



DATE: June 16, 2026

TO: Mayor and City Council

FROM: Director of Maintenance Services

SUBJECT: LLAD 96-1 Assessment Hearing: Adopt a Resolution to Approve the Final Engineer's Report, Reconfirm Maximum Base Assessment Amounts, Confirm the Assessment Diagrams and Fiscal Assessments, Order the Levy and Collection of Fiscal Assessments; and Adopt a Resolution to Approve Funding Recommendations and Appropriate Special Revenue Funds for Consolidated Landscaping and Lighting Assessment District No. 96-1, Zones 1 through 18, for Fiscal Year 2027

RECOMMENDATION

That the City Council adopts two resolutions (Attachment II, III):

1. Approving the Final Engineer's Report,
2. Confirming the Maximum Base Assessment (MBA) amounts,
3. Confirming the Fiscal Assessments,
4. Confirming the Assessment Diagrams,
5. Ordering the Levy and Collection of Fiscal Assessments,
6. Approving the Funding Recommendations, and
7. Appropriating Revenue and Expenditure budgets for Consolidated Landscape and Lighting Assessment District (LLAD) No. 96-1, Zones 1 through 18 for Fiscal Year 2027.

SUMMARY

The Landscaping and Lighting Act of 1972 requires an annual review and update of the engineer's report to set the annual assessment rate for each benefit zone. Assessment rate recommendations are made based on annual expenses, required cash flow, and future capital repair and replacement requirements. Recommended annual assessment rates cannot exceed the Maximum Base Assessment (MBA) established when each zone was originally formed. The annual engineer's report (Attachment IV) includes a detailed summary and budget for each of the eighteen benefit zones.

FISCAL IMPACT

There is no impact to the General Fund (100) as monies related to these LLADs are preserved in dedicated special revenue funds. LLAD assessment revenue is collected, and expenditures are paid directly from their dedicated special revenue funds. All zones have adequate cash balances for annual expenses, cash flow, and capital replacement, as shown in Table 3.

