



Folsom City Council Staff Report

MEETING DATE:	4/13/2021
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 10611 - A Resolution Initiating Proceedings for the Formation of a Landscaping and Lighting Assessment District to be Known as Prairie Oaks Ranch No. 2 Landscaping and Lighting District
FROM:	Parks and Recreation Department

RECOMMENDATION / CITY COUNCIL ACTION

Staff recommends the City Council approve Resolution No. 10611 – A Resolution Initiating Proceedings for the Formation of a Landscaping and Lighting Assessment District to be Known as Prairie Oaks Ranch No. 2 Landscaping and Lighting District.

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 Prairie Oaks Ranch. The new district would become Prairie Oaks Ranch No. 2 Landscaping and Lighting District. This proposed district will overlay the existing Prairie Oaks Ranch district, providing supplemental services and revenue to the existing district.

The Prairie Oaks Ranch Landscaping and Lighting District (District) was formed in 1995 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 918 single-family dwelling units within the district, and it was formed to maintain the landscaping and associated improvements along Iron Point, Prairie City, Blue Ravine, Grover, Russi, and Riley, as well as the subdivision's streetlights, landscape lighting, irrigation systems, open space, monument entry signage, and trellis. To comply with Proposition 218 pertaining to new or increased assessments, the City's engineer for assessment district proceedings, SCI Consulting Group, recommends the formation of a new landscaping and lighting district to fund new improvements and services that will convey a special benefit to

the district's residents. The proposed district, which will be an overlay to the existing district, will cover the entire Prairie Oaks Ranch 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 \$213.61 per single family equivalent (SFE) unit does not have an escalator built into it nor has it been increased since 1995. 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 Prairie Oaks Ranch community with two public meetings that were held on February 17 and March 11, 2021. 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 this summer.

Staff presented four potential options for this district that are as follows: 1) Reduce level of service based on current funding; 2) Add overlay that would just cover budget deficit; 3) Add overlay to address budget deficit and address some deferred maintenance; and 4) Add overlay 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 overlay 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 five 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, and Willow Creek Estates East in 2017. 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 May 11, 2021, 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 June 7, 2021. The Final Engineer's Report is scheduled for public hearing on July 27, 2021. 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 no direct fiscal impact to the City of Folsom General Fund. All costs associated with this district will be borne by the district and for the benefit of the district residents.

ENVIRONMENTAL REVIEW

This does not apply as there is no environmental review aspect to the engineer's report.

ATTACHMENT

Resolution No. 10611 - A Resolution Initiating Proceedings for the Formation of a Landscaping and Lighting Assessment District to be Known as Prairie Oaks Ranch No. 2 Landscaping and Lighting District

Submitted,

Lorraine Poggione, Director
Parks & Recreation Department

RESOLUTION NO. 10611

**A RESOLUTION INITIATING PROCEEDINGS FOR THE FORMATION OF A
LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT TO BE KNOWN AS
PRAIRIE OAKS RANCH NO. 2 LANDSCAPING AND LIGHTING DISTRICT**

WHEREAS, the Prairie Oaks Ranch No. 2 Landscaping and Lighting District (“District”) is being formed pursuant to the Landscaping and Lighting Act of 1972 (the “Act”), Division 15, Part 2, Chapter 2, Sections 22585 *et. seq.* of the California Streets and Highways Code, for the maintenance and servicing of landscaping and other improvements; and

WHEREAS, the City Council determines that said territory will be specifically benefited by the maintenance and servicing of said improvements; and

WHEREAS, Section 22585 of the Act provides that the formation of a Landscaping and Lighting Assessment District shall be initiated by resolution.

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

1. The City hereby proposes the formation of an assessment district pursuant to the Landscaping and Lighting Act of 1972 (Sections 22500 *et seq.* of the Streets and Highways Code) for the purpose of installing, servicing and maintaining the following improvements:
 - a) The on-going maintenance of existing improvements within the district;
 - b) Purchase of electrical power and maintenance of street lighting fixtures;
 - c) The repair and maintenance of landscaping, irrigation facilities, sound walls, monument signs, and other appurtenances within and along the public right-of-way;
 - d) Cost of administration and scheduled inspections of maintenance of landscaped areas;
 - e) Utility bills associated with maintenance of landscaped areas;
 - f) Other improvements as such term as defined in Section 22525 of the Streets and Highways Code; and
2. The proposed assessment district shall be designated as Prairie Oaks Ranch No. 2 Landscaping and Lighting District, City of Folsom, Sacramento County, California, and shall include that certain real property situated in the State of California, County of Sacramento, City of Folsom, generally shown and identified in Exhibit A attached to this resolution.
3. SCI Consulting Group, Inc. is hereby designated engineer for the purpose of these formation proceedings. The City Council hereby directs the engineer to prepare and file with the City Clerk a report in accordance with Article 4 of Chapter 1 of the Landscaping and Lighting Act of 1972.

PASSED AND ADOPTED this 13th day of April 2021 by the following roll-call vote:

AYES: Councilmember(s):

NOES: Councilmember(s):

ABSTAIN: Councilmember(s):

ABSENT: Councilmember(s):

Michael D. Kozlowski, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

Exhibit A

