

CITY OF YUBA CITY
STAFF REPORT

Date: July 6, 2021
To: Honorable Mayor & Members of the City Council
From: Public Works Department
Presentation by: Diana Langley, Public Works Director

Summary

Subject: Yuba City Landscape Maintenance District No. 1 (Stabler Lane/Garden Highway Area) Resolution of Intent

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

- 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 July 20, 2021 at 6:00 PM to establish assessments for FY 21/22

Fiscal Impact: Receipt of assessments and expenditures of funds for Landscape Maintenance District No. 1.

Purpose:

To continue to provide Lighting and Landscape Maintenance throughout the City pursuant to the provisions of the Landscaping and Lighting Act of 1972 and Article XIIIID of the California Constitution.

Background:

The City annually levies and collects a special assessment in order to maintain and service landscaping that provides special benefit to the parcels identified in Landscape Maintenance District 1 (Attachment 1, Exhibit A). The assessments were approved by the property owners of record through a protest ballot proceeding at the time the District was formed.

District 1 includes the Stabler Lane area (A) and Garden Highway area (B, B_1, and B_2). Zones A and B do not have provisions for a cost of living adjustment (COLA) and have historically been charged the maximum levy allowed in order to cover the expenses. Zones B_1 and B_2 are recently formed zones of benefit and do have provisions for a COLA which is based on the Consumer Price Index from January to January.

Analysis:

The Engineer’s Annual Report has been prepared and is on file in the City Clerk’s office. The report describes the District, the improvements therein, the method of assessment, and the proposed assessment for each parcel. The Resolution approving the Annual Report and the Resolution of Intention to order improvements are required by state law to continue the District. The proposed action in this report sets a public hearing for the Council meeting to be held on July 20, 2021 to establish assessments for the coming year.

In previous years, the expenditures in District No. 1 exceeded the revenue due to the lack of COLA provisions, creating negative Reserve Fund Balances. The City has addressed these negative fund balances with aggressive cost-cutting measures and transfers from the General Fund and Streets and Road Fund. The City has reduced professional services, water, and administration expenses allowing the revenue to exceed the expenditures in District No. 1. It is unlikely that moving forward the City will be able to keep expenses at these reduced levels while maintaining acceptable levels of maintenance.

The City previously attempted to modify District No. 1 to include the COLA provisions, but residents within the District opposed the modification. Without the ability to increase rates, the cost to maintain the district has exceeded revenues received from the assessments. In order to restore maintenance levels, the City could again approach property owners about approving an assessment increase through a Proposition 218 process.

Fiscal Impact:

The proposed assessments for Fiscal Year 21/22 are shown in Attachment 2.

The projected revenue, expenditures, and cash balance, which include capital reserve, for the Districts are as follows:

<u>District – Zone of Benefit</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Projected Reserve Fund Balance as of 7/1/22*</u>
1 - A	\$22,007	\$21,978	\$1,476
1 – B**	\$66,250	\$57,276	\$49,252

*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, B_1, and B_2 are included within “1-B” row of table.

The reserve balance in Zone of Benefit B consists of General Fund transfers that were unspent from previous years. Staff recommends maintaining this reserve balance to cover unforeseen expenses that may come up throughout the year. Moving forward, the City may be required to reduce maintenance levels in District No. 1, or utilize General Fund Gateway Maintenance Transfer funds to maintain previous years’ level of maintenance.

Alternatives:

1. Council may direct the modification of the assessment amounts which will affect future revenue and expenditure amounts in FY 21/22, or cancel the District and find alternative funding sources to maintain the landscaping.

2. Council may direct City staff to follow legal procedures 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 fund sources to supplement the District revenues based on previous Fiscal Year expenditures. In previous fiscal years, the average expenditure dollar amount in Zone of Benefit B was approximately \$100,000 with revenues being approximately \$65,000.

Recommendation:

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

- 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 July 20, 2021 at 6:00 PM to establish assessments for FY 21/22

Attachments:

1. Resolutions
 - a. Exhibit A – District Map
2. Proposed Assessments

Prepared by:

/s/ Josh Wolffe

Josh Wolffe
Assistant Engineer

Submitted by:

/s/ Dave Vaughn

Dave Vaughn
City Manager

Reviewed by:

Department Head

Finance

City Attorney

DL

SM

SLC by email

ATTACHMENT 1

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
APPROVING THE ENGINEER'S REPORT FOR THE YUBA CITY
LANDSCAPE MAINTENANCE DISTRICT NO. 1 (STABLER LANE/GARDEN
HIGHWAY AREA)**

WHEREAS, the City Council of the City of Yuba City previously formed Landscape Maintenance District No. 1 ("District"), pursuant to the provisions of the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code (commencing with Section 22500) (the "Act"); and

