



City of Hercules Workshop

*Victoria by the Bay
Landscaping & Lighting
Assessment District*

May 21, 2024





**This meeting is
being recorded.**

Introductions – City Landscaping and Lighting Assessment District Team

- Dante Hall, City Manager
- Mike Roberts, Public Works Director/City Engineer
- Ed Espinoza, Consulting Assessment District Engineer
- Jeff Brown, Maintenance Superintendent
- Ben Fay, Consulting Legal Counsel
- JR, Pacific Site, Contract Landscaping Contractor





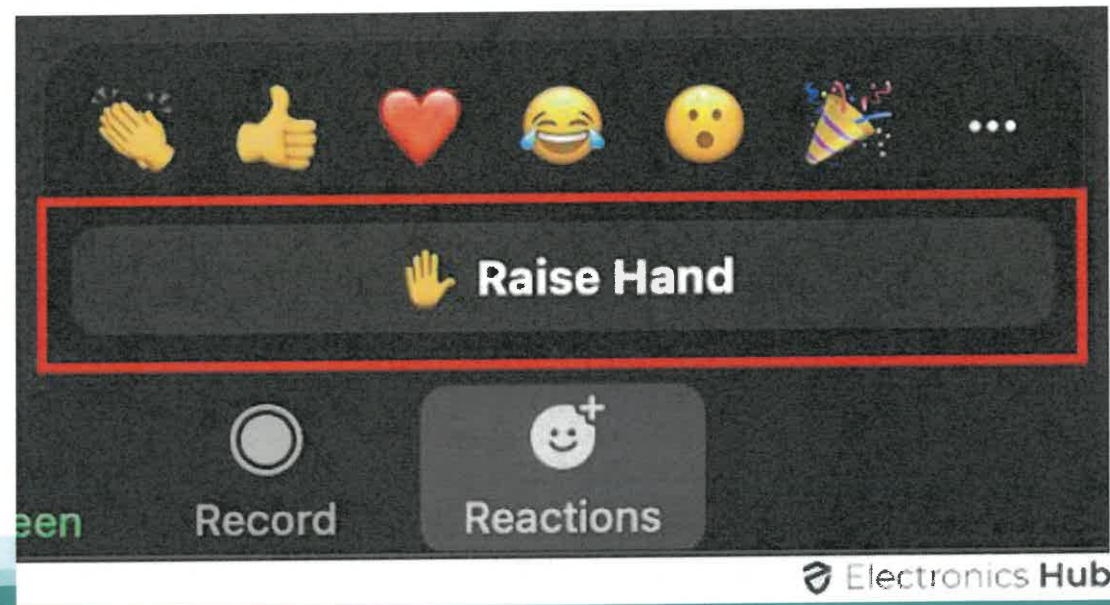
Today's Agenda

- Victoria By the Bay Landscaping & Lighting Assessment District Overview
- Levels of Service and Funding Shortfall
- Why This Matters
- Efforts from the City So Far
- Proposed Resolution
- How to Vote
- Question and Answer Session



