

Folsom City Council Staff Report

MEETING DATE:	1/14/2025
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 11321 - A Resolution Initiating Proceedings for the Formation of a Landscaping and Lighting Assessment District to be known as the Natoma Station Maintenance Assessment District No. 2025-1
FROM:	Parks and Recreation Department

RECOMMENDATION / CITY COUNCIL ACTION

Staff recommends the City Council approve Resolution No. 11321 - A Resolution Initiating Proceedings for the Formation of a Landscaping and Lighting Assessment District to be known as the Natoma Station Maintenance Assessment District No. 2025-1.

BACKGROUND / ISSUE

This action is for authorization to prepare the reports that will address the formation of a new landscaping and lighting district for the area known as Natoma Station. The new district would become Natoma Station Maintenance Assessment District No. 2025-1. If approved by a vote of the property owners, the new district would replace the existing Natoma Station Landscaping and Lighting District.

The Natoma Station Landscaping and Lighting District (District) was formed in 1990 and is one of the older districts within the City. There has not been an increase in the assessment since its formation and there is no escalator authorized on the assessment as well. There are 1272 single-family dwelling units within the district, and it was formed to maintain the landscaping and associated improvements along Iron Point, Blue Ravine, Turnpike, Black Diamond, and Natoma Station, as well as the subdivision’s streetlights, landscape lighting, irrigation systems, open space, monument entry signage, soundwalls, and mini parks. To comply with Proposition 218 pertaining to new or increased assessments, the City’s engineer for assessment district proceedings, NBS Government Finance Group, recommends the formation of a new landscaping and lighting district to fund the improvements and services that will convey a special benefit to the district’s residents. The proposed district, which will replace the existing

district upon voter approval will cover the entire Natoma Station Landscaping and Lighting District.

POLICY / RULE

Formation of a new landscaping and lighting district is governed by the procedure set forth in Division 15, Part 2, Chapter 2, Sections 22585 *et. seq.* of the Streets and Highways Code.

ANALYSIS

Over the last several years, the City has been monitoring the revenue and expenses in the district. The current annual assessment of \$91.70 per single family equivalent (SFE) unit does not have an escalator built into it nor has it been increased since 1990. In addition, the current annual assessment rate has been unable to keep up with inflation or provide adequate revenue to maintain and service the improvements within the District.

The City initiated a public outreach program for the Natoma Station community with two public meetings that were held on June 17, 2022 and March 13, 2024. The intent of the meetings was to discuss the options and ideas for addressing the district's financial condition and develop a viable option that will ultimately be voted on and approved (or denied) by the property owners within the District.

Staff presented four potential options for this district that are as follows: 1) Reduce level of service based on current funding; 2) create a new district that would just cover budget deficit; 3) create a new district to address budget deficit and address some deferred maintenance; and 4) create a new district to cover deficit and address all deferred maintenance and provide some enhancements. There was thoughtful discussion to ensure those in attendance had their questions answered. As a result of these two public meetings, those in attendance were supportive of Option 4. As such, this will be the preferred option to appear on the ballot for the entire community to vote on.

The primary objective of forming a new district, which would have the same boundary as the existing district, is to specifically address deferred maintenance of the improvements within the district, plan for life-cycle replacements and repairs for years into the future and provide for an annual inflationary adjustment as needed. Such deferred items include outdated and un-centralized irrigation systems, replacement of missing landscaping, addressing tree care and implementation of water conservation measures such as replacing dead/dying trees and shrubs with water wise plantings, and LED streetlight retrofits. Should the new landscaping and lighting district be formed, it is proposed to complete many of the deferred maintenance improvements over the first few years as well as embark on the phased replacement plan for the older landscape areas.

The City has successfully created six new overlay districts with similar objectives and a similar process within the last fourteen years for American River Canyon North No. 3 created in 2007, Blue Ravine Oaks No. 2 created in 2011, Folsom Heights No. 2 created in 2013, Broadstone No. 4 created in 2015, Willow Creek Estates East in 2017, and Prairie Oaks Ranch No. 2 in 2021. These past assessment districts were overlay districts in addition to the original district.

