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APPROVED
BY THE CITY COUNCIL

JAN 28 1992

OFFICE OF THE
CITY CLERK

DEPARTMENT OF
PUBLIC WORKS

CITY OF SACRAMENTO
CALIFORNIA

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SACRAMENTO, CA
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January 28, 1992

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: ROBLA VIEJO ASSESSMENT DISTRICT NO. 89-01 -- DECLARATION OF SURPLUS FUNDS

LOCATION

The Robla Viejo Assessment District No. 89-01 is located north on Main Avenue and east of Raley Boulevard in Council District #2 (please see attached map).

SUMMARY

It is requested that the City Council adopt the attached resolution, which declares \$1,760,535.53 from the current Robla Viejo Assessment District Improvement Fund to be surplus funds.

COMMITTEE ACTION

None.

STAFF RECOMMENDATION

It is recommended that the City Council adopt the attached resolution declaring surplus funds, and authorizing application thereof, for the Robla Viejo Assessment District.

BACKGROUND INFORMATION

The Robla Viejo Assessment District was initiated in 1987 by a petition signed by the property owners. The district consisted of 64 parcels and involved an area of 239 acres.

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On March 21, 1989, the City Council approved the district and levied assessments in the amount of \$4.57 million. The project provided funding for the construction of sanitary sewer, storm drainage, water facilities, street improvements, and a contribution to the proposed Magpie Creek diversion project. All phases of the work have been completed, with the exception of the Magpie Creek project.

Magpie Creek Project

The original Magpie Creek project included widening and deepening of the existing channel to provide additional flow capacity during major storm events. Since formation of the Robla Assessment District, the U.S. Army Corps of Engineers has issued new hydrologic design criteria pertaining to this project. The new criteria requires that the previous Magpie Creek design be expanded to a much broader drainage area. Additionally, SAFCA has indicated that Magpie Creek may be included as part of the federal flood control project. As a result, a definitive schedule for design and construction of the Magpie Creek project is not available at this time.

In consideration of this, staff recommends that the funds originally set aside for the Magpie Creek project, together with any additional funds remaining in the improvement fund, be declared surplus. This will allow the City to reimburse all property owners that paid their assessment in full. It will also allow the City to call bonds for the remaining amount assessed to the property owners and credit the appropriate assessment accounts.

Property Owner Inquiries

During the past several weeks, City staff has been in contact with some of the property owners within the district. Staff has advised these property owners of the status of the Magpie Creek project, and the relative implications to the assessment district. Following Council action on this matter, staff will prepare a general letter to inform all property owners within the district.

FINANCIAL CONSIDERATIONS

The expenditure necessary for this action will be provided solely from the surplus funds in the Robla Viejo Assessment District No. 89-01 account. There is no impact to the General Fund. The following is a summary of how the surplus amount was accumulated and how the reimbursement will be distributed.

Improvement Fund Excess

Magpie Creek	\$1,000,000.00
Other Improvements	<u>369,076.92</u>
Subtotal	\$1,369,076.92

Interest Earnings to Improvement Fund

Magpie Creek	\$ 230,187.41
Other Improvements	<u>124,800.65</u>
Subtotal	\$ 354,988.06

Total Improvement Fund Excess \$1,724,064.98

Interest Earnings Fund	\$103,342.50
Redemption Fund	23,128.05
Deposit to Rebate Fund	<u>(90,000.00)</u>

Net Interest Earnings, and Redemption Fund Excess \$ 36,470.55

Reserve Fund Excess 69,529.24

Total Surplus Amount \$1,830,064.77

Distribution of Surplus

Credit to Property Owners that Paid in Cash	\$ 18,602.66
Credit to City Contribution	13,008.74
Deposit to General Fund	1,000.00
City Administration/Cost to Call Bonds	6,740.00
Call Bonds in \$5,000 Denominations*	1,735,000.00
Call Bond Premium	52,050.00
Deposit to Redemption Fund	<u>3,663.37</u>

Total Surplus Amount \$1,830,064.77

*Credit to property owners annual installments.

POLICY CONSIDERATIONS


The procedures for this action are set forth in Division 12 of the California Streets and Highways Code entitled, "Municipal Improvement Act of 1913," and Division 10 of said code entitled, "Improvement Bond Act of 1915."

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MBE/WBE

Not applicable as related to this item.

Respectfully submitted,



Gary Alm
Supervising Engineer

Recommendation Approved:

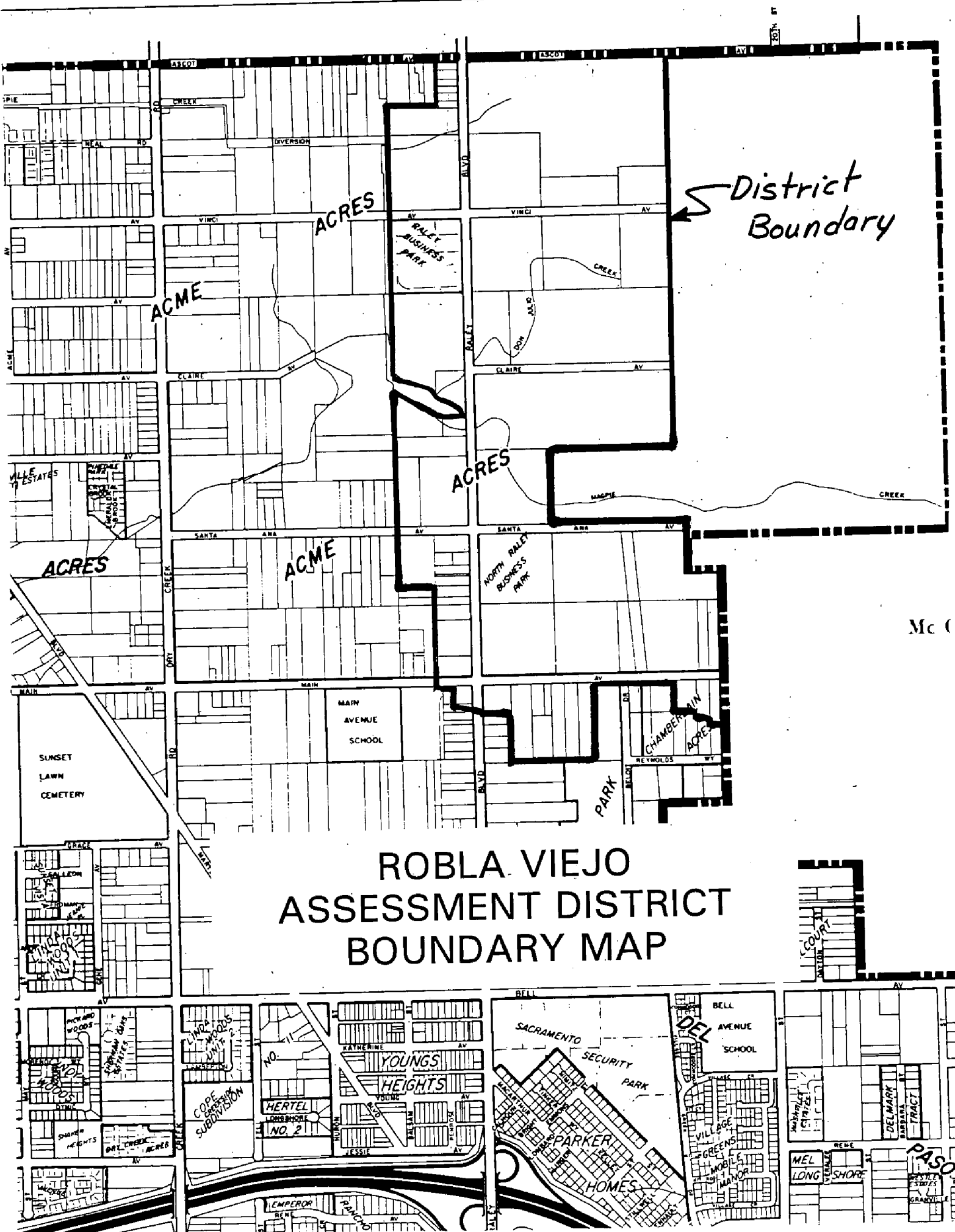

Walter J. Slipes
City Manager

Contact for More Information:
Ronald Wicky, Special Districts Analyst
264-5628

Approved:


Reginald Young
Acting Director of Public Works

FOR COUNCIL MEETING OF:
January 28, 1992



ROBLA VIEJO ASSESSMENT DISTRICT BOUNDARY MAP

*District
Boundary*

Mc C

ACRES

ACME

ACRES

ACRES

ACME

CHAMBERLAIN
ACRES

ROBLA VIEJO

ASSESSMENT DISTRICT

BOUNDARY MAP

SUNSET
LAWN
CEMETERY

MAIN
AVENUE
SCHOOL

NORTH RALEY
BUSINESS
PARK

HERTEL
LONGSHORE
NO. 2

YOUNG'S
HEIGHTS

PARKER
HOMES

DEL
MAR AVENUE
SCHOOL

MEL
LONG
SHORE

PASO

APPROVED
BY THE CITY COUNCIL

JAN 28 1992

OFFICE OF THE
CITY CLERK

RESOLUTION NO. 92-066

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____
RESOLUTION DELETING CERTAIN IMPROVEMENTS,
DECLARING SURPLUS AND AUTHORIZING
DISPOSITION THEREOF

ROBLA VIEJO ASSESSMENT DISTRICT NO. 89-01

The City Council of the City of Sacramento resolves:

1. The City Council pursuant to its Resolution No. 89-034 of Intention, adopted January 10, 1989, provided for the acquisition and construction of certain improvements in and for said City, as described in said Resolution of Intention, and for the collection of assessments to pay the costs thereof.

2. Assessments were levied pursuant to the Municipal Improvement Act of 1913 and bonds were issued against the unpaid assessments pursuant to the provisions of the Improvement Bond Act of 1915.

3. The City Council hereby orders the deletion of certain improvements provided for in certain proceedings consisting of the assessment district's share of the acquisition of property necessary for the Magpie Creek Diversion Project together with the construction of the necessary drainage channel improvements and a bridge over the proposed channel.

4. Following the completion of construction of the improvements and payment of all incidental expenses provided in said Resolution of Intention, a balance of \$1,760,535.53 remains in the improvement fund for said project.

5. Said Council desires that said surplus remaining in said improvement fund be utilized as hereinafter set forth.

6. The balance of \$1,760,535.53 remaining in the improvement fund for said project, be and it is hereby, declared surplus.

7. Of said sum of \$1,760,535.53 the sum of \$6,740.00 shall be paid to City for reimbursement to City of the costs of prorating and redistributing that portion of said surplus to be credited to each assessment.

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DATE ADOPTED: _____

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8. Of said remaining sum of \$1,753,795.53, the sum of \$1,000 shall be transferred to the General Fund of the City as authorized by said Resolution of Intention.

9. Of said remaining sum of \$1,752,795.53, the sum of \$13,008.74 shall be returned in cash to the City as its pro rata share of said surplus and said amount be, and it is hereby, ordered transferred from said improvement fund to the various funds of said City in proportion to the amount allocated from said funds to said project.

10. Of said remaining amount of \$1,739,786.79, the sum of \$18,602.66 shall be credited pro rata to the following assessments:

<u>Assessment Number</u>	<u>Assessor's Parcel Number</u>
6	215-0280-052
7	215-0280-020
58	238-0011-010

and said credits shall be paid in cash to the person or persons paying the same, upon their furnishing satisfactory evidence of such payment.

11. The remaining amount of \$1,721,184.13 shall be used by the Treasurer of said City to call bonds in which case the Treasurer shall do each of the following:

a. Cause the special reserve fund, if any, to be reduced as necessary by transfer to the redemption fund for the advance retirement of the bonds, to assure that the bonds will not become subject to federal income taxation;

b. Cause the preparation of a new auditor's record to reflect the adjusted principal amount of the remaining assessment. All subsequent assessment installments shall be based upon the adjusted principal amount of the assessment as reflected in the revised auditor's record.

12. A certified copy of this resolution shall be transmitted to the City Treasurer, the Director of Finance and the City Attorney of the City of Sacramento.

* * *

This Resolution was passed and adopted by the City Council of the City of Sacramento, County of Sacramento, State of California, this 28th day of January, 1992.

ATTEST:

Mayor

City Clerk

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DATE ADOPTED: _____

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