

Meeting Date: 5/26/2015

Report Type: Consent

Report ID: 2015-00160

Title: Power Inn Road Maintenance District - Initiate Proceedings

Location: District 6

Recommendation: Pass 1) a Resolution directing filing of an annual report for Fiscal Year (FY) 2015/16; and 2) a Resolution approving Engineer's Annual Report and intention to order maintenance of improvements for FY2015/16 and setting a time and place for a public hearing on June 23, 2015.

Contact: Sheri Smith, Program Specialist, (916) 808-7204; 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-Schedule of Performances
- 3-Resolution Filing Annual Report
- 4-Resolution of Intention

City Attorney Review

Approved as to Form
Michael W. Voss
5/15/2015 4:13:45 PM

Approvals/Acknowledgements

Department Director or Designee: Leyne Milstein - 5/6/2015 3:56:47 PM

Description/Analysis

Issue Detail: Description/Analysis

Issue: On July 29, 2003, Council approved formation of the Power Inn Road Maintenance District (District). This District provides funding for the maintenance of the landscaped corridor located along the frontage of lots adjacent to Power Inn Road between 14th Avenue and the Regional Transit overcrossing located just south of Folsom Boulevard. The landscaped corridor is designated as the area between the separated sidewalk and the curb and gutter.

The District is required by the California Streets and Highways Code to present an annual budget to Council for approval. Approval of the Engineer's Report and the District's annual budget will authorize the City to collect assessments in the amount sufficient to provide partial funding for maintenance of the landscaped areas adjacent to the parcels.

The District funds only a portion of the total cost of providing maintenance services to the District. The Engineer's Report separates the benefits of the District between "special benefits" to property and "general benefits" to society at-large. Only special benefits can be funded District assessments. Analysis of the use of District amenities shows that properties in the District represent approximately 74% of those benefitting from the improvements. This percentage is the special benefit provided by the District. The remaining amount must be funded from other sources. The sources and budget are detailed in the Financial Considerations section and on Exhibit B to the Resolution.

Policy Considerations: The recommended action supports funding for landscape maintenance services in the District via property-based assessments.

Environmental Considerations:

California Environmental Quality Act (CEQA): Under the California Environmental Quality Act Guidelines, administration of the District does not constitute a project and is therefore exempt from review.

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 proposed assessment of \$2.472 per linear foot of frontage is a 3.1% increase from last year's assessment of \$2.397 per linear foot. The District expenditure budget is \$13,647 as shown on Exhibit B and detailed in the Engineer's Report on file with the Public Improvement Finance Division of the Department of Finance designated by the City Clerk to be the repository of documents associated with special districts. Pursuant to the Engineer's Report, \$11,433 of assessment revenue can be used to fund special benefits. The remaining \$2,214 will be absorbed by the Streets budget of the Department of Public Works.

Local Business Enterprise (LBE): Not applicable

SCHEDULE OF PROCEEDINGS
POWER INN ROAD MAINTENANCE DISTRICT
FY2015/16

May 26, 2015	City Council -Resolution of Intention and Sets Date for Public Hearing
---------------------	---

June 12, 2015 Publish Notice of Public Hearing

June 23, 2015 City Council – Public Hearing, Council Orders Annual Levy

August 2015 Assessments to County for Placement on Tax Roll

RESOLUTION NO.
Adopted by the Sacramento City Council

**DIRECTING FILING OF ANNUAL REPORT
FOR THE POWER INN ROAD MAINTENANCE DISTRICT
FY2015/16
(Pursuant to Landscaping and Lighting Act of 1972)**

BACKGROUND:

- A.** The Power Inn Road Maintenance District (District), as depicted in Exhibit A, was established by the City Council and approved by the property owners on July 29, 2003.
- 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 Engineer’s Report incorporates analysis determining the special benefit derived from District activities by each parcel paying the assessment and separating that from the general benefit received by people outside of the District.

