

## COUNCIL PLACES ROAD REPAIR TAX ON BALLOT

On November 8, 2011, Lafayette residents will consider a tax measure that, if approved by voters, will assist in funding the repair and maintenance of the city's roads and help bring all public streets up to a good condition.

The City estimates that it needs to spend an average of \$2.6M annually for each of the next ten years to fix the remaining 89 failed roads in addition to maintaining the roads that have already been repaired. The City currently has \$1.7M annually in secure funding in place for these purposes. The November ballot measure is the City's third attempt to address the funding gap with a voter approved tax. *The purpose of this edition of Vistas is to provide you with the facts about the measure.*

### Essential Facts

- Most of Lafayette's growth occurred in the 1960's, with the population nearly tripling from 7,000 people in 1960 to over 20,000 by 1970. So it has been about 40 years since most of Lafayette's subdivisions – and their roads – were created. Roads that are not maintained will last for 12 to 15 years before the road condition declines steeply, and many roads will totally fail at an age of about forty years. Thus it is not surprising that Lafayette faces this issue now, forty years after most of our subdivisions were completed.
- Totally failed roads are expensive to fix. For every dollar spent maintaining good pavement, it is necessary to spend up to \$5 to rehabilitate lower quality pavement, and more than \$10 to reconstruct failed pavement.
- Over the last 15 years, the City has been able to address about 80% of its roads problem with existing funds. This leaves 20% of our roads in a failed condition.

### History

This problem was first identified in 1992, when the City Council formed a citizen's Finance Committee to study the

### MEASURE G

#### *Approving a Parcel Tax for Lafayette Road and Drain Reconstruction and Maintenance*

Shall the City of Lafayette be authorized to collect a parcel tax not to exceed \$89 per year per equivalent residential unit for ten years, with the purpose to complete Lafayette's road and drain reconstruction program and bring all failed public streets to a good quality, with a volunteer Oversight Committee reviewing expenditures annually to ensure conformance with the ballot measure, and with the tax terminating if the work is finished in less than ten years?

budget. Forty-two of the Committee's penny-pinching recommendations were implemented, and "squeeze to pave" has been the City's budget philosophy for the last 18 years.

Since 1992, in addition to \$700,000 from gas taxes and revenue from the county transportation measure (Measure J), the City has consistently contributed about \$1 million in General Fund money annually to road and drain projects.

Recognizing that without significantly cutting services in police, planning and public works, the City did not have sufficient funding to fix all of the City's failing roads, the Council placed the first road and drain bond measure on the ballot in 1995. It passed with 68% of the vote.

While not sufficient to tackle the entire problem, the 1995 tax measure raised \$13 million and financed 41 specific projects that provided benefit to the most people: arterials and collectors such as Moraga Road, St. Mary's Road, Mt. Diablo Blvd., Pleasant Hill Road, Acalanes Road, Reliez Station Road, etc.

In 2004, the City turned its focus toward finding funds to repair neighborhood roads. Measure N was an ad valorem tax that would have raised \$29 million and taxed property owners based on the current assessed value of their homes.

Opponents of the measure argued that the tax was unfair because neighbors in similar houses could pay widely varying tax amounts. Measure N garnered 58% of the vote – a majority, but short of the 2/3 necessary to pass.

The City tried again in 2007 when the Council placed Measure C on the ballot. This measure was a flat parcel tax of \$150 per residential unit for 30 years. The measure would have raised \$24 million and allowed the City to issue bonds. Opponents of this measure argued that the City should not take on additional debt and that the work should be done on a "pay-as-you-go" basis.

### Where We Are Today

Since 1995, the City has made additional contributions totaling \$4 million above the \$1 million annual commitment. The money came from General Fund reserves. The City also applied for and won federal stimulus money in 2008 to pay for an entire year of road repairs. By taking advantage of contractors who were "hungry" during the recession, the City has been able to pave about five residential roads each year and reduce the repair backlog while still maintaining roads that have already been fixed.

Last year in order to balance future budgets and maintain a 50% reserve, the Council cut over \$500,000 in annual expenses from the General Fund. As a result, despite a drop in sales and property tax revenue, the City will continue to direct \$1 million annually to the roads from the General Fund.

The City estimates the cost to repair all failed roads is \$15.5 million and that to keep the roads we've already repaired from falling into the "expensive to fix" category, the City will need to spend an additional \$12.4M over the next ten years. However, secure funding sources for road and drain projects total \$17M over the next 10 years leaving a gap of about \$10 million. The result? Without additional revenue, some neighborhood roads will never be fixed.

