



# City of Sacramento City Council

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915 I Street, Sacramento, CA, 95814  
[www.CityofSacramento.org](http://www.CityofSacramento.org)

**Meeting Date:** 5/3/2011

**Report Type:** Consent

**Title:** Neighborhood Lighting District - Initiate Annual Proceedings

**Report ID:** 2011-00204

**Location:** Districts 2, 3, 5, 6

**Recommendation:** Adopt 1) a Resolution directing Filing of Annual Report for Fiscal Year (FY) 2011/12 for the Neighborhood Lighting District; and 2) a Resolution approving Engineer's Annual Report and Intention to Order Maintenance of Improvements for FY2011/12 for the Neighborhood Lighting District and setting a time and place for a Public Hearing on May 24, 2011.

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

**Presenter:** None

**Department:** Finance

**Division:** Public Improvement Finance

**Dept ID:** 06001321

## **Attachments:**

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- 1-Description/Analysis
- 2-Background
- 3-Schedule of Proceedings
- 4-Resolution, Directing Filing of Annual Report for FY2011-12
- 5-Resolution, Approving Engineer's Annual Report for FY2011-12

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### **City Attorney Review**

Approved as to Form  
Jeffrey C. Heeren  
4/18/2011 9:43:40 AM

### **City Treasurer Review**

Prior Council Financial Policy Approval or  
Outside City Treasurer Scope  
Russell Fehr  
4/13/2011 4:10:14 PM

### **Approvals/Acknowledgements**

Department Director or Designee: Leyne Milstein - 4/14/2011 4:15:49 PM

Assistant City Manager: Patti Bisharat - 4/18/2011 8:06:12 AM



## Description/Analysis

**Issue:** The Neighborhood Lighting 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 in the amount sufficient to provide funding for maintenance of the neighborhood lighting in this District for FY2011/12. Additional information on this District is provided in the Background section of this report.

**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 sections 22500, et seq. The recommended action will ensure the continuation of an affordable means of providing for neighborhood lights by placing lights on SMUD wood poles.

### Environmental Considerations:

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

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

**Commission/Committee Action:** None

**Rationale for Recommendation:** The actions in the recommended Resolutions 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:** The District assessment budget for FY2011/12 is projected at \$31,167, as compared to a total District expenditure budget of \$37,544 as shown on Exhibit B, page 10, and detailed in the Engineer's Report on file with the Public Improvement Financing Division, designated by the City Clerk to be the repository of documents associated with special districts. Such deficit spending is intentional in order to reduce excess fund balance. Details of the cost for each subdivision as well as a breakdown per single family lot is provided in Exhibit B (pages 10 and 11, respectively). The 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.

## 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 of providing for neighborhood lights by placing lights on SMUD wood poles. Two other neighborhoods, Youngs Heights and Colonial Heights, have since annexed to the District.

The District services include the annual energy cost and maintenance of neighborhood lights installed on wood poles, and the 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. Since the change in the February 2011 CPI index was 1.7% over the prior year, the annual assessments can be increased by 1.7%. However, due to excess fund balance in each of the subdivisions, the cost per typical single family lot in each of the subdivisions will be reduced between 19.4 - 27.4% as compared to assessments in FY2010/11. The FY2011/12 annual assessment will be as follows:

- \$20.00 per typical single-family lot in the Swanston Estates subdivision  
*(decrease of 19.4% from FY2010/11 assessment)*
- \$18.50 per typical single-family lot in the Youngs Heights subdivision  
*(decrease of 25.4% from FY2010/11 assessment)*
- \$18.00 per typical single-family lot in the Colonial Heights subdivision  
*(decrease of 27.4% from FY2010/11 assessment)*

Each year the City must adopt a new Engineer's Report and budget. The recommended Council action is necessary to allow staff to notify the public of the proposed hearing, which has been set for May 24, 2011. At the conclusion of the public hearing staff will recommend Council adopt the budget and levy the assessments.

The total cost to property owners in FY2011/12 is projected to be \$31,167.

A map of the District is included as Exhibit A to the resolutions.



