

**CITY OF REDDING, CALIFORNIA  
COUNCIL POLICY**

<b>SUBJECT</b> Procedures and Policies Governing Landscape Maintenance Districts	Resolution Number	Policy Number	Effective Date	Page
	2005-128	1705	11/1/05	1 of 5

**BACKGROUND**

The City of Redding requires the formation of landscape maintenance districts (LMDs) to fund the ongoing maintenance of landscape in conjunction with new residential, commercial, office, and industrial development. These developments are required to install landscape within and adjacent to the public right-of-way, including all associated improvements, or maintain various easements. There are many qualities associated with the landscape and other improvements within LMDs which specially benefit the property participating in the LMD. These include:

- ▶ Improved aesthetic appeal of parcels.
- ▶ Enhanced public safety through streetlighting and maintenance of vegetation.
- ▶ Enhanced property values through attractive and consistently maintained landscape and other improvements.
- ▶ Improved erosion and dust control.
- ▶ Enhanced water quality protection.
- ▶ Improved drainage and flood control.
- ▶ Enhanced vegetation control for protection from wildland fires.
- ▶ Amenities and facilities which encourage and enhance recreational opportunities (e.g., bicycle paths).
- ▶ Amenities and facilities which provide shade and sitting areas to and encourage and enhance pedestrian access and enjoyment of the outdoors.

In all cases, landscaping of the right-of-way and within common or public areas of a development provides special benefits to the properties within those developments well beyond the nominal general benefit and avoids diverting critical City funds to pay for maintenance of the areas at the expense of other public obligations.

**General Plan Policy**

The City of Redding General Plan has set forth specific policies which guide the development of property within the City limits. These policies dictate that to the degree possible, new development shall bear the reasonable cost of providing services to the development and shall not unduly burden existing residents. Specific policies in this regard include Community Design and Development Policy CDD2B, which states:

Ensure that new development will not degrade public services below established service levels, that it contributes to the enhancement of services as appropriate, and that the costs of providing public services do not exceed anticipated revenue from the development of the project over the long term.

**CITY OF REDDING, CALIFORNIA  
COUNCIL POLICY**

<b>SUBJECT</b> Procedures and Policies Governing Landscape Maintenance Districts	Resolution Number	Policy Number	Effective Date	Page
	2005-128	1705	11/1/05	2 of 5

**PURPOSE**

A landscape maintenance district (LMD) is created to pay for the costs of ongoing maintenance of landscape and other authorized improvements that provide special benefits to specific parcels in the City. The district provides maintenance services particularly for the benefit of those parcels located within each district. It is the purpose of this policy to clearly delineate the process for formation of LMDs, including the timing and procedural obligations of the project developer or property subdivider and the City.

**POLICY**

It is the policy of the City Council that the formation of Landscape Maintenance Districts shall occur as set forth in this policy. The City Council retains the final authority to determine on a project-specific basis the appropriateness of formation of an LMD, the amount of any assessments which will be levied, and the nature and extent of the facilities which will be maintained by a landscape maintenance district. Specifically:

1. The requirement to form a new district or participate in an existing district shall be set by a condition of the project at the time of project approval by the approving authority. Alternately, the City Council may elect to seek formation of an LMD, affecting existing property, at the request of affected property owners or where the Council determines that it is desirable to protect or enhance the health, safety, or general welfare of the public.
2. Each new subdivision or other development for which formation of a landscape maintenance district is proposed shall bear the full administrative cost of forming the district. A deposit toward the full cost of forming the district shall be paid by the subdivider or applicant prior to the time review is commenced on improvement plans for the project by City staff. The subdivider or developer shall receive a refund of any unspent funds or shall pay any cost incurred by the City beyond the deposit prior to final City acceptance of public improvements within the development.
3. To the degree practical, properties within the boundaries of a district shall bear the full costs of ongoing administration of the district and the maintenance of district improvements.
4. Formation of a district shall occur simultaneously with Council action to approve a final subdivision map, but under no circumstances shall the City accept public improvements constructed by the subdivider or project applicant until formation of the required maintenance district is completed and the assessments levied, as set forth in State law or this policy.
5. The subdivider or property owner shall be responsible for the full assessment and administrative cost levied by the Council during any time which may elapse between formation of a district and collection of the first assessments by Shasta County.
6. Prior to the formation of a district, the City Engineer shall establish a cost formula for the preparation of the

