



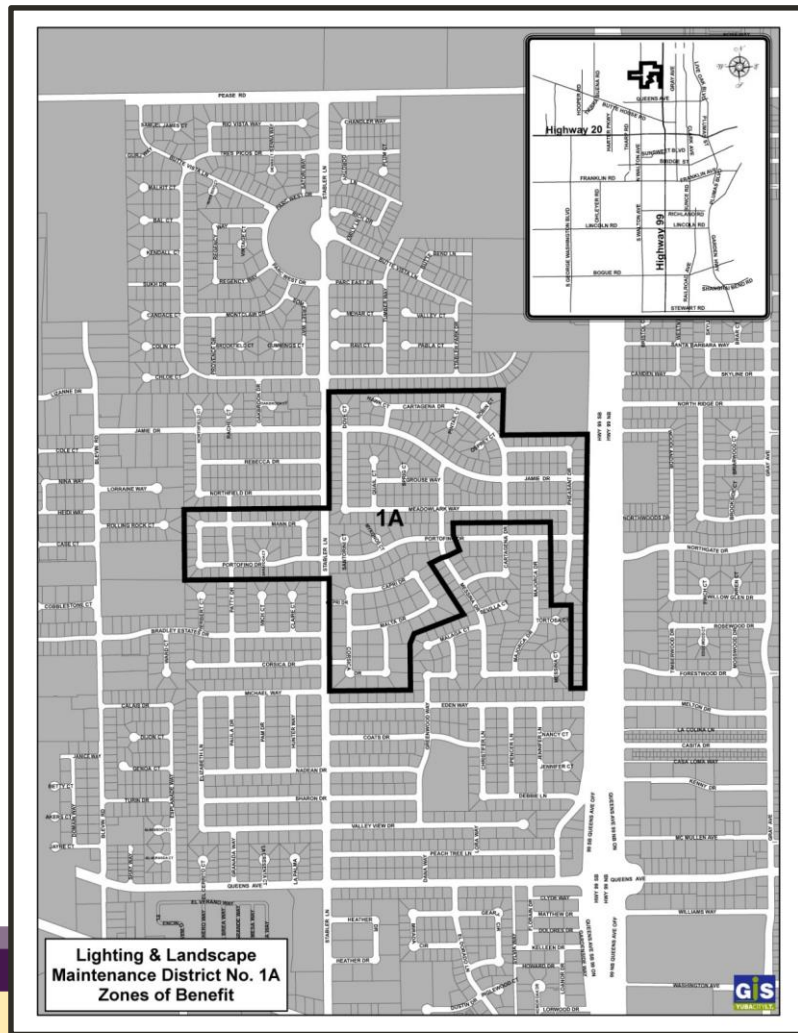
# Yuba City Landscape Maintenance District

