

CITY OF ORANGE
PRELIMINARY ENGINEER'S REPORT
FOR THE ANNUAL LEVY ASSESSMENT
LANDSCAPE MAINTENANCE
DISTRICT NO. 94-1
FISCAL YEAR 2024-2025



LANDSCAPE MAINTENANCE DISTRICT NO. 94-1
SYCAMORE CROSSING

Intent Meeting:	April	23, 2024
Public Hearing:	May	28, 2024

AFFIDAVIT FOR THE ENGINEER'S REPORT

This Report describes the City of Orange Landscape Maintenance District No. 94-1 and proposed changes or modifications related thereto including the improvements, budgets, parcels and assessments to be levied for Fiscal Year 2024-2025, pursuant to the City's Resolution of Intention. Reference is hereby made to the Orange County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District. The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this 2nd day of April, 2024.

By: 
Frank Sun
Assistant Public Works Director/ City Engineer



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INTRODUCTION

Pursuant to the provisions of the *Landscaping and Lighting Act of 1972, being Part 2 of Division 15 of the California Streets and Highways Code, commencing with Section 22500* (hereafter referred to as the “1972 Act”), and in compliance with the substantive and procedural requirements of the *California State Constitution Articles XIII C and XIII D* (hereafter referred to as the “California Constitution”), the City Council of the City of Orange, County of Orange, State of California (hereafter referred to as “City”), in connection with the annual levy and collection of assessments of the special benefit assessment district designated as:

Landscape Maintenance District No. 94-1

(hereafter referred to as the “District”), which includes all lots and parcels of land that specially benefit from the improvements within the District. This Engineer’s Report (hereafter referred to as “Report”) has been prepared in connection with the annual levy and collections of assessments for said District pursuant to Chapter 1, Article 4 of the 1972 Act.

The City Council proposes to levy and collect annual assessments on the County tax rolls to provide ongoing funding for the costs and expenses required to service and maintain the landscaping improvements originally installed in connection with the development of properties within the District. The improvements to be provided by the District and the assessments described herein are made pursuant to the 1972 Act.

This Report describes the District, the improvements, and the proposed assessments to be levied in Fiscal Year 2024-2025 against properties in connection with the special benefits the properties will receive from the maintenance and servicing of the District improvements. The annual assessments to be levied on properties within the District will provide a funding source for the continued operation and maintenance of local landscaping improvements installed in connection with the development of properties within the District. The assessments described in this Report are based on an estimate of the direct expenditures, incidental expenses, and fund balances that will be necessary to maintain and service the improvements.

The word “parcel,” for the purposes of this Report, refers to an individual property assigned its own Assessor’s Parcel Number (APN) by the Orange County Assessor’s Office. The Orange County Auditor/Controller uses Assessor’s Parcel Numbers and specific Fund Numbers to identify properties to be assessed on the tax roll for the special benefit assessments.

This Report has been prepared and presented to the City Council to address any proposed changes to the District or improvements, if any, and the proposed budget and assessments for Fiscal Year 2024-2025. The City Council will conduct a noticed public hearing to consider public testimonies, comments and written protests regarding the levy and collection of assessments for Fiscal Year 2024-2025. Upon conclusion of the public hearing, if majority protest does not exist the City Council may approve this Report (as submitted or amended) and levy the assessments for Fiscal Year 2024-2025. In such case, the assessments for fiscal year 2024-2025 shall be submitted to the Orange County Auditor/Controller for inclusion on the property tax roll for each parcel. If the proposed annual assessments for this District exceed the maximum assessment described herein (as approved by the property owners), the new or increased assessment must be confirmed through another property owner protest ballot proceeding before such an assessment may be imposed.

This Report consists of five (5) parts:

Part I

Plans and Specifications: A description of the District boundaries and the improvements associated with the District. The District has been formed as a single benefit zone encompassing all properties within the territory identified as Landscape and Maintenance District No 94-1.

Part II

The Method of Apportionment: A discussion of benefits the improvements and services provide to properties within the District and the method of calculating each property's proportional special benefit and annual assessment.

Part III

The District Budget: An estimate of the annual costs to operate, maintain and service the landscaping and appurtenant facilities installed and constructed as part of the development of properties within the District. This budget includes an estimate of anticipated direct maintenance costs and incidental expenses. The special benefit assessments are based on the overall operation costs minus any costs that are considered general benefit. The proposed assessments for Fiscal Year 2024-2025, and each subsequent year shall be based on the estimated net annual cost of operating, maintaining and servicing the improvements for that fiscal year as well as funds to be collected in installments to perform maintenance activities that cannot be reasonably collected in a single fiscal year's assessments.

