



City of Sacramento City Council

1

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

Meeting Date: 5/24/2011

Report Type: Public Hearing

Title: Neighborhood Lighting District - Public Hearing (Noticed on 5-10-21001)

Report ID: 2011-00205

Location: Districts 2, 3, 5, 6

Recommendation: Conduct a public hearing and upon conclusion, adopt a Resolution confirming diagram and assessment, and levying an assessment for Fiscal Year (FY) 2011/12 for the Neighborhood Lighting District (District).

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

Presenter: Brian Wong, Program Specialist, (916) 808-5778, Finance Department

Department: Finance

Division: Public Improvement Finance

Dept ID: 06001321

Attachments:

- 1-Description/Analysis
- 2-Background
- 3-Schedule of Proceedings
- 4-Resolution, Confirming Diagram and Assessment and Levying Assessment

City Attorney Review

Approved as to Form
Jeffrey C. Heeren
5/18/2011 4:56:26 PM

City Treasurer Review

Prior Council Financial Policy Approval or
Outside City Treasurer Scope
Russell Fehr
5/4/2011 12:42:53 PM

Approvals/Acknowledgements

Department Director or Designee: Leyne Milstein - 5/18/2011 10:35:53 AM

Assistant City Manager: Patti Bisharat - 5/18/2011 4:55:10 PM



Description/Analysis:

Issue: The District is required by the California Streets and Highways Code to present an annual budget to City Council (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.

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.

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 or administration of a special district.

Commission/Committee Action: 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 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 8, and detailed in the Engineer's Report on file with the Public Improvement Financing unit of the Department of Finance, 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 8 and 9, respectively). The District is self-supporting and has no impact on the General Fund.

Emerging Small Business Development (ESBD): 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 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 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 1.70% over the prior year, the annual assessments can be increased by 1.70%. 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)

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 FY2011/12 is projected to be \$31,167.

The table below reflects the assessment to property owners and the offset needed from available surplus funds. Available fund balance is projected to be \$34,473 at the beginning of FY2011/12.

FY2010/11 Assessed	FY2011/12 Budget	Deficit	FY2011/12 Assessed
\$40,275	\$37,544	\$6,377	\$31,167



SCHEDULE OF PROCEEDINGS
NEIGHBORHOOD LIGHTING DISTRICT
FY2011/12 SCHEDULE

May 3, 2011 Council Considers Resolution of Intention and Sets Date for Public Hearing

May 11, 2011 Publish Notice of Meeting and Hearing

May 24, 2011	Hold Public Hearing Council Orders Annual Levy
---------------------	---

August 2011 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 FOR 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 (Council) and approved by the property owners on October 22, 1996.
- B.** The 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, 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 FY2011/12.
- D.** The Engineer of Work filed the Annual Report on May 3, 2011, and Council adopted a Resolution approving the Engineer's Annual Report and Intention to levy and collect assessments within the assessment district for FY2011/12 and set a public hearing for May 24, 2011, 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 FY2011/12 for a single-family parcel will be as follows: \$20.00 per parcel in the Swanston Estates subdivision, \$18.50 per parcel in the Youngs Heights subdivision, and \$18.00 per parcel in the Colonial Heights subdivision.
- F.** The Council is fully advised in this matter.

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

Section 1. The 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.

