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Neighborhood Lighting District No. 96-07 Fiscal Year 2026/27 Annual Assessments [Published 05/29/2026]

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Location: District 2 and District 6

Recommendation: Conduct a public hearing, and upon conclusion, adopt a **Resolution** confirming the assessment diagram and assessment roll as set forth in the Engineer's Annual Report, and levying the assessment for Fiscal Year (FY) 2026/27 for the Neighborhood Lighting District No. 96-07.

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Presenter: Jessica Steinhauer, Senior Development Project Manager, jsteinhauer@cityofsacramento.org, Department of Finance

Attachments:

- 1-Description/Analysis
- 2-Background
- 3-Schedule of Proceedings
- 4-Resolution Confirming Diagram and Levying Assessment
- 5-Exhibit A - District Boundary Map
- 6-Exhibit B - FY2026/27 District Budget & Parcel Assessments

Description/Analysis

Issue Detail: On October 22, 1996, Council approved the formation of the Neighborhood Lighting District No. 96-07 (District) for the Swanston Estates neighborhood. The District provides an affordable means of providing for neighborhood lights by maintaining lights on SMUD wood poles. Two other neighborhoods, Youngs Heights and Colonial Heights, have since annexed to the District.

The District is required by the Landscaping and Lighting Act of 1972 (California Streets and Highways Code § 22500 et. seq.), the "1972 Act," to present an annual budget to Council for approval. Approval of the annual budget will authorize the City to collect assessments in an amount to provide funding

for maintenance and energy costs of neighborhood lighting in the District for FY2026/27 (see Exhibit B attached to the Resolution).

On May 12, 2026, Council adopted Resolution No. 2026-0115 approving the Engineer's Annual Report and declaring its intention to levy an assessment for the District. Approval of the attached Resolution will authorize the City to levy assessments to provide funding for maintaining neighborhood lights in the District for FY2026/27.

Policy Considerations: The actions in the recommended Resolution are required by the 1972 Act for annual proceedings of an existing district.

Economic Impacts: Not applicable.

Environmental Considerations: California Environmental Quality Act (CEQA): Under the CEQA Guidelines, continuing administrative activities of an assessment district and creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment do not constitute a project and are therefore exempt from CEQA review (14 Cal. Code Regs. § 15378 (b)(2), (b)(4)).

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: The recommended Council action will ensure continuation of an affordable means of maintaining lights on SMUD wood poles within this District.

Financial Considerations: The annual estimated District budget is developed taking into consideration the cost of services, the projected number of parcels in each subdivision, and the amount of projected surplus/deficit in the District fund balance at the end of the current fiscal year. The total District assessment for FY2026/27 is projected at \$49,290 and District expenditures at \$37,049. Revenues that exceed project expenditures will be used to maintain a prudent fund balance. District revenues and expenditures for FY2026/27 are shown in Exhibit B to the Resolution and are specified in greater detail in the Engineer's Annual Report on file with the Infrastructure Finance Division of the Department of Finance.

The District consists of three subdivisions. Pursuant to previous Council action authorizing annual increases to the District's assessment amount (Resolution No. 96-575), the maximum authorized assessment amount for the District is automatically increased for FY2026/27 by 2.48% based on an increase in the February 2026 Consumer Price Index for San Francisco, Oakland, and Hayward area (All Urban Consumers). The actual assessment amount for the District will also increase by 2.48% for

FY2026/27, but the actual assessment will still be below the maximum authorized assessment. Details of the assessment and cost for each subdivision and a breakdown of the assessment per parcel are included in the Engineer's Annual Report. The District is self-supporting and has no impact on the General Fund.

Local Business Enterprise (LBE): Not applicable.

Attachment 2

Background

On October 22, 1996, the City Council approved formation of the Neighborhood Lighting District No. 96-07 (District) for the Swanston Estates subdivision (Resolution No. 96-577). The District provides an affordable means of providing for neighborhood lights by maintaining lights on SMUD wood poles. Two other subdivisions, Youngs Heights and Colonial Heights, have since annexed to the District.

District services include the annual maintenance and energy cost of neighborhood lights. The annual assessments include costs for these improvements and also costs for the District's administration and billing costs. The City Council previously authorized a provision to mitigate cost increases by automatically increasing the maximum annual assessment each year based on the Consumer Price Index (CPI), San Francisco Area – All Items, provided that this increase does not exceed 3% in any year. The change in the February 2026 CPI index was 2.48% over the prior year, and as such, the annual maximum assessments will be increased by 2.48%.

The maximum authorized assessment amount is increasing for the District and the actual assessment amount will also increase for FY2026/27. To cover expenditures and maintain a prudent fund balance, the FY2026/27 actual assessments for the Swanston Estates, Youngs Heights, and Colonial Heights subdivisions will increase from the FY2025/26 rate.

