



# REPORT TO COUNCIL City of Sacramento

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

**PUBLIC HEARING**  
**June 23, 2009**

**Honorable Mayor and  
Members of the City Council**

**Title: Neighborhood Lighting District – Public Hearing**

**Location/Council District:** Includes 3 separate neighborhoods: Youngs Heights, Council District 2; Swanston Estates, Council District 3; and Colonial Heights, Council District 5 and District 6.

**Recommendation:** Conduct a public hearing and upon conclusion, adopt a **Resolution** confirming diagram and assessment, and levying an assessment for Fiscal Year (“FY”) 2009/10 for the Neighborhood Lighting District (“District”).

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

**Presenters:** Brian Wong

**Department:** Finance

**Division:** Public Improvement Financing

**Organization No:** 06001321

**Description/Analysis**

**Issue:** The 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 in the amount sufficient to provide funding for maintenance of the neighborhood lighting in this District for FY2009/10.

**Policy Considerations:** The annual proceedings for this District are being processed as set forth in the Landscaping and Lighting Act of 1972, California Streets and Highways Code Section 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.



**Sustainability Considerations:** There are no sustainability considerations applicable to the formation process or administration of a special district.

**Committee/Commission:** None

**Rationale for Recommendation:** The actions in the recommended Resolution 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 including 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 is shown on Attachment 2.

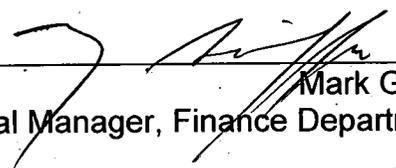
The proposed District expenditure budget for FY2009/10 is \$42,253. Assessment revenue will be \$40,637. The District has funds available in fund balance to cover the difference.

The cost for each neighborhood as well as a breakdown of cost per single-family lot is provided in Exhibit B (page 9). The proposed increase in the annual assessment is 1.16% which is the maximum allowed in the District, and is a result of a 1.16% CPI adjustment. The costs are detailed in the Engineer's Report on file with the City Clerk. The maintenance district is self-supporting and has no impact on the General Fund.

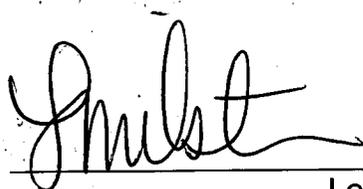
Formal amendment to the FY2009/10 Approved Budget will be brought under separate action if necessary.

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

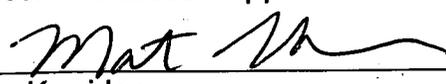
Respectfully Submitted by: \_\_\_\_\_

  
Mark Griffin  
Fiscal Manager, Finance Department

Approved by: \_\_\_\_\_

  
Leyne Milstein  
Director, Finance Department

Recommendation Approved:

  
Ray Kerridge  
City Manager

**Table of Contents:**

Report.....	Pg 1
<b>Attachments</b>	
1 Background .....	Pg 4
2 Schedule of Proceedings .....	Pg 5
3 Resolution, Confirming Diagram & Levying Assessment .....	Pg 6
Exhibit A, Map of District .....	Pg 8
Exhibit B, District and Parcel Assessments .....	Pg 9

## BACKGROUND

On October 22, 1996, City Council approved formation of the Neighborhood Lighting District No. 96-07 ("District") (Resolution No. 96-577) for the Swanston Estates neighborhood. The District provides an affordable means to provide neighborhood lights by placing SMUD lights on wood poles. Two other neighborhoods, Youngs Heights and Colonial Heights, have since annexed to the District.

The District services include annual energy costs and maintenance of neighborhood lights installed on wood poles, and district administration and billing costs. A provision was included to mitigate cost increases based on the Consumer Price Index (CPI), San Francisco area, all items, provided that this increase does not exceed three percent (3%) in any year. The change in the February 2009 CPI is 1.16% over the prior 12 months for the February-to-February All Urban Consumers for San Francisco, thus, the annual assessments will be increased 1.16%. The annual assessment for a typical single-family lot in each neighborhood will be \$25.64.