# Frequently Asked Questions

**Q:** After we fix all the roads, do we have enough money to maintain them?

**A:** Yes. The City currently contributes \$1 million in General Fund money towards the pavement management program and has done so for the past 15 years. In addition, all the revenue from gas taxes and the county transportation measure are earmarked for road repair and maintenance. In total, the City has ongoing revenue of \$1.7 million each year which can be allotted to the pavement management program and should be sufficient to maintain all the public streets in Lafayette once they have been brought up to a good condition.

**Q:** Will the tax be used to issue debt to fix the roads?

**A:** No. This parcel tax will be spent on a pay-as-you-go basis and go directly to fixing all the remaining public roads. There will be no bonds, debt, or interest.

**Q:** What is the status of the 1995 bonds?

**A:** The 1995 bonds were issued over a five-year period totaling \$13 million plus interest. The final bond payment is due in 2025. The initial tax was \$21 per \$100,000 of assessed valuation (AV) and has now dropped to \$13 per \$100,000 of AV. This decrease is a result of the overall AV of properties increasing over time. For example, a home assessed at \$500,000 in 1995 would have paid \$105 per year whereas today that same home is taxed \$65 – a reduction of \$40 annually. This tax rate will continue to decrease as the City's overall AV increases.

**Q:** Can senior citizens opt out of the tax?

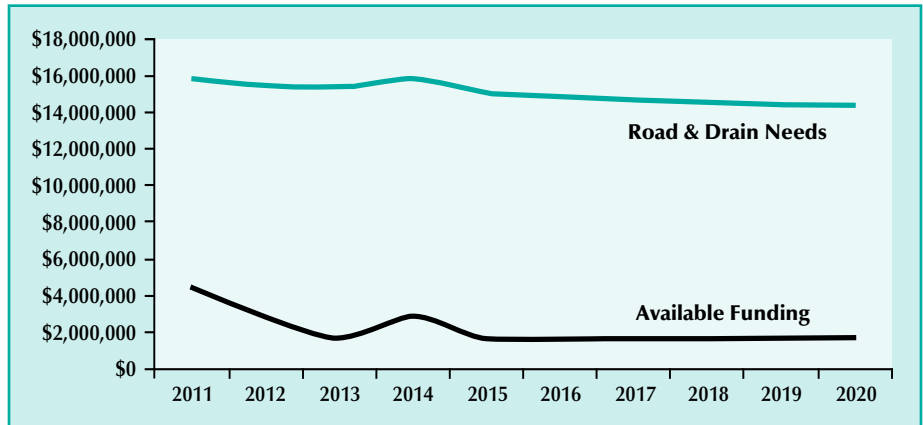
**A:** No. All property owners must pay the tax regardless of age.

**Q:** Why doesn't the City use all of the \$1.7 million in available funding to fix failed roads instead of maintaining the good roads?

**A:** If roads are not maintained properly, they will more quickly fall into the "expensive to repair category". It can cost 5-10 times more to reconstruct a failing road than it costs to maintain one that is already in good condition. If the City suspends its maintenance program in favor of fixing already failed roads, the good roads will fail faster and will cost more to repair.

## Council Places Parcel Tax on Ballot *(continued from front)*

### Current Funding



### Going Forward

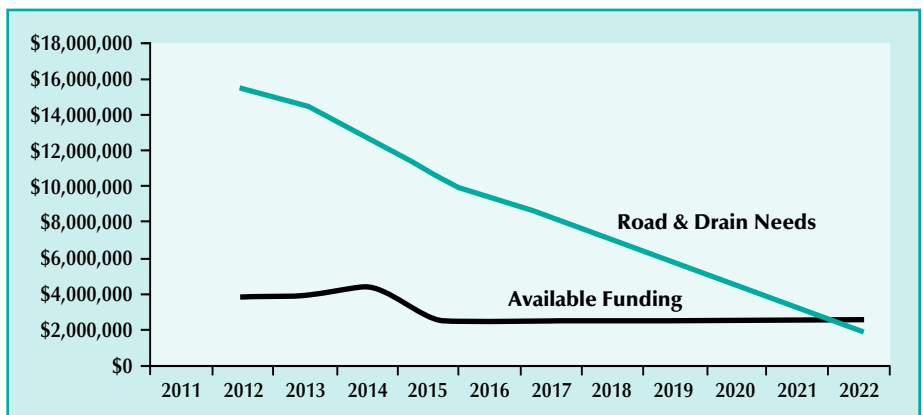
The Council, along with a citizen's group of volunteers, spent the last several years studying options for filling the funding gap. Since the City receives a relatively low property tax share – 6.4% of the total property tax payment – and has limited sales tax revenue due to an absence of big box stores and auto malls, there are relatively few other choices available to generate revenue. Some of the ideas that have been considered include: a utility user tax, a parcel tax, assessment districts, bond measures and a sales tax increase.

