

Meeting Date: 5/27/2014

Report Type: Consent

Report ID: 2014-00089

Title: Fiscal Year (FY) 2014/15 Finance Districts under City Code 3.128 Annual Report

Location: District 4

Recommendation: Pass: 1) a Resolution adopting the Old Sacramento Maintenance District annual budget and fixing the service fees for FY2014/15; and 2) a Resolution adopting the 12th Street Maintenance District No. 2008-02 annual budget and fixing the service fees for FY2014/15.

Contact: Jodie Vong, Administrative Analyst, (916) 808-8243; Mark Griffin, Program Manager, (916) 808-8788, Department of Finance

Presenter: None

Department: Finance

Division: Public Improvement Finance

Dept ID: 06001321

Attachments:

1-Description/Analysis

2-Background

3-Schedule of Proceedings

4-Resolution Adopting Old Sac MD Annual Budget for FY2014/15

5-Resolution Adopting 12th St MD Annual Budget for FY2014/15

City Attorney Review

Approved as to Form

Michael W. Voss

5/9/2014 11:34:09 AM

Approvals/Acknowledgements

Department Director or Designee: Leyne Milstein - 5/8/2014 12:55:16 PM

Description/Analysis

Issue: The City Code requires an annual budget for maintenance benefit areas to be presented to the City Council for approval. Approval will authorize the City to collect service fees to provide funding for the maintenance benefit areas in fiscal year (FY) 2014/15. Specific information on each district is provided in the Background section of this report.

Policy Considerations: The purpose of these maintenance benefit areas is to provide a means for recovery of costs incurred by the City for the additional services provided by the districts including street sweeping, cleaning of building facades, trash collection, and weed control.

Economic Impacts: This report does not have direct economic impacts.

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.

Commission/Committee Action: None.

Rationale for Recommendation: The actions in the recommended Resolutions are required by City Code Chapter 3.128. Approval of the attached resolutions will fix the service fees charged to owners of property within the districts. This will enable the funding for maintenance of each district in FY2014/15.

Financial Considerations: Property owners shall pay, through fees levied, for costs associated with each maintenance district. Fees levied are used to defray additional City and contractor expenses associated with the higher level of maintenance provided to each area.

The total assessment for property owners in the Old Sacramento Maintenance District for FY2014/15 is projected at \$70,060 as shown on Exhibit C to the resolution. The proposed fees are the same as the previous year. This is the maximum allowed under the terms of the district. The service fees are assessed based on a combination of front footage, parcel and structure area.

The proposed service fee rate for 12th Street Maintenance District No. 2008-02 for FY2014/15 will be \$2.50 per linear foot of the property frontage on 12th Street. This is an increase of \$0.55 per linear foot compared to current year and still below the maximum amount allowed in the District. Assessments were decreased for the past two years to utilize a majority of the excess fund balance. This year's proposed service fee is necessary to cover an increase in maintenance costs. The total assessment is projected at \$9,556, with an expense budget of \$13,545 as shown on Exhibit B to the resolution. The amount charged to the property owners is proposed to be approximately \$200 per

year for a typical 80 foot wide parcel. The total district budget will cover necessary maintenance services.

The annual operating budgets for the maintenance districts will be adjusted to reflect the Council approved assessments and expenditure plans.

Local Business Enterprise (LBE): Not applicable.

BACKGROUND

Old Sacramento Maintenance District, Fund 2208

On October 2, 1984, the City Council adopted Resolution No. 84-832 authorizing the formation of the Old Sacramento Maintenance District. This district includes commercial parcels within a two and one-half service block in Old Sacramento between Front and 2nd Streets. Maintenance services include street sweeping, collection of trash in street receptacles and service courts, and cleaning of building facades, all of which are of specific benefit to the district properties. These services are above and beyond those currently provided by the City, and there is no contemplation that it will ever be provided on a citywide basis. The purpose of the maintenance district is to provide a means for recovery of costs incurred by the City for these services.

12th Street Maintenance District, Fund 2207

On August 7, 2008, City Council adopted Resolution No. 2008-552 approving the formation of the 12th Street Maintenance District No. 2008-02. Maintenance services include weekly clean-up of the sidewalks and gutters, litter pick-up and weed control in the landscaped areas. Maintenance also includes shrub and tree pruning performed up to four times per year and leaf collection and removal during the fall and winter seasons. The purpose of the maintenance district is to provide a means for recovery of costs incurred by the City for these services.

