



City Council Agenda Item

City Council Meeting Date: June 18, 2024

TO: Dean Albro, City Manager

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

SUBJECT: Public Hearing to Consider the Ordering of Services and Improvements, the Continuation of the Assessments for Fiscal Year 2024-25 for the Park Maintenance and City Pool Assessment District No. 2002-01; Adoption of Resolution No. 6674(24) Approving the Engineer's Report, Confirming the Diagram and Assessment, and Ordering the Continuation of Assessments for Fiscal Year 2024-25

Recommendation:

Staff recommends the City Council:

- 1) Hold a public hearing for the proposed continuation of the assessments for the Park Maintenance and City Pool Assessment District No. 2002-01 (District), in order to receive any public input on the proposed continuation of the assessments, approve the proposed assessment budget for Fiscal Year (FY) 2024-25 and the services and improvements funded by the assessments fund, and any other issues related to the assessments; and
- 2) Upon the conclusion of the public hearing, consider the ordering of improvements and maintenance services, and the continuation of the assessments for FY 2024-25; and
- 3) Adopt Resolution No. 6674(24) (Attachment 1), approving the Engineer's Report (Attachment 2), and confirming the diagram and assessments for FY 2024-25 for the District; or
- 4) Provide alternate direction.

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. That proposed assessment, the "Park Maintenance

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and City Pool Assessment District No. 2002-01," was approved by property owners in an assessment ballot proceeding conducted during June through August 2002. In August 2002, the balloting period was closed and since a weighted majority of ballots returned were in support of the proposed assessment, the City Council approved and levied the assessments.

The assessments can be continued annually and can be increased by the change in the Los Angeles Area Consumer Price Index (CPI-U), not to exceed 3% per year. Since FY 2002-03, the assessments have been continued annually and are providing important revenues needed to fund the 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 District:

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
2003	3.52%	3.52%	FY 03-04	3.00%	0.52%	FY 03-04	\$19.57
2004	1.78%	2.30%	FY 04-05	1.78%	0.52%	FY 04-05	\$19.92
2005	3.66%	4.18%	FY 05-06	3.00%	1.18%	FY 05-06	\$20.52
2006	5.42%	6.60%	FY 06-07	3.00%	3.60%	FY 06-07	\$21.13
2007	3.10%	6.76%	FY 07-08	3.00%	3.76%	FY 07-08	\$21.77
2008	3.95%	7.71%	FY 08-09	3.00%	4.71%	FY 08-09	\$22.42
2009	-0.09%	4.62%	FY 09-10	3.00%	1.62%	FY 09-10	\$23.09
2010	1.77%	3.39%	FY 10-11	3.00%	0.39%	FY 10-11	\$23.78
2011	1.80%	2.19%	FY 11-12	2.19%	0.00%	FY 11-12	\$24.30
2012	2.09%	2.09%	FY 12-13	2.09%	0.00%	FY 12-13	\$24.80
2013	1.96%	1.96%	FY 13-14	1.96%	0.00%	FY 13-14	\$25.28
2014	0.77%	0.77%	FY 14-15	0.77%	0.00%	FY 14-15	\$25.48
2015	-5.00%	-0.05%	FY 15-16	-0.05%	0.00%	FY 15-16	\$25.48
2016	3.10%	3.10%	FY 16-17	3.00%	0.10%	FY 16-17	\$26.24
2017	2.11%	2.21%	FY 17-18	2.21%	0.00%	FY 17-18	\$26.82
2018	0.00%	3.51%	FY 18-19	3.00%	0.51%	FY 18-19	\$27.62
2019	3.15%	3.66%	FY 19-20	3.00%	0.66%	FY 19-20	\$28.44
2020	3.08%	3.74%	FY 20-21	3.00%	0.74%	FY 20-21	\$29.30
2021	0.87%	1.61%	FY 21-22	1.61%	0.00%	FY 21-22	\$29.78
2022	7.51%	7.51%	FY 21-22	3.00%	4.51%	FY 21-22	\$30.66
2023	5.77%	10.28%	FY 22-23	3.00%	7.28%	FY 22-23	\$31.58
2024	2.53%	9.81%	FY 22-24	3.00%	6.81%	FY 22-24	\$32.54

In order to continue the assessments, the City Council, on February 20, 2024, directed SCI Consulting Group, the assessment engineer, to prepare an Engineer's Report for FY 2024-25. That Engineer's Report, which includes the estimated expenses for the assessments in FY 2024-25 and the updated proposed assessments for each parcel in

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the City, was completed and filed with the City on April 26, 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 FY 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.

On May 21, 2024, the City Council adopted Resolution No. 6654(24), a resolution of the City's intention to continue the assessments for FY 2024-25, preliminarily approve an Engineer's Report, and provide notice of a Public Hearing for the District for FY 2024-25. That resolution preliminarily approved the Engineer's Report and the estimated expenses and proposed assessments therein. It also set June 18, 2024, as the date for a public hearing on the continuation of the assessments. The public hearing was noticed by publication in the Lompoc Record 10 days prior to the Public Hearing.

Discussion:

As required by the ballot measure, the Assessment will continue to use the methodology which established the use of the 2009 Census to calculate the population density and SFE be applied in FY 2024-25 and every year thereafter.

This is the final presentation to the City Council of the annual process and includes a Public Hearing regarding the consideration to authorize the continued assessment of the levy for the District. City staff and a representative from the SCI Consulting Group will be available at the Council meeting to answer any questions.

Fiscal Impact:

The expected costs of preparing the Engineer's Report by SCI Consulting Group is included in the Biannual Budget FY 2024-25 from the Assessment District fund – a non-General Fund source. Therefore, there is no fiscal impact to the General Fund attributable to the approval of this item. The adoption of Resolution No. 6674(24) provides for direction to accomplish the remaining steps in the process that would provide for levying the annual assessments for FY 2024-25.

Conclusion:

Staff recommends the City Council adopt Resolution No. 6674(24) to continue the assessments for FY 2024-25 and to direct additional actions related to the levy of the assessments, which will provide funds for the proposed assessment budget for FY 2024-25. With the collection of the FY 2024-25 assessment, the services and improvements made possible by the assessment funds can be accomplished. Receipt of the assessments can continue to provide important revenues needed to fund the community swimming pool, as well as other park and recreation improvements and services.

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Respectfully submitted,

Matt Adams, Accounting and Revenue Manager

APPROVED FOR SUBMITTAL TO THE CITY MANAGER:

Christie Donnelly, Management Services Director

APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:

Dean Albro, City Manager

Attachments: 1) Resolution No. 6674(24)
2) Final Engineer's Report for FY 2024-25