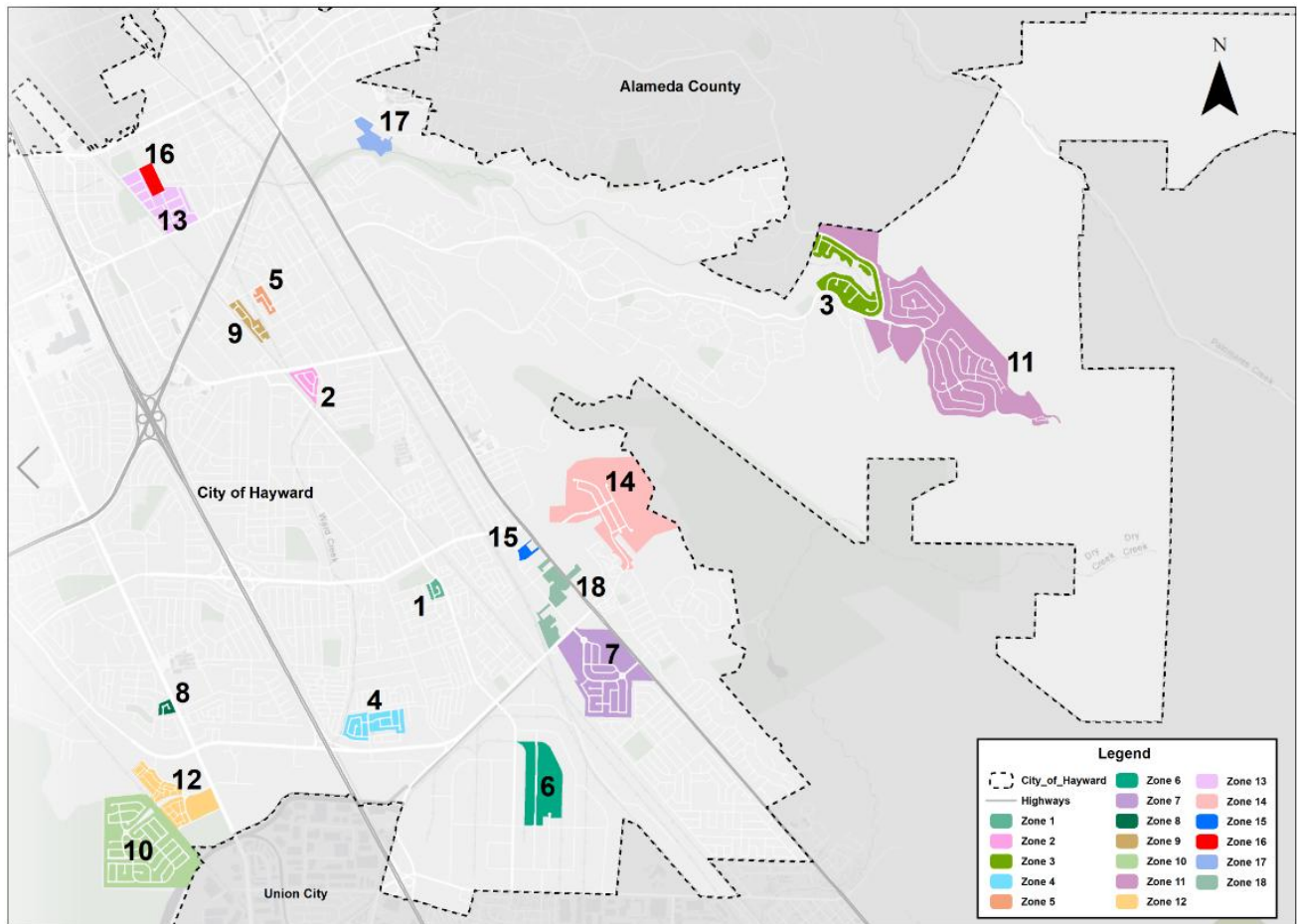
TABLE 3: ESTIMATED CASH BALANCE CHANGES PER BENEFIT ZONE						
Zone	Name/Location	Est FY 2026 Ending Cash Balance	FY 2027 Revenue	FY 2027 Expenditures	Change	Est FY 2027 Ending Cash Balance
1	Huntwood Ave. and Panjon St.	12,809	9,086	8,876	211	13,019
2	Harder Rd. and Mocine Ave.	18,159	13,931	16,607	(2,676)	15,484
3	Prominence	332,904	196,365	272,052	(75,687)	257,217
4	Stratford Village	84,475	29,750	37,083	(7,334)	77,142
5	Soto Rd. and Plum Tree St.	25,534	11,339	11,611	(273)	25,261
6	Pepper Tree Park	108,137	13,188	13,499	(311)	107,826
7	Twin Bridges	903,693	242,459	292,922	(50,464)	853,229
8	Capitola St.	46,130	5,750	7,993	(2,243)	43,887
9	Orchard Ave.	10,351	3,150	3,213	(63)	10,288
10	Eden Shores	103,432	211,729	228,054	(16,325)	87,107
11	Stonebrae	511,074	298,862	369,358	(70,497)	440,577
12	Eden Shores East (Spindrif)	61,813	37,406	28,297	9,109	70,922
13	Cannery Place	954,005	278,897	375,587	(96,690)	857,314
14	La Vista	280,663	127,968	130,149	(2,181)	278,482
15	Cadence	-	-	-	-	-
16	Blackstone	282,691	84,488	114,053	(29,565)	253,126
17	Parkside Heights	281,097	59,241	21,673	37,568	318,665
18	SoHay	417,070	125,256	85,806	39,450	456,519
Cash Balance:		4,434,036	1,748,864	2,016,834	(267,970)	4,166,066

Self-Maintained.