SCHEDULE OF PROCEEDINGS

**OLD SACRAMENTO MAINTENANCE DISTRICT (FUND 2208)
12TH STREET MAINTENANCE DISTRICT (FUND 2207)**

FY2014/15 SCHEDULE

May 27, 2014	Council Approves Maintenance District Budgets and Fixes Service Fee for FY2014/15
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August 2014 Service Fee Placed on Sacramento County Tax Roll

RESOLUTION NO.

Adopted by the Sacramento City Council

ADOPTING THE FISCAL YEAR (FY) 2014/15 BUDGET FOR THE OLD SACRAMENTO MAINTENANCE DISTRICT AND FIXING THE FEES ASSESSED ON PROPERTY WITHIN THE DISTRICT

BACKGROUND:

- A. The Old Sacramento Maintenance District (District), as depicted in Exhibit A, was established by the City Council and approved by the property owners on October 2, 1984.
- B. The total assessment for property owners for FY2014/15 is projected at \$70,060, which is equal to the maximum amount allowed for the District shown on Exhibit B.
- C. The City Council established the District under Chapter 3.128 of the Sacramento City Code and has previously assessed fees on the property in the District to pay for street sweeping, collection of trash in street receptacles and service courts, and cleaning of building facades and related services to be provided within the District, in accordance with Chapter 3.128.

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

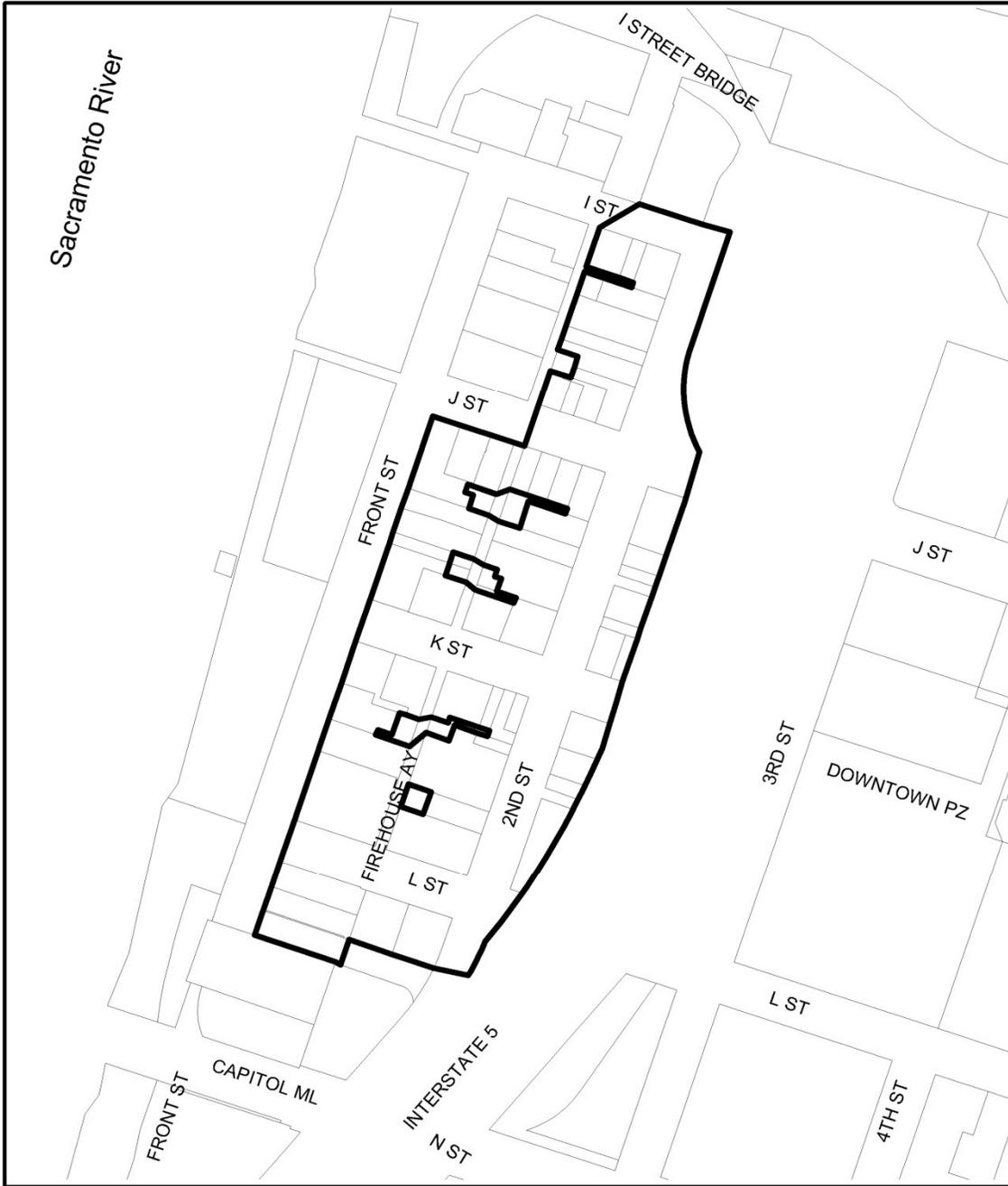
- Section 1 The City Council finds and determines that the background statements A through C are true and correct.
- Section 2 The City Council has determined that the FY2014/15 costs for the District are as shown on Exhibit B to this resolution.
- Section 3 The City Manager is authorized to make any necessary budgetary adjustments associated with the approved District budget for FY2014/15.
- Section 4 The City Council has determined that additional costs shall be wholly borne by the property owners in the area.
- Section 5 The City Council fixes the fee for each property owner as shown on Exhibit C and orders the fee be placed on the Sacramento County Assessor's Tax Roll for FY2014/15.
- Section 6 Exhibits A, B and C are part of this resolution.