At the conclusion of the public hearing, staff will recommend Council adopt the District budget and levy the assessments.

The total cost to property owners in FY2009/10 is projected at \$40,637.

The table below reflects the assessment to property owners and the offset needed from available surplus funds. Available fund balance is projected to be \$33,875 at the beginning of FY2009/10. The second table shows the proposed assessment to the average parcel in the District.

FY2008/09 Assessed	FY2009/10 Budget	Offset from Available Ending Fund Balance	FY2009/10 Assessed
\$41,202	\$42,253	(\$1,615)	\$40,637

**SCHEDULE OF PROCEEDINGS**

**NEIGHBORHOOD LIGHTING DISTRICT  
FY2009/10 SCHEDULE**

May 26, 2009 Council Considers Resolution of Intention and Sets Date for Public Hearing

May 27, 2009 Publish Notice of Meeting and Hearing

<b>June 23, 2009</b>	<b>Hold Public Hearing Council Orders Annual Levy</b>
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July 2009 Assessments to County for Placement on Tax Roll

## **RESOLUTION NO.**

Adopted by the Sacramento City Council

### **CONFIRMING DIAGRAM AND ASSESSMENT AND LEVYING ASSESSMENT FOR THE NEIGHBORHOOD LIGHTING DISTRICT (Fiscal Year 2009/10) (Pursuant to Landscaping and Lighting Act of 1972)**

#### **BACKGROUND**

- A. The Neighborhood Lighting District ("District"), as depicted in Exhibit A, was established by the City Council and approved by the property owners on October 22, 1996.
- 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 operation and maintenance of neighborhood street lights on wood poles and related services to be provided within the District, all in accordance with the 1972 Act.
- C. Pursuant to Chapter 3 of the 1972 Act, City Council directed the Supervising Engineer of the Department of Transportation, as the Engineer of Work for the District, to prepare and file an Annual Report for the Fiscal Year 2009/10.
- D. The Engineer of Work filed the Annual Report on May 26, 2009, and City Council adopted a Resolution approving the Engineer's Annual Report and Intention to levy and collect assessments within the assessment district for Fiscal Year 2009/10 and set a public hearing for June 23, 2009, in the meeting place of City Council Chambers, City Hall, 915 I Street, First Floor, Sacramento, California. Notice of the hearing was given in the time and manner required by law.
- E. For some subdivisions within the District, this year's assessments are an increase from the previous year, but assessments for all subdivisions within the District are at or below the highest authorized amount for this district shown on Exhibit B.
- F. 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:

- a) Confirms the assessment diagram and the assessment roll set forth in the Engineer's Annual Report; and
- b) Levies the assessment set forth in the Engineer's Annual Report.

