

# AGENDA REPORT

**TO:** Edward D. Reiskin **FROM:** Ryan Russo

City Administrator Director, Dept. of Transportation

**SUBJECT:** Piedmont Pines Utility **DATE:** July 01, 2021

Undergrounding Phase II

City Administrator Approval

Date: Jul 8, 2021

## **RECOMMENDATION**

Staff Recommends That The City Council Adopt A Resolution Authorizing and Directing the City Administrator to Cast an Assessment Ballot for City-Owned Parcels in Favor of the Formation of the City of Oakland Utility Underground Assessment District No. 2021-232, Piedmont Pines Phase II.

# **EXECUTIVE SUMMARY**

Staff is requesting that the City Council approve the Resolution Authorizing and Directing the City Administrator to Cast an Assessment Ballot for City-Owned Parcels in Favor of the Formation of the City of Oakland Utility Underground Assessment District No. 2021-232, Piedmont Pines Phase II.

## **BACKGROUND / LEGISLATIVE HISTORY**

On May 10, 2021, Oakland City Council adopted a resolution of intention to 1) order improvements and to form the City of Oakland Utility Underground Assessment District No. 2021-232, Piedmont Pines Phase II, 2) find that the improvements to be funded, in part, by the Assessment District are of more than local or ordinary public benefit, and the costs and expenses, including incurred City cost of district creation and assessment thereof, are made chargeable upon the Assessment District, 3) provide that the Council intends to levy a special assessment upon the land within the Assessment District, 4) provide that bonds shall be issued to finance a portion of the costs of improvements, 5) appoint Harris & Associates as the Engineer of Work for the Assessment District and 6) direct the Engineer of Work to make and file an Engineer's Report with the City Clerk.

On May 10, 2021, the City Council also adopted a resolution 1) preliminary accepting and approving the engineer's report, 2) calling for a public hearing on the proposed assessment district to be held by the Council on Tuesday, July 20, 2021 at 1:30 p.m. and an assessment ballot proceeding for the City of Oakland Utility Underground Assessment District No. 2021-232, Piedmont Pines Phase II, and 3) designating the engineer of work to assist the City Clerk in connection with the mailing and tabulation of the ballots, and to answer inquiries regarding the protest proceedings applicable to the assessment district.

Date: July 1, 2021 Page 2

The City of Oakland is owner of record for two properties located within the proposed City of Oakland Utility Underground Assessment District No. 2021-232, Piedmont Pines Phase II, and the City Administrator recommends a vote in favor of formation of the assessment district.

### **ANALYSIS AND POLICY ALTERNATIVES**

The proposed resolution would authorize and direct the City Administrator to cast assessment ballots for the two City-owned parcels in favor of the formation of the assessment district. Having the City vote in favor of the Assessment District is recommended, as undergrounding will be beneficial for the two City properties. It would enhance the appearances of the utility lines adjacent to the properties. Further, it would facilitate safer evacuation in times of catastrophes.

## **FISCAL IMPACT**

The City of Oakland, as owner of record for two properties, will be assessed approximately \$31,035.78, based on the financed cost. Property owners will have the option of paying their assessment in cash prior to the bond sale to fund the Assessment District and those who do so will receive a discount of approximately 16% based on savings on financing costs and reserves. To pay the typical assessment in full prior to the bond sale, the cash payment amount is expected to be approximately \$15,517.89 per parcel, so that should the City elect to use the cash payment option, the assessment payment amount for the two parcels would total approximately \$31,035.78.

#### PUBLIC OUTREACH / INTEREST

No public outreach required for this report.

#### **COORDINATION**

The Office of the City Attorney, Treasury Bureau and the Budget Bureau have reviewed this report and the accompanying two resolutions.

#### **SUSTAINABLE OPPORTUNITIES**

**Economic**: When the Utility Underground Assessment District No. 2021-232, Piedmont Pines Phase II is implemented; it will provide the opportunity to use local contractors who will employ Oakland residents thus strengthening the local economy.

**Environmental**: Implementation of the project will eliminate nearly 2 miles of unsightly overhead utility lines in or affecting the public-right-of-way and innumerable drops to individual properties. It will improve the livability, aesthetics, and safety for the neighborhood and reduce the potential for fire, electric danger or utility outage resulting from trees falling or touching overhead wires. Furthermore, the undergrounding of overhead cables and equipment, and replacement of wood poles will enhance emergency evacuation in the event of a catastrophe.

Date: July 1, 2021 Page 3

**Race and Social Equity**: The replacement of overhead lines and wood poles with a new underground system will allow the disabled and senior citizens to move safely along unobstructed walkways.

## **CEQA**

The California Environmental Quality Act ("CEQA") and the CEQA Guidelines exempt specific types of projects from environmental review. The following CEQA exemptions apply to this encroachment under CEQA Guidelines sections 15301 (existing facilities), 15183 (projects consistent with a Community Plan, General Plan, or Zoning), and 15061(b)(3) (no significant effect on the environment).

## ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a resolution Authorizing and Directing the City Administrator to Cast an Assessment Ballot for City-Owned Parcels in Favor of the Formation of the City of Oakland Utility Underground Assessment District No. 2021-232, Piedmont Pines Phase II.

For questions regarding this report, please contact Allen Law, Electrical Services Manager at Department of Transportation, Street Lighting Administration at (510) 615-5428.

Respectfully submitted,

RYAN RUSSO

Director, Department of Transportation

Reviewed by:

Fred Kelley, Assistant Director, Department of Transportation

David Jones, Treasury Administrator, Jacqueline Lee, Principal Financial Analyst, Finance Department

Prepared by:

Allen Law, P.E., Electrical Services Manager Street Lighting, Department of Transportation