



CITY COUNCIL STAFF REPORT

ITEM NO. 6.2

DATE: June 23, 2025

TO: Honorable Mayor and City Council

FROM: Carl Brown, Public Works Director

SUBJECT: Public hearing for the confirmation of the levy of assessments for the City's Landscape Maintenance Districts for FY 2025-26.

RECOMMENDED ACTION

Staff recommends the City Council:

1. Conduct a public hearing for the confirmation of the annual levy of assessments for the City's Landscape Maintenance Districts for FY 2025-26; and
2. Upon closure of the public hearing, staff recommends the City Council adopt a resolution confirming the annual levy of assessments for the City's Landscape Maintenance Districts and directing actions with respect thereto for FY 2025-26.

SUMMARY

Staff reviews the maintenance costs and revenues for the City of Livermore (City) Landscape Maintenance Districts (Districts) annually and prepares the Annual Engineer's Reports containing recommended assessment levels for City Council approval.

In order to levy and collect annual assessments for the Districts under the Landscaping and Lighting Act of 1972 (Act), the City must follow certain legal procedures. On May 12, 2025, the City Council adopted resolutions initiating the annual process, declaring the intention to levy and collect assessments for FY 2025-26, and preliminarily approving the Annual Engineer's Reports. The City Council also set June 23, 2025, as the public hearing date for this matter. After conducting this public hearing, the City Council may then consider adopting a resolution confirming the levy of assessments for FY 2025-26. If the resolution is adopted, City Council then directs staff to file the assessments with the County Auditor.

DISCUSSION

The City Council took initial action for FY 2025-26 on May 12, 2025, by adopting Resolution No. 2025-071. Also on May 12, 2025, City Council took further action for FY 2025-26 by preliminarily approving the Annual Engineer's Reports, declaring the intent to levy and collect assessments within the Districts for FY 2025-26, and establishing a public hearing date of June 23, 2025, by adopting Resolution No. 2025-

072.

The Annual Engineer's Reports (see Exhibit C) has been prepared for the Districts listed below for FY 2025-26 in accordance with the requirements of the Act. This report includes estimates of expenditures and revenues for FY 2025-26.

Maintenance District No. LL-1; Annexation Nos. 1989-1, 1989-2, 1989-4, 1990-1, 1990-2; Maintenance District No. LL-2; Annexation Nos. 1992-0, 1992-1, 1993-1, 1993-2, 1994-1, 1994-2, 1994-3, 1994-4, 1994-6, 1994-7, 1994-8, 1995-1, 1995-2, 1995-3, 1995-4, 1995-6, 1995-7, 1996-1, 1996-2, 1996-3, 1996-5, 1996-6, 1996-7, 1996-8, 1996-9, 1997-2, 1997-3, 1997-4, 1997-5; and Maintenance District Nos. LL-801, LL-802, LL-803, LL-804, LL-805, LL-806, LL-807, LL-808, LL-809, LL-810, LL-811, LL-813, LL-814, LL-815, LL-817, LL-818, LL-819, LL-820, LL-821, LL-822, LL-823, LL-824, LL-826, LL-827, LL-828, LL-829, LL-830, LL-831, LL-832, LL-833, LL-835, LL-836, LL-837, LL-838, LL-839, LL-840, LL-841, LL-842, LL-843, LL-844, LL-845, LL-846, LL-847, LL-848, LL-849, LL-850, LL-851, LL-852, LL-853, LL-854, LL-855, LL-857, LL-858, LL-859, LL-860, LL-861, LL-862, and LL-863.

Part A of the Annual Engineer's Reports corresponds to all Districts listed above except LL-859 (Downtown Landscape Maintenance District). Part B of the Annual Engineer's Reports corresponds to LL-859 (Downtown Landscape Maintenance District).

Remaining Schedule for the Levy of Assessments for FY 2025-26

The remaining schedule to approve the FY 2025-26 assessments for the Districts is as follows:

- June 23, 2025 - City Council holds a public hearing and considers the levy of assessments for the Districts for FY 2025-26.
- August 10, 2025 - Deadline to submit assessments to the Alameda County Auditor's Office.

FY 2025-26 Assessments

Depending upon the annual assessment escalator that was approved at the time of formation or subsequently approved by the District property owners, the maximum assessment for each District and zones of benefit may be adjusted annually by either the annual change in the Consumer Price Index (All Urban Consumers) published for the San Francisco-Oakland-Hayward Area by the U.S. Bureau of Labor Statistics (CPI) for the month of February or the annual change in CPI plus 1%. For FY 2025-26, CPI is 2.69%, and therefore, the maximum assessment rates for each District are increased by either 2.69% or 3.69%, as applicable.

Staff developed cost estimates that include revenue and expenditure budgets for each District based on the anticipated maintenance and reserve collection needs for FY 2025-26. Attachment 1 shows the comparison of proposed FY 2025-26 assessments versus current FY 2024-25 assessments for the Districts, except LL-859 (Downtown Landscape Maintenance District). Attachment 2 compares the proposed versus current assessments for the LL-859. The proposed assessment rates to be levied for the Districts are equal to or less than each District's respective FY 2025-26 maximum assessment rate with one exception. City staff recently received updated building square footage information for APN 097-0136-002-07. This information has been incorporated into the final version of the attached Annual Engineer's Report which has resulted in a slight adjustment to the assessment rates and assessment amounts reflected for some parcels in the Downtown LMD.

FISCAL AND ADMINISTRATIVE IMPACTS

Property owners within each District pay assessments to cover the cost of landscape maintenance, utilities, operation, and maintenance of equipment. Maintenance operations are performed by staff and supplemented by private contractors under the direction of staff.

The aggregate projected maintenance costs for all Districts, except LL-859, for FY 2025-26 is estimated to be approximately \$3.3 million. Projected revenue for all Districts, except LL-859, is estimated to be approximately \$3.6 million. Any funds collected in excess of expenditures remain in each District's respective account for future needs such as asset replacement or repairs.

LL-859 has projected maintenance costs of approximately \$810,000 for FY 2025-26. Projected revenue for LL-859 is about \$470,000. The total cost for maintaining improvements benefiting LL-859 includes approximately \$150,000 attributed to general benefit to the public at large, which the City pays directly. Additionally, the City's General Fund will also make a supplemental contribution of approximately \$192,000 because entitlements for certain properties have expired and the maximum allowable assessments are not sufficient to cover the projected costs.

COMMUNITY PILLAR

5: A City That Works

GOAL

14: Develop and maintain the City's infrastructure

ATTACHMENTS

1. Resolution
2. Exhibit A - LMD Maximum and Budgeted Assessment Rates
3. Exhibit B - Proposed Assessments for LMD No. 859 (Downtown) for Fiscal Year 2025-26
4. Exhibit C - FY 2025-26 Annual Engineer's Reports

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Approved by:



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Fiscal Review by:



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