

3.A.



DEPARTMENT OF
PUBLIC WORKS

CITY OF SACRAMENTO
CALIFORNIA

CITY HALL
ROOM 207
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SACRAMENTO, CA
95814-2673

OFFICE OF THE DIRECTOR

June 20, 1989

916-449-5283

Joint Budget and Finance/Transportation
Community Development Committees
Sacramento, California

Honorable Members in Session

SUBJECT: LANDSCAPE AND LIGHTING DISTRICT

SUMMARY

The 1989-90 Proposed Budget includes \$2.8 million in new revenue from a City-wide Landscape and Lighting District. This report provides background information on the establishment and use of a Landscape and Lighting District to fund various maintenance and development activities. The rates provided in this report are examples only. The actual rates will be determined by an independent engineer.

BACKGROUND

The Landscape and Lighting Act of 1972 permits cities to create special districts for the purpose of distributing costs associated with developing or maintaining street lights and landscaping. These costs are distributed to each parcel in the City based on the amount of benefit derived from district expenditures. For example, the annual cost of maintaining residential street lights would only be distributed to developed parcels in neighborhoods that have street lights.

The laws governing the creation of a special district under this act are contained in the State Street and Highway Codes Section 22500. The basic steps to create a district start with preparation of an engineer's report that describes the proposed expenditures of the district, how these cost will be distributed, a map of the district boundary, and a list of every parcel assessment in the district. The next step is for Council to accept the engineering report and call for initiation of a district. Each property owner is then notified that the process is under way. Finally, the Council holds a public hearing to consider any protests and to vote on whether to create a district.

A simple majority vote of the council is required to establish the special district in the absence of a majority protest. If more than 50% of the property owners in the proposed district protest, then a 4/5 vote would be necessary to override the protest. In the event that a protest of less than 50% was received, the Council could still vote against establishment of the district at the public hearing.

Eligible Activities

The Landscape and Lighting Act of 1972 can be used for:

- Installation and maintenance of street lighting
- Acquisition, development and maintenance of parks
- Construction and maintenance of recreational facilities
- Maintenance of City street trees
- Construction and maintenance of landscaped medians

The 1989-90 Proposed Budget includes approximately \$16,000,000 in activities eligible for inclusion in a city-wide special district; however, it is recommended that only \$3,116,000 of these costs be recovered through assessments. A list of eligible activities and approximate costs are provided in Attachment A.

The eligible activities recommended for funding through the proposed special district include:

Street Light Energy and Maintenance	\$2,031,000
Median Maintenance	222,600
Median Construction	250,000
Street Light Conduit Replacement	53,000
Engineering and Administration	<u>160,000</u>
	\$2,716,000
Park Development (new programs)	<u>400,000</u>
	\$3,116,600

The total assessment will be more than \$2.8 million since public entities do not have to pay this assessment.

Benefit Assessment Methods

The costs that are included in the special district will be distributed to each parcel in relation to the amount of benefits received. Three types of benefits zones will be established in order to create equity in the assessments:

Common Facilities	Zone 1
Residential Street Lighting	Zone 2
Parks Maintenance and Development	Zone 11-21

These zones will cover areas of the city that receive specific benefits. As an example, the Residential Street Lighting Zone will include all parcels that benefit from such lighting. Within each zone there will also be separate rates based on land use to further refine the assessments. The basic categories will be:

- Single Family Residence
- Multi-Family Residence (per unit)
- Non-residential - Lot size 0-25,000 square feet
- Non-residential - 25,001-100,000 square feet
- Non-residential - 100,001 and over

The differential between the rates within each type of zone varies depending upon the basis for allocating the particular zone charges. These differences are explained below in the description of each zone.

Common Facilities - Zone 1

This zone covers the entire City. Costs included in this zone are for activities that benefit all City residents. These activities include median landscaping and lighting on major streets, and all intersection lighting. Also included is the engineering and administrative expenses for the District. The total expenditures of this zone are approximately \$1,038,800.

The rates within this zone are differentiated by the trip generation of each land use. For example, a single family residence generates an average 9.0 vehicle trips per day. An apartment unit generates slightly less at 7.0. Below is a listing of each rate category and the estimated annual charge per parcel for this zone:

<u>Rate Category</u>	<u>Trip Factor</u>	<u>Estimated Rate</u>
Single Family	9.00	\$ 6.50
Multi-family (per unit)	7.20	5.20
Non-Residential - 0-25,	10.20	7.37
Non-Residential - 25 - 100	44.19	31.92
Non-Residential - 100 - over	101.98	73.66

Residential Street Lighting - Zone 2

This zone includes all neighborhoods receiving street light services. The costs in this zone include all street light energy and maintenance costs and a capital project currently included in the general fund (Street Light Conduit Replacement - \$53,000). The total cost for this zone is approximately \$1,677,800.

