



REPORT TO COUNCIL

City of Sacramento

28

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

PUBLIC HEARING
June 15, 2010

**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 Districts 5 and 6.

Recommendation: Conduct a public hearing and upon conclusion, adopt a **Resolution** confirming diagram and assessment, and levying an assessment for Fiscal Year (FY) 2010/11 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 FY2010/11.

Policy Considerations: The annual proceedings for this District are being processed as set forth in the Landscaping and Lighting Act of 1972 (1972 Act), California Streets and Highways Code Section 22500, et seq. This action is consistent with the Strategic Planning Focus Area of Sustainability and 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

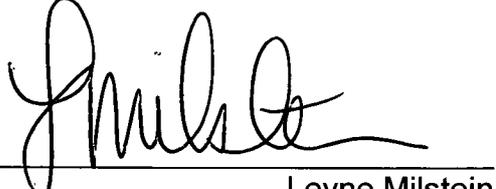
Rationale for Recommendation: The actions in the recommended Resolution are required by the California Streets and Highways Code, as set forth in Section 22500 of the 1972 Act, for annual proceedings of an existing district.

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 FY2010/11 is \$37,007. Assessment revenue will be \$40,275. The surplus will provide financial contingency to the District. 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 change in the annual assessment for a typical single-family parcel is a decrease of 3.28% and is the result of refinement in the number of assessable benefit units in the District. The costs are detailed in the Engineer's Report on file with the Finance Department. The maintenance district is self-supporting and has no impact on the General Fund.

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:

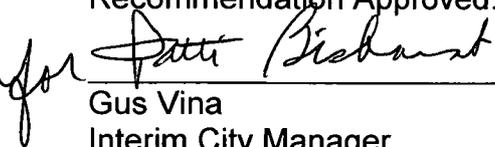

Gus Vina
Interim City Manager

Table of Contents:

Report.....	Pg 1
Attachments	
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 2010 CPI index is 1.80% over the prior 12 months for the February-to-February All Urban Consumers for San Francisco. However, due to refinement in the number of assessable benefit units in the District, the Fiscal Year (FY) 2010/11 annual assessment for a typical single-family parcel in each neighborhood will decrease by 3.28% to \$24.80.

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 FY2010/11 is projected at \$40,275.

The table below reflects the assessment to property owners and the offset needed from available surplus funds. Available fund balance is projected to be \$32,104 at the beginning of FY2010/11.

FY2009/10 Assessed	FY2010/11 Budget	Surplus	FY2010/11 Assessed
\$40,637	\$37,007	\$3,268	\$40,275

SCHEDULE OF PROCEEDINGS

**NEIGHBORHOOD LIGHTING DISTRICT
FY2010/11 SCHEDULE**

May 18, 2010 Council Considers Resolution of Intention and Sets Date for Public Hearing

May 24, 2010 Publish Notice of Meeting and Hearing

June 15, 2010	Hold Public Hearing Council Orders Annual Levy
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August 2010 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 (FY2010/11) (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 FY2010/11.
- D.** The Engineer of Work filed the Annual Report on May 18, 2010, and City Council adopted a Resolution approving the Engineer's Annual Report and Intention to levy and collect assessments within the assessment district for FY2010/11 and set a public hearing for June 15, 2010, 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.** The typical annual assessment in FY2010/11 for a single-family parcel will decrease by 3.28% to \$24.80 due to refinement in the number of assessable benefit units in the District.
- 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.