This district is proposed to replace the original district, this will allow us to reduce the costs of engineers reports annually and work from one appropriately funded budget for all district assets. The attached resolution proposes the initiation of a formation proceeding for a new landscaping and lighting district and directs the engineer to prepare and file the report outlining the proposed assessment.

The next steps are preparation of the Preliminary Engineer's Report scheduled for City Council on January 28, 2025, and the mailing of a notice which contains information about the formation of the proposed district and the levy proposed, as well as the time and place of the public hearing. The notice along with a ballot will be mailed to all property owners on or around February 7, 2025. The Final Engineer's Report is scheduled for public hearing on March 25, 2025. Prior to the approval of the Final Engineer's Report, the ballots received will be counted which is a process overseen by the City Clerk and open to the public. If there is not a majority protest, which is 50%+1 of the ballots received, then the City Council may adopt a resolution to approve the Final Engineer's Report and order the improvements and formation of the new district.

FINANCIAL IMPACT

There will be a small fiscal impact to the general fund to provide for the proportion of the district that provides a general benefit, the majority of the costs associated with this district will be borne by the district and for the benefit of the district residents.

ENVIRONMENTAL REVIEW

The formation of a financing district maintaining and servicing existing landscaping and lighting improvements is not a project under the California Environmental Quality Act. No environmental review is required.

ATTACHMENT

1. Resolution No. 11321 - A Resolution Initiating Proceedings for the Formation of a Landscaping and Lighting Assessment District to be known as the Natoma Station Maintenance Assessment District No. 2025-1.

Submitted,

Kelly Gonzalez, Director
Parks & Recreation Department

RESOLUTION NO. 11321

**A RESOLUTION INITIATING PROCEEDINGS FOR THE FORMATION OF A
LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT TO BE KNOWN AS THE
NATOMA STATION MAINTENANCE ASSESSMENT DISTRICT NO. 2025-1**

WHEREAS, the City of Folsom desires to form and levy annual assessments for the Natoma Station Maintenance Assessment District No. 2025-1 (“District”), pursuant to the Landscaping and Lighting Act of 1972 (Part 2 of Division 15 of the California Streets and Highways Code) (hereafter referred to as the “Act”) that provides for the levy and collection of assessments to pay the maintenance, operation and servicing of all improvements and facilities related thereto in the District; and,

WHEREAS, the City Council determines that the properties within the District boundaries will be specifically benefitted by the maintenance and servicing of said improvements; and

WHEREAS, once formed, the District will replace the existing Landscaping and Lighting District known as the Natoma Station Landscaping and Lighting District; and

WHEREAS, the City of Folsom desires to retain an engineer of record to prepare an engineer’s report for the purpose of assisting with the formation and annual levy of the District, and to prepare and file an engineer’s report with the City Clerk in accordance with the Act.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Folsom as follows:

1. **Proposal:** The City hereby proposes the formation of the District pursuant to the Landscaping and Lighting Act of 1972, and the levy and collection of assessments, for the purpose of installing, servicing, and maintaining the improvements described in Section 3 below.
2. **Engineer’s Report:** The City Council hereby designates and appoints NBS Government Finance Group (NBS) as its engineer of record and orders NBS to prepare and file with the City Clerk a report in accordance with Article 4 of Chapter 1 of the Act.
3. **Proposed improvements:** Generally, the improvements within the District may include, but are not limited to:
 - (1) the maintenance, operation, and servicing of street trees and other landscaping throughout the boundary of the District including but not limited to: groundcover, turf, trees, weed and pest management; shrubs, planters, street medians in the public right of way as well as open space, trails and green belt areas dispersed throughout the District; and may also include sidewalk and hardscape Improvements, entry monuments and associated appurtenant facilities. Eligible District costs may include, but are not limited to, personnel, furnishing electrical energy, utilities such as water, refuse and gas, materials,

contracting services, and other items necessary for the satisfactory operation of these services;

