



REPORT TO COUNCIL City of Sacramento

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

PUBLIC HEARING
June 26, 2007

**Honorable Mayor and
Members of the City Council**

**Title: Fiscal Year 2007/08 Citywide Landscaping and Lighting Assessment
District**

Location/Council District: Citywide

Recommendation: Conduct a public hearing and upon conclusion; 1) adopt a **Resolution** confirming diagram and assessment and levying the assessment for Fiscal Year ("FY") 2007/08 and; 2) adopt a **Resolution** amending the City's budget for the Citywide Landscaping and Lighting District for FY2007/08.

Contact: Bob Cooper, Senior Engineer, (916) 808-5778; Mark Griffin, Fiscal Manager, (916) 808-8788

Presenters: Bob Cooper

Department: Planning Department

Division: Public Improvement Financing

Organization No: 4915

Description/Analysis:

Issue: The Citywide Landscaping and Lighting Assessment District ("District") is required by the California Streets and Highways Code to present to City Council an annual budget for approval. Approval of the annual budget will authorize the City to collect assessments which will partially fund the maintenance of the improvements in the District for FY2007/08.

Policy Considerations: The annual proceedings for the District are being conducted as set forth in the Landscaping and Lighting Act of 1972, California Streets and Highways Code sections 22500, et seq. This process is consistent with the City's Strategic Plan 3-Year Goal to "achieve sustainability and enhance livability".

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.

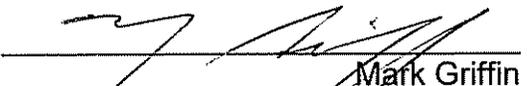
Committee/Commission: None

Rationale for Recommendation: The recommended actions in the Resolutions are required by the California Streets and Highways Code, as set forth in Section 22500 of the Landscaping and Lighting Act of 1972, for annual proceedings of an existing district.

Financial Considerations: Each year the District budget is developed taking into consideration several factors. Some of these factors include the cost of services, the projected number of parcels in each assessment category, and the amount of projected surplus/deficit in the District fund balance at the end of the current fiscal year. The proposed budget is shown on Attachment 2.

The proposed District expenditure budget for FY2007/08 is \$12,445,818. This budget reflects the increase in revenue due to the 3.0% CPI adjustment and increased parcel counts. Correspondingly, the cost for services has increased as the result of inflation, new development, and redevelopment within the City of Sacramento.

Emerging Small Business Development (ESBD): City Council approval of these proceedings is not affected by City policy related to the ESBD Program.

Respectfully Submitted by: 
Mark Griffin
Fiscal Manager, Planning Department

Approved by: 
Carol Shearly
Director, Planning Department

Recommendation Approved:

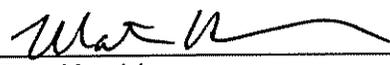

Ray Kerridge
City Manager

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BACKGROUND

The Citywide Landscaping & Lighting District was established in June of 1989. The District contributes funding for the maintenance and rehabilitation of City parks and other public landscaped areas, street tree maintenance, and the energy and maintenance cost of streetlights throughout the City. Property owners are assessed in accordance with a series of benefit formulas adopted by City Council in 1989. Annual assessments are paid by property owners along with their regular County property taxes. Each year the City must update and adopt the annual Engineer's Report and approve the assessment.

The budget is arranged in three categories as described below. In addition to the maintenance activity, each category also contains a proportionate share of the administration and billing costs.

- 1) **Street Related Operations and Maintenance:** This section contains the budget for safety lighting, neighborhood lighting, median maintenance, and street tree maintenance.
- 2) **Bonded Indebtedness:** A portion of the annual District budget goes toward the payment of debt service on 20-year bonds sold in 1996 to finance park improvements. These bonds will expire after tax year 2016.
- 3) **On-going Park Maintenance, Park Improvements, and Graffiti Abatement:** This section contains the park maintenance budget, the graffiti abatement program, and funding for park capital improvement projects (CIP). The voters approved this portion in November 1996.