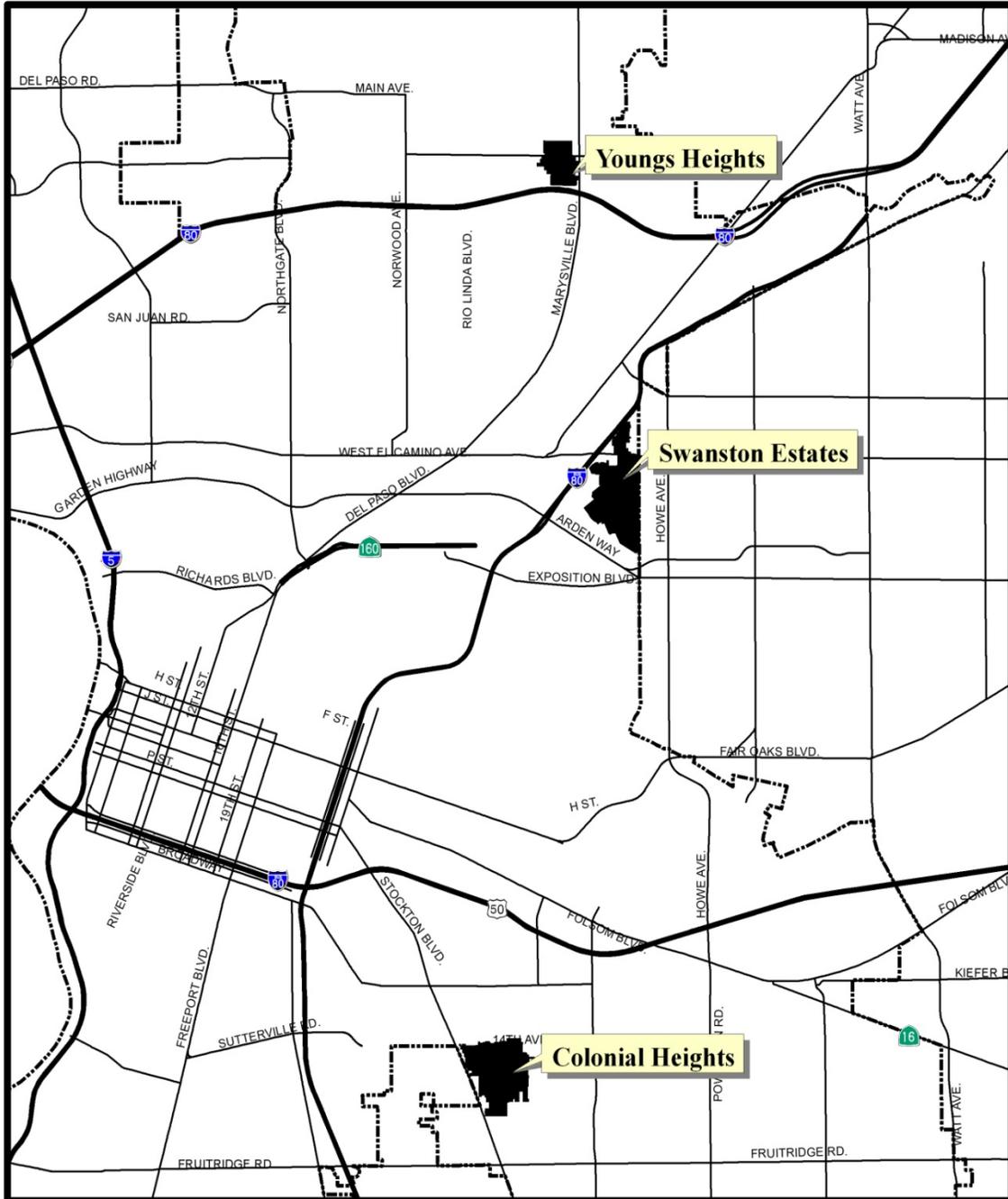
Table of Contents:

Exhibit A: District Map – 1 Page

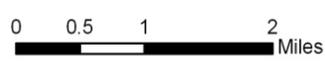
Exhibit B: Fiscal Year 2010/11 Neighborhood & Parcel Assessment

EXHIBIT A

Neighborhood Lighting District 96-07



 City Boundary
 District Boundary



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EXHIBIT B

**NEIGHBORHOOD LIGHTING DISTRICT
NEIGHBORHOOD AND PARCEL ASSESSMENTS
FY2010/11**

DISTRICT ASSESSMENT AND FUND SOURCES AND USES

<i>Estimated</i> Beginning Fund Balance (FY2010/11)	\$32,104
Total Assessed to Property Owners	\$40,275
Maintenance Tasks	
Street Lighting Maintenance	27,990
Administration	
Special Districts	6,194
Billing Administration	2,823
Total Expenditures	\$37,007
<i>Estimated</i> Ending Fund Balance (Contingency)	\$35,372
Year-Over-Year Change In Fund Balance	\$ 3,268

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

Neighborhood	# of Lots	Maximum Authorized	FY2010/11	Total Assessment
Swanston Estates	681	\$24.80	\$24.80	\$17,856
Youngs Heights	125	24.80	24.80	3,720
Colonial Heights	721	24.80	24.80	18,699