



Legislation Details (With Text)

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In control: City Council Regular Meeting

On agenda: 4/6/2021 **Final action:**

Title: Consider Ordering Plans, Specifications, Cost Estimates and Engineer's Report for Annual Street Lighting and Landscaping Assessments (Finance Director Charelian).
ADOPT RESOLUTION NO. 21-0028

Sponsors:

Indexes:

Code sections:

Attachments: 1. Resolution No. 21-0028

Date	Ver.	Action By	Action	Result
4/6/2021	1	City Council Regular Meeting		

TO:
Honorable Mayor and Members of the City Council

THROUGH:
Bruce Moe, City Manager

FROM:
Steve S. Charelian, Finance Director
Libby Bretthauer, Senior Financial Analyst

SUBJECT:
Consider Ordering Plans, Specifications, Cost Estimates and Engineer's Report for Annual Street Lighting and Landscaping Assessments (Finance Director Charelian).
ADOPT RESOLUTION NO. 21-0028

RECOMMENDATION:
Staff recommends that the City Council adopt Resolution No. 21-0028 ordering the preparation of plans, specifications, cost estimates, and the engineer's report for the annual renewal of the Landscaping and Lighting District for Fiscal Year (FY) 2021-2022, pursuant to the Landscaping and Lighting Act of 1972.

FISCAL IMPLICATIONS:
Sufficient funds are budgeted in the Public Works department for the assessment engineering cost of \$7,550 for the Landscaping and Lighting District.

It is important to note that because assessments have been fixed since 1996 and costs have continued to rise and exceed the revenue generated by the assessments, the Street Lighting and Landscape Fund has depleted its fund balance. As a result, the General Fund continues to subsidize the fund. The preliminary estimate for the subsidy in the upcoming FY 2021-2022 is \$180,784. A

Proposition 218 vote is required to raise the assessments; City Council reviewed the options for raising assessments but has deferred such action.

BACKGROUND:

The City provides for the operations and maintenance of Street Lighting and the Downtown Streetscape via the Street Lighting and Landscaping Assessment District (District). The District, which was formed pursuant to the Landscaping and Lighting Act of 1972, is comprised of separate street lighting districts for the majority of the City, and the lighting and landscaping services provided for Downtown.

DISCUSSION:

The District must be renewed annually through a series of City Council resolutions, culminating with a public hearing. The public hearing and adoption of a final resolution are scheduled for the City Council meeting of June 15, 2021.

In order to renew the districts, an assessment engineer must review and develop the benefit assessments for each parcel. Those assessments are based on the proposed budget for the upcoming fiscal year commencing July 1, subject to the constraints of Proposition 218. For FY 2021-2022, the preliminary assessment is comprised of \$377,688 from private property owners and a General Fund contribution of \$12,230 for City property located in the Streetscape zone, for a total assessment of \$389,918. Since total assessments (\$389,918) are the only budgeted resources for FY 2021-2022, the budgeted expenditures of \$570,702 for all zones will result in a shortfall of \$180,784 for all zones. The 2020-2021 fiscal year opening balance will not have available funds requiring a General Fund subsidy to match the shortfall.

The first step in this annual process is for City Council to pass a Resolution of Initiation on April 6, 2021, which authorizes the preparation of an engineer's report on the District. During a City Council meeting in May, the engineer's report will be submitted, along with a Resolution of Intention, which authorizes proceedings for the annual levy and collection of assessments. Finally, on June 15, 2021, the public hearing will be held. At that time, City Council will be asked to adopt a resolution providing for the levy and collection of street lighting assessments for FY 2021-2022.

PUBLIC OUTREACH/INTEREST:

After analysis, staff determined that public outreach was not required for this issue.

ENVIRONMENTAL REVIEW:

The City has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under Section 15378 of the State CEQA Guidelines; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines the activity is not subject to CEQA. Thus, no environmental review is necessary.

LEGAL REVIEW:

The City Attorney has reviewed this report and determined that no additional legal analysis is necessary.

ATTACHMENT:

1. Resolution No. 21-0028