



DEVELOPMENT SERVICES
DEPARTMENT

DEVELOPMENT ENGINEERING
AND FINANCE

CITY OF SACRAMENTO
California

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June 7, 2005

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: CITYWIDE LANDSCAPING AND LIGHTING DISTRICT (L&L) - PUBLIC HEARING

LOCATION AND COUNCIL DISTRICT:

Citywide, all Council Districts.

RECOMMENDATION:

This report recommends that City Council conduct the public hearing and adopt the following resolutions:

- Overruling Protests
- Approving the Fiscal Year 2005/06 Budget for the Citywide L&L and appropriation of an additional \$270,000 from L&L surplus funds
- Confirming the Diagram and Assessment, and Levying the FY 2005/06 Annual Assessments for the Citywide Landscaping and Lighting District

CONTACT PERSONS: Rita Goolkasian, Program Specialist, 808-5236
Edward Williams, Manager, 808-5440

FOR COUNCIL MEETING OF: June 28, 2005

SUMMARY:

This report presents the recommended budget of \$11,042,741 for the Citywide Landscaping and Lighting (L&L) District for FY 2005/06 and the annual assessment of \$10,942,741. The budget reflects both a 2.1% consumer price index (CPI) rate adjustment for inflation and a \$100,000 surplus offset. The proposed annual assessment for a typical single-family home with lights is \$65.28. Staff also recommends a one-time appropriation of \$270,000 from L&L surplus funds to

City Council
Citywide Landscaping and Lighting (L&L)
June 7, 2005

pay for the increased street lighting energy costs and the Urban Reforestation Program. A schedule of the L&L budget process is shown in Attachment A. The FY 2005/06 annual budget and Appropriation distribution are shown in Exhibits A and B respectively of the Budget Resolution. A rate schedule for proposed assessments is shown on Attachment B. The purpose of the public hearing is to receive testimony and/or protests (if any) regarding the proposed budget, services, and assessments. Council action will approve the annual budget and appropriations and establish the L&L assessment rates for FY 2005/06.

COMMITTEE/COMMISSION ACTION:

None.

BACKGROUND INFORMATION:

The Citywide L&L was formed in June of 1989. The district provides 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 at district formation. The district allows for an annual adjustment in the assessments to account for inflation. The increase is based on the most recent available Consumer Price Index (CPI), San Francisco area, all items, but not to exceed three percent (3%) in any year. The most recent index, April 2005, reflects a 2.1% CPI increase over the prior 12 months.

On June 7, 2005, City Council accepted and approved the annual Engineer's Report with its intention to order improvements and set the public hearing date.

FINANCIAL CONSIDERATIONS:

The L&L budget is arranged in three categories:

- Street related operations and maintenance – safety lighting, neighborhood lighting, median maintenance and tree maintenance
- Bonded indebtedness – for an annual debt service to finance park improvements
- Ongoing park maintenance, park capital improvements and graffiti abatement

In addition to the maintenance activity, each category also contains a proportionate share of the administration and billing costs.

L&L Fund Balance Appropriations

The L&L unreserved fund balance is projected to be \$370,000 at 6/30/05 and staff recommends it be distributed in the following manner:

1. \$100,000 to be allocated proportionally to supplement the L&L annual operating budget.
2. A separate one-time appropriation of \$170,000 to the Street Lighting Division of Department of Transportation for increased energy costs due to SMUD's recent approval of a 10% increase in energy rates.

3. A separate one-time appropriation of \$100,000 to Trees Services Division of Parks and Recreation Department for their Urban Forest Enhancement Program.

These expenditures are an appropriate use of L&L funds.

L&L Annual Budget

The proposed L&L budget for FY 2005/06 is \$11,042,741 as shown on Exhibit A of the Budget Resolution. This budget reflects the offset of \$100,000 from surplus funds and a CPI adjustment of 2.1% in assessment rates.

Proposed Levy

Implementation of the proposed budget will require levy of \$10,942,741 for FY 2005/06 as shown on Exhibit A of the Budget Resolution and generated through the proposed rate schedule, Attachment B. The assessment for a typical single-family home with lights is \$65.28.

ENVIRONMENTAL CONSIDERATIONS:

Under the California Environmental Quality Act (CEQA) guidelines, the annual proceedings of a maintenance district do not constitute a project, and are therefore exempt from review.

POLICY CONSIDERATIONS:

These annual proceedings are being conducted in accordance with the Landscaping and Lighting Act of 1972 as set forth in Section 22500 of the California Streets and Highway's Code. Approving the annual budget and assessments for the Landscaping and Lighting District is consistent with the City's Strategic Plan in preserving and enhancing the City's neighborhoods and quality of life.

