

City of Piedmont
COUNCIL AGENDA REPORT

Date: January 18, 2005

From: Ann Swift, City Clerk

Subject: **Piedmont Hills Underground Assessment District - Status Report**

RECOMMENDATION

Schedule a public hearing regarding the boundaries for Piedmont Hills Underground Assessment district on either March 7 or March 21, 2005.

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BACKGROUND

On February 3, 2003, council received petitions requesting formation of an underground assessment district from residents living on a number of streets in eastern Piedmont including Sotelo, Glen Alpine, Crest, St. James and Calvert Court. Council accepted their petitions and directed that all of the properties be amalgamated into a single entity called the Piedmont Hills Underground Assessment District (PHUG). On June 16, 2003, council held another public hearing regarding the boundaries of the district and on November 3, 2003 took formal action to set the boundaries (attached map dated November 4, 2003).

On November 3, at the same time the boundaries were set by council, a resolution was passed which asked the City of Oakland to approve the inclusion of 31 parcels in PHUG which were located in whole or in part in Oakland. The Oakland City Council passed the requested resolution on November 16, 2004 (copy attached), clearing the way for Piedmont to pass a Resolution of Intention to form the district.

A steering committee for PHUG was established. It consists of Carl Anderson, Ted Buttner, Sid Ewing, Carl Foorman, Clifford Fried, Francoise Putting, Guy Saperstein, Marion Schwartz, and Lonnie Simonsen. Staff has been working with the steering committee regarding the following items which must be accomplished before the city council can pass a Resolution of Intention.

1. The district must have sufficient money collected to pay for all preliminary costs including the fees of the Engineer of Work, P.G. & E., and SBC.
2. An agreement must be drafted which will set out the terms under which the city will expend money deposited on behalf of the district, a Preliminary Expense Agreement.

3. An agreement must be drafted between the city and Harris & Associates as Engineer of Work
4. An agreement must be drafted with Orrick, Herrington & Sutcliffe as legal counsel.

At the present time, the steering committee advises that they have not collected sufficient funds from the district homeowners to cover preliminary expenses and are short approximately \$24,000. Members of the steering committee will give council a more up to date report during this meeting. However, one solution to the funding shortage supported by the steering committee would be to eliminate properties where there is little or no financial support. Attached is a revised map which decreases the size of the district by eliminating 10 homes. The proposed deletions are shown in yellow.

Staff recommends that the council schedule a public hearing on the revised boundaries of the district on either March 7 or March 21 and consider procedural matters including the Resolution of Intention at the same time.