

**Meeting Date:** 5/26/2015

**Report Type:** Consent

**Report ID:** 2015-00165

**Title:** Fiscal Year (FY) 2015/16 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 FY2015/16; and 2) a Resolution adopting the 12th Street Maintenance District No. 2008-02 annual budget and fixing the service fees for FY2015/16.

**Contact:** Jodie Vong, Administrative Analyst, (916) 808-8243; Mark Griffin, 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 FY2015/16

5-Resolution, Adopting 12th St MD Annual Budget for FY2015/16

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**City Attorney Review**

Approved as to Form

Michael W. Voss

5/18/2015 9:17:40 AM

**Approvals/Acknowledgements**

Department Director or Designee: Leyne Milstein - 5/6/2015 3:57:03 PM

## Description/Analysis

**Issue:** The City Code requires an annual budget for maintenance benefit areas formed under City Code Chapter 3.128 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 FY2015/16. 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.

**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.

**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 FY2015/16.

**Financial Considerations:** Property owners shall pay, through assessments levied, for costs associated with each maintenance district. The districts were established to provide a level of service higher than the City standard. The assessments levied are used to defray these 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 FY2015/16 is projected at \$70,060 as shown on Exhibit C to the resolution. The service fees are assessed based on a combination of front footage, parcel and structure area. The proposed fees, the maximum allowed under the terms of the district, are unchanged from the current year.

The proposed service fee rate for the 12<sup>th</sup> Street Maintenance District No. 2008-02 for FY2015/16 will be \$3.05 per linear foot of the property frontage on 12<sup>th</sup> 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 of \$3.86. The assessment in FY2015/16 is less than projected expenses due to the utilization of excess fund balance. The total assessment is projected at \$11,658, with an expense budget of \$15,361 as shown on Exhibit B to the resolution. The amount charged to the property owners is proposed to be approximately \$244 per year for a typical 80 foot wide parcel. The total district budget will cover necessary maintenance services.

**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 2<sup>nd</sup> 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.

### 12<sup>th</sup> Street Maintenance District, Fund 2207

On August 7, 2008, City Council adopted Resolution No. 2008-552 approving the formation of the 12<sup>th</sup> 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.

A map of each district is included as an exhibit to each respective resolution.

**SCHEDULE OF PROCEEDINGS**

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

**FY2015/16 SCHEDULE**

<b>May 26, 2015</b>	<b>Council Approves Maintenance District Budgets and Fixes Service Fee for FY2015/16</b>
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August 2015      Service Fee Placed on Sacramento County Tax Roll

## RESOLUTION NO.

Adopted by the Sacramento City Council

### **ADOPTING THE FISCAL YEAR 2015/16 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 Fiscal Year (FY) 2015/16 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 FY2015/16 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 FY2015/16.
- 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 FY2015/16.
- Section 6 Exhibits A, B and C are part of this resolution.

