

**CITY OF SEBASTOPOL
CITY COUNCIL
AGENDA ITEM**

Meeting Date: April 16, 2019
To: Honorable Mayor and City Councilmembers
From: Finance Director – Ana Kwong
Subject: FY 2019/20 Street Lighting Assessment District
Recommendation Adopt a resolution of intention to levy and collect the annual assessments for Fiscal Year 2019/20 for the City of Sebastopol Street Lighting Assessment District, preliminarily approving the annual Engineer’s Report and setting the date of the Public Hearing in accordance with provisions of the Landscaping and Lighting Act of 1972.
Funding: Currently Budgeted: Yes No N/A
 Net General Fund Cost: \$0
 If Cost to Other Fund(s),
 Fund:

INTRODUCTION: This item is to request that the City Council Approve and Adopt the Resolution Approving the intention to levy and collect the annual assessment for Fiscal Year 2019/20, and preliminarily approving the annual Engineer’s Report and setting the date of the Public Hearing in accordance with provisions of Landscaping and Lighting Act 1972.

BACKGROUND:

On March 19, 2019, the City Council adopted a Resolution No. 6229 appointing the Engineer of Work, directing the preparation and filing of the annual Engineer’s Report and describing the potential changes to the Assessment District for fiscal year 2019/20. The annual Engineer’s Report has been prepared and filed and is submitted for your review and preliminary approval.

The District estimated fund balance of \$23,286 is projected for fiscal year end of June 30, 2019. For Fiscal Year 2019/20, the proposed annual assessment is \$33.14 per ESD, decrease of \$3.36 from the previous assessment in fiscal year 2018/19 of \$36.50.

The City of Sebastopol utilizes a city-wide Street Lighting Special Assessment District in accordance with the provisions of the Landscaping and Lighting Act of 1972 to fund the operation and maintenance of the Citywide street light system. The funding sources for the Assessment District costs are the parcels within the Assessment District. The parcels are assessed through an annual process that began by the City Council’s March 19, 2019 action. Tonight meeting is the second of the three annual City Council actions regarding the Assessment District. By adopting the attached resolution, the City Council will set the maximum assessment that could be levied for fiscal year 2019/20.

At the May 21, 2019 Public Hearing (third City Council action), the City Council may authorize the levy and collection of the assessments as presented at that Public Hearing or decrease them, but cannot increase the levy amount greater than the maximum set tonight.

DISCUSSION:

The annual Engineer's Report for fiscal year 2019/20 includes:

- a) The description and proposed changes to the Assessment District.
- b) The estimated budget to operate and maintain the street lights system.
- c) The assessment roll for all parcels.
- d) The method of apportionment (spread) of the assessments to each parcel of land in the Assessment District.
- e) The assessment diagram (map) of the Assessment District.

The City Council can make changes to the Engineer's Report up to and including the date of the Public Hearing. The remaining City Council actions for the levy of annual assessments for fiscal year 2019/20 for the City's Street Lighting Assessment District are as follows:

- The City Council holds a Public Hearing planned for May 21, 2019 after 6:00 p.m. to fulfill the public protest hearing requirements in the Street and Highways Code. Upon its conclusion, the City Council may adopt a resolution confirming the assessments, either as preliminarily approved on April 16, 2019, or as modified by the City Council at the conclusion of the May 21, 2018 Public Hearing. The adoption of the resolution shall constitute authorization to levy and collect assessments for fiscal year 2019/20.

These annual proceedings and the City Council actions are required by the Landscaping & Lighting Act of 1972 of the California Streets and Highways Code.

RECOMMENDATION: That the City Council Approve and Adopt the Resolution Approving the intention to levy and collect the annual assessment for Fiscal Year 2019/20, and preliminarily approving the annual Engineer's Report and setting the date of the Public Hearing in accordance with provisions of Landscaping and Lighting Act 1972.

