

# Lompoc City Council Agenda Item



**City Council Meeting Date:** June 7, 2016

**TO:** Patrick Wiemiller, City Manager

**FROM:** Dean Albro, Accounting and Revenue Manager  
d\_albro@ci.lompoc.ca.us

**SUBJECT:** Public Hearing to Consider the Ordering of Services and Improvements, the Continuation of the Assessments for Fiscal Year (FY) 2016-2017 for the City of Lompoc "Park Maintenance and City Pool Assessment District No. 2002-01" and Adoption of Resolution No. 6044(16) Approving the Engineer's Report, Confirming the Diagram and Assessment, and Ordering the Continuation of Assessments for FY 2016-2017 for the "Park Maintenance and City Pool Assessment District No. 2002-01"

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## **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 (the District), in order to receive any public input on the proposed continuation of the assessments, approve the proposed assessment budget for FY 2016-2017 and the services and improvements funded by the assessment 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 2016-2017; and
- 3) Adopt Resolution No. 6044(16) (Attachment 1), approving the Engineer's Report (Attachment 2), and confirming the diagram and assessments for FY 2016-2017 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 and City Pool Assessment District No. 2002-01," was approved by property owners in

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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 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 2002-2003, 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%	<b>FY 02-03</b>	<b>\$19.00</b>
Jan-03	3.52%	3.52%	FY 03-04	3.00%	0.52%	<b>FY 03-04</b>	<b>\$19.57</b>
Jan-04	1.78%	2.30%	FY 04-05	1.78%	0.52%	<b>FY 04-05</b>	<b>\$19.92</b>
Jan-05	3.66%	4.18%	FY 05-06	3.00%	1.18%	<b>FY 05-06</b>	<b>\$20.52</b>
Jan-06	5.42%	6.60%	FY 06-07	3.00%	3.60%	<b>FY 06-07</b>	<b>\$21.13</b>
Jan-07	3.10%	6.76%	FY 07-08	3.00%	3.76%	<b>FY 07-08</b>	<b>\$21.77</b>
Jan-08	3.95%	7.71%	FY 08-09	3.00%	4.71%	<b>FY 08-09</b>	<b>\$22.42</b>
Jan-09	-0.09%	4.62%	FY 09-10	3.00%	1.62%	<b>FY 09-10</b>	<b>\$23.09</b>
Jan-10	1.77%	3.39%	FY 10-11	3.00%	0.39%	<b>FY 10-11</b>	<b>\$23.78</b>
Jan-11	1.80%	2.19%	FY 11-12	2.19%	0.00%	<b>FY 11-12</b>	<b>\$24.30</b>
Jan-12	2.09%	2.09%	FY 12-13	2.09%	0.00%	<b>FY 12-13</b>	<b>\$24.80</b>
Jan-13	1.96%	1.96%	FY 13-14	1.96%	0.00%	<b>FY 13-14</b>	<b>\$25.28</b>
Jan-14	0.77%	0.77%	FY 14-15	0.77%	0.00%	<b>FY 14-15</b>	<b>\$25.48</b>
Jan-15	-5.00%	-0.05%	FY 15-16	-0.05%	0.00%	<b>FY 15-16</b>	<b>\$25.48</b>
Jan-16	3.10%	3.10%	FY 16-17	3.00%	0.10%	<b>FY 16-17</b>	<b>\$26.24</b>

In order to continue the assessments, the City Council, on February 2, 2016, directed SCI Consulting Group, the assessment engineer, to prepare an Engineer's Report for FY 2016-2017. That Engineer's Report, which includes the estimated expenses for the assessments in FY 2016-2017 and the updated proposed assessments for each parcel in the City, was completed and filed with the City on May 3, 2016. The amount of the annual increase in the CPI-U is 3.10%, with no unused CPI carried forward from the previous year, making the total available CPI-U 3.10%. Therefore, the total authorized increase is 3.0% or \$0.76 per Single Family Equivalent (SFE) for FY 2016-2017, and is the maximum levy rate. Including the authorized annual adjustment, the levy rate proposed for FY 2016-2017 is \$26.24. The total estimated amount of revenues that would be generated by the assessments in FY 2016-2017 is approximately \$308,906.

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On May 3, 2016, the Council adopted Resolution No. 6035(16), a resolution of the City's intention to continue the assessments for FY 2016-2017, preliminarily approve an Engineer's Report, and provide notice of a Public Hearing for the District for FY 2016-2017. That resolution preliminarily approved the Engineer's Report and the estimated expenses and proposed assessments therein. It also set June 7, 2016, as the date for a public hearing on the continuation of the assessments. The public hearing was noticed by publication in the Lompoc Record on May 22, 2016.

**Discussion:**

It is proposed the Assessment be continued and the methodology established in the ballot, which uses the 2009 Census to calculate the population density and SFE be applied in FY 2016-2017 and every year thereafter.

This is the final presentation to the City Council of this 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 FY 2016-2017 of the Biennial Budget FYs 2015-2017 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 approval of proposed Resolution No. 6044(16) provides for direction to accomplish the remaining steps in the process that would provide for levying the annual assessments for FY 2016-2017.

**Conclusion:**

Staff recommends the Council adopt Resolution No. 6044(16) to continue the assessments for FY 2016-2017 and to direct additional actions related to the levy of the assessments, which will provide funds for the proposed assessment budget for FY 2016-2017. With the collection of the FY 2016-2017 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 new community swimming pool, as well as other park and recreation improvements and services.

Respectfully submitted,

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Dean Albro, Accounting and Revenue Manager

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**APPROVED FOR SUBMITTAL TO THE CITY MANAGER:**

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Brad Wilkie, Management Services Director

**APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:**

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Patrick Wiemiller, City Manager

Attachments: 1) [Resolution No. 6044\(16\)](#)  
2) [Final Engineer's Report for FY 2016-2017 Levy](#)