

City of Sierra Madre


Agenda Report

John Buchanan, Mayor
Josh Moran, Mayor Pro Tem
MaryAnn MacGillivray, Council Member
Joseph M. Mosca, Council Member
Nancy Walsh, Council Member

Nancy Shollenberger, City Clerk
George Enyedi, City Treasurer

Nancy Shollenberger, City Clerk
Richard Mays, City Treasurer

TO: HONORABLE MAYOR BUCHANAN AND CITY COUNCIL

FROM: ELAINE I. AGUILAR, CITY MANAGER 

INITIATED BY: BRUCE INMAN, DIRECTOR OF PUBLIC WORKS
KEV TCHARKHOUTIAN, CITY ENGINEER

DATE: JUNE 14, 2011

SUBJECT: **2011-2012 ASSESSMENT DISTRICTS - ENGINEER'S REPORT
AND RESOLUTION OF INTENTION 11-35**

The provisions of the Landscaping and Lighting Act of 1972 require that the City Council conduct a public hearing to confirm assessments and to notify affected property owners. In addition, Section 22566 of the California Streets and Highway Code requires the City Engineer to prepare a report of the City's intention to levy assessments for the subsequent fiscal year. Four assessment districts are submitted every fiscal year.

It is recommended that the City Council:

- (1) Adopt Resolution No. 11-35 initiating assessment proceedings for Fiscal Year 2011-2012 and directing the City Engineer to prepare and file an Engineer's Report; and,
- (2) Adopt Resolution No. 11-54 approving the Engineer's Report for FY 2011-2012; and,
- (3) Adopt Resolution of Intention 11-55, to levy the assessments for FY 2011-2012 and set the Public Hearing on said assessments for July 12, 2011.

FY 2011-2012 ASSESSMENT DISTRICT ANALYSIS

Four assessment districts are presented at this time for City Council consideration.

Santa Anita / Arno Lighting Maintenance	District No. 1
Fane Street / Windwood Lane Landscaping Maintenance	District No. 2
Central Business District Landscaping Maintenance	District No. 3
Central Business Parking District	District No. 5

**Maintenance District No. 1, Santa Anita / Arno Lighting
(Fund 32009, County Account 256.97)**

This district provides for the energy and maintenance cost of one mast arm and three decorative streetlights located on Arno Drive in the northeast portion of the City. The annual energy cost and maintenance are equally divided among ten benefit parcels located on Arno Drive. This district was established in 1980 under Resolution 80-12.

District No. 1 Fund activity overview:

6/30/11 Fund Balance	\$0
Projected Revenues for 2011-2012	\$0
Expenditures (Estimated) for 2011-2012	\$1,400
Projected Subsidy	\$1,400

As noted above, expenditures in this fund do not match revenues. For many years, the properties in this district have had their assessments set at zero in order to "spend down" a previous fund balance. The fund balance has been expended. The assessment of \$0.00 per parcel will have to remain unchanged for FY 2011-2012.

**Landscaping Maintenance District No. 2, Fane / Windwood Lane
(Fund 32003, County Account 256.93)**

This district includes the maintenance and irrigation of a section of parkway on Fane Street between Holdman Avenue and Colony Drive. Public Works staff maintains the area on a weekly schedule. The parkway is irrigated by a separate metered water supply. The strip of land adjoins four lots of the Windwood Lane subdivision (Tract 38508, August 15, 1980), which is comprised of a total of 18 lots. A block wall separates the four adjoining lots from the maintained parkway strip on Fane Street. This district was formed in 1982 under Resolution 82-40.

District No. 2 Fund activity overview:
(Fund 32003)

6/30/2011 Fund Balance	\$0
Projected Revenues for 2011-2012	\$999.90
Expenditures (Estimated) for 2011-2012	\$1,560
Projected Subsidy	\$560.10

The assessment of \$55.55 per parcel will have to remain unchanged for FY 2011-2012.