- (2) the maintenance, operation, and servicing of street lighting including theme light poles, ornamental lighting and other appurtenant facilities in the public right of way areas throughout the boundary of the District. The Improvements are generally described as: maintenance, operation, and servicing of public street lighting facilities, including all works or improvements used or useful for the lighting of any public places, including ornamental standards, luminaires, poles, supports, tunnels, manholes, vaults, conduits, pipes, wires, conductors, guys, stubs, platforms, braces, transformers, insulators, contacts, switches, capacitors, meters, communication circuits, appliances, attachments, and appurtenances;
 - (3) the maintenance, operation, and servicing of Public Art within the District. Costs include, but are not limited to, personnel, supplies, contracting services, and other expenses necessary for the satisfactory maintenance of these art pieces located at village entries and mini parks.
- 4. District designation:** The proposed District shall be designated as Natoma Station Maintenance Assessment District No. 2025-1, City of Folsom, Sacramento County, California, and shall include that certain real property situated in the City generally shown and identified in Exhibit A attached to this Resolution.

PASSED AND ADOPTED this 14th day of January 2025, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

Sarah Aquino, MAYOR

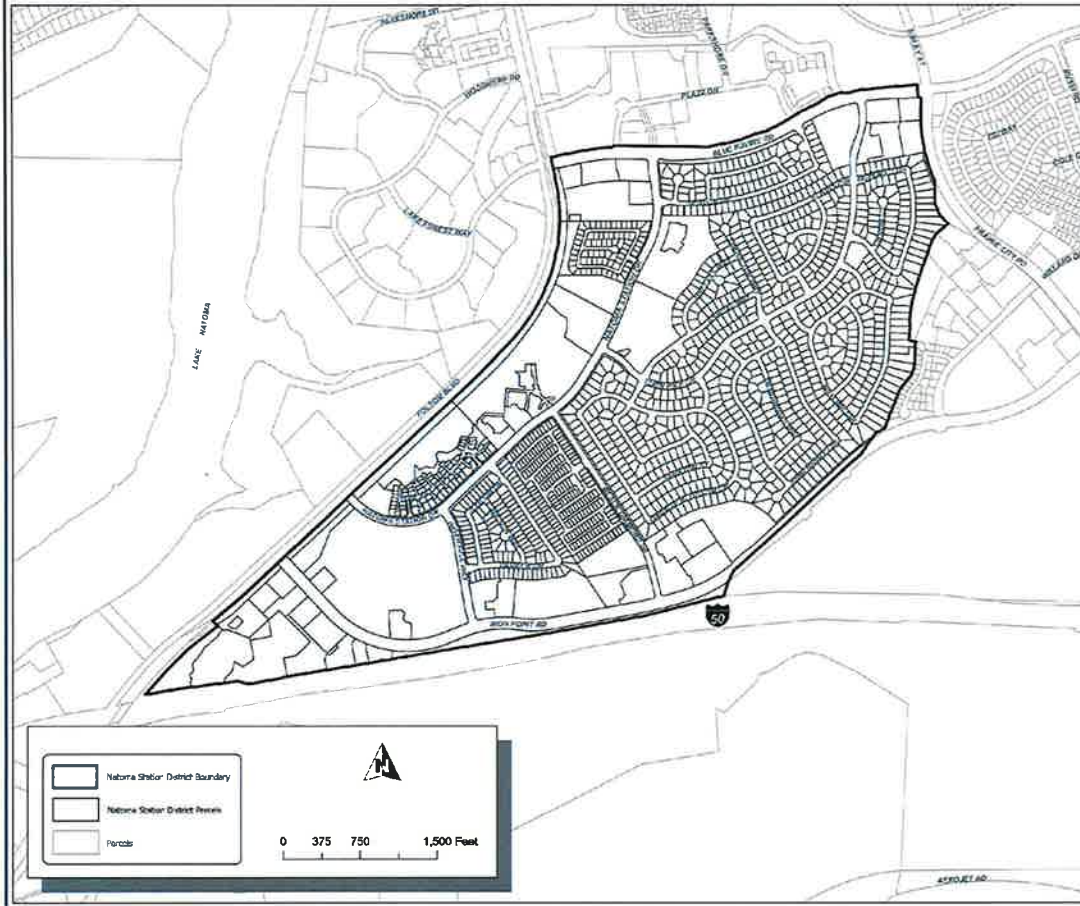
ATTEST:

