



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** David Sykes  
Hans F. Larsen

**SUBJECT: PROPOSED MAINTENANCE  
DISTRICT 24 (THE ALAMEDA)**

**DATE:** January 3, 2012

Approved

Date

1/4/12

COUNCIL DISTRICT: 6

## RECOMMENDATION

Conduct a public meeting to receive public comment on a proposal to create Maintenance District 24 (The Alameda).

## OUTCOME

The recommended actions facilitate the creation of proposed Maintenance District 24 along The Alameda to enable the implementation and maintenance of enhanced streetscape improvements.

## BACKGROUND

In 2009, The Alameda Business Association, the Redevelopment Agency, and the City were awarded a \$250,000 Caltrans Community-Based Transportation Planning Grant to develop a future plan for The Alameda corridor titled, "The Alameda – A Plan for the Beautiful Way." In January 2010, the State of California presented The Alameda Business Association with its Governor's Historic Preservation Award to recognize the completed plan for outstanding achievement.

Subsequently the City was awarded a Transportation for Livable Communities (TLC) grant in the amount of \$3,132,000 from the Metropolitan Transportation Commission (MTC) for improvements to The Alameda, consistent with the "Beautiful Way" plan. The TLC grant provides 80 percent of the project cost, with the remaining 20 percent of the project cost of \$783,000 being locally matched by the City. On August 3, 2010, Council approved acceptance of the grant and appropriated funds for the City's funding share.

The proposed project encompasses pedestrian-oriented improvements along The Alameda from Stockton Avenue to Fremont Street connecting key destinations like Diridon Station, downtown San José and San José State University to Santa Clara University. The project proposes design recommendations that are intended to help enliven The Alameda as a retail center and multi-modal transportation corridor. Some design elements include raised median islands with

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landscaping, enhanced pedestrian crosswalks with median refuges, corner and sidewalk bulb-outs, curb ramps, pedestrian-level lighting, modifications to signalized intersections to include additional protected crosswalks, new street furniture, public art, and special elements such as gateway features. Most of the described improvements are not City standard facilities. The City requires, pursuant to the Median Island Landscape Program policy, that enhanced improvements, such as those included in The Alameda project, have a separate funding source for maintenance. The proposed assessment district would provide the required maintenance funds and allow the Alameda project to move forward.

State and City code require that any new assessment proposal be approved by a simple majority of property owners in the maintenance district through a special election process called an assessment ballot proceeding. For maintenance districts a four step approval process is necessary. The first two steps in this process were completed on November 8, 2011 and December 13, 2011, respectively. The final step, to conduct a Public Hearing and tabulate ballots is scheduled for February 28, 2012

## ANALYSIS

### Public Meeting

At this January 24, 2012, public meeting, public testimony may be presented to Council regarding the proposed district. The Public Meeting, as prescribed by the San José Municipal Code, allows the public to express concerns about the proposed district and/or provide comments, although the Council does not necessarily take action at this time. The Engineer's Report and district boundary map are available in the City Clerk's Office for public examination. A copy of the district boundary map showing the 112 parcels being assessed is provided as Attachment A.

### Public Hearing & Tabulation of Ballots

On February 28, 2012, Council will conduct a public hearing to receive and record any additional public comment. Council must consider all objections or protests to the proposed district and assessments. The hearing may be continued if necessary to allow staff to respond to Council's inquiries or to implement changes proposed by Council. At the close of the Public Hearing, Council will conduct a form of an election called an assessment ballot proceeding whereby property owners within the district cast ballots in favor of or opposed to the formation, with votes weighted by the amount of the assessment on each parcel. The District will only be formed and the assessment levied if affected property owner protests do not outweigh the ballots cast in favor of the District formation. If approved, the proposed assessment will commence in fiscal year 2012-2013 and will be adjusted annually by the Consumer Price Index. In the event the ballots submitted in opposition to the assessment exceed the ballots in favor of the assessment, Council cannot form the district and levy the assessment. In that case, staff will attempt to renegotiate the terms of the grant with the MTC to construct a project with city standard features.

