



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 04/18/2023

ITEM NO: 4

DATE: April 3, 2023
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Adopt a Resolution Describing Improvements and Directing the Preparation of the Town Engineer's Report for Fiscal Year 2023/24 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 2023/24 for Landscape and Lighting Assessment Districts No. 1 and 2.

BACKGROUND:

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

In the early 1990's the Town established two Landscape and Lighting 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.

PREPARED BY: Meredith Johnston
Administrative Technician

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

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BACKGROUND (continued):

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 Landscaping and Lighting Act of 1972 (Streets and Highways Code Section 22500-22679), includes the following steps and their respective dates:

1. Council considers the adoption of a Resolution entitled Describing Improvements and Directing the Preparation of the Engineer's Report for FY 2023/24 – April 18, 2023.
2. Council considers the adoption of Resolutions Approving the 2023/24 Engineer's Report, Stating the Intention to Levy and Collect Assessments, and Setting a Public Hearing to Consider the Proposed Assessments – May 2, 2023.
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 2023/24 – June 20, 2023.

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, the 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 2023/24 property tax roll.

DISCUSSION:

The first step in the statutorily prescribed process contained in the California Streets and Highways Code 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 are largely responsible for covering expenses related to public landscaping within the defined boundaries of the separate Assessment Districts.

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DISCUSSION (continued):

No new improvements or substantial changes in existing are proposed for any Assessment District for Fiscal Year 2023/24.

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 Town Council adopt a Resolution describing improvements and directing the preparation of the Town Engineer's report for Fiscal Year 2023/24 for Landscape and Lighting Assessment Districts No. 1 and 2 in compliance with California Streets and Highway Code, Section 22622.

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.

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 2023/24
2. Diagrams of Benefit Zones for Landscape and Lighting Districts No. 1 and 2 (labeled as Attachments 2.1 through 2.6)