



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: FEBUARY 24, 2026

FROM: FINANCE DEPARTMENT WARDS: ALL

SUBJECT: RESOLUTION INITIATING PROCEEDINGS TO LEVY AND COLLECT ASSESSMENTS FOR FISCAL YEAR 2026/27 IN THE STREET LIGHTING ASSESSMENT DISTRICT NO.1, APPOINTING WEBB MUNICIPAL FINANCE, LLC AS ENGINEER OF RECORD, AND ORDERING PREPARATION OF AN ENGINEER'S REPORT

ISSUE:

Adopt a resolution to initiate proceedings to levy and collect assessments for Fiscal Year 2026/27 in Street Lighting Assessment District No. 1, appoint Webb Municipal Finance, LLC as the Engineer of Record, and order the preparation of an Engineer's Report.

RECOMMENDATIONS:

That the City Council:

1. Adopt a resolution to initiate proceedings to levy and collect assessments for Fiscal Year 2026/27 in the Street Lighting Assessment District No. 1;
2. Appoint Webb Municipal Finance, LLC as the Engineer of Record; and
3. Order the preparation of an Engineer's Report.

BACKGROUND:

The Street Lighting Assessment District No. 1 was formed in July 1988 under the provisions of the Landscaping and Lighting Act of 1972. Approved by the voters in June 1997, Measure EE approved the continuation of the assessments at their originally established rates. The Engineer's Report allocates a portion of the annual cost of maintaining and operating city streetlights to the parcels within the various lighting zones (including residential, rural, and nonresidential zones) through annual assessments.

DISCUSSION:

The annual process for the Street Lighting Assessment District No. 1 requires the City Council to adopt a Resolution ordering the preparation of the Annual Engineer's Report. The Engineer's Report outlines the street lighting expenses and apportions proposed assessments to offset the cost of maintenance per parcel for the upcoming fiscal year. Due to the rates which were set at the time of district formation, it is estimated the street light assessments will recover approximately 70% of the street lighting costs within the district this year, with the remaining cost subsidized by the General Fund. After the report is complete, Finance staff will schedule a public hearing and present the report to City Council.

FISCAL IMPACT:

The cost of preparing the Engineering Report is factored into the total expenses anticipated for the Street Lighting District. Approximately 70% will be recouped through the levy and the remainder, approximately \$1.6M, is included in the budget in the General Fund for FY 2026/27.

Prepared by: Meline Carranza, Debt & Treasury Manager

Approved by: Sergio Aguilar, Deputy Finance Director

Certified as to

availability of funds: Julie Nemes, Interim Finance Director

Approved by: Edward Enriquez, Assistant City Manager/Chief Financial Officer/Treasurer

Approved as to form: Rebecca McKee-Reimbold, Interim City Attorney

Attachment: Resolution