



AGENDA REPORT

TO: Steven Falk
Interim City Administrator

FROM: Erin Roseman
Finance Director

SUBJECT: FY 2023-24 Landscaping and Lighting
District (LLAD) – Intention

DATE: March 29, 2023

City Administrator Approval

Date: Apr 25, 2023

RECOMMENDATION

Staff Recommends That The City Council Adopt a Resolution:

- 1. Approving the City of Oakland Landscaping and Lighting Assessment District (LLAD) Fiscal Year (FY) 2023-24 Preliminary Engineer's Report; and**
- 2. Declaring the Intention To Levy and Collect the Annual LLAD Assessment for FY 2023-24; and**
- 3. Setting June 6, 2023, At 4:00 PM As The Date and Time For A Public Hearing**

EXECUTIVE SUMMARY

This proposed Resolution of Intention will:

- Approve the City of Oakland Landscaping and Lighting Assessment District (LLAD) Preliminary Engineer's Report, attached as **Exhibit A**, which sets forth the LLAD findings and engineering analyses.
- Declare the City Council's intention to levy and collect assessments within the LLAD for fiscal year (FY) 2023-24; and
- Set June 6, 2023, at 4:00 PM as the date and time of the Public Hearing for the City Council to hear and pass upon said reports, together with all objections and protests by property owners to be assessed and take final action regarding the levying of the proposed FY 2023-24 assessments for the District.

Detailed assessment data for all affected properties are due to the Alameda County Auditor-Controller Agency by August 10, 2023.

BACKGROUND / LEGISLATIVE HISTORY

The [California Landscaping and Lighting Act of 1972](#), codified in California Streets and Highways Code Sections 22500-22679 (the "Act"), allows local government agencies to form assessment districts to finance the costs and expenses of landscaping and lighting in public areas, among other things as noted below. The City of Oakland (City) formed the LLAD on June 23, 1989. In July 1993, the City increased the assessment rates after preparation of an engineer's report, notice and hearing, and public opportunity to comment.

The City Council annually takes action to: 1) initiate the process to levy the annual LLAD assessments and authorize the City Administrator to order the Preliminary Engineer's report, 2) approve the Preliminary Engineer's Report, 3) declare the intention to levy the annual assessments, and 4) set the date of the public hearing to take final action on the levying of the annual assessments, and after the public hearing adopt a resolution confirming the Engineer's Report and levying of the assessments.

It is anticipated that the City Council will adopt a resolution on May 2, 2023, to initiate the FY 2023-2024 LLAD assessment process and authorize the City Administrator to order the Preliminary Engineer's Report. Due to the noticing requirements for this proposed action, the need to coordinate the assessment with the Alameda County Auditor-Controller Agency, and associated deadlines, City staff has brought this item forward so that the Council is able to hold a public hearing on June 6, 2023.

ANALYSIS AND POLICY ALTERNATIVES

The policy recommendation in this report advances the Citywide priority of **Vibrant Sustainable Infrastructure** through moving the City through its annual process to approve LLAD assessments that fund and invest in the City's ongoing park infrastructure throughout the City's many public areas.

Landscaping and Lighting Assessment District Coverage and Boundaries

The LLAD, utilizing a direct benefit assessment, provides funding for City parks, grounds and landscaped medians, open space, pools, and custodial services at about 178 park and recreation facilities, 44 stand-alone restrooms, and many other recreation-related buildings and infrastructure within the City of Oakland. The LLAD also supports activities such as community gardens and ball field maintenance and pays utility costs for City streetlights and water use at parks and fields. The LLAD boundaries coincide with the City of Oakland boundaries and encompass all land parcels within the City. The LLAD boundaries remain the same as those described in the FY 2022-23 Engineer's Report approved by the City Council, pursuant to [Resolution No. 89194 C.M.S.](#), on May 17, 2022.

Annual LLAD Process and Timeline

In compliance with the [California Streets and Highways Code, Sections 22622 through 22624](#), must adopt a resolution to initiate the annual assessment process of the LLAD for the FY 2023-24 property tax roll and authorize the City Administrator to order the Preliminary Engineer's

Report. It is anticipated that the Council will take action to initiate the LLAD assessment on May 2, 2023 and the legislative record for that item may be accessed here:

<https://oakland.legistar.com/LegislationDetail.aspx?ID=6114735&GUID=2DE826E3-3A1E-%204B99-9B96-25A393FB02A7&Options=&Search=>.

The proposed resolution accepts the Preliminary Engineer’s Report, declares the intention to levy and collect assessments within the LLAD for FY 2023-24, and sets the date and time for the public hearing for the City Council to take final action regarding the FY 2023-2024 assessments.

The City of Oakland collects the LLAD assessment through the County of Alameda property tax bill. Upon fulfillment of the LLAD requirements, the City must submit the detailed assessment data for all affected properties to the Alameda County Auditor-Controller Agency for inclusion in the FY 2023-24 property tax roll by August 10, 2023.

A summary of the assessment timeline is provided in **Table 1** below.