The maximum assessment allowed, prior year assessment, and FY2026/27 actual assessment for each subdivision are as follows:

Neighborhood	Maximum Authorized in FY2026/27	FY2025/26 Assessment	FY2026/27 Assessment
Swanston Estates	\$38.32	\$29.51	\$30.24
Youngs Heights	\$36.59	\$31.70	\$32.48
Colonial Heights	\$38.33	\$33.20	\$34.02

At the conclusion of the public hearing, staff will recommend Council adopt the District budget and levy the assessments. The total cost to District property owners in FY2026/27 is projected to be \$49,290. A map of the District is included as Exhibit A to the resolution.

Attachment 3

SCHEDULE OF PROCEEDINGS

**NEIGHBORHOOD LIGHTING DISTRICT NO. 96-07
FY2026/27**

March 24, 2026	Council – Direct Filing of Engineer’s Report
May 12, 2026	Council - Adopted Resolution of Intention and Set Date for Public Hearing
May 29, 2026	Notice of Public Hearing Published
June 9, 2026	Hold Public Hearing Council Orders Annual Levy
August 2026	Assessments to County for Placement on Tax Roll

RESOLUTION NO.

Adopted by the Sacramento City Council

RESOLUTION CONFIRMING THE ASSESSMENT DIAGRAM AND ASSESSMENT, AND LEVYING THE ASSESSMENT FOR THE NEIGHBORHOOD LIGHTING DISTRICT NO. 96-07 FOR FISCAL YEAR (FY) 2026/27 (Pursuant to Landscaping and Lighting Act of 1972)

BACKGROUND

- A. The Neighborhood Lighting District No. 96-07 (District), as depicted in Exhibit A, was established by the City Council on October 22, 1996 and also approved by the property owners. The District currently consists of the following three subdivisions: Swanston Estates, Youngs Heights, and Colonial Heights.
- B. The City Council established the District under the Landscaping and Lighting Act of 1972 (California Streets and Highways Code § 22500 et seq.) (the 1972 Act) and has previously levied assessments on property in the District to pay for maintenance of neighborhood streetlights on wood poles and related services to be provided within the District, all in accordance with the 1972 Act.
- C. On March 24, 2026, City Council directed the Supervising Engineer of the Department of Public Works, designated by the City Council as the Engineer of Work for the District, to file an Engineer's Annual Report for FY 2026/27 in accordance with the provisions of the 1972 Act (Resolution No. 2026-0077).
- D. The Engineer of Work filed the Engineer's Annual Report on May 12, 2026, and the City Council adopted Resolution No. 2026-0115 approving the Engineer's Annual Report, declaring its intention to levy and collect assessments within the District for FY2026/27, and setting a public hearing for June 9, 2026. Notice of the hearing was given on May 29, 2026, in accordance with the 1972 Act.
- E. The proposed annual assessment amounts to be levied in FY2026/27 for a single-family parcel will be as follows: \$30.24 for every 100 square feet of frontage per parcel in the Swanston Estates subdivision, \$32.48 for every 100 square feet of frontage per parcel in the Youngs Heights subdivision, and \$34.02 for every 100 square feet of frontage per parcel in the Colonial Heights subdivision. These amounts represent a 2.48% increase over the FY2025/26 assessment amounts, but are still below the maximum authorized amounts for FY2026/27. The maximum authorized assessment amounts are increasing by 2.48% for FY2026/27 based on the percentage increase in the February 2026 Consumer Price Index for San Francisco, Oakland, and Hayward areas (All Urban Consumers) over the prior year.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE COUNCIL RESOLVES AS FOLLOWS:

- Section 1 The City Council finds and determines that the background statements A through E are true and correct.
- Section 2 The City Council confirms the assessment diagram and the assessment roll set forth in the Engineer's Annual Report for the District and levies the assessments set forth in the Engineer's Annual Report.
- Section 3 The City Manager or City Manager's designee is hereby authorized to make any necessary budgetary adjustments associated with the approval of the Engineer's Annual Report for FY2026/27.
- Section 4 Exhibits A and B are part of this resolution.