Attachment(s): Resolution

RESOLUTION NO. _____

A RESOLUTION OF INTENTION TO LEVY AND COLLECT ANNUAL ASSESSMENTS FOR FISCAL YEAR 2019/20 FOR THE SEBASTOPOL STREET LIGHTING SPECIAL ASSESSMENT DISTRICT, PRELIMINARILY APPROVE THE ENGINEER'S REPORT AND SET THE DATE OF THE PUBLIC HEARING IN ACCORDANCE WITH THE PROVISIONS OF THE LANDSCAPING AND LIGHTING ACT OF 1972

WHEREAS, during 1981 the City Council ordered the formation of the Assessment District to levy and collect assessments to fund the operation and maintenance of the city-wide streetlight system pursuant to the Landscaping and Lighting Act of 1972; and

WHEREAS, an Engineer's Report is required to be prepared and filed each year outlining the proposed budget and assessment, the proposed improvements to be maintained and the changes to the Assessment District in order to levy and collect assessment on any following fiscal year; and

WHEREAS, the City Council intends to levy and collect assessments from parcels within the Assessment District during the following fiscal year 2019/20, located within the City of Sebastopol, Sonoma County; and

WHEREAS, on March 19, 2019, the City Council adopted Resolution No. 6229 appointing Joseph G. Gaffney, City Engineer as the Engineer of Work, directing the preparation and filing of the annual Engineer's Report and describing the potential changes to the Assessment District for fiscal year 2019/20; and

WHEREAS, Joseph G. Gaffney, City Engineer has prepared and filed with the City Clerk the annual Engineer's Report for fiscal year 2019/20 as required by the Landscaping and Lighting Act of 1972; and

WHEREAS, the proposed improvements to be maintained in this Assessment District are the streetlights within the Sebastopol City limits; and

WHEREAS, the annual Engineer's Report for fiscal year 2019/20 includes changes to the Assessment District such as subdivision developments, lot splits, land use changes or corrections during fiscal year 2018/19 and there is a decrease of \$3.36 to the equivalent Single-Family Dwelling (ESD) units for a total of 3,965.5 ESD units; and

WHEREAS, all interested persons are referred to the filed Engineer's Report for a full and detailed description of the improvements, the proposed operation and maintenance costs, the boundaries of the Assessment District and the proposed assessments upon assessable lots and parcels of land within the Assessment District for fiscal year 2019/20; and

WHEREAS, the annual assessment per ESD unit for fiscal year 2019/20 is proposed to be \$33.14 per ESD, an decrease of \$3.36 in assessment in comparison to fiscal year 2018/19

WHEREAS, this Resolution is adopted pursuant to Section 22624 of the State of California, Streets and Highways Code:

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Sebastopol hereby intends to levy and collect assessments during fiscal year 2019/20 and preliminarily approves the filing of fiscal year 2019/20 Engineer's Report with the estimate of costs to maintain said streetlight improvements and incidentals; and

BE IT FURTHER RESOLVED that a public hearing regarding this Assessment District will be held on Tuesday, May 21, 2019 after 6:00 p.m. at the Sebastopol Youth Annex, 425 Morris Street, Sebastopol. At the public hearing, the City Council will consider any changes to the Assessment District and authorization to levy and collect the proposed annual assessments for fiscal year 2019/20; and

BE IT FURTHER RESOLVED that the City Clerk is authorized and directed to give the Notice of Public Hearing as required by the provisions of the Landscaping and Lighting Act of 1972 for said public hearing.

ADOPTED this 16th day of April 2019.

Approved: _____
Neysa Hinton, Mayor

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST: _____
Mary Gourley, Assistant City Manager / City Clerk, MMC

FY 2019-20
ANNUAL ENGINEER'S REPORT
SEBASTOPOL LIGHTING
SPECIAL ASSESSMENT DISTRICT

CITY OF SEBASTOPOL
COUNTY OF SONOMA
STATE OF CALIFORNIA

DRAFT

APRIL 16, 2019

Prepared By:

Joseph G. Gaffney
City Engineer

FY 2019-20
SEBASTOPOL LIGHTING SPECIAL ASSESSMENT DISTRICT
(Pursuant to the Landscaping and Lighting Act of 1972)

The undersigned respectfully submits, as directed by the City Council of the City of Sebastopol on March 19, 2019, the enclosed Engineer's Report on the 16th day of April, 2019.



