

CITY OF YUBA CITY
STAFF REPORT

Date: July 5, 2022
To: Honorable Mayor & Members of the City Council
From: Public Works Department
Presentation By: Joshua Wolffe, Associate Engineer

Summary

Subject: Lighting and Landscape Maintenance District No. 1 FY 2022-23 Annual Levy Initiation

Recommendation: Adopt a Resolution describing improvements and ordering the Engineer of Work to file a report with regard to Yuba City Landscape Maintenance District No. 1, to continue the Maintenance District, pursuant to the Landscaping and Lighting Act of 1972

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 XIID 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. The assessments were approved by the property owners of record through a protest ballot proceeding at the time the District was formed.

District 1 (District) 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.

In previous years, the expenditures in District No. 1 exceeded the revenue due to increasing costs and 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.

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.

Analysis:

The proposed action of ordering the Engineer of Work to file a report for the District is the first step in the annual levy process. This step allows staff to review expenses and revenues for the District, determine how to best levy the District such that revenues meet or exceed expenditures and appropriate reserve balances are maintained, and ultimately file a report which will be reviewed and approved by Council. Once the report is approved by Council, a Public Hearing will be held for the District's annual levy.

Fiscal Impact:

Staff time and consultant expenditures within budgeted administration amounts will be required to prepare and file the report. The proposed assessments for Fiscal Year 2022-23 will be available for review, and analyzed in depth at the time of the Annual Report Approval.

Alternatives:

1. Do not order the Engineer of Work to file a report for the District. This may result in delays to the annual levy process due to noticing requirements, which ultimately may cause the City to file with the County Auditor after the legal deadline.
2. Direct staff to approach property owners about approving an assessment increase through a Proposition 218 process.

Recommendation:

Adopt a Resolution describing improvements and ordering the Engineer of Work to file a report with regard to Yuba City Landscape Maintenance District No. 1, to continue the Maintenance District, pursuant to the Landscaping and Lighting Act of 1972

Attachments:

1. Attachment 1 - Resolution LLMD 1 Initiation

Prepared By:

Josh Wolfe
Associate Civil Engineer

Submitted By:

Diana Langley
City Manager

ATTACHMENT 1

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
DESCRIBING IMPROVEMENTS AND ORDERING THE ENGINEER OF WORK TO FILE A
REPORT WITH REGARD TO YUBA CITY LANDSCAPE MAINTENANCE DISTRICT NO. 1
(STABLER LANE/GARDEN HIGHWAY AREA) FOR THE 2022-23 FISCAL YEAR**

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 requires the review of annual assessment of existing Districts; and

WHEREAS, Landscape Maintenance District No. 1 has been formed pursuant to the Landscaping and Lighting Act of 1972, and has been brought into compliance with Proposition 218; and

WHEREAS, the City Council of the City of Yuba City desires that assessments be levied and collected in said assessment district for the 2022-23 Fiscal Year in accordance with Chapter 3 (commencing with Section 22620) of Part 2 of Division 15 of the Streets and Highways Code of the State of California; and

WHEREAS, the City Council wishes to secure an engineer's report in accordance with Article 4 (commencing with Section 22565) of Chapter 1 of the Streets and Highways Code of the State of California.

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

1. There are no proposed new improvements or any substantial changes in existing improvements for Landscape Maintenance District No. 1. The City Engineer is hereby ordered to prepare and file a report in accordance with Article 4 (commencing with Section 22565) of Chapter 1 of the Streets and Highways Code of the State of California for Fiscal Year 2021-22 Landscape Maintenance District No. 1 assessments.

2. 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 5th day of July, 2022.

AYES:

NOES:

ABSENT:

Dave Shaw, Mayor

ATTEST:

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY

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