

**CITY OF ALBANY  
CITY COUNCIL AGENDA  
STAFF REPORT**

Agenda date: July 16, 2012  
Reviewed by: BP

**SUBJECT:** Public Hearing on the Levy of Assessments within Assessment District No. 1988-1 and No. 1996-1 for Fiscal Year 2012/13 pursuant to the Landscaping and Lighting Act of 1972

**FROM:** Jeff Bond, Community Development Director  
Randy Leptien, City Engineer

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**RECOMMENDATION**

1. Conduct Public Hearing.
2. Approve Resolution No. 2012-46 - A Resolution of the Albany City Council Confirming the Diagram and Assessment and Levying Assessments Assessment District No. 1988-1 for Fiscal Year 2012/13 (pursuant to the Landscaping and Lighting Act of 1972)
3. Approve Resolution No. 2012-47 - A Resolution of the Albany City Council Confirming the Diagram and Assessment and Levying Assessments in Assessment District No. 1996-1 for Fiscal Year 2012/13 (pursuant to the Landscaping and Lighting Act of 1972)

**BACKGROUND**

Assessment District No. 1988-1 and 1996-1 (the “Districts”) were formed pursuant to the provisions of Section 22500 et. Seq. of the state Streets and Highways Code. This section of the Code is entitled the “Landscaping and Lighting Act of 1972” (hereafter the “Act”). These Landscaping and Lighting Act Districts (LLAD) provide funding for landscaping and lighting improvements throughout the City as described in the Act and as further described in the formation documents for each, respectively. The Act requires that in each fiscal year (FY) that an assessment is to be levied, the Council must:

- 1) Adopt a resolution directing the Assessment District Engineer (the “Engineer”) to file a report. The report must include a description of the scope of work including any new improvements to be made for the next fiscal year, their estimated costs, a diagram showing the properties to be assessed (the Assessment Diagram) and the amount of the assessment to be made upon

each parcel of land specially benefitted by the proposed improvements (the Assessment).

- 2) Adopt a resolution preliminarily approving the report of the Engineer and directing the City Clerk to provide notice of the intention of the Council to levy and collect assessments within the existing District for the next fiscal year
- 3) Conduct a public hearing upon the improvements, budget and assessments that are proposed to be levied and
- 4) Adopt a resolution confirming the diagram and the assessments for the next fiscal year and file the Diagram and the Assessment with the County Auditor prior to August 10 of the fiscal year in which assessments are to be levied.

Any matter provided in the report of the Engineer may be addressed at the public hearing, except that the Council may not increase the amount of the assessment on any parcel without first conforming to the special report and ballot procedures required by Section 4 of Article XIII D of the State constitution (enacted by Proposition 218 in 1996). The formation of the District, itself is not at issue and there is no procedure in the Act for a majority protest at the annual public hearing.

Assessments within each District are levied in proportion to the special benefits estimated to be received by each parcel, respectively, from the improvements as determined by the Engineer, and confirmed each year by the Council. The basic method of assessment remains unchanged from that set forth by the Engineer and approved by the Council upon formation of each District, respectively.

On May 7, 2012, the Council approved Resolutions #2012-29 and #2012-30 directing the Engineer (the City Engineer - LCC, Inc.) to prepare and file the annual report for LLAD No. 1988-1 and 1996-1. The report for each District, including the Assessment Diagram and the Assessment was filed as directed and on July 2, 2012 the Council adopted Resolutions #2012-35 and #2012-36 preliminarily approving the Engineer's Report for FY 2012/13, declaring the Intention of the Council to levy and collect assessments, and setting July 16, 2012 as the date for the public hearing for each District respectively. Notice of the public hearings was published in a paper of general circulation at least 10 days prior to the hearing as required by the Act.

The complete Engineer's Report including the Assessment Diagram and the Assessment remain on file with the City Clerk. The following excerpts from each report are attached:

- Title Sheet, table of contents and statement of the Engineer
- Part A, the description of improvements for FY 2012/13 and 2013/14
- Part B, the estimated cost of the improvements for FY 2012/13 and 2013/14
- Part C, the schedule of assessment rates for each District

Following are highlights from each report:

**LLAD No. 1988-1**

LLAD No. 1988-1 was formed in 1988 to provide for landscaping including the maintenance of park and recreational facilities. The scope of this District was later expanded and clarified to include street lighting on Solano Avenue, the maintenance of medians on Buchanan Street and San Pablo Avenue, the payment of Bonds for the Community Center and Maintenance Center, street trees and the urban forestry program and the repair of sidewalks damaged by street trees. This District also provides for the service and maintenance of the street lights along the Ohlone Greenway.

