

**City of Culver City, California
Agenda Item Report**

Meeting Date: 08/09/10		Item Number: PH-2	
CITY COUNCIL AGENDA ITEM: PUBLIC HEARING – 1) Adoption of a Resolution Approving the Engineer’s Report and Annual Assessment Levy for Landscaping Maintenance District No. 1, Zone 1 - Fiscal Year 2010/2011, and 2) Adoption of a Resolution Declaring the Intention to Dissolve Landscaping Maintenance District No. 1, Zone 2 and Setting the Date, Time, and Place for the Public Hearing Relating Thereto.			
Contact Person/Dept.: Mate Gaspar/PW		Phone Number: (310) 253-5602	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☒		Action Item: ☐ Attachments: ☒	
Commission Action Required: Yes ☐ No ☒ Date: _____			
Public Notification: (E-Mail) Agenda and Meetings – City Council (08/05/10) Property owners were mailed a courtesy notice on (08/04/10).			
Department Approval: Charles D. Herbertson(08/02/10)		City Attorney Approval: Carol Schwab (by H. Baker) (08/02/10)	
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (08/04/10)		City Manager Approval: Martin R. Cole (08/05/10)	
<u>RECOMMENDATION:</u> Staff recommends the City Council: 1. Adopt a Resolution approving the Engineer’s Report and annual assessment levy for Zone 1 of Landscape Maintenance Assessment District No.1, for Fiscal Year 2010/2011; and 2. Adopt a Resolution declaring the intention to dissolve Landscaping Maintenance District No. 1, Zone 2 and setting a public hearing for August 23, 2010 at 7:00 p.m. in the Mike Balkman Council Chambers. <u>PROCEDURE:</u> 1. Mayor seeks motion from City Council to receive and file the affidavits of publication and posting of notices and correspondence received in response to the public hearing notices; and, 2. Mayor calls for a staff report and the City Council Members may pose questions to staff as desired; and, 3. Mayor seeks a motion to open the public hearing and			

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4. Mayor seeks a motion to close the public hearing after all public testimony has been presented; and,
5. City Council discusses the item and arrives at its decision.

BACKGROUND:

Landscaping Maintenance District No. 1, consisting of two zones was created for the purpose of providing on-going maintenance of landscaping along:

- “Zone 1” (Studio Estates), being the periphery of the MGM Lot 2 residential subdivision; and
- “Zone 2” (Ballona Creek), being the 20-foot wide strip along the southerly side of Ballona Creek from the easterly side of Overland Avenue to the northeasterly line of Westside Business Park, a distance of about 2,200 feet.

On July 13, 2009, the proposed assessment increase for Zone 1 was approved by a majority of the votes received from members of the District. Also, the members of the District approved an annual increase based on the February Consumer Price Index for All Urban Consumers for the Los Angeles – Riverside - Orange County area plus up to a 5% premium each year until the revenues generated from the assessment match the annual expenditures of the District and the District has a positive balance.

The proposed assessment increase for Zone 2 did not pass as result of a majority ballot protest.

DISCUSSION:

Public Hearing for Zone 1:

For Zone 1, staff is proposing the City Council approve the annual assessment levy to include an annual increase based on the Consumer Price Index (CPI) plus 1.36% (additional amount required to provide sufficient District revenues). Based on the information provided by the Department of Labor, the CPI increase is 1.44%. Should the City Council adopt the proposed resolution, , the total increase to the assessment levy is 2.80%. The existing assessment levy per parcel is \$184.92. The proposed assessment levy will be \$190.20 per parcel for a total amount of \$34,236 (180 parcels) for Fiscal Year 2010/2011.

Zone 2:

For Zone 2, the maintenance area is a 20 foot wide strip of land located on the southerly portion of the Los Angeles County Flood Control – Ballona Creek

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Channel. The existing maintenance activities are the removal of debris, maintain the landscape plants, trim the trees once every 5 years, and irrigate the landscape. The maintenance area has not had any new capital improvements in many years. The maintenance area has few remaining landscape plants. It does not have any constructed pathways. There are large trees and a boundary wall with access door from the Jefferson Business Park. The area does not appear to be accessed by the adjacent businesses and is rather secluded. Staff believes that Zone 2 can be disbanded without causing hardship to the adjacent property owners.

In order to bring this area to a level that would encourage usage by the adjacent businesses would require a significant level of capital improvements such as a new enhanced entrance, new landscape plantings, decomposed granite pathways, tables and benches, lighting, security cameras, and emergency call box. Such an undertaking is estimated to cost more than \$250,000. Additionally, these types of improvements and usage would require permits from Los Angeles County.

Installation of capital improvements to Zone 2 would require a significantly higher assessment levy. It is unlikely that the adjacent property owners would approve such an increase by ballot. A small proposed consumer price index plus 5% increase to the assessment levy was not approved by the majority of property owners in 2009.

Staff recommends that the adjacent property owners should no longer be levied an assessment for the maintenance of this area and that the City Council order Zone 2 be dissolved with the Zone Fund Balance be refunded to the District. Staff believes that Zone 2, without extensive capital improvements, does not provide the adjacent business or the general public any value or enjoyment. The area is within the jurisdiction of the Los Angeles County Flood Control District and, should the City Council ultimately dissolve Zone 2, staff will mail a letter to the County notifying them that the City will no longer maintain it.

Staff recommends the City Council adopt the proposed Resolution declaring its intent to dissolve Zone 2. Should the City Council adopt the proposed Resolution, a public notice of the hearing will be published and posted no later than Thursday, August 12th.

Other options available to the City Council include:

- Continue assessing Zone 2 at the current rate and adjust maintenance activities so that they do not exceed available revenue.
- Continue maintenance in Zone 2 for one year until the fund balance is exhausted

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- By a 4/5ths majority vote, suspend collection of said assessment and continue the services, funding them with the City's General Fund. This would also require a budget amendment.

FISCAL ANALYSIS:

The Landscape Maintenance District #1, Zone 1, budget is proposed to be 100 percent self-supporting for all expenditures. Property owners within the District are charged for their fair share of these costs, as described in the Engineer's Report.

ATTACHMENTS:

1. Engineer's Report
2. Proposed Resolution regarding Zone 1
3. Proposed Resolution regarding Zone 2

MOTION:

That the City Council:

1) Adopt a Resolution approving the Engineer's Report and assessment levy (for Zone 1) for Landscape Maintenance District #1 for Fiscal Year July 1, 2010 to June 30, 2011; and

2) Adopt a Resolution declaring the intention to dissolve Landscaping Maintenance District No. 1, Zone 2 and setting the date, time, and place for the public hearing relating thereto.