WHEREAS, on June 15, 2021, pursuant to the provisions of the Act, the City Council initiated proceedings by adopting a Resolution describing improvements and ordering the City Engineer to file a report with regard to the District for the 2021-2022 Fiscal Year; and

WHEREAS, the City Engineer has prepared and filed a written report with the City Clerk entitled "City of Yuba City, Landscape Maintenance District No. 1, Zone of Benefit A, Zone of Benefit B, Zone of Benefit B_1, Zone of Benefit B_2, 2021/2022 Engineer's Annual Levy Report" (the "Engineer's Report") as called for in said Resolution and under and pursuant to said Act, which report has been presented to this City Council for consideration; and

WHEREAS, said City Council has duly considered said Engineer's Report and each and every part thereof, and finds that each and every part of said report is sufficient, and that no portion of the report requires or should be modified in any respect.

WHEREAS, the City Council desires to formally approve the Engineer's Report, as filed, pursuant to Section 22623 of the Act.

NOW, THEREFORE, be it resolved by the City Council of the City of Yuba City as follows:

1. The above recitals are true and correct, and are hereby incorporated herein by this reference.
2. The City Council finds that the Engineer's estimate prepared by the City Engineer of the itemized costs and expenses of said work and of the incidental expenses in connection therewith, contained in said Engineer's Report be, and each of them are hereby, preliminarily approved and confirmed.
3. The City Council finds that the diagram showing the District referred to and described in said Engineer's Report, the boundaries of the subdivisions of the land within said District, is the same as existed at the time of passage of said Resolution and is hereby preliminarily approved and confirmed.
4. The City Council finds that the proposed assessment upon the subdivisions of land in said District is in proportion to the estimated benefit to be received by said subdivisions, respectively, from the work and incidental expenses as contained and detailed in the Engineer's Report, which is hereby preliminarily approved and confirmed.

5. The City Council hereby approves the “City of Yuba City, Landscape Maintenance District No. 1, Zone of Benefit A, Zone of Benefit B, Zone of Benefit B_1, Zone of Benefit B_2, 2021/2022 Engineer’s Annual Levy Report.” Said report shall serve as the Engineer’s Report for the purposes of subsequent proceedings for Landscape Maintenance District No. 1.
6. This Resolution shall take effect immediately.

The foregoing Resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 6th day of July, 2021.

AYES:

NOES:

ABSENT:

Marc Boomgaarden, Mayor

ATTEST:

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY

Shannon L. Chaffin, City Attorney
Aleshire & Wynder, LLP

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
DECLARING ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS WITHIN YUBA
CITY LANDSCAPE MAINTENANCE DISTRICT NO. 1 (STABLER LANE/GARDEN HIGHWAY
AREA) PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1973, PART 2 OF
DIVISION 15 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE, AND APPOINTING
A TIME AND PLACE FOR HEARING OBJECTIONS THERETO**

WHEREAS, the City of Yuba City is a municipal corporation duly created and existing pursuant to the Constitution and laws of the State of California; and

WHEREAS, the Landscaping and Lighting Act of 1972 (“Act”) requires the review of annual assessment of existing Districts; and

WHEREAS, the City Council of the City of Yuba City previously formed Yuba City Landscape Maintenance District No. 1 (“District”), pursuant to the provisions of the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code (commencing with Section 22500) (the “Act”); and

WHEREAS, assessments levied within the District provide revenue for the purposes of the servicing, operation, maintenance, repair, and replacement of the designated turf, ground cover, shrubs, trees, plants, irrigation and drainage systems, ornamental lighting structures, masonry walls or other fencing, entryway monuments, and associated appurtenant facilities located within the streetscape (perimeter landscaping) surrounding the developments; and

WHEREAS, on June 15, 2021, pursuant to the provisions of the Act, the City Council initiated proceedings by adopting a Resolution describing improvements and ordering the City Engineer to file a report with regard to the District for the 2021-2022 Fiscal Year; and

WHEREAS, in accordance with Article 4 of Chapter 1 of the Act, the Engineer prepared and filed such report (the “Engineer’s Report” with the City Clerk, and the City Clerk has presented the Engineer’s Report to the City Council; and

WHEREAS, on July 6, 2021, the City Council adopted a Resolution approving the Engineer’s Report as filed, pursuant to Section 22623 of the Act; and

WHEREAS, in accordance with Section 22624 of the Act, the City Council now desires to declare its intention to levy and collect the assessments within the District for Fiscal Year 2021-2022, and to call a public hearing thereto.

