



Item Number: {{item.number}}

**City Council / Board of Directors**

**Written Communications**

**Meeting of: May 20, 2025**

**Submitted By:**

Fredy Bonilla, City Engineer

**Subject:**

Annual Confirmation of Maintenance Assessment District for Fiscal Year 2025/2026

**Recommendation:**

That the Honorable City Council:

- (1) Approve Resolution Nos. 25-024, 25-027, 25-030, and 25-033 authorizing the initiation of proceedings for the annual levy of assessments for the Maintenance Assessment Districts, Drainage Facilities Assessments Districts, Landscaping Maintenance Assessment Districts, and the City-Wide Streetlight Assessment District for Fiscal Year 2025/2026;
- (2) Approve Resolution Nos. 25-025, 25-028, 25-031, and 25-034, preliminarily approving consolidated Engineer's Reports filed in support of the levy of assessments for Fiscal Year 2025/2026; and
- (3) Approve Resolutions Nos. 25-026, 25-029, 25-032, and 25-035 declaring its intention to levy the maintenance assessment districts for Fiscal Year 2025/2026 and setting a Public Hearing date of June 3, 2025.

**Fiscal Impact:**

The recommended approvals will have no fiscal impact. No additional appropriations are required, as the planned expenditures have been incorporated into the proposed Fiscal Year 2025/2026 budget. The table below outlines the budget account codes, and the corresponding revenue amounts allocated for each assessment district:

District	Budget Account No.	Revenue Budget Amt.
LMAD 1	3705501-40180	\$174,950
LMAD 2	3705502-40180	\$278,458
LMAD 3	3705503-40180	\$175,462
LMAD 4	3705504-40180	\$2,995

LMAD 5	3705505-40180	\$173,351
LMAD 6	3705506-40180	\$781,075
LMAD 7	3705507-40180	\$31,144
LMAD 8	3705508-40180	\$111,261
DFAD 1	3705530-40180	\$477,148
DFAD 2	3705531-40180	\$85,112
DFAD 3	3705532-40180	\$86,905
MAD 1	3705550-40180	\$89,268
MAD 2	3705551-40180	\$64,498
MAD 3	3705551-40180	\$1,654
SLAD	2004501-40180	\$1,660,000

The projected revenue amounts listed above are based on actual collections from previous years.

**Strategic Plan Goal:**

This item aligns with Goals A and E “Financial Sustainability and Invest in Infrastructure” in the City of Victorville Strategic Plan 2023-2026. Annual assessment revenue supports the expenses for operations, maintenance and improvement of associated landscaping, parks, and infrastructure.

**Background:**

Citywide Assessment Districts were formed in accordance with the Landscape and Lighting Act of 1972, pursuant to Section 22605 of the California Streets and Highways Code and Section 22500 et seq., in compliance with the requirements of Proposition 218. In 1987, the City Council established the first Landscape Maintenance Assessment District (LMAD) to provide ongoing funding for the maintenance of landscaped areas along major and secondary arterial roadways adjacent to residential developments. In 2003, the first Drainage Facilities Assessment District (DFAD) was created to support the continued maintenance of drainage basins and channels within housing developments. In 2006, the City Council established the first Maintenance Assessment District (MAD) to fund the long-term maintenance of parks located within residential communities.

In July 2013, the City-Wide Street Lighting Assessment District (SLAD) was formed to supplement funding for the ongoing maintenance of the City’s Street lighting, safety lighting, and traffic signal systems and facilities. As outlined in Section 22624 of the Streets and Highways Code, the City Council is first required to initiate proceedings by ordering the preparation of the Engineer’s Reports, preliminarily approving the reports, declaring the intent to levy assessments, and setting the date for the Public Hearing. This process ensures the public has the opportunity to review the Engineer’s Reports and allows staff to make any necessary revisions. The final Engineer’s Reports are then presented for consideration at a subsequent public hearing.

**Discussion:**

Currently, the City has a total of fifteen (15) assessment districts: eight (8) LMADs, three (3) DFADs, three (3) MADs, and one (1) City-Wide SLAD. The Landscape and Lighting Act of 1972 requires an annual confirmation of the assessments to be applied for each parcel within the assessment districts, along with an Engineer's Report. The Engineer's Report for each assessment district outlines the following: improvements being maintained; the maintenance and operational services provided; estimated annual expenses; the properties assessed in the district; the method used to determine the assessment; the calculated assessment per benefit unit; and the estimated assessment revenues.

