

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 06/25/07		Item Number: <u>PH - 1</u>	
AGENDA ITEM: Adoption of a Resolution Approving the Engineer's Report and Ordering the Annual Assessment Levy and Collection for the Higuera Street Landscaping and Lighting Maintenance District - Fiscal Year 2007/2008			
Contact Person/Dept.: Mate Gaspar/PW		Phone Number: (310) 253-5602	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☒		Action Item: ☐ Attachments: ☒	
Public Notification: <u>Legal:</u> The Resolution of Intention was posted on the City's official bulletin board on April 23 and published in the April 19, 2007 issue of Culver City News. <u>Non-Legal:</u> First Class Postcards were mailed to the property owners on April 27 and June 15, 2006. Master Notification List on April 23 and June 21, 2007.			
Department Approval: Charles D. Herbertson (06/19/07)		City Attorney Approval: Carol Schwab (by H. Iker) (06/20/07)	
City Controller Approval: Marlee Chang (06/20/07)		City Manager Approval: Jerry B. Fulwood (06/20/07)	
<u>RECOMMENDATION:</u> Staff recommends the City Council, based on the outcome of the ballot measures and discussion, adopt the resolution approving the Engineer's Report and ordering the assessment levy for Fiscal Year 2007/2008 for the Higuera Street Landscaping and Lighting Maintenance District. <u>PROCEDURE:</u> Mayor: Announce that this is the time and place for the public hearing to discuss the annual levy of assessments for the Higuera Street Landscaping and Lighting Maintenance District for Fiscal Year 2007/2008. City Clerk: Announce that Notice of this hearing has been given pursuant to the provisions of Chapter 15.01 of Code of the City of Culver City, California, and pursuant to the provisions of the City Council's Resolution 2006-R032 and in accordance with Articles XIII C and D of the California Constitution, known as the "Right to Vote on Taxes Act" or more commonly known as Proposition 218 and the 1972 Landscape			

City of Culver City, California
City Council Agenda Item Report

and Lighting Assessment District Act, and that the following affidavits are on file in his office:

1. Affidavit of Publication; and
2. Affidavit of Posting.

Mayor and Council: Motion to receive and file all affidavits.

City Engineer: Present the City Engineer's Report and explain method of assessment for the annual levy.

City Clerk: Announce the amounts supporting and opposing each of the ballot issues.

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: Offer an opportunity for Rebuttal and announce this is the property owners' final opportunity to change or withdraw their votes.

Mayor and Council: Declare the Public Hearing CLOSED.

Mayor and Council: Discussion.

Mayor and Council: By Motion, depending upon whether or not a majority of voters approve the increased assessment, adopt a Resolution regarding the assessments

BACKGROUND:

The District was created in 1995 for the purpose of providing on-going maintenance of landscaping and special residential street lighting. The City Council required the property owners to maintain, in perpetuity, the improvements installed at City cost. Those improvements restricted through-traffic along Higuera Street and created landscaped parkways and medians and provided special residential street lighting. A location map is included in the Engineer's Report.

City of Culver City, California
City Council Agenda Item Report

The annual amount collected for Fiscal Years 1995/96 through 2002/03 was \$13,400. For the first time in the District's history, an increase was supported by a 52 to 48 percent vote of the District property owners in fiscal year 2004/2005 for a total assessment of \$19,324

DISCUSSION:

On April 23, 2007, the City Council adopted Resolution 2007-R023, ordering the preparation of the City Engineer's Report, declaring it's intention to order the levy of annual assessment and scheduling this public hearing for Fiscal Year 2007/2008 for Higuera Street Landscaping and Lighting Maintenance District.

The Fiscal Year 2006/07 assessment levy is \$19,324.

The attached City Engineer's report shows that the actual estimated costs to maintain the District are greater than what is currently being assessed on the property owners. Staff requested that Proscap provide cost proposals for once-a-week maintenance and enhanced maintenance of the District. The costs are presented below.

The estimated cost that will be incurred including a 4% COLA during Fiscal Year 2007/08 is \$23,750.

The estimated cost for enhanced maintenance during Fiscal Year 2007/08 is \$24,879.

Based on this aforementioned information, staff mailed ballots to each property owner within the District. The property owners were requested to return the ballot in the return envelope.

The ballot measure is asking the property owner the following:

I APPROVE A 23% INCREASE TO MY EXISTING ASSESSMENT FROM \$_____ TO \$_____ 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.

I APPROVE A 29% INCREASE TO MY EXISTING ASSESSMENT FROM \$_____ TO \$_____ PER YEAR, FOR THE ENHANCED LEVEL OF SERVICE OF MAINTENANCE AND IRRIGATION OCCURRING ONCE A WEEK TO PAY FOR MY SHARE OF THE DISTRICT'S COSTS.

City of Culver City, California
City Council Agenda Item Report

If all ballot measures fail, City Council could still impose the existing assessment with a 4/5ths majority vote. The existing assessment levy would remain at \$19,324. The City could absorb the additional costs to maintain the district with the City's General Fund **or** reduce the level of maintenance in the district commensurate with the funds derived from the assessment.

The City Council could, by simple majority, order the District disbanded and discontinue the services. A resolution implementing that disbanding action would be brought to the City Council at a subsequent meeting for final consideration.

Lastly, 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.

Public Notification

Legal:

The Resolution of Intention was posted on the City Hall official bulletin board on April 23, 2007 and published in the April 19, 2007 issue of Culver City News.

Non-Legal:

Letters were mailed to the property owners on April 23, May 10, and May 12, 2007.

A public workshop was conducted at City Hall regarding the ballot measures on May 8, 2007.

The City's Master Public Notification List was notified via e-mail on June 20, 2007.

FISCAL ANALYSIS:

City of Culver City, California
City Council Agenda Item Report

The Higuera Street Landscaping and Lighting Maintenance District budget is meant to be 100% self-supporting for all expenditures. Property owners within the District are charged for their fair share of these costs, based upon their benefit, as described in the Engineer's Report. Should one of the proposed ballot measures be approved, there will be sufficient revenues from the assessment to provide maintenance services at the current or an enhanced level as described in the Engineer's report.

However, should the ballot measures fail and, the existing level of assessment revenue is continued for Fiscal Year 2007/2008, there would be either (1) a General Fund subsidy to the district or (2) a decrease of services from the Fiscal Year 2006/2007 levels. The actual amount of any General Fund subsidy would depend upon three factors: (1) the determination by the City Council to provide reduced service levels; or (2) the determination by the City Council that it wished to provide such a subsidy to maintain current service levels; or (3) the determination by the City Council to provide such a subsidy in order to provide for an enhanced service level. The estimated General Fund subsidy ranges from \$0 to \$5,555..

ATTACHMENTS:

- City Engineer's Report
- Location maps
- Resolution
- Sample Ballots

MOTIONS:

That the City Council:

1. If the increase is approved by a majority of those voting, adopt the Resolution approving the Engineer's Report and ordering the increased annual assessment levy for Fiscal Year July 1, 2007 to June 30, 2008 for Higuera Street Landscaping and Lighting Maintenance District;

OR

2. If the increase is not approved by a majority of those voting, adopt the Resolution approving the Engineer's Report and confirming the existing annual assessment levy for Fiscal Year July 1, 2007 to June 30, 2008 for Higuera Street

City of Culver City, California
City Council Agenda Item Report

Landscaping and Lighting Maintenance District and provide direction to staff regarding the any general fund subsidy and the corresponding appropriate level of service to provide to the district.