



## City Council Report

915 I Street, 1<sup>st</sup> Floor

Sacramento, CA 95814

[www.cityofsacramento.org](http://www.cityofsacramento.org)

---

**File ID:** 2019-00075

June 4, 2019

**Consent Item 18**

---

**Title:** Neighborhood Lighting District [Noticed 05/24/2019]

**Location:** Districts 2, 5, and 6

**Recommendation:** Conduct a public hearing and upon conclusion, adopt a Resolution confirming the assessment diagram and assessment for Fiscal Year (FY) 2019/20 for the Neighborhood Lighting 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, Department of Finance

**Attachments:**

1-Description/Analysis

2-Background

3-Schedule of Proceedings

4-Resolution – Confirming Diagram and Levying Assessment

5-Exhibit A – District Boundary Map

6-Exhibit B – District Budget, Neighborhood and Parcel Assessments

## Description/Analysis

**Issue Detail:** The Neighborhood Lighting District (District) is required by the California Streets and Highways Code to present an annual budget to City Council for approval. Approval of the annual budget will authorize the City to collect assessments in the amount sufficient to provide funding for maintenance and energy costs of neighborhood lighting in the District for FY2019/20. Additional information on this District is provided in the Background section of this report.

**Policy Considerations:** The recommended action will ensure the continuation of an affordable means of providing neighborhood lights by maintaining lights on Sacramento Municipal Utilities District (SMUD) wood poles.

**Economic Impacts:** Not applicable.

**Environmental Considerations:** Under the California Environmental Quality Act (CEQA) Guidelines, annual proceedings of a Special District do not constitute a project and are therefore exempt from review [14 Cal. Code Regs. §15378(b)(2) & (5)].

**Sustainability:** Not applicable.

**Commission/Committee Action:** None.

**Rationale for Recommendation:** The actions in the recommended Resolution are required by the Landscaping and Lighting Act of 1972 (1972 Act), California Streets and Highways Code Sections 22500, et. seq., for annual proceedings of an existing district.

**Financial Considerations:** The annual District budget is developed taking into consideration the cost of services, the projected number of parcels in each subdivision, and the amount of projected surplus/deficit in the District fund balance at the end of the current fiscal year. The District assessment for FY2019/20 is projected at \$45,808 and District expenditures at \$43,526. Revenues that exceed expenditures will be used to maintain a prudent fund balance. Projected revenues and expenditures are shown in Exhibit B to the resolution and are detailed in the Engineer's Report on file with the Public Improvement Finance Division of the Department of Finance.

The District consists of three subdivisions. Details of the assessment and cost for each subdivision, as well as a breakdown per single family lot, are provided in the Background section of the report and in Exhibit B (Attachment 6) to the resolution. The District is self-supporting and has no impact on the General Fund.

**Local Business Enterprise (LBE):** Not applicable.

## Attachment 2

### BACKGROUND

On October 22, 1996, City Council approved formation of the District (Resolution No. 96-577) for the Swanston Estates neighborhood. The District provides an affordable means of providing for neighborhood lights by maintaining lights on SMUD wood poles. Two other neighborhoods, Youngs Heights and Colonial Heights, have since annexed to the District.

District services include the annual maintenance and energy cost of neighborhood lights, and the district administration and billing costs. A provision was included to mitigate cost increases based on the Consumer Price Index (CPI), San Francisco area, all items, provided that this increase does not exceed three percent in any year. The change in the February 2019 CPI index was 3.87 percent, and as such, the annual maximum assessments will be increased by 3.00 percent.

To cover expenditures and maintain a prudent fund balance, the FY2019/20 assessment for the Swanston Estates subdivision will remain at the FY2018/19 rate. The Youngs Heights and the Colonial Heights assessments will increase from the FY2018/19 assessment rates by the allowable CIP index of 3.00 percent.

The maximum assessment allowed, prior year assessment, and FY2019/20 annual assessments for each subdivision are as follows:

Neighborhood	Maximum Authorized in FY2019/20	FY2018/19 Assessment	FY2019/20 Assessment
Swanston Estates	\$31.60	\$28.08	\$28.08
Youngs Heights	\$30.17	\$29.28	\$30.16
Colonial Heights	\$31.60	\$30.68	\$31.60

At the conclusion of the public hearing, staff will recommend Council adopt the District budget and levy the assessments. The total property owner assessment in FY2019/20 is projected to be \$45,808.

