

City Manager's Report
May 9, 2017 City Council Meeting
Prepared by: Dave Warren, Director of Finance
Item #: 8.6



Subject: Adopt a resolution declaring the intention to provide for annual levy and collection of assessments pursuant to the provisions of Division 15, Part 2, of the Streets and Highways Code of the State of California and setting a time and place for public hearing thereon (Orchard Hill and Cottonwood Park).

Background:

Each year, the City levies annual assessments within its Landscaping, Lighting and Maintenance Districts (LLMD). The City maintains two such districts: Orchard Hill and Cottonwood Park. The Orchard Hill LLMD was created in September 1996 and the Cottonwood Park LLMD was created in October 1999.

The districts provided for the creation of parks and small landscape maintenance zones and ensure funding for ongoing maintenance of public landscaping improvements that are in or adjacent to the Orchard Hill and Cottonwood Park subdivisions. The park and landscape zones were a requirement of the developments and are intended to complement the subdivision appearance. The City has caused annual assessments to be levied via the El Dorado County tax roll since each district's respective inception. The collected assessments are held in separate funds specifically designated for and restricted to payment of costs directly attributed to the maintenance and lighting of landscape zones within the district for which the assessments were levied.

The engineer's reports, resolution of intention, and public hearing are requirements set forth in Division 15, part 2, of the Streets and Highways Code of the State of California.

Discussion:

Two meetings are required to complete the annual assessment process. At this regular meeting on May 9, 2017, the City Council will review the draft annual Engineer's Reports detailing the annual assessments, and consider the attached resolution declaring the City's intention to levy and collect the annual assessments. Staff is not seeking City Council adoption of the Engineer's Reports until the second required meeting. The report is provided for the City Council's preliminary deliberation. The attached resolution sets a public hearing on the proposed levy for June 13, 2017. The public hearing will serve as the second required meeting, and staff will seek Council's formal adoption of the annual Engineer's Report at that time.

The Engineer's Reports for both Orchard Hill and Cottonwood Park present a status quo budget and levy calculation.

Options:

1. Adopt the resolution declaring the intention to provide for annual levy and collection of LLMD assessments as presented.
2. Direct staff to take other actions.
3. Do nothing.

Cost:

The anticipated costs of operating and maintaining the Cottonwood Park and Orchard Hill LLMDs in Fiscal Year 2017/2018 are \$14,255 and \$20,464 respectively.

Budget Impact:

The Engineer's Reports for both the Orchard Hill and Cottonwood Park LLMDs present status quo budgets and levy calculations, and the current level of assessments are adequate in covering the cost of operating and maintaining both districts, including reasonable contingencies for Fiscal Year 2017/2018.

Recommendation:

Adopt a resolution declaring the intention to provide for annual levy and collection of assessments pursuant to the provisions of Division 15, Part 2, of the Streets and Highways Code of the State of California and setting a time and place for public hearing thereon (Orchard Hill and Cottonwood Park).



M. Cleve Morris, City Manager



Dave Warren, Director of Finance