REPORT TO COUNCIL
City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www.CityofSacramento.org

CONSENT
June 5, 2008

Honorable Mayor and
Members of the City Council

Title: Citywide Landscaping and Lighting Assessment District - Initiate Annual Proceedings Fiscal Year 2008/09

Location/Council District: Citywide

Recommendation: Adopt 1) a **Resolution** directing filing of Annual Report for fiscal year (FY) 2008/09 for the Citywide Landscaping and Lighting Assessment District; and 2) a **Resolution** approving Engineer's Annual Report and Intention to Order Maintenance of Improvements for FY2008/09 for the Citywide Landscaping and Lighting Assessment District and setting a time and place for a Public Hearing for June 24, 2008.

Contact: Brian Wong, Program Specialist, (916) 808-5778; Mark Griffin, Fiscal Manager, (916) 808-8788

Presenters: Not Applicable

Department: Planning Department

Division: Public Improvement Financing

Organization No: 4915

Description/Analysis:

Issue: The Citywide Landscaping and Lighting Assessment District ("District") is required by the California Streets and Highways Code to present an annual budget to City Council for approval. Approval of the annual budget will authorize the City to collect assessments which will partially fund the maintenance of the improvements in the District for FY2008/09.

Policy Considerations: The annual proceedings for the District are being conducted as set forth in the Landscaping and Lighting Act of 1972, California Streets and Highways Code sections 22500, et seq. This process is consistent with the City's Strategic Plan 3-Year Goal to "achieve sustainability and enhance livability".

Environmental Considerations: Under California Environmental Quality Act (CEQA) guidelines, annual proceedings of a Special District do not constitute a project, and are therefore exempt from review.

Committee/Commission: None

Rationale for Recommendation: The recommended actions in the Resolutions are required by the California Streets and Highways Code, as set forth in Section 22500 of the Landscaping and Lighting Act of 1972, for annual proceedings of an existing district.

Financial Considerations: Each year the District budget is developed taking into consideration several factors. Some of these factors include the cost of services, the projected number of parcels in each assessment category, and the amount of projected surplus/deficit in the District fund balance at the end of the current fiscal year. The proposed budget and changes over the current year are shown on Attachment 2, Page 5.

In FY2007/08, an audit of the district was performed to ensure that all parcels were correctly levied. The audit uncovered levies totaling approximately $300,000 that were inadvertently overlooked and will be added to the FY2008/09 tax roll.

Emerging Small Business Development (ESBD): City Council approval of these proceedings is not affected by City policy related to the ESBD Program.

Respectfully Submitted by: _____
Mark Griffin
Fiscal Manager, Planning Department

Approved by: _____
Carol Shearly
Director, Planning Department

Recommendation Approved:

_____
Ray Kerridge
City Manager

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BACKGROUND

The Citywide Landscaping & Lighting District was established in June of 1989. The District contributes funding for the maintenance and rehabilitation of City parks and other public landscaped areas, street tree maintenance, and the energy and maintenance cost of streetlights throughout the City. Property owners are assessed in accordance with a series of benefit formulas adopted by City Council in 1989. Annual assessments are paid by property owners along with their regular County property taxes. Each year the City must update and adopt the annual Engineer's Report and approve the assessment.

The budget is arranged in three categories as described below. In addition to the maintenance activity, each category also contains a proportionate share of the administration and billing costs.

1) Street Related Operations and Maintenance: This section contains the budget for safety lighting, neighborhood lighting, median maintenance, and street tree maintenance.

2) Bonded Indebtedness: A portion of the annual District budget goes toward the payment of debt service on 20-year bonds sold in 1996 to finance park improvements. These bonds will expire after tax year 2016.

3) On-going Park Maintenance, Park Improvements, and Graffiti Abatement: This section contains the park maintenance budget, the graffiti abatement program, and funding for park capital improvement projects (CIP). The voters approved this portion in November 1996.

The Citywide Landscaping & Lighting Assessment District contains a provision for an annual adjustment in budget and assessments to account for inflation. The district allows for an annual increase based on the Consumer Price Index (CPI), San Francisco area, all items, but not to exceed 3% in any year. The April 2008 CPI is 2.89% over the prior 12 months. Therefore, the rate increase for FY2008/09 will be 2.89%.

