



# REPORT TO COUNCIL

## City of Sacramento

# 27

915 I Street, Sacramento, CA 95814-2604  
www.CityofSacramento.org

**Public Hearing**  
**July 18, 2006**

Honorable Mayor and  
Members of the City Council

**Title:** Additional Library Services Assessment District No. 96-02 for the City of Sacramento – Public Hearing

**Location and Council District:** Citywide

**Recommendation:**

Adopt Resolutions: 1) Overruling protests (if any) for the Additional Library Services Assessment District No. 96-02; 2) Approving the FY 06/07 Budget Assessment for Additional Library Services Assessment District No. 96-02; and 3) Confirming Assessment and Levying the FY 2006/07 Assessment for the Additional Library Services Assessment District No. 96-02.

**Contact Persons:** Bob Cooper, Senior Engineer, 808-5778; Rick Teichert, Deputy Director for Administrative Services, Sacramento Public Library Authority, 264-2737

**Presenters:** Bob Cooper, Senior Engineer

**Department:** Development Services

**Division:** Public Improvement Financing

**Organization No:** 4815

**Summary:**

The purpose of this public hearing is to receive public testimony and/or protests regarding the proposed budget, services and assessments for Additional Library Services Assessment District No. 96-02. Council action will approve the annual budget and establish the assessment rates for FY 06/07 (see Exhibit "B", page 9).

The proposed expenditure budget is \$4,308,153, which will be offset with \$4,251,636 from assessment revenue and \$56,517 from unreserved fund balance (see Exhibit "A", page 8). The budget reflects a 3% Consumer Price Index (CPI) adjustment for inflation. The proposed assessment for a typical single-family home is \$27.32.

**Committee/Commission Action:** This report has been prepared in conjunction with the Sacramento Public Library Authority. No action is required.



**Background Information:**

On June 8, 2006 City Council adopted the Resolution for Filing of the Annual Report for FY 06/07 for the Additional Library Services Assessment District No. 96-02, and established the Public Hearing date of July 18, 2006.

On November 2, 2004, the registered voters in the City passed Measure X which pertained to a Parcel Tax for Additional Library Services. FY 06/07 will be the final year for the assessment levy for additional library services. In FY 07/08 the parcel tax will replace the existing assessment for additional library services.

Additional Library Services

The assessment district provides improved library services: more open hours, more library materials, and updated technology in neighborhood, community, and regional libraries (this does not include the Central Library).

The technological improvements include Internet terminals and high-speed Internet connections, multi-media computers, on-line-magazine (full text) articles, and computer access to library electronic information from the home, office, or school.

Low Income Rebate Program

City Code Section 3.136.490 (c) requires that the City Council shall provide low-income property owners a rebate of this assessment. Eligibility was defined and adopted by Resolution No. 2001-620 on September 11, 2001. The rebate program was first implemented in FY 01/02 with rebates now distributed for fiscal year tax bills 1998 through 2002. This year's budget includes the FY 04/05 rebate and associated administrative costs. The projected FY05/06 and FY 06/07 rebate and associated administrative costs are included in the unreserved fund balance.

Annual Assessment

The recommended annual assessment for a single family resident is \$27.32. The list of recommended annual assessments for FY 06/07 is shown on Exhibit "B", page 9.

Costs to maintain services can fluctuate each year based on the cost of services and supplies. In order to mitigate increased costs each year, the rate per benefit unit may be increased by the amount of increase in the Consumer Price Index (CPI), San Francisco area, all items, most recently available prior to the date of increase. This increase, however, cannot exceed three percent (3%) in any year. The annual April 2006 CPI increase was 3.16%. Therefore, the maximum allowable assessment rate for FY 06/07 is 3% greater than the FY 05/06 assessment.

Benefit Methodology

An assessment is levied on all benefiting parcels within the City of Sacramento boundaries. The rates are derived using a benefit formula with two components, a benefit factor, and an equivalent dwelling unit to arrive at a benefit unit for each parcel. Parcels determined to have a benefit unit of less than .05 are not considered cost-

effective to process, and therefore, will not be assessed. A detailed discussion of the benefit methodology is discussed in the Annual Engineer’s Report on file with the City Clerk.

**Financial Considerations:**

The proposed budget for FY 06/07 is \$4,308,153 as shown on Exhibit “A”, page 8. The budget reflects a 3.00% CPI adjustment in the rates for inflation that will generate revenues of \$4,251,636. It is also offset by reserve funds of \$56,517. There is no impact to the General Fund.

**Environmental Considerations:**

Under the California Environmental Quality Act (CEQA) guidelines, the annual proceedings for an assessment district do not constitute a project, and are therefore exempt from reviews.