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

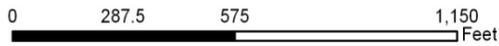
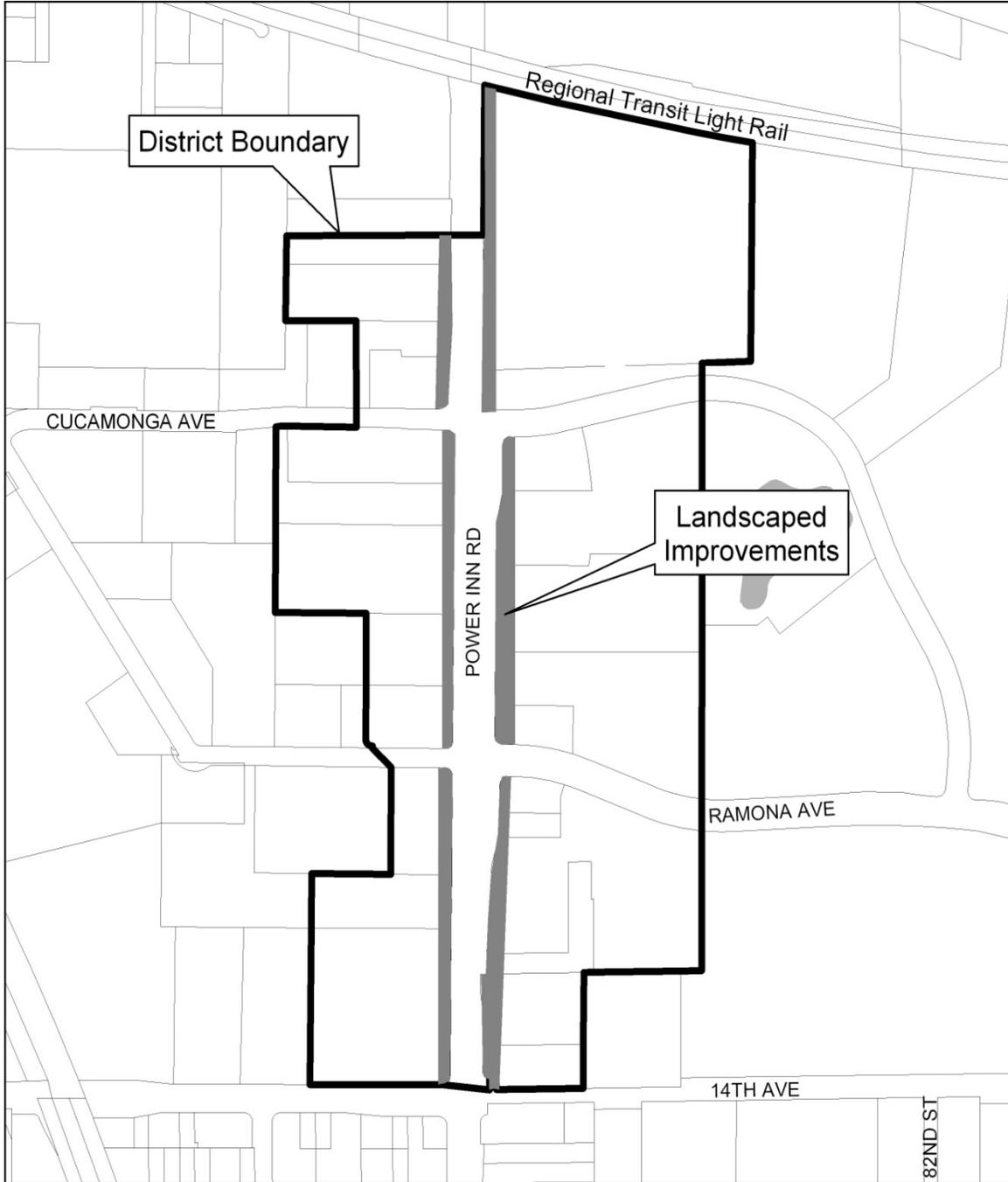
- Section 1 The City Council finds and determines that the background statements A through C are true and correct.
- Section 2 The Supervising Engineer of the Department of Public Works, the person designated by this Council as the Engineer of Work for the District, is hereby directed to file an annual 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.

Table of Contents:

Exhibit A: District Map

Exhibit A

Power Inn Road Maintenance District 2003-01



RESOLUTION NO.