Table of Contents:

- Exhibit A: District Map
- Exhibit B: FY2014/15 District Budget
- Exhibit C: Service Fee Schedule

Exhibit A

Old Sacramento Maintenance District




G.I.S.
City of
Sacramento
Department of Finance
B Mueller 04/28/11

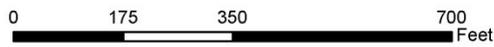


Exhibit B

**OLD SACRAMENTO MAINTENANCE DISTRICT (FUND 2208)
FY2014/15 DISTRICT BUDGET**

Estimated Beginning Fund Balance	\$7,537
Total Assessed to Property Owners	<u>\$70,060</u>
Total Resources	<u><u>\$77,597</u></u>
Maintenance Contract	
Street Cleaning, Service Courts	\$66,961
Unscheduled Maintenance	\$0
Administrative Costs	
Public Improvement Financing	
Administration	\$1,889
Parcel reporting	\$152
Accounting	
Administration	\$952
County Billing	\$106
Total Expenditures	<u><u>\$70,060</u></u>
Estimated Ending Fund Balance	<u><u>\$7,537</u></u>
Year-Over-Year Change in Fund Balance	<u><u>\$0</u></u>

Exhibit C
OLD SACRAMENTO MAINTENANCE DISTRICT (FUND 2208)
SERVICE FEE SCHEDULE FY2014/15

ASSMT #	PARCEL #	PARCEL AREA	FRONT FOOTAGE	STRUCTURE AREA	TOTAL FEE TO PARCEL
	00603600010001	4,692.00	61.05	1,079.27	\$102.02
	00603600010002	4,692.00	61.05	1,079.27	\$102.02
	00603600010003	4,692.00	61.05	1,079.27	\$102.02
	00603600010004	4,692.00	61.05	1,079.27	\$102.02
	00603600010005	4,692.00	61.05	1,079.27	\$102.02
1	00603600010006	4,692.00	61.05	1,079.27	\$102.02
	00603600010007	4,692.00	61.05	1,079.27	\$102.02
	00603600010008	4,692.00	61.05	1,079.27	\$102.02
	00603600010009	4,692.00	61.05	1,079.27	\$102.02
	00603600010010	4,692.00	61.05	1,079.27	\$102.02
	00603600010011	4,692.00	61.05	1,079.27	\$102.02
2	00600120360000	1,918.00	25.14	7,175.00	\$579.60
3	00600120370000	5,522.00	149.71	7,143.00	\$1,272.50
4	00600120210000	5,013.00	43.81	9,862.00	\$969.10
5	00600120220000	9,082.00	60.30	27,720.00	\$2,190.68
6	00600120230000	4,013.00	27.04	9,911.00	\$848.60
7	00600120240000	5,292.00	39.39	11,639.00	\$1,059.70
8	00600120310000	2,520.00	40.49	10,979.00	\$871.00
9	00600120300000	1,475.00	25.00	4,425.00	\$411.40
10	00600120290000	2,856.00	39.47	0.00	\$318.30
11	00600120280000	5,322.00	131.20	17,588.00	\$1,728.80
12	00600710350000	8,933.00	181.53	19,123.00	\$2,212.28
13	00600710340000	5,100.00	56.98	11,257.00	\$1,097.80
14	00600710330000	4,138.00	43.17	13,713.00	\$1,115.70
15	00600710490000	2,558.00	33.80	0.00	\$279.00