The rates within this zone are differentiated based on population factors. The table below details the population factors for each type of land use. Non-residential population factors are based on the typical day time population (employees) converted to a single-family equivalent.

<u>Rate Category</u>	<u>Population Factor</u>	<u>Estimated Rate</u>
Single Family	1.00	\$ 15.70
Multi-Family (per unit)	.80	12.56
Non-Residential - 0 - 25	1.00	15.70
Non-Residential - 25 - 100	4.00	62.80
Non-Residential - 100 - over	8.00	125.60

Park Development - Zones 11-21

The Park Development zones are identical to the planning area boundaries as detailed in the Parks Master Plan. The costs that would be associated with these zones for new projects not presently included in the CIP. A total of \$400,000 would be split between the various planning areas. A list of proposed projects in each planning area and an estimate budget is included as Attachment B. The specific projects that will be funded by this district will be the subject of a separate report to Council in August if the district is adopted.

The rates within this zone are based on a combination of population, and access to local park facilities. Non-residential population factors in this category are half that of the street lighting zone since employees are not at work the entire day. The estimated rates in these zones are listed below:

<u>Rate Category</u>	<u>Population Factor</u>	<u>Estimated Rate</u>
Single Family	1.00	\$ 2.85
Multi-Family (Per unit)	.80	2.28
Non-Residential - 0-25	.50	1.43
Non-Residential - 25-100	2.00	5.70
Non-Residential - 100 - over	4.00	11.40

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Based on the estimated rates outlined above, the total annual assessments would be as follows:

<u>Rate Category</u>	<u>With Street Lights</u>	<u>Without Street Lights</u>
Single Family	\$ 25.05	\$ 9.35
Multi-Family (per unit)	20.04	7.48
Non-Residential - 0 - 25	24.49	8.79
Non-Residential - 25 - 100	100.42	37.62
Non-Residential - 100 - over	210.66	85.00

Comparison with other Cities

Special districts are used throughout California to provide maintenance funding for streets, lights, and parks. Eighteen cities use special districts to pay for lighting costs and four cities currently use special districts for park maintenance. A comparison of the annual assessments of other cities is provided below:

Street Lighting Assessments

	<u>Residential</u>		<u>Non-Residential</u>	
	<u>Single Family</u>	<u>Multi Family</u>	<u>Commercial</u>	<u>Industrial</u>
OAKLAND	\$14.00	\$11.00	\$224.00	\$ 560.00
IRVINE	16.66	8.33	100.00	222.00
BERKELEY	15.00	12.00	960.00	1,200.00
DOWNEY	16.14	16.14	246.24	615.10
COUNTY OF SACRAMENTO*	6.97	4.50	20.52	20.52
SACRAMENTO (PROPOSED)	15.70	12.56	62.80	62.80

*Pays approximately 40% of actual costs.

Park Maintenance Assessments

	<u>Residential</u>		<u>Non-residential</u>	
	<u>Single Family</u>	<u>Multi Family</u>	<u>Commercial</u>	<u>Industrial</u>
OAKLAND	\$72.00	\$39.40	\$1,152.00	\$2,880.00
IRVINE*	19.51	19.51	109.00	218.00
BERKELEY	77.63	62.10	1,242.00	3,105.00
SACRAMENTO (PROPOSED)	2.85	2.28	5.70	5.70

*Pays only for median maintenance.

Creating the Landscape and Lighting District

The basic steps and timetable for creating a special district are outlined below:

<u>Council Actions</u>	<u>Date</u>
1. Adopt Resolution initiating proceedings	July 18
2. Receive Engineers Report	July 18
3. Adopt resolution of intention to form district	July 18
4. Notify affected property owners	July 19-Aug 1
5. Conduct Public Hearing	Aug 1
6. Adopt Resolution establishing District	Aug 1

After these steps are completed a tape with all the parcel assessments is delivered to the County Assessors on August 2.

FINANCIAL DATA

A City-wide landscape and lighting district will generate \$2.8 million in new revenue for the general fund. Of this \$2.8 Million, \$400,000 will be available for new projects. The remaining \$2.4 million is necessary to balance the general fund.

