



City Council Staff Report

Subject: Levy and Collection of Assessments for Landscape and Lighting Maintenance District No. 2 for Fiscal Year 2023/24

Date: May 9, 2023

Submitted By: Daniel Choe, Deputy Director of Administrative Services
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Department: Administrative Services - Finance

Recommendation:

- A. Adopt a Resolution of the City Council of the City of Rocklin Ordering the Preparation of the Engineer's Report for Landscape and Lighting Maintenance District No. 2.
- B. Adopt a Resolution of the City Council of the City of Rocklin Approving the Engineer's Report for the Levy of the Annual Assessment for Landscape and Lighting Maintenance District No. 2.
- C. Adopt a Resolution of the City Council of the City of Rocklin Declaring its Intention to Levy and Collect Annual Assessments for Landscape and Lighting Maintenance District No. 2 and Setting a Time and Place for Public Hearing.

Background:

In accordance with the Streets and Highways Code of the State of California, Division 15, Part 2, section 22500 et seq. (the Landscaping and Lighting Act of 1972), the City of Rocklin established Landscape and Lighting Maintenance District No. 2 (the District). The District was formed for the purposes of maintaining street lights, safety lighting, and all costs related to the maintenance of roadway landscaping located within the District. A map of the District can be found on page 15 of the Engineer's Report (Attachment3).

The Landscaping and Lighting Act of 1972 (the Act), identifies the process required to annually levy and collect assessments to meet the needs of the District. The Act requires an annual Engineer's Report to be prepared each year assessments are to be levied and collected. The report is to contain plans and specifications regarding improvements to be maintained, an estimated cost for maintaining the improvements, a diagram of the proposed assessment area and an assessment of the estimated costs. Upon completion, the Engineer's Report shall be submitted to the Legislative Body for approval or modification and approval. Once the Legislative Body has approved the Engineer's Report, a Resolution of Intent to levy and collect assessments for the district shall be approved and a time set for a public hearing regarding the levy of the proposed assessment.

For areas within the district created before the 1996/97 tax year, Proposition 218 requires any modification of assessment rates or methodologies to be brought to the voters. The maximum allowable tax for these areas has not changed since the 1996/97 tax year.

The maximum tax for areas annexed into the District after the 1996/97 tax year are based on a base year rate equivalent to the first year's actual utility and maintenance costs, increased by an annual 4% inflationary factor.

For Fiscal Year (FY) 2023/24, budgeted expenses for the District exceed budgeted tax revenue by \$146,700 due to an increase in operating expenses. District reserves will cover the shortfall. The Engineer's Report (Attachment 3) shows that based on the budgeted needs of the District and depending on location, the District's assessment for FY 2023/24 will be between \$5 and \$1,466.

Pursuant to the Act, in order for the City to levy and collect assessments for FY 2023/24 to pay for the cost of maintaining street lights, safety lighting, and maintenance of roadway landscaping for the District, it is necessary for the City Council to request the preparation of an Engineer's Report, approve or modify and approve the completed Engineer's Report, declare an intent to levy and collect assessments, and set a hearing.

Approving the attached resolutions will allow the City to levy and collect assessments for FY 2023/24 to pay the cost of maintaining street lights, safety lighting, and all costs related to the maintenance of roadway landscaping for the District. Staff recommends the City Council set June 13, 2023, as the date for a public hearing regarding these assessments.

Fiscal Impact:

It is proposed that the total assessment revenue for FY 2023/24 be set at approximately \$2,684,800. Based on the District's budget, this level of funding will leave the District with a deficit of \$146,700 for FY 2023/24. The deficit will be covered by the existing fund balance.

ATTACHMENTS:

- [1. Resolution A - Ordering the Engineer's Report](#)
- [2. Resolution B - Approving the Engineer's Report](#)
- [3. Resolution B Exhibit A - Engineer's Report](#)
- [4. Resolution C - Setting a Public Hearing](#)