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**SCHEDULE OF PROCEEDINGS**  
**NEIGHBORHOOD LIGHTING DISTRICT**  
**FY2011/12 SCHEDULE**

<b>May 3, 2011</b>	<b>Council Considers Resolution of Intention and Sets Date for Public Hearing</b>
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May 11, 2011      Publish Notice of Meeting and Hearing

May 24, 2011      City Council – Public Hearing  
**Council Orders Annual Levy**

August 2011      Assessments to County for Placement on Tax Roll



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# RESOLUTION NO.

Adopted by the Sacramento City Council

## **DIRECTING FILING OF ANNUAL REPORT FOR THE NEIGHBORHOOD LIGHTING DISTRICT FISCAL YEAR 2011/12 (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 landscaping 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:**

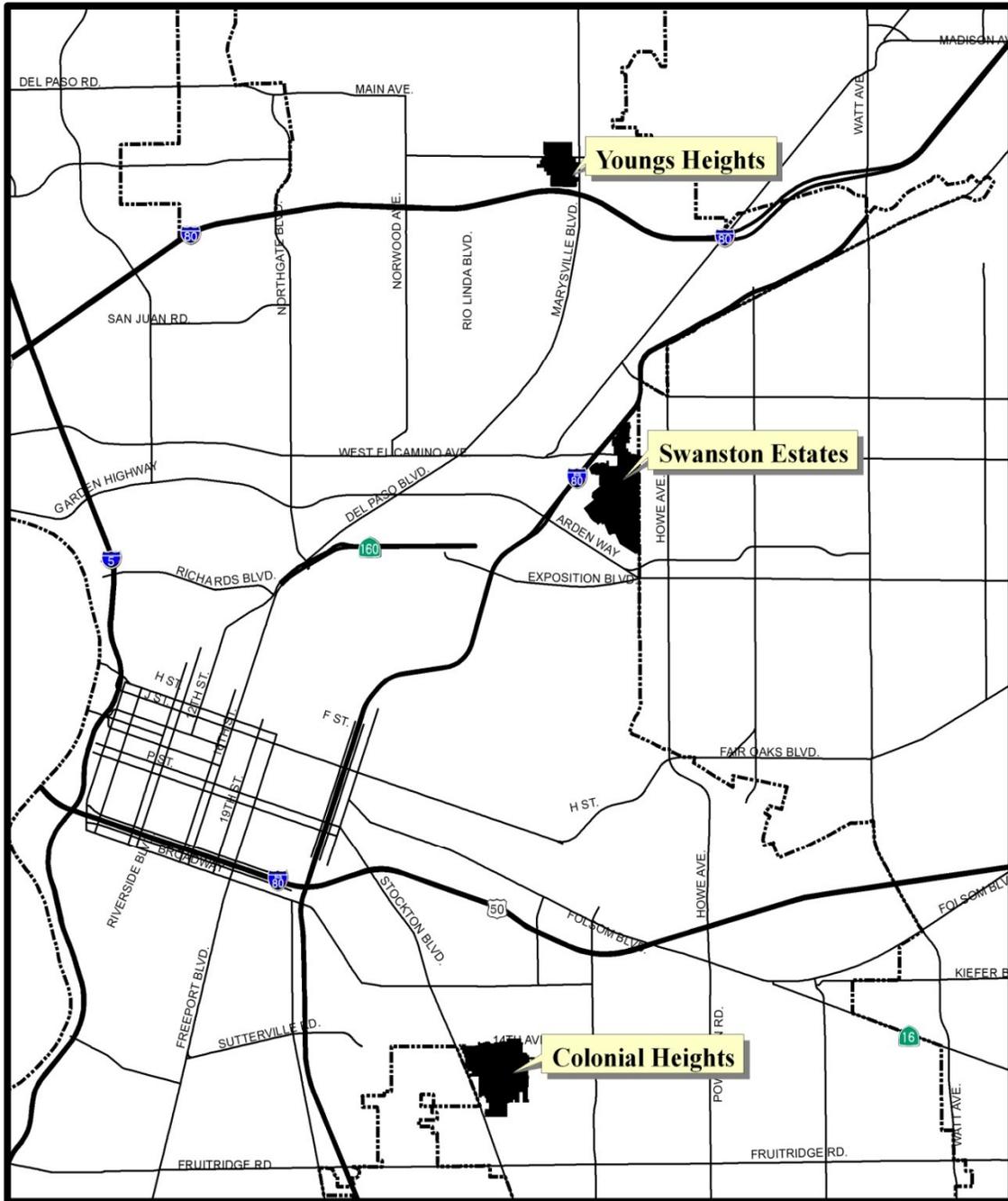
- Section 1.** The City Council finds and determines that the background statements A through C are true and correct.
- Section 2.** The Supervising Engineer of the Department of Transportation, the person designated by this Council as the Engineer of Work for the District, is hereby directed to file an annual report in accordance with the provisions of the 1972 Act.
- Section 3.** This resolution is adopted pursuant to Section 22622 of the Streets and Highways Code.
- Section 4.** Exhibit A is part of the resolution.

