

CITY OF WATSONVILLE

VISTA MONTAÑA LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT

FAQs

UPDATED: 12/8/23

GENERAL QUESTIONS

What is a landscape and lighting maintenance assessment district (LLMAD)?

Landscape & Lighting Assessment District is a flexible tool used by local government agencies to finance the cost and expense of operating, maintaining, and servicing landscaping and lighting improvements in public areas. LLMADs are typically established when subdivisions are built. All services in these areas are directly funded through individual homeowner property tax assessments for homes that benefit from these services.

Why does the Vista Montaña subdivision have a LLMAD?

The Vista Montaña Lighting and Landscaping Maintenance Assessment District ("District") was created as a condition of the development of Vista Montaña to maintain the amenities surrounding your neighborhood.

What is the Vista Montaña LLMAD and what does it include?

The Vista Montaña LLMAD is a single-purpose special district (independent of the State, County, and City's General Fund).

The District was originally established in 1998 and its purpose is to maintain and provide services for improvements in the Vista Montaña subdivision such as:

- sound walls
- streetlights
- storm drain detention basins
- drainage channels
- pedestrian/bike paths
- streetscapes
- landscaped areas
- open spaces

What is the Engineer's Report and where can I find it?

An Engineer's Report summarizes the estimated costs of maintenance, operation, repair, and replacement of improvements to be paid by the assessable real property within the District in proportion to the special benefit received. The Engineer's Report for the existing LLMAD for fiscal year 2023-24 is located [here](#). An Engineer's Report will be developed to consider establishing a new LLMAD to fund the shortfall of the existing LLMAD.

Where is the original Engineer's Report?

The original Engineer's Report can be found on the City Of Watsonville website which is also linked [here](#).

FINANCIAL QUESTIONS

How is the Vista Montaña LLMAD funded?

The Vista Montaña LLMAD's revenues come from an annual benefit assessment paid by the local property owners in the Vista Montaña LLMAD and collected by the County as part of homeowner property taxes. Fees vary based on the LLMAD and type of residence, as determined by an annual Engineer's Report. These fees pay for the maintenance and future replacement of LLMAD services.

How often are rates increased?

Rates are typically increased annually, based on the Consumer Price Index (CPI) and adopted by the City Council. Notices are mailed each spring to inform homeowners of proposed rates. Homeowners may also agree to greater increases through a balloting process.

Can the City take funding away from the LLMAD or use it for other purposes?

All funds from the existing LLMAD and any future new measure can only be used in the LLMAD service area. By law, the County, State, or any other agency cannot take these funds.

How can I obtain a copy of the budget for the LLMAD?

The following documents are available to homeowners:

- [Financial History](#)
- [Current Budget](#)

Moving forward, City staff will host annual meetings to share updated financial information.

CURRENT STATUS

Why are additional funds needed?

Each year, funds collected are allocated for maintenance needs and to be set aside in a reserve account to pay for the future replacement of LLMAD assets, as determined by the Engineers Report. Since the first year of existence, maintenance costs exceeded the Engineers Report budget, leaving less funds available to move to the reserve than budgeted. The current assessment revenue has proven insufficient to meet the ongoing operational and maintenance needs of the LLMAD. In addition, the assessment revenue did not create the ability to build a reserve over time to fund eventual capital repair and/or replacement of District assets. As a result, funds collected annually are not sufficient to afford the quality of maintenance desired by homeowners. Additionally, the reserve account balance is close to zero. Additional funds are needed to support a higher level of maintenance and to build the reserve.

Why has the City been hosting property owners meetings?

Since 2020, the City has hosted several homeowner meetings in an effort to raise awareness and educate residents about the details of the LLMAD agreement and the services they should expect to receive. Additionally, because it is responsible for managing the LLMAD, the City is seeking

property owner input on a proposed increase to the annual assessment amount paid by property owners in the LLMAD.

Who approves increases to the annual assessment?

Any increase would require approval by ballot of over 50% of property owners in the District. If approved, property owners in the LLMAD will see an increase in their annual assessment, with varying rates based on the special benefit received by each property as defined by Proposition 218.

When will voting take place?

Voting is scheduled to take place in February/March 2024.

How are votes calculated for a new ballot measure?

Ballot measures for LLMADs are conducted in accordance with Proposition 218. Ballots are weighted by the amount each property owner must pay if the assessment passes, so those who pay more get a larger share of the vote. For example, if Property Owner A owns one house with an assessment of \$100 and Property Owner B has two houses with a total assessment of \$200, that means Property Owner A has 100 votes while Property Owner B has 200 votes. The ballot measure will pass if over 50% of the summed assessments from returned ballots are yes votes.

What is the breakdown of assessments for apartments, townhomes, and single-family homes?

Rates and total assessments for the existing LLMAD for fiscal year 2023-24 by property type can be found in the [Engineer's Report](#) on page 12.

I understand the City established a committee of District property owners to gain feedback on a potential new ballot measure. What is their responsibility and how do I get involved?

During recent meetings with homeowners, it was suggested that a group be formed to help advise the City on maintenance of the LLMAD and the proposed fee increase. This group will work in partnership with City staff with the purpose of:

1. Forming a fee proposal that would be voted on by all Vista Montaña homeowner
2. Developing mechanisms for regular communications regarding LLMAD maintenance services
3. Encouraging as many homeowners to join the conversation as possible

This group will serve in an advisory capacity only and will not have decision-making authority on maintenance, finances or other matters outside of the Advisory Group's purpose as stated above. This group will meet in person approximately every two weeks for several months starting late July 2023. If you would like to join this Advisory Group, please contact Parks and Community Services Director Nick Calubaquib at nick.calubaquib@watsonville.gov or (831) 768-3246.

TREES AND SIDEWALKS

Does the LLMAD repair damage caused by street trees to sidewalks?

The existing LLMAD includes certain sidewalks as a part of its responsibility as depicted in the [Engineer's Report's](#) Schematic Map Of Maintenance Areas Locations on page 5; however, all

other sidewalks including those in front of each property are the responsibility of the property owner in accordance with the Watsonville Municipal Code.

Recognizing that the trees causing the current sidewalk issues were approved at the time Vista Montaña was built, the City will be supplementing LLMAD funds and leveraging grant funds to remove all problematic trees and fixing affected sidewalks.

QUESTIONS UNRELATED TO THE LLMAD

Does the City take excess solar power from homes with solar panels?

No. Electricity service, fees and solar power credits are handled by the electric utility provider for the home.

When homes in Vista Montaña are sold, 1% of the purchase price must be paid to the City.

Where does that money go?

As a condition of the development of Vista Montaña, as outlined in the [Development Agreement](#), the City imposes “a one percent (1%) transfer fee on the sales of homes on the Property, after the first sale, to recapture otherwise un-recovered infrastructure costs.” Funds from this transfer fee are separate and unrelated to the LLMAD.