**Section 2.** Exhibits A and B are part of this resolution.

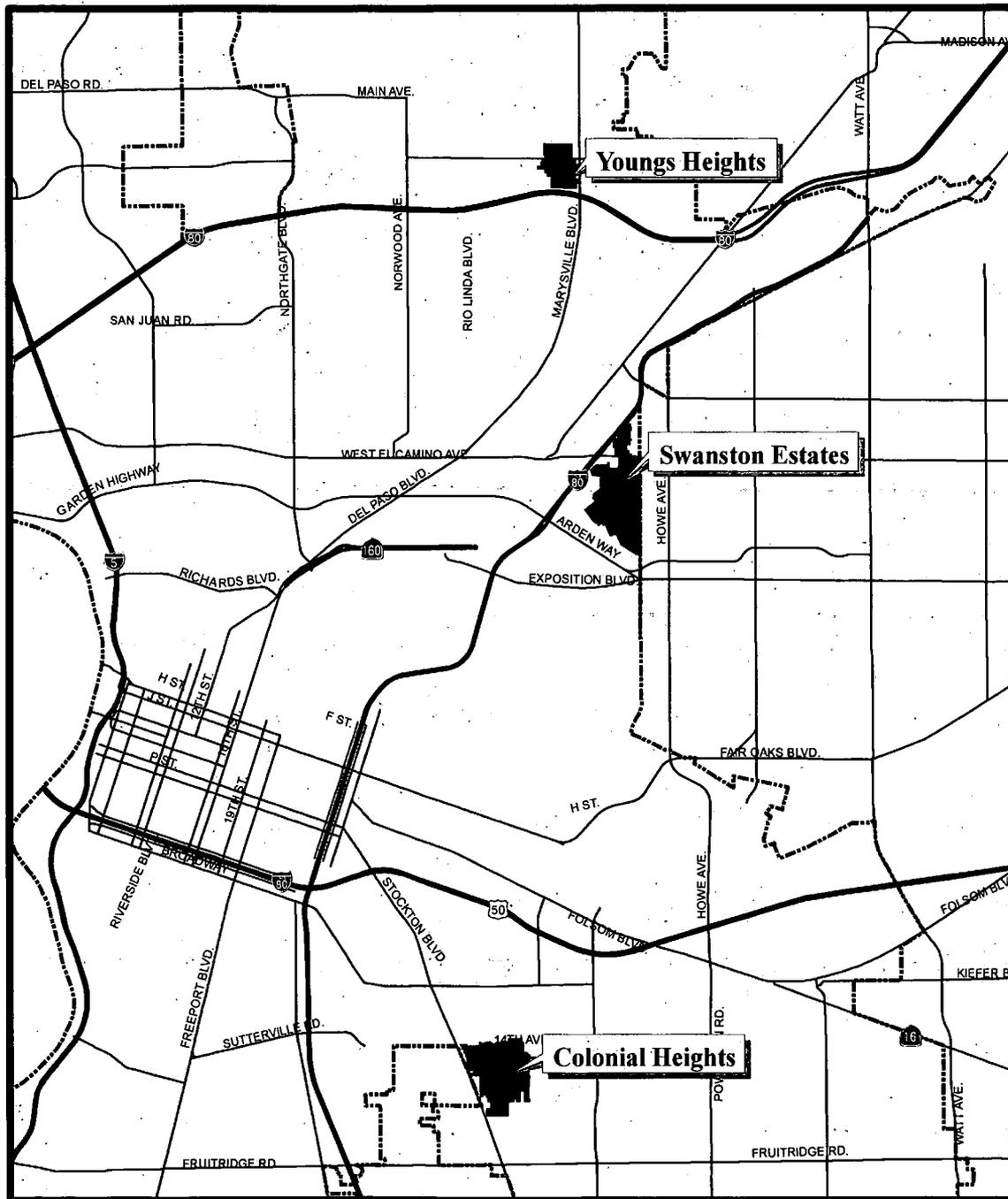
**Table of Contents:**

Exhibit A: District Map -1 Page

Exhibit B: Fiscal Year 2009/10 Neighborhood & Parcel Assessment -1 Page

EXHIBIT A

Neighborhood Lighting District 96-07



 City Boundary  
 District Boundary

0 0.5 1 2 Miles



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**EXHIBIT B**

**NEIGHBORHOOD LIGHTING DISTRICT  
NEIGHBORHOOD AND PARCEL ASSESSMENTS  
Fiscal Year 2009/10**

**DISTRICT ASSESSMENT AND FUND SOURCES AND USES**

<i>Estimated</i> Beginning Fund Balance	\$33,875
<b>Total Assessed to Property Owners</b>	<b>\$40,637</b>
Maintenance Tasks	
Street Lighting Maintenance	32,671
Administration	
Special Districts	5,000
Billing Administration	4,582
<b>Total Expenditures</b>	<b>\$42,253</b>
<i>Estimated</i> Ending Fund Balance (Contingency)	\$32,260
Year-Over-Year Change In Fund Balance	(\$1,615)

The following is a breakdown of the average cost per single-family lot in each neighborhood with less than 100 feet of frontage.

Neighborhood	# of Lots	Maximum Authorized	FY2008/09	FY2009/10
Swanston Estates	681	\$25.64	\$25.34	\$25.64
Youngs Heights	125	25.64	25.34	25.64
Colonial Heights	722	25.64	25.34	25.64