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Exhibit A: District Map

# EXHIBIT A

## Neighborhood Lighting District 96-07



 City Boundary  
 District Boundary

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# RESOLUTION NO.

Adopted by the Sacramento City Council

## APPROVING ENGINEER’S ANNUAL REPORT AND INTENTION TO ORDER MAINTENANCE OF IMPROVEMENTS FOR THE NEIGHBORHOOD LIGHTING DISTRICT FISCAL YEAR (FY) 2011/12 (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. 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 FY2011/12 on file with the Public Improvement Financing Division, designated by the City Clerk to be the repository of documents associated with special districts.
- Section 3.** The City Council intends to levy and collect assessments within the District during FY2011/12. The area of land to be assessed is located in the City of Sacramento, Sacramento County.
- Section 4.** The maintenance of improvements to be made in this assessment district is generally described as follows:  
The improvements consist of operation and maintenance of neighborhood street lights on wood poles fed by overhead electrical lines, and the engineering, administrative and miscellaneous costs related to the District.
- Section 5.** In accordance with this Council’s resolution directing the filing of an annual report, the Engineer of Work has filed with the Public Improvement

Financing Division, designated by the City Clerk to be the repository of documents associated with special districts, 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 6:00 pm on Tuesday, May 24, 2011, 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.** Assessments for all subdivisions within the District are at or below the highest authorized amount for this district shown on Exhibit B.

