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Upfront: Median cool

Medians Committee finds middle ground in Point San Pedro

by Peter Seidman

What's happening to the medians along Point San Pedro Road is a confluence of weather, tax policy and citizen activism.

The Point San Pedro Road Medians Committee in San Rafael has raised enough money to proceed with creating an assessment district to reinvigorate and maintain median strips along Point San Pedro Road.

At last count, the Medians Committee had raised \$57,394 from 205 donors, well above the target \$50,000, to take the idea of forming an assessment district to property owners on 4.5 miles of Point San Pedro Road. About 2,500 residential and 15 commercial properties would be in the district, according to Andrew Perry, chairman of the Medians Committee.

The way in which the committee approached the problem of how to beautify the medians and the solutions the committee chose reflect issues that date back to 1978, when California voters, including those in Marin, passed Proposition 13. Reverberations from the proposition, designed to make it harder to raise taxes, indirectly give the citizen's committee in San Rafael a powerful tool to convince voters that forming a benefit assessment district to beautify medians is a good thing. Proposition 13 mandated that property tax shall not exceed 1 percent of the cash value of a property. The proposition also rolled back property values to 1975 values as a starting point and restricted tax increases to no more than 2 percent a year. There are, however, two big exceptions: When a property changes hands or when major construction takes place.

The median beautification plan needs a simple majority vote from owners representing more than 50 percent of the assessed property in the area to form a benefit assessment district. The details of exactly how much it will take to beautify the medians will be determined by engineering studies and final design plans. The goal, according to Perry, will be to create medians that feature native, drought-resistant landscaping. An initial estimate calls for borrowing through a bond mechanism \$1,835,000 for a period of 30 years at a 7-percent interest rate. That amounts to an annual payment for each residential property owner of about \$68. (Commercial property owners would see an annual payment of about \$1,366.) Perry uses the now-familiar price-of-a-Starbucks equivalent to put into perspective that \$68 annual payment for residential owners. In other words, it's not much money for much-improved aesthetics along a portion of Point San Pedro Road that stretches from Whole Foods to China Camp.

In persuading property owners that spending \$68 a year to bring sadly neglected medians into a state of renewal, advocates hear a refrain that has echoed ever since the Prop. 13 tax revolt. "The challenge is the argument from people who say they already pay their property taxes and (median beautification and maintenance) should be something that already is paid for with those taxes," says Marin Supervisor Susan Adams, who represents the area. "This is an outflow of what happened with Prop. 13, when you can only raise taxes a very small percentage when the cost of providing services has gone up higher. At some point you don't have enough resources to do everything you did before. Either you raise new assessments or you just let it go by the wayside."

The story of what happened to the medians on Point San Pedro Road starts in 1969, when work crews widened the road, built the medians and beautified them with landscaping. Then the big drought hit Marin hard in 1976, and in the effort to conserve water, the flow to the medians ended. After the drought relaxed its grip, water flowed back to the median irrigation system, but a significant number of leaks revealed that in the few years during the drought, the irrigation system has taken some hits of its own.

About two-thirds of the 27 medians along the 4.5-mile proposed assessment district are within San Rafael city limits. About one-third of medians are in the county's jurisdiction. Complicating matters, the road runs in and out of city and county jurisdictions, requiring cooperation from both entities on the 4.5-mile stretch of roadway.

The cooperation may have been there, but the money wasn't, and both the city and the county had to forego repairing the irrigation system,

which remained shut, a sign of tight-budget times.

"Because of the financial situation of local government, a lot of the beautiful stuff, the aesthetic stuff, has been allowed to go by the wayside so that we can continue to support essential health and safety services," says Adams. "Along Point San Pedro Road, there has been a pretty significant deterioration of the medians." In the late 1970s, the city used a truck to water the medians. The county helped cover the costs of that stopgap watering until the early 1990s.

Then, in 1998, a group of residents mounted an effort to pass a benefit assessment plan similar to the one proposed today. But the effort in 1998 failed, with 60 percent of homeowners rejecting the idea. The medians have received no significant maintenance since 2007. In 2009 the situation had deteriorated to the point of causing a safety hazard that led Adams to find \$8,600 to pay for a one-time weeding of the medians.

The Medians Committee took a lesson from the failed 1998 attempt to form an assessment district. A core group of about 45 people, says Perry, worked for a couple of years, doing homework, researching possibilities for funding. "We really wanted to get our act together prior to taking this publicly to the community. We were working in kind of a stealth mode up to May 1 of this year." That's when the committee held a community meeting and presented the plan to reinvigorate the medians. That's also when the committee started collecting donations from the community.