A map of the District is included as Exhibit A (Attachment 5) to the resolution.

**Attachment 3**

**SCHEDULE OF PROCEEDINGS**

**NEIGHBORHOOD LIGHTING DISTRICT  
FY2019/20 SCHEDULE**

March 26, 2019	Council – Direct Filing of Engineer’s Report
May 14, 2019	Council Adopted Resolution of Intention and Set Date for Public Hearing
May 24, 2019	Notice of Public Hearing Published
<b>June 4, 2019</b>	<b>Hold Public Hearing Council Orders Annual Levy</b>
August 2019	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 NEIGHBORHOOD LIGHTING DISTRICT FOR FISCAL YEAR 2019/20 (Pursuant to Landscaping and Lighting Act of 1972)**

#### **BACKGROUND**

- A.** The Neighborhood Lighting District (District), as depicted in Exhibit A, was established by the City Council and approved by the Swanston Estates neighborhood property owners on October 22, 1996. Two other neighborhoods, Youngs Heights and Colonial Heights, have since annexed to the District.
- 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 the operation and maintenance of neighborhood street lights on wood poles 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 Supervising Engineer of the Department of Public Works, designated by Council as the Engineer of Work for the District, to prepare and file an Annual Report for Fiscal Year (FY) 2019/20.
- D.** The Engineer of Work filed the Annual Report on May 14, 2019, and City Council adopted a Resolution approving the Engineer's Annual Report and Intention to Levy and Collect Assessments within the District for FY2019/20 and set a public hearing for June 4, 2019, in the meeting place of City Council Chambers, City Hall, 915 I Street, First Floor, Sacramento, California. Notice of the hearing was given in the time and manner required by law.
- E.** The typical annual assessment in FY2019/20 for a single-family parcel will be as follows: \$28.08 per parcel in the Swanston Estates subdivision, \$30.16 per parcel in the Youngs Heights subdivision, and \$31.60 per parcel in the Colonial Heights subdivision.

#### **BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE 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 confirms the assessment diagram and the assessment roll set forth in the Engineer's Annual Report and levies the assessments set forth in the Engineer's Annual Report.

**Section 3.** The City Manager is authorized to make any necessary budgetary adjustments associated with the approval of the Engineer's Annual Report for FY2019/20.