How to ask a question

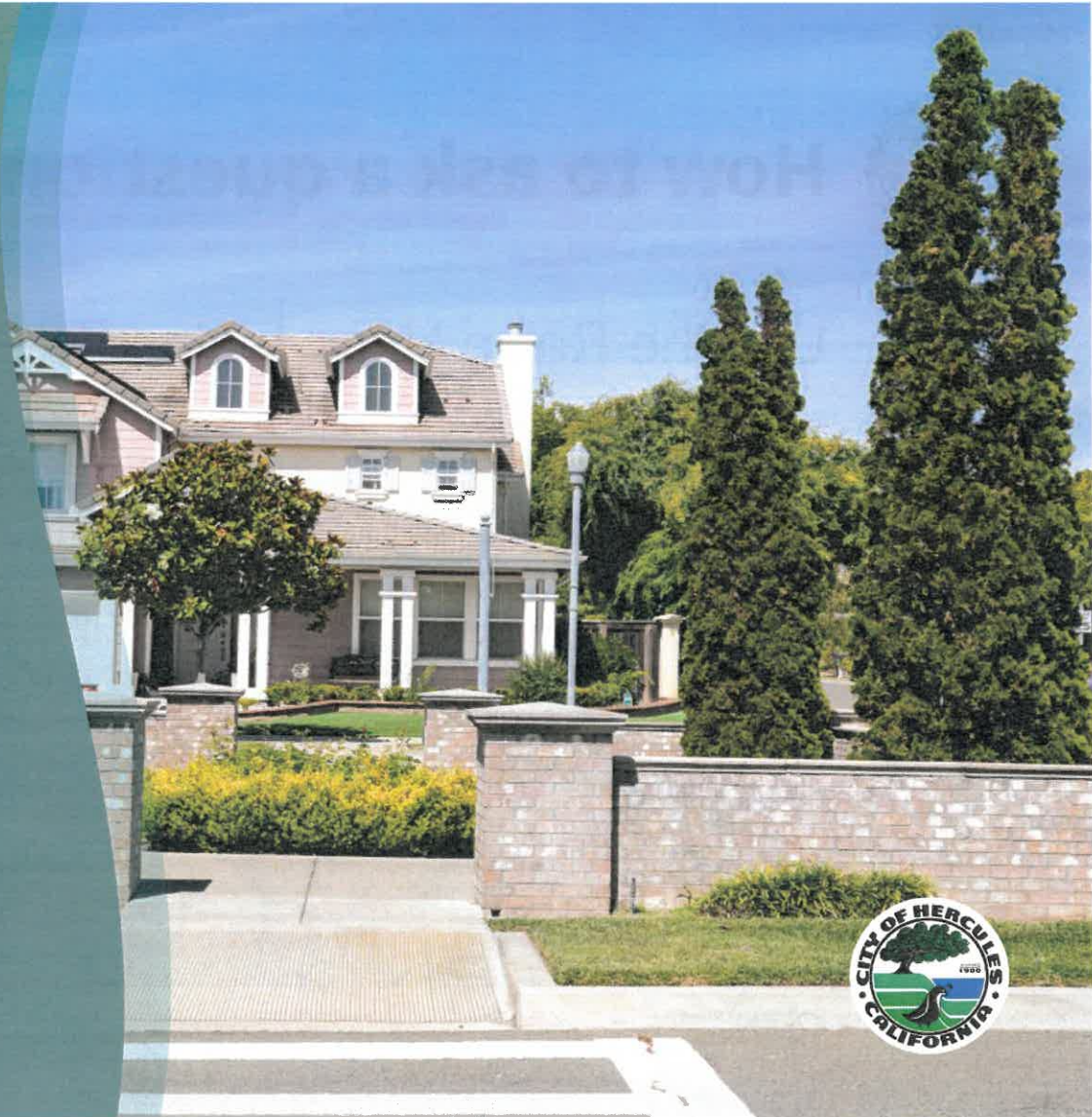
Use the Raise Hand feature in Zoom



City Council's Mission Statement:

Our mission is to lead our diverse community and enhance the quality of life in the City of Hercules.

We do this by providing effective, efficient, responsive and innovative services with integrity and a culture of transparency.





What *is* a Landscaping & Lighting Assessment District (LLAD)?

- LLADs provide for the maintenance of our City's streetlights, parks, roadway landscaping and open spaces.
- There are three primary types of services provided by the City's LLADs through annual assessments paid by property owners: street lighting, landscaping and upkeep of park amenities.
- Well-maintained landscaping, lighting and parks keep our neighborhoods attractive and safe.

Map of LLAD District boundaries





Amenities Maintained in the District



245 total energy-efficient LED streetlights





Collector streets

- Maintain the entire corridor, including Victoria Crescent West, Victoria Crescent East and Craftsman Drive





Residential streets



- Maintain planter strip between sidewalk and curb in front of **approx. 800 homes.**
- This includes **approx. 4,950 total trees.**





Arbor Park



Arbor Park and Victoria Park collectively cover 3.4 acres.