Several opinion polls conducted over the last 15 years suggest that a parcel tax is most likely to succeed. To test voters' interest in such a measure, 70 volunteers recently circulated a petition asking residents to signal their support for a 10-year parcel tax of \$89 per equivalent residential unit (ERU). On July 25, 2011, these volunteers submitted over 1,400 valid signatures (about 10% of registered voters) to the Council and asked them to place a measure on the November 8, 2011 ballot.

### The Tax

If approved, Measure G would levy \$89 per year on each ERU for 10 years. The tax for multi-family parcels would be based on the number of units on the property. Commercial properties would be assigned a tax based on the size of the improvements on the property. (A detailed list of ERUs for each property type can be found on the City's website at [www.lovelafayette.org](http://www.lovelafayette.org).) The logic behind this assessment structure is that, the larger the commercial building, the more traffic it generates. If approved, the tax will generate approximately \$1 million each year to finance work necessary to complete the repair and reconstruction of the remaining 89 failed residential streets. In addition, the Council has pledged to contribute an additional \$3 million in matching funds from General Fund reserves over the next three years. The City estimates that the work will take about ten years to complete. If additional funds become available or if work is completed sooner, the tax will terminate earlier than ten years.

### Current Funding Plus New Tax Revenue Plus \$3M Matching Funds Released from General Fund Reserve





# LAFAYETTE'S TRUE CRIME STORY

by Chief Mike Hubbard



**I**t is a dark night and stormy night. The bungalow is the last house on the road. No one is home. Using a lock pick set, a burglar quickly and silently opens the rear door and goes in. Grabbing a pillow case from the bedroom, he empties the jewelry box into it. Having thoroughly searched the rest of the house, the burglar makes his get-away. In the front yard a police cruiser on routine patrol spots him. The burglar drops the bag and surrenders with his arms raised. Case closed.

## *If only it really happened like this.*

**In real life:** It's the middle of the day. The house is surrounded by other homes. The burglar walks up to the front door and rings the bell. If someone answers, he makes up a story. If no one answers he smashes a window or simply kicks in the front door. He's usually in and out 10 minutes or less after ransacking the residence. Chances that any of the four officers on duty are in exactly the right place at the right time to catch him are as slim as the burglar in the first story being hit by lightning.



**A more likely scenario for catching thieves is a bit more mundane:** An officer on routine patrol stops a car for a mechanical violation like a headlight out or an expired registration. Or maybe the driver violates a traffic law. The officer may notice things in the car that just don't look right, like laptop computers lying on the floor with no case or household items strewn about the back seat. Ultimately, the officer discovers that some of the items are stolen. A subsequent search of the suspect's home may turn up additional stolen property. And often – because there is little honor among thieves – the suspect will give up his accomplices which leads detectives to other homes where even more stolen property is discovered.



About a year ago, a single tip from a Lafayette resident about a suspicious vehicle in her neighborhood led cops to ultimately arrest 25 people and solve over 20 burglaries in the Lamorinda and Pleasant Hill area. In the following months, the burglary rate in Lafayette went from 25 residential burglaries to two. Putting the bad guys in jail obviously reduces our crime rate.

The bad news is that catching a criminal in the act is extremely rare. With only a few Lafayette officers patrolling 14 square miles of city, 24 hours a day and responding to approximately 2500 calls for service a month, the chance of being at the right place at the right time is miniscule. However, the good news is that you literally hold the key to protecting yourself. Some valuable tips are provided below.

## *So what about the happy ending?*

Well, they do happen – but they aren't nearly as dramatic – or quick – as in the first story. Sometimes the police discover evidence that is valuable and leads straight to a suspect. Unfortunately, real-life CSI is nothing like on television. It takes weeks, not minutes, to match fingerprints and DNA analysis is too expensive to use in burglary cases.

## KEYS TO PROTECTING YOUR VALUABLES



- Lock your car and don't leave valuables inside.
- Install motion sensor lights around your home.
- Lock all doors and windows even on your second story.
- Trim trees and bushes that are close to doors and windows.
- Get an alarm system.
- Leave lights on when you are out. Connect lamps to automatic timers.
- Keep your garage door closed and locked.
- Don't allow mail, newspapers or flyers to build up when you are away.
- Change locks immediately if your keys are lost or stolen.
- Work with your Neighborhood Watch Program.
- Call the Lafayette Police Department at 925.284.3680 for a free crime prevention evaluation of your home or business.



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# LAFAYETTE IN BRIEF

### ■ *Thinking of Sprucing Up your Curb Appeal?*

Please keep in mind that the City's street right-of-way typically extends 20 to 25 feet to either side from the center of the road. Residents often mistakenly believe that their front yards extend to the edge of the street curb or pavement. Before enhancing your property frontage with fences, walls, pillars, and other architectural improvements, check the location of your property line. All permanent structures and landscaping should be installed within your property boundary. If you want improvements to extend beyond your property, you must apply for an encroachment permit. Visit the City's website for detailed information on how to get one.

