



# Agenda Item

## City Council

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**Item #:** 3.20.

**5/13/2025**

**File #:** 25-0183

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**TO:** Honorable Mayor and Members of the City Council

**THRU:** Tom Kisela, City Manager

**FROM:** Christopher Cash, Public Works Director

### 1. SUBJECT

Approval of the Landscape Maintenance Assessment District 94-1 (Sycamore Crossing) Preliminary Engineer's Report for Fiscal Year 2025-2026. Resolution No. 11610.

### 2. SUMMARY

The City declares its intention to assess an annual levy, approve the Preliminary Engineer's Report, and set a public hearing. Staff recommends no increase in the assessments for Fiscal Year 2025-2026. The total assessment to be levied in Landscape Maintenance Assessment District 94-1 (Sycamore Crossing) will be \$47,877.

### 3. RECOMMENDED ACTION

1. Adopt Resolution No. 11610. A Resolution of the City Council of the City of Orange regarding Landscape Maintenance Assessment District 94-1 (Sycamore Crossing) declaring its intention to provide for an annual levy and collection of assessments for Fiscal Year 2025-2026; set a time and place for a public hearing to receive public testimony on the foregoing matters and give preliminary approval to the certified Engineer's Report for Landscape Maintenance Assessment District 94-1 (Sycamore Crossing).
2. Declare the intent to levy an annual assessment, and establish June 10, 2025, at 6:00 p.m. at City Hall Council Chamber, 300 E Chapman Avenue, Orange, CA 92866, as the time and place for the Public Hearing on the assessment.

### 4. FISCAL IMPACT

There is no direct fiscal impact to the City. The approval of the annual assessment will generate \$47,877 in revenue with a proposed expenditure of \$55,852 in the Sycamore Crossing Landscape Maintenance District Fund (293) will be included in the FY 2025-2026 Budget Adoption.

### 5. STRATEGIC PLAN GOALS

Goal 5: Improve Infrastructure, Mobility, and Technology

### 6. DISCUSSION AND BACKGROUND

In 1995, Landscape Maintenance District No. 94-1 (LMD 94-1) was established to maintain the landscape and flood control improvements along Santiago Creek that were constructed by Tract No. 14752 (Sycamore Crossing). Resolution 8462 approved Conditional Use Permit 2088-94 for Tentative Tract 15053 (Sycamore Crossing) and Resolution 8463 approved Tentative Tract Map

15053, which is part of Tract 14751.

Annually, a detailed accounting of expenses is completed, and a new assessment is calculated for the benefiting property owners. All assessments are recommended to remain the same for Fiscal Year 2025-2026 (FY26) as they are for the current fiscal year. The 124 units in the interior of the Tract are currently assessed at \$293.08. The 36 units adjacent to the landscape improvement have a 2% premium and are currently assessed at \$298.94 per unit. The senior citizen housing site is currently assessed at \$597.88 per year. In addition, the City owns two lots within the District that pay into the District. The larger lot which remains as open space is assessed at \$117.23 per year and the smaller lot for a future water well is \$58.62 per year.

The total expenditure for FY26 is estimated to be \$55,852, which is 13% higher than the current FY 25. This is due to the current landscape contract expiring in June 2025 with the projected cost increase for landscape maintenance. The proposed assessment will generate \$47,877 in revenue. The projected year-end Reserve Fund balance is \$132,905 and the District is funded entirely by annual assessment revenue. The deficit revenue between the annual assessment and the expenditure is \$7,975. Reserve funds will be used to supplement any potential deficit in FY26 expenditures.

The attached Preliminary Engineer's Report contains detailed information about the assessment. It is proposed to schedule the Public Hearing on June 10, 2025, at 6:00 p.m. at City Hall Council Chamber, 300 E Chapman Avenue, Orange, CA 92866.

## **7. ATTACHMENTS**

- Resolution No. 11610
- Preliminary Engineer's Report for the Annual Levy Assessment Landscape Maintenance District No. 94-1 Fiscal Year 2025-2026