Christa Freemantle, CITY CLERK

EXHIBIT A

ASSESSMENT DIAGRAM CITY OF FOLSOM NATOMA STATION MAINTENANCE ASSESSMENT DISTRICT NO. 2025-1

CITY OF FOLSOM
COUNTY OF SACRAMENTO
STATE OF CALIFORNIA



FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF FOLSOM, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, THIS _____ DAY OF _____, 2025.

CITY CLERK
CITY OF FOLSOM
COUNTY OF SACRAMENTO

RECORDED IN THE OFFICE OF THE SUPERINTENDENT OF STREETS OF THE CITY OF FOLSOM ON THE LOTS, PIECES AND PARCELS OF LAND ON THIS ASSESSMENT DIAGRAM ON THE _____ DAY OF _____, 2025.

SUPERINTENDENT OF STREETS
CITY OF FOLSOM
COUNTY OF SACRAMENTO

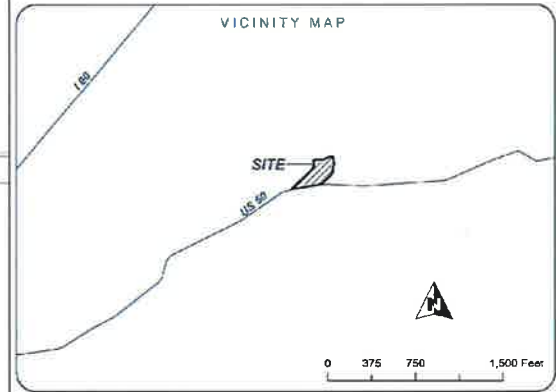
AN ASSESSMENT WAS LEVIED BY THE CITY COUNCIL OF THE CITY OF FOLSOM ON THE LOTS, PIECES, AND PARCELS OF LAND SHOWN ON THIS ASSESSMENT DIAGRAM. THE ASSESSMENT WAS LEVIED ON THE _____ DAY OF _____, 20____. THE ASSESSMENT DIAGRAM AND ASSESSMENT ROLL WERE RECORDED IN THE OFFICE OF THE SUPERINTENDENT OF STREETS OF THAT CITY ON THE _____ DAY OF _____, 20____. REFERENCE IS MADE TO THE ASSESSMENT ROLL RECORDED IN THE OFFICE OF THE SUPERINTENDENT OF STREETS FOR THE EXACT AMOUNT OF EACH ASSESSMENT LEVIED AGAINST EACH PARCEL OF LAND SHOWN ON THIS ASSESSMENT DIAGRAM.

CITY CLERK
CITY OF FOLSOM
COUNTY OF SACRAMENTO

FILED THIS _____ DAY OF _____, 20____, AT THE HOUR OF _____ O'CLOCK _____ M. IN BOOK _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE _____ IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

COUNTY RECORDER
COUNTY OF SACRAMENTO

FOR PARTICULARS OF THE LINES AND DIMENSIONS OF ASSESSOR PARCELS, REFERENCE IS MADE TO THE MAPS OF THE ASSESSOR, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.



Source: Sacramento County GIS
Geographic Coordinate Reference: GCS North American 1983
Projection: NAD 1983 StatePlane California II FIPS 0402 Feet



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to facilitate double-sided printing
and minimize paper use.*



CITY OF
FOLSOM
DISTINCTIVE BY NATURE