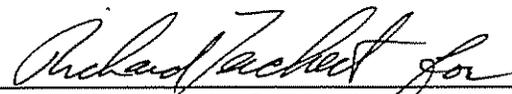
**Policy Considerations:**

This report conforms to requirements of City Code Title 3.136. The levy of annual assessments, as described herein, was approved by City voters in November 1996 and meets the City’s Strategic Plan 3 Year Goal in “achieving sustainability and enhancing livability”.

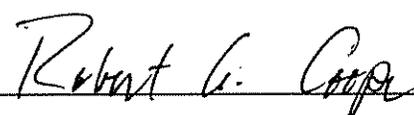
**Emerging Small Business Development (ESBD):**

None. No goods or services are being purchased with this agreement.

Respectfully Submitted by:



Anne Marie Gold, Library Director  
Sacramento Public Library Authority



FM

Mark Griffin  
Fiscal Manager, Public Improvement Financing



Carol Shearly  
Director of Planning, Development Services Department

Recommendation Approved:

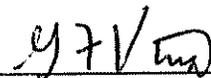
*for*   
\_\_\_\_\_  
Ray Kerridge  
City Manager

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**ATTACHMENT A**

**ADDITIONAL LIBRARY SERVICES ASSESSMENT DISTRICT NO. 96-02**

**SCHEDULE**

June 8, 2006      Council Action:

- Adopt Resolution Directing the Filing of the Additional Library Services Assessment District No. 96-02 Annual Report for FY 06/07
- Set the Public Hearing Date for Consideration of the Annual Report and Levy of Annual Assessments for FY 06/07

June 12, 2006      Publish Hearing Notice

July 18, 2006	Conduct Public Hearing and Adopt: <ul style="list-style-type: none"><li>• Resolution Approving Report and Levying FY 06/07 Assessments.</li><li>• Resolution Amending the FY 06/07 Budget for the Additional Library Services Assessment District No. 96-02</li></ul>
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July 21, 2006      Prepare Final Assessment Roll for Adopted Budget

August 2006      Refer Assessments to County for Inclusion on FY 06/07 Tax Bill

## **RESOLUTION NO.**

ADOPTED BY THE SACRAMENTO CITY COUNCIL

### **OVERRULING PROTESTS FOR THE ADDITIONAL LIBRARY SERVICES ASSESSMENT DISTRICT NO. 96-02 FOR FY 2006/07**

#### **BACKGROUND:**

- A. The Additional Library Services Assessment District No. 96-02 was established by the City Council and approved by the registered voters on November 5, 1996.
- B. The City Council established the District in accordance with the provisions of Chapter 3.136 of the City Code.
- C. On July 18, 2006, the City Council opened a Public Hearing on the Resolution of Intention and the Annual Engineer's Report for the Additional Library Services Assessment District No. 96-02, City of Sacramento, County of Sacramento, State of California.
- D. At or before the time set for the hearing, certain interested persons made protests or objections to the proposed services, the extent of the assessment district, or the proposed assessment.
- E. The Council is fully advised in this matter.

#### **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 E are true and correct.
- Section 2. The City Council hereby overrules each of the protests, written or oral, made in this matter.
- Section 3. The City Council finds that the protests against the proposed services (including all written protests not withdrawn in writing before the conclusion of the protest hearing) are made by the owners of less than one-half of the area of the land to be assessed.

## **RESOLUTION NO.**

ADOPTED BY THE SACRAMENTO CITY COUNCIL

### **APPROVING THE FY 2006/07 BUDGET FOR ADDITIONAL LIBRARY SERVICES ASSESSMENT DISTRICT NO. 96-02, FUND 943**

**(Pursuant to City Code Title 3.136, Article VI, Section 3.136.180)**

#### **BACKGROUND:**

- A. On November 5, 1996, the voters of the City of Sacramento approved an assessment district to fund additional library services for ten years; the Additional Library Services Assessment District No. 96-02 was established.
- B. Property owners within the boundaries of the Additional Library services Assessment District No. 96-02 are assessed a fee, as shown in (Exhibit "B") to cover the cost of delivering additional library services.
- C. The City Council is fully advised in this matter.

#### **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 proposed Fiscal Year 2006/07 revenue (\$4,251,636) and expenditure (\$4,308,153) budgets for the Additional Library Services Assessment District No. 96-02, are to be amended. The expenditure budget will be offset with \$56,517 from unreserved funds of the district.
- Section 3. The Director of Finance is authorized to amend the expenditure authority for the Sacramento Library Authority and departments of Finance and Development Services necessary to provide services for the Additional Library Services Assessment District in the amount of \$4,308,153 as shown on Exhibit "A".