**Table of Contents:**

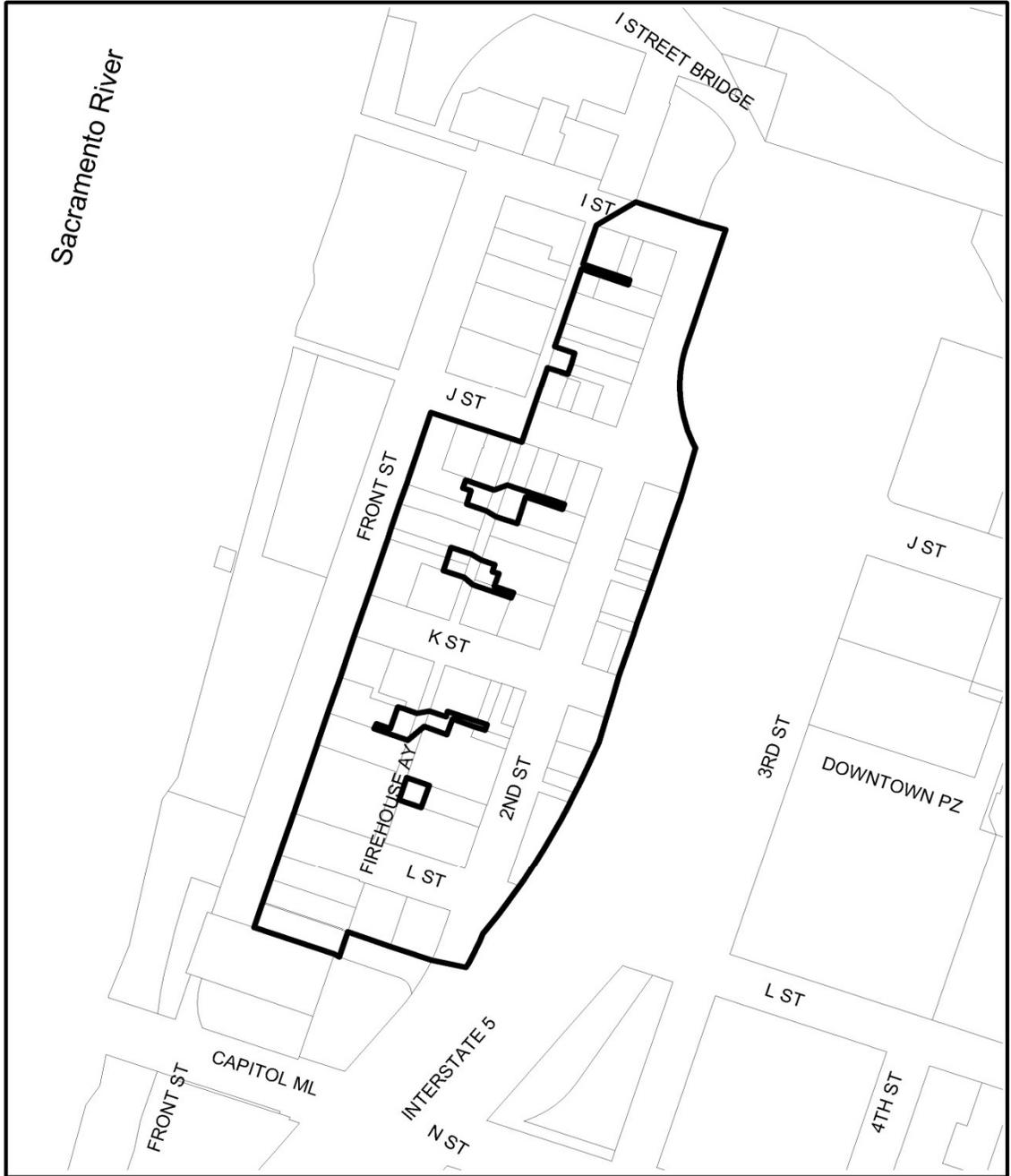
Exhibit A: District Map

Exhibit B: FY2015/16 District Budget

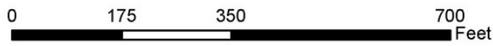
Exhibit C: Service Fee Schedule

Exhibit A

Old Sacramento Maintenance District



B Mueller 04/28/11



**Exhibit B**

**OLD SACRAMENTO MAINTENANCE DISTRICT (FUND 2208)  
FY2015/16 DISTRICT BUDGET**

Estimated Beginning Fund Balance	5,951
Total Assessed to Property Owners	<u>70,060</u>
Total Resources	<u><u>76,011</u></u>
Maintenance Contract	
Street Cleaning, Service Courts	67,926
Unscheduled Maintenance	-
Administrative Costs	
Public Improvement Finance (PIF)	
Administration	918
Parcel reporting	152
Accounting	
Administration	958
County Billing	<u>106</u>
Total Expenditures	<u><u>\$70,060</u></u>
Estimated Ending Fund Balance	<u><u>5,951</u></u>
Year-Over-Year Change in Fund Balance	-

**Exhibit C**  
**OLD SACRAMENTO MAINTENANCE DISTRICT (FUND 2208)**  
**SERVICE FEE SCHEDULE FY2015/16**

ASSMT #	PARCEL #	PARCEL AREA	FRONT FOOTAGE	STRUCTURE AREA	TOTAL FEE TO PARCEL
1	00603600010001	426.55	5.55	1,079.27	102.03
	00603600010002	426.55	5.55	1,079.27	102.03
	00603600010003	426.55	5.55	1,079.27	102.03
	00603600010004	426.55	5.55	1,079.27	102.03
	00603600010005	426.55	5.55	1,079.27	102.03
	00603600010006	426.55	5.55	1,079.27	102.03
	00603600010007	426.55	5.55	1,079.27	102.03
	00603600010008	426.55	5.55	1,079.27	102.03
	00603600010009	426.55	5.55	1,079.27	102.03
	00603600010010	426.55	5.55	1,079.27	102.03
	00603600010011	426.55	5.55	1,079.27	102.03
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	2,190.80
6	00600120230000	4,013.00	27.04	9,911.00	848.70
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	1,728.90
12	00600710350000	8,933.00	181.53	19,123.00	2,212.40
13	00600710340000	5,100.00	56.98	11,257.00	1,097.90
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	661.10
17	00600710270000	2,984.00	40.15	8,400.00	762.90
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	1,120.50
21	00600730400000	2,756.00	40.69	6,600.00	658.80
22	00600730410000	1,382.00	20.04	3,600.00	344.00
23	00600710410000	5,825.00	38.80	12,240.00	1,119.10
24	00600710570000	9,450.00	67.97	23,143.00	2,005.10
26	00600710250000	8,350.00	177.42	10,193.00	1,700.90
27	00600710560000	6,580.00	77.26	21,502.00	1,792.20