The Citywide Landscaping & Lighting Assessment District contains a provision for an annual adjustment in budget and assessments to account for inflation. The district allows for an annual increase based on the Consumer Price Index (CPI), San Francisco area, all items, but not to exceed 3% in any year. The April 2007 CPI is 3.32% over the prior 12 months. Therefore, the rate increase for FY2007/08 will be 3.0% which is the maximum allowed.

**PROPOSED FY2007/08 BUDGET FOR
CITYWIDE LANDSCAPING AND LIGHTING DISTRICT
(With 3.0% CPI adjustment increase in assessments)**

Street Related Operations & Maintenance:

Safety Lighting & Medians	\$1,909,147
Neighborhood Street Lighting Maintenance	3,228,601
Tree Maintenance – Residential	2,888,516
Tree Maintenance – Non-Residential	939,974
Administration & Billing	<u>76,000</u>
Subtotal Street Related O&M	\$9,042,238

On-Going Park Maintenance:

Park Maintenance & Improvements	2,546,107
Graffiti Abatement	132,748
Administration & Billing	<u>24,000</u>
Subtotal On-Going Park Maintenance:	\$2,702,855

Bonded Indebtedness:

Park CIP Improvements	694,665
Administration & Billing	<u>6,057</u>
Subtotal Bonded Indebtedness	\$700,722
Less Debt Service	(\$586,220)
Excess Available For Parks CIP	\$114,502

TOTAL DISTRICT BUDGET	\$12,445,815
Fund Balance Offset	(\$574,293)

TOTAL ASSESSED TO PROPERTY OWNERS:	\$11,871,522
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**CITYWIDE LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT
FY2007/08 SCHEDULE**

June 5, 2007 Council Considers Resolution of Intention and Sets Date for Public Hearing

June 7, 2007 Publish Notice of Meeting and Hearing

June 26, 2007	Hold Public Hearing Council Orders Annual Levy
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July, 2007 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 CITYWIDE LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT NO. 2 (FY2007/08)

BACKGROUND:

- A.** The Citywide Landscaping and Lighting Assessment District No. 2 ("District"), was established by the City Council on August 1, 1989. The City Council adopted Resolution No. 89-600 thereby approving Assessment District No. 2 for all developed properties within the City of Sacramento.
- 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 and lighting 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, City Council directed the Development Engineering Manager of the Development Services Department, as the Engineer of Work for the District, to prepare and file an Annual Report for the Fiscal Year 2007/08.
- D.** The Engineer of Work filed the Annual Report on June 5, 2007, and City Council adopted the Resolution approving the Engineer's Annual Report and Intention to levy and collect assessments within the assessment district for Fiscal Year 2007/08 and set a public hearing for June 26, 2007, in the meeting place of City Council, City Hall, 915 I Street, First Floor, Sacramento, California. Notice of the hearing was given in the time and manner required by law.
- E.** This year's assessments are an increase by the Consumer Price Index adjustment from the previous year, and equal to the highest authorized amount for this district shown on Exhibit A.
- F.** 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 F are true and correct.

Section 2. The City Council:

- a) confirms the assessment diagram and the assessment roll set forth and in the Engineer's Annual Report on file with the City Clerk and approved by City Council on June 5, 2007; and;
- b) levies the assessment set forth in the Engineer's Annual Report.

Section 3. Exhibit A is part of this resolution.

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Exhibit A: FY2007/08 District & Parcel Assessment -1 Page

EXHIBIT A
CITYWIDE LANDSCAPING & LIGHTING DISTRICT FY2007/08
DISTRICT AND PARCEL ASSESSMENTS

DISTRICT ASSESSMENT

District	FY2007/08 Budget	Surplus/ (deficit)	FY2007/08 Assessed
Citywide Landscaping & Lighting District	\$12,445,815	(\$574,293)	\$11,871,522

