

Memorandum

Date: May 12, 2008
To: Board of Trustees
From: Alton Jelks, Special Assistant to the Chancellor
Subject: City of Oakland's Request for Trustee Affirmative Vote on Increasing the LLAD (Landscape and Lighting Assessment District) Assessment.

On May 20, 2008, the Oakland City Council will accept and begin counting the ballots of a special election asking the citizens of Oakland to increase the assessment of the Landscape and Lighting Assessment District. The reason for the request by the City to increase the assessment is to fill a \$9.8 million gap between the assessment rate originally approved by the citizens of Oakland (in 1989) and subsequent cost increases (e.g., increased energy costs). LLAD funding has not increased in 15 years.

The amount to be assessed the District is \$228,457.58. (Attached is the parcel-by-parcel breakdown of the assessment.) Currently, PCCD is not assessed under LLAD and if voters reject the measure, PCCD will continue not being assessed. This is because when the LLAD was originally passed in 1989, public entities were *not required* to be assessed.

However, Article XIII C and D of the California Constitution, as amended by the Right to Vote on Taxes Act (Prop. 218) specifies as follows:

Parcels within a district that are owned or used by any agency, the State of California or the United States shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit.

Hence, the Peralta Community College District shall be required to pay the assessment unless the voters otherwise reject the measure. The increase, if approved, shall sunset in 15 years.

Benefit to the District

According to the City, LLAD funding supports:

- Proper public street lighting,
- Clean and functional parks, ball fields, etc.,
- Groomed and irrigated streetscapes and median plantings.

The City also points out that it maintains a regular maintenance schedule for the Channel Park.

The Board of Trustees has three options:

1. Vote yes on the measure, assessing the district in the amount of \$228,457.58 annually.
2. Vote no on the measure.
3. Decide not to vote on the measure. (The results of the election are based on a majority of ballots actually voting in the election.)

(Attachments)

RIGHT TO VOTE ON TAXES ACT

Neighbors for a Safe and Green Oakland

333 Market Street • Oakland, CA 94607 • (510) 548-5729 • <http://safegreenoakland.org/>

Why the Peralta Board of Trustees should support Oakland's Landscaping & Lighting Assessment District (LLAD) Ballot?

For almost 20 years, the City of Oakland has relied on LLAD funds to support basic maintenance services for City parks, street lights and street trees. Formed in 1989 and reconfirmed by property owners in 1993, the LLAD keeps our streets safe by replacing failed street lights, our roads open by removing fallen trees during winter storms and hazardous trees year round, and our parks inviting through ongoing landscape maintenance and litter pick-up.

The City's public spaces are significant:

- 25 recreation centers/ 32 restrooms
- 31 Little League/softball diamonds, 14 soccer fields, 12 adult league baseball fields, lawn bowling and putting greens throughout the City
- 76 tot lots
- 100 landscaped street medians
- 130 parks and public grounds
- 1,200 acres of open space
- 2,300 acres of streets, medians, parks and plazas
- 34,000 street lights
- 100,000 trees in parks and on the public right of way

More specifically, the City maintains the channel area around Laney College, the nearby Lake Merritt, the grounds around Merritt College, and the Leona Heights Redwoods and open space, and keeps the street lights surrounding your campuses well-lit for safety.

However, increasing utility costs, along with new parks, street trees and street lights have quickly diluted LLAD funds. The LLAD, unfortunately, does not have a cost of living adjustment, and there has not been an increase in the LLAD since 1993. Meanwhile, the cost of electricity along has increased by 300% and currently costs the City close to \$4 million a year!

The LLAD has been running a shortfall in recent years, which was bridged using one-time surplus funds and resources from the City's General Fund. But given this year's economic environment, with multi-million dollar deficits across city, county and state levels, there is no deep pocket to fill the gap.

So the bottom line is this: As of July 1, 2008, it will cost Oakland \$27 million just to keep maintenance services for our parks, street trees and street lights at current basic levels. If the LLAD does not pass, then the City will only have the fixed \$18 million a year that the current LLAD generates, necessitating drastic cutbacks in services across the board.

This is not only about investing in Oakland's future, it's about keeping Oakland safe, clean and green

- City trees remove 154 tons of air pollutants, increased property values by over \$1.5 million, and provide shade that saves over \$1 million in energy costs.
- Parks and open space provide recreational and exercise opportunities, educational benefits through environmental facilities, and enhance public safety by providing youth safe opportunities for socialization and recreation.
- Well-lit streets deter crime; mowed ball fields and clean parks and recreation centers provide safe places for children, families and seniors to play, socialize and keep active.