**Sierra Madre Landscape District No. 3, Central Business District Landscape
(Fund 32002, County Account 256.94)**

This district has historically included the annual trimming of parkway trees and four pepper trees located in the Central Business District. The funds may also be used for

lighting, landscape maintenance, irrigation water, and replacement of damaged landscaping materials in the Sierra Madre Boulevard and Baldwin Avenue landscape bow-outs.

The district is comprised of 82 parcels. The annual assessment is divided among the 82 parcels based on the size of the lot and the frontage width. This district was formed in 1982 under Resolution 82-41.

District No. 3 Fund activity overview:

6/30/2011 Fund Balance	\$0
Projected Revenues for 2011-2012	\$6,000
Expenditures (Estimated) for 2011-2012	\$26,511
Projected Subsidy	\$20,511

Current assessments vary between \$45 and \$180, based on the lot frontage. The proposed assessment rate represents no increase above last year's assessment rates for the Sierra Madre Landscape District. Note that while it is possible to reduce the landscape maintenance and irrigation components of the district costs, staff does not recommend doing so, as the effect of maintenance reduction will adversely impact the downtown area.

Assessment District No. 5, (Parking District No. 1) (Fund 32008, County Account 256.99)

This Assessment District was established by the City Council on June 9, 1992 with the adoption of Resolution of Intention 92-21. The district provides for the streetlights, energy, maintenance, water, street sweeping, and landscaping costs for the City's four parking lots. Parcels are assessed based on their respective areas as shown on the Los Angeles County Assessor's rolls.

District No. 5 Fund activity overview:

6/30/2010 Fund Balance	\$0
Projected Revenues for 2011-2012	\$9,000
Expenditures (Estimated) for 2011-2012	\$15,476
Projected Subsidy	\$6,476

It is recommended that the current assessments for District No. 5 remain unchanged for 2011-2012. The maximum assessment per parcel per owner is set at \$200 per year. The rate table is based on an evaluation of the use and benefit each parcel receives from the City's public parking lots. The parking lots, which are part of this district, are Mariposa, North Auburn, North and South Baldwin Avenue.

In previous fiscal years the assessment rates have not covered all of the costs assigned to the assessment districts. The Districts have been supported by transfers of funding

from the facilities fund in those years. In FY 2011-12 actual expenditures will again exceed revenue and it will be necessary to transfer funds again from facilities.

Assessment District No. 4, for Jameson Court street lighting, is inactive at this time. No action by the City Council is needed relative to District No. 4.

FINANCIAL REVIEW

The Los Angeles County Assessor's Office collects the assessments. The four assessment districts are identified as direct assessments and are added to the annual County property tax bill. The City receives payment for these assessments in April and December of each year. The payments received in December 2011 and April 2012 will be applied toward the fiscal year.

An audit of taxes and assessments is currently under way to ensure that the County is correctly collecting and dispersing taxes and assessments on behalf of the City.

PUBLIC NOTICE PROCESS

This item has been noticed through the regular agenda notification process. Copies of this report are available at the City Hall public counter and the Sierra Madre Public Library.

SEWER ASSESSMENT DISTRICTS

The City also has two sewer assessment districts, both formed to cover the design and construction cost for installation of public sewers under the Municipal Improvement Act of 1913. The East Mira Monte Sewer Assessment District (Fund 546) was formed April 4, 2004 under Resolution 04-028. The East Bonita Sewer Assessment District (Fund 549) was formed June 13, 2006 under Resolution 06-039. Funds collected under these districts reimburse the "loan" of city's sewer fund reserves for the design and construction costs. Inasmuch as the term of the districts and the amount assessed each property owner was set at the time of formation of the two sewer districts, it is not necessary for the City Council to hold annual public hearings and set the assessment amounts.

MUNICIPAL LIGHTING AND MAINTENANCE DISTRICTS

These Districts were established in the early 60's, and contribute approximately \$18,400 annually to the city coffers. This district is not a direct assessment, but rather charges parcels annually for municipal lighting and maintenance costs. The Districts are identified by the County Auditor-Controller as Sierra Madre Lighting and Maintenance District 3, Zone A; Sierra Madre Lighting and Maintenance District 3, Zone B; and Sierra Madre Lighting and Maintenance District No. 1.