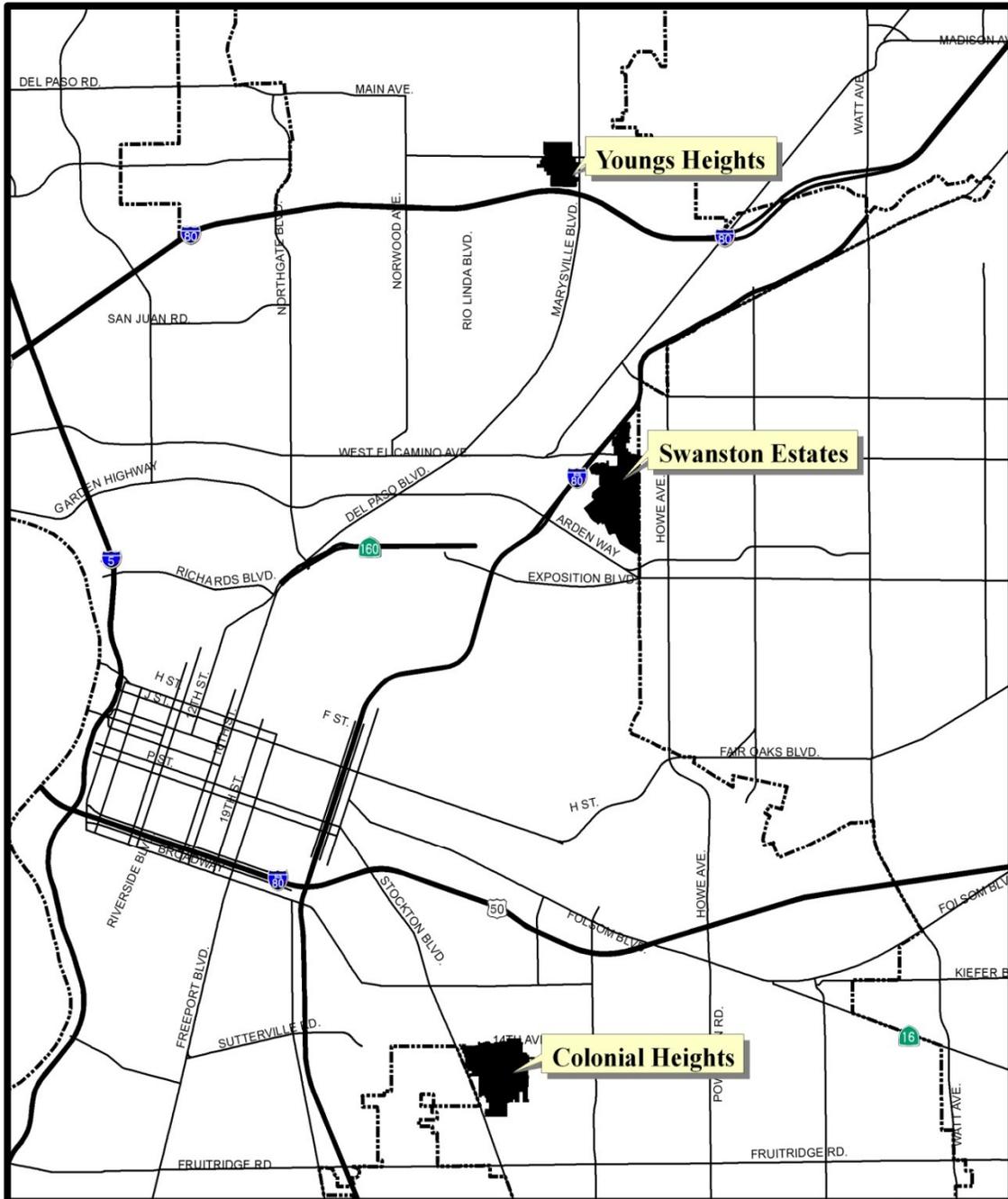
Table of Contents:

Exhibit A: District Map

Exhibit B: Fiscal Year 2011/12 District Budget, Neighborhood, and Parcel Assessments

EXHIBIT A

Neighborhood Lighting District 96-07



 City Boundary
 District Boundary

0 0.5 1 2 Miles



...usersarea\brent\Maps\LightingDist.MXD BM May 06

EXHIBIT B

NEIGHBORHOOD LIGHTING DISTRICT DISTRICT BUDGET, NEIGHBORHOOD AND PARCEL ASSESSMENTS FY2011/12

DISTRICT BUDGET

<i>Estimated</i> Beginning Fund Balance (FY2011/12)	\$34,473
Total Assessed to Property Owners	\$31,167
Maintenance Tasks	
Street Lighting Maintenance	28,460
Administration	
Special Districts	6,194
Billing Administration	2,890
Total Expenditures	\$37,544
<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 parcel 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