16	00600710450000	2,734.00	36.04	7,020.00	\$661.00
17	00600710270000	2,984.00	40.15	8,400.00	\$762.80
18	00600710220000	3,467.00	125.94	6,880.00	\$1,048.00
19	00600710430000	5,373.00	48.41	15,128.00	\$1,280.20
20	00600730390000	6,856.00	167.60	1,372.00	\$1,120.40
21	00600730400000	2,756.00	40.69	6,600.00	\$658.80
22	00600730410000	1,382.00	20.04	3,600.00	\$343.90
23	00600710410000	5,825.00	38.80	12,240.00	\$1,119.00
24	00600710400000	7,091.00	46.50	17,011.00	\$1,468.50
25	00600710500000	2,416.00	21.41	6,132.00	\$539.50
26	00600710250000	8,350.00	177.42	10,193.00	\$1,700.90
27	00600710560000	6,580.00	77.26	21,502.00	\$1,792.10
28	00600710320000	5,503.00	37.28	13,140.00	\$1,141.20
29	00600710530000	11,408.00	83.35	45,000.00	\$3,308.20
30	00600710380000	5,728.00	74.01	10,656.00	\$1,169.40
31	00600710550000	6,684.00	163.80	28,736.00	\$2,511.28

32	00600730470000	4,283.00	61.26	12,173.00	\$1,115.20
33	00600730450000	1,364.00	19.25	4,680.00	\$395.70
34	00600730480000	3,901.00	129.09	9,540.00	\$1,222.80
35	00600730490000	1,793.00	22.76	0.00	\$191.90
36	00600720470000	6,584.00	150.29	20,936.00	\$2,049.20
37	00600720390000	7,304.00	80.33	10,988.00	\$1,301.70
38	00600720460000	6,460.00	70.00	7,948.00	\$1,055.60
39	00600720240000	9,098.00	59.97	27,000.00	\$2,153.08
40	00600720250000	19,628.00	281.44	0.00	\$2,227.28
41	00600720480000	6,229.00	79.45	26,000.00	\$2,013.30
42	00600720320000	1,532.00	20.33	3,053.00	\$325.40
43	00600720330000	2,328.00	39.97	7,891.00	\$698.20
44	00600720340000	1,972.00	95.58	6,685.00	\$833.30
45	00600720350000	1,394.00	19.81	3,590.00	\$343.20
46	00600720360000	16,900.00	110.10	13,911.00	\$2,119.40
47	00600720450000	4,695.00	42.50	17,467.00	\$1,339.20
48	00600720430000	12,662.00	234.66	36,864.00	\$3,552.00
49	00600740350000	5,470.00	150.65	16,446.00	\$1,754.40
50	00600740370000	3,574.00	56.86	10,773.00	\$984.90
51	00600740380000	1,382.00	23.50	0.00	\$171.30
52	00600740320000	6,250.00	160.83	14,350.00	\$1,730.60
53	00601360020000	6,730.00	202.65	17,761.00	\$2,098.40
54	00601360030000	6,806.00	42.05	12,684.00	\$1,210.90
55	00601360080000	6,873.00	80.20	10,185.00	\$1,234.90
56	00601360090000	6,882.00	80.42	10,185.00	\$1,236.30
		<u>305,665.00</u>	<u>4,470.73</u>	<u>677,127.00</u>	<u>\$70,060.00</u>
		25.00%	25.00%	50.00%	70,060

RESOLUTION NO.

