

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 06/23/08	Item Number: <u>PH-3</u>
AGENDA ITEM: PUBLIC HEARING Adoption of a Resolution Approving the Engineer's Report and Affirming the Existing Annual Assessment Levy for Landscaping Maintenance District No. 1 - Fiscal Year 2008/2009	
Contact Person/Dept.: Mate Gaspar/DPW	Phone Number: (310) 253-5602
Fiscal Impact: Yes ☒ No ☐	General Fund: Yes ☒ No ☐
Public Hearing: ☒	Action Item: ☐ Attachments: ☒
Public Notification: Letter to property owners in Studios Estates (06/18/08)	
<u>Legal:</u> The Notice of Public Hearing was posted on the City's official bulletin board on June 12, 2008 and published in the June 12, 2008 issue of Culver City News.	
Master Notification List on (06/18/08)	
Department Approval: Charles Herbertson (06/18/08)	City Attorney Approval: Carol Schwab (by H. Baker) (06/18/08)
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (06/18/08)	City Manager Approval: Jerry B. Fulwood (06/18/08)
<u>RECOMMENDATION:</u> Staff recommends the City Council adopt a resolution approving the Engineer's Report and affirming the existing annual assessment levy for the Landscape Maintenance District #1 for Fiscal Year July 1, 2008 to June 30, 2009. <u>PROCEDURE:</u> Mayor: Announce that this is the time and place for the public hearing to discuss the annual levy of assessments for Landscape Maintenance District #1 for Fiscal Year 2008/2009. City Clerk: Announce that notice of this hearing has been given pursuant to the provisions of Chapter 15.01 of the Code of the City of Culver City, California, and that the following affidavits are on file in his office: 1. Affidavit of Publication; and 2. Affidavit of Posting.	

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- Mayor and Council: Seeks a Motion to receive and file all affidavits.
- City Engineer: Present the Engineer's Report and explains method of assessment for the annual levy.
- City Clerk: Announce the number of written protests received, if any, and announce that copies of all such protests have been delivered to the City Council OR, summarize the contents thereof.
- Mayor: First, ask to hear from those who have filed a written protest. Next, ask to hear from those in the audience wishing to speak against the proposed assessments.
- Then, ask to hear from anyone who wishes to speak in favor of the proposed assessments.
- Mayor and Council: Seeks a motion to Declare the Public Hearing closed.
- Mayor and Council: Discussion.
- Mayor and Council: By Motion, overrule and deny any protests, assuming protests represent less than 50% of property interest.
- Mayor and Council: By Motion, adopt the Resolution confirming the annual assessment levy
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BACKGROUND:

LMD#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.

Location maps are included in the Engineer's Report.

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Zone 1 was the result of a City Council conditional approval of the subdivision being created. The Developer wanted to develop an area that was surrounded by landscaping within the public right-of-way. The City Council allowed the additional landscaping along Elenda Street and Culver Boulevard conditioned upon the formation of a maintenance district, paid for by the property owners, to perpetually provide maintenance of that landscaping.

DISCUSSION:

On April 21, 2008, the City Council adopted Resolution No. 2008-R025 ordering the preparation of the City Engineer's Report, declaring its intention to order the levy of annual assessment and scheduling this public hearing for Fiscal Year 2008/2009 for Landscape Maintenance District No. 1.

The current Fiscal Year 2007/08 assessment levies are \$31,593 for Zone 1 and \$12,915 for Zone 2. The recommended Fiscal Year 2008/09 assessment levies are \$32,857 (\$31,593 plus 4%), for Zone 1 and \$12,915 for Zone 2 (both of which represent retaining the current levies with no increase).

The ballots were mailed after April 21, 2008. Afterwards, it was discovered that the ballot contained an error in the assessments amounts. A revised corrected ballot along with a letter explaining what had occurred was mailed to the property owners on May 8, 2008. The letter also stated that the public hearing had been rescheduled to June 23, 2008.

For **Zone 1**, Studio Estates, the ballot measure is asking the property owner the following:

I APPROVE A 4% INCREASE TO MY EXISTING ASSESSMENT FROM \$ 175.52 TO \$182.54 PER YEAR, FOR THE CURRENT LEVEL OF SERVICE OF MAINTENANCE AND IRRIGATION OCCURRING ONCE A WEEK TO PAY FOR MY SHARE OF THE DISTRICT'S COSTS.

For **Zone 2**, Ballona Creek, no ballot measures were mailed to the property owners since no increases to their current assessments were being recommended.

Unfortunately, the revised corrected ballots were never received by the property owners in Zone 1. Two property owners stated they never received a revised ballot. Also the City was continuously receiving ballots that were mailed after April 21,

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2008. Only one revised corrected ballot was received by the City from a property owner outside Zone 1. The City hired Avalon Communications of Hawthorne to conduct the mailing and they have not been able to provide proof of mailing. Staff believes that the revised corrected ballots were not mailed properly. This matter is still under investigation by staff.

Due to these unexpected circumstances, the City is unable to proceed with the ballot process and request a 4% increase to the assessment levy for Zone 1 Studio Estates. Staff is recommending to the City Council that the existing assessment levy in the amount of \$175.52 be affirmed for Fiscal Year 2008/2009.

Other options available to the City Council include that it could, by simple majority, order the District disbanded and discontinue the services. A resolution implementing that disbanding action would be brought to at a subsequent meeting.

Lastly, the City Council could, by 4/5ths majority vote, suspend collection of said assessment and continue the services, funding them with the City's General Fund.

FISCAL ANALYSIS:

The Landscaping Maintenance District No. 1 budget should 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 City Engineer's Report. This year, due to the fact that no CPI adjustment is being made, Zone 1 will run a slight deficit. The proposed amount to be collected in fiscal 2008-09 is \$31,593. The deficit will be \$1,264. However, it may be possible to recover this deficit amount in fiscal year 2009-10 by carrying the amount forward into the costs of that fiscal year and assessing the District an additional amount if approved by through the Ballot process at that time.

ATTACHMENTS:

- City Engineer's Report
- Resolution
- June 16, 2008 letter to property owners in Studio Estates

MOTION:

That the City Council:

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Adopt the Resolution approving the Engineer's Report and affirming the existing assessment levy for Landscape Maintenance District #1 for Fiscal Year July 1, 2008 to June 30, 2009.

Or

Order the District be disbanded and not maintained by the City of Culver City

Or

Order the assessment levies be stopped and the maintenance of the District be paid for with City General Funds. Requires a 4/5ths majority vote.