



City Council Agenda Item

City Council Meeting Date: May 21, 2024

TO: Dean Albro, City Manager

FROM: Matt Adams, Accounting and Revenue Manager
m_adams@ci.lompoc.ca.us

SUBJECT: Adoption of Resolution No. 6654(24) Declaring the City Council's Intention to Levy Assessments for Fiscal Year 2024-25, Preliminarily Approve an Engineer's Report, and Provide Notice of a Public Hearing for the Park Maintenance and City Pool Assessment District No. 2002-01

Recommendation:

Staff recommends the City Council take the following actions:

- 1) Adopt Resolution No. 6654(24) (Attachment 1):
 - a. Declaring the City Council's intention to again levy the annual park and pool assessments for Fiscal Year (FY) 2024-25;
 - b. Preliminarily approve the Engineer's Report (Attachment 2); and
 - c. Provide notice of a public hearing on June 18, 2024, for the proposed continuation of the assessments for the Park Maintenance and City Pool Assessment District No. 2002-01, in order to receive public input on:
 - i. The proposed continuation of the assessments;
 - ii. The proposed assessment budget for FY 2024-25; and
 - iii. The services and improvements of the assessments fund, and any other issues related to the assessments

Background:

In the spring of 2002, the City developed a proposed assessment for funding a portion of the cost of a new community swimming pool, park improvements and other park and recreation maintenance services. This proposed assessment, the "Park Maintenance and City Pool Assessment District No. 2002-01", was approved by property owners in an assessment ballot proceeding conducted during June through August of 2002. In August 2002, the balloting period was closed and since a weighted majority of ballots returned

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were in support of the proposed assessment, the City Council approved and levied the assessments.

The assessments can be levied annually and can be increased by the change in the Los Angeles Area Consumer Price Index (CPI), not to exceed 3% per year. Since 2002-03, the assessments have been levied annually and are providing important revenues needed to fund the new community swimming pool as well as other park and recreation improvements and services.

Below is a table showing the yearly CPI and rate changes for the Park Maintenance and City Pool Assessment:

CPI History for Given Year		Maximum Increase Available	CPI Used for City of Lompoc (CPI-U)		Cumulative Uncaptured Excess CPI	Historic Assessment per SFE (single family equivalent)	
			FY 02-03	1st yr	0.00%	FY 02-03	\$19.00
Jan-03	3.52%	3.52%	FY 03-04	3.00%	0.52%	FY 03-04	\$19.57
Jan-04	1.78%	2.30%	FY 04-05	1.78%	0.52%	FY 04-05	\$19.92
Jan-05	3.66%	4.18%	FY 05-06	3.00%	1.18%	FY 05-06	\$20.52
Jan-06	5.42%	6.60%	FY 06-07	3.00%	3.60%	FY 06-07	\$21.13
Jan-07	3.16%	6.76%	FY 07-08	3.00%	3.76%	FY 07-08	\$21.77
Jan-08	3.95%	7.71%	FY 08-09	3.00%	4.71%	FY 08-09	\$22.42
Jan-09	-0.09%	4.62%	FY 09-10	3.00%	1.62%	FY 09-10	\$23.09
Jan-10	1.77%	3.39%	FY 10-11	3.00%	0.39%	FY 10-11	\$23.78
Jan-11	1.80%	2.19%	FY 11-12	2.19%	0.00%	FY 11-12	\$24.30
Jan-12	2.09%	2.09%	FY 12-13	2.09%	0.00%	FY 12-13	\$24.80
Jan-13	1.96%	1.96%	FY 13-14	1.96%	0.00%	FY 13-14	\$25.28
Jan-14	0.77%	0.77%	FY 14-15	0.77%	0.00%	FY 14-15	\$25.48
Jan-15	-0.05%	-0.05%	FY 15-16	-0.05%	0.00%	FY 15-16	\$25.48
Jan-16	3.10%	3.10%	FY 16-17	3.00%	0.10%	FY 16-17	\$26.24
Jan-17	2.11%	2.21%	FY 17-18	2.21%	0.00%	FY 17-18	\$26.82
Jan-18	3.51%	3.51%	FY 18-19	3.00%	0.51%	FY 18-19	\$27.62
Jan-19	3.15%	3.66%	FY 19-20	3.00%	0.66%	FY 19-20	\$28.44
Jan-20	3.08%	3.74%	FY 20-21	3.00%	0.74%	FY 20-21	\$29.30
Jan-21	0.87%	1.61%	FY 21-22	1.61%	0.00%	FY 21-22	\$29.78
Jan-22	7.51%	7.51%	FY 22-23	3.00%	4.51%	FY 22-23	\$30.66
Jan-23	5.77%	10.28%	FY 23-24	3.00%	7.28%	FY 23-24	\$31.58
Jan-24	2.53%	9.81%	FY 24-25	3.00%	6.81%	FY 24-25	\$32.54

In order to continue to levy the assessments, the City Council, on February 20, 2024, directed SCI Consulting Group, the assessment engineer, to prepare an Engineer's Report for fiscal year 2024-25. This Engineer's Report, which includes the proposed budget for the assessments for fiscal year 2024-25 and the updated proposed assessments for each parcel in the City, was completed and filed with the City on April 25, 2024. The amount of the annual increase in the CPI- U from January 2023 to January 2024 is 2.53%, and the unused CPI carried forward from the previous year is 7.28%. Including the maximum authorized 3.00% annual adjustment, the levy rate proposed for fiscal year 2024-25 is \$32.54 and is the maximum levy rate. The total estimated amount

of revenues that would be generated by the assessments in fiscal year 2024-25 is approximately \$381,975.

Discussion:

This is the second of three proposed presentations to the City Council on the annual process that will culminate with a Public Hearing on June 18, 2024, regarding the authorization to assess the levy. Staff recommends the City Council adopt Resolution No. 6654(24) to declare the City Council's intent to continue to levy the assessments for FY 2024-25 and to direct additional actions related to the levy of the assessments. Staff will be available at the Council meeting on June 18, 2024, for the Public Hearing to answer any questions.

Fiscal Impact:

The expected cost of preparing the Engineer's Report by SCI Consulting Group is included in the 2024-25 budget from the Assessment District fund, a non-General Fund source. Therefore, there is no fiscal impact attributable to the approval of this item. The approval of Resolution No. 6654(24) is the second step in the process that would provide for levying the annual assessments for FY 2024-25.

Conclusion:

With the adoption of Resolution No. 6654(24), the proposed assessment budget for FY 2024-25 and the services and improvements made possible by the assessment funds can be accomplished. Receipt of the assessments will continue to provide important revenues needed to fund the new community swimming pool, as well as other park and recreation improvements and services.

Respectfully submitted,

Matt Adams, Accounting and Revenue Manager

APPROVED FOR SUBMITTAL TO THE CITY MANAGER:

Christie Donnelly, Management Services Director

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APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:

Dean Albro, City Manager

- Attachments: 1) Resolution No. 6654(24)
2) Preliminary Engineer's Report for Fiscal Year 2024-25 Levy