Adopted by the Sacramento City Council

**APPROVING ENGINEER'S ANNUAL REPORT
AND INTENTION TO ORDER
MAINTENANCE OF IMPROVEMENTS FOR THE
POWER INN ROAD MAINTENANCE DISTRICT FISCAL YEAR (FY) 2015/16
(Pursuant to Landscaping and Lighting Act of 1972)**

BACKGROUND:

- A.** The Power Inn Road Maintenance District (District), as depicted in Exhibit A, was established by the City Council and approved by the property owners on July 29, 2003.
- 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 Supervising Engineer of the Department of Public Works, 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 annual report includes an analysis that quantifies the amount of special benefit derived from District activities by the parcels paying the assessment. The result of the analysis is that 74.25% of the services provided in the district are a special benefit to the parcels within the District and 25.75% of the services are a general benefit to people outside of the District. Pursuant to state law, the City can only collect assessments in the amount needed to provide special benefit and must utilize other sources of funding to provide the general benefit portion. A detailed budget is shown on Exhibit B.

**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 FY2015/16 on file with the Public Improvement Finance Division, designated by the City Clerk to be the repository of documents associated with special districts.

- Section 3 The City Manager is authorized to make any necessary budgetary adjustments associated with the approval of the Engineer's Annual Report for FY2015/16.
- Section 4 The City Council intends to levy and collect assessments within the District during FY2015/16. The area of land to be assessed is located in the City of Sacramento, Sacramento County.
- Section 5 The maintenance of improvements to be made in this assessment district is generally described as follows:
- Furnish all tools, equipment, apparatus, facilities, labor, material, supplies and utilities necessary or desirable to maintain and service the landscape improvements adjacent to Power Inn Road on the East side from 14th Avenue to approximately 900 feet north of Cucamonga Avenue and on the west side from 14th Avenue to approximately 590 feet north of Cucamonga Avenue, and more particularly described on plans and specifications approved by the City of Sacramento on file at the City of Sacramento, Public Improvement Financing Division of the Finance Department, 915 "I" Street, 3rd Floor, Sacramento, California 95814.
- The improvements generally consist of landscaping and irrigation systems for the landscape area adjacent to Power Inn Road (Exhibit A) between the back of curb and the front of the sidewalk. Maintenance of said improvements will include, but not be limited to, periodic mowing of grass, trimming of trees and shrubs, and fertilizing, together with the regular furnishing of water for irrigation of all plant material, and the repair, maintenance and replacement of the irrigation system, planted materials and amenities.
- Section 6 In accordance with this Council's resolution directing the filing of an annual report, the Engineer of Work has filed, with the Public Improvement Finance Division, 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 7 At the hour of 6:00 pm on Tuesday, June 23, 2015, 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 8 This assessment in FY2015/16 represents a 3.1% increase as compared to the assessment in the prior fiscal year as shown on Exhibit B.

Section 9 The City Clerk is authorized and directed to give the notice of hearing required by the 1972 Act.

Section 10 Exhibits A and B are part of the resolution.

