



Legislation Text

File #: 22-0038, **Version:** 1

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Bruce Moe, City Manager

FROM:

Steve S. Charelian, Finance Director
Libby Bretthauer, Financial Services Manager

SUBJECT:

Conduct Public Hearing and Consideration of a Resolution Providing for Annual Levy and Collection of Street Lighting and Landscaping District Maintenance Assessments for Fiscal Year 2022-2023 (Finance Director Charelian).

(Estimated Time: 15 Min.)

A) CONDUCT PUBLIC HEARING

B) ADOPT RESOLUTION NO. 22-0086 PROVIDING FOR ANNUAL LEVY AND COLLECTION OF FISCAL YEAR 2022-2023 MAINTENANCE ASSESSMENTS

RECOMMENDATION:

Staff recommends that after conducting a public hearing, the City Council adopt Resolution No. 22-0086 providing for the annual levy and collection of Street Lighting and Landscaping District maintenance assessments for Fiscal Year (FY) 2022-2023.

FISCAL IMPLICATIONS:

The assessment rates remain unchanged from FY 2021-2022. The total assessments for FY 2022-2023 are \$377,088.

BACKGROUND:

The City provides for the maintenance costs of citywide street lighting and downtown landscaping through a Street Lighting and Landscaping Assessment District. The district was formed pursuant to the California Landscaping and Lighting Act of 1972. The district must be renewed annually through a series of City Council resolutions culminating with tonight's public hearing and adoption of Resolution No. 22-0086.

The following is a summary of previous City Council actions:

April 5, 2022 - Adoption of Resolution No. 22-0040 ordering plans, specifications, cost estimates and the assessment engineer's report of annual assessments.

May 17, 2022 - Adoption of Resolution No. 22-0066 approving the assessment engineer's report for the annual levy of street lighting assessments for FY 2022-2023.

May 17, 2022 - Adoption of Resolution No. 22-0067 declaring the City Council's intention to provide for the annual levy and collection of assessments for street lighting maintenance and setting the public hearing for June 21, 2022.

DISCUSSION:

The assessments for FY 2022-2023 (\$377,088), combined with a City contribution of \$13,134 for Downtown Streetscape (zone 10), will be used entirely for maintenance and operation of the street lighting (zones 1 through 9) and the Downtown Streetscape (zone 10). The City contribution of \$13,134 represents the benefit received by the City via the inclusion of City Hall frontage along Highland Avenue in the Streetscape area (zone 10). In addition, the General Fund will be providing an operating subsidy of \$221,800 to cover shortfalls of \$211,096 for street lighting (zones 1 through 9) and \$10,704 for Streetscape (zone 10).

In summary, total estimated revenue, including the General Fund contribution for FY 2022-2023, is \$390,222, while the budgeted expenditures for all zones is \$612,022, resulting in an estimated deficit of \$221,800.

As discussed during the FY 2022-2023 budget meetings and in prior staff reports, the Street Lighting and Landscaping Fund requires a subsidy from the General Fund to relieve the deficit in the current year and for the foreseeable future. Ongoing deficits, totaling an estimated \$1.2 million over the next five years, can be alleviated through service level reductions/efficiencies, increased assessments (requiring a Proposition 218 vote), or other new revenue sources which may also require voter approval.

PUBLIC OUTREACH:

This public hearing is the final step in the process to establish the FY 2022-2023 assessment. The public hearing was properly noticed and the assessment engineer's report, map of assessment zones, and register of assessment levies are on file with the City Clerk.

LEGAL REVIEW:

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

ATTACHMENTS:

1. Resolution No. 22-0086
2. Fiscal Year 2022-2023 Engineer's Report