Part IV

District Diagram: A Diagram showing the exterior boundaries of the District is provided in this Report and includes all parcels that will receive special benefits from the improvements. Reference is hereby made to the Orange County Assessor's Parcel Maps for a detailed description of the lines and dimensions of each lot and parcel of land within the District.

Part V

Assessment Roll: A listing of the proposed assessment amounts to be levied on Assessor's Parcel within the District for Fiscal Year 2024-2025. The proposed assessment amount for each parcel is based on the parcel's proportional special benefit as outlined in the method of apportionment.

PART I — PLANS AND SPECIFICATIONS

A. Description of the District

The assessment district boundary is shown on a map entitled Assessment Diagram, Landscape Maintenance District No. 94-1, City of Orange, which is on file with the City Clerk of the City of Orange. A reduced scale copy of the Diagram can be found in Part IV of this document.

All parcels of real property affected are more particularly described in maps prepared in accordance with Section 327 of the Revenue and Taxation Code, which are on file in the Office of the Orange County Assessor, and which are made a part of this report by reference.

B. Improvements and Services

Improvements and Services Permitted Pursuant to the 1972 Act

The location of the works of improvement to be maintained under these proceedings is described as follows:

- A. Lot E Tract 14752 - Generally a 23-foot wide strip of land along the northerly upper banks of Santiago Creek within Tract 14752;
- B. Lot F Tract 14752 - Generally a 55-foot wide strip of land along the southerly upper banks of Santiago Creek with Tract 14752;
- C. Lot C Tract 14752 - Generally an irregular shaped parcel adjacent to Lot F Tract 14752.

A general description of the works of improvement to be maintained under these proceedings are those generally described as follows:

- A. Ornamental shrubs, trees, and ground cover
- B. Habitat area including natural shrubs, trees, and ground cover
- C. Complete irrigation system including pipes, valves, sprinkler heads, and controller
- D. Soil cement erosion protection

The following items are excluded from the Maintenance District:

- A. The center low flow channel of Santiago Creek.
- B. Complete recreation trail/maintenance road including asphalt, signing, striping, and lighting.

Maintenance shall include, but not be limited to:

- A. Repair, removal, or replacement of all or any part of any included improvement;
- B. Providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, and treating for disease or injury; and
- C. The removal of trimmings, rubbish, debris, and other solid waste.

PART II — METHOD OF APPORTIONMENT

A. Background

The Landscaping and Lighting Act of 1972 provides that assessments may be apportioned by any formula or method, which fairly distributes costs among all lots or parcels within the district in proportion to the estimated benefits received. It is necessary to identify the special benefit that the Works of Improvement will render to the properties within the Assessment District. It is also necessary that the properties receive a special and direct benefit as distinguished from benefit to the general public.

B. Method of Assessment

Identify the Special Benefit

First of all, it is necessary to identify the special benefit that the public improvement will render to the properties within the boundaries of Landscape Maintenance District No. 94-1. The improvements consist of landscaping and a recreation trail/maintenance road along the upper banks of Santiago Creek. The creek was a natural flood control channel running through Tentative Tract 14752. As a condition for developing the tract, it was necessary to improve the creek to provide 100-year flood protection consistent with the National Flood Insurance Program. Alternative designs were looked at ranging from a concrete lined channel to a multi-use natural looking channel. The later was chosen to provide a visually pleasing channel with landscaping along both banks, erosion control bank protection, a useful recreation trail and a maintenance road. An interesting biotic habitat was added to fulfill 404 & 401 permit requirements.

The Orange County Flood Control District owns and maintains the center 96-foot wide low flow channel. The City of Orange owns and LMD 94-1 maintains 23 feet on the north side and 55 feet on the south side of the channel.

The special and direct benefits that each property owner will receive are:

- The Landscape Maintenance District fulfills the financial obligation of the property owners to maintain the improvements in Santiago Creek installed by the Tract development and as required by Conditional Use Permit 2088-94, condition of approval of Tract 15053 and the Development Agreement for Sycamore Crossing.
- A pleasing landscape visible at the entrance to the tract.
- Enhanced desirability of district properties through association with the improvements.
- Enhancement of the urban environment by providing open space and landscaping.
- Necessary flood protection provided by the improvements.
- Improved erosion resistance, dust control and fire prevention.
- There are many homes in the District that back up to Santiago Creek and the landscape improvement. Their back fences are made of wrought iron so they can enjoy the beauty and spaciousness of the landscape improvement.