Victoria Park



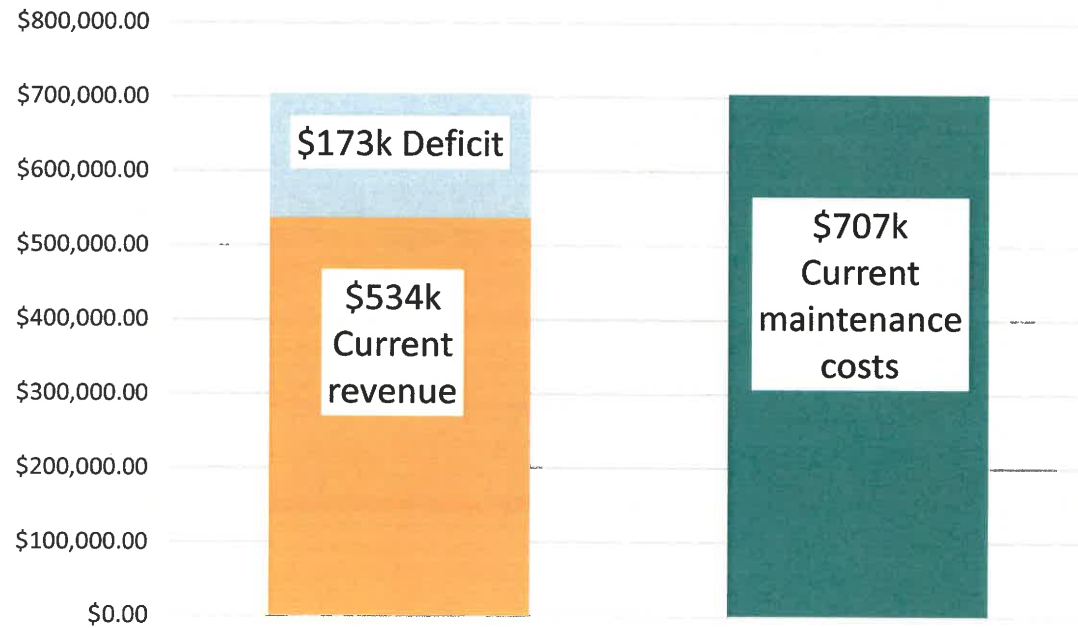
Arbor Park and Victoria Park collectively cover 3.4 acres.



