

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Matthew Fertal
Dept: City Manager
Subject: CITY OF GARDEN GROVE STREET LIGHTING DISTRICTS (2008/09) AND PARK MAINTENANCE DISTRICT (2008/09); PROCEEDINGS RELATIVE TO LEVYING ANNUAL ASSESSMENT

From: Keith G. Jones
Dept: Public Works
Date: June 10, 2008

OBJECTIVE

To adopt resolutions initiating proceedings for the levying of FY 2008-09 assessments for (1) the City of Garden Grove Street Lighting District, (2) the City of Garden Grove Street Lighting District 99-1, (3) the City of Garden Grove Park Maintenance District; to adopt the resolution approving the Engineer's Report for those Districts; and to adopt the Resolutions of Intention for the levying of FY 2008-09 assessments for those Districts.

BACKGROUND

Annually, the City of Garden Grove has levied assessments against properties within the City to pay for the installation, maintenance, and servicing of public street lighting and park maintenance in the City. In 1996, changes in the methodology for determining the assessment were made, based upon the recommendations of a nine-member Ad Hoc Citizen's Committee appointed by City Council to develop an assessment that was more equitable for everyone. In 1997, Proposition 218 required additional changes for the assessments, including property-owner vote approval of the Park Maintenance Assessment. Such a vote was taken by the owners to create the District. Further, on June 22, 1999, the City Council ordered the formation of a subsequent Street Lighting District (No. 99-1) affecting 350 Garden Grove properties, which was approved by property owners through a special ballot proceeding.

In order to continue the lighting of streets and the maintenance of parks at the current service levels for the benefit of the City's property owners, it is necessary to initiate the proceedings of levying annual assessments under the Landscaping and Lighting Act of 1972. Each year, the apportionment of costs are updated and distributed in proportion to benefit received.

DISCUSSION

A schedule is attached outlining the procedural steps necessary to levy the annual assessment. The first step for the City Council to take in this process is to adopt the resolutions initiating proceedings and to order the City Engineer to prepare and file a report for (1) the Garden Grove Street Lighting District, (2) City of Garden Grove Street Lighting District No. 99-1, and (3) the City of Garden Grove Park Maintenance District.

The resolutions are included as Attachments "A1," "A2," and "A3."

The Preliminary Engineer's Report for each district as filed contains the following:

1. Synopsis.
2. Fiscal Year 2007/2008 Current Financial Summary.
3. A diagram showing the District boundaries.
4. The assessment roll, on file in the office of the City Clerk, and incorporated therein by reference.
5. A description of improvements.
6. The estimated cost of operating the District.
7. A comparison of rates by land use.

The Street Lighting District report indicates that this year's proposed assessment totals \$1,309,517. The estimated District expenditures total \$1,629,646, which requires the use of fund balance in the amount of \$303,108 and a General Fund contribution of \$17,021 to cover anticipated expenditures. The street lighting cost for each property owner was calculated based on benefit received from lighting improvements.

Street Lighting District No. 99-1 report indicates that this year's proposed assessment totals \$9,860. The City will contribute approximately \$1,250 to cover fund balance, which represents general benefit toward the total lighting cost. The street lighting cost for each property owner was also calculated based on benefit received from lighting improvements.

The Park Maintenance District report indicates that this year's proposed assessment totals \$695,256 out of the \$1,746,173 cost for park maintenance. The City will contribute approximately \$1,050,917, which represents general benefit toward the total park maintenance cost. The park maintenance cost for each property owner was calculated based on benefit received from community park improvements.

The proposed rates for each district for FY 2008/09 are the same rates adopted by the City Council in FY 2007/08. There are also no proposed additions or significant changes to the improvements for FY 2008/09 as compared to FY 2007/08.

The second step for the City Council to take in the process of levying an annual assessment is to adopt the Resolution approving the attached Engineer's Reports. This Resolution is included as Attachment "B."

The third step in the process of levying an annual assessment is the adoption of a Resolution of Intention for each district (Attachments "C1," "C2," and "C3") which:

1. Declares the intention to levy and collect assessments;
2. Generally describes the improvements;
3. Declares the intention to levy and collect assessments;
4. Generally describes the improvements;
5. Refers to the report of the engineer for a full and detailed description of the improvements, boundaries of the District and any zones therein, and proposed assessments;
6. Gives notice of, and fixes a time and place for, a public hearing regarding the proposed assessments, which is **July 22, 2008**.

FINANCIAL IMPACT

The adoption of street lighting and park maintenance assessments will raise approximately \$1,300,000 in street lighting revenue and \$695,000 in park maintenance revenue.


COMMUNITY VISION IMPLEMENTATION

Not applicable.

RECOMMENDATION

It is recommended that the City Council:

- Adopt the attached Resolutions, which initiates the proceedings for 1) the Street Lighting District, 2) Street Lighting District No. 99-1, and 3) the Park Maintenance District, and requests the Engineer to prepare and file a report for each district.
- Adopt the Resolution approving the Engineer's Report for 1) the Street Lighting District, 2) Street Lighting District No. 99-1, and 3) the Park Maintenance District.
- Adopt the Resolutions of Intention for the Street Lighting District, Street Lighting District No. 99-1, and the Park Maintenance District.



KEITH G. JONES
Public Works Director


By: Tony Aquino
Associate Engineer

Attachments: "A1", "A2", "A3", "B", "C1", "C2", and "C3" Resolutions

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Recommended for Approval


Matthew Ferial
City Manager