Maintenance District No. 1 is comprised of those residential parcels created under Tract No. 15709; located on Santa Anita Avenue, Oakwood Place, and Vista Avenue; bounded on the north by Elkins Avenue, east by the Arcadia/Sierra Madre boundary, south by Grandview Avenue and west by Santa Anita Avenue. Parcels in this district are charged roughly 17 cents per \$100 of assessed value.

Maintenance District A is comprised of commercial parcels on the north and south sides of West Sierra Madre Boulevard from Hermosa Avenue to just west of Lima Street. Parcels in this district are charged approximately 31 cents per \$100 of assessed value.

Maintenance District B is also comprised of commercial parcels, on West Sierra Madre Boulevard, from Hermosa Avenue to Baldwin Avenue, and on both sides of North and South Baldwin Avenue from Suffolk Avenue to West Montecito. Parcels in this district are charged approximately 31 cents per \$100 of assessed value.

The Assessment rates were last set in 2005 with City Council Resolution 05-062.

These per parcel charges have outlived Proposition 218. Since these districts are not direct assessments but are associated with property taxes, adoption of resolutions and engineer's reports are not necessary to collect the annual charges. Sierra Madre automatically receives the revenues from the County in installments.

The projected expenses and revenues, under the Municipal Lighting and Maintenance Districts are as follows:

District A (Fund 32006, County Account 256.53)		District B (Fund 32007, County Account 256.54)		District No. 1 (Fund 32005, County Account 256.51)	
Revenues	\$1,545	Revenues	\$6,096	Revenues	\$10,797
Expenses	\$6,076	Expenses	\$16,632	Expenses	\$8,889
Projected Subsidy	\$4,531	Projected Subsidy	\$10,536	Projected Surplus	\$1,908

STAFF RECOMMENDATION

Staff recommends that the City Council:

- (1) Adopt Resolution No. 11-35 initiating assessment proceedings for Fiscal Year 2011-2012 and directing the City Engineer to prepare and file an Engineer's Report; and,
- (2) Adopt Resolution No. 11-54 approving the Engineer's Report for FY 2011-2012; and,
- (3) Adopt Resolution of Intention 11-55, to levy the assessments for FY 2011-2012 and set the Public Hearing on said assessments for July 12, 2011.

Attachments:

Resolution No. 11-35 initiating assessment proceedings for Fiscal Year 2011-2012 and directing the City Engineer to prepare and file an Engineer's Report

Resolution No. 11-54 approving the Engineer's Report for FY 2011-2012

Resolution of Intention 11-55, to levy the assessments for FY 2011-2012 and set the Public Hearing on said assessments for July 12, 2011.

Engineer's Report, FY 2011-12

RESOLUTION NO. 11 - 35

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE, INITIATING PROCEEDINGS FOR THE LEVY AND COLLECTION OF ASSESSMENTS IN CONNECTION WITH LANDSCAPING AND LIGHTING DISTRICTS NO. 2 (FANE STREET/WINDWOOD AVENUE LANDSCAPE MAINTENANCE), NO. 3 (CENTRAL BUSINESS DISTRICT LANDSCAPE MAINTENANCE), AND NO. 5 (CENTRAL BUSINESS DISTRICT PARKING) FOR FISCAL YEAR 2011-2012 AND ORDERING THE PREPARATION OF AN ENGINEER'S REPORT

THE CITY COUNCIL OF THE CITY OF SIERRA MADRE DOES HEREBY RESOLVE:

WHEREAS, pursuant to the provisions of the Landscaping and Lighting Act of 1972 (Streets & Highways Code Sec. 22500 et seq.) (the "Act") the City has previously established districts within which the City levies assessments to finance the maintenance of irrigation systems, landscaping areas, street lights and street trees; and

WHEREAS, the City Council desires to initiate proceedings to levy these assessments for Fiscal Year 2011-12; and

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SIERRA MADRE DOES HEREBY RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1. Recitals.

