



DEVELOPMENT SERVICES
DEPARTMENT

CITY OF SACRAMENTO
California

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DEVELOPMENT ENGINEERING
AND FINANCE

June 8, 2005

City Council
Sacramento, California

Honorable Members in Session:

**SUBJECT: ADDITIONAL LIBRARY SERVICES ASSESSMENT DISTRICT NO. 96-02
FOR THE CITY OF SACRAMENTO - PUBLIC HEARING**

LOCATION AND COUNCIL DISTRICT:

Citywide, all Council Districts.

RECOMMENDATION:

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

- Overruling Protests (if any) for the Additional Library Services Assessment District No. 96-02
- Approving the FY 2005/06 Budget Assessment for Additional Library Services Assessment District No. 96-02
- Confirming Assessment and Levying the FY 2005/06 Assessment for the Additional Library Services Assessment District No. 96-02

CONTACT PERSONS: Rita Goolkasian, Program Specialist, 808-5236
Bryon A. Karow, Sacramento Public Library Authority, 264-2717

FOR COUNCIL MEETING OF: June 28, 2005

SUMMARY:

The purpose of this public hearing is to receive public testimony and/or protests regarding the proposed budget, services and assessments for Additional Library Services Assessment District No. 96-02. Council action will approve the annual budget and establish the assessment rates for FY 2005/06 (as shown on Attachment A).

City Council
Additional Library Services Assessment District No. 96-02
June 8, 2005

The proposed expenditure budget is \$4,242,975, which will be offset with \$4,046,535 from assessment revenue and \$196,440 from unreserved fund balance (see Attachment B). The budget reflects a 2.12% Consumer Price Index (CPI) adjustment for inflation. The proposed assessment for a typical single-family home is \$26.52. The calculations for the FY 2005/06 annual assessments are shown on Exhibit B to Budget Resolution.

COMMITTEE/COMMISSION ACTION:

None.

BACKGROUND INFORMATION:

On June 7, 2005 City Council adopted the Resolution for Filing of the Annual Report for FY 2005/06 for the Additional Library Services Assessment District No. 96-02, and establishing the public hearing date of June 28, 2005.

Additional Library Services

The assessment district provides improved library services: more open hours, more library materials, and updated technology in neighborhood, community, and regional libraries (this does not include the Central Library).

The technological improvements include Internet terminals and high-speed Internet connections, multi-media computers, on-line magazine full text articles, and computer access to library electronic information from the home, office, or school.

Low Income Rebate Program

City Code Section 3.136.490 (c) requires that the City Council shall provide low-income property owners a rebate of this assessment. Eligibility was defined and adopted by Resolution No. 2001-620 on September 11, 2001. The rebate program was first implemented in fiscal year 2001/2002 with rebates now distributed for fiscal year tax bills 1998 through 2002. This year's budget includes the FY 2003/04 rebate and associated administrative costs. The projected FY04/05 and FY05/06 rebate and associated administrative costs are included in the unreserved fund balance.

Annual Assessment

The recommended annual assessment for a single family resident is \$26.52. The complete list of recommended annual assessments for FY2005/06 and method of calculation is shown on Exhibit B of the Budget Resolution.

Costs to maintain services can fluctuate each year based on the cost of services and supplies. In order to mitigate increased costs each year, the rate per benefit unit may be increased by the amount of increase in the Consumer Price Index (CPI), San Francisco area, all items, most recently available prior to the date of increase. This increase, however, cannot exceed three percent (3%) in any year. The annual April 2005 CPI increase was 2.12%. Therefore, the maximum allowable assessment rate for FY 2005/06 is \$26.52 for a single-family residence.

City Council
Additional Library Services Assessment District No. 96-02
June 8, 2005

Benefit Methodology

An assessment is levied on all benefiting parcels within the City of Sacramento boundaries. The rates are derived using a benefit formula with two components, a benefit factor and an equivalent dwelling unit to arrive at a benefit unit for each parcel. Parcels determined to have a benefit unit of less than .05 are not considered cost effective to process; and therefore, will not be assessed. A detailed discussion of the benefit methodology is discussed in the Annual Engineer's Report on file with the City Clerk.

FINANCIAL CONSIDERATIONS:

The proposed budget for FY 2005/06 is \$4,242,975, as shown on Attachment B. The budget reflects a 2.12% CPI adjustment in the rates for inflation that will generate revenues of \$4,046,535. It is also offset by reserve funds of \$196,440.

ENVIRONMENTAL CONSIDERATIONS:

Under the California Environmental Quality Act (CEQA) guidelines, the annual proceedings for an assessment district do not constitute a project, and are therefore exempt from reviews.

