



TITLE

Engineer's Report for Citywide LLAD Fiscal Year 26/27

RECOMMENDATION

Adopt a Resolution setting a Public Hearing for the Fiscal Year 26/27 Annual Engineer's Report, for the Landscaping and Lighting Assessment District, to approve the budgets within the Engineer's Report, confirming the assessment diagrams and the annual assessment amounts, and authorizing the levy and collection of annual assessments for Fiscal Year 26/27

CONTACT

Erica Ahmann Smithies, P.E., Public Works Director
Noni Thomas, Management Analyst

BACKGROUND & ANALYSIS

This item for Council's consideration regarding the American Canyon Landscaping and Lighting Assessment District (LLAD). NBS is the Assessment Engineer for the American Canyon LLAD. In that role, they have prepared the Fiscal (FY) 26/27 Annual Engineer's Report.

The annual filing of an Engineer's Report is required by the Landscaping & Lighting Act of 1972. Proposed adjustments to the annual assessments are described below. The complete FY 26/27 Engineer's Report is shown in Attachment 1, Exhibit A. In addition to the report, City staff mailed notices to all residents in Zones 1 and 2 regarding two informational in-person park pop-ups held in April 2026. The Zone 1 pop-up had approximately 6 attendees to hear an update from staff and there were no residents that attended for Zone 2.

Staff is requesting City Council to initiate proceedings, preliminarily approve the FY 26/27 Annual Engineer's Report, declare the intention to levy and collect assessments, and set the Public Hearing for consideration of the American Canyon Landscaping and Lighting Assessment District assessments for FY 26/27 for June 2, 2025, at 6:30 p.m. in the Council Chambers.

The American Canyon LLAD is divided into three (3) zones:

Zone 1: In January 2001, the City Council approved the formation of the LLAD. At the time, the purpose of the LLAD was to operate and maintain facilities constructed within the La Vigne

subdivision. This area of the LLAD is known as Zone 1. The annual work associated with maintaining the facilities within Zone 1 includes operation and maintenance of landscaping in public areas, pedestrian paths, the streetscape of Via Bellagio, and the park areas. Also included are the operation and maintenance of the streetlights within the neighborhood.

Zone 2: Zone 2 encompasses the Vintage Ranch subdivision and includes operation and maintenance of parks, environmentally sensitive areas, bike trails, streetscape, water basins, fencing, walls, street lighting, and a portion of traffic signals within the subdivision.

Zone 3: Zone 3 encompasses the Napa Junction mixed-use development consisting of phases I, II & III which includes the operation and maintenance of landscaping, streetscape, bikeways, water basins, park areas, fencing, street lighting and a portion of traffic signals serving the development. It also includes mowing the frontage along Highway 29 between Rio Del Mar and Napa Junction Road.

Assessment Methodology:

The report includes a description of each zone in the LLAD, any proposed changes to the zones, the opposed cost to operate and maintain the improvements, the method of apportionment (spread) of the assessments, the assessment roll for all parcels, and the assessment diagrams (maps). As mentioned above, there will be no annexations to the LLAD this fiscal year.

Assessment Calculation:

The activities described in the report are paid for by assessments on parcels that derive special benefit from the amenities located within the LLAD. The assessments are updated annually in order account for changes in maintenance budgets and changes in development patterns. Staff has verified the proposed FY 26/27 assessments do not exceed the maximum assessment allowed. The table below illustrates all of the proposed FY 26/27 assessments:

Zone	Actual 24/25 Assessment	Actual 25/26 Assessment	Proposed 26/27 Assessment	Maximum 26/27 Assessment
1	\$447.44	\$459.78	\$540	\$742.81
2	\$338.52	\$358.82	\$450	\$1,138.62
3	\$1,079.92/acre (\$219.18/unit)	\$1,109/acre (\$225.22/unit)	\$1,109/acre (\$225.22/unit)	\$2,511.88/acre (\$416.40/unit)

Zone 1

The total proposed Zone 1 budget (Total Expenses) for FY 26/27 is \$470,347. The proposed funding will be \$251,640 from FY 26/27 assessments, and \$218,707 from available reserves. This budget is based on current landscaping contracts, expected increases in landscaping contracts based on preliminary bids, historical cost review, and professional estimates of labor efforts required to maintain the facilities.