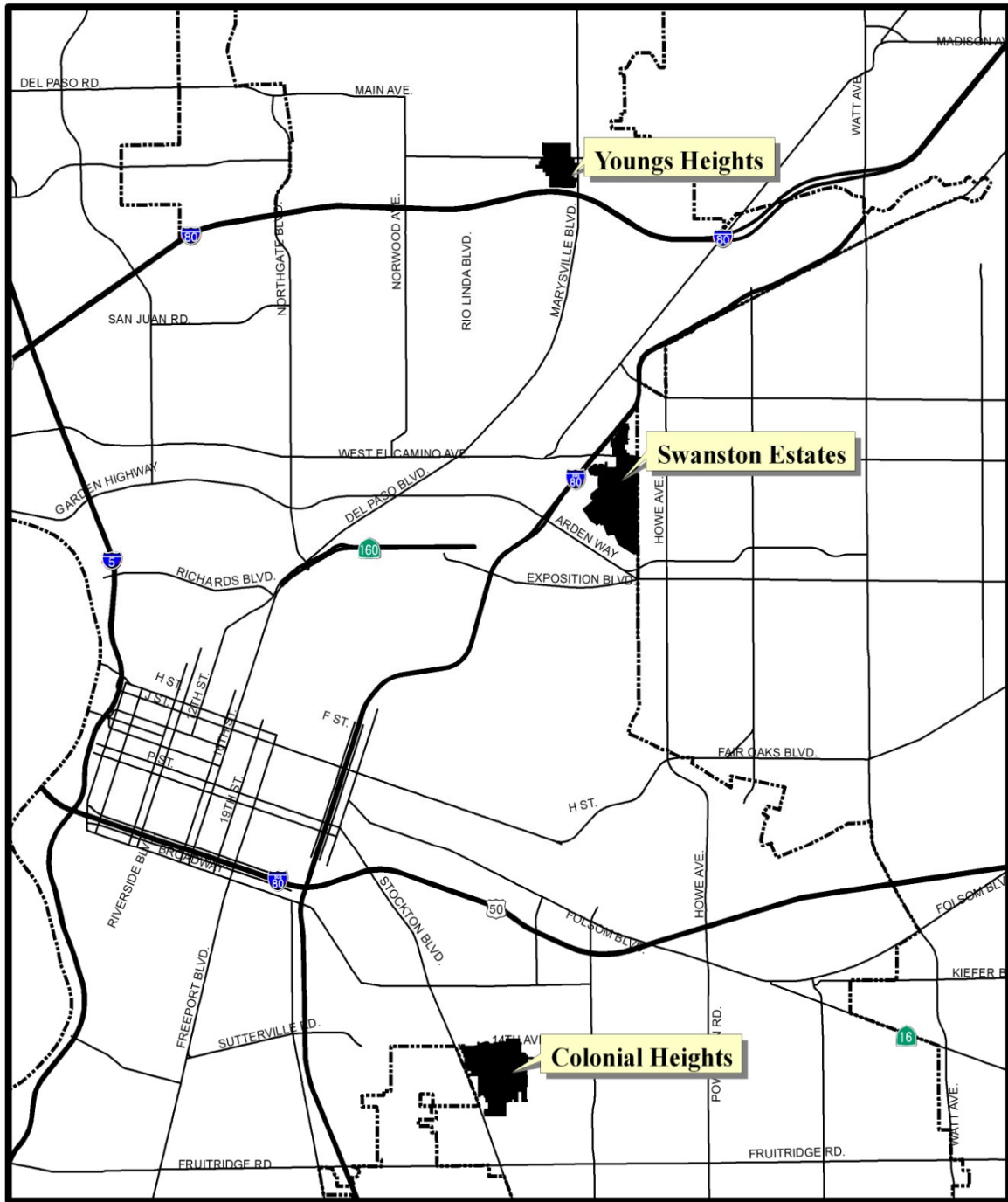
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

Exhibit A: District Map

Exhibit B: FY2026/27 District Budget, Neighborhood, and Parcel Assessments

EXHIBIT A

Neighborhood Lighting District 96-07



 City Boundary
 District Boundary

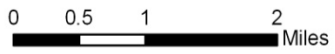


EXHIBIT B

**NEIGHBORHOOD LIGHTING DISTRICT NO. 96-07
NEIGHBORHOOD AND PARCEL ASSESSMENTS
FUND 2202
FY2026/27**

DISTRICT BUDGET

Estimated Beginning Fund Balance	107,571
Total Assessed to Property Owners	<u>49,290</u>
Total Resources	<u><u>156,861</u></u>
Department of Public Works (Streets)	
Street Lighting Maintenance	33,287
Administrative Costs	
Public Improvement Financing	
Administration	1,474
Accounting	
Administration	1,098
County Billing	<u>1,190</u>
Total Expenditures	<u><u>37,049</u></u>
Estimated Ending Fund Balance	<u><u>119,811</u></u>
Year-Over-Year Change in Fund Balance	<u><u>12,241</u></u>

NEIGHBORHOOD ASSESSMENTS

The cost for each individual neighborhood is as follows:

Neighborhood	FY2026/27 Budget	FY 2026/27 Surplus	FY2026/27 Assessment
Swanston Estates	\$14,671	\$7,737	\$22,408
Youngs Heights	\$807	\$492	\$1,299
Colonial Heights	\$21,571	\$4012	\$25,583
Totals:	\$37,049	\$12,241	\$49,290

PARCEL ASSESSMENTS

The following is a breakdown of the average cost for FY 2026/27 assessments per single-family lot in each neighborhood for every 100 feet of street frontage.

Neighborhood	# of Lots	Maximum Authorized	FY2026/27 Assessment
Swanston Estates	697	\$38.32	\$30.24
Youngs Heights	30	\$36.59	\$32.48
Colonial Heights	718	\$38.33	\$34.02