Attachment 2

PROPOSED FY 2008/09 BUDGET FOR
CITYWIDE LANDSCAPING AND LIGHTING DISTRICT
(With 2.89% CPI adjustment increase in assessments)

	Approved FY 2007/08	Proposed FY 2008/09
Street Related Operations & Maintenance:		
Safety Lighting & Medians	$1,909,147	$1,601,564
Neighborhood Street Lighting Maintenance	3,228,601	3,203,681
Tree Maintenance – Residential	2,888,516	3,071,814
Tree Maintenance – Non-Residential	939,974	944,388
Administration & Billing	76,000	156,972
Subtotal Street Related O&M	**$9,042,238**	**$8,978,419**
On-Going Park Maintenance:		
Park Maintenance & Improvements	2,546,107	2,684,814
Graffiti Abatement	132,748	136,475
Administration & Billing	24,000	50,203
Subtotal On-Going Park Maintenance:	**$2,702,855**	**$2,871,492**
Bonded Indebtedness:		
Park CIP Improvements	694,665	725,808
Administration & Billing	6,057	6,207
Subtotal Bonded Indebtedness	**700,722**	**$732,015**
Less Debt Service	($586,220)	($587,315)
Excess Available For Parks CIP	$114,502	$144,700
TOTAL DISTRICT BUDGET	**$12,445,815**	**$12,581,926**
Fund Balance Offset	($574,293)	($0)
TOTAL ASSESSED TO PROPERTY OWNERS:	**$11,871,522**	**$12,581,926**

Attachment 3

SCHEDULE OF PROCEEDINGS

CITYWIDE LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT FY2008/09 SCHEDULE

June 5, 2008	**Council Considers Resolution of Intention and Sets Date for Public Hearing**
June 6, 2008	Publish Notice of Meeting and Hearing
June 24, 2008	Hold Public Hearing **Council Orders Annual Levy**
July 2008	Assessments to County for Placement on Tax Roll

Attachment 4

RESOLUTION NO.

Adopted by the Sacramento City Council

DIRECTING FILING OF ANNUAL REPORT FOR THE CITYWIDE LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT NO. 2 (FY2008/09) (Pursuant to Landscaping and Lighting Act of 1972)

BACKGROUND:

A. The Citywide Landscaping and Lighting Assessment District No. 2 ("District"), was established by the City Council on August 1, 1989. The City Council adopted Resolution No. 89-600 thereby approving Assessment District No. 2 for all developed properties within the City of Sacramento.

B. The City Council established the District under the Landscaping and Lighting Act of 1972 (part 2 of division 15 in the Streets and Highways Code, beginning with section 22500) ("the 1972 Act"), and has previously levied assessments on property in the District to pay for landscaping and lighting maintenance services and related services to be provided within the District, all in accordance with the 1972 Act.

C. The Council is fully advised in this matter.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. The City Council finds and determines that the background statements A through C are true and correct.

Section 2. The Supervising Engineer of the Department of Transportation, the person designated by this Council as the Engineer of Work for the District, is hereby directed to file an annual report in accordance with the provisions of the Landscaping and Lighting Act of 1972.

Section 3. This resolution is adopted pursuant to Section 22622 of the Streets and Highways Code.

Attachment 5

RESOLUTION NO.

Adopted by the Sacramento City Council

APPROVING ENGINEER'S ANNUAL REPORT AND INTENTION TO ORDER MAINTENANCE OF IMPROVEMENTS FOR THE CITYWIDE LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT NO. 2 (FY 2008/09)
(Pursuant to Landscaping and Lighting Act of 1972)

BACKGROUND:

A. The Citywide Landscaping and Lighting Assessment District ("District") was established by the City Council on August 1, 1989 by adopting Resolution No. 87-1012.

B. The City Council established the District under the Landscaping and Lighting Act of 1972 (part 2 of division 15 in the Streets and Highways Code, beginning with section 22500) ("the 1972 Act"), and has previously levied assessments on property in the District to pay for landscaping and lighting maintenance services and related services to be provided within the District; all in accordance with the 1972 Act.

C. The Supervising Engineer of the Department of Transportation, the person designated by this Council as the Engineer of Work for the District, was directed to file an annual report in accordance with the provisions of the 1972 Act.

D. The Council is fully advised in this matter.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. The City Council finds and determines that the background statements A through D are true and correct.

Section 2. City Council hereby approves the Engineer's Annual Report for fiscal year 2008/09 on file in the City Clerk's Office.

Section 3. The City Council intends to levy and collect assessments within the District during fiscal year 2008/09. The area of land to be assessed is located in the City of Sacramento, Sacramento County.

