



Date: July 8, 2021
To: Board of Directors
From: Katherine Korsak, Business & Finance Manager
Marti Brown, General Manager
Subject: Kensington Park Assessment District Levy

Recommendation:

Adopt Resolution 2021-12 authorizing the assessment and ordering the levy for the Kensington Park Assessment District (the "District") for Fiscal Year 2021-22 pursuant to the Landscaping and Lighting Act of 1972.

Rationale for Recommendation:

The District is a Landscape and Lighting District and, as such, it must follow the Landscaping and Lighting Act of 1972, which require governing board review and approval of the annual Engineer's Report including the proposed assessments to be levied upon each assessable lot or parcel within the District.

Background:

The District was formed on December 6, 1994 pursuant to the Landscaping and Lighting Act of 1972. At the time, the initial assessment was \$10.08 per single family dwelling with 2,099 parcels being assessed. An annual increase based on the Consumer Price Index (CPI) was included. In 1994-95, the estimated expenditures for park and facility maintenance totaled \$22,500.

In 2019-20, the assessment per household was \$17.84 with 2,189 parcels being assessed. In the current 2020-21 tax year, the assessment is \$18.37 with 2,189 parcels also being assessed. The proposed assessment for the 2021-22 tax year is \$18.65, a \$0.28 increase from the previous year.

Discussion and Analysis:

Over the past several years, the District has functioned with an operating deficit that has been backfilled by the KPPCSD's General Fund. For the past three fiscal years, the District has used an average of \$60,000 of General Fund monies - \$63,419, \$60,247 and \$57,231 (through April 2021) in Fiscal Years 2018-19, 2019-20 and 2020-21, respectively.

As expenses have steadily increased, the assessment revenue has not kept pace with expenditures and the maintenance needs of the park and its facilities. It's worth noting that without the support of the KPPCSD's General Fund, there would be insufficient funding for Kensington Park and the Community Center to remain open.

In FY 2021-22, staff will bring forward recommendations to the Board of Directors to conduct a study and analysis of the District's revenues, expenditures, and long term maintenance needs in order to recommend a sustainable financing model that does not rely on the KPPCSD's General Fund to backfill future deficits.

Fiscal Impact:

The current preliminary Engineer's Report estimates \$121,564 in District expenses and a total of \$42,184 of income and revenue for fiscal year 2021-22. Staff recommends allocating \$79,000 of General Fund monies to the District to fill the shortfall in the budget. Should the board approve this recommendation, 65% of the financial support for the District would be derived from the General Fund and 35% of the budget would originate from the current levy assessment.

Attachments:

1. Resolution Confirming the Assessment and Ordering the Levy for the Kensington Park Assessment District for Fiscal Year 2021-22.

RESOLUTION NO. 2021-12

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES
DISTRICT,
CONFIRMING THE ASSESSMENT AND ORDERING THE LEVY FOR
THE KENSINGTON PARK ASSESSMENT DISTRICT
FOR FISCAL YEAR 2021/22**

The Board of Directors of the Kensington Police Protection and Community Services District (hereafter referred to as the “Board of Directors”) does resolve as follows:

WHEREAS, the Board of Directors previously completed its proceedings in accordance with and pursuant to the Landscaping and Lighting Act of 1972, Part 2, Division 15 of the California Streets and Highways Code (commencing with Section 22500) (the “Act”) to establish the Kensington Park Assessment District (the “Assessment District”); and

WHEREAS, the Board of Directors has retained NBS for the purpose of assisting with the annual levy of the Assessment District, and the preparation and filing of an Engineer’s Report; and

WHEREAS, the Board of Directors has, by previous resolution, declared its intention to hold a Public Hearing concerning the levy and collection of assessments within the Assessment District; and

WHEREAS, a Public Hearing has been held and concluded and notice thereof was duly given in accordance with Section 22626 of the Act; and

WHEREAS, at the time and place specified in the Resolution of Intention the Board of Directors conducted such hearing and considered all objections to the assessment.

NOW, THEREFORE BE IT RESOLVED, DETERMINED, AND ORDERED BY THE BOARD OF DIRECTORS, AS FOLLOWS:

- 1. Confirmation of Assessment and Diagram:** The Board of Directors hereby confirms the assessment and the diagram as is described in full detail in the Engineer’s Report on file with the Secretary.
- 2. Levy of Assessment:** Pursuant to Section 22631 of the Act, the adoption of this resolution shall constitute the levy of an assessment for the fiscal year commencing July 1, 2021 and ending June 30, 2022.

- 3. Ordering of the Levy:** The Board of Directors hereby orders NBS to prepare and submit the levy of assessments to Contra Costa County for placement on the Fiscal Year 2021/22 secured property tax roll.

PASSED AND ADOPTED by the Board of Directors of the Kensington Police Protection and Community Services District upon motion by Director _____, seconded by Director _____, on Thursday, the 8th day of July, 2021, by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTAINED:

Sylvia Hacaj
President, Board of Directors

HEREBY CERTIFY the foregoing resolution was duly and regularly adopted by the Board of Directors of the Kensington Police Protection and Community Services District at the regular meeting of said Board held on Thursday, the 8th day of July, 2021.

Lynelle M. Lewis
District Clerk of the Board

Marti Brown
General Manger