In August 2012, the City will make the last installment on bonds that were issued and refinanced in 1997 for the construction of the Community and Maintenance Centers. Removal of this obligation will free up revenue for other uses. In FY 2012/13 and 2013/14, it is proposed that these funds be used to help fund: (1) the preliminary design of the new Maintenance Center and Path at Pierce Street Park (2) the preliminary design for the Upper Solano Streetscape improvements (3) and the repairs to the Tennis Courts at Jewel's Terrace Park.

The proposed FY 2012/13 assessment for detached single-family residential parcel is \$75.54. Assessments for other parcels of land are based on special benefit as determined by the Engineer. Annual assessments in LLAD No. 1988-1 have remained the same, i.e. they have not been increased since FY 1993/94.

The staff report for the July 2, 2012 meeting indicated that this year's program would provide for the repair of the tennis courts at Jewels Terrace Park. However, the expenditure for this work estimated to be \$35,000 was inadvertently omitted from the estimate of cost (Part B). The Engineer's Report has been revised to include the addition of the tennis court resurfacing. An amendment reflecting the correction is attached.

**LLAD No. 1996-1**

LLAD No. 1996-1 was formed in 1996 for the explicit purposes of acquiring and maintaining open space on Albany Hill, creating recreational playfields and restoring creeks. LLAD 1996-1 was approved by a majority of voters at the General Election held in November of 1996 and is also known as "Measure R".

In 1998, bonds were sold to finance the District programs pledging District revenues. The bonds were issued for 20 years and will be paid of in 2019. Under the terms of Measure R, Assessment District revenues must be allocated as follows:

- One half (50%) for the acquisition and improvement of open space on Albany Hill.
- One fourth (25%) for the acquisition, development and maintenance of recreational playfields.
- One fourth (25%) for creek restoration improvements.

Part A of the Engineer's Report lists the significant number of improvements within each category that have been made since formation of the District 6 years ago.

In FY 2012/13 and 2013/14, it is proposed that in addition to paying for debt service Measure R provide funding for: (1) the implementation of the programs included in the update to the Master Plan for vegetation management and trails on Albany Hill and along the bank of Cerrito Creek (2) continued design and planning for the Codornices Creek restoration improvements from Kains Ave. to San Pablo Ave. and between the UPRR tracks and Eastshore Highway and (3) to assist with the final close out of the River Parkways Grant for Lower Codornices Creek.

The proposed 2012/13 FY assessment for a detached single-family residential (SFR) parcel is \$69. Assessments for other land use are based upon the special benefits received compared to those received by a SFR parcel. Assessments in LLAD No. 1996-1 have not been increased since formation of the District in 1996.

### **DISCUSSION**

It is recommended that the Council open the public hearings as a single hearing and afford any interested person the opportunity to speak with regard any matter concerning either District.

Following the conclusion of public testimony, it is recommended the Council close the public hearings and consider the approval of the attached resolutions confirming the assessment and the diagram for each district, respectively. It should be noted that the resolution approving the diagram and assessment for LLAD No. 1988-1 refers to the Amended Report (i.e. including Amendment No. 1).

The adoption of the resolutions will constitute the levy of an assessment within each District. Following adoption, the City Clerk will cause the report for each District to be filed with the County Auditor in the form prescribed by the County and assessments will be posted to the property tax bills and collected with property taxes.

### **SUSTAINABILITY**

LLAD No. 1988-1 provides funding creating, improving and maintaining recreational turf areas in parks throughout the city. It also provides the funding for the City's urban forest program. LLAD No. 1996-1 provides funding for the acquisition of open space, creation of playfields and restoration of creeks. All of these programs and improvements serve to enhance the quality of life, reduce carbon emissions and promote a greener Albany.

## **FINANCIAL IMPACT**

Beginning in 2010 the budget for the Landscape and Lighting Assessment Districts was adopted for a two-year period for planning purposes, and the cost estimate for each District reflects this. For assessment purposes, however, the attached resolutions apply only to the 2012/13 FY.

If the resolutions confirming the improvements, diagram and the assessment within each District, respectfully are not approved, the City will not be able to levy assessments as proposed. If assessments are not collected, the various, improvements, services and maintenance programs will have to be reduced or eliminated, or additional funding sources identified. In order for assessments to be collected for FY 2012/13, the Council must approve and cause the Diagram and Assessment for each District to be filed prior to August 10, 2012.

### **Attachments**

1. Resolution No. 2012-46 Confirming Diagram and Assessment, LLAD No. 1988-1, FY 2012-13
2. Resolution No. 2012-47 Confirming Diagram and Assessment, LLAD No. 1996-1, FY 2012-13
3. Engineer's Report, Parts A, B & C (portions), LLAD No. 1988-1, 2012-13 FY
4. Engineer's Report, Parts A, B, & C (portions), LLAD No. 1996-1, 2012-13 FY
5. Amendment No. 1 to Engineer's Report, LLAD No. 1988-1, 2012-13 FY