Current Levels of Service and Funding Shortfall



Funding Shortfall

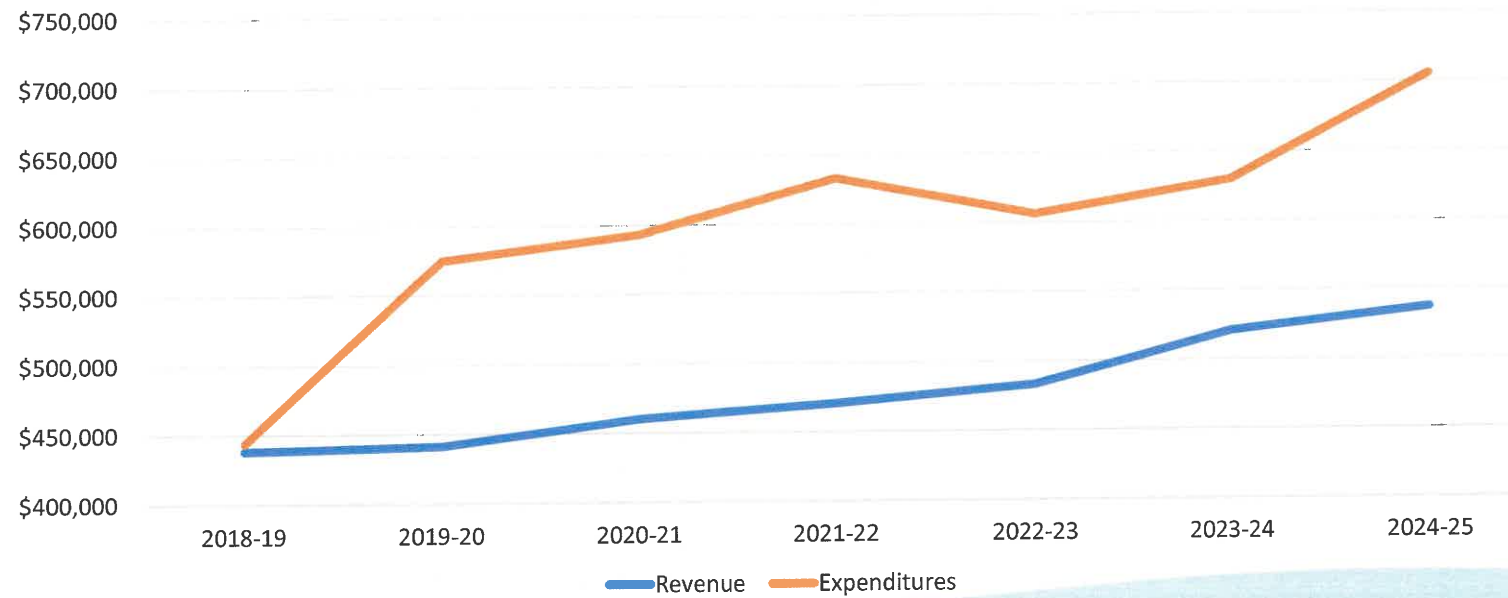


- The current maintenance Level Of Service costs the District \$707K per year.
- The current revenue from property assessments is \$534K per year.
- This results in an operating budget shortfall of \$173K per year.



Funding Shortfall

Revenues vs. Expenditures





What impacts the District's costs?

Maintenance Needs:

The maintenance requirements of existing lighting and landscaping infrastructure, including the frequency of upkeep, repairs, and enhancements, can influence assessments. Neighborhood trees have grown to a size where a tree trimming company using a basket truck must be employed, versus the landscaping company which would trim the trees from the ground.



What impacts the District's cost?

Environmental Changes:

Hotter climate and more extreme weather have necessitated changes in landscaping practices, including increased watering.



What impacts the District's cost?

Cost of Utilities:

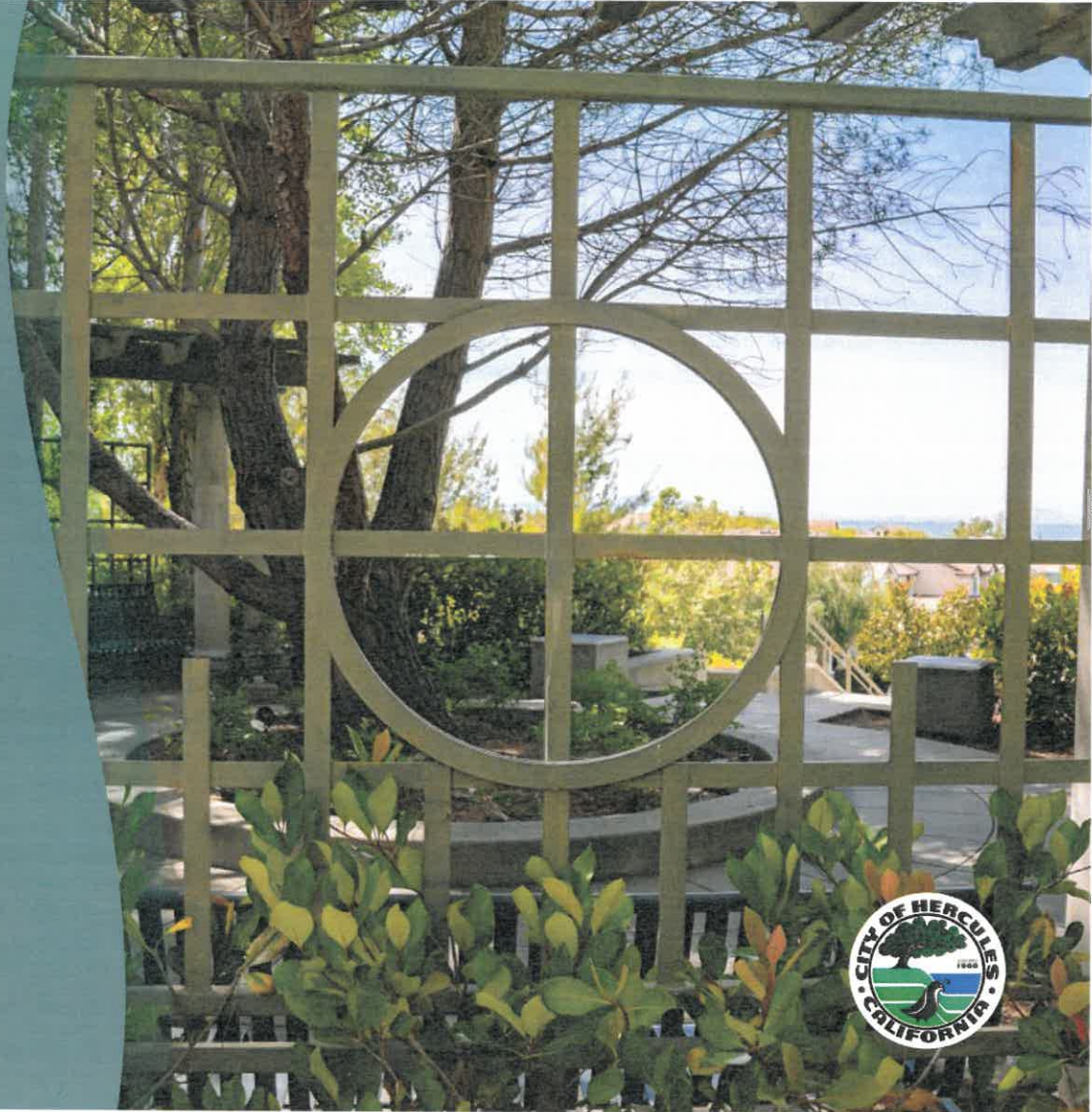
The cost of electricity and water have risen significantly over the past 5 years. While conversion to energy-efficient LED streetlights have lessened the impact of the electricity increases, irrigation water now makes up over a third of the total cost of the District.