OFFICIAL PROPERTY OWNER BALLOT
CITY OF OAKLAND LANDSCAPING & LIGHTING ASSESSMENT DISTRICT

996

Yes. To repair and maintain street lighting to further public safety, and to continue maintenance levels at parks, park facilities, ball fields, swimming pools, playgrounds, restrooms, and on sidewalks, creeks, trails and public landscaped areas, including street trees, along streets and medians, subject to performance standards, I support the proposed increase to the City of Oakland Landscaping & Lighting Assessment District's annual assessment.

No. I oppose the proposed increase to the City of Oakland Landscaping & Lighting Assessments District's annual assessment.

I hereby certify under penalty of perjury that I am the legal property owner and/or person entitled to execute this ballot on behalf of the property(s) shown below, referenced by Assessor's parcel number, in this mailed ballot.

Signed: _____

Printed Name: _____

Signature of Record Owner or Authorized Representative

PERALTA JUNIOR COLLEGE DISTRICT
 ALTON JELKS
 333 E 8TH ST
 OAKLAND CA 94606-2844

Assessor's Parcel No.	Property Address	Zone of Benefit	Previous Annual Assessment	Proposed Annual Assessment
0000-0450-002-00	900 FALLON ST	3	\$0.00	\$49,473.80
0000-0450-003-00	E 10TH ST	3	\$0.00	\$501.78
0000-0455-004-04	11 4TH ST	1	\$0.00	\$2,457.54
0000-0455-007-00	7TH ST	3	\$0.00	\$240.74
037-2685-001-31	LEONA ST	2	\$0.00	\$6,980.88
037-2685-001-40	LEONA ST	2	\$0.00	\$7,335.46
037A-3141-001-11	EQUESTRIAN TL	2	\$0.00	105,531.32
037A-3141-001-17	EQUESTRIAN TL	2	\$0.00	\$8,782.02
Totals: 8			\$0.00	\$181,303.54

Completed ballots must be received at the address shown on the enclosed return envelope by 5:00 p.m. on May 20, 2008 or hand delivered to the City Clerk before the end of the public input portion of the Public Hearing, which will begin at 7:00 p.m. on May 20, 2008 in the City of Oakland City Council Chambers, at One Frank H. Ogawa Plaza, Oakland CA 94612. If you return the ballot by mail, be sure to allow sufficient time for delivery to the City.

Once you have completed and signed this ballot, please seal the ballot in the enclosed postage-paid, self-addressed return security envelope to the City of Oakland, Attn: City Clerk, One Frank H. Ogawa Plaza, Room 101, Oakland CA 94612. Your ballot will not be counted if you have not completed and signed the ballot.

OFFICIAL PROPERTY OWNER BALLOT
CITY OF OAKLAND LANDSCAPING & LIGHTING ASSESSMENT DISTRICT

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Yes. To repair and maintain street lighting to further public safety, and to continue maintenance levels at parks, park facilities, ball fields, swimming pools, playgrounds, restrooms, and on sidewalks, creeks, trails and public landscaped areas, including street trees, along streets and medians, subject to performance standards, I support the proposed increase to the City of Oakland Landscaping & Lighting Assessment District's annual assessment.

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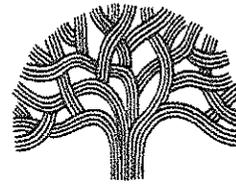
PERALTA COMMUNITY COLLEGE DISTRICT
 ALTON JELKS
 333 E 8TH ST
 OAKLAND CA 94606-2844

Assessor's Parcel No.	Property Address	Zone of Benefit	Previous Annual Assessment	Proposed Annual Assessment
0000-0445-011-00	FALLON ST	3	\$0.00	\$12,001.48
0000-0445-012-02	510 FALLON ST	1	\$0.00	\$8,043.82
0000-0455-013-00	7TH ST	3	\$0.00	\$619.22
0000-0455-015-02	5TH AVE	1	\$0.00	\$23,361.66
042-4404-007-07	EARHART RD	1	\$0.00	\$3,127.86
Totals: 5			\$0.00	\$47,154.04

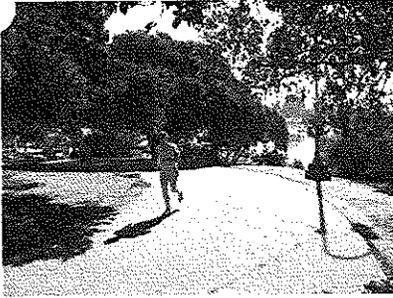
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CITY OF OAKLAND



Notice of Public Hearing Concerning Your City of Oakland Landscaping & Lighting Assessment District (LLAD)



What will the Oakland LLAD do?