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The Notice of Public Hearing is scheduled to be mailed on or before January 13, 2012, and will include the property owner ballot. The notice will inform the owners of the public meeting and hearing, the services to be provided by the district and the proposed assessment. Each completed ballot must be received by the City Clerk prior to the close of the public hearing in order to be included in the tabulation. Although this is a mailed ballot election, any property owner may submit their ballot at the hearing.

The budget for the district is proposed to be \$119,869. This amount represents \$116,869 in assessments to be levied upon all 112 properties and a City general benefit contribution of \$3,000 representing the base services that the City would have provided if the district did not exist and the improvements were constructed at City standard levels. The assessment rate is based on a combination of \$7.464 per linear foot of property frontage and \$0.028 per parcel square foot.

### **EVALUATION AND FOLLOW-UP**

This is the third step in a four-step process required by State and City law in order to increase an assessment for maintenance districts. The first and second items in the four-step process were completed on November 8, 2011 and December 13, 2011, respectively. The final step on February 28, 2012, will be for Council to conduct the public hearing, tabulate ballots, and take concluding actions based on the ballot tabulation.

As a property owner subject to an assessment of approximately \$2,372, Council must decide at the February 28, 2012, Public Hearing whether to vote favorably, negatively or to abstain from casting a ballot. Additionally, general benefit costs estimated at \$3,000 must be paid by funds generally available to the City. If after the close of the Public Hearing, the district is approved by the property owners within the district, the assessments will be placed on the County Property Tax bills for collection. Staff will bring forward appropriation and funding sources recommendations for Council approval at a later date as appropriate.

### **PUBLIC OUTREACH/INTEREST**

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

While this action does not meet the \$1 million threshold under Criterion 1, this memorandum will be posted on the City's website for the January 24, 2012 Council agenda. Community

outreach included staff meeting or speaking with The Alameda Steering Committee, stakeholders, and property owners within the proposed district area. Staff intends on conducting at least one community meeting prior to the Public Hearing. Staff is continuing to compile public comments and is available to respond to inquiries throughout the formation process.

**COORDINATION**

This memorandum, related documents, and resolutions were prepared in cooperation with the City Attorney's Office, and the City Manager's Budget Office.

**FISCAL/POLICY ALIGNMENT**

This action is consistent with the Council-approved Budget Strategy to continue to move in the general direction of setting fees and charges that recover costs of service. The overall plan to improve The Alameda NBD is consistent with the City's General Plan goals for development of "Grand Boulevards" and with the City's economic development strategies to "create more walkable, vibrant, mixed-use environments to spur interaction and attract talent."

**COST IMPLICATIONS**

The formation costs are covered by the funds remaining from the \$250,000 Council approved on March 17, 2009, to establish special districts where feasible.

The City owns two properties within the boundaries of the proposed district. One which contains a public parking lot and the Billy DeFrank facility and a second property that also offers free public parking. Therefore, the City will be responsible for the associated assessments of approximately \$2,372 if the district is approved by the voters. This amount will increase at the same rate as the CPI in the following years. In addition, the City will collect annual assessments from property owners through the County tax bills or by City invoices however the district budget includes funding for staff administration of the district. The yearly General Fund contribution to this district will be \$3,000.

**BUDGET REFERENCE**

The table below identifies the fund and appropriation used to fund the staff costs associated with the public outreach conducted to determine the feasibility and community interest of establishing special districts around areas with existing Type 2 landscape.