Why This Matters

Landscaping and Turf

- The Victoria by the Bay LLAD currently has extensive landscaping and turf.
- We want to ensure property owners are aware of the service cuts that will result from insufficient funding to maintain current lighting and landscaping levels.



Property Values

- Lighting and landscaping can significantly impact property values by enhancing the overall appeal, aesthetics, functionality and desirability of a neighborhood or property.





What would it take to increase assessments if that is deemed necessary to maintain services?

- Due to Prop 218, also known as the "Right to Vote on Taxes Act," California cities are unable to increase assessments for services and amenities such as lighting and landscaping without property owner approval.



Efforts from the City So Far...



May 23, 2023

5 year projection presented to council – showing deficit for LLAD



Q1

Oct 3, 2023

Baker Tilly cost effectiveness report presented to council



Sep 19, 2023

Virtual Town Hall

Jul - Sep

2023

Oct 10, 2023

Engineering report presented. Council authorizes Prop 218 process



Nov 13, 2023

Virtual Town Hall

Oct - Dec

2023

Dec 5, 2023

Public Hearing/ Prop 218 voted NOT APPROVED



Q3

Jan - Mar

2024

Apr 23, 2024

Engineering report presented. Council authorizes Prop 218 process



May 21, 2024

Hybrid Town Hall

Apr - Jun

2024

Jun 25, 2024

Public Hearing/ Ballots Due





Proposed Resolution



Proposed Assessment Increase

- The City is proposing a two-step increase by \$150/year (\$12.50/month) to the Victoria by the Bay LLAD assessment for Fiscal Year 2024-25 and Fiscal Year 2025-26.
- Commencing with Fiscal Year 2026-27, assessment rates will increase each fiscal year by the Consumer Price Index (CPI) to keep up with inflationary increases in maintenance costs.



How much would the new assessment be?

Victoria by the Bay LLAD Land Use Classification	FY 2024-25 Current Maximum Annual Assessment	FY 2024-25 Proposed Maximum Annual Assessment	FY 2025-26 Proposed Maximum Annual Assessment
Single-Family Residential	\$617.03 per lot	\$767.03 per lot	\$917.03 per lot
Deed-Restricted Affordable Housing Residential	\$185.11 per unit	\$230.11 per unit	\$275.11 per unit

- The assessment increases shown above would be levied by the City beginning July 1, 2024, with the first installment due in December 2024 to be paid at the same time as other items on your property tax bill.



How to Vote



How do I vote?

- Property owners within the Victoria by the Bay LLAD should have received a notice of the public hearing and a ballot along with a self-addressed, postage-paid return envelope.
- The ballot must be completed by the property owner(s), or an authorized representative, indicating the property owner's support for, or opposition to, the proposed annual assessment increases.