The assessments in the background section of this report are estimates. Final assessments will be determined by an independent engineer.

POLICY CONSIDERATIONS

Creating a district to pay for landscape and street light maintenance will relieve the general fund of \$2.4 million in expenses. This is critical to balance the general fund portion of the budget. If the District is not approved, Council would have to consider the following options:

1. Reduce general fund expenditures by \$2.4 million
2. Raise other revenues, an equal amount
3. Use a portion of the general fund reserve
4. Use a combination of the above to maintain a balanced budget

MBE/WBE

NONE


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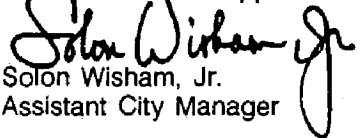
RECOMMENDATION

This report is for information only. Staff will submit the necessary report and resolution on July 18 to initiate the creation of the special district.

Respectfully submitted


Melvin H. Johnson
Director of Public Works

Recommendation Approved:


Solon Wisham, Jr.
Assistant City Manager

Contact Person
Bill Farley, Administrative Services Officer 449-2013

All Districts

3. A.

CITY OF SACRAMENTO
LANDSCAPE & LIGHTING DISTRICT

ACTIVITY	ZONE	TOTAL COST ESTIMATE	COSTS IN DISTRICT	PERCENT INCLUDED	
(1)	(2)	(3)	(4)	(5)	
1. COMMON FACILITIES					
ZONE 1					
SAFETY LIGHTING	LIGHTS & SIGNALS	406,200	406,200	100%	
MEDIAN MAINTENANCE	PARK MAINTENANCE	222,600	222,600	100%	
MEDIAN CONSTRUCTION	CIP	250,000	250,000	100%	
PARK SPECIAL SERVICES	PARK SPECIAL SERVICES	1,767,171	0	0%	
ENGINEERING	PW ADMIN	150,000	150,000	100%	
ADMINISTRATION	PW ADMIN	10,000	10,000	100%	
		2,805,971	1,038,800	37%	
ZONE 2					
STREET LIGHTING					
STREET LIGHTING O/M	LIGHTS & SIGNALS	1,624,800	1,624,800	100%	
STREET LIGHT CONDUIT	CIP	53,000	53,000	100%	
STREET LIGHT CONVERSION	CIP	100,000	0	0%	
		1,777,800	1,677,800	94%	
3. TREE MAINTENANCE	TREE SERVICES	ZONE 3	3,640,461	0	0%
4. PARK MAINTENANCE & DEVELOPMENT					
CENTRAL CITY	PARK MAINTENANCE	ZONE 11	797,985	51,467	
LAND PARK		12	724,122	41,686	
POCKET		13	1,083,328	44,539	
SOUTH SACRAMENTO		14	632,571	47,371	
EAST BROADWAY		15	852,385	47,655	
EAST SACRAMENTO		16	669,808	43,488	
ARDEN-ARCADE		17	572,541	15,235	
NORTH SACRAMENTO		18	1,167,106	44,309	
SOUTH NATOMAS		19	740,139	34,626	
NORTH NATOMAS		20	0	0	
AIRPORT-MEADOWVIEW		21	644,004	28,753	
		7,883,987		400,000	5%
TOTAL		16,108,219	3,116,600	19%	