**CITY OF REDDING, CALIFORNIA  
COUNCIL POLICY**

<b>SUBJECT</b> Procedures and Policies Governing Landscape Maintenance Districts	Resolution Number	Policy Number	Effective Date	Page
	2005-128	1705	11/1/05	3 of 5

Engineer's Report, which includes the average annual expected costs for maintenance based on prevailing wage rates, the cost of administration, and the maintenance of a capital replacement fund within a district.

7. To meet this policy, the formation of each district shall include provisions to adjust annual assessments for inflation based on increases in the "20 Cities Annual Construction Cost Index" as determined on July 1 of each year.
8. Each year at the time of the levy of the annual assessment, the Council may choose to levy the entire amount of the established assessment, or any portion thereof, including any inflationary adjustment, based on the determination of funding needed for the year of the assessment.
9. Where practical, the City may need to include multiple subdivisions in LMDs when there is a commonality of benefit from improvements and in order to lower the per-lot cost.

**PROCEDURES**

1. The term "landscape maintenance district" shall refer to either a "1982 Act Benefit Assessment District" or a "Landscaping and Lighting Act of 1972." The specific type of district which is formed will be based on the purposes and maintenance needs of the facilities within the boundaries of the district as determined by the Engineer's Report.
2. Formation of a maintenance district is governed by the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code, and formation of a 1982 Act Benefit Assessment District is governed by California Government Code §54710, et seq. In addition, both types of districts are subject to the procedural and voting requirements of Proposition 218.
3. A public hearing allowing for the acceptance of public testimony must be held as established by the provisions of the Landscaping and Lighting Act of 1972 or the 1982 Act Benefit Assessment District (as appropriate) prior to levying of the assessment. A public hearing notice must be provided to all affected property owners, and the Engineer's Report for the LMD must be available for review in the City Clerk's office for the period of time as set forth in law prior to Council action to levy an assessment. Following the public hearing, the Council may take the action regarding the levying of proposed assessments. Council actions will include:
  - a. Confirming the maps of the assessment district and the contents of the Engineer's Report.
  - b. Ordering the levy and collection of the annual assessments for the property within the district boundaries.
4. Participation in a landscape maintenance district shall occur as set forth below:

**CITY OF REDDING, CALIFORNIA  
COUNCIL POLICY**

<b>SUBJECT</b> Procedures and Policies Governing Landscape Maintenance Districts	Resolution Number	Policy Number	Effective Date	Page
	2005-128	1705	11/1/05	4 of 5

- a. When a property is subdivided or a project is constructed and the boundary of the property is entirely within the boundaries of an existing district, the assessment shall be reapportioned among the existing properties within the district and the new parcels or project.
  - b. When a property receives benefits from improvements maintained by an existing district or adds improvements to those maintained by an existing district, the property shall be annexed to the existing district and the assessments of the properties within the district shall be adjusted accordingly as allowed by State law.
  - c. When the property or project is solely responsible for the construction and maintenance of the landscape or other improvements within the public right-of-way and no other properties receive special benefit from the improvements, a new district shall be formed.
5. If a request is made to accept any portion of the public improvements within a development for which a district has been formed, assessments due for any properties within the district shall be paid prior to acceptance of the improvements by the City. The payment shall cover the period of time between the formation of a district and the collection of the first year's assessments by the County Treasurer-Tax Collector, except as provided for in *Phased Subdivision Maps* below. The cost of such payment shall be prorated based on the full yearly assessment for the maintenance of the improvements, divided by the remaining months in the year.
6. **Maximum Allowable Reserve.** Under the Landscape and Lighting Act of 1972, the estimate of the costs of improvements for the fiscal year ". . . may include a reserve which shall not exceed the estimated costs of maintenance and servicing to December 10 of the fiscal year, or whenever the City expects to receive its apportionment of special assessments and tax collections from the County, whichever is later" (CA Streets & Highways Code Section 22569(a)). The City receives its apportionment of special assessments and tax collections from the County on May 15 and January 15. Based on this, reserve limitations would be 67 percent of the total annual assessment amount, assuming an eight-month collection period.

