

**CITY OF FAIRFIELD**

**RESOLUTION NO. 2022-99**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FAIRFIELD AUTHORIZING A LOAN AND BUDGET TRANSFER FROM THE INTERGOVERNMENTAL LOAN FUND TO LANDSCAPING AND LIGHTING MAINTENANCE DISTRICT NO. 13 – NORTH CORDELIA FOR INCREASED LANDSCAPE MAINTENANCE AND CONSULTING SERVICES THROUGH FISCAL YEAR 2022-2023 AND AUTHORIZING AN UPDATE TO THE FISCAL YEAR 2021-2022 BUDGET**

**WHEREAS**, on July 7, 2021, staff informed the City Council that fiscal year (FY) 2021-2022 assessment revenue and FY 2022-2023 anticipated assessment revenue for Landscaping and Lighting Maintenance District (LLMD) No. 13 – North Cordelia (North Cordelia) are insufficient to provide a level of landscape maintenance services comparable to the level of services provided in FY 2020-2021; and

**WHEREAS**, on December 21, 2021, the council approved a new landscape maintenance service contract with a reduced scope of work for the district and directed staff to explore options to provide additional funding to the district for the provision of services comparable to the level of services provided in FY 2020-2021 while a community engagement and Proposition 218 process was conducted; and

**WHEREAS**, the council may approve intergovernmental fund loans in accordance with the Interfund Loan Policy; and

**WHEREAS**, the council may set the interest rate at 0% in accordance with Resolution 1991-213B; and

**WHEREAS**, on February 1, 2022, the council held a special meeting and declared its intent to approve a \$130,000 loan from the Intergovernmental Loan Fund to LLMD No. 13 – North Cordelia which would be repayable over five years in equal annual installments beginning in FY 2023-2024 with 0% interest for the purposes of providing an enhanced level of service beginning in March 2022, through FY 2022-2023 and to cover consulting fees; and

**WHEREAS**, on March 1, 2022, council determined that an additional 60 days of community engagement prior to issuing the loans was necessary to confirm if property owners in the district support receiving and repaying the loan; and

**WHEREAS**, the shortfall was recalculated to be \$159,000 based on enhanced levels of service beginning in May 2022, and the inclusion of new projections and unexpected FY 2021-2022 expenditures that were not previously accounted for; and

**WHEREAS**, the General Fund will contribute \$8,000, or 5%, of the total shortfall, which is proportionate to the regular General Fund contribution budgeted in FY 2021-2022; and

**WHEREAS**, the new loan amount required for the district is \$151,000; and

**WHEREAS**, a community poll was conducted from April 1, 2022, to April 22, 2022, to ascertain property owners' level of support for, or opposition to, receiving a loan and paying a greater assessment rate for five years to repay the loan; and

**WHEREAS**, on April 18, 2022, a town hall was held to provide property owners with information regarding the proposed loan and potential future service and assessment levels; and

**WHEREAS**, providing for the loan to bear 0% interest will not pose a financial hardship to the General Fund; and

**WHEREAS**, funding was not allocated in the City's approved FY 2021-2022 Budget thus requiring an adjustment in the amount of \$151,000 to cover the loan amount; and

**WHEREAS**, the revised appropriation constitutes an update to the 2021-2022 Budget approved pursuant to Resolution No. 2021-126.

**NOW, THEREFORE, THE COUNCIL OF THE CITY OF FAIRFIELD HEREBY RESOLVES:**

Section 1. The council hereby approves a contribution, budget adjustment, and transfer of \$35,000 from the General Fund (Fund 011) to LLMD No. 13 (Fund 085) – North Cordelia.

Section 2. The council hereby approves a budget adjustment and transfer of \$151,000 from the General Fund (Fund 011) to the Intergovernmental Loan Fund (Fund 551).

Section 3. The council hereby approves a loan, budget adjustment and transfer of \$151,000 from the Intergovernmental Loan Fund (Fund 551) to LLMD No. 13 (Fund 085) – North Cordelia.

Section 4. The loan shall be issued with a 0% interest rate and shall be repayable over five years in equal annual installments beginning in FY 2023-2024.

Section 5. The loan repayment will occur from assessment revenues available either as a result of increased assessments approved pursuant to a Proposition 218 proceeding or a reduction in services.

Section 6. The director of public works is hereby authorized to do all things necessary to implement this resolution.

**PASSED AND ADOPTED** this 3<sup>rd</sup> day of May 2022, by the following vote:

AYES: COUNCILMEMBERS: PRICE / BERTANI / MOY / PANDURO / TIMM / TONNESEN / VACCARO

NOES: COUNCILMEMBERS: None

ABSENT: COUNCILMEMBERS: Moy

ABSTAIN: COUNCILMEMBERS: None

Henry T. Price  
MAYOR

ATTEST:  
Karen L. Rees  
CITY CLERK