Park Rehabilitation Projects

<u>Planning Area 1</u>		<u>Estimated Budget</u>
Southside - Tennis Court Resurfacing	\$10,000.	
Dos Rios - Automate Irrigation	36,000.	
Crocker/Cultural - Automate Irrigation	88,000.	
St. Rose Lima - Automate Irrigation	3,000.	
Memorial Auditorium - Automate Irrigation	5,000.	
Roosevelt - Basketball Court Resurfacing	22,000.	
Southside - Basketball Court Resurfacing	25,000.	
Freemont - Tire Swing Replacement	12,000.	
Southside - Tire Swing Replacement	<u>12,000.</u>	
	\$213,000.	\$51,500
<u>Planning Area 2</u>		
Curtis - Tennis Court Resurfacing	\$10,000.	
Sierra 2 - Automate Irrigation	25,000.	
Brockway/Plaza Cervantes - Irrigation	17,000.	
Land Park - Irrigation	250,000.	
Sierra 2 - Basketball Court Resurfacing	15,000.	
Curtis - Playground	60,000.	
Mangan - Playground	60,000.	
Sierra 2 - Playground Shade Structure	<u>12,000.</u>	
	\$449,000.	\$41,700
<u>Planning Area 3</u>		
Lewis - Tennis Court Resurfacing	\$10,000.	
Reichmuth - Tennis Court Resurfacing	10,000.	
Seymour - Playground	60,000.	
Lewis - Tire Swing Replacement	12,000.	
Z'berg - Tire Swing Replacement	<u>12,000.</u>	
	\$104,000.	\$44,500
<u>Planning Area 4</u>		
Maple - Tennis Court Resurfacing	\$10,000.	
Camellia - Tennis Court Resurfacing	10,000.	
Nielson - Tennis Court Resurfacing	10,000.	
Sim - Basketball Court Resurfacing	15,000.	
Nielson - Playground Shade Structure	12,000.	
Nielson - Tire Swing Replacement	12,000.	
Sim - Tire Swing Replacement	12,000.	
Valley Hi - Tire Swing Replacement	<u>12,000.</u>	
	\$93,000.	\$47,400

Park Rehabilitation Projects
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Planning Area 5

Estimated Budget

McClatchy - Tennis Court Resurfacing	\$10,000.	
Warren - Tennis Court Resurfacing	20,000.	
Tahoe - Basketball Court Resurfacing	25,000.	
Lawrence - Playground	60,000.	
Colonial - Tire Swing Replacement	12,000.	
Lawrence - Tire Swing Replacement	12,000.	
Tahoe - Tire Swing Replacement	12,000.	
Temple - Tire Swing Replacement	12,000.	
McClatchy - Tire Swing Replacement	<u>12,000.</u>	
	\$165,000.	\$47,700

Planning Area 6

McKinley - Tennis Court Resurfacing	\$30,000.	
Hall - Tennis Court Resurfacing	10,000.	
Glenbrook - Tennis Court Resurfacing	10,000.	
McKinley - Automate Irrigation	2,000.	
Oki - Automate Irrigation	2,000.	
Henschel - Basketball Court Resurfacing	15,000.	
Oki - Playground	60,000.	
Glen Hall - Playground	60,000.	
Bertha Henschel - Playground	60,000.	
Glenbrook - Tire Swing Replacement	12,000.	
McKinley - Tire Swing Replacement	<u>12,000.</u>	
	\$273,000.	\$43,500

Planning Area 7

Del Paso - Build Nature Area Kiosk	\$20,000.	
Del Paso - Automate Irrigation	5,000.	
Equestrian Trail Improvements	15,000.	
University Playground	60,000.	
Babcock - Tire Swing Replacement	<u>12,000.</u>	
	\$112,000.	\$15,200

Planning Area 8

Woodlake - Tennis Court Resurfacing	\$10,000.
Robertson - Tennis Court Resurfacing	10,000.
Johnston - Tennis Court Resurfacing	10,000.
Richardson Village - Automate Irrigation	20,000.
Woodlake - Automate Irrigation	55,000.
Hagginwood - Basketball Court Resurfacing	15,000.
Johnston - Basketball Court Resurfacing	15,000.
Richardson Village - Playground	60,000.

Park Rehabilitation Projects
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Planning Area 8 (Continued)