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

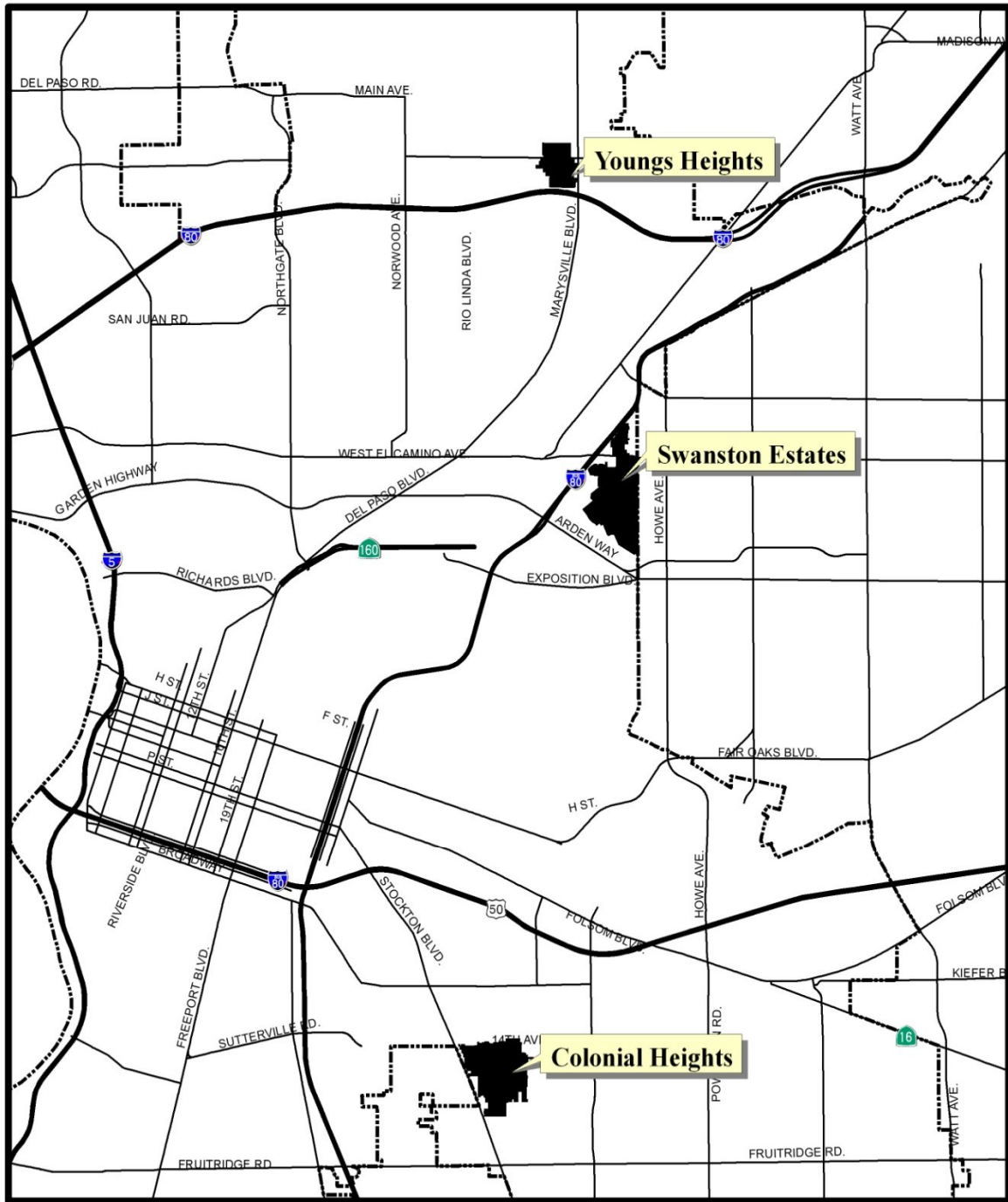
**Table of Contents:**



Exhibit A: District Map

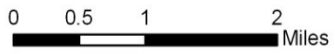
Exhibit B: FY2019/20 District Budget, Neighborhood, and Parcel Assessments

# EXHIBIT A

## Neighborhood Lighting District 96-07



 City Boundary  
 District Boundary



...users\area\brent\Maps\LightingDist.MXD BM May 06



**EXHIBIT B**

**NEIGHBORHOOD LIGHTING DISTRICT  
DISTRICT BUDGET, NEIGHBORHOOD AND PARCEL ASSESSMENTS  
FUND 2202, FOR FY2019/20**

**DISTRICT BUDGET**

Estimated Beginning Fund Balance	38,622
Total Assessed to Property Owners	<u>45,808</u>
Total Resources	<u><u>84,431</u></u>
Department of Public Works (Streets)	
Street Lighting Maintenance	25,009
Administrative Costs	
Public Improvement Financing	
Administration	16,198
Accounting	
Administration	1,063
County Billing	<u>1,256</u>
Total Expenditures	<u><u>43,526</u></u>
Estimated Ending Fund Balance	<u><u>40,905</u></u>
Year-Over-Year Change in Fund Balance	<u><u>2,282</u></u>

## NEIGHBORHOOD ASSESSMENTS

The cost for each individual neighborhood is as follows:

Neighborhood	FY2019/20 Budget	Surplus/ (deficit)	FY2019/20 Assessed
Swanston Estates	\$18,634	\$2,174	\$20,807
Youngs Heights	\$942	\$264	\$1,206
Colonial Heights	\$23,950	-\$155	\$23,795
<b>Totals:</b>	<b>\$43,526</b>	<b>\$2,282</b>	<b>\$45,808</b>

## PARCEL ASSESSMENTS

The following is a breakdown of the average cost per single-family lot in each neighborhood with less than 100 feet of frontage.

Neighborhood	# of Lots	Maximum Authorized	FY2019/20 Assessment
Swanston Estates	697	\$31.60	\$28.08
Youngs Heights	30	\$30.17	\$30.16
Colonial Heights	718	\$31.60	\$31.60