OFFICIAL PROPERTY OWNER BALLOT – HERCULES LLAD No. 2002-1 (VICTORIA BY THE BAY)

Yes, I am in FAVOR of increasing my maximum annual assessment beginning in FY 2024-25 and again in FY 2025-26 as shown below to provide funding to continue maintaining the residential parkway strips within the Victoria by the Bay neighborhood and to eliminate the current funding deficit. Beginning in FY 2026-27, the increased maximum assessment shown below will be subject to annual inflationary adjustments.

No, I OPPOSE increasing my maximum annual assessment beginning in FY 2024-25 and again in FY 2025-26 as shown below. I understand that a majority no vote means the City will stop maintaining the residential parkway strips, excluding trees, within the Victoria by the Bay neighborhood and the Current Maximum Assessment shown below will continue with annual inflationary adjustments.

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 shown below, referenced by Assessor Parcel Number, in this mail ballot.

Signature _____ Printed Name _____
Signature of Record Owner or Authorized Representative

«owner1»
«m_addr»
«m_ctstz»

Assessor Parcel Number: «apn1»
Property Address: «s_addr»
Current Maximum Assessment: «cur_2425amt»
Proposed FY 2024-25 Maximum Assessment: «prop_2425amt»
Proposed FY 2025-26 Maximum Assessment: «prop_2526amt»

«apn_bar»

Instructions

- Vote by marking one of the boxes on this ballot in blue or black ink.
- Print your name and sign the ballot. The ballot must be signed for it to be counted.
- Seal the ballot in the enclosed postage-paid return envelope addressed to the City of Hercules, Attn: City Clerk, 111 Civic Drive, Hercules, CA 94547.
- Mail the completed ballot to the address shown on the enclosed return envelope so that it is received by 5:00 p.m. on June 25, 2024 or hand deliver to the City Clerk at Hercules City Hall, 111 Civic Drive, Hercules, CA 94547, before the end of public testimony to be given at the Public Hearing, which will begin at 7:00 p.m. on June 25, 2024 in the Hercules City Council Chambers, 111 Civic Drive, Hercules, CA 94547.

If you return the ballot by mail, be sure to allow sufficient time for delivery to the City.

Sample Ballot





How do I vote?

- 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 Hercules by mail or hand delivered to City Hall.
- If you return the ballot by mail, be sure to allow sufficient time for mail delivery.



How do I vote?

- Completed ballots must be received at the address shown on the enclosed return envelope by **5 p.m. on June 25, 2024**, or hand delivered to the City Clerk **before the end of the public input portion of the Public Hearing** that same evening.
- The **Public Hearing begins at 6 p.m. on June 25, 2024**, at the City Council Chambers, 111 Civic Drive, Hercules, CA.

No Vote =

- Discontinue irrigation and maintenance of landscaping in the strips between the sidewalk and curb on residential streets (that have houses facing the streets).
- Tree trimming will continue to be provided