BACKGROUND

The Landscaping and Lighting Act of 1972 (Streets and Highways Code §22500) is a flexible tool used by local government agencies to form LLADs. These districts are formed to finance the cost of operating, maintaining, and servicing landscaping (including parks), and lighting improvements in public areas. In 1996, six separate LLAD benefit zones (1-6) were consolidated into one district by the adoption of Resolution No. 96-63. The new district was subsequently renamed, Consolidated Landscaping and Lighting Assessment District No. 96-1, and is known as the "District." In subsequent years, zones 7-18 were individually created and annexed into the District.

This staff report and the attached engineer's report provide assessment, benefit, and budget details for each of the established eighteen zones. The eighteen benefit zones are located throughout the City as shown on the following map.



The following table (Table 1) provides a summary of the LLAD benefit zones, including the year in which each zone was formed and the number of assessable parcels within each zone.

TABLE 1: DESCRIPTION OF BENEFIT ZONES				
A	B	C	D	E
Zone	Name/Location	Year Formed	Type of Development	Number of Assessed Parcels/SFE
1	Huntwood Ave. and Panjon St.	1990	Residential	30
2	Harder Rd. and Mocine Ave.	1991	Residential	85
3	Prominence	1992	Residential	155
4	Stratford Village	1995	Residential	174
5	Soto Rd. and Plum Tree St.	1995	Residential	38
6	Pepper Tree Park	1982	Industrial	11
7	Twin Bridges	1998	Residential	348
8	Capitola St.	1999	Residential	24
9	Orchard Ave.	2000	Residential	74
10	Eden Shores	2003	Residential	534
11	Stonebrae	2006, 2018, 2020	Residential	644
12	Eden Shores East (Spindrift)	2007, 2016	Residential	379
13	Cannery Place	2008	Residential	599
14	La Vista	2016	Residential	179
15	Cadence	2017	Residential	206
16	Blackstone	2016	Residential	157
17	Parkside Heights	2019	Residential	97
18	SoHay	2019	Residential	433
Total Assessed Parcels:				4,167

Self-Maintained.

DISCUSSION

Recommended changes to a zone’s annual assessment rate are based on annual expenses, required cash flow, and capital replacement requirements. When determining the annual assessment rate, staff looks at two things:

- (1) **Maximum Base Assessment** – The MBA is the maximum assessment rate that a parcel can be charged annually. This is established during the original formation of the zone. The annual MBA can only be increased if an inflation factor was included in the original formation document.
- (2) **Assessment Revenue** – The assessment revenue is the annual amount of revenue collected by charging each parcel an assessment rate. The assessment rate recommendation depends on review of the following three items:
 - a. **Annual Expenses** – Annual operating and maintenance expenses are estimated based on past years’ experience and future years’ estimates. Expenses include staff administration, noticing, and annual reporting.

- b. **Cash Flow** – This is the amount of “cash” needed to pay monthly invoices when revenue is not received monthly (assessment rates are received through property tax revenues collected by Alameda County, which are transmitted to the City three times a year (January, May, and June).
- c. **Capital Replacement** – This is the “savings account” where funds are collected and reserved each year to fund future capital replacement items. Future capital expenses are estimated based on an inventory of capital items, their useful life, and future replacement cost.

Table 2 on the following page summarizes assessment information by zone. The table provides assessment details for each zone by describing the number of parcels, if there is an annual inflation adjustment calculation included, lists the MBA rate, the FY 2027 assessment rate, and the change between last year’s adopted assessment and this year’s recommended assessment. For FY 2027, staff recommends no change to five Zones (5, 6, 15, 17, and 18), twelve increases (1, 2, 3, 4, 7, 8, 9, 10, 11, 13, 14, and 16), one decrease (12) and based on annual expenses, required cash flow, and future capital repair and replacement.