A key idea rested on collecting as many small donations as possible. Although people offered to donate large amounts, Perry says, the number of large donors was kept to a minimum to engage residents, to foster a feeling of community investment in the project. That strategy should pay off when it comes time for a vote.

The committee used the fundraising campaign as part of its marketing campaign. When people contribute financially, the reasoning goes, they are more likely to vote for the assessment district. That's the practical aspect of mixing a fundraising effort with a marketing campaign. Even though the committee has surpassed the \$50,000 target needed to hire an engineering firm to map out the neighborhood and create the assessment district, proponents still are accepting contributions. (Excess money collected will go toward lowering property assessments, and Perry says that if excess money is collected in any year above maintenance costs, the excess will go toward reducing assessments the following year.) Data compiled during the 1998 effort will help create the

new assessment district. The city will take the lead on the logistics of the assessment district plan and on maintenance of landscaping should voters approve it. The county will participate through a memorandum of understanding or similar mechanism.

Citizens in other towns have formed assessment districts to beautify neighborhoods, but the Point San Pedro Road effort distills many of the touchy issues that prick nerves in 2010, especially in light of the recent economic decline.

Despite hard times for many homeowners, that \$68 annual assessment seems to be a hurdle the Medians Committee can clear. The relative ease with which committee members collected contributions is proof the neighborhood is amenable. "We devised our whole strategy around making this a community project," says Perry. Initial resistance came from the familiar territory of not wanting to pay any more taxes for anything, Perry says. But residents seem open to the idea of "taking things into our own hands" after reaching an understanding that city and county government simply have no assets to rip up existing median infrastructure, install new irrigation, plant new landscaping and pledge to maintain it for 30 years, all of which the bond mechanism and assessment district plan will ensure.

The exact cost for a property in a benefit assessment district is based on the specific benefit to a specific property. In the case of Point San Pedro Road, coming to that calculation should be relatively easy because it's the only road serving the properties. It should be "a fairly flat assessment across the board," as opposed to a situation where "a bunch of different roads come in and go out connected to a main road and some people live closer to the road," says Perry.

In speaking with about 1,000 people, Perry says, committee members found about 800 positive reactions. A big part of that positive reaction came from engaging the community early in the process, before going to government with a finished concept. A few members of the Medians Committee participated in the failed 1998 effort, and they say proceeding before getting neighbors invested in the project accounted for a significant number of those negative votes.

While the revived effort to create a benefit assessment district rests on community participation, emotional investment and sophisticated marketing strategy, another tool in the toolbox comes to the Medians Committee indirectly from Proposition 13.

In November 1996, California voters approved Proposition 218,

designed to give taxpayers the right to approve or reject tax increases and special assessments at the local-government level. Proposition 218 proponents pushed it to close loopholes in Proposition 13. Proposition 218 requires a majority vote for all local general taxes and two-thirds approval for local special taxes.

Proposition 218 also mandates a simple majority vote to form a benefit assessment district like the one the Medians Committee is trying to create. And it goes further: Under Prop. 218, funds raised through the Point San Pedro Road benefit district can be spent only on the medians project for which it was created. And the city, county and state cannot commandeer the money for any other reason. That kind of assurance should make a difference when residents receive their mail-in ballots next spring. (Property owners will have 45 days to return their ballots.)

"In tight budget times, when cities, including San Rafael, no longer have the staff to do what we have been able to do in the past, the only way things are going to get done that residents want done is for them to roll up their sleeves and pitch in with work or money or both," says San Rafael City Councilman reg Brockbank. The idea has led to, among other things, Friends of San Rafael, a nonprofit public benefit corporation. It helps the city, financially and otherwise, with projects and programs such as the Pickleweed Park Community Center, the Freitas Park Playground, the city Library, Falkirk cultural programs—and the Point San Pedro medians project.

With enough money raised to hire an engineering firm to draw up boundaries and details of the assessment district, the Medians Committee will be concentrating on its savvy marketing campaign, which already has impressed city and county politicians.

The goal, the marketing push, on Point San Pedro Road is simple: "Leave the place better than when you found it," says Perry. He and the committee also have an eye for timing. "Our target date is the end of April, maybe May, to get ballots in the mail. It could happen sooner, but the timing of getting a ballot when the weeds are the highest is probably in our favor." •

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