No. 1

July 21, 2020

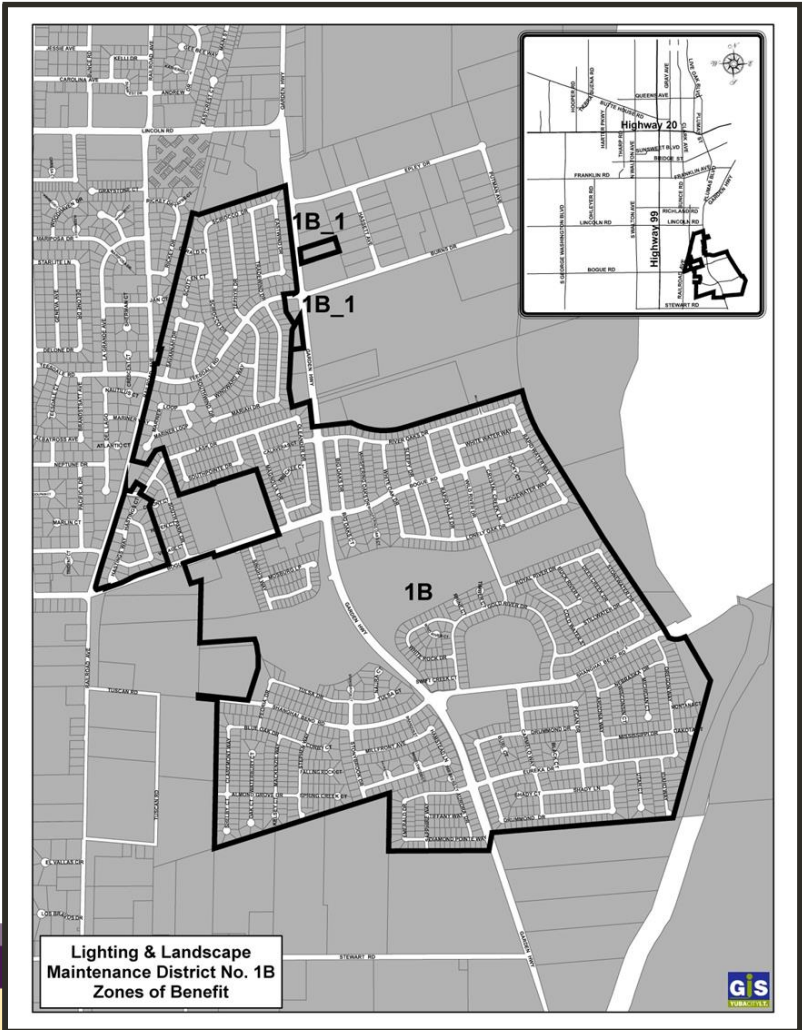


**Diana Langley, Interim City Manager**

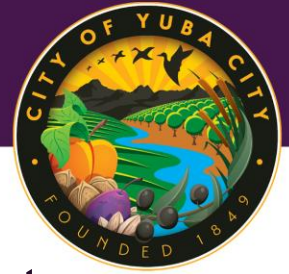


**Lighting & Landscape  
Maintenance District No. 1A  
Zones of Benefit**





# Yuba City Landscape District No. 1 Background



- City annually levies and collects special assessments to maintain landscaping improvements
- Assessments approved by property owners of record
- District No. 1, Zones of Benefit A and B do not have provisions for a cost of living adjustment (COLA)
  - Zones historically charged maximum levy allowed to cover maintenance expenses
- Zone of Benefit B\_1 recently formed and has COLA provisions

# Yuba City Landscape District No. 1 Analysis



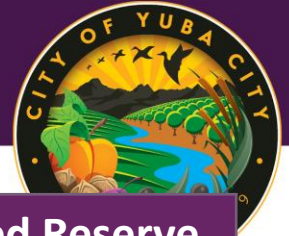
- Engineer's Annual Report has been prepared
- In previous years, expenditures have exceeded revenue in Zones of Benefit A and B due to lack of COLA provisions
- City addressed negative fund balances by cutting costs and using General Fund transfers from General Fund and Streets and Road Fund
- This year City will reduce professional services, water, and administration even further to allow revenue to exceed expenditures

# Yuba City Landscape District No. 1 Analysis (Cont.)



- The reduction in services will be extremely noticeable
  - Maintenance activities reduced to seven months out of year in Zone of Benefit B
- Unlikely that City will be able to reduce expenses while maintaining acceptable levels of maintenance in the future
- In 2008, City attempted to modify District to include COLA provisions, but residents in District opposed modification
- Without rate increases, maintenance costs will continue to exceed revenues resulting in lower maintenance levels or need to supplement District revenue with other sources

# Yuba City Landscape District No. 1 Fiscal Impact



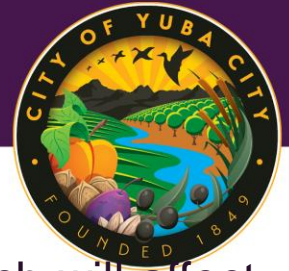
<u>District – Zone of Benefit</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Projected Reserve Fund Balance as of 7/1/21*</u>
1-A	\$22,007	\$20,472	(\$133)
1-B**	\$65,937	\$62,676	\$31,129***

\*The Projected Reserve Fund Balance is the Total of the Capital Replacement Reserve plus the Operating Reserve.

\*\*Dollar amounts for both Zones of Benefit B and B\_1 are included within “1-B” row of table

\*\*\*Reserve balance in Zone of Benefit B consists of General Fund Transfers unspent from last year

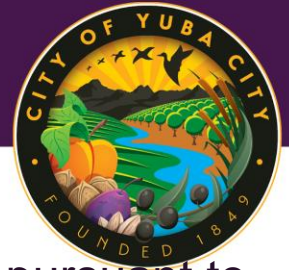
# Yuba City Landscape District No. 1 Alternatives



1. Council may direct the modification of the assessment amounts which will affect future revenue and expenditure amounts in FY 20/21, or cancel the District and find alternative funding sources to maintain the landscaping.
2. Council may direct City staff to initiate a Proposition 218 process in order to modify District No. 1 to include an adjustment to match current expenditures with COLA provisions to avoid revenue shortfalls in the future.
3. Council may direct other funding sources to supplement the District revenues. Over the last five fiscal years, the average expenditure dollar amount in Zone of Benefit B was approximately \$100,000 with revenues being approximately \$65,000



# Yuba City Landscape District No. 1 Recommendation



A. Adopt the following resolutions to continue the Maintenance District, pursuant to the Landscaping and Lighting Act of 1972:

- Resolution Describing Improvements and Ordering the Engineer of Work to File a Report with Regard to Yuba City Landscape Maintenance District No. 1
- Resolution Approving the Engineer's Report, Yuba City Landscape Maintenance District No. 1
- Resolution of Intention to Order Improvements, Yuba City Landscape Maintenance District No. 1

B. Set a public hearing for August 18, 2020 at 6:00 PM to establish assessments for FY 20/21

# Questions?