TABLE 2: ASSESSMENT AMOUNTS BY BENEFIT ZONE									
A	B	C	D	E	F	G	H	I	J
Zone	Name/Location	# Parcels	CPI Adj	FY 2027 Max Base Assessment	FY 2027 Rate	FY 2026 Assessment	Change from last year		
1	Huntwood Ave. and Panjon St.	30	No	295.83	270.03	247.73	Incr	22.30	9%
2	Harder Rd. and Mocine Ave.	85	No	193.39	152.08	139.52	Incr	12.56	9%
3	Prominence	155	Yes	1,204.78	1,167.45	1,101.36	Incr	66.09	6%
4	Stratford Village	174	No	180.00	137.27	133.27	Incr	4.00	3%
5	Soto Rd. and Plum Tree St.	38	No	258.67	258.67	258.67	None	-	0%
6	Pepper Tree Park	11	No	2.61	2.61	2.61	None	-	0%
7	Twin Bridges	348	Yes	1,260.16	700.00	698.08	Incr	1.92	0%
8	Capitola St.	24	Yes	901.26	226.77	215.97	Incr	10.80	5%
9	Orchard Ave.	74	Yes	240.64	42.76	40.34	Incr	2.42	6%
10	Eden Shores	534	Yes	1,434.96	398.02	365.16	Incr	32.86	9%
11a	Stonebrae (Developed)	617	Yes	2,035.28	471.45	449.00	Incr	22.45	5%
11b	Stonebrae (Undeveloped)	27	Yes	249.87	249.87	237.97	Incr	11.90	5%
12a	Eden Shores - East	261	Yes	269.68	100.00	110.41	Dcr	(10.41)	-9%
12b	Eden Shores East (Spindrift)	118	Yes	262.02	100.00	110.41	Dcr	(10.41)	-9%
13	Cannery Place	599	Yes	1,530.46	469.41	442.84	Incr	26.57	6%
14	La Vista	179	Yes	792.54	725.28	704.16	Incr	21.12	3%
15	Cadence	206	Yes	768.56	N/A	N/A	N/A	N/A	N/A
16a	Blackstone (Zone A)	133	Yes	548.12	542.49	516.66	Incr	25.83	5%
16b	Blackstone (Zone B)	24	Yes	558.76	569.60	542.48	Incr	27.12	5%
17	Parkside Heights	97	Yes	640.72	600.37	600.37	None	0.00	0%
18a	SoHay Zone A (Developed)	192	Yes	488.68	300.00	300.00	None	-	0%
18b	SoHay Zone B (Developed)	79	Yes	464.26	285.00	285.00	None	-	0%

Proposition 218 Compliance

For FY 2027, all fiscal assessments are proposed to be levied in compliance with Proposition 218 and do not require the noticing and balloting of property owners to obtain their approval. Any future increases in fiscal assessment amounts that exceed the MBA would require the noticing and balloting of property owners.

STRATEGIC ROADMAP

This agenda item is not directly related to the Council's Strategic Roadmap.

PUBLIC CONTACT

City staff: 1) mailed a postcard to all affected property owners to provide details of their recommended FY 2027 assessment rate and to alert them to two Council meetings where they could provide input (June 2 and June 16); 2) held a virtual meeting on June 10 via Zoom; and 3) published a printed legal notice in the East Bay Times on or before June 6, 2026.

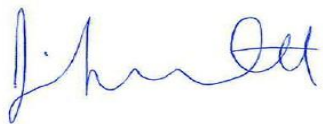
NEXT STEPS

Following If the City Council adopts the two attached resolutions (Attachment II and III), the Final Engineer's Report (Attachment IV) will be approved, the revenue and expenditure budgets will be appropriated, and the final Assessor's tax roll will be prepared and filed with the County Auditor's Office allowing the assessments to be included in the FY 2027 tax roll. The draft assessment rolls are included (Attachment V) but are under review and will be updated in July to allow up-to-date information to be included for developing zones. Once updated in July, a copy will be provided to the City Clerk and County Assessor.

Prepared by: Manny Grewal, Management Analyst

Recommended by: Todd Rullman, Director of Maintenance Services

Approved by:



Jennifer Ott, City Manager