Adopted by the Sacramento City Council

ADOPTING THE FISCAL YEAR (FY) 2014/15 BUDGET FOR THE 12th STREET MAINTENANCE DISTRICT AND FIXING THE SERVICE FEES CHARGED TO OWNERS OF PROPERTY WITHIN THE DISTRICT

BACKGROUND:

- A. The 12th Street Maintenance District No. 2008-02 (District) was established by the City Council on August 7, 2008, by Resolution No. 2008-552.
- B. Property owners within the boundaries of the District, shown on Exhibit A to this Resolution, are charged a service fee to cover the cost of delivering maintenance services that are greater than normal city services.
- C. The service fee rate for 12th Street Maintenance District No. 2008-02 for FY2014/15 will increase to \$2.50 per linear foot of the property frontage on 12th Street, an increase of \$0.55 from current year.

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 City Council has determined that the FY2014-15 costs for the 12th Street Maintenance District No. 2008-02 are as shown on Exhibit B to this resolution.
- Section 3 The City Manager is authorized to make any necessary budgetary adjustments associated with the approved District budget for FY2014/15.
- Section 4 The City Council has determined that additional costs shall be wholly borne by the property owners in the area.
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Exhibit A

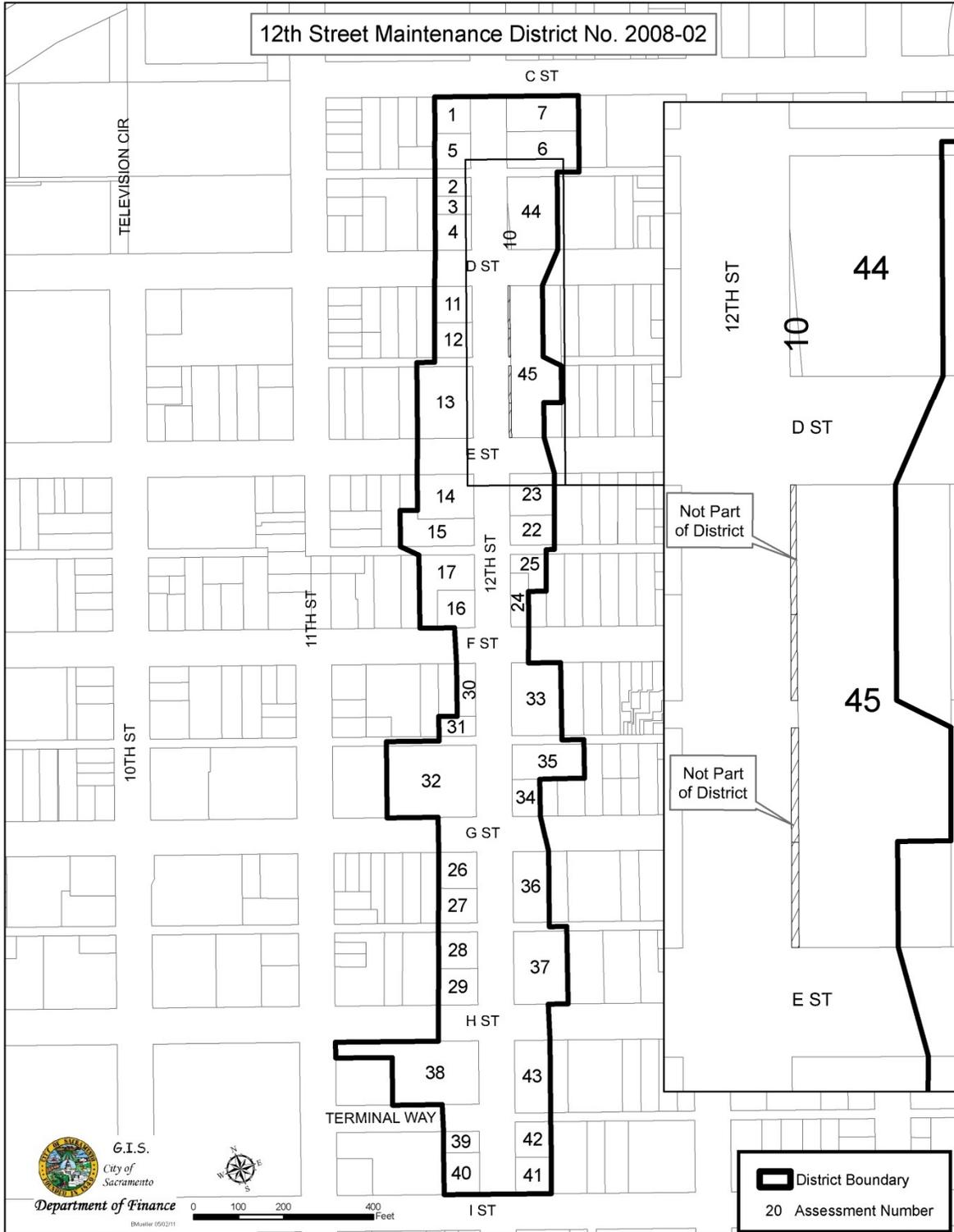


Exhibit B

**12th STREET MAINTENANCE DISTRICT (FUND 2207)
FY2014/15 DISTRICT BUDGET**

Estimated Beginning Fund Balance	\$5,622
Total Assessed to Property Owners	<u>\$9,556</u>
Total Resources	<u><u>\$15,178</u></u>
Maintenance Contract	
Street Maintenance (Public Works Department)	\$9,658
Contract Administration & Inspection	\$700
Administrative Costs	
Public Improvement Financing	
Administration	\$1,992