28	00600710320000	5,503.00	37.28	13,140.00	1,141.20
29	00600710530000	11,408.00	83.35	45,000.00	3,308.30
30	00600710380000	5,728.00	74.01	10,656.00	1,169.50
31	00600710550000	6,684.00	163.80	28,736.00	2,511.40
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	1,301.80
38	00600720460000	6,460.00	70.00	7,948.00	1,055.60
39	00600720240000	9,098.00	59.97	27,000.00	2,153.20
40	00600720250000	19,628.00	281.44	0.00	2,227.50
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	2,119.60
47	00600720450000	4,695.00	42.50	17,467.00	1,339.20
48	00600720430000	12,662.00	234.66	36,864.00	3,552.10
49	00600740350000	5,470.00	150.65	16,446.00	1,754.50
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	2,098.50
54	00601360030000	6,806.00	42.05	12,684.00	1,211.00
55	00601360080000	6,873.00	80.20	10,185.00	1,235.00
56	00601360090000	6,882.00	80.42	10,185.00	1,236.40
	<b>Total</b>	305,608.05	4,470.79	677,126.97	\$70,059.93
		25.00%	25.00%	50.00%	70,060.00

Note: Minor differences in numbers are due to rounding.

## RESOLUTION NO.

Adopted by the Sacramento City Council

### **ADOPTING THE FISCAL YEAR 2015/16 BUDGET FOR THE 12<sup>th</sup> STREET MAINTENANCE DISTRICT AND FIXING THE SERVICE FEES CHARGED TO OWNERS OF PROPERTY WITHIN THE DISTRICT**

#### **BACKGROUND:**

- A. The 12<sup>th</sup> 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 12<sup>th</sup> Street Maintenance District No. 2008-02 for FY2015/16 will increase to \$3.05 per linear foot of the property frontage on 12<sup>th</sup> 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 Fiscal Year (FY) 2015/16 costs for the 12<sup>th</sup> 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 FY2015/16.
- 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 to this resolution and orders the fee be placed on the Sacramento County Assessor's Tax Roll for FY2015/16.
- Section 6 Exhibits A, B and C are part of this resolution.

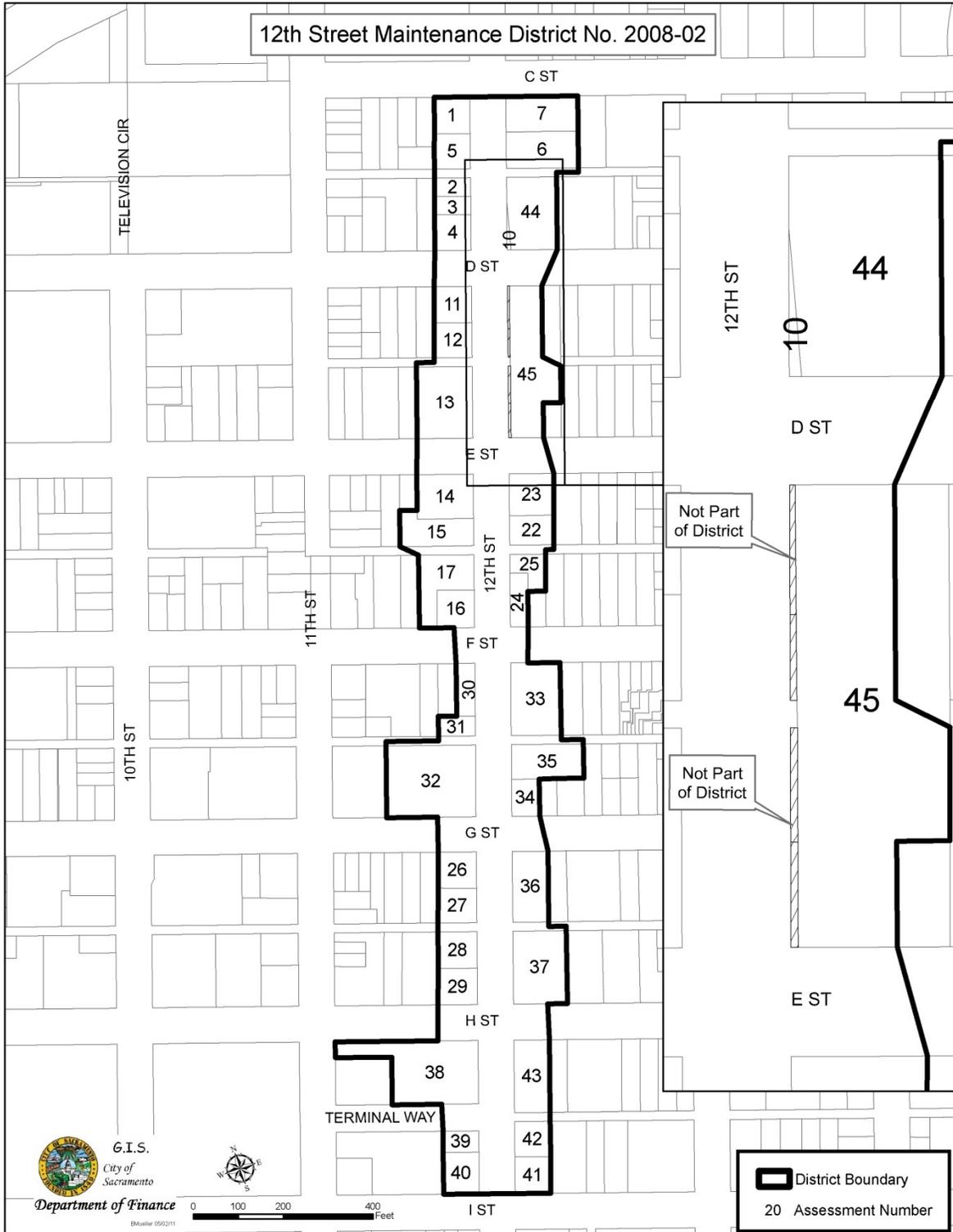
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Exhibit A: District Map