PARCEL ASSESSMENT

Assessment Components	Single Family Residence	Multi-Family Residence	Business Property (Parcel Square Ft.)			Church
			0-25,000	25,001-100,000	100,001 or more	
Street Related O&M:						
Safety & Neighborhood Lighting Maintenance & Replacement Program, Median Maintenance & Construction, Tree Maintenance			\$110.23	\$551.12	\$1,146.31	\$31.49
With Lights:	\$49.60	\$34.72				
Without Lights:	\$23.94	\$16.76				
Bonded Indebtedness:						
CIP-Park Improvements	\$4.07	\$2.77	\$6.04	\$30.18	\$62.77	\$1.72
Park Facilities & Related O&M:						
Park Maint., Youth Employment Program, Graffiti Abatement	\$15.34	\$10.44	\$26.23	\$131.17	\$272.83	\$7.49
Total Proposed Assessment:			\$142.50	\$712.46	\$1,481.91	\$40.71
With Lights:	\$69.01	\$47.93				
Without Lights:	\$43.35	\$29.96				
Current Year Assessment:			\$135.32	\$676.60	\$1,407.33	\$38.65
With Lights:	\$67.12	\$46.62				
Without Lights:	\$42.21	\$29.18				
Change in assessment with 3.0% CPI increase adjustment:			\$7.18	\$35.86	\$74.58	\$2.06
With Lights:	\$1.89	\$1.31				
Without Lights:	\$1.14	\$0.78				

RESOLUTION NO.

Adopted by the Sacramento City Council

AMENDING THE CITY'S LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT BUDGET FOR FISCAL YEAR 2007/08 (Pursuant to Landscaping and Lighting Act of 1972)

BACKGROUND:

- A.** The Citywide Landscaping and Lighting Assessment District No. 2 ("District") was established by the City Council on August 1, 1989 by adopting Resolution No. 89-600.
- 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 and lighting maintenance services and related services to be provided within the District; all in accordance with the 1972 Act.
- C.** The property owners within the boundaries of the District are assessed a fee (See Exhibit B) to cover the cost of delivering Landscaping & Lighting maintenance services.
- D.** The City Council adopted Resolution No. 2007-351 on June 5, 2007 which stipulated a repayment schedule for an over expenditure of District funds that occurred in FY2006/07
- 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 FY2007 revenue (\$11,871,522) and expenditure (\$12,445,815) budgets are hereby amended for the District as set forth in Exhibit A, attached hereto.

Section 3. The Finance Director is authorized to amend the expenditure authority for the Departments of Transportation, Parks, Planning, and Finance in accordance with Exhibit A as necessary to provide services for the District in the amount of \$12,445,815 which will be reimbursed by the District.

Section 4. The Finance Director is directed to collect the over expenditure of District funds per the repayment schedule shown in Exhibit C. The Finance Director is authorized to accelerate this repayment schedule based on the availability of funds.

Section 4. Exhibits A, B, and C are part of this resolution.

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Exhibit A: Proposed Citywide Landscaping and Lighting Budget

Exhibit B: Proposed Annual Parcel Assessments FY2007/08

Exhibit C: Repayment Schedule

EXHIBIT A

**PROPOSED FY2007/08 BUDGET FOR
CITYWIDE LANDSCAPING AND LIGHTING DISTRICT
(With 3.0% CPI adjustment increase in assessments)**

Street Related Operations & Maintenance:

Safety Lighting & Medians	\$1,909,147
Neighborhood Street Lighting Maintenance	3,228,601
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TOTAL DISTRICT BUDGET	\$12,445,815
Fund Balance Offset	(\$574,293)

TOTAL ASSESSED TO PROPERTY OWNERS: \$11,871,522

EXHIBIT B

Assessment Components	Single Family Residence	Multi-Family Residence	Business Property (Parcel Square Ft.)			Church
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Street Related O&M:						
Safety & Neighborhood Lighting Maintenance & Replacement Program, Median Maintenance & Construction, Tree Maintenance			\$110.23	\$551.12	\$1,146.31	\$31.49
With Lights:	\$49.60	\$34.72				
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<i>Current Year Assessment:</i>			\$135.32	\$676.60	\$1,407.33	\$38.65
<i>With Lights:</i>	<i>\$67.12</i>	<i>\$46.62</i>				
<i>Without Lights:</i>	<i>\$42.21</i>	<i>\$29.18</i>				
<i>Change in assessment with 3.0% CPI increase adjustment:</i>			\$7.18	\$35.86	\$74.58	\$2.06
<i>With Lights:</i>	<i>\$1.89</i>	<i>\$1.31</i>				
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