Fund #	Appn #	Appn. Name	RC#	Total Appn	2011-2012 Adopted Capital Budget (Page)	Last Budget Action (Date, Ord. No.)
465	7066	Maintenance Assessment District Development	159231	\$7,000	V-753	10/18/2011 Ord. No. 28979

HONORABLE MAYOR AND CITY COUNCIL

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**CEQA**

Exempt, PP10-132

/s/

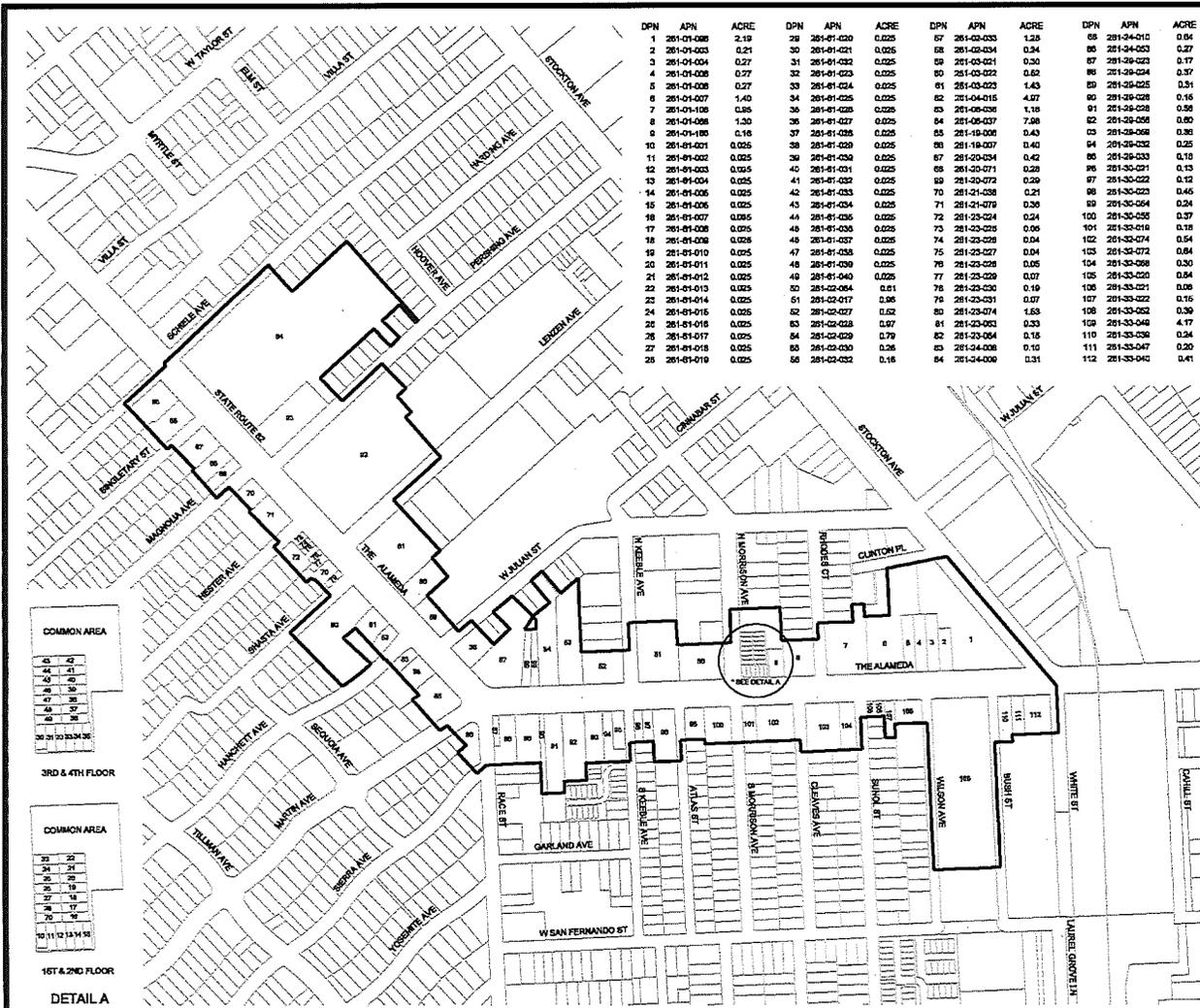
DAVID SYKES  
Director of Public Works

/s/

HANS F. LARSEN  
Director of Transportation

For questions please contact Harry Freitas, Deputy Director, Department of Public Works, at (408) 535-8300.