NOW, THEREFORE, be it resolved by the City Council of Yuba City as follows:

1. The above recitals are true and correct, and are hereby incorporated herein by this reference.

2. The City Council hereby (1) finds that the public interest and convenience requires, and (2) declares its intention to order, the levy of and collection of assessments against the assessable lots and parcels of property within an existing assessment district designated Yuba City Landscape Maintenance District No. 1 (“District”), pursuant to the provisions of the Act, for the fiscal year commencing July 1, 2021 and ending June 30, 2022, to pay for the costs and expenses of the improvements described below in Section 4 of this Resolution.
3. The boundaries of the District are generally located and depicted in “Exhibit A” attached hereto.
4. The proposed improvements are briefly described as follows: the servicing, operation, maintenance, repair, and replacement of the designated turf, ground cover, shrubs, trees, plants, irrigation and drainage systems, ornamental lighting structures, masonry walls or other fencing, entryway monuments, and associated appurtenant facilities located within the streetscape (perimeter landscaping) surrounding the developments.
5. The assessments to be levied and collected against the assessable lots and parcels of property within the District for Fiscal Year 2021-22 are proposed to increase from the assessments levied and collected for Fiscal Year 2020-21.
6. By previous resolution, the City Council directed the City Engineer to prepare and to file an Engineer’s Report pursuant to the provisions of the Act. The Engineer has prepared and filed a written report with the City Clerk that is titled “City of Yuba City, Landscape Maintenance District No. 1, Zone of Benefit A, Zone of Benefit B, Zone of Benefit B_1, Zone of Benefit B_2, 2021/2022 Engineer’s Annual Levy Report” and by previous resolution the City Council approved the Engineer’s Report as filed. Reference is made to the Engineer’s Report on file in the Office of the City Clerk and open to public inspection for a full and detailed description of the improvements, the boundaries of the District, and the proposed assessments upon assessable lots and parcels of land within the District. The Office of the City Clerk is located at 1201 Civic Center Boulevard, Yuba City, CA 95993
7. Notice is hereby given that the City Council designates July 20, 2021, at 6:00 p.m., in the City Council Chambers, City Hall, 1201 Civic Center Boulevard, Yuba City, CA, as the date, time, and place for the hearing of protests or objections to the levy of the proposed assessments in connection with the District. All interested persons shall be afforded the opportunity to hear and be heard. The City Council shall consider all oral statements and all written protests or communications made or filed by any interested person. Prior to the conclusion of the hearing, any interested person may file a written protest with the City Clerk or, having previously filed a protest, may file a written withdrawal of that protest. A written protest shall state all grounds of objection. A protest by a property owner shall contain a description sufficient to identify the property owned by the signer. Written protests may be delivered in person to the City Clerk or may be mailed to the City Clerk at City Hall, 1201 Civic Center Boulevard, Yuba City, CA 95993. Any written protest that is mailed must be received at City Hall at or prior to 4:30 p.m. on July 20, 2021

8. The City Clerk shall give notice of the aforesaid date, time, and place of the hearing in accordance with law.

The foregoing Resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 6th day of July, 2021.

AYES:

NOES:

ABSENT:

Marc Boomgaarden, Mayor

ATTEST:

Ciara Wakefield, Deputy City Clerk

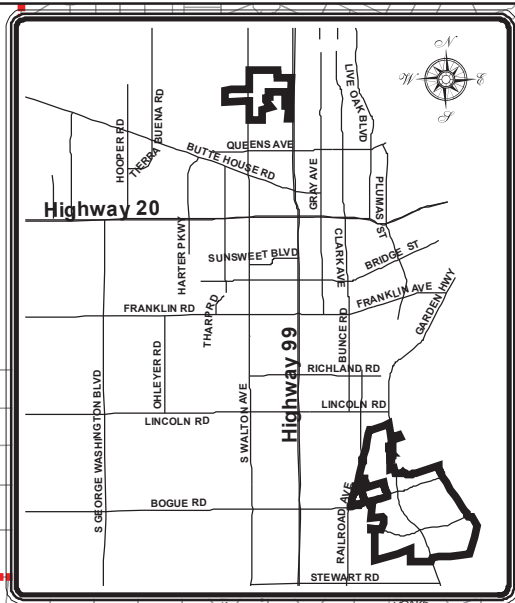
APPROVED AS TO FORM
COUNSEL FOR YUBA CITY

Shannon L. Chaffin, City Attorney
Aleshire & Wynder, LLP

Attachment(s):

