



REPORT TO MAYOR AND CITY COUNCIL

AGENDA ITEM

TO: THE HONORABLE MAYOR
AND CITY COUNCIL

DATE May 6, 2008

SUBJECT: Initiate Proceedings to Form the Gateway
Landscaping and Lighting District

Report in Brief

On May 30th, 2006 the City Council took action on Ordinance No. 1466 which approved a Development Agreement between the City of Woodland and Woodland Investment Company for property commonly referred to as the Woodland Gateway Retail Center. The Development Agreement included “Final Conditions of Approval” for the project which contained a requirement for the property owner to establish a landscaping and lighting district to maintain public landscaping and lighting areas within and adjacent to the project. Three resolutions are necessary to begin the formation process of the Gateway Landscaping and Lighting District.

Staff recommends that the City Council approve and adopt resolutions that 1) Initiate the proceedings for the formation of the Gateway Landscaping and Lighting District; 2) Preliminarily approve the Engineer’s Report, and; 3) Establish a date to hold a public hearing on the matter of assessments and order the levy of assessments on the parcels located within the Gateway Landscaping and Lighting District.

Background

The Woodland Gateway Retail Center is located at the southeast quadrant of the City at Interstate 5, County Road 102 and Bronze Star Drive. The Project is anchored by Costco and Target and will contain other commercial pads and shops currently owned and being developed by Petrovich Development Company under the entity Woodland Investment Company, LLC.

As part of the project approval, the Woodland Gateway Retail Center was conditioned to form a landscaping and lighting district to include maintenance for all public landscaping and lighting areas including: enhanced landscape in the southeast quadrant of the Interstate 5/County Road 102 interchange, the maintenance of the storm drain detention pond, all street landscaping and street lights in the public right of way on County Road 102, Maxwell Avenue (extension), American Drive, Veterans Drive, entryway monument features, and the signals at the intersection of Maxwell and County Road 102 and American Drive and Bronze Star Drive.

The landscaping and lighting district is being formed pursuant to the terms and the provisions of the “Landscaping and Lighting Act of 1972” (the “1972 Act”), Article XIID of the Constitution of the State of California (“Article XIID”), and the Proposition 218 Omnibus Implementation Act (the “Implementation

Act”) (the 1972 Act, Article XIID and the Implementation Act are referred to collectively as the “Assessment Law”). Such District shall be known and designated as the City of Woodland Gateway Landscaping and Lighting District (“Gateway LLD”).

Koppel & Gruber Public Finance (“KGPF”) was retained to assist in the formation process and to prepare the Engineer’s Report that indicates how the property located within the Gateway LLD benefits from the landscaping, lighting and drainage improvements; provides an estimate of the maximum assessment and the 2008/2009 assessment; the method of apportioning these costs to the individual lots located within the Gateway LLD boundaries, and provides a diagram boundary of the Gateway LLD. In summary, the maximum assessment will be \$2,969.39 per acre (subject to an annual CPI increase) with an estimated assessment for fiscal year 2008/2009 of \$1,624.70 per acre.

City staff, KGPF and representatives of Petrovich Development Company and Costco met on March 7, 2008 to discuss the proposed Gateway LLD boundaries, maintenance needs and related maximum annual budget and assessments, as well as formation steps and timing. At this meeting, the developer requested more detailed information regarding the proposed annual maintenance needs and a calculation of the projected budget for Fiscal Year 2008/2009. This information was prepared and discussed at a subsequent meeting held on April 1, 2008 with the developer and representatives of Costco and Target along with city staff and KGPF. No further requests were made from the property owners.

Based on the requirements of Assessment Law, a property owner ballot protest procedure is required in order to form the Gateway LLD and to levy an assessment on the parcels located within its boundaries. If the City Council approves the resolutions, ballots will be mailed to each property owner located within the boundaries of the Gateway LLD, who will be asked to indicate whether they are in favor of or opposed to the maximum assessment rates as described in the Engineer’s Report. Each property owner’s ballot will be weighted by the amount of its proposed assessment.

The City will then hold a public hearing, scheduled for July 1, 2008, on the matter of forming the Gateway LLD. In order to be counted, property owner ballots must be returned prior to the close of the public hearing. Following the conclusion of the public hearing, the ballots will be tallied. If a majority protest does not exist, and the ballot procedure is successful, the City Council will confirm the Engineer’s Report and order the levy and collection of assessments beginning in fiscal year 2008/2009.

Discussion

Forming the Gateway Landscaping and Lighting District will provide a revenue source to help offset the maintenance and servicing of costs of certain improvements located within or adjacent to the Gateway LLD including landscaping, lighting, drainage facilities and other appurtenant facilities related thereto. Additionally, the formation of the Gateway LLD was a condition of development for the Woodland Gateway Retail Center.

As part of the initial formation process, Council is presented with three resolutions for consideration which are titled as follows:

Resolution No. _____ Initiating Proceedings for the Formation of the City of Woodland Gateway Landscaping and Lighting District, and the Levy and Collection of Assessments for

Fiscal Year 2008/2009 Pursuant to the Provisions of the Landscaping and Lighting Act of 1972

Resolution No. _____ Preliminarily Approving the Engineer's Report for the Formation of and the Levy of Assessments within the City of Woodland Gateway Landscaping and Lighting District

Resolution No. _____ Declaring its Intention to Form a Special Assessment District designated as the City of Woodland Gateway Landscaping and Lighting District and to Provide for the Levy and Collection of Assessments in Such District, Setting a Time and Place for Public Hearing and Ordering the Initiation of Assessment Ballot Procedures

Fiscal Impact

If approved, the City of Woodland Gateway Landscaping and Lighting District will generate approximately \$84,000 in Fiscal Year 2008/2009 to help offset the costs of maintaining and servicing the improvements in the Gateway LLD. There will be no impact on the General Fund.

Public Contact

In addition to posting of the City Council agenda, a copy of the Engineer's Report was distributed to representatives of each property owner within the Gateway LLD boundaries.

Recommendation for Action

Staff recommends that the City Council approve and adopt resolutions that 1) Initiate the proceedings for the formation of the Gateway Landscaping and Lighting District; 2) Preliminarily approve the Engineer's Report, and; 3) Establish a date to hold a public hearing on the matter of assessments and order the levy of assessments on the parcels located within the Gateway Landscaping and Lighting District.

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Attachments