



City Council Report

915 I Street, 1st Floor

Sacramento, CA 95814

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File ID: 2019-00074

June 4, 2019

Public Hearing Item 17

Title: Power Inn Road Maintenance District No. 2003-01 [Noticed 05/24/2019]

Location: District 6

Recommendation: Conduct a public hearing and upon conclusion, adopt a Resolution confirming the assessment diagram, confirming the assessment and levying the assessment for Fiscal Year (FY) 2019/20 for the Power Inn Road Maintenance District.

Contact: Arwen Wacht, Program Specialist, (916) 808-7535; Sheri Smith, Special Districts Manager, (916) 808-7204, Department of Finance

Presenter: Arwen Wacht, Program Specialist, (916) 808-7535, Finance Department

Attachments:

- 1-Description/Analysis
- 2-Schedule of Proceedings
- 3-Resolution – Confirming & Levying Assessment
- 4-Exhibit A – District Boundary Map
- 5-Exhibit B – District Budget & Parcel Assessment

Description/Analysis

Issue Detail: On July 29, 2003, Council approved formation of the Power Inn Road Maintenance District No. 2003-01 (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.

On May 14, 2019, Council passed Resolution 2019-0142 approving the annual Engineer's Report and declaring its intention to levy an assessment for the District. Approval of the attached Resolution will authorize the City to collect assessments to provide partial funding for maintenance of the landscaped areas adjacent to the parcels within the District for FY2019/20.

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 with District assessments. Analysis of the use of District amenities shows that properties in the District receive a 74.25% special benefit 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.

Economic Impacts: None.

Environmental Considerations:

California Environmental Quality Act (CEQA): Under the CEQA Guidelines, administration of the District does not constitute a project and is therefore exempt from review [14 Cal. Code Regs. §15378(b)(2)&(5)].

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: The adoption of the recommended Resolution is required by the California Streets and Highways Code, as set forth in the Landscaping and Lighting Act of 1972, for annual proceedings of an existing district.

Financial Considerations: The District expenditure budget is \$18,254 as shown on Exhibit B (Attachment 5) 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, \$13,554 of assessment revenue can be used to fund maintenance and utilities costs. The remaining portion of the maintenance, utilities, and administrative costs, attributed to general benefit and detailed in Exhibit B (Attachment 5), will be provided by the Department of Public Works Streets Division and the Department of Finance Public Improvement Division operating budgets.

The proposed assessment of \$2.634 per linear foot of frontage, is a 3.87% increase from last year's assessment of \$2.536 per linear foot of frontage and is 6% below the maximum allowed assessment of \$2.801 per linear foot of frontage for FY2019/20. The proposed assessment is being increased to address rising maintenance and administrative costs for this District, while maintaining adequate reserves to cover extraordinary maintenance.

Local Business Enterprise (LBE): Not applicable.

Attachment 2

**SCHEDULE OF PROCEEDINGS
POWER INN ROAD MAINTENANCE DISTRICT**

FY2019/20

March 26, 2019	Council – Direct Filing of Engineer’s Report
May 14, 2019	Council - Resolution of Intention and Set Date for Public Hearing
May 24, 2019	Publish Notice of Meeting and Public Hearing
June 4, 2019	Council – Public Hearing, Council Orders Annual Levy
August 2019	Assessments to County for Placement on Tax Roll

RESOLUTION NO.

Adopted by the Sacramento City Council

CONFIRMING ASSESSMENT DIAGRAM, ASSESSMENT AND LEVYING ASSESSMENT FOR THE POWER INN ROAD MAINTENANCE DISTRICT FOR FISCAL YEAR 2019/20

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) 2019/20.
- 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 maintenance, utilities, and administration 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 in Exhibit B.
- E.** The Engineer of Work filed the Annual Report on May 14, 2019, and Council adopted Resolution 2019-0142 approving the Engineer's Annual Report and intention to levy and collect assessments within the assessment district for FY2019/20 and set a public hearing for June 4, 2019, 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 \$2.634 per linear foot of frontage is an increase of 3.87% from last year's assessment of \$2.536 per linear foot of frontage and is 6% below the maximum allowed assessment of \$2.801 per linear foot of frontage for FY2019/20 as shown in 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 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 FY2019/20.