The above recitals are true and correct.

Section 2. Initiation of Proceedings.

The City Council hereby initiates proceedings for the levy of assessments for Fiscal Year 2011-12 in connection within the following assessment districts:

District No. 2 (Fane Avenue/Windwood Lane Landscaping)
District No. 3 (Central Business District Landscape Maintenance)
District No. 5 (Central Business District Parking).

The City Council will not conduct proceedings (or levy an assessment) in connection with District No. 1 (Santa Anita/Arno Lighting.) While the City Council is suspending assessments in connection with this District for Fiscal Year 2011-12 it intends to resume these assessments in subsequent years.

The City Council will not conduct proceedings (or levy and assessment) in connection with District No. 4 (Jameson Court Street Lighting) for this fiscal year.

Section 3. Improvements.

No new improvements or substantial changes to existing improvements are proposed for Fiscal Year 2011-12.

Section 4. Designation Of Engineer.

The City Council designates the City Engineer as Assessment Engineer.

Section 5. Engineer's Report.

The City Council orders the Assessment Engineer to prepare and file a report in accordance with Article 4 of Chapter 1 of the Act with the assessments for Fiscal Year 2011-12. As the districts were each established prior to 1996 and fund the maintenance and servicing of improvements that are integral to the City's streets, this report need not be an "Engineer's Report" as that phrase is defined in Article XIID of the California Constitution.

Section 6. Public Hearing.

July 12, 2011, at 6:30 PM or as soon thereafter as the matter may be heard, in the City Council Chambers located at 232 W. Sierra Madre Boulevard, Sierra Madre, California 91024 is fixed as the time and place for a hearing by the City Council on the levy of the assessments for Fiscal Year 2011-2012.

Section 7. Notice.

The City Clerk shall give notice of the public hearing pursuant to Section 22556 of the Act.

Section 8. Certification.

The City Clerk shall certify as to the adoption of this resolution and shall cause the same to be processed in the manner required by law.

Approved and Adopted on the 14th day of June, 2011.

I, the undersigned, hereby certify that the foregoing Resolution Number No. 11-035 was duly adopted by the Sierra Madre City Council following a roll call vote:

AYES:

NOES:

ABSENT:

Mayor

ATTEST:

City Clerk

RESOLUTION NO. 10 - 54

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE, APPROVING AN ENGINEERS REPORT IN CONNECTION WITH LANDSCAPING AND LIGHTING DISTRICTS No. 2 (FANE AVENUE/WINDWOOD LANE LANDSCAPING), NO. 3 (CENTRAL BUSINESS DISTRICT LANDSCAPE MAINTENANANCE) AND NO. 5 (CENTRAL BUSINESS DISTRICT PARKING) FOR FISCAL YEAR 2010-2011

THE CITY COUNCIL OF THE CITY OF SIERRA MADRE DOES HEREBY RESOLVE:

WHEREAS, pursuant to the provisions of the Landscaping and Lighting Act of 1972 (Streets & Highways Code Sec. 22500 et seq.) (the "Act") the City has previously established districts within which the City levies assessments to finance the maintenance of irrigation systems, landscaping areas, street lights and street trees; and

WHEREAS, by prior resolution, the City Council initiated proceedings for Fiscal Year 2011-12 levy of such assessments and ordered the City Engineer, as Assessment Engineer to prepare and file a report with respect to the Fiscal Year 2011-12 levy in connection with District No. 2 (Fane Avenue/Windwood Lane Landscaping), District No. 3 (Central Business District Landscape Maintenance); District No. 5 (Central Business District Parking); and

WHEREAS, the Assessment Engineer has filed with the City Clerk a report entitled "Preliminary Engineer's Report, Landscaping and Lighting Districts, City of Sierra Madre, Fiscal Year 2010-11, District No. 2 (Fane Avenue/Windwood Lane Landscaping), District No. 3 (Central Business District Landscape Maintenance); District No. 5 (Central Business District Parking)" (the "Report").

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SIERRA MADRE DOES HEREBY RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1. Recitals.