The Oakland Landscaping & Lighting District was established in 1989 to provide the following public safety, park, recreational and landscape services:

- ◆ **Proper Public Street Lighting:** Street lighting is critical for public safety. The LLAD will keep the City's 34,000+ street lights bright and functioning properly. Well-maintained street lighting helps Oakland police identify and control suspicious and criminal activity. It allows for safe pedestrian and vehicular traffic flow which helps reduce night time accidents resulting in lower police, fire and paramedic costs to the City and its residents.
- ◆ **Clean and Functional Parks, Recreational Facilities, Ball Fields, Swimming Pools, Playgrounds and Restrooms:** The LLAD provides plant and tree maintenance at more than 130 Oakland parks covering more than 2,000 acres throughout the City. The LLAD provides litter pick-up, custodial services and building maintenance for 25 recreation centers and 32 stand-alone public restroom facilities at ball fields and parks. The LLAD helps keep these recreational areas and facilities in good working order by providing scheduled mowing, tree trimming, irrigation and safety inspections. These recreational areas include:
 - 31 Little League/softball diamonds
 - 14 Soccer fields
 - 12 adult baseball fields
 - 3 lawn bowling/putting greens
 - 5 swimming pools open year-round
 - 76 tot-lots with playground equipment



The LLAD also provides regular maintenance of public gardens and historical landmarks, such as the Oakland Museum, Morcom Rose Garden, Lake Merritt and the 75-acre Lakeside Park and community gardens.

- ◆ **Groomed and Irrigated Streetscapes and Median Plantings:** The LLAD helps keep the City's streetscapes and median plantings groomed and irrigated. These services include maintenance and emergency tree pruning for more than 100,000 landscaped street medians and more than 100,000 trees in parks and within the public right-of-way.

Oakland
City Council
Public Hearing

Tuesday
May 20, 2008
at 7:00 p.m.

City Council
Chambers
1 Frank H. Ogawa Plaza
Oakland, CA 94612



Why does the City need to increase the LLAD assessment?

The amount of money needed for services being provided by the City's Landscaping & Lighting Assessment District in FY 2008-09 is \$9.8 million more than what is now being generated through the current LLAD. While the cost of labor, materials and electricity for keeping our street lights, street trees, parks and open spaces safe and in good working order has increased significantly since the last authorized increase in 1993, the City has NOT raised Oakland property owners' assessments during these past 15 years.

During this time, the City's maintenance responsibilities grew through the addition of 300 acres of new community and neighborhood parks and open space areas, 10,000 new street trees and 11,800 new street lights. During this same time frame, PG&E increased the cost of electricity for street lights by approximately 300%.

Until now, the City has been covering these shortfalls through the City's General Fund and other one-time sources; however, the General Fund is now running a deficit due to the recent economic downturn. City officials have done everything possible to reduce LLAD operating expenses; yet, we are still short \$9.8 million.

The City has only two choices; (a) ask property owners to authorize an increase in the LLAD assessment to close the \$9.8 million shortfall, so that the City can maintain LLAD services at the current level, or (b) make cutbacks in the City's budget and in the services it now provides to local residents.

What has the City done to reduce costs?

The City has made significant strides to manage the LLAD funding by conserving, improving efficiencies and reducing costs by turning off power when it is not needed, installing smart controllers on watering, heating and ventilation systems, and replacing lighting with energy efficient lights. Volunteers also augment the City's resources by giving thousands of hours of their time.

Are there measures of accountability?

The City Council has approved performance measures to monitor the effectiveness of efforts to keep street lights functional, parks clean and operational, and trees maintained. Examples include:

- Litter picked up at least weekly
- 95% of fields and lawns mowed within 10 business days
- Graffiti removed within 48 hours once reported
- 90% of waste receptacles emptied before they overflow
- Street light repaired within 3 to 5 business days following report to the PWA Call Center
- All LLAD vehicles will be equipped with a Global Positioning System (GPS)

The full list of standards and performance measures will be refined within the first year of this LLAD as the City implements City Works, the on-line PWA work management system, that will provide regular monitoring reports.

Will public parcels pay their fair share?

Yes. If Oakland's property owners approve the assessment increase, all public agencies which benefit from the street lighting, park and landscaping services will be assessed, according to new requirements under State law. If the assessment increase is authorized, in FY 2008-09 public agencies will be assessed approximately \$3.5 million.

What are the annual costs to the property owners?



How is the annual assessment to each parcel determined?