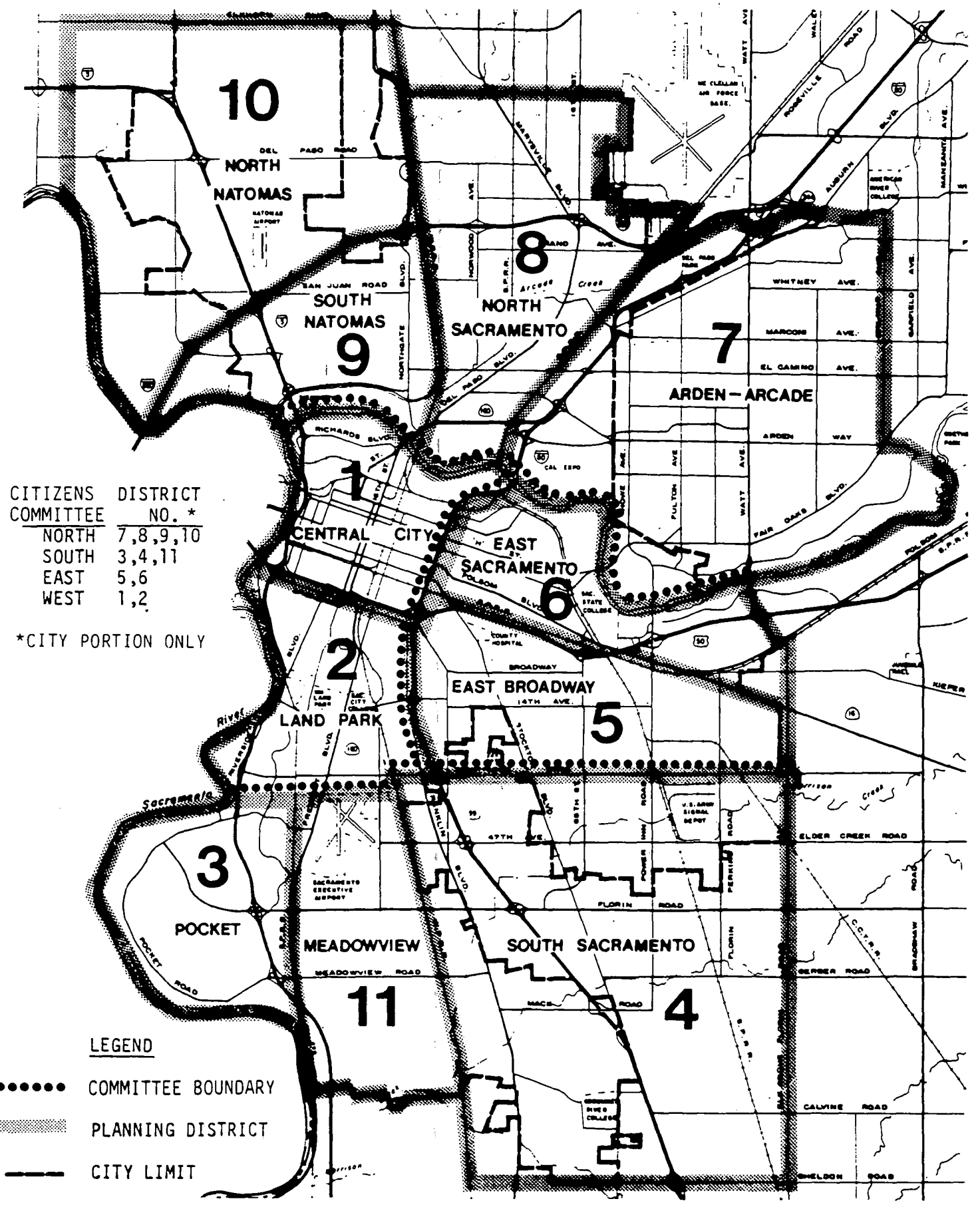
Glenwood - Tire Swing Replacement	12,000.	
Hagginwood - Tire Swing Replacement	12,000.	
Johnston - Tire Swing Replacement	12,000.	
Richardson - Tire Swing Replacement	12,000.	
Woodlake - Tire Swing Replacement	<u>12,000.</u>	
	\$255,000.	\$44,300

Planning Area 9

Northgate - Tennis Court Resurfacing	\$10,000.	
Gardenland - Basketball Court Resurfacing	15,000.	
Bannon Slough Barn - Rehabilitation	200,000.	
Ninos - Tire Swing Replacement	12,000.	
Northgate - Tire Swing Replacement	<u>12,000.</u>	
	\$249,000.	\$34,600

Planning Area 11

Cabrillo - Tennis Court Resurfacing	\$10,000.	
Susan B. Anthony - Tennis Court Resurfacing	10,000.	
Chorley - Playground	60,000.	
Hopkins - Playground	60,000.	
S. B. Anthony - Playground shade structure	12,000.	
Argonaut - Playground shade structure	12,000.	
Woodbine - Playground shade structure	12,000.	
Cabrillo - Tire Swing Replacement	12,000.	
Chorley - Tire Swing Replacement	12,000.	
Freeport - Tire Swing Replacement	12,000.	
Woodbine - Tire Swing Replacement	<u>12,000.</u>	
	\$224,000.	\$28,800



CITIZENS COMMITTEE	DISTRICT NO. *
NORTH	7,8,9,10
SOUTH	3,4,11
EAST	5,6
WEST	1,2

*CITY PORTION ONLY

LEGEND

- COMMITTEE BOUNDARY
- ▨ PLANNING DISTRICT
- CITY LIMIT