



Legislation Text

File #: 21-0050, **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 to Consider Adopting a Resolution Providing for Annual Levy and Collection of Street Lighting and Landscaping District Maintenance Assessments for Fiscal Year 2021-2022 (Finance Director Charelian).

- a) **CONDUCT PUBLIC HEARING**
- b) **ADOPT RESOLUTION NO. 21-0050 PROVIDING FOR ANNUAL LEVY AND COLLECTION OF FISCAL YEAR 2021-2022 MAINTENANCE ASSESSMENTS**

RECOMMENDATION:

Staff recommends that after conducting a public hearing, the City Council adopt Resolution No. 21-0050 providing for the annual levy and collection of Street Lighting and Landscaping District maintenance assessments for Fiscal Year (FY) 2021-2022.

FISCAL IMPLICATIONS:

The assessment rates remain unchanged from FY 2020-2021. The total assessments for FY 2021-2022 are \$377,232.

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. 21-0050.

The following is a summary of previous City Council actions:

April 6, 2021 - Adoption of Resolution No. 21-0028 ordering plans, specifications, cost estimates and the assessment engineer's report of annual assessments.

May 18, 2021 - Adoption of Resolution No. 21-0039 approving the assessment engineer's report for the annual levy of street lighting assessments for FY 2021-2022.

May 18, 2021 - Adoption of Resolution No. 21-0040 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 15, 2021.

DISCUSSION:

The assessments for FY 2021-2022 (\$377,232), combined with a City contribution of \$12,001 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 \$12,001 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 \$181,469 to cover shortfalls of \$180,969 for street lighting (zones 1 through 9) and \$500 for Streetscape (zone 10).

In summary, total estimated revenue, including the General Fund contribution for FY 2021-2022, is \$389,233, while the budgeted expenditures for all zones is \$570,702, resulting in a deficit of \$181,469.

As discussed during the FY 2021-2022 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 (\$181,469) and for the foreseeable future. Ongoing deficits 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.

This public hearing is the final step in the process to establish the FY 2021-2022 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. 21-0050
2. Engineer's Report Fiscal Year 2021-2022