### ■ *Downtown Upgrades Delayed*

Construction of the improvements in the downtown that we told you about in the Winter 2011 edition of Vistas has been delayed because the bids came in too high. The updates, which include new sidewalks, landscaping, streetlights and street "furniture" between Mt. Diablo and Oak Hill will still be installed, but the project will be rebid this fall. Construction – most of which is being funded by a grant for the Contra Costa Transportation Authority – is expected to start after the New Year.

### ■ *We All Scream for Ice Cream*

Fenton's Creamery, purveyors of artisan ice cream, recently expressed an interest in opening another store in the former location of the Park Theater. However, because the old theater only has a few parking spaces behind it, the owners need relief from the City's current parking requirements. Meanwhile, the owners of the old Handlebar Toys building recently made a similar request for a modification of the parking regulations, arguing that – since many of the properties on Plaza Way, including the old Pioneer Store and the Way Side Inn, predate not only the city but in fact the automobile itself – the properties were never master planned for parking. To apply modern parking standards now to buildings developed in the 19th century, may be unreasonable. The City Council considered the issue at a meeting in July and appointed a two-member committee of the Council to meet with the property owners and see if they can hammer out a parking solution that works for everybody along and near Plaza Way. The committee expects to present their recommendations to the full Council by the end of September.

### ■ *Thanks a Lot, Sacramento*

In June, state legislators killed California Redevelopment including Lafayette's Redevelopment Agency, whose major accomplishments over the last 15 years include the Veterans Memorial Building, the Lafayette Library and Learning Center, and Lafayette Plaza. The RDA also provided incentives to the developers of Town Center and the Mercantile. It's hard to overstate how important the Lafayette Redevelopment Agency has been to this community. Meanwhile, over the next decade, we estimate that the Agency would have generated another \$50M for housing, downtown parks, and landscaped median islands. However, given the State's action, those funds are now in jeopardy. To address cities' concerns, legislators at the last minute concocted a "ransom" scheme whereby cities that pay a big upfront kickback as well as smaller, but significant annual amounts to the State can resurrect their RDA. Staff will be analyzing the numbers over the next few weeks to determine whether that makes sense for Lafayette or not. A final decision will be made by October 31.

## CITY DIRECTORY

For Council Members call: 284-1968

### Council Members

Carl Anduri	<b>Mayor</b>
Carol Federighi	<b>Vice Mayor</b>
Brandt Andersson	<b>Council Member</b>
Mike Anderson	<b>Council Member</b>
Don Tatzin	<b>Council Member</b>

Messages to **all** Council Members:  
[cityhall@lovelafayette.org](mailto:cityhall@lovelafayette.org)

### Administration

<b>General Reception and</b>	<b>284-1968</b>
<b>Steven Falk, City Manager</b>	<b>Fax: 284-3169</b>
Tracy Robinson, Admin. Srv. Dir.	<b>299-3227</b>
Gonzalo Silva, Financial Srv. Mgr.	<b>299-3213</b>
Joanne Robbins, City Clerk	<b>299-3210</b>

### Community Development

Tony Coe, Engineering Srv. Mgr.	<b>284-1951</b>
Niroop Srivatsa, Planning Srv. Mgr.	<b>284-1976</b>
Ron Lefler, Public Works Srv. Mgr.	<b>299-3214</b>
P.W. Hotline (to report problems)	<b>299-3259</b>

**If you observe illegal dumping in creeks & storm drains or accidental spills on roads, call Contra Costa Hazardous Materials Division 646-2286.**

### Lamorinda School Bus Program

Juliet Hansen, Program Mgr.	<b>299-3216</b>
	<b>Or 299-3215</b>

### Parks, Trails and Recreation 284-2232

Jennifer Russell, Director	
Senior Services	<b>284-5050</b>

### Police Services

Emergency: 24 Hours	<b>911</b>
Police Dispatch: 24 Hours	<b>284-5010</b>
Police Business Office:	<b>283-3680</b>

**Anonymous Tipline, Traffic Enforcement, Suggestions & LEARN (Laf. Emergency Action Response Network), 299-3232 X 2205**

<b>Fax</b>	<b>284-3169</b>
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	<b>Lafayette, CA 94549</b>

<b>Website</b>	<b>www.ci.lafayette.ca.us</b>
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**E-MAIL:** Council/staff members can be reached via e-mail using this address format:

**First Initial + Last Name @lovelafayette.org**  
**Example: SFalk@lovelafayette.org**

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