POLICY CONSIDERATIONS:

Title 3.136 of the City Code mandates the assessment proceedings undertaken through this report. The voters approved the Additional Library Services Assessment on November 5, 1996. Approval of the annual budget and assessments 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:

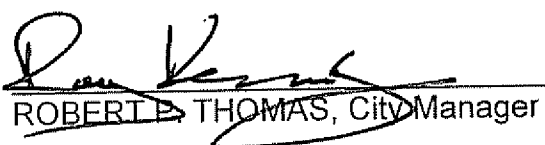


Anne Marie Gold, Library Director
Sacramento Public Library Authority



Edward Williams, Manager
Development Engineering and Finance

RECOMMENDATION APPROVED:



ROBERT P. THOMAS, City Manager

City Council
Additional Library Services Assessment District No. 96-02
June 8, 2005

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ATTACHMENT A

ADDITIONAL LIBRARY SERVICES ASSESSMENT DISTRICT NO. 96-02

SCHEDULE

June 7, 2005 Council Action:
Adopt Resolutions –

- Accepting the Additional Library Services Assessment District Annual Report for FY 2005/06 and
- Setting the Public Hearing Date for FY 2005/06

June 10, 2005 Notice of Hearing is Published

June 28, 2005 Conduct Public Hearing and Adopt:

- Resolution Approving Report and Levying FY 2005/06 Assessments
- Resolution Amending the FY 2005/06 Budget for the Additional Library Services Assessment District No. 96-02
- Resolution Confirming Assessment and Levying FY 2005/06 Assessment for the Additional Library Services Assessment District No. 96.02

July 2005 Prepare Final Assessment Roll for Adopted Budget

August 2005 Refer Assessments to County for Inclusion on FY 2005/06 Tax Bill

ATTACHMENT B

ESTIMATE OF COSTS

The estimate of the fair and reasonable cost of the services and facilities to be provided to the District, including incidental expenses in connection with providing those services and facilities and all other related costs as provided in Section 3.136.180 of the City Code, is \$4,242,975 for Fiscal Year 2005-06 as shown below:

ESTIMATED COSTS FOR ADDITIONAL SERVICES AND FACILITIES	
EXPENSES	
Library Services:	
Staff Cost for Extended Hours (121 per week average)	\$ 1,491,308
Branch Books and Materials	\$ 529,129
Technical Processing	\$ 482,256
Leases	\$ 90,208
Services and Supplies (not otherwise noted)	\$ 87,487
Rebate Program (02/03 – two year lag)	\$ 28,000
Assessment District Portion of Shared Cost	\$ 1,267,418
Subtotal Library Services	\$ 3,975,806
Administrative Costs:	
County Billing Costs	\$ 71,400
City Finance & Special Districts Administration	\$ 13,770
Assessment Engineer & Database Maintenance	\$ 22,000
Subtotal Administrative Costs	\$ 107,170
Reserve Requirements:	
Reserve	\$ 159,999
TOTAL EXPENSE ESTIMATE	\$ 4,242,975
REVENUE SOURCES	
Estimated Unreserved Fund Balance 6/30/05	\$ 196,440
FY 2005-06 Assessment Revenue	\$ 4,046,535
TOTAL REVENUE ESTIMATE	\$ 4,242,975

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF: _____

RESOLUTION OVERRULING PROTESTS FOR THE ADDITIONAL LIBRARY SERVICES ASSESSMENT DISTRICT NO. 96-02 FOR FY 2005/06

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

On June 28, 2005, the City Council opened a public hearing on the Resolution of Intention and the Annual Engineer's Report for the Additional Library Services Assessment District No. 96-02, 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 services, the extent of the assessment district, or the proposed assessment.

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

The City Council finds that the protest against the proposed services (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 ADDITIONAL LIBRARY SERVICES
ASSESSMENT DISTRICT NO. 96-02, FUND 943**

(Pursuant to City Code Title 3.136, Article VI, Section 3.136.180)

Whereas on November 5, 1996, the voters of the City of Sacramento approved the an assessment district to fund additional library services for ten years, the Additional Library Services Assessment District No. 96-02 was established;

Whereas property owners within the boundaries of the Additional Library services Assessment District No. 96-02 are assessed a fee (Exhibit B) to cover the cost of delivering additional library services;

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

1. The proposed Fiscal Year 2005/06 revenue (\$4,046,535) and expenditure (\$4,242,975) budgets for the Additional Library Services Assessment District No. 96-02, be amended. The expenditure budget will be offset with \$196,440 from unreserved funds of the district.
2. The Director of Finance is authorized to amend the expenditure authority for the Sacramento Library Authority and departments of Finance and Development Services necessary to provide services for the Additional Library Services Assessment District in the amount of \$4,242,975 as summarized on Exhibit A.