State law (Prop. 218) prohibits basing a benefit assessment on property values. Rather, each parcel in the District is assessed according to the benefit it receives from the services and improvements of the District. In Oakland, the Landscaping & Lighting Assessment District has been divided into three (3) "zones of benefit". The annual cost to maintain the street lighting, landscaping and park improvements within each zone is then shared among the parcels within each respective benefit zone. Consequently, annual assessment rates are based upon:

- The use of the parcel (e.g., single-family, condominium, apartment, commercial, industrial, public, etc.),
- All residential parcels (single-family, condominium, apartment, etc.) are assessed on a per unit basis.
- All non-residential parcels (commercial, industrial, public, etc.) are assessed based upon their street frontage, parcel area and improved square footage.

How much will my parcel be assessed?

The proposed Fiscal Year (FY) 2008-09 assessment for your parcel is shown on the enclosed ballot.¹ The proposed FY 2008-09 assessment increase is designed to SUNSET (cease to exist) in 15 years, unless property owners agree by a new vote to keep it in place. The current assessment without the increase will continue annually until the City determines otherwise. The total revenue collected within the LLAD for FY 2008-09 is estimated to be \$30.1 million. For a detailed description of how your annual assessment was calculated, refer to the Engineer's Report on file with the City Clerk and posted on line: www.oaklandpw.com/page700.aspx.

Land Use Description of Parcel	FY 2008-09 Zone I - Proposed Residential and Non-Residential Assessment Rates
Single Family	\$169.36 per Unit
Townhome/Condo/Mobile Home	\$127.02 per Unit
Multi-Family	\$79.94 to \$118.55 per Unit (assessment rate per unit decreases as the number of units increase)
Commercial/Hospital	\$2.3265 per linear foot along the street frontage + \$0.02908125 sq. ft. of parcel area
Institutional/School/Church	\$2.3265 per linear foot along the street frontage + \$0.02908125 sq. ft. of parcel area
Industrial	\$1.8612 per linear foot along the street frontage + \$0.018612 sq. ft. of parcel area
Tall Building (> 5 Stories)	\$2.3265 per linear foot along the street frontage + \$0.02908125 sq. ft. of parcel area + \$0.037224/building sq. ft. (Max \$18,612/parcel)
Public Utility	\$0.18612 per linear foot along the street frontage + \$0.0018612 sq. ft. of parcel area
Golf Course	\$0.18612 per linear foot along the street frontage + \$0.0009306 sq. ft. of parcel area
Quarry	\$0.18612 per linear foot along the street frontage + \$0.00074448 sq. ft. of parcel area
Other Public	Assessed similar to the developed categories listed above if their current use is similar

¹ See your enclosed ballot for your property's proposed annual assessment.

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- The use of the parcel (e.g., single-family, condominium, apartment, commercial, industrial, public, etc.),
- All residential parcels (single-family, condominium, apartment, etc.) are assessed on a per unit basis.
- All non-residential parcels (commercial, industrial, public, etc.) are assessed based upon their street frontage, parcel area and improved square footage.

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Land Use Description of Parcel	FY 2008-09 Zone 2 - Proposed Residential and Non-Residential Assessment Rates
Single Family	\$184.04 per Unit
Townhome/Condo/Mobile Home	\$138.03 per Unit
Multi-Family	\$86.87 to \$128.83 per Unit (assessment rate per unit decreases as the number of units
Commercial/Hospital	\$2.51625 per linear foot along the street frontage + \$0.031453125 sq. ft. of parcel area
Institutional/School/Church	\$2.51625 per linear foot along the street frontage + \$0.031453125 sq. ft. of parcel area
Industrial	\$2.013 per linear foot along the street frontage + \$0.02013 sq. ft. of parcel area
Tall Building (> 5 Stories)	\$2.51625 per linear foot along the street frontage + \$0.031453125 sq. ft. of parcel area + \$0.04026/building sq. ft. (Max \$20,130/parcel)
Public Utility	\$0.2013 per linear foot along the street frontage + \$0.002013 sq. ft. of parcel area
Golf Course	\$0.2013 per linear foot along the street frontage + \$0.0010065 sq. ft. of parcel area
Quarry	\$0.2013 per linear foot along the street frontage + \$0.0008052 sq. ft. of parcel area
Other Public	Assessed similar to the developed categories listed above if their current use is similar

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How much will my parcel be assessed?