**Phased Subdivision Maps**

When subdivisions that have landscape maintenance districts are developed through the recordation of phased subdivision maps, the initial annual assessment shall be determined based on a spread of all costs across the total number of lots as shown on the approved tentative map and the estimated cost of maintaining the fully completed improvements.

Until such time as all lots have been recorded and sold, the developer of the subdivision shall pay the proportional maintenance share attributable to any lots not yet recorded or sold and any other property within the boundary of the district which retains development potential. Security to that effect, in the form of a refundable endowment, an evergreen maintenance bond, property lien, or other security acceptable to the City shall be applied to the remainder of the property until such time as the remaining lots are recorded. As an option, the subdivider may agree

**CITY OF REDDING, CALIFORNIA  
COUNCIL POLICY**

<b>SUBJECT</b> Procedures and Policies Governing Landscape Maintenance Districts	Resolution Number	Policy Number	Effective Date	Page
	2005-128	1705	11/1/05	5 of 5

to maintain the landscape, by separate agreement with the City, subject to the aforementioned security. In the event that only a portion of the landscape improvements to be maintained by the district are installed, the property owner, project developer, or other party in interest shall not be assessed for that portion of the landscape or other improvements not yet completed.

***Examples***

- ▶ Subdivision A has 200 lots. Two final maps will be recorded (Phases 1 and 2) and each will include 100 lots. All the landscape or other improvements subject to funding by the district will be done with the first phase. The annual assessment for maintenance and administration is \$30,000. Based on the approved tentative map, the annual estimated cost per lot is \$150 per year. In this case, the district will be formed encompassing the entire boundary of the property within the tentative map. The district would be formed prior to recordation of the first subdivision map (Phase 1), and owners of the first 100 lots would be assessed \$150/year, or \$15,000, and the subdivider/property owner would pay \$15,000/year based on the remainder of the lots to record (Phase 2).
- ▶ Subdivision B also has 200 lots. The first phase will include 60 lots, and one-half of the planned landscape improvements will be installed. The annual cost for maintenance of the landscape installed with the *first phase* is \$25,000, and the projected annual cost is expected to be \$50,000 once all the landscape is complete. The projected annual assessment per lot is \$250/year; however, since only a portion of the improvements will be installed and must be maintained, only a portion of the cost needs to be funded. The annual assessment for the first phase will be \$25,000. The maintenance district will be formed with the district boundary encompassing all property within the tentative subdivision map area. The assessment amount will be established based on the projected maintenance burden for the fully completed improvements within the district, weighted according to the proportional financial obligation of the properties. In this case, each of the 60 recorded lots would be assessed \$250/year (\$15,000), and the obligation of the remaining portion of the property would be \$10,000/year until the lots have been sold. With each recorded phase, the assessment will be reapportioned so that once all 200 lots are recorded, the assessment will be equal on all parcels.

**Improvements in a Landscape or Benefit Maintenance District**

Improvements within LMDs may include, but are not limited to, curb-adjacent parkways or perimeter landscape in close proximity to the development. Examples of other improvements which may be included in LMDs are in-tract common area landscape, or maintenance for entryway or road-median landscaping; detention-basin maintenance; landscaped traffic-calming features; flammable vegetation control within adjacent greenways; maintenance of sound walls associated with the development; artistic features; general streetlighting; traffic lights; public recreational and playground courts and equipment; public restrooms; and other types of improvements which provide special benefit to the subdivision or commercial property.