By: 
Joseph G. Gaffney, RCE/31678, Exp 12/31/20

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment and Assessment Diagram thereto attached, was filed with me on the ____ day of _____, 2019.

Lawrence McLaughlin, City Manager, City of Sebastopol, Sonoma County, California

By: _____

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment and Assessment Diagram thereto attached, was approved and confirmed by the City Council of the City of Sebastopol California, on the ____ day of _____, 2019.

Lawrence McLaughlin, City Manager, City of Sebastopol, Sonoma County, California

By: _____

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment and Assessment Diagram thereto attached, was filed with the County Auditor of the County of Sonoma on the _____ day of _____, 2019.

Lawrence McLaughlin, City Manager, City of Sebastopol, Sonoma County, California

By: _____

FY 2019-20 ANNUAL ENGINEER'S REPORT

SEBASTOPOL LIGHTING SPECIAL ASSESSMENT DISTRICT

(Pursuant to the Landscaping & Lighting Act of 1972)

Annual Assessment

Joseph G. Gaffney, City Engineer, Engineer of Work for the Sebastopol Lighting Special Assessment District, City of Sebastopol, Sonoma County, California, makes this annual Engineer's Report, as directed on March 19, 2019 by the City Council of the City of Sebastopol, pursuant to Sections 22565 and 22620 of the California Streets & Highways Code for the Sebastopol Lighting Special Assessment District for Fiscal Year 2019-20.

Background

The Sebastopol Lighting Special Assessment District was formed on May 18, 1981 by the City Council of the City of Sebastopol to cover the costs associated with the operation and maintenance of the citywide streetlight system. This action included adopting Resolution No. 3316 proposing the formation of the Assessment District pursuant to the Landscaping and Lighting Act of 1972. Subsequently, on June 29, 1981, the City Council adopted Resolution No. 3332 approving the formation of the Assessment District and authorizing the levy and collection of assessments. Assessments were levied for FY 1981-82 and FY 1982-83. From FY 1983-84 through FY 1995-96, the City Council elected not to levy and collect annual assessments. Since FY 1996-97 and through FY 2018-19, the assessments have been levied and collected on an annual basis.

Pursuant to the Landscaping and Lighting Act of 1972, an Engineer's Report must be annually prepared and filed for the Assessment District in order to levy and collect assessments on any following fiscal year. For this FY 2019-20 Engineer's Report, new cost estimates for the operation and maintenance of the citywide streetlight system have been developed. No annexations into the Assessment District are proposed for FY 2019-20. The total number of units for FY 2019-20 has decreased from 3,966.5 ESD's to 3,965.5 ESD's.

For FY 2019-20, the proposed annual assessment is \$33.14 per ESD, a decrease from the 2018-19 assessment of \$36.50. The proposed total FY 2019-20 expenditure of \$129,440.00 will be totally funded from the annual assessments.

Effects of Proposition 218 (Right to Vote on Taxes Act) - The Sebastopol Lighting Special Assessment District is exempt from the procedural requirements of Article XIID of the California Constitution by virtue of Section 5(a) within Proposition 218. Section 5(a) exempts assessments for the maintenance expenses of streets. Maintenance expenses are defined to include the cost of electrical current. In as much as lights are an integral part of the street, the cost of maintenance of the lights is exempt. Therefore, Proposition 218 procedural requirements do not affect the Sebastopol Lighting Special Assessment District.

FY 2019-20 Engineer's Report Format

This FY 2019-20 Engineer's Report consists of six (6) Parts as follows:

- PART A - Plans** - This portion of the Engineer's Report describes any plans and specifications that may be needed for the installation of streetlight improvements. If plans and specifications exist, they are filed with the City Clerk. Although separately bound, the plans and specifications are part of this Engineer's Report and are included in it by reference.

- PART B - Budget Cost Estimate (Page 6)** – Budget cost estimates associated with the operations and maintenance of the described citywide streetlight improvements. In addition to an overall budget summary, a detailed FY 2019-20 Budget sheet and a FY 2019-20 Summary of Fund Balance sheet are provided.