Parcel reporting	\$152
Accounting	
Administration	\$952
County Billing	\$91
Total Expenditures	<u><u>\$13,545</u></u>
Estimated Ending Fund Balance	<u><u>\$1,633</u></u>
Year-Over-Year Change in Fund Balance	<u><u>(\$3,989)</u></u>

SERVICE FEE RATE

Neighborhood	Maximum Authorized	Service Fee Per Linear Foot for FY 2013-14	Service Fee Per Linear Foot for FY2014/15
12 th Street Maintenance District No. 2008-02	\$3.75	\$1.95	\$2.50

Exhibit C
12TH STREET MAINTENANCE DISTRICT (FUND 2207)
SERVICE FEE SCHEDULE FY2014/15

Assmt No.	APN	Frontage (Linear Feet)	FY2014/15 Service Fee
1	00200750110000	80	\$200.00
2	00200750140000	40	\$100.00
3	00200750150000	40	\$100.00
4	00200750160000	80	\$200.00
5	00200750240000	80	\$200.00
6	00200820010000	80	\$200.00
7	00200820020000	80	\$200.00
10	00200820250000	122	\$305.00
44	00200820270000	38.73	\$96.83
11	00201150110000	80	\$200.00
12	00201150120000	80	\$200.00
13	00201150130000	160	\$400.00
14	00201160080000	100	\$250.00
15	00201160090000	60	\$150.00
16	00201160110000	80	\$200.00
17	00201160580000	80	\$200.00
45	00201210400000	341.72	\$854.30
22	00201220010000	70	\$175.00
23	00201220020000	90	\$225.00
24	00201220240000	120	\$300.00
25	00201220250000	40	\$100.00
26	00201560110000	80	\$200.00
27	00201560120000	80	\$200.00
28	00201560130000	80	\$200.00
29	00201560140000	80	\$200.00
30	00201570070000	120	\$300.00
31	00201570080000	40	\$100.00
32	00201570130000	160	\$400.00
33	00201610010000	160	\$400.00
34	00201610190000	80	\$200.00
35	00201610200000	80	\$200.00
36	00201620010000	160	\$400.00
37	00201620200000	160	\$400.00
38	00600450020000	140	\$350.00
39	00600460010000	47	\$117.50
40	00600460070000	93	\$232.50
41	00600510160000	80	\$200.00
42	00600510170000	80	\$200.00
43	00600510210000	160	\$400.00
Total		3,822.45	\$9,556.13