



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 04/15/2025

ITEM NO: 5

DATE: April 10, 2025
TO: Mayor and Town Council
FROM: Chris Constantin, Town Manager
SUBJECT: Adopt a Resolution Describing Improvements and Directing the Preparation of the Town Engineer's Report for Fiscal Year 2025/26 for Landscape and Lighting Assessment Districts No. 1 and 2

RECOMMENDATION:

Adopt a Resolution (Attachment 1) describing improvements and directing the preparation of the Town Engineer's report for Fiscal Year 2025/26 for Landscape and Lighting Assessment Districts No. 1 and 2.

FISCAL IMPACT:

The Town's Landscape and Lighting Assessment Districts do not impact the Town's General Fund. The impact of any proposed changes to District budgets on the assessments of individual property owners will be provided in the Engineer's Report.

STRATEGIC PRIORITIES:

The Landscape and Lighting Districts pertain to the Town Council's Priority of **Fiscal Stability**. Specifically, property owners are assessed for the specific benefit they derive from open space and public space near their residence, reducing the General Fund burden for these services.

BACKGROUND:

The California Landscaping and Lighting Act of 1972 (Streets and Highways Code Section 22500-22679) (Act) allows local government agencies to form assessment districts for the purpose of financing the costs and expenses for landscaping and lighting public areas.

PREPARED BY: Meredith Johnston
Administrative Technician

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Finance Director, Parks and Public Works Director, and Town Clerk

SUBJECT: Resolution to Direct Preparation of Fiscal Year 2025/26 for Landscape and Lighting Assessment Districts No. 1 and 2 Engineering Report

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In the early 1990s, the Town established two Landscape and Lighting Districts (Districts) comprised of six zones, five of which are in District No. 1 and one in District No. 2. Diagrams of the six zones are included in this report (Attachments 2.1-2.6). Property owners in each District pay an annual assessment on their property tax bill for the maintenance of common area landscaping or lighting.

The majority of the landscape and lighting services within the Districts are provided by a contractor retained and managed directly by the Town on behalf of the property owners, with some maintenance services also provided by Town staff.

Each year, the Town Council levies the assessments and reconfirms the Districts by a series of Resolutions and a Public Hearing. The process, which is set by the Act, includes the following steps with the proposed dates when the steps are planned.

1. Council considers the adoption of a Resolution entitled Describing Improvements and Directing the Preparation of the Engineer's Report for FY 2025/26 – April 15, 2025.
2. Council considers the adoption of Resolutions Approving the 2025/26 Engineer's Report, stating the Intention to Levy and Collect Assessments, and Setting a Public Hearing to Consider the Proposed Assessments – May 6, 2025.
3. Council conducts the public hearing and then considers the adoption of a Resolution Confirming the Assessment Diagrams and Levying and Authorizing the Collection of Assessments for FY 2025/26 – June 3, 2025.

Provisions of SB 919 (the Proposition 218 Omnibus Implementation Act) adopted by the California State Legislature in 1997 (Chapter 38, Stats. 1997) are implemented during the renewal process. Proposition 218 becomes applicable only when increases in the current assessment rates are contemplated, due primarily to rising maintenance costs and increases in the costs of water and power. If that were to take place, the above noted process would be modified by introducing a mail-in balloting procedure for each zone that begins after the items in Step 2 are approved by Council and concludes at the close of the public hearing.

At the conclusion of Step 3, staff transmits the assessment amounts to the County Assessor which appears as a separate item on the property tax bill for each parcel.

Upon fulfillment of these requirements, the Town must submit the Resolution confirming the assessments to the County of Santa Clara for inclusion on the Fiscal Year 2025/26 property tax roll.

SUBJECT: Resolution to Direct Preparation of Fiscal Year 2025/26 for Landscape and Lighting Assessment Districts No. 1 and 2 Engineering Report

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DISCUSSION:

The first step in the statutorily prescribed process contained in the Act requires that the Town adopt a Resolution describing any proposed new improvements or any substantial changes in the existing improvements and ordering the preparation and filing of an Engineer's Report. The subject Assessment Districts provide funding to cover expenses related to public landscaping within the defined boundaries of the separate Assessment Districts.

No new improvements or substantial changes in existing are proposed for any Assessment District for Fiscal Year 2025/26.

Streets & Highways Code Section 22622 states, *"The legislative body shall adopt a resolution which shall generally describe any proposed new improvements or any substantial changes in existing improvements and order the engineer to prepare and to file a report in accordance with Article 4 (commencing with Section 22565)."* The attached Resolution describes the improvements (services) to be provided to the districts and directs the preparation of the Engineer's Report.

CONCLUSION:

Staff recommends that the Town Council adopt a Resolution describing improvements and directing the preparation of the Town Engineer's report for Fiscal Year 2025/26 for Landscape and Lighting Assessment Districts No. 1 and 2 in compliance with California Streets and Highway Code, Section 22622.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under the California Environmental Quality Act, and no further action is required.

Attachments:

1. Resolution Describing Improvements and Directing Preparation of Engineer's Report for Fiscal Year 2025/26 with Exhibit A
2. Diagrams of Benefit Zones for Landscape and Lighting Districts No. 1 and 2 (labeled as Attachments 2.1 through 2.6)