Attachment



DPN	APN	ACRE	DPN	APN	ACRE	DPN	APN	ACRE	DPN	APN	ACRE
1	281-01-008	2.19	29	281-01-020	0.025	57	281-03-033	1.28	65	281-04-010	0.04
2	281-01-003	0.21	30	281-01-021	0.025	58	281-03-034	0.34	66	281-04-023	0.27
3	281-01-004	0.27	31	281-01-022	0.025	59	281-03-021	0.30	67	281-03-023	0.17
4	281-01-006	0.27	32	281-01-023	0.025	60	281-03-022	0.62	68	281-04-024	0.37
5	281-01-008	0.27	33	281-01-024	0.025	61	281-03-023	1.43	69	281-04-025	0.31
6	281-01-007	1.40	34	281-01-025	0.025	62	281-04-015	4.07	70	281-04-028	0.16
7	281-01-018	0.85	35	281-01-026	0.025	63	281-04-026	1.16	71	281-04-028	0.58
8	281-01-006	1.30	36	281-01-027	0.025	64	281-04-037	7.08	82	281-04-028	0.80
9	281-01-180	0.16	37	281-01-028	0.025	65	281-10-006	0.43	83	281-04-028	0.36
10	281-01-001	0.025	38	281-01-029	0.025	66	281-10-007	0.40	84	281-04-028	0.25
11	281-01-002	0.025	39	281-01-030	0.025	67	281-20-024	0.42	85	281-04-033	0.10
12	281-01-003	0.65	40	281-01-031	0.025	68	281-20-071	0.28	86	281-04-021	0.13
13	281-01-004	0.025	41	281-01-032	0.025	69	281-20-072	0.29	87	281-04-022	0.12
14	281-01-006	0.025	42	281-01-033	0.025	70	281-21-038	0.21	88	281-04-023	0.45
15	281-01-006	0.025	43	281-01-034	0.025	71	281-21-079	0.36	89	281-04-064	0.24
16	281-01-007	0.025	44	281-01-035	0.025	72	281-22-024	0.24	100	281-04-055	0.37
17	281-01-006	0.025	45	281-01-036	0.025	73	281-23-026	0.06	101	281-04-018	0.14
18	281-01-008	0.025	46	281-01-037	0.025	74	281-23-028	0.04	102	281-04-074	0.58
19	281-01-010	0.025	47	281-01-038	0.025	75	281-23-027	0.04	103	281-04-072	0.84
20	281-01-011	0.025	48	281-01-039	0.025	76	281-23-028	0.05	104	281-04-068	0.30
21	281-01-012	0.025	49	281-01-040	0.025	77	281-23-029	0.07	105	281-04-020	0.84
22	281-01-013	0.025	50	281-02-064	0.61	78	281-23-030	0.19	106	281-04-021	0.08
23	281-01-014	0.025	51	281-02-017	0.36	79	281-23-031	0.07	107	281-04-022	0.16
24	281-01-016	0.025	52	281-02-027	0.62	80	281-23-074	1.83	108	281-04-062	0.29
25	281-01-018	0.025	53	281-02-028	1.97	81	281-23-063	0.33	109	281-04-042	4.17
26	281-01-017	0.025	54	281-02-029	0.79	82	281-23-064	0.15	110	281-04-036	0.24
27	281-01-018	0.025	55	281-02-030	0.26	83	281-24-006	0.10	111	281-04-047	0.20
28	281-01-010	0.025	56	281-02-032	0.18	84	281-24-009	0.31	112	281-04-040	0.41

