



**CITY OF SALINAS  
COUNCIL STAFF REPORT**

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**DATE:** JUNE 2, 2026

**DEPARTMENT:** PUBLIC WORKS DEPARTMENT

**FROM:** DAVID JACOBS, PUBLIC WORKS DIRECTOR

**BY:** CRISTINA GONZALEZ, PUBLIC WORKS ADMINISTRATIVE SUPERVISOR

**TITLE:** SETTING PUBLIC HEARING DATES FOR THE LANDSCAPE & MAINTENANCE ASSESSMENT DISTRICT'S ANNUAL LEVY

RECOMMENDED MOTION:

A motion to approve Resolutions initiating the proceedings for the annual levy of assessments, declaring the City's intention to levy and collect an assessment, setting a public hearing date for June 30, 2026, and preliminary approving the Engineer's Reports for the Landscape and Maintenance Districts.

EXECUTIVE SUMMARY:

There are six (6) landscape maintenance assessment districts (LMADs) within the City of Salinas created under the Landscaping and Lighting Act of 1972 (the Act) and adopted locally. The Act allows property owners to assess themselves within a specific area, or "district" to generate funds for various improvements within the district. Assessments are renewed annually, but prior to levying, an Engineer's Report must be ordered, prepared, and presented at a public hearing. Based on the currently established maintenance district formulas, the FY 26-27 rates are expected to be increased only in the North/East Area and Mira Monte Districts

BACKGROUND:

The City of Salinas contains six Landscaping and Maintenance Assessment Districts (LMADs), which were established under the Landscaping and Lighting Act of 1972 and locally adopted via Article II, Chapter 21C of the Salinas City Code. These districts allow property owners within defined areas to voluntarily assess themselves, raising funds for public lighting, landscaping, and other improvements in their neighborhoods. Each year, assessments must be reviewed and renewed before submission to the County of Monterey. This process includes commissioning and preparing an Engineer's Report, which is then presented at a public hearing.

Districts formed before Proposition 218 was enacted in 1996 are "grandfathered" and exempt from its legal requirements, as long as assessment rates remain at or below those set in 1996. Currently, staff do not recommend changes to the assessment levy formulas for any maintenance district,

therefore ballot mailings are unnecessary. Although direct notices are not required, public hearing announcements will appear on the City’s website after Council approval of the schedule. To strengthen public outreach, each District’s budget and Engineer’s Report will also be published on the website annually.

#### Airport Business Center Maintenance District

Upon formation in 1987, the following services were approved to be funded by the Airport Business Center District within its boundaries:

*Maintenance, repair, replacement and operations for walkways, crosswalks, masonry walls or fences, parkways, embankments, sprinkler systems, and landscaping that lie within the right of way of Moffett St, La Guardia St and Vandenburg St.*

A total of 39 parcels are currently assessed at \$217.49 per acre, a rate that was originally set to cover maintenance costs at the time of formation. However, the assessment rate has not been adjusted for inflation, leading to a reduction in service levels as maintenance costs have risen.

Since the Airport Business Center District is “grandfathered”, it is not subject to Proposition 218 requirements as long as the assessments remain at or below the 1996 rates. However, any increase in the assessment rate or changes to the formula, such as including City-owned parcels or altering the acreage-based method would require full compliance with Proposition 218. This has prevented adjustments that would help keep pace with rising expenses, further contributing to service reductions.

In 2019, staff met with property owners to discuss fiscal sustainability. There was support for including City-owned parcels along Moffett Street in the assessment district and revising the current formula, which is based solely on acreage and exempts government-owned parcels. No changes are proposed.

#### North/East Area District

Upon formation, the following services were approved to be funded by the North/East Area District within its boundaries:

*Maintenance, operation of any and all public landscaping and irrigation improvements on landscaped medians islands, including the 30-foot-wide park strips of land between the curb and right-of-way, cul-de-sac median landscaping, jogging paths, planter walls public lighting.*

In 1999, the District underwent the Proposition 218 process, and property owners approved an assessment rate change to include an annual inflation factor tied to the average Engineer’s News Record (ENR) cost index increase for the prior year.

From April 2025 to March 2026, the ENR Construction Cost Index increased by 2.61%. Consistent with the approved assessment formula, staff recommends increasing the Fiscal Year 2026-27 maximum assessment rate by 2.61%.