Prior to 2011, the recreation trail, which begins within the Tract boundary and provides direct access to Hart Park, a City park with numerous recreation facilities, was considered as a special benefit. The recreation trail has been extended through the District and is now incorporated into the Cityregional trail system. This altered the special benefit of the recreation trail within the District. District funds are no longer used for the maintenance of the trail pavement, stripping and rail safety fence.

Apportionment of Cost

In further making the analysis, it is necessary that the property owners receive a special and direct benefit distinguished from that of the general public. In this case, an in-depth analysis was made, and several factors are being used in the final method and spread of assessments. In analyzing the overall district, it is noted that there are two types of development. There are 160 single family detached residential units on the north side of Santiago Creek and a 1.385 acre commercial site on the south side recently developed with senior housing.

All 160 residential units are relatively the same except for the fact that 36 units back up to the landscape improvement. The developer has placed an approximate 2% lot premium on these lots. This same differential was used in determining the assessment. A unit cost factor of 1.02 is assigned to these 36 units and the remaining 124 units have a cost factor of 1.0. The commercial site has been developed as low income housing for senior citizens.

The unit cost for the current FY 2023-2024 is \$293.08 per unit for a total levy of \$47,877.49. No increase is recommended for fiscal year 2024-2025. The levy will remain at \$293.08. Therefore, the assessment levied on the 124 interior residential units will be \$293.08, and for the 36 residential units along the channel it will be \$298.94. In analyzing the special benefit to the senior citizen housing site we recognize the fact that seniors are generally not mobile enough to use the bike and pedestrian trail and therefore have limited access to the landscape improvement. The special benefit is limited to the visibility of the landscaping from the north facing units. With this in mind, a unit cost factor of 2.04 was assigned to the seniors housing site and the assessment levied will be \$597.88. Since the enactment of Prop 218, publicly owned property within the District is no longer exempt from assessment. There are two lots within the boundaries of the District that are owned by the City of Orange. One is a small lot to be used in the future for a domestic water well. The other is a larger lot that will someday be used for recreation purposes. The special benefit to these lots is minimal at this time. A unit cost factor of 0.20 is assigned to the well site and a unit cost factor of 0.40 to the recreation site. The City will be levied \$58.62 and \$117.23 respectively. The total of the assessments levied on all the parcels will be \$47,877.49.

C. Financial Analysis

The facilities, which are to be maintained by this landscape maintenance district, were installed by the developer of Tract No. 14752. The estimated costs of maintenance, operation, and administration of the facilities are shown in Part III.

Resolution 8462 approved Condition Use permit 2088-94 for Tentative Tract 15053 and Resolution 8463 approved Tentative Tract Map 15053, which is a part of Tract 14751. Both resolutions contain the following condition:

“To the satisfaction of the City of Orange’s Public Works Department and City Engineer, prior to the recordation of Final Tract Map 15053, the City shall form a landscape maintenance district which shall include the project for the purpose of levying and collecting an assessment to maintain the open space dedicated to the City by Tentative Tract 14752 and defining in Exhibit E-1 of the development agreement for this project. Said assessment shall not exceed the sum of \$28.00 per month per residential unit in the project but may increase annually in accordance with the applicable increase maintenance cost index as provided in the Engineering News Record or such other comparable index as the parties shall agree. The future homeowner’s contributions (financial payments) towards the maintenance of Santiago Creek open space shall be included in the disclosure requirement to future buyers.”

The individual 2024-2025 assessments, tabulated by Assessor's Parcel Number, are on file with the City Clerk of the City of Orange, and can be found in Part V, Assessment Roll.

The 1972 Act permits carrying forward surpluses or recovering deficits in subsequent fiscal years. Costs for the District are reviewed annually and subsequent year's assessments will be credited or debited, as necessary.

The total assessment to be levied for fiscal year 2024-2025 by the district is recommended to be \$47,877.49. This assessment is the same as fiscal year 2023-2024.

The assessments for Landscape Maintenance District No. 94-1, City of Orange, have been apportioned in direct accordance with the special and direct benefits that each parcel receives from the maintenance, operation, and administration of the Works of Improvement.