MAYOR

ATTEST:

CITY CLERK

Exhibit A - Fiscal Year 2005/06 Budget
Exhibit B - Parcel Assessment

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

EXHIBIT A

**Additional Library Services Assessment District No. 96-02
Fund 943
Fiscal Year 2005/06**

Sacramento Public Library Authority Library Operations	\$4,157,805
Finance Department – County Billing Costs	\$71,400
Accounting Admin.	\$ 7,770
Development Services Department – Special Districts Administration	<u>\$ 6,000</u>
Total FY06 Operating Budgets	\$4,242,975
Fund Balance Offset	<u>(\$196,440)</u>
Total Assessment to Property Owners	<u>\$4,046,535</u>

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

EXHIBIT B

RECOMMENDED ANNUAL ASSESSMENT FOR FY 2005/06

	Benefit Calculation				Total
Land Use	(EDU) x (Benefit Factor) =			BU's	
					\$26.52
Single Family Res. (SFR)	(1 DU x 1 EDU/DU)	x 1.0	=	1.0	\$26.52
Triplex	(3 DU x 0.75 EDU/DU)	x 1.0	=	2.25	\$59.67
Apartment, 10-Unit	(4 DU x 0.75 EDU/DU)+(6 DU x 0.50 EDU/DU)	x 1.0	=	6.0	\$159.12
Apartment, 40-Unit	(4 DU x 0.75 EDU/DU)+(11 DU x 0.50 EDU/DU) + (25 DU x 0.25 EDU/DU)	x 1.0	=	14.75	\$391.17
Mobile Home Park, 15-Unit	(15 DU x 0.5 EDU/DU)	x 1.0	=	7.5	\$198.90
Non-Residential Uses					
Private School, 1/2 ac	(1/2 ac x 6 EDU/ac)	x 0.75	=	2.25	\$59.67
Office Building, 1/2 ac	(1/2 ac x 6 EDU/ac)	x 0.50	=	1.50	\$39.78
Office Building, 2 ac	(2 ac x 6 EDU/ac)	x 0.50	=	6.0	\$159.12
Restaurant, 1/4 ac	(1/4 ac x 6 EDU/ac)	x 0.25	=	0.375	\$9.95
Supermarket, 1/2 ac	(1/2 ac x 6 EDU/ac)	x 0.25	=	0.75	\$19.89
Service Station, 1/3 ac	(1/3 ac x 6 EDU/ac)	x 0.25	=	0.5	\$13.26
Public Storage, 2 ac	(2 ac x 6 EDU/ac)	x 0.25	=	3.0	\$79.56
Warehouse, 7 ac	[(5 ac x 6 EDU/ac)+(2 ac x 1.5 EDU/ac)]	x 0.25	=	8.25	\$218.79
Vacant Uses					
Vacant 1/6 ac parcel	(1/6 ac x 1.5 EDU/ac)	x 0.25	=	0.063	\$1.67
Vacant 1/2 ac parcel	(1/2 ac x 1.5 EDU/ac)	x 0.25	=	0.188	\$4.99
Vacant 1 ac parcel	(1 ac x 1.5 EDU/ac)	x 0.25	=	0.375	\$9.95
Vacant 5+ ac parcel	(5 ac x 1.5 EDU/ac)	x 0.25	=	1.875	\$49.73

**Note: EDU = Equivalent Dwelling Unit
AC = Acre**

**DU = Dwelling Unit
BU = Benefit Unit**

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

**RESOLUTION CONFIRMING ASSESSMENT AND LEVYING ASSESSMENT
FOR ADDITIONAL LIBRARY SERVICES ASSESSMENT DISTRICT NO. 96-02**

(Pursuant to City Code Title 3.136, Article VI, Section 3.136.180)

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

1. Pursuant to City Code Title 3.136 Article VI, Section 3.136.180, the City Council directed the Manager of Development Engineering and Finance, Development Services Department to prepare and file an Annual Report for Fiscal Year 2005/06.
2. On June 7, 2005 the City Council accepted the annual report for FY 2005/06 and gave notice of a public hearing on the Annual Report for the Additional Library Services Assessment District No. 96-02 for June 28, 2005, in the meeting place of the City Council, City Hall, 730 "I" Street, 1st Floor, Sacramento, California. Notice of the hearing was given in the time and manner required by law.
3. At or before the time set for the public hearing, the City Council afforded to every interested person an opportunity to make a protest to the Annual Report either in writing or orally, and the City Council has considered each protest (if any).
4. The City Council hereby confirms the assessment as set forth in the Annual Report of the Manager of Development Engineering and Finance, Development Services Department, and hereby levies the assessment set forth therein for Fiscal Year 2005/06.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____