- PART C - Assessment Roll (Page 9)** – A spreadsheet listing of FY 2019-20 assessments on each benefited parcel of land within the Assessment District. The FY 2019-20 assessment amount is the estimated cost each parcel will contribute towards the operation and maintenance of the citywide streetlight system within the Assessment District for FY 2019-20.

- PART D - Method of Apportionment of Assessment (Page 51)** - A statement of the method used by the Engineer of Work to determine the proposed amount to be assessed against each parcel within the Assessment District.

- PART E - Property Owner's List (Page 53)** - A list of the names and addresses of the owners of real property within this Assessment District, as shown on the last equalized assessment roll for taxes. The Assessor Parcel Number (A.P.N.) for each parcel keys the list to the Assessment Roll shown in Part C.

- PART F - Assessment Diagram (Page 54)** – The Assessment Diagram (map) showing all of the parcels of real property within the Assessment District. The Assessor Parcel Number (A.P.N.) for each parcel keys the property to the Assessment Roll shown in Part C. The A.P.N.'s are shown in the Assessor's Maps available at the County of Sonoma Assessor's Office.

PART A

FY 2019-20 PLANS AND SPECIFICATIONS

The Assessment District is proposing to operate and maintain the citywide streetlight system located in the public rights-of-way. Maintenance may include replacement of damaged facilities and other allowable items per Section 22531 of the California Streets and Highways Code for the life of the Assessment District. Since the Assessment District proposes to operate and maintain street lighting facilities (not to construct new lights), no plans and specifications are associated with FY 2019-20 Engineer's Report.

PART B

FY 2019-20 BUDGET COST ESTIMATE SUMMARY

Part B includes the detailed budget expenditures for FY 2019-20 for all the costs associated with the operation and maintenance of the streetlight system and a summary of the fund balance for the Assessment District. The total budget summary for FY 2019-20 for the Sebastopol Lighting Special Assessment District is as follows:

<u>As Filed With City</u>	<u>As Preliminarily Approved April 16, 2019</u>	<u>As Finally Approved At 2019 Public Hearing</u>
\$129,440.00		

The total proposed FY 2019-20 expenditure is \$129,440.00. The total estimated revenue generated from the proposed FY 2019-20 assessments is \$131,417.00. The proposed FY 2019-20 assessment to levy and collect is \$33.14 per ESD.

**SEBASTOPOL LIGHTING
SPECIAL ASSESSMENT DISTRICT
2019-20 Lighting Budget**

	<u>2018-19</u> <u>BUDGET</u>	<u>2018-19</u> <u>ESTIMATED</u>	<u>2019-20</u> <u>BUDGET</u>
<u>EXPENSES</u>			
Utilities	\$102,000	\$102,000	\$102,000
Personnel			
Administration Costs			
City of Sebastopol	\$10,600	\$10,600	\$11,100
Engineering	\$1,000	\$1,000	\$1,000
Public Works	\$12,500	\$12,500	\$15,090
Auditor	\$250	\$250	\$250
TOTAL EXPENSES	\$126,350	\$126,350	\$129,440
<u>REVENUES</u>			
Contribution from General Fund	\$0	\$0	\$0
Contribution from Reserve Fund	\$0	\$0	\$0
Total Assessments	\$113,780	\$144,066	\$131,417
TOTAL REVENUES	\$126,350	\$144,066	\$131,417
Total Equivalent Single Family Dwelling Units (ESD)	3,966.5	3,966.5	3,965.5
Total Assessment per ESD	\$36.50	\$36.50	\$33.14

**SEBASTOPOL LIGHTING
SPECIAL ASSESSMENT DISTRICT
2019-20 Summary of Fund Balance**

	Fiscal Year <u>2019-20</u>
Estimated Reserve Fund as of June 30, 2019	\$23,286
Estimated Revenue	\$131,417
General Fund Contribution	\$0
Total Estimated Funds Available	\$154,703
Total Estimated Expenditures	\$129,440
Estimated Reserve Fund Balance at end of Fiscal Year, June 30, 2020	\$25,263