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

Table of Contents:

- Exhibit A: District Map
- Exhibit B: District Budget & Parcel Assessment

Exhibit A

Power Inn Road Maintenance District 2003-01

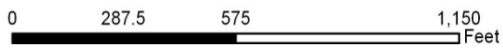
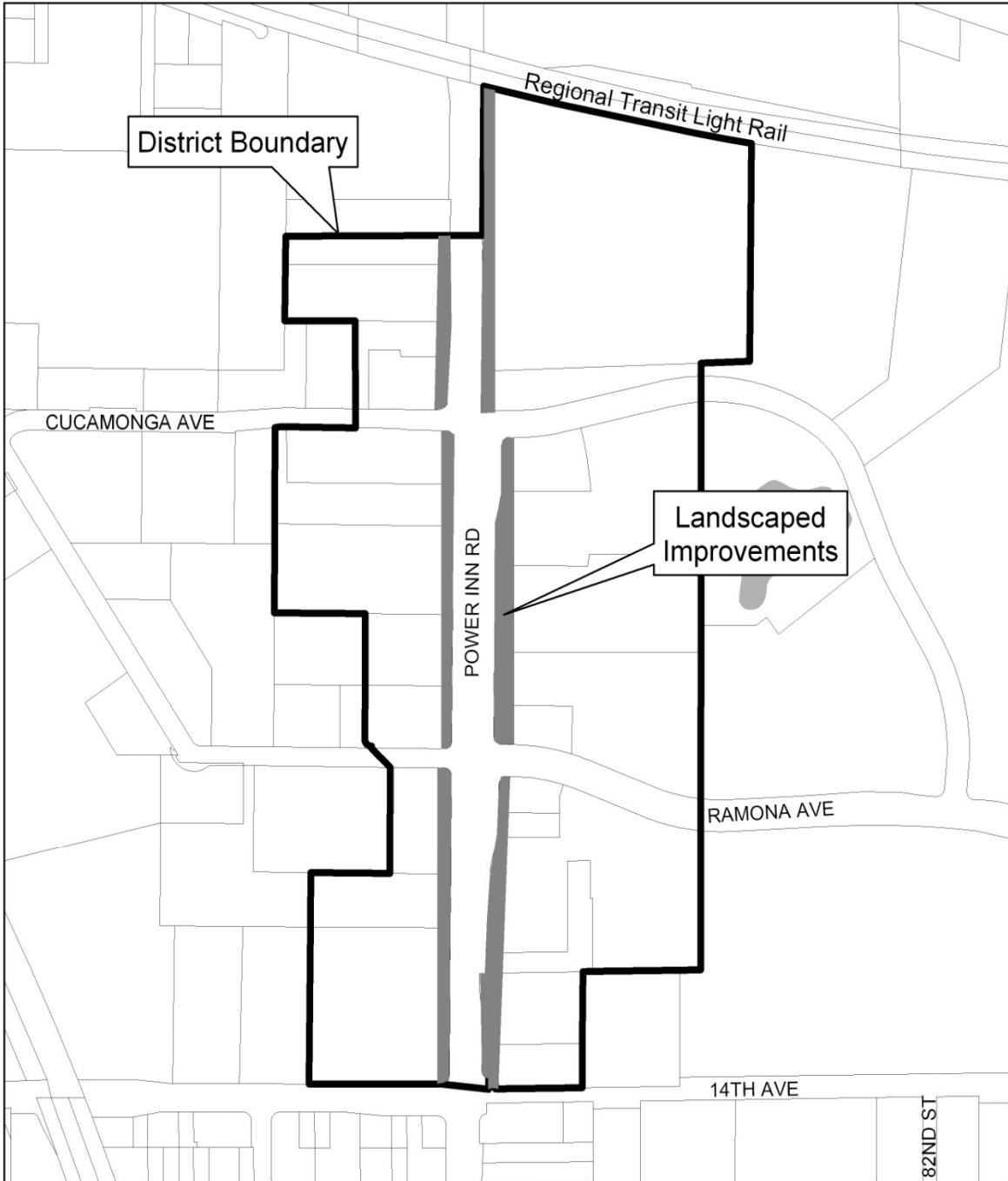


Exhibit B

**POWER INN ROAD MAINTENANCE DISTRICT
FY2019/20
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	7,807		
Total Assessed to Property Owners	12,084		
Total Resources	\$19,891	\$4,700	\$24,591
Maintenance & Utilities	10,117	3,508	13,625
Administrative Costs Public Improvement Financing			
Administration	2,599	901	3,500
Accounting			
Administration	789	274	1,063
County Billing	49	17	66
Total Expenditures	\$13,554	\$4,700	\$18,254
Estimated Ending Fund Balance	6,337		
Year-Over-Year Change in Fund Balance	(1,470)		

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	FY2018/19	FY2019/20
Power Inn Road Maintenance District	\$2.801	\$2.536	\$2.634

Every fiscal year the maximum assessment may increase by the Consumer Price Index (CPI), San Francisco or by 4% per year, whichever is less.