

TO: Andrew P. Powers, City Manager

FROM: Clifford G. Finley, Public Works Director

DATE: June 4, 2024

SUBJECT: Landscape and Lighting Assessment District No. 79-2 Annual Levy

RECOMMENDATION:

1. Approve Engineer's Report for Landscape and Lighting Assessment District (LLAD) No. 79-2 FY 2024-25 Assessments.
2. Adopt resolutions approving Engineer's Report and Ordering Annual Levy of Assessments for FY 2024-25.
3. Find that this action is not a project as defined under the California Environmental Quality Act.

LEVINE ACT ITEM: No

FINANCIAL IMPACT:

No Additional Funding Requested. The proposed maximum Landscape District and Lighting District assessments for FY 2024-25 include a three percent inflationary adjustment as previously approved by property owners.

BACKGROUND:

The LLAD is a special assessment area within Thousand Oaks that funds maintenance of street trees, public landscaping, sidewalk, curb and gutter repair, graffiti removal, weed abatement, and streetlights. Property owners within the LLAD are assessed as part of their annual property taxes collected by Ventura County. Approximately 43 percent of all properties in the City are assessed for landscaping, and 82 percent are assessed for lighting.

Assessments are based on a weighting factor using equivalent benefit units (EBU) to identify a parcel's share of total assessments based on benefit received. A typical single-family residential property is assigned an EBU of 1.00, and all other property types are assigned EBUs proportionate to a single-family home. For

example, a commercial property that contains three times the square footage and infrastructure as a typical residential home, would be assigned an EBU of 3.00.

On May 7, 2024, City Council adopted resolutions initiating the intent to: levy assessments for LLAD 79-2 for FY 2024-25, set the public hearing for June 4, 2024, and confirm the Preliminary Engineer's Report.

City Council also approved and authorized the City Engineer to execute the agreement with Ventura County Auditor-Controller to place LLAD assessments on the Secured Tax Rolls and distribute Collections to the City pending receipt of Ventura County's rates for FY 2024-25. Those rates are listed below.

Agreement with Ventura County Auditor-Controller for Billing of Direct Assessments

Beginning July 1, 2015, the Ventura County Auditor-Controller has required an annual agreement for the billing of direct assessments for non-County supervised Districts (Attachment #1). The cost is \$0.21 per assessment per parcel, \$27.00 per correction or removal, and administration and collection fees not to exceed one-fourth of one percent of amounts collected by the County on behalf of the City.

DISCUSSION/ANALYSIS:

The FY 2024-25 LLAD Engineer's Report (Attachment #2) reflects the proposed Landscape and Lighting Budgets. The maximum assessment rate is the maximum rate a property can be assessed within that zone and includes a voter-approved annual increase of three percent or CPI, whichever is greater. The maximum assessment amounts are recommended to be adjusted by the allowable annual inflationary increase of three percent as approved by the property owners.

It is necessary to adjust applied landscape assessments to generate the required revenue for the special benefits received. The assessments pay for particular and distinct (special) benefits over and above the general benefits conferred on properties located within the district or to the public at large. The proposed annual landscape assessments for FY 2024-25 range from \$55.08 per EBU (Zone 4) to a maximum annual assessment of \$586.48 per EBU (multiple zones). Assessments for all 39 zones (and four subzones) are proposed to be adjusted by the approved inflationary adjustment of three percent to cover increased operating and maintenance costs, reduce reliance on ad valorem, and develop reserves for future capital improvement projects.

All EBUs within the lighting zones across the City pay a uniform rate. For FY 2024-25, the proposed lighting assessment rates are adjusted by the approved inflationary adjustment of three percent, an increase of \$0.56, resulting in a revised

annual assessment rate of \$19.64 per EBU. This adjustment is necessary to cover ongoing increases in maintenance and Southern California Edison electricity costs for the City's street lighting and traffic signals.

Average Assessments for LLAD 79-2

The Engineer's Report contains proposed actual assessment rates and maximum allowable assessment rates for every zone. The actual assessment rate is the amount levied on each property within a zone and appears on the property tax bill. The maximum allowable assessment rate includes a voter-approved annual inflationary increase. As previously mentioned, the proposed annual landscape assessments for FY 2024-25 range from \$55.08 per EBU (Zone 4) to a maximum annual assessment of \$586.48 per EBU (multiple zones). The proposed annual lighting assessment for FY 2024-25 is \$19.64 per EBU.

Average assessments for both landscaping and lighting are provided in the following table:

Average Assessments (per EBU)

	<u>Landscaping</u>	<u>Lighting</u>
FY 2023-24	\$351.44	\$ 19.08
FY 2024-25	\$361.98	\$ 19.64
Change (\$)	\$ 10.54	\$ 0.56

Upon City Council's review and approval of the Engineer's Report (Attachment #2), the Resolution Approving the Engineer's Report (Attachment #3) and the Resolution Ordering Levy and Collection of Assessments (Attachment #4) will be adopted. The LLAD has for many years provided an integral part of the City's ability to provide excellent infrastructure and maintenance service to Thousand Oaks residents.

Annexations to LLAD 79-2

There are no proposed annexations in either the Landscaping or Lighting Districts for FY 2024-25.

COUNCIL GOAL COMPLIANCE:

Meets the following City Council goals:

C. Operate City government in a fiscally and managerially responsible and prudent manner to ensure that the City of Thousand Oaks remains one of California's most desirable places to live, work, visit, recreate, and raise a family.

F. Provide and enhance essential infrastructure to ensure that the goals and policies of the Thousand Oaks General Plan are carried out and the City retains its role and reputation as a leader in protecting the environment and preserving limited natural resources.

PREPARED BY: Jim Taylor, Sr. Civil Engineer
Miguel Chavez, Sr. Financial Analyst

Attachments:

- Attachment #1 – Agreement with Ventura County Auditor Controller
- Attachment #2 – Engineer's Report
- Attachment #3 – Resolution Approving Engineer's Report
- Attachment #4 – Resolution Ordering Levy and Collection of Assessments