



Legislation Text

File #: RES 17-0051, **Version:** 1

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Mark Danaj, City Manager

FROM:

Bruce Moe, Finance Director

Henry Mitzner, Controller

SUBJECT:

Conduct Public Hearing Regarding Annual Levy and Collection of Street Lighting and Landscaping District Maintenance Assessments for Fiscal Year 2017-2018 (Finance Director Moe).

CONDUCT PUBLIC HEARING, ADOPT RESOLUTION NO. 17-0051

RECOMMENDATION:

Staff recommends that the City Council: a) conduct a public hearing, and b) adopt Resolution No. 17-0051 providing for the annual levy and collection of Street Lighting and Landscaping District maintenance assessments for Fiscal Year (FY) 2017-2018.

FISCAL IMPLICATIONS:

The assessment rates remain unchanged from FY 2016-2017. The total assessments for FY 2017-2018 are \$377,882.

BACKGROUND:

The City provides for the maintenance costs of citywide street lighting and downtown landscaping via 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 the resolution.

The following is a summary of previous Council actions:

4/4/17 - Adoption of Resolution No. 17-0030 ordering plans, specifications, cost estimates and the assessment engineer's report of annual assessments.

5/16/17 - Adoption of Resolution No. 17-0049, approving the assessment engineer's report for the annual levy of street lighting assessments for FY 2017-2018; adoption of Resolution No. 17-0050 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 20, 2017.

DISCUSSION:

The assessments for FY 2017-2018 (\$377,882) combined with a City contribution of \$18,007 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 \$18,007 presents benefit received by the City via 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 \$223,904 to cover revenue and contribution shortfalls. The shortfall components are \$161,839 for street lighting (zones 1 through 9), and \$62,065 for Streetscape (zone 10). In summary, total estimated revenue, including the General Fund contribution for FY 2017-2018, is \$395,889, while the budgeted expenditures for all zones is \$619,793 resulting in a deficit of \$223,904.

As discussed during the FY 2017-2018 budget meetings and in prior staff reports, the Street Lighting and Landscaping Fund will require subsidy from the General Fund in the current fiscal year (\$223,904) and for the foreseeable future. Ongoing deficits can only be alleviated through service level reductions, increased assessments, which require a Proposition 218 vote, or other new revenue sources (which may also require voter approval).

CONCLUSION:

Tonight's public hearing is the final step in the process to establish the FY 2017-2018 assessment. The public hearing has been properly noticed and the assessment engineer's report, map of assessment zones, and register of assessment levies have been placed on file with the City Clerk.

Attachments:

1. Resolution No. 17-0051
2. Engineer's Report FY 2017-2018