

## Agenda Item Staff Report

**To:** Honorable Mayor and Members of City Council  
*For the Meeting of April 9, 2024*

**From:** Chris Constantin, City Manager

**Prepared by:** Scott Wasserman, Director of Parks & Recreation

**Subject:** Adopt Resolution 2024-20 Approving the Engineer's Report on the Boulevard Assessment District, Declaring Intention to Levy and Collect an increased Assessment, and Fixing a Time and Place for a Public Hearing for Boulevard Open Space Maintenance District No. 1, Tract 32818, Boulevard

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### **SUMMARY**

Adoption of Resolution that approves the Engineer's Report on the Boulevard Assessment District, declares the City Council intent to levy and collect an increased assessment for Fiscal Year 2024-25, and fixes a time and place for a Public Hearing for Open Space Maintenance District No. 1, Tract 32818, Boulevard

### **RECOMMENDATION**

Staff recommends the City Council:

- Adopt Resolution 2024-20, Boulevard Assessment District, approve the Engineer's Report and declare an intent to levy and collect an increased Assessment for the Fiscal Year 2024-2025 and conduct a Public Hearing on May 28, 2024, for Open Space Maintenance District No. 1, Tract 32818, Boulevard.
- Authorize a General Fund subsidy of \$2,152.92 to offset the projected operating deficit and allow for the same level of service to continue for the landscape district in FY 2024-2025.

### **FISCAL IMPACT**

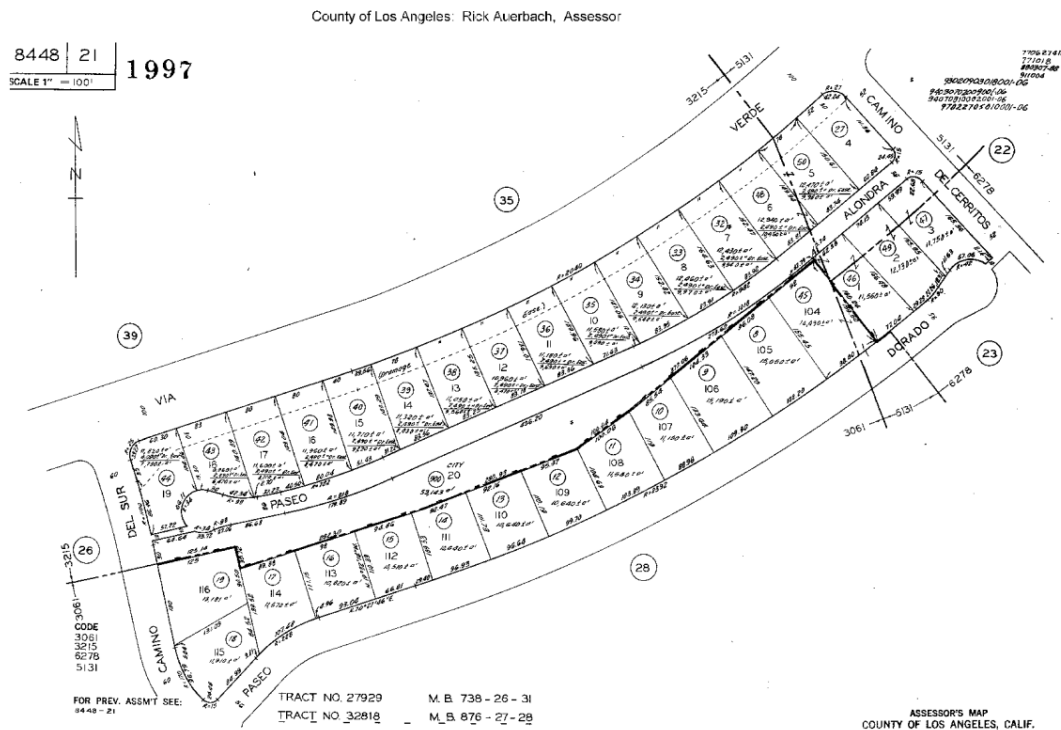
The funds collected from the assessment are used to offset costs incurred by the City for the maintenance of the Boulevard Landscape District. The fund balance for the Boulevard Assessment District has decreased in recent years with extensive tree removal and rising utility costs. An assessment increase of 3.4%, reflective of changes in the Consumer Price Index, is proposed to stay current with maintenance fees for this District. The Assessment Rate for the

Fiscal Year 2023-24 was \$602.91 per parcel. The rate proposed for 2024-25 is \$623.41 per parcel, an increase of \$20.50 or 3.4%.