Exhibit A - Fiscal Year 2006/07 Budget

Exhibit B - Fiscal Year 2006/07 Parcel Assessment

**EXHIBIT A**

**Additional Library Services Assessment District No. 96-02  
Fund 943 Fiscal Year 2006/07  
BUDGET ESTIMATE**

The estimate of the fair and reasonable cost of the services and facilities to be provided to the District, including incidental expenses in connection with providing those services and facilities and all other related costs as provided in Section 3.136.180 of the City Code, is \$4,308,153 for Fiscal Year 2006-07 as shown below:

**ESTIMATED COSTS FOR ADDITIONAL SERVICES AND FACILITIES**

**EXPENSES**

**Library Services:**

Staff Cost for Extended Hours (153 per week avg.)	\$1,485,567
Branch Books and Materials	\$529,129
Technical Processing	\$454,771
Leases	\$94,168
Services and Supplies (not otherwise noted)	\$304,370
Rebate Program (04/05 - two year lag) <sup>1</sup>	\$25,300
Assessment District Portion of Shared Cost	<u>\$1,303,848</u>
<b>Subtotal Library Services</b>	<b><u>\$4,197,153</u></b>

**Administrative Costs:**

County Billing Costs	\$75,000
City Finance & Special Districts Administration	\$14,000
Assessment Engineer & Database Maintenance	\$22,000
<b>Subtotal Admin. Costs</b>	<b><u>\$111,000</u></b>

<b>TOTAL EXPENSE ESTIMATE</b>	<b><u>\$4,308,153</u></b>
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**REVENUES**

Assessment Revenue FY 2006-07	\$4,242,636
Other Revenues	<u>\$9,000</u>

<b>TOTAL REVENUE ESTIMATE</b>	<b><u>\$4,251,636</u></b>
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<b>Expenses over Revenues</b>	<b>\$ - 56,517</b>
<b>Estimated Fund Balance June 30, 2006</b>	<b>\$291,502</b>
<b>Reserve Requirements:</b>	<b><u>\$ - 94,600</u></b>
<b>Estimated Fund Balance June 30, 2007</b>	<b><u>\$140,385</u></b>

<sup>1</sup> This represents 2 years of estimated rebates that will be refunded. There is a 2 year lag in the payment of rebates because we need to wait for the low-income salaries of households to be published.

**EXHIBIT B****Additional Library Services Assessment District No. 96-02  
Fiscal Year 2006/07 Sample Parcel Assessments****Residential Uses**

Single Family	\$27.32
Triplex	\$61.47
Apartment, 10 Units	\$163.92
Apartment, 40 Units	\$402.97
Mobile Home Park, 15 Units	\$204.90

**Non-Residential Uses**

Private School, ½ acre	\$61.47
Office Building, ½ acre	\$40.98
Office Building, 2 acres	\$163.92
Restaurant, ¼ acre	\$10.25
Supermarket, ½ acre	\$20.49
Service Station, 1/3 acre	\$13.66
Public Storage, 2 acres	\$81.96
Warehouse, 7 acres	\$225.39

***Vacant Uses***

Vacant 1/6 acre parcel	\$1.72
Vacant ½ acre parcel	\$5.14
Vacant 1 acre parcel	\$10.25
Vacant 5 acre parcel	\$51.23

Note: For additional details, see Additional Library Services Assessment District No. 96-02 FY 2006/07 Engineer's Report on file with the City Clerk.

## **RESOLUTION NO.**

ADOPTED BY THE SACRAMENTO CITY COUNCIL

### **CONFIRMING ASSESSMENT AND LEVYING ASSESSMENT FOR ADDITIONAL LIBRARY SERVICES ASSESSMENT DISTRICT NO. 96-02**

**(Pursuant to City Code Title 3.136, Article VI, Section 3.136.180)**

#### **BACKGROUND:**

- A. Pursuant to City Code Section 3.136.180, the City Council directed the Development Engineering Manager of the Development Services Department to prepare and file an Annual Report for Fiscal Year 2006/07.
- B. On June 8, 2006 the City Council accepted the annual report for FY 2006/07 and gave notice of a Public Hearing on the Annual Report for the Additional Library Services Assessment District No. 96-02 for July 18, 2006, in the meeting place of the City Council, City Hall, 915 I Street, 1st Floor, Sacramento, California. Notice of the hearing was given in the time and manner required by law.
- C. At or before the time set for the Public Hearing, the City Council afforded to every interested person an opportunity to make a protest to the Annual Report either in writing or orally, and the City Council has considered each protest (if any).
- D. The City Council is fully advised in this matter.

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

- Section 1. The City Council hereby confirms the assessment as set forth in the Annual Report of the Manager of Development Engineering, Development Services Department, and hereby levies the assessment set forth therein for Fiscal Year 2006/07.