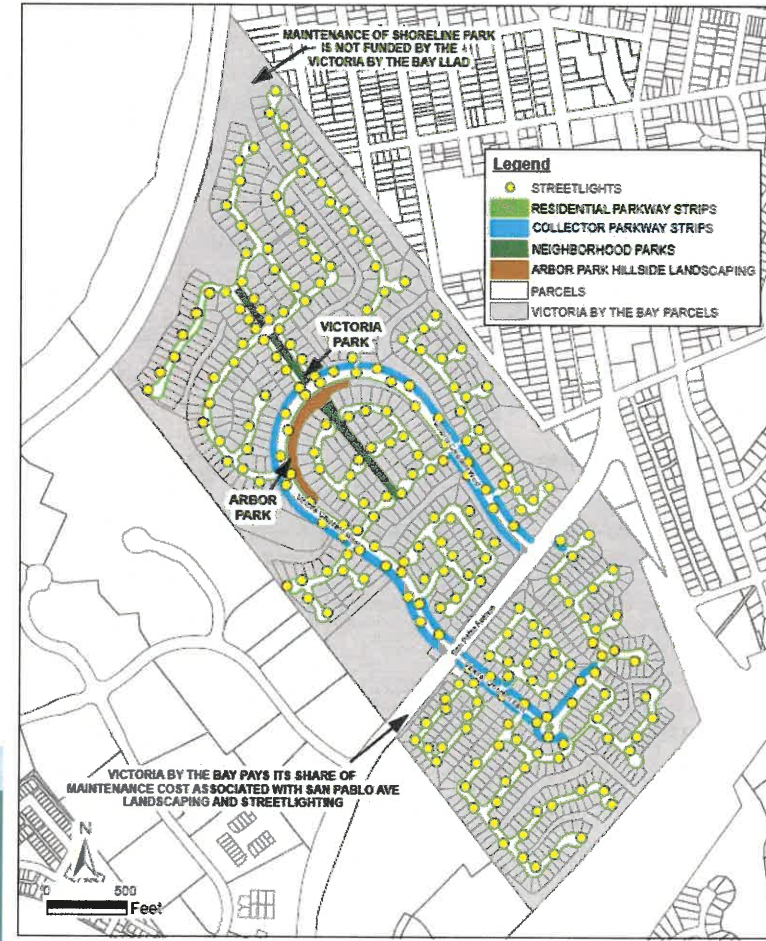
Yes Vote =

- Maintain all existing services
 - Streetlighting
 - Planter Strips
 - Arbor Park
 - Victoria Park





Insert new map here showing residential planter strips





When will the ballots be counted?

- **Public Hearing will be held on June 25, 2024, in the Hercules City Council Chambers – 111 Civic Dr.**
- City Council will receive public testimony and formally accept the ballots.
- The ballots will be counted after the end of the public input portion of the Public Hearing.



What determines if the proposed assessment increase passes?

- City Council can only approve the proposed assessment increase if there is no majority protest.
- A majority protest exists if a majority of the ballots returned oppose the proposed assessment increase.
- Ballots are weighted in proportion to the assessment.
- If there is a majority protest, the current assessment will stay in place.