In addition, the projected assessment fund operating deficit will be funded by unassigned general fund in the amount of \$2,152.92.

## **BACKGROUND**

The Boulevard Open Space Maintenance District was formed under the provisions of the Landscape and Lighting Act of 1972, Division 15, Part 2, of the Streets and Highways Code of the State of California. The Act further establishes procedures for the annual levy of assessments which includes the approval of an Engineer's Report and establishing a time and place for a Public Hearing. The Boulevard Assessment District consists of 19 homes that back up to a tree and ivy-covered slope on Paseo Dorado as well as homes that take entry to their properties along Paseo Alondra.



In 2006, the 19 property owners in the Boulevard Open Space Maintenance District approved by ballot measure an annual Consumer Price Index adjustment for future years not to exceed 7% as necessary to cover the costs of maintenance, including increases in the costs of materials, labor, and utilities.

On February 13, 2024, the City Council adopted Resolution 2024-08 requesting the preparation of the Engineer's Report for the annual levy of assessments for Open Space District No. 1, (Tract No. 32818, Boulevard) for the Fiscal year 2024-25.

In March 2024, the CPI numbers were released for 2023. City staff averaged the Consumer Price Increase percentages from February 2023 to February 2024, reaching an average of 3.4%.

### **DISCUSSION/ANALYSIS**

The Engineer's Report has been prepared with the scope of work to include general landscape, utilities such as water and electricity, as well as tree and irrigation system maintenance. The Engineer's Report (Attachment 2) projects a minimal surplus of \$23.55 for the Fiscal Year 2023-24 and an Ending Fund Balance shortfall of -\$2,152.92 if no action is taken.

The fund account for the Assessment has been depleted in the past three years due to several large projects on the property. Twenty new trees were planted in 2021 and repairs were completed on the slopes to address a slide. The cost of water for irrigation has increased significantly due to increasing water rates.

Staff is requesting that the City Council Adopt Resolution 2024-20, Boulevard Assessment District, approve the Engineer's Report and declare an intent to levy and collect an increased Assessment for the Fiscal Year 2024-2025, and conduct a Public Hearing on May 28, 2024, for Open Space Maintenance District No. 1, Tract 32818, Boulevard. As previously discussed, the Assessment Rate for the Fiscal Year 2023-24 is \$602.91 per parcel. The annual rate proposed for 2024-25 is \$623.41 per parcel, which reflects an increase of \$20.50 or 3.4%.

Staff is also requesting that the City Council authorize a General Fund subsidy of \$2,152.92 to offset the projected operating deficit and allow for the same level of service to continue for the landscape district in FY 2024-2025.

### **ALTERNATIVES**

The Council could elect not to adopt Resolution 2024-20, Boulevard Assessment District, and deny the Engineer's Report for the Fiscal Year 2024-25.

By not approving the Engineer's Report and moving forward with the Public Hearing, the Council would be moving forward without an approved assessment, which would lead to all costs associated with Boulevard Assessment District being subsidized by the General Fund.

### **ENVIRONMENTAL REVIEW**

Pursuant to CEQA guidelines Section 15061 (b)(3), CEQA does not apply to this item because there is no potential for causing a significant effect on the environment. Therefore, no additional environmental review is needed at this time.

Respectfully submitted,



Scott Wasserman  
Director of Parks & Recreation

Attachments:

1. Resolution 2024-20
2. Engineer's Report for Fiscal Year 2024-25 for Open Space Maintenance District No. 1, Tract 32818, Boulevard