



24-5573

DATE: May 7, 2024 (Item No. 98)

TO: Governing Board of the County Lighting Service Area of Santa Clara County

FROM: Harry Freitas, Director, Roads and Airports Department

SUBJECT: County Lighting Service Area (CLSA) FY 2025 Assessments

RECOMMENDED ACTION

Consider recommendations relating to the County Lighting Service Area (CLSA) Fiscal Year (FY) 2024-2025 assessments.

Possible action:

- a. Receive CLSA FY 2024-2025 Preliminary Assessment Report and file Report with the Clerk of the Board.
- b. Authorize the Clerk of the Board to set Tuesday, June 4, 2024, no earlier than 10:00 a.m., as the date and time for a hearing to consider protests and objections to CLSA FY 2024-2025 Preliminary Assessment Report and adopt Resolution approving CLSA assessments for FY 2024-2025.

FISCAL IMPLICATIONS

There is no impact to the County General Fund. The CLSA is a special district funded by assessments levied on the parcels within the eleven CLSA benefit zones. This action will increase revenues in the CLSA allowing for expenditures in the special district to be met by the revenues collected.

REASONS FOR RECOMMENDATION AND BACKGROUND

In accordance with County Ordinance Sections A14-32 and A14-33, a preliminary assessment report for the parcels within the CLSA is required to be submitted to the Board of Supervisors on or before May 15th of each year. The preliminary assessment report included with this legislative file estimates the operation, maintenance, and other costs of administering the CLSA for the upcoming fiscal year. The proposed CLSA Fiscal Year (FY) 2024-2025 budget is \$557,000. The proposed budget includes \$200,000 to upgrade County-owned streetlights within the CLSA to Light-Emitting Diode (LED) fixtures. In 2016, PG&E-owned streetlights within the CLSA were upgraded to LED. Upgrading the remaining lights to more energy-efficient lights is anticipated to yield future cost savings to property owners by lowering both energy and maintenance costs.

The mail ballot election conducted in 2000 related to the CLSA assessments included a

provision to allow for an annual adjustment to the assessment for every benefit zone equal to the prior year's increase in the Consumer Price Index (CPI) for the San Francisco/Oakland/San Jose area, or 3%, whichever is less. The maximum allowable CPI adjustment of 2.80% is proposed for FY 2024-2025 to keep up with cost increases and to fund future capital improvement projects.

The Preliminary Assessment Report is to be filed with the Clerk of the Board. A public hearing for the Preliminary Assessment Report will be scheduled for June 4, 2024. The Final Assessment Report will be prepared and filed with the County Tax Collector based on the Final Assessor's Roll.

The CLSA was formed under County Service Area Law as a means to provide street lighting in unincorporated areas and is funded from assessments collected from each of the parcels within the CLSA in accordance with County Ordinance Code Sections A14-31 through A14-33 and Proposition 218, "Right to Vote on Taxes Act," approved by California voters in November 1996. Proposition 218 established new procedural requirements for the administration of existing assessment districts and the formation of new districts. Specifically, Proposition 218 requires that any proposed assessment increase, above the authorized maximum assessment, be approved by the owners of the affected parcels. In 2000, the Administration conducted a mailed ballot election and property owners in twelve of the CLSA's thirteen individual benefit zones approved assessments to pay for the continued operation and maintenance of the street lighting. In 2010, the City of San Jose annexed one benefit zone in conjunction with its annexation of the unincorporated pockets. Therefore, the CLSA is currently comprised of eleven benefit zones.

CHILD IMPACT

The recommended action will have no/neutral impact on children and youth.

SENIOR IMPACT

The recommended action will have no/neutral impact on seniors.

SUSTAINABILITY IMPLICATIONS

The recommended action will have no/neutral sustainability implications.

CONSEQUENCES OF NEGATIVE ACTION

The report will not be received.

STEPS FOLLOWING APPROVAL

The Clerk of the Board of Supervisors shall:

1. File the Preliminary Assessment Report.
2. Set June 4, 2024 as the hearing date for the consideration of the Preliminary Assessment Report and notice the hearing pursuant to Government Code Section 6066.
3. Send notification of One Meeting processing to:
Leo Camacho, Roads and Airports Department, Infrastructure Development Division and the Property Tax Unit, Controller-Treasurer Department, ptu@fin.sccgov.org.

ATTACHMENTS:

- CLSA FY 2025 Preliminary Assessment Report (PDF)
- CLSA FY 2025 Preliminary Assessment Roll (PDF)