The above recitals are true and correct.

Section 2. Report Approved.

The Report is approved as filed without modifications.

Section 3. Certification.

The City Clerk shall certify as to the adoption of this resolution and shall cause the same to be processed in the manner required by law.

Approved and Adopted on the 14th day of June, 2011.

I, the undersigned, hereby certify that the foregoing Resolution Number No. 11-54 was duly adopted by the Sierra Madre City Council following a roll call vote:

AYES:

NOES:

ABSENT:

ATTEST:

Mayor

City Clerk

RESOLUTION NO. 11-55

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE, DELCARING ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS IN CONNECTION WITH LANDSCAPING AND LIGHTING DISTRICT NO. 2 (FANE AVENUE/WINDWOOD LANE LANDSCAPING), NO. 3 (CENTRAL BUSINESS DISTRICT LANDSCAPE MAINTENANANCE) AND NO. 5 (CENTRAL BUSINESS DISTRICT PARKING) FOR FISCAL YEAR 2010-2011 AND SETTING A TIME AND PLACE FOR A PUBLIC HEARING

THE CITY COUNCIL OF THE CITY OF SIERRA MADRE DOES HEREBY RESOLVE:

WHEREAS, pursuant to the provisions of the Landscaping and Lighting Act of 1972 (Streets & Highways Code Sec. 22500 et seq.) (the "Act") the City has previously established four districts within which the City levies assessments to finance the maintenance of irrigation systems, landscaping areas, street lights and street trees; and

WHEREAS, by prior resolution, the City Council initiated proceedings for Fiscal Year 2011-12 levy of such assessments and ordered the City Engineer, as Assessment Engineer to prepare and file a report with respect to the Fiscal Year 2011-12 levy; and

WHEREAS, by prior resolution, the City Council approved the report of the Assessment Engineer entitled "Preliminary Engineer's Report, Landscaping and Lighting Districts, City of Sierra Madre, Fiscal Year 2011-12, District No. 2 (Fane Avenue/Windwood Lane Landscaping), District No. 3 (Central Business District Landscape Maintenance); District No. 5 (Central Business District Parking)" (the "Report"), which is incorporated herein by reference. A copy of the Report is on file in the Office of the City Clerk and available for public inspection.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SIERRA MADRE DOES HEREBY RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1. Recitals.

The above recitals are true and correct.

Section 2. Declaration of Intention.

The City Council declares its intention to levy and collect assessments for Fiscal Year 2011-12 within the following assessment districts (the "Districts"):

- District No. 2 (Fane Avenue/Windwood Lane Landscaping)
- District No. 3 (Central Business District Landscape Maintenance)
- District No. 5 (Central Business District Parking).

No assessments are proposed to increase from the rates imposed in past years during which the assessments have not been suspended.

Section 3. Improvements.

There will be no substantial changes made in the existing improvements authorized for maintenance by the District. The improvements are generally described as the maintenance of irrigation systems, landscaping areas, street lights and street trees

Section 4. Engineer's Report.

Reference is made to the Report for a full and complete description of the improvements, the boundaries of the District, and the proposed assessments upon assessable lots and parcels of land with the District.

Section 5. Public Hearing.

July 12, 2011, at 6:30 PM or as soon thereafter as the matter may be heard, in the City Council Chambers located at 232 W. Sierra Madre Boulevard, Sierra Madre, California 91024 is fixed as the time and place for a hearing by the City Council on the levy of the assessments for Fiscal Year 2011-12.

Section 6. Notice.

The City Clerk shall give notice of the public hearing pursuant to Section 22556 of the Act.

Section 6. Certification.

The City Clerk shall certify as to the adoption of this resolution and shall cause the same to be processed in the manner required by law.

Approved and Adopted on the 14th day of June, 2011.

I, the undersigned, hereby certify that the foregoing Resolution Number No. 11-35 was duly adopted by the Sierra Madre City Council following a roll call vote:

AYES:

NOES:

ABSENT:

Mayor

ATTEST:

City Clerk