Exhibit B: FY2015/16 District Budget

Exhibit C: Service Fee Schedule

# Exhibit A



**Exhibit B**

**12<sup>th</sup> STREET MAINTENANCE DISTRICT (FUND 2207)  
FY2015/16 DISTRICT BUDGET**

Estimated Beginning Fund Balance	5,262
Total Assessed to Property Owners	<u>11,658</u>
Total Resources	<u><u>16,920</u></u>
Maintenance Contract	
Street Maintenance (Public Works Department)	12,524
Contract Administration & Inspection	700
Administrative Costs	
Public Improvement Finance (PIF)	
Administration	936
Parcel reporting	152
Accounting	
Administration	958
County Billing	91
Total Expenditures	<u><u>\$15,361</u></u>
Estimated Ending Fund Balance	<u><u>1,559</u></u>
Year-Over-Year Change in Fund Balance	(3,703)

**SERVICE FEE RATE**

<b>Neighborhood</b>	<b>Maximum Authorized</b>	<b>Service Fee Per Linear Foot for FY2014/15</b>	<b>Service Fee Per Linear Foot for FY2015/16</b>
12 <sup>th</sup> Street Maintenance District No. 2008-02	\$3.86	\$2.50	\$3.05

**Exhibit C**  
**12TH STREET MAINTENANCE DISTRICT (FUND 2207)**  
**SERVICE FEE SCHEDULE FY2015/16**

<b>Assmt No.</b>	<b>APN</b>	<b>Frontage (Linear Feet)</b>	<b>FY2015/16 Service Fee</b>
1	00200750110000	80.00	\$244.00
2	00200750140000	40.00	\$122.00
3	00200750150000	40.00	\$122.00
4	00200750160000	80.00	\$244.00
5	00200750240000	80.00	244.00
6	00200820010000	80.00	244.00
7	00200820020000	80.00	244.00
10	00200820250000	122.00	372.10
44	00200820270000	38.73	118.13
11	00201150110000	80.00	244.00
12	00201150120000	80.00	244.00
13	00201150130000	160.00	488.00
14	00201160080000	100.00	305.00
15	00201160090000	60.00	183.00
16	00201160110000	80.00	244.00
17	00201160580000	80.00	244.00
45	00201210400000	341.72	1,042.25
22	00201220010000	70.00	213.50
23	00201220020000	90.00	274.50
24	00201220240000	120.00	366.00
25	00201220250000	40.00	122.00
26	00201560110000	80.00	244.00
27	00201560120000	80.00	244.00
28	00201560130000	80.00	244.00
29	00201560140000	80.00	244.00
30	00201570070000	120.00	366.00
31	00201570080000	40.00	122.00
32	00201570130000	160.00	488.00
33	00201610010000	160.00	488.00
34	00201610190000	80.00	244.00
35	00201610200000	80.00	244.00
36	00201620010000	160.00	488.00
37	00201620200000	160.00	488.00
38	00600450020000	140.00	427.00
39	00600460010000	47.00	143.35
40	00600460070000	93.00	283.65
41	00600510160000	80.00	244.00

42	00600510170000	80.00	244.00
43	00600510210000	160.00	488.00
	<b>Total</b>	3,822.45	\$11,658.47