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**SUBJECT:** Approve the Final Engineer’s Report, and confirm the ordering of the formation of Landscape & Lighting Assessment District No. 24-1 (Hanson Lane)

**DEPARTMENT:** Parks and Recreation

**STAFF:** Bruce Mulder, Director of Parks and Recreation  
Aaron Wanden, Park Maintenance Manager

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### **TITLE/RECOMMENDATION**

Hold the Public Hearing relating to the formation of Landscape & Lighting Assessment District No. 24-1 (Hanson Lane). Confirm the formation with a simple majority property owner approval, weighted by assessment amount. Adopt a Resolution ordering the formation of Landscape & Lighting Assessment District No. 24-1 (Hanson Lane); ordering improvements and confirming the diagram and assessments as shown in the Landscape & Lighting Assessment District No. 24-1 (Hanson Lane) Fiscal Year 2024-25 Final Engineer’s Report in accordance with provisions of the Streets and Highways Code “Landscaping and Lighting Act of 1972” and California Proposition 218.

### **FISCAL IMPACT**

Upon build-out, the City will have authorization to collect the maximum annual assessment revenue of approximately \$69,977 (in Fiscal Year 2024-25 dollars) from the residential parcels within the Hanson Lane project. This maximum annual assessment revenue will be increased each fiscal year based upon the prior year’s change in the San Francisco Bay Area Urban Wage Earners Consumer Price Index or 2%, whichever is greater, and will fund the special benefit portion of the maintenance, operation, servicing, replacement, and administration expenses associated with City improvements that benefit the project. The annual general benefit portion of these costs of approximately \$4,395 will be funded by the General Fund.



To ensure the Landscape & Lighting Assessment Districts are self-supporting, each district has an administrative cost factored into the maximum assessment rate during formation to cover creation of annual Engineer's Reports and levying of assessments. Funds to cover the costs associated with the formation of the Landscape & Lighting District have been deposited with the City by the developer.

## **BACKGROUND**

The proposed formation of Landscape & Lighting Assessment District No. 24-1 (Hanson Lane) will consist of 94 single-family residential homes at build-out, located east of Adams Lane and north of Gracie Lane. The project is conditioned to provide a funding mechanism to offset the annual operation, maintenance, and future capital replacement costs attributed to City streetlights, landscaping, open space areas, trails, and park improvements which benefit the properties located within the project.

The Landscaping and Lighting Act of 1972 and Proposition 218 require that an Engineer's Report be generated for the formation of any new assessment district or any annexations into existing assessment districts. The Engineer's Report identifies public improvements to be maintained, as well as the maximum annual assessment rates to be levied on properties benefiting from these improvements. The assessment rates may or may not change each fiscal year, dependent on the maintenance budget, but cannot exceed the maximum annual assessment amount set when the assessment district was originally formed, plus an annual cost of living adjustment. This report will set the maximum annual assessment rate for the new assessment district being proposed.

The Landscaping and Lighting Act of 1972 and Proposition 218 require that all formations of assessment districts receive approval, from the affected property owner(s), and a Public Hearing be held, prior to final approval from City Council. In accordance with these requirements, a notice and ballot regarding the formation of this assessment district was mailed to the property owner, Meritage Homes of CA Inc, in accordance with Proposition 218. The notice and ballot contained detailed information about the Landscape & Lighting Assessment District including but not limited to, improvements to be maintained, and the maximum annual assessment amount.

At the close of the public input portion of the Public Hearing, the Acting City Clerk will tabulate all ballots received. This information will be presented to the City Council during the meeting.



Following the tabulation of the ballots and determining the results, if there is no majority protest, the Council will be presented with the attached Resolution approving the Landscape & Lighting Assessment District No. 24-1 (Hanson Lane) Fiscal Year 2024-25 Final Engineer's Report and ordering the formation of Landscape & Lighting Assessment District No. 24-1 (Hanson Lane).

### **CITY COUNCIL STRATEGIC INITIATIVE**

Not Applicable.

### **PREVIOUS ACTION**

Previous Action by the City Council is included on Attachment 1.

### **DATE OF NOTICE**

August 30, 2024

### **ENVIRONMENTAL DETERMINATION**

Not Applicable.

### **ALTERNATIVE OPTION(S)**

Alternative Options to the Staff Recommendation:

1. Do not approve staff's recommendation. Not approving this action will result in the inability of the City to levy assessments in Fiscal Year 2024/25 to fund the operation, maintenance, and replacement of public improvements associated with Landscape and Lighting Assessment District No. 24-1 (Hanson Lane), and result in a significant General Fund obligation.
2. Modify staff's recommendation based on legally defensible findings.
3. Continue item with direction for staff to return with additional information.

### **ATTACHMENT(S)**

1. Previous Action
2. Resolution
3. Final Engineer's Report – LLAD 24-1 (Hanson Lane)