

Meeting Date: 6/23/2015

Report Type: Public Hearing

Report ID: 2015-00161

Title: Power Inn Road Maintenance District - Public Hearing (Noticed 06/12/2015)

Location: District 6

Recommendation: Conduct a public hearing and upon conclusion, pass a Resolution confirming the assessment diagram and the assessment and levying the assessment for Fiscal Year (FY) 2015/16 for the Power Inn Road Maintenance District (District).

Contact: Sheri Smith, Program Specialist, (916) 808-7204; Mark Griffin, Program Manager, (916) 808-8788, Department of Finance

Presenter: Sheri Smith, Program Specialist, (916) 808-7204, Department of Finance

Department: Finance

Division: Public Improvement Finance

Dept ID: 06001321

Attachments:

1-Description/Analysis

2-Schedule of Performances

3-Resolution

City Attorney Review

Approved as to Form

Michael W. Voss

6/10/2015 4:49:34 PM

Approvals/Acknowledgements

Department Director or Designee: Leyne Milstein - 6/2/2015 5:22:19 PM

Description/Analysis

Issue Detail: 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 California Streets and Highways Code requires that an annual report be presented to Council for approval. Approval of the annual report and 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 within the District.

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 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.

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

**CONFIRMING DIAGRAM AND ASSESSMENT AND LEVYING
ASSESSMENT FOR THE POWER INN ROAD MAINTENANCE
DISTRICT FOR FISCAL YEAR 2015/16**

BACKGROUND:

- A.** The Power Inn Road Maintenance District (District), as depicted in Exhibit A, was established by the Council and approved by the property owners on July 29, 2003.
- 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 landscaping maintenance services 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 Public Works, as the Engineer of Work for the District, to prepare and file an Annual Report for Fiscal Year (FY) 2015/16.
- D.** The annual report includes 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.
- E.** The Engineer of Work filed the Annual Report on May 26, 2015, and Council adopted Resolution 2015-0140 approving the Engineer's Annual Report and intention to levy and collect assessments within the assessment district for FY2015/16 and set a public hearing for June 23, 2015, in the meeting place of Council, City Hall, 915 I Street, First Floor, Sacramento, California. Notice of the public hearing was given in the time and manner required by law.
- F.** The proposed assessment of \$2.472 per linear foot of frontage is a 3.1% increase from last year's assessment.

**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 F are true and correct.
- Section 2 The City Council confirms the assessment diagram and the assessment roll set forth in the Engineer's Annual Report and levies the assessment set forth in the Engineer's Annual Report.
- Section 3 The City Manager is authorized to make any necessary budgetary adjustments associated with the approved Engineer's Annual Report for FY2015/16.
- Section 4 Exhibits A and B are part of this resolution.

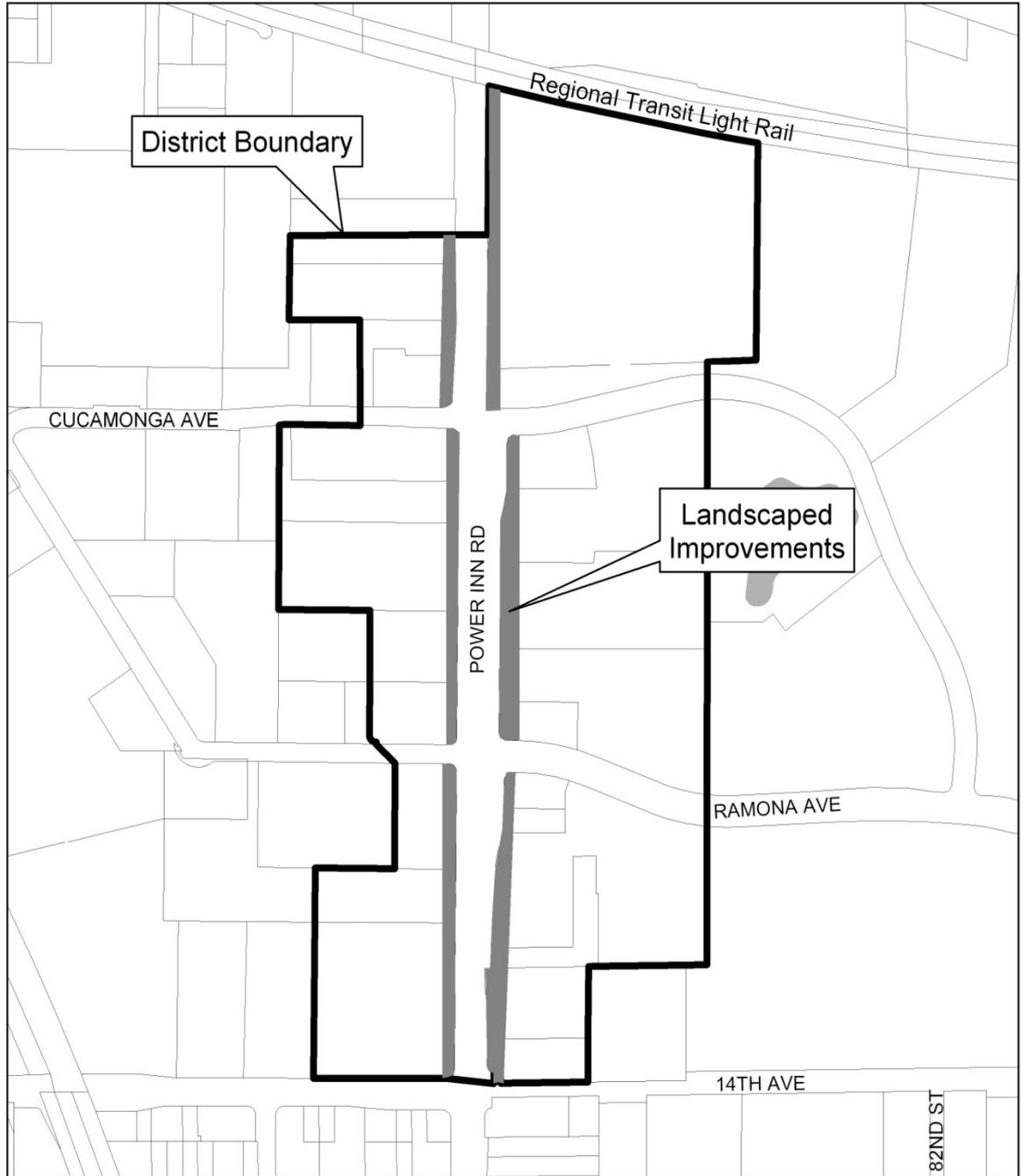
Table of Contents:

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		
Total Assessed to Property Owners	11,341		
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.