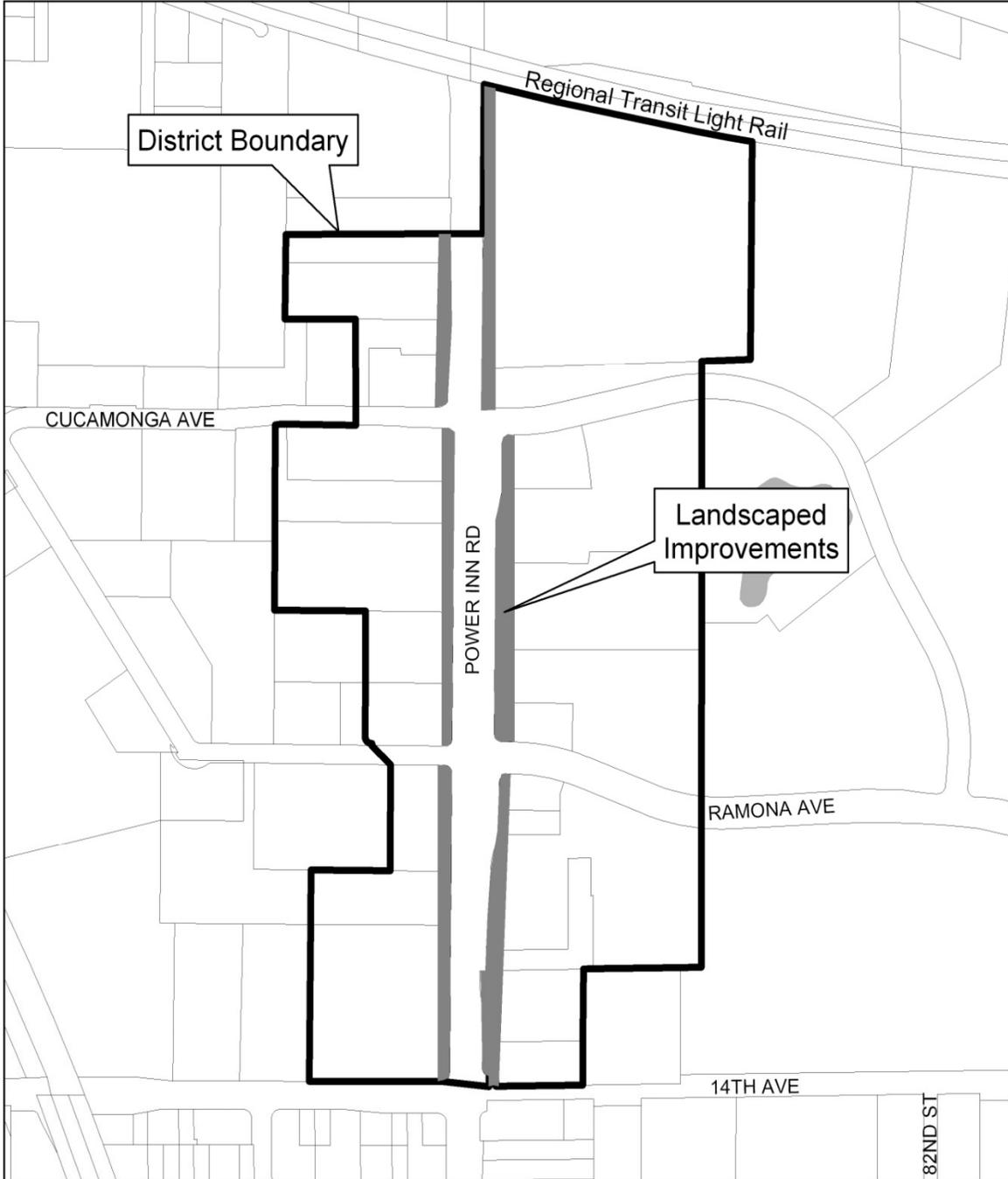
Table of Contents:

Exhibit A: District Map

Exhibit B: FY2015/16 District Budget & Parcel Assessment

Exhibit A

Power Inn Road Maintenance District 2003-01



**Exhibit B
POWER INN ROAD MAINTENANCE DISTRICT
FY2015/16
DISTRICT BUDGET
FUND 2201**

	Fund 2201	General Benefit Contribution	District Total
Special and General Benefit Split Respectively	74.25%	25.75%	
Estimated Beginning Fund Balance	150		150
Total Assessed to Property Owners	11,341		11,324
Total Resources	\$11,491	\$2,214	\$13,705
Maintenance & Utilities	6,386	2,214	8,600
Administrative Costs			
Public Improvement Financing			
Administration	3,854		3,854
Parcel reporting	151		151
Accounting			
Administration	958		958
County Billing	84		84
Total Expenditures	\$11,433	\$2,214	\$13,647
Estimated Ending Fund Balance	58	0	58
Year-Over-Year Change in Fund Balance	(92)	0	(92)

PARCEL ASSESSMENT

The annual maintenance cost for each property owner is based on the linear footage of their property's street frontage multiplied by the following cost per foot.

Name	Maximum Authorized	FY2014/15	FY2015/16
Power Inn Road Maintenance District	\$2.472	\$2.397	\$2.472

Every fiscal year the cost per foot may be subject to an increase by the Consumer Price Index (CPI), San Francisco or by 4% per year, whichever is less.