Section 4. The maintenance or construction of improvements to be made in this assessment district is generally described as follows:

1. The maintenance of improvements is generally described as follows: (a) landscaping; (b) statuary fountains, and other ornamental structures and facilities; (c) all works or improvements used or useful for the lighting of public places, including ornamental standards, luminaries, poles, traffic signals, supports, tunnels, manholes, vaults, conduits, pipes, wires, conductors, guys,

stubs, platforms, braces, transformers, insulators, contacts, switches, capacitors, meters, communication circuits, appliances, attachments, and appurtenances; (d) any facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance or servicing thereof including grading, clearing, removal of debris, curbs, gutters, walls, sidewalks, paving, water irrigation, drainage, or electrical facilities; (e) park and recreational improvements including, but not limited to, land preparation such as grading, leveling, cutting and filling, sod landscaping, irrigation systems, sidewalks and drainage, lights, playground equipment, play courts, and public restrooms; (f) the acquisition of land for park, recreational, or open-space purposes; and (g) any and all expenses incidental to the above.

2. The installation or construction of improvements including (a) landscaping; (b) statuary fountains, and other ornamental structures and facilities; (c) all works or improvements used or useful for the lighting of public places, including ornamental standards, luminaries, poles, traffic signals, supports, tunnels, manholes, vaults, conduits, pipes, wires, conductors, guys, stubs, platforms, braces, transformers, insulators, contacts, switches, capacitors, meters, communication circuits, appliances, attachments, and appurtenances; (d) any facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance or servicing thereof including grading, clearing, removal of debris, curbs, gutters, walls, sidewalks, paving, water irrigation, drainage, or electrical facilities; (e) park and recreational improvements including, but not limited to, land preparation such as grading, leveling, cutting and filling, sod landscaping, irrigation systems, sidewalks and drainage, lights, playground equipment, play courts, and public restrooms; (f) the acquisition of land for park, recreational, or open-space purposes; and (g) any and all expenses incidental to the above.

Section 5. In accordance with this Council's resolution directing the filing of an annual report, the Engineer of Work has filed with the City Clerk the report required by the 1972 Act. All interested parties are referred to that report for a full and detailed description of the improvements, the boundaries of the assessment district, and the proposed assessments upon assessable lots and parcels of land within the assessment district.

Section 6. At the hour of 2:00 pm on Tuesday, June 24, 2008, the City Council will conduct a public hearing on the questions of the levy of the proposed annual assessment. The hearing will be held at the meeting place of the City Council located in the City Hall, 915 I Street, First Floor, Sacramento, California.

Section 7. This year's assessments are an increase from the previous year, but equal to the highest authorized amount for this district shown on Exhibit A.

Section 8. The City Clerk is authorized and directed to give the notice of hearing required by the Landscaping and Lighting Act of 1972.

Section 8. Exhibit A is part of the resolution.

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Exhibit A: Proposed Annual Parcel Assessments FY2008/09

EXHIBIT A

PROPOSED ANNUAL ASSESSMENTS FOR FY2008/09						
Assessment Components	**Single Family Residence**	**Multi-Family Residence**	**Business Property (Parcel Square Ft.)**			**Church**
			0-25,000	**25,001-100,000**	**100,001 or more**	
Street Related O&M: Safety & Neighborhood Lighting Maintenance & Replacement Program, Median Maintenance & Construction, Tree Maintenance			$111.82	$559.09	$1,162.90	$31.95
With Lights:	$50.91	$35.64				
Without Lights:	$24.51	$17.15				
Bonded Indebtedness: CIP-Park Improvements	$4.07	$2.77	$6.04	$30.18	$62.77	$1.72
Park Facilities & Related O&M: Park Main., Youth Employment Program, Graffiti Abatement	$15.79	$10.74	$27.00	$134.99	$280.77	$7.71
Proposed Assessment:			**$144.85**	**$724.25**	**$1,506.44**	**$41.38**
With Lights:	**$70.77**	**$49.15**				
Without Lights:	**$44.36**	**$30.67**				
Current Year Assessment:			*$142.50*	*$712.46*	*$1,484.90*	*$40.71*
With Lights:	*$69.01*	*$47.93*				
Without Lights:	*$43.35*	*$29.96*				
Change in assessment with 2.89% CPI increase adjustment:			*$2.35*	*$11.79*	*$21.54*	*$0.67*
With Lights:	*$1.76*	*$1.22*				
Without Lights:	*$1.01*	*$0.71*				