheva-Martinez, Assistant City Manager
Approved as to form:	Gary G. Geuss, City Attorney

**Attachments:**

1. Resolution
2. Preliminary 2016/17 Riverwalk Landscape Maintenance District Engineer's Report