

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

Meeting Date: 08/03/09		Item Number: <u>PH-1</u>	
CITY COUNCIL AGENDA ITEM: PUBLIC HEARING - Adoption of a Resolution Approving the Engineer's Report and Affirming the Existing Annual Assessment Levy for Higuera Street Landscape and Lighting Assessment District - Fiscal Year 2009/2010			
Contact Person/Dept.: Mate Gaspar/DPW		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) Agendas and Meetings – City Council (07/29/09) (USPS) Property owners were mailed a postcard (07/23/09).			
Department Approval: Charles D. Herbertson (07/27/09)		City Attorney Approval: Carol Schwab (by H. Baker) (07/28/09)	
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (07/29/09)		City Manager Approval: Mark Scott (07/29/09)	
<u>RECOMMENDATION:</u> Staff recommends the City Council adopt a Resolution: 1. Approving the Engineer's Report for Higuera Street Landscape and Lighting Assessment District for Fiscal Year 2009/2010; and, 2. Affirming the existing annual assessment levy for Fiscal Year July 1, 2009 to June 30, 2010. <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 4. Mayor seeks a motion to close the public hearing after all public testimony has been presented including the presentation by the City Clerk of any protests received; and,			

City of Culver City, California
Agenda Item Report

5. City Council discusses the item and arrives at its decision.

BACKGROUND:

The Higuera Street landscaping and street lighting improvements were installed in 1995 at the request of the property owners. The assessment area was formed and the boundary includes properties on both sides of Higuera Street between Lindblade Avenue and Hayden Avenue. Each of the properties directly or indirectly benefits from the public improvements maintained in the District.

On July 13, 2009, a proposed assessment increase did not pass as result of a majority ballot protest.

On July 20, 2009, the City Council adopted Resolution R2009-057 approving the preliminary Engineer's Report and declared its intention to order the annual assessment levy for Higuera Street Landscape and Lighting Assessment District and setting August 3, 2009 at 7:00 p.m. in the City Council Chambers as the date, time and place for the Public Hearing.

DISCUSSION:

The Fiscal Year 2008/09 total assessment levy is \$19,324 for the Higuera Street Landscape and Lighting District. The recommended Fiscal Year 2009/10 total assessment levy is \$19,324 (which represents retaining the current levy with no increase).

The estimated expenditures required to maintain the existing level of maintenance and services for the District is \$31,098. This amount is based on the approved agreement with Marina Contracting and estimated administrative and material costs. Since there was a majority ballot protest of the proposed increase to the assessment levy, staff is recommending to the City Council that the existing assessment levy in the amount of \$19,324 be reaffirmed for Fiscal Year 2009/10.

In order that District expenditures match the assessment levy, staff proposes reductions to the maintenance and services to the District. Based upon a review of the District's maintenance and input received from residents that reside within the District staff has developed the following preliminary list of possible reductions to the District maintenance:

1. Remove lantanas around the street trees and replace with decomposed granite. Reduce irrigation at tree wells to bubblers for trees only.
2. Discontinue grass parkway maintenance between the sidewalk and street. The City would continue to maintain planted areas at the street intersections.

City of Culver City, California
Agenda Item Report

3. Eliminate landscape maintenance in landscaped pockets between the sidewalk and property lines. These areas are adjacent to and contiguous with resident-maintained gardens and can easily be incorporated into residents' regular yard maintenance.
4. Turn off lighting from the 27 additional streetlights that were added when the District was formed (or some subset thereof) to save on energy costs.
5. Remove maintenance of the ivy plants along the westerly portion of Higuera between Lucerne Avenue and Hayden Avenue.

Staff will work with Marina Contracting to determine the savings associated with each of aforementioned items. Once that information is obtained, the results and final recommendations will be reported to the City Council at a future date.

Other options available to the City Council include:

- By 4/5ths majority vote, approve a budget amendment and subsidize the District with City's General Funds (estimated to be \$12,000 for Fiscal Year 2009/2010).
- By simple majority vote, order the District be disbanded and discontinue the services. A resolution implementing that disbanding action would be brought to the City Council for consideration at a subsequent meeting.
- By 4/5ths majority vote, temporarily suspend collection of said assessment for Fiscal Year 2009/2010 and continue the services, funding them with the City's General Fund (which would result in a \$32,000 expense to the General Fund).

FISCAL ANALYSIS:

The total cost to fund the maintenance and services at their current level is \$31,098. The total proposed assessment levy amount is \$19,324. Unless services are reduced as indicated above, the District deficit for FY 09/10 will be \$11,774. If another option requiring a budget amendment were to be approved by City Council, funds from the General Fund unappropriated reserves would need to be used to fund the option.

ATTACHMENTS:

1. City Engineer's Report
2. Proposed Resolution

City of Culver City, California
Agenda Item Report

MOTION:

That the City Council:

1A. (Staff Recommendation) Adopt the Resolution approving the Engineer's Report and affirming the existing assessment levy for Higuera Street Landscape and Lighting Assessment District for Fiscal Year July 1, 2009 to June 30, 2010; and,

1B. (Staff Recommendation) Direct staff to proceed with identifying final recommended reductions in services and report those recommendations back to the City Council prior to the exhaustion of the assessment revenues collected for Fiscal Year 2009/2010 (since the assessment levy represents approximately 2/3rds of the revenues needed to fund the services of the District, staff would return to the City Council before the end of January, 2010);

OR

1C. Approve a Budget Amendment appropriating \$12,000 from the Unappropriated General Fund Reserve (a budget amendment requires a 4/5ths vote)

OR

2. Direct staff to return to the City Council with a resolution of intention in order to initiate the proceedings for dissolution of the District.).

OR

3A. Order the assessment levy be suspended and the maintenance of the District be paid for with City General Funds. Requires a 4/5ths majority vote; and,

3B. Approve a Budget Amendment appropriating \$32,000 from the Unappropriated General Fund Reserve (a budget amendment requires a 4/5ths vote)