ESBD CONSIDERATIONS:

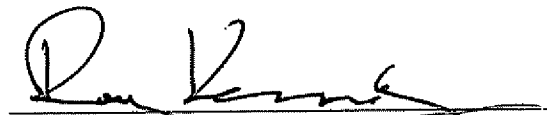
None. No goods or services are being purchased.

Respectfully submitted,



Edward Williams, Manager
Development Engineering and Finance

RECOMMENDATIONS APPROVED:


ROBERT P. THOMAS, City Manager

City Council
Citywide Landscaping and Lighting District (L&L)
June 7, 2005

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ATTACHMENT A

CITYWIDE LANDSCAPING & LIGHTING ASSESSMENT DISTRICT ANNUAL REPORT SCHEDULE FOR FY 2005/06 BUDGET

June 7, 2005	City Council Adopts: <ul style="list-style-type: none">• Resolution Directing Filing of the Annual Report• Resolution of Intention to Order Improvements and Set the Public Hearing Date
June 10, 2005	City Clerk Publishes Notice of Hearing
June 28, 2005	City Council Conducts Public Hearing and Adopts: <ul style="list-style-type: none">▪ Resolution Confirming Report and Levying FY 2005/06 Assessments▪ Resolution Amending the FY 2005/06 Budget for the Citywide Landscaping and Lighting District
July 2005	Prepare Final Assessment Roll for Adopted Budget
August 1, 2005	Transfer Assessment Roll to County for Inclusion on Tax Bill

ATTACHMENT B

RATE SCHEDULE

RECOMMENDED ANNUAL ASSESSMENTS FOR FY 2005/06

Assessment Components	Single Family Residence	Multi-Family Residence	Business 0-25,000 S.F.	Business 25,001-100,000	Business 100,001 or more	Church
Street Related O&M: Safety & Neighborhood Lighting Maintenance & Replacement Program, Median Maintenance & Construction, Tree Maintenance No Lights: Lights	\$ 22.56 \$ 46.75	\$ 15.79 \$ 32.73	\$ 100.80	\$ 503.98	\$1,048.28	\$ 28.80
Bonded Indebtedness: CIP-Park Improvements	\$ 4.07	\$ 2.77	\$ 6.04	\$ 30.18	\$ 62.77	\$ 1.72
Park Facilities & Related O&M: Park Main , Youth Employment Program, Graffiti Abatement	\$ 14.46	\$ 9.84	\$ 24.73	\$123.63	\$257.15	\$ 7.06
Proposed Assessment: No Lights: Lights:	\$ 41.09 \$ 65.28	\$28.40 \$45.34	\$131.56	\$657.79	\$1,368.19	\$ 37.59
Current Year Assessment: No Lights: Lights:	\$ 40.33 \$ 64.02	\$27.88 \$44.46	\$128.97	\$644.84	\$1,341.25	\$ 36.85
<i>Change in assessment with CPI adjustment:</i> No Lights: Lights:	\$ 0.76 \$ 1.26	\$ 0.52 \$ 0.88	\$ 2.59	\$12.95	\$ 26.94	\$ 0.74

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF: _____

**RESOLUTION OVERRULING PROTESTS
CITYWIDE LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT
FOR FY 2005/06**

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

On June 28, 2005, City Council opened a public hearing on the Resolution of Intention and the Engineer's Annual Report for the Citywide Landscaping and Lighting Assessment District, City of Sacramento, County of Sacramento, State of California.

At or before the time set for the hearing, certain interested persons made protests or objections to the proposed maintenance, the extent of the assessment district, or the proposed assessment.

City Council hereby overrules each of these protests, written or oral.

City Council finds that the protest against the proposed maintenance, the extent of the assessment district, or the proposed assessment (including all written protests not withdrawn in writing before the conclusion of the protest hearing) is made by the owners of less than one-half of the area of the land to be assessed.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF: _____

**RESOLUTION APPROVING THE FY 2005/06 BUDGET
FOR ASSESSMENT DISTRICT NO. 2
(Citywide Landscaping and Lighting District,
Pursuant to the Landscaping and Lighting Act of 1972)**

Whereas on August 1, 1989, the City Council of the City of Sacramento adopted Resolution No. 89-600 approving Assessment District No. 2 (Citywide Landscaping and Lighting District) for all developed properties within the City of Sacramento;

Whereas in order to mitigate increased costs for services, the assessment may be adjusted by the annual increase in the Consumer Price Index (CPI), San Francisco area, all items, most recent available prior to the date of adjustment, provided however, that in no event shall any automatic annual adjustment exceed three percent (3%).