PART III — DISTRICT BUDGET

The following budget outlines the estimated costs to maintain the improvements for 2024-2025.

ANNUAL LEVY OF ASSESSMENT
LANDSCAPE MAINTENANCE DISTRICT NO. 94-1
City of Orange
ESTIMATED COSTS

OPERATION & MAINTENANCE FUND BALANCE FROM PRIOR YEARS

Estimated Fund Balance as of March 2024	\$118,330
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The estimated budget necessary for the 2024-2025 Fiscal Year for the District is as follows:

BUDGET ITEM	COST
ANNUAL MAINTENANCE	
Salaries & Benefits	\$7,407
Telephone	\$0
Water	\$7,500
Electricity	\$400
Landscape Maintenance	\$17,944
Landscape Maintenance, Irrigation Repairs	\$0
Landscape Maintenance, Landscape Repairs	\$0
Other Professional & Consulting	\$500
Contractual Services, Tree Trimming Contract	\$9,985
Contractual Services, Electrical Maintenance	\$0
Contractual Services, Misc. Contract Services	\$1,500
Office Supplies & Operating Expenses	\$0
City Administrative Services	\$2,460
TOTAL LANDSCAPE MAINTENANCE EXPENSES	\$47,696

SURPLUS FUNDS TO BE ADDED TO RESERVE

\$181

•This Budget Estimate is for the purpose of establishing an Annual Assessment. It may vary from the adopted City Budget. All assessments collected by the District may only be used for District expenditures regardless of the Budget Estimate.

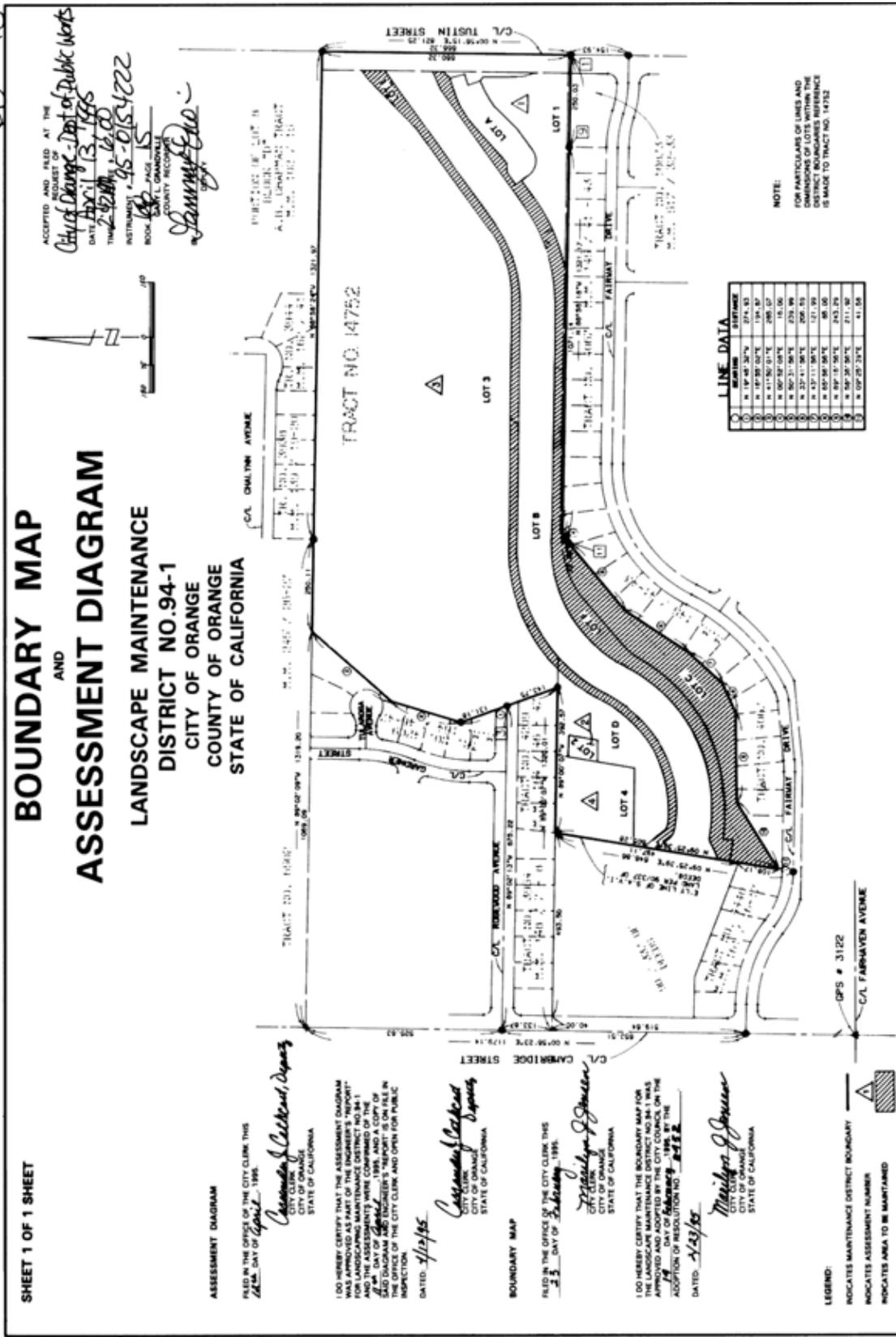
BALANCE TO LEVY (maximum assessment)