COMMON AREA

43	42
44	41
45	40
46	39
47	38
48	37
49	36
50	35
51	34
52	33
53	32
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71	14
72	13
73	12
74	11
75	10
76	9
77	8
78	7
79	6
80	5
81	4
82	3
83	2
84	1

3RD & 4TH FLOOR

COMMON AREA

33	22
34	21
35	20
36	19
37	18
38	17
39	16
40	15
41	14
42	13
43	12
44	11
45	10
46	9
47	8
48	7
49	6
50	5
51	4
52	3
53	2
54	1

1ST & 2ND FLOOR

DETAIL A

**CERTIFICATIONS**

(1) DIRECTOR OF PUBLIC WORKS  
 FILED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2011, IN THE OFFICE OF THE DIRECTOR OF PUBLIC WORKS OF THE CITY OF SAN JOSE.

DAVID EYER  
 DIRECTOR OF PUBLIC WORKS

(2) CITY CLERK  
 FILED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2011, IN THE OFFICE OF THE CITY CLERK OF THE CITY OF SAN JOSE.

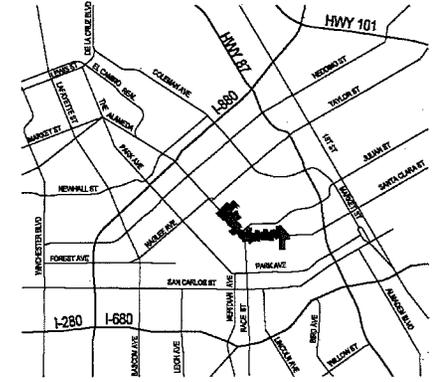
DENNIS D. HAWKINS, CMIC  
 CITY CLERK

(3) CITY COUNCIL  
 BY RESOLUTION NUMBER \_\_\_\_\_ ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 2011, AN ASSESSMENT WAS LEVIED BY THE CITY COUNCIL ON THE LOTS, PRECISES, AND PARCELS OF LAND SHOWN ON THIS DIAGRAM. THE APPROVED DIAGRAM AND ASSESSMENT ROLL FILED IN THE OFFICE OF THE DIRECTOR OF PUBLIC WORKS CONTAINS THE EXACT AMOUNT OF EACH ASSESSMENT LEVIED AGAINST EACH PARCEL OF LAND SHOWN ON THIS DIAGRAM.

DENNIS D. HAWKINS, CMIC  
 CITY CLERK

(4) COUNTY RECORDER  
 FILED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2011, AT THE HOUR OF \_\_\_\_\_ O'CLOCK \_\_\_\_\_ M. IN BOOK \_\_\_\_\_ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS PAGES \_\_\_\_\_ IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SANTA CLARA. RECORDERS SERIES NO. \_\_\_\_\_ FEE PAID \_\_\_\_\_

REGINA ALZOCORRAE, COUNTY RECORDER  
 COUNTY OF SANTA CLARA



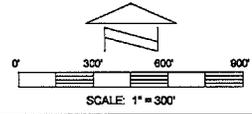
LOCATION MAP

**CITY OF SAN JOSE**  
 CAPITAL OF SILICON VALLEY

**PUBLIC WORKS DEPARTMENT**  
 DEVELOPMENT SERVICES DIVISION  
 BY SPECIAL DISTRICTS

**LEGEND**

	DISTRICT BOUNDARY	<b>1</b>	DISTRICT PARCEL NUMBER (DPN)
	STREET RIGHT OF WAY	123-12-123	ASSESSOR'S PARCEL NUMBER (APN)
	PROPERTY LINE	1.23 AC	PARCEL AREA IN ACRES



CITY OF SAN JOSE, COUNTY OF SANTA CLARA  
 STATE OF CALIFORNIA  
**MAINTENANCE DISTRICT 24**  
 (THE ALAMEDA)  
 FISCAL YEAR 2011-2012