Table 1: Assessment Timeline and Key Dates

LLAD Initiation
April 25, 2023, Finance and Management Committee [File ID 23-0249]
May 2, 2023, City Council [File ID 23-0249]
LLAD Intention
May 9, 2023, Finance and Management Committee [File ID 23-0257]
May 16, 2023, City Council [File ID 23-0257]
LLAD Confirmation
June 6, 2023, City Council
Deadline to Submit Assessment to Alameda County
August 10, 2023

Assessment

As set forth in the proposed resolution, the Preliminary Engineer’s Report is on file with the City Clerk’s Office and includes a complete and detailed description of the improvements, the boundaries of the assessment district, and the proposed assessments, and confirms the applicability of the existing assessment rates for FY 2023-24.

The proposed resolution states that the City Council does not intend to increase assessment rates for the FY 2023-24 LLAD. The current assessment rate structure has existed since FY 1993-94. **Table 2**, taken directly from the Preliminary Engineer’s Report (it is Table 5 in the report), summarizes the assessment revenue by benefit zone and general land use. Zones, zone maps, and rate calculations are included in the attached Preliminary Engineer’s Report (**Exhibit A**).

Table 2: Assessments Summary

ASSESSMENT REVENUE BY BENEFIT ZONE (\$)						
DESCRIPTION	Zone 1		Zone 2		Zone 3	Total All Zones
	Residential	Non-Residential	Residential	Non-Residential	Non-Residential	
Lighting	\$1,158,862	\$653,514	\$399,559	\$139,843	\$198,939	\$2,550,717
Landscaping	\$8,861,828	\$2,362,705	\$3,317,439	\$549,206	\$927,451	\$16,018,629
Total Estimated Assessments	\$10,020,689	\$3,016,219	\$3,716,998	\$689,050	\$1,126,390	\$18,569,346

Appendix A to the Preliminary Engineer's Report is the FY 2023-24 Assessment Roll, which lists all properties within the assessment district by Assessor's Parcel Number and identifies each property's assessment amount. The FY 2023-24 Preliminary Assessment Roll is on file with the City Clerk.

FISCAL IMPACT

The adoption of this resolution authorizes and describes the City's intention to levy the assessment for FY 2023-24. It should also be noted that rapidly increasing costs (e.g., utility rates, personnel, etc.) and the inability to adjust the assessment rates requires the City to contribute additional funding to maintain the same level of activity. Projected for the FY 2023-24 Biennial Budget, to prevent a reduction in services, due to funding shortfalls a reallocation of LLAD-eligible expenditures is expected. The reallocation would be to non-assessment funding sources, such as Measure Q – Parks, Gas Tax Funds, etc. to maintain current services levels.

PUBLIC OUTREACH / INTEREST

Pursuant to the California Streets and Highways Code, the City Council must hold a public hearing to allow any interested party to be heard. The proposed resolution sets the public hearing date for Tuesday, May 16, 2023, at 4:00 PM or as soon thereafter as the item may be heard in the City Council Chambers or via teleconference as indicated on the City Council meeting agenda.

COORDINATION

The report was prepared in coordination with the Office of the City Attorney, the Finance Department, and Francisco & Associates (the City's Contractor, who annually administers special financing districts).

SUSTAINABLE OPPORTUNITIES

Economic: The LLAD generated revenue funds the maintenance of city parks, grounds and landscaped medians, open space, pools, and custodial services at about 38 park and recreation

facilities, 44 stand-alone restrooms, and many other recreation-related buildings and infrastructure in the City of Oakland. The LLAD also supports activities such as community gardens and ball field maintenance and pays utility costs for City streetlights and water use at parks and fields.

Environmental: Providing and maintaining clean parks, tot lots, and recreational facilities reduces urban blight, littering, vandalization, and graffiti. It also provides natural sources of fresh oxygen, needed shade and air coolant, beautification, and aesthetic enhancement. Landscaped parks and strips also act as environmental cleaners by capturing dust, minimizing noise compared to concrete, and absorbing water runoff. All of these environmental benefits lead to a healthier community.

Race & Equity: The LLAD coincides with the boundaries of the City of Oakland and encompasses all residential and non-residential parcels of land, enhancing all residents' lives within the City. Well-lit and functioning streetlights provide better lighting to adjacent property owners, motorists, and pedestrians traveling at night and better security and protection to properties. Maintained landscapes, parks, and facilities provide the community with areas to enjoy sporting and social events and other physical and social activities. These activities are proven to increase a sense of community, increased property value, and lead to multiple mental and health benefits.

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ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Adopt a Resolution:

1. Approving the City of Oakland LLAD FY 2023-24 Preliminary Engineer's Report; and
2. Declaring the Intention To Levy And Collect the Annual LLAD Assessments For FY 2023-24; and
3. Setting June 6, 2023, At 4:00 PM As The Date And Time For A Public Hearing

For questions regarding this report, please contact Ecaterina Burton, Budget & Management Analyst, at (510) 238-2038.

Respectfully submitted,



ERIN ROSEMAN
Finance Department
Finance Director

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Exhibits (1):

- A. FY 2023-24 Preliminary Engineer's Report (Appendix A is a separate attachment)