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Land Use Description of Parcel	FY 2008-09
	Zone 1 - Proposed Residential and Zone 3 - Proposed Non-Residential Assessment Rates
Single Family	\$169.36 per Unit
Townhome/Condo/Mobile Home	\$127.02 per Unit
Multi-Family	\$79.94 to \$118.55 per Unit (assessment rate per unit decreases as the number of units increase)
Commercial/Hospital	\$4.754125 per linear foot along the street frontage + \$0.059426563 sq. ft. of parcel area
Institutional/School/Church	\$4.754125 per linear foot along the street frontage + \$0.059426563 sq. ft. of parcel area
Industrial	\$3.8033 per linear foot along the street frontage + \$0.038033 sq. ft. of parcel area
Tall Building (> 5 Stories)	\$4.754125 per linear foot along the street frontage + \$0.059426563 sq. ft. of parcel area + \$0.076066/building sq. ft. (Max \$38,033/parcel)
Public Utility	\$0.38033 per linear foot along the street frontage + \$0.0038033 sq. ft. of parcel area
Golf Course	\$0.38033 per linear foot along the street frontage + \$0.00190165 sq. ft. of parcel area
Quarry	\$0.38033 per linear foot along the street frontage + \$0.00152132 sq. ft. of parcel area
Other Public	Assessed similar to the developed categories listed above if their current use is similar

¹ See your enclosed ballot for your property's proposed annual assessment.

Will there be a low income rebate?

The LLAD has, and will continue, to offer a rebate to low-income, single family residential property owners. (Contact Jonathan Wu at the City of Oakland, 510-238-7472 for details.)

Will there be a sunset clause for the increased assessment?

Yes. The assessment increase will remain in place for 15 years, at which time it will cease to exist, unless the City conducts another property owner election and a majority of the ballots received, weighted by assessment increase amount vote to impose an increase.

Will there be a cost of living adjustment for the LLAD?

Yes. There will be an annual cost-of-living adjustment over the previous year that is based on the prior year's change in the San Francisco-Oakland-San Jose Area Consumer Price Index (CPI).

How do I vote?

Enclosed with this Notice of Public Hearing is your ballot, along with a self-addressed, postage-paid return envelope.

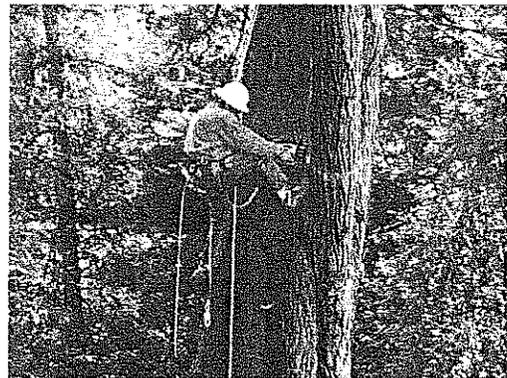
- The ballot must be completed by the property owner(s), or an authorized representative, which indicates either the property owner's support for, or opposition to, the proposed annual assessment increase.
- For your ballot to be counted, you must clearly mark the appropriate box, sign the ballot, seal it in the enclosed envelope, and return it to the City Clerk of the City of Oakland.
- Completed ballots must be received at the address shown on the enclosed return envelope by 5:00 p.m. on May 20, 2008, or hand delivered to the City Clerk before the end of the public input portion of the Public Hearing.
- The Public Hearing begins at 7:00 p.m. on May 20, 2008, at the City Council Chambers, 1 Frank H. Ogawa Plaza, Oakland, CA.
- If you return the ballot by mail, be sure to allow sufficient time for mail delivery.

When will the ballots be counted?

At the May 20, 2008, Public Hearing, City Council will receive public testimony and accept assessment ballots. The ballots will be counted beginning the day following the Public Hearing and could take two weeks to complete. The results will be presented at the June 17, 2008 City Council meeting.

What determines majority support vs. majority protest?

Majority support occurs if the number of returned ballots supporting the proposed assessment increase is greater than the number of ballots opposing the increase. By law, the ballots are weighted in proportion to each property owners' proposed assessment increase. If the weighted "No" votes number more than the weighted "Yes" votes, the assessment increase cannot be imposed and the proceedings will be abandoned. If the weighted "Yes" votes number more than the weighted "No" votes, the assessment increase will be authorized and levied, beginning July 2008.



Who do I call with questions?

- For questions about street lights, trees, landscaping or park maintenance, please contact Jocelyn Combs, Public Works Agency, at (510) 615-5583 or e-mail her at jcombs@oaklandnet.com.
- For questions about the assessment increase voting procedures or process, please call Joe Francisco, Engineering Consultant, at (800) 441-8280.
- To report a problem call (510) 615-5566.