PART D

METHOD OF APPORTIONMENT OF ASSESSMENT FOR FY 2019-20

The following is a brief description of the manner that the annual assessment has been apportioned (spread) to each parcel in the Assessment District:

The method of spread utilized equates all parcels within the City of Sebastopol Area to an Equivalent Single Family Dwelling (ESD) unit use, or portion thereof. Each and every property receives a special benefit from the street lights being maintained and energized nightly; by increased driving safety within the City limits, by increased pedestrian safety when traveling at night and by increased personal property safety from the presence of lit areas. The following basic ESD units reflect the relative benefit accruing to parcels of land within the Sebastopol Lighting Special Assessment District:

1.	Vacant parcel	½ unit
2.	Single dwelling parcel	1 unit
3.	Multiple dwelling units parcels	1 unit per dwelling
4.	Commercial parcel with no dwelling units	1 unit
5.	Commercial parcels with dwelling units per dwelling unit	1 unit + 1 unit
6.	Industrial parcel with no dwelling units	1 unit
7.	Industrial parcel with dwelling unit per dwelling unit	1 unit + 1 unit

Once the total number of ESD units is determined for the entire Assessment District, the total number of use units shall be divided into the City's street lighting maintenance budget for FY 2019-20 (see Part B). This will result in the proposed annual assessment per ESD unit for the upcoming fiscal year. The annual assessment per use unit shall be multiplied by the total ESD units established for each parcel, or portion thereof, to determine the proposed total annual assessment for each parcel within the Assessment District (see Part C).

No charges shall be imposed upon a federal, state or local government agency property that does not receive a benefit from street lights, upon a parcel without a dwelling used exclusively for greenbelt or open space, or upon the common area of any planned unit development. By virtue of the fact that this existing Lighting District is exempt from the operation of Proposition 218, Article XIID, Section 5(a), public agency property that was not assessed in previous years shall not require any action to be included in the Assessment District as long as the assessment is not increased. Future increases of assessments would be cause to assess the public properties that would be included in a re-spread of the District. In addition, whenever a railroad, gas, water, or electric utility right-of-way or electric line right-of-way is included within the assessment district, the railroad, gas, water, or electric utility right-of-way or electric line right-of-way shall be subject to charges within the assessment district only if, and to the extent that, it is found that it will benefit from the provision of street lights, and the railroad, gas, water, or electric utility right-of-way or electric line right-of-way shall be subject to the same penalties, and the same procedures and sale, in case of delinquency as other properties within the Assessment District.

In assessing vacant, commercial and industrial properties, the typical method of assessing these parcels within other assessment districts is to assess the land for its highest and best use. Because no dwelling units or industrial commercial developments exist on vacant land, it was felt that the assessment should be reduced to ½ a unit (see "Vacant Parcels" mentioned above).

PART E

FY 2019-20 PROPERTY OWNER'S LIST

The names and addresses of each of the property owners as shown on the County of Sonoma Assessor's Tax Assessment Roll have been keyed to the special assessment number (Assessor Parcel Number) as shown in Part C, FY 2019-20 Assessment Roll of this Engineer's Report.

LIST AVAILABLE AT FINANCE DEPARTMENT

PART F

FY 2019-20 ASSESSMENT DIAGRAM

Attached is the Assessment Diagram (Map) for the Assessment District. Please note that the lines and dimensions of each parcel, as well as the distinctive assessment number, are shown on the Assessor's Maps for the City of Sebastopol available at the County of Sonoma Assessor's Office.

SEBASTOPOL

LIGHTING SPECIAL ASSESSMENT DISTRICT

DISTRICT BOUNDARY



————— DISTRICT BOUNDARY LINE

NOTE:
FOR THE DISTINCTIVE ASSESSMENT NUMBER AND
DETAILED DESCRIPTION OF THE LINES AND
DIMENSIONS OF EACH PARCEL REFER TO THE
ASSESSOR'S PARCEL MAPS FOR THE CITY OF
SEBASTOPOL, AVAILABLE AT THE COUNTY OF
SONOMA, ASSESSOR'S OFFICE.

CITY OF SEBASTOPOL
SEBASTOPOL CALIFORNIA

2019-20 FISCAL YEAR