The proposed Zone 1 annual assessment rate to levy and collect is proposed to be \$540 per ESD.

This represents an increase of 17.45% but still below the allowable maximum. The new maximum annual assessment for Zone 1 is \$742.81 per ESD which includes the 2.17% CPI increase.

Zone 2

The total proposed Zone 2 budget (Total Expenses) for FY 26/27 is \$724,877.20. This budget is based on current landscaping contracts and expected increases based on preliminary bids, historical cost review, and professional estimates of labor efforts required to maintain the facilities. The proposed funding will be \$387,180 from FY 26/27 assessments, and \$337,697 from available reserves. This includes a \$32,300 contribution from the general fund to account for general benefit for the use of Shenandoah and Silver Oak parks. The proposed budget includes the full year maintenance funding for all facilities including the Environmentally Sensitive areas.

The proposed Zone 2 annual assessment rate to levy and collect is proposed to be \$450. This represents an increase of 25.41% but still below the allowable maximum assessment. The new maximum annual assessment for Zone 2 is \$1,138.62 per ESD which includes the 2.17% annual CPI increase.

Zone 3

The total proposed Zone 3 expenses for FY 26/27 is \$186,146. This budget is based on current landscaping contracts, expected increases in landscaping contracts, expected increases in landscaping contracts based on preliminary bids, historical cost review, and professional estimates of labor efforts required to maintain the facilities. The proposed funding will be \$179,640 from FY 26/27 assessments and \$6,506 from reserves. No general fund contributions are proposed.

The proposed annual assessment to levy and collect for each parcel within Zone 3 is \$1,109 per acre or portion thereof plus \$225.22 per ESD. There is no proposed increase in the assessment rate for FY 26/27. The new maximum assessment is \$2,511.88 per acre or portion thereof and \$416.40 per ESD. The new maximum assessment includes the allowed 2.17% CPI increase.

COUNCIL PRIORITY PROGRAMS AND PROJECTS

Community and Sense of Place: "Build on the strength of our local community to develop a clear 'sense of place' and establish our unique identity."

FISCAL IMPACT

There is a General Fund impact by this action in the amount of \$32,300 for the contributions to Zone 2 for general public benefit use of Shenandoah and Silver Oak parks. The General Fund contribution is included in the proposed FY 26/27 Operating Budget. All other costs associated with the annual proceedings and the operation, maintenance, and administration of the Assessment District improvements are recovered from the assessments levied and collected on the parcels within each zone.

The total proposed Assessment District budget for FY 26/27 for all three Zones is as follows:

	As Preliminarily Filed with the City
Zone 1 Budget	\$470,347.00
Zone 2 Budget	\$724,877.20
Zone 3 Budget	\$186,146.00
Reserve Contributions	\$(562,909.24)
Balance to Assessment	\$818,460.96

A more detailed budget for each zone showing the prior year's expenses and projections for the next two fiscal years is shown in the attached Engineer's Report for FY 26/27. This is done to provide each zone's property owners with information on trends and potential upcoming expenses, including planned capital expenditures.

ENVIRONMENTAL REVIEW

The use or change of property assessments as a funding mechanism for the operations and maintenance of landscaping and lighting systems is not a project as defined in Section 15378(b)(4) of the California Environmental Quality Act guidelines.

COMMUNICATION

Level 2: Targeted Communication

Neighborhood meetings for LLAD Zone 1 and 2 property owners occurred in mid-April.

ATTACHMENTS:

1. [Resolution](#)
1. [Exhibit A: American Canyon LLAD Engineer Report FY 26/27](#)