The chart below lists each assessment district, the assessment amount per benefit unit, the year the assessment district was formed, whether a cost inflator is allowed, and if applicable, the recommended increase for Fiscal Year 2025/2026.

<b>District</b>	<b>FY 24/25 Applied Assessment per Benefit Unit</b>	<b>FY 25/26 Applied Assessment per Benefit Unit</b>	<b>FY25/26 Maximum Assessment Rate</b>	<b>Year Formed</b>	<b>Cost Inflator</b>	<b>Increase</b>
MAD 1	\$173.00	\$173.00	\$213.53	2006	Yes	0%
MAD 2	\$252.58	\$252.58	\$311.76	2006	Yes	0%
MAD 3	TBD	TBD	\$190.49	2020	Yes	0%
DFAD 1	\$216.46	\$216.46	\$252.05	2003	Yes	0%
DFAD 2	\$69.63	\$69.63	\$73.75	2003	Yes	0%
DFAD 3	\$128.86	\$128.86	\$159.05	2006	Yes	0%
LMAD 1	\$28.14	\$28.14	\$28.14	1987	No	0%
LMAD 2	\$147.33	\$147.33	\$147.33	1989	No	0%
LMAD 3	\$69.38	\$69.38	\$69.38	1990	No	0%
LMAD 4	\$1.64	\$1.64	\$1.64	1997	No	0%
LMAD 5	\$141.84	\$141.84	\$167.38	2002	Yes	0%
LMAD 6	\$144.70	\$144.70	\$178.57	2003	Yes	0%
LMAD 7	\$105.45	\$105.45	\$130.13	2005	Yes	0%
LMAD 8	\$165.32	\$165.32	\$204.03	2005	Yes	0%
SLAD	\$22.38	\$24.28	\$24.29	2013	Yes	8.5%

The assessment rates for MADs 1-3, DFADs 1-3, and LMADs 5-8 may be adjusted annually in accordance with the Consumer Price Index (CPI) from January to January of each year. The January 2024 to January 2025 CPI is 2.94% and established the Maximum Assessment Rate in the table above. The SLAD assessment escalator is a combination of the January-to-January each year and the rate increase for Southern California Edison (SCE) as established by the California Public Utilities Commission (CPUC). The maximum rate allowable for the SLAD assessment is \$24.29. For Fiscal Year 2025/2026, staff recommends applying 99.96% of the maximum allowable rate, as shown in the "FY25/26 Applied

Assessment per Benefit Unit” column in the table above.

For MADs 1-3, DFADs 1-3, and LMADs 5-8, it is not recommended to levy the maximum allowable rate as there are sufficient fund balances with the current levy amount to cover operations, maintenance, capital, and administrative costs for fiscal year 2025-2026.

The Engineer's Reports include more details regarding the number of parcels and how the rates are applied. These reports can be revised, if needed, to be consistent with the final FY 2025/2026 budget revenues and expenses. The final reports will be presented during the scheduled Public Hearing. If the attached Resolutions are approved, the Public Hearing will be held on June 3, 2025.

Therefore, staff recommends that the City Council approve Resolution Nos. 25-024, 25-027, 25-030, and 25-033 authorizing the initiation of proceedings for the annual levy of assessments for the Drainage Facilities Assessments Districts, Landscaping Maintenance Assessment Districts, Maintenance Assessment Districts, and the City-Wide Streetlight Assessment District for Fiscal Year 2025/2026; approve Resolution Nos. 25-025, 25-028, 25-031, and 25-034, preliminarily approving the consolidated Engineer's Reports filed in support of the levy of assessments for Fiscal Year 2025/2026; and approve Resolutions Nos. 25-026, 25-029, 25-032, and 25-035, declaring its intention to levy the maintenance assessment districts for Fiscal Year 2025/2026 and setting a Public Hearing date of June 3, 2025.

Staff is available for any questions Council may have.

**Attachments:**

- A. Maintenance Assessment Districts Maps
- B. Engineer's Reports
- C. Resolution No. 25-024
- D. Resolution No. 25-025
- E. Resolution No. 25-026
- F. Resolution No. 25-027
- G. Resolution No. 25-028
- H. Resolution No. 25-029
- I. Resolution No. 25-030
- J. Resolution No. 25-031
- K. Resolution No. 25-032
- L. Resolution No. 25-033
- M. Resolution No. 25-034
- N. Resolution No. 25-035