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

**Section 9.** Exhibits A and B are part of the resolution.

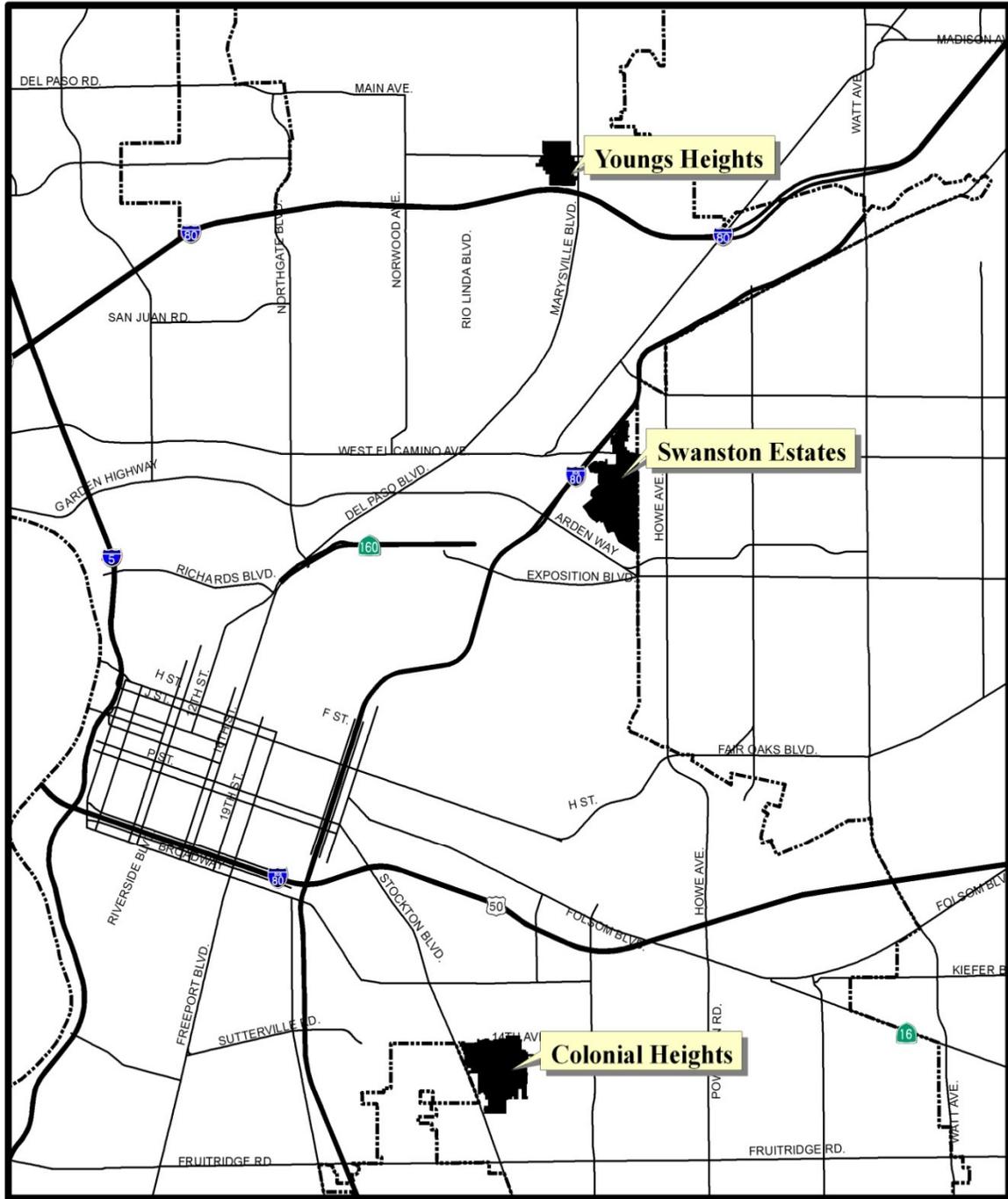
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Exhibit A: District Map

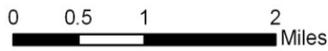
Exhibit B: FY2011/12 District Budget, Neighborhood & Parcel Assessments

# EXHIBIT A

## Neighborhood Lighting District 96-07



 City Boundary  
 District Boundary



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## EXHIBIT B

### NEIGHBORHOOD LIGHTING DISTRICT DISTRICT BUDGET, NEIGHBORHOOD AND PARCEL ASSESSMENTS

#### DISTRICT BUDGET

<i>Estimated</i> Beginning Fund Balance (FY2011/12)	\$34,473
<b>Total Assessed to Property Owners</b>	<b>\$31,167</b>
Maintenance Tasks	
Street Lighting Maintenance	28,460
Administration	
Special Districts	6,194
Billing Administration	2,890
<b>Total Expenditures</b>	<b>\$37,544</b>
<i>Estimated</i> Ending Fund Balance (Contingency)	\$28,096
Year-Over-Year Change in Fund Balance	(\$ 6,377)

#### NEIGHBORHOOD ASSESSMENTS

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

The cost for each individual neighborhood is as follows:

Neighborhood	FY2011/12 Budget	Surplus/ (deficit)	FY2011/12 Assessed
Swanston Estates	\$16,928	(\$2,108)	\$14,820
Youngs Heights	2,739	36	2,775
Colonial Heights	17,877	(4,305)	13,572

## PARCEL ASSESSMENTS

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	FY2011/12
Swanston Estates	698	\$25.34	\$20.00
Youngs Heights	125	24.19	18.50
Colonial Heights	720	25.34	18.00