

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To:	Matthew Fertal	From:	Keith G. Jones
Dept:	City Manager	Dept:	Public Works
Subject:	MAIN STREET ASSESSMENT DISTRICT NO. 1 – RESOLUTION OF INTENTION	Date:	May 26, 2009

OBJECTIVE

The purpose of this memorandum is for City Council to review and adopt the attached resolution for the Main Street Assessment District No. 1 (MSAD No. 1). This resolution will set the process in motion to declare the intention to levy and collect assessments for maintenance of the improvements on Main Street for the Fiscal Year (FY) 2009/10. This will also accept the Engineer's Report and set a protest hearing for June 23, 2009.

BACKGROUND

In 1977, the City Council formed MSAD No. 1 to fulfill the Landscape and Lighting Act (LLA). The MSAD was established to oversee the construction and maintenance of special public improvements along Main Street. Those improvements include planters, trees, on-street parking, sidewalks, benches, trash receptacles, drinking fountains, streetlights, drainage and bollards.

The maintenance costs for these improvements are funded through an assessment. The LLA requires that the City Council initiate annual proceedings for the levy of the assessment through MSAD No. 1. To comply with this requirement, the following actions have taken place:

- Staff met with the Parking and Main Street Commission (PMSC) on March 12, 2009, to determine proposed levels of maintenance, as well as any enhancements or changes to the existing improvements.
- PMSC reviewed and recommended approval of the proposed 2009/10 FY budget.
- The recommendation was transmitted to the City Council for their consideration and was approved, as well as a resolution describing improvements within the budget. Also, the City Council ordered the city engineer to prepare and file the required report for the assessment.

DISCUSSION

In order for the FY 2009/10 assessments to be made, the attached reports and Council approval must be submitted to the county auditor no later than the 9th of August. Should this deadline not be met, the assessment will not take place and the Main Street Maintenance District No. 1 reserves will be eliminated in 2010.

FINANCIAL IMPACT

The Engineer's Report (Attachment 1) projects the Main Street services and costs for the FY 2009/10 to be:

A.	Trash Pick-Up	\$	0	
B.	General Maintenance		15,500	
C.	Street Improvements			
D.	Street Lighting		2,000	
E.	Street Cleaning		1,000	
F.	Tree Trimming			
G.	Professional Services		3,500	(Engineer's Report)
H.	Administrative Support		1,900	
I.	<u>Insurance</u>		<u>732</u>	
	TOTAL:		\$24,632	

The Main Street Maintenance District No. 1 budget for the FY 2009/10 currently has an estimated fund balance of \$18,478. The projected revenues for FY 2009/10 will total \$27,400 and expenditures (as stated in the approved budget above) are estimated to be \$24,632. This leaves an estimated \$14,145 remaining in the fund. With the increasing costs, reserves of \$21,246 will have to be used in upcoming years to balance the budget. The length of time these funds last will depend on spending levels for maintenance and repairs.

The assessment, currently set at \$19.92 per linear foot, meets the minimal service level costs for the proposed FY 2009/10 budget.

COMMUNITY VISION IMPLEMENTATION

Not applicable

RECOMMENDATION

Staff recommends that the City Council:

- Approve the Engineer's Report (Attachment 1);
- Adopt the attached Resolution (Attachment 2), which will meet the requirements set forth in the LLA;
- Declare its intention to levy and collect an assessment for maintenance for the FY 2009/10; and,
- Set a protest hearing regarding the assessment for June 23, 2009.


KEITH G. JONES
Public Works Director


By: Ron Meislahn
Facilities Manager

Attachment 1: Engineer's Report
Attachment 2: Resolution

Recommended for Approval


Matthew Ferial
City Manager