

STAFF REPORT
City of Lancaster

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MVB

Date: June 14, 2016

To: Mayor Parris and City Council Members

From: Jeff Hogan, Development Services Director

Subject: **Lancaster Lighting Maintenance District**
Levy of Annual Assessment for Fiscal Year 2016-2017

Recommendation:

Adopt **Resolution No. 16-30**, a resolution of the City Council of the City of Lancaster, California, confirming the diagram and assessment and ordering the levying of an assessment in Lancaster Lighting Maintenance District for Fiscal Year 2016-2017.

Fiscal Impact:

Each benefit unit will be assessed \$95.84 (\$45.00 in zones that voted "no" during the 2003 election). A total of \$4,325,973.00 will be assessed against the benefiting properties, which will be used for maintenance expenses.

Background:

On March 11, 2003, the City Council directed that an election be held asking the property owners within the Lancaster Lighting Maintenance District (LLMD) to approve an increase in the annual street lighting assessment to \$70.00 per lighting unit, including a Consumer Price Index (CPI) based inflator. On July 8, 2003, the City Council announced the results of the election to approve the increase in annual assessments within the City's lighting maintenance district. The results of the tally of the election were that out of 104 zones, nine zones, namely zones 27, 30, 49B, 51B, 51D, 65B, 70A, 89B, and 103 failed to receive voter approval. Following the results of the original vote, and with the street lights being turned off, property owners within three zones that voted "no", namely zone 27 split into zones 27A and 27B, zone 30, split into zones 30A and 30B, and zone 89B split into zones 89B-1 and 89B-2, submitted petitions to the City to initiate another voting process. The City Council adopted resolutions initiating proceedings for the levy of additional assessments and notices of public hearings and assessment ballots were mailed to the affected property owners within these zones. The three election processes were successful and the City Council approved the levy of additional assessments at the October 28, 2003, November 11, 2003, and January 27, 2004 Council meetings.

Lancaster Lighting Maintenance District was formed, including subsequent annexations thereto, for the purpose of financing maintenance operations and installation of public lighting facilities, including but not limited to traffic signals (as defined in § 22525 of the California Code) within the City of Lancaster, and assessing those properties which benefit from this service their proportionate share of the cost. Each year the City Council must, by law, order the preparation of an Engineer's Report describing the existing and proposed maintenance services, and conduct a public hearing to establish and order the amount of assessment for the next fiscal year.

The assessment for Fiscal Year 2016-2017 is \$95.84, including a CPI factor for Los Angeles-Riverside-Orange County of 2.4% per lighting unit, except for those parcels within the zones that voted "no", which will remain at \$45.00 per lighting unit.

The street lighting improvements in the areas within the District will be maintained with funds generated by the Lighting Maintenance District. Each lot or parcel within the District that has been annexed as indicated on the diagram will be assessed a unit assessment of \$95.84 for Fiscal Year 2016-2017. Parcels within the zones that voted "no" will remain at a unit assessment of \$45.00.

During the next fiscal year, the City will be acquiring approximately 18,569 street lights from Southern California Edison. Bonds will be issued to pay the cost of acquisition of the street lights within the Lancaster Lighting Maintenance District and will be secured by assessments levied in each subsequent fiscal year until the bonds are retired.

JD: lcs

Attachments:

Resolution No. 16-30

District Fund Accounting for Lancaster Lighting Maintenance District