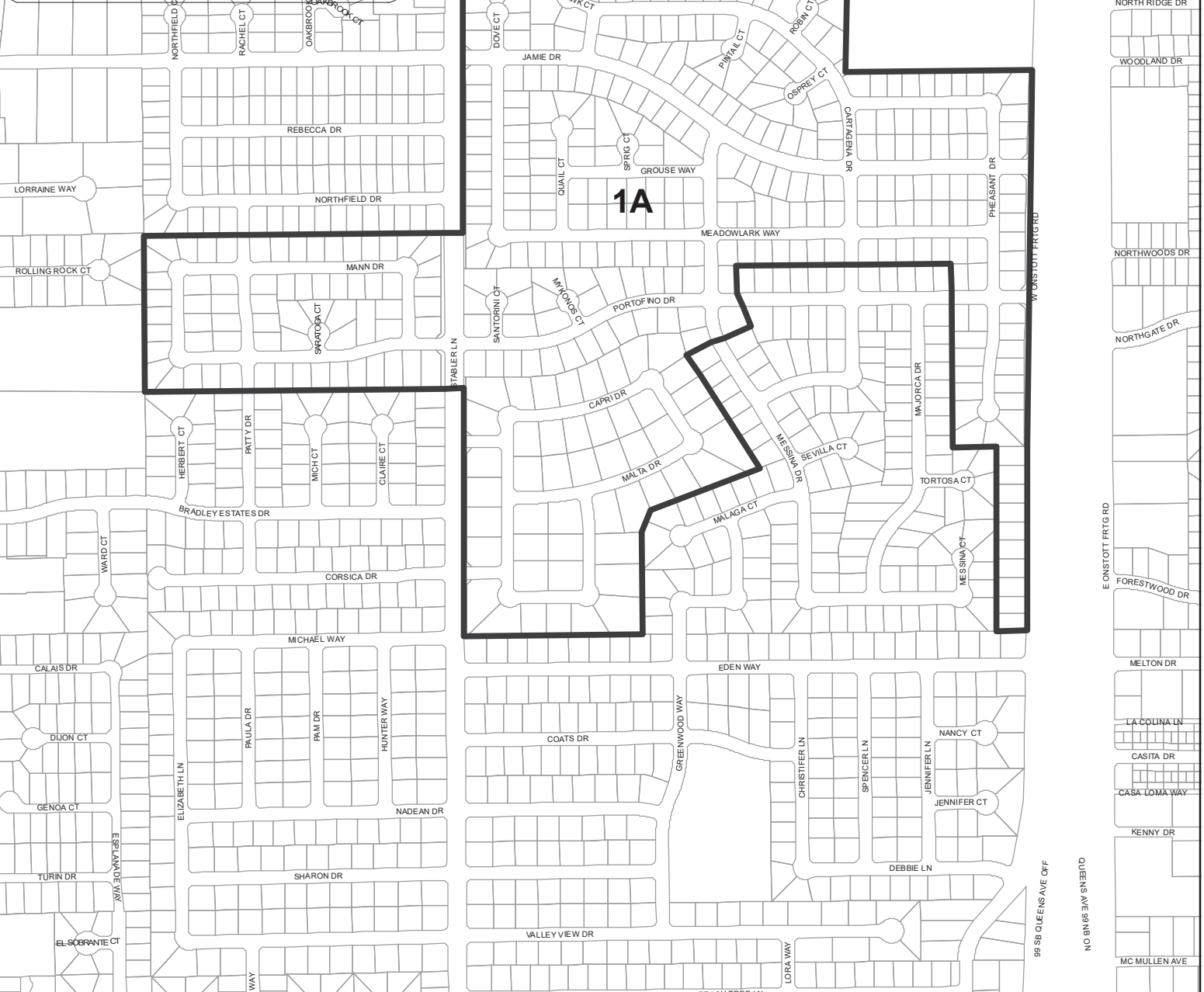
Exhibit A – District Map

EXHIBIT A



Legend

- Maintenance Districts
- City Limits



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

99 ST QUEENS AVE OFF
QUEENS AVE 99B ON

- MANCHESTER WAY
- BRISTON CT
- SANTA BARBARA WAY
- CAMDEN WAY
- NORTH RIDGE DR
- WOODLAND DR
- NORTHWOODS DR
- NORTHGATE DR
- FORESTWOOD DR
- MELTON DR
- LA COLINA LN
- CASITA DR
- CASA LOMA WAY
- KENNY DR
- MC MULLEN AVE





Legend

-  Maintenance Districts
-  City Limits



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



ATTACHMENT 2

DISTRICT 1 PROPOSED ASSESSMENTS

District	Zone of Benefit	FY 2021/22 Proposed Levy Rate (\$)	Change From Previous Year (\$)	Maximum Levy Rate Allowed (\$)
1	A	\$56.72	\$0.00	\$56.72
	B	\$29.50	\$0.00	\$29.50
	B_1	\$34.04	\$0.47	\$34.04
	B_2	\$311.51	N/A	\$311.51