Whereas the City of Sacramento is required to declare projected fiscal year end surplus funds.

**NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF
SACRAMENTO:**

1. The Citywide Landscaping and Lighting District (L&L) surplus is projected to be \$370,000 at June 30, 2005 and will be distributed in Fiscal Year 2005/06 as follows:
 - a. \$100,000 to offset the L&L operational budgets
 - b. \$170,000 to the Street Division for increased energy costs
 - c. \$100,000 to the Tree division for the Urban Reforestation Program.
2. The proposed Fiscal Year 2005/06 revenue (\$10,942,741) and expenditure (\$11,042,741) budgets for Assessment District No. 2 (Citywide Landscaping and Lighting District) be approved as shown on Exhibit A. The expenditure budget will be offset with \$100,000 of L&L projected surplus funds.
3. Appropriate from the L&L unrestricted fund balance an additional \$270,000 to the Street Division operations (\$170,000) and Tree Division operations (\$100,000) expenditure budgets for Fiscal Year 2005/06 as shown on the Exhibit B.

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

4. The Director of Finance is hereby authorized to adjust the 2005/06 Budget to reflect the operating transfers from the Landscaping and Lighting Fund to City Operating Budgets in accordance with the Engineer's Report and council authority for the one time appropriations from the Citywide Landscaping and Lighting unrestricted Fund Balance.

MAYOR

ATTEST:

CITY CLERK

Exhibit A – FY 2005/06 Annual Operating Budget
Exhibit B – FY 2005/06 one time L&L Fund Appropriation

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

Exhibit A

DISTRICT SERVICES Fund 281	PROPOSED BUDGET FY2005/06
<u>Street Related Operations & Maintenance:</u>	
Safety Lighting	\$427,155
CIP - Safety Lighting Replacement Program	0
Median Maintenance	1,011,967
CIP - Median & Soundwall Area Landscaping	0
Tree Maintenance (Residential & Non-residential)	3,515,622
Neighborhood Street Lighting Maintenance	2,357,361
CIP - Neighborhood Street Lighting Replacement Program	459,833
Administration & Billing	58,348
Contingency	0
SUBTOTAL STREET RELATED O&M	\$7,830,286
<u>Bonded Indebtedness:</u>	
Park Improvements (bonded portion)	\$600,000
Administration & Billing	5,933
SUBTOTAL BONDED INDEBTEDNESS	\$605,933
<u>Park Maintenance & Improvements and Graffiti Abatement:</u>	
Park Maintenance	\$1,793,683
CIP - Park Improvements (on-going improv)	671,559
Graffiti Abatement	122,550
Administration & Billing	18,730
Contingency	0
SUBTOTAL PARK MAINT., IMPROV. & GRAFFITI	\$2,606,522
TOTAL L&L BUDGET	\$11,042,741
Available Surplus Offset, Fund 281	(100,000)
ASSESSED TO PROPERTY OWNERS:	\$10,942,741

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

EXHIBIT B

Assessment District No. 2 – Citywide Landscaping and Lighting Assessment District
FY 2005/06 Unrestricted Fund Balance Appropriation, Fund 281

Transportation Department – Street Operations Street Lighting	\$170,000
Parks and Recreation Department – Tree Services Urban Reforestation Program	<u>\$100,000</u>
Total Appropriation	\$270,000
L&L Unrestricted Fund Balance, Fund 281	(\$270,000)

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF: _____

RESOLUTION CONFIRMING DIAGRAM AND ASSESSMENT AND LEVYING ASSESSMENT FOR CITYWIDE LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT FOR FY 2005/06 (Pursuant to the Landscaping and Lighting Act of 1972)

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

1. Pursuant to Chapter 3 of the Landscaping and Lighting Act of 1972, City Council directed the Manager of Development Engineering and Finance, Development Services Department as the Engineer of Work for the Citywide Landscaping and Lighting Assessment District, to prepare and file an Annual Report for Fiscal Year 2005/06.
2. The Engineer of Work filed the Annual Report on June 7, 2005, and City Council adopted its Resolution of Intention to levy and collect assessments within the assessment district for Fiscal Year 2005/06 and set a public hearing date for June 28, 2005 in the meeting place of City Council, City Hall, 730 "I" Street, First Floor, Sacramento, California. Notice of the hearing was given in the time and manner required by law.
3. At the public hearing, City Council afforded to every interested person an opportunity to protest the Annual Report either in writing or orally, and City Council has considered each protest.
4. City Council hereby confirms the diagram and assessment as set forth in the Annual Report of the Engineer of Work and hereby levies the assessment set forth therein for Fiscal Year 2005/06.

MAYOR

ATTEST:

CITY CLERK

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FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____