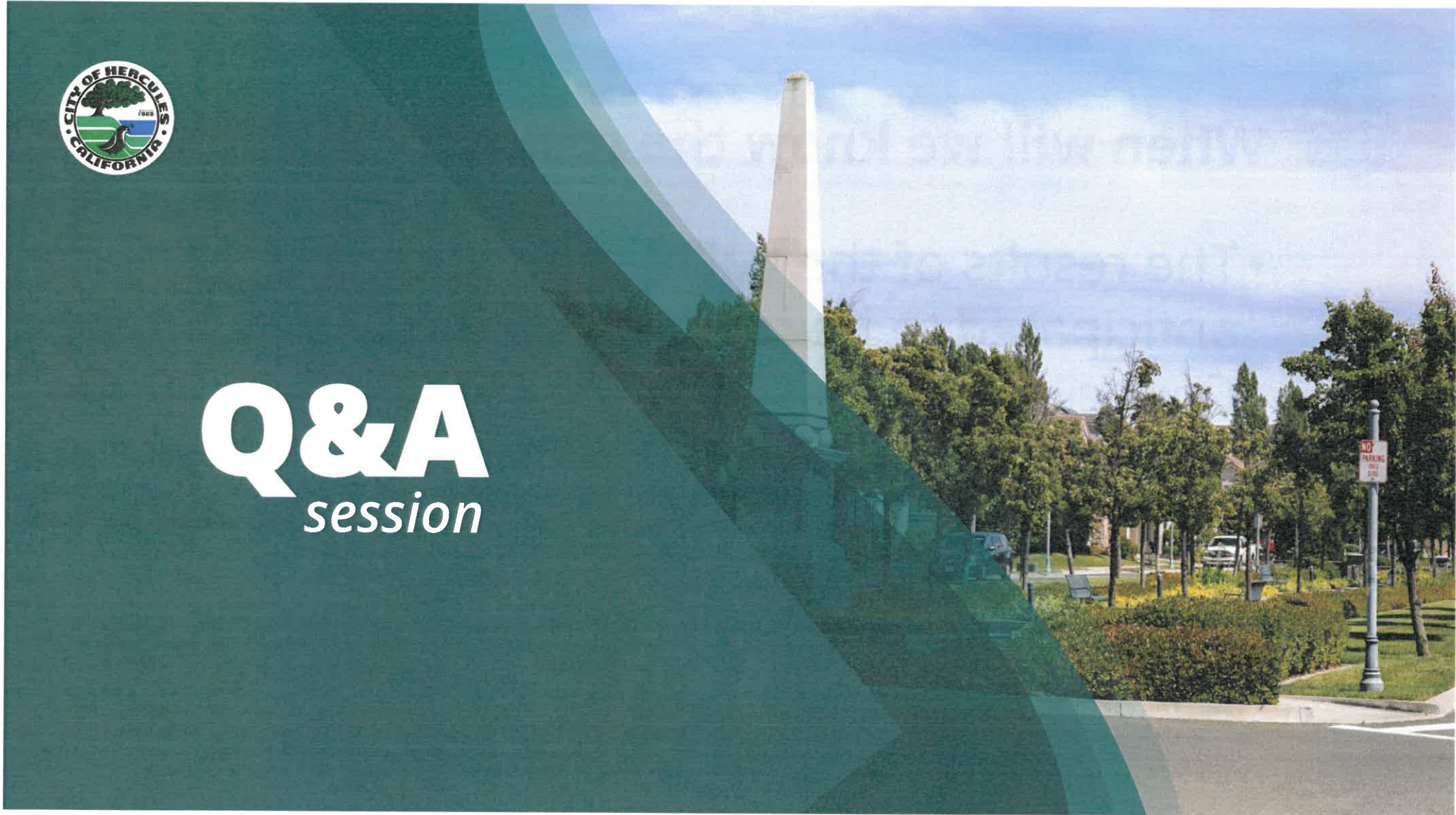


When will we know the results?

- The results of the ballot tabulation are anticipated to be reported to the City Council as soon as June 25, 2024.



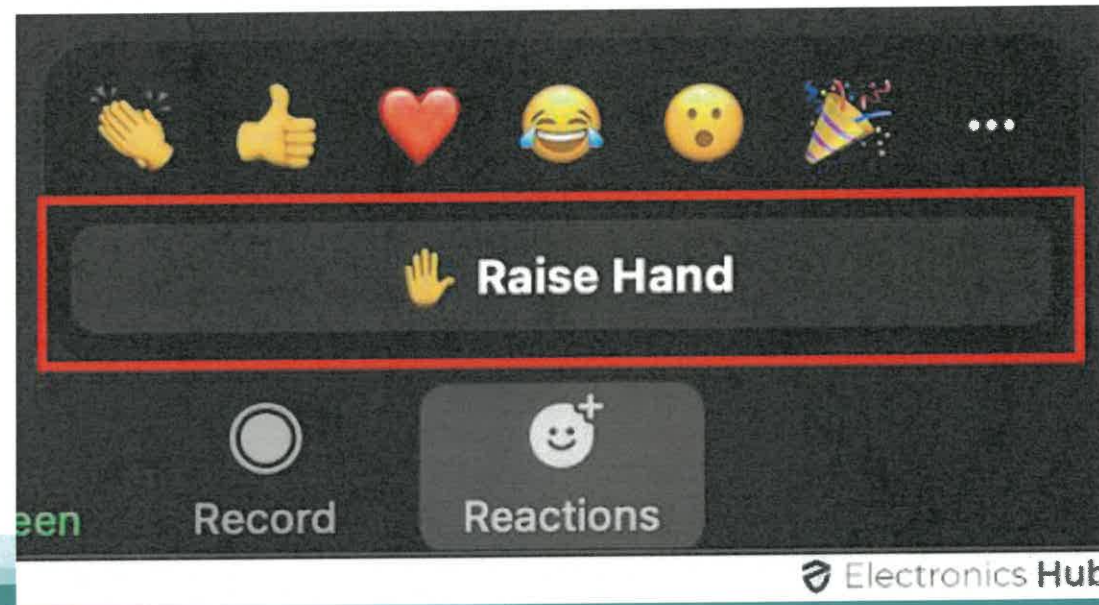
Q&A *session*





How to ask a question

Use the Raise Hand feature in Zoom





Next Steps and How to Stay Informed



- For questions about landscaping, street lighting, or park maintenance, please contact the City's Public Works Director, Mike Roberts, at MikeRoberts@ci.hercules.ca.us or (510) 799-8241.
- For questions about the assessments, voting procedures or process, please contact the City's Assessment Engineering Consultant, Ed Espinoza, at EdE@franciscoandassociates.com or (925) 867-3400.
- For more information regarding the landscaping and lighting updates please visit: www.VictoriaLLAD.org or call the City's main line at: (510) 799-8200.