\$47,877

PART IV — DISTRICT DIAGRAMS

The following diagram incorporates all parcels within the District, as the same existed at the time this Report was prepared. The combination of this map and the Assessment Roll contained in this Report constitute the Assessment Diagram for the Landscape and Maintenance District No. 94-1, also known as Sycamore Crossing.

68 15



SHEET 1 OF 1 SHEET

ACCEPTED AND FILED AT THE
 COUNTY CLERK'S OFFICE
 City of Orange - Dept of Public Works
 DATE: DEC 13, 1995
 TIME: 2:20 PM
 INSTRUMENT NO: 95-0154222
 BOOK: 188
 PAGE: 15
 COUNTY RECORDER
Sammy Edo

ASSESSMENT DIAGRAM
 FILED IN THE OFFICE OF THE CITY CLERK THIS
 14th DAY OF April, 1995.
Carolee S. Caldwell, Deputy
 CITY CLERK
 CITY OF ORANGE
 STATE OF CALIFORNIA

I DO HEREBY CERTIFY THAT THE ASSESSMENT DIAGRAM
 WAS APPROVED AS PART OF THE ENGINEER'S REPORT
 FOR LANDSCAPE MAINTENANCE DISTRICT NO. 94-1
 AND THE ASSESSMENT WERE COMPLETED BY THE
 SAID DIAGRAM AND ENGINEER'S REPORT IS ON FILE IN
 THE OFFICE OF THE CITY CLERK AND OPEN FOR PUBLIC
 INSPECTION.
 DATED: 4/12/95
Carolee S. Caldwell, Deputy
 CITY CLERK
 CITY OF ORANGE
 STATE OF CALIFORNIA

BOUNDARY MAP
 FILED IN THE OFFICE OF THE CITY CLERK THIS
 25th DAY OF February, 1995.
Michael J. Jensen
 CITY CLERK
 CITY OF ORANGE
 STATE OF CALIFORNIA

I DO HEREBY CERTIFY THAT THE BOUNDARY MAP FOR
 LANDSCAPE MAINTENANCE DISTRICT NO. 94-1 WAS
 APPROVED AND ADOPTED BY THE CITY COUNCIL ON THE
 19th DAY OF February, 1995, BY THE
 ADOPTION OF RESOLUTION NO. 1252.
 DATED: 2/23/95
Michael J. Jensen
 CITY CLERK
 CITY OF ORANGE
 STATE OF CALIFORNIA

LEGEND:
 INDICATES MAINTENANCE DISTRICT BOUNDARY
 INDICATES ASSESSMENT NUMBER
 INDICATES AREA TO BE MAINTAINED

PART V — ASSESSMENT ROLL

Parcel identification for each lot or parcel within the District is based on available parcel maps and property data from the Orange County Assessor's Office, as they existed at the time this Engineer's Report was prepared and the City Council adopted the Resolution of Intention. A listing of the lots and parcels to be assessed within this District along with the assessment amounts is provided herein.

If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County Auditor/Controller. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rate described in this Report as approved by the City Council. Therefore, if a single parcel is subdivided to multiple parcels, the assessment amount applied to each of the new parcels shall be recalculated and applied according to the approved method of apportionment and assessment rate rather than a proportionate share of the original assessment for the parcel.

The following is a list of the parcels and proposed assessment amounts for Fiscal Year 2024-2025 for each of the parcels within the District as determined by the assessment rates and method of apportionment described herein: