



Summary of Street Light Election Results

The City of Lancaster recently conducted an election as required by Proposition 218, to form a city wide Street Light Maintenance district. The City determined that it was necessary to form a new street light maintenance district for several reasons. A primary reason for this action was to increase revenues for the district to cover the annual maintenance, electrical, and other costs associated with the street lights, traffic signals, public parking lot lights, and highway safety lights located throughout the City. Due to the increased maintenance costs over the past few years, it has been necessary to use a portion of the operating reserve each year to cover expenses. As a result, it is projected that the operating reserve will be depleted by the end of Fiscal Year (FY) 2007-2008. Without the reserve to help balance the budget, a \$1,250,000 deficit is predicted for FY 2008-2009.

Only 30,853 of the 49,428 parcels within the City of Lancaster are currently annexed into the Lancaster Lighting Maintenance District (LLMD). Creating a city wide district would balance the rate structure and bring in areas of the City not previously in the LLMD, but receiving full benefit of street light services. Having all properties within the City annexed into the district would establish equality in regards to paying for street and other public lighting. With a city wide district, all 49,428 properties benefiting from street lights, traffic signals, public parking lot lights, and highway safety lights would pay a share of the costs, instead of only the 30,853 properties that currently pay district expenses. The assessments from the city wide LLMD would have generated sufficient revenue to fully fund the maintenance expenses of the district. Another benefit of the city wide district would have been eliminating the need to annex individual parcels into the LLMD when they develop. Significant savings in processing expense would be realized if the numerous annexations did not need to be processed.

In 2003, property owners then annexed into the LLMD were asked to approve increasing the annual assessment from \$45 to \$70. Voting was conducted by small areas of the City with the result being that interior streetlights were turned off within six zones. These areas have experience an increase in crime and have requested that the lights be turned back on. The City wants to provide adequate safety lighting for all residents throughout Lancaster. Formation of LLMD No. 2 would restore interior street lighting to all areas where the lights have been turned off.

The results of this most recent election were announced at the November 13, 2007 City Council Meeting. The measure to create LLMD No. 2 was not approved by those property owners voting. As a result of the vote, LLMD No. 1 remained in place and the existing assessments did not change. The following tables indicate the results of the voting:

Table 1: Street Light Vote Results

	Number of Votes	Percent	Valuation Amount	Percent
Yes	5,721	12%	\$496,059.66	11%
No	7,038	14%	\$662,248.35	14%
Abstained	36,669	74%	\$3,416,535.70	75%
Total	49,428	100%	\$4,574,843.72	100%

Table 2: Votes by General Classification

Classification	Yes		No		Abstained	
	Votes	Valuation	Votes	Valuation	Number	Valuation
Residential	4,032	\$310,378.35	5,546	\$472,849.34	31,737	\$2,579,657.68
Non-Residential	936	\$77,800.05	1,461	\$175,544.99	4,617	\$464,316.34
Exempt	6	\$0	1	\$0	2	\$0
Utilities	0	\$0	0	\$0	93	\$45,441.50
Agencies	747	\$107,881.26	30	\$13,854.02	220	\$327,120.18
Total	5721	\$496,059.66	7,038	\$662,248.35	36,669	\$3,416,535.70

The vote against the formation of Lancaster Lighting Maintenance District No. 2 will result in a revenue shortfall of approximately \$1,250,000 beginning in FY 2008-2009. This shortfall will require that the City Council either transfer this amount from the general fund as general taxpayer support (and forego other uses of these funds such as for public safety officers or parks and recreation activities) or reduce existing street lighting services. City administration continuously seeks ways to provide the best street lighting, traffic signal, public parking lot lighting, and highway safety lighting service at the least expense. Due to the defeat of the LLMD formation measure, it may be necessary to consider more draconian measures to reduce street lighting services as a means to cut costs. Prior to the beginning of FY 2008-2009, a cost reduction plan will be submitted to the City Council for consideration.