Mira Monte Maintenance District

Upon formation in 2000, the following services were approved to be funded by the Mira Monte Maintenance District within its boundaries:

*Maintenance, repair, reconstruction, and operation of the landscaping, irrigation systems, and public improvements within said district. Public improvements include curbs, gutters, asphalt street improvements, sidewalks, masonry walls, concrete-paver driveway clusters, parkway strips adjacent to curbs, landscape easements, tot lots, landscaped open space parcels, appurtenant water mains, irrigation systems, public lighting fixtures on all streets and driveway clusters.*

A total of 203 parcels are assessed annually within the District. For Fiscal Year 2026-27, the maximum assessment rate will increase by 0.62%, consistent with the inflationary factor tied to the ENR Construction Cost Index and authorized by the District’s assessment formula. Staff recommends approving the increase for the Mira Monte District to support the cost of ongoing maintenance services.

Harden Ranch Maintenance District

Upon formation in 1991, the following services were approved to be funded by the Harden Ranch Maintenance District within its boundaries:

*Maintenance and operation of and the furnishing of services and materials for street lighting facilities, masonry walls, detention basins, open space areas, landscaping, irrigation systems, bike paths, pedestrian pathways, slope maintenance, graffiti abatement, entry monuments, landscaping which includes trees, shrubs, grass, and other ornamental vegetation, and appurtenant facilities, including irrigation systems and drainage devices*

Annual assessments in the Harden Ranch Maintenance District are as follows:

Single Family Residence Parcels	\$66.72 per unit
Non-Single-Family Residence	\$353 per acre

The Harden Ranch Maintenance District's assessment was initially set at a rate based on 1991 prices and did not account for inflation. In 1999, the City conducted a property owner assessment ballot in accordance with Proposition 218 to introduce an annual escalator based on the Consumer Price Index (CPI). However, the proposal was met with a majority protest, and the inflation adjustment was not approved.

As a result, maintenance services have gradually declined, with the District now able to provide only about 13% of the maintenance it could do in 1999. Despite rising costs for labor, materials, and services, the assessment revenue has remained unchanged. To address this, further reductions in services are likely unless a new Proposition 218 ballot measure is approved, allowing for annual rate increases to keep pace with inflation and fully fund maintenance needs. Therefore, no changes will be made to the current amount.

Vista Nueva Maintenance District

Upon formation, the following services were approved to be funded by the Vista Nueva Maintenance District within its boundaries:

*Installing and maintaining the telephone/alarm system for the Sanitary Sewer Pump Station; monitoring and maintaining a sanitary sewer pump station twice a week, and a sanitary sewer main four times a year with City forces, or as needed; maintaining street pavement; providing maintenance and power for a new street light system; and maintaining subdivision fence.*

When the Vista Nueva District was created, a flat \$12 annual increase was built into the assessment formula, with a maximum cap of \$600 per year. By 2011, the assessment had reached this cap, rising from \$592 to \$600. As a result, there will be no further increase in the assessment this year, as the maximum allowable rate has already been met.

Monte Bella Maintenance District

Established in 2004, the Monte Bella Maintenance District funds five types of improvements:

*Street landscaping, street lighting, parks, open space, and detention basin landscaping; street maintenance; and public improvements. Each improvement is budgeted and assessed by District benefit zone.*

The assessment formula includes an inflationary factor that increases assessments annually by the greater of 3% or the CPI increase (3.8% from April 2025 to April 2026). A decrease (10%) was approved 14 years ago because of the slow build-out. Since then, construction has been completed, and Phase 6 was accepted in 2022, adding new maintenance and operational costs. It is proposed that the assessment rates remain unchanged from last year, as there are sufficient reserves available to cover capital improvements and address ongoing maintenance.

CEQA CONSIDERATION:

**Not a Project.** The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378).

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No

STRATEGIC PLAN INITIATIVE:

Approving the proposed Resolutions will support the Council’s Strategic Goal of Infrastructure and City Services.

DEPARTMENTAL COORDINATION:

The Public Works Department's Administration Division and Maintenance Division contribute staff time and resources to the day-to-day maintenance and administration of the Districts. Every year in August, Finance and Public Works Departments work cooperatively to prepare and submit the levy to the County for bi-annual collections.

FISCAL AND SUSTAINABILITY IMPACT:

There is no direct fiscal impact by adopting the proposed resolutions. Staff will continue to seek out cost saving measures in order to sustain low maintenance costs.

ATTACHMENTS:

Resolutions  
Preliminary Engineer's Reports