

**FINAL ENGINEER'S REPORT
POLICE FACILITIES
ASSESSMENT DISTRICT NO. 91-1
FISCAL YEAR 2020/2021**

CITY OF ALHAMBRA

April 29, 2020

**CITY OF ALHAMBRA
ASSESSMENT REPORT**

FOR

**POLICE FACILITIES
ASSESSMENT DISTRICT NO. 91-1**

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1. **BACKGROUND**

In the late 1980's, it was determined that the existing Alhambra Police Facility had outlived its usefulness and a new facility was necessary to provide cost-effective police service for the foreseeable future. The existing building had no public parking and too little parking for the staff. The jail could no longer accommodate the growing number of arrestees, and the antiquated electrical and plumbing systems had created numerous problems including occasional power failures. The facility also lacked a shooting range, so staff had to rely on an adjoining city's range.

On September 17, 1990, the City Council of the City of Alhambra adopted Resolution No. R90-58, commencing the proceedings under Chapter 3.5 of the Alhambra Municipal Code for the formation of a public improvements assessment district for a new police facility. At an election on September 17, 1991, 59 percent of the voters approved the formation of the District. Following a public hearing held on October 10, 1991, the District was formally approved by the City Council and the process was started to finance the improvements through the sale of Certificates of Participation in the amount of \$27,000,000.

This will be the twenty seventh year that assessments will be levied, however, unlike the first five years when the assessments were increased 5 percent each year, the assessments for 2020/2021 will be the same as those levied in the past twenty-two years.

The assessment report contains the following:

- A description of the nature of the improvements constructed or services to be rendered;
- A description of the boundaries of the district;
- A statement of the necessity for such improvements or services;
- A description of the nature of the special benefits to be derived from such improvements or services by parcels within the district;
- The estimated cost of construction of such improvements or providing such services;
- The estimated total assessment to be spread upon all of the parcels included in the district; Definitions;
- The method of assessing the parcels included in the district; and
- Assessment Report Summary.

2. **NATURE OF IMPROVEMENTS OR SERVICES**

The improvements constructed and services proposed under this assessment report are as follows:

The Alhambra Police Facility built with the proceeds of the aforementioned Certificates of Participation is located on a 120,500 square foot site at the northwest corner of First Street and Commonwealth Avenue in the City of Alhambra's downtown civic center area. The facility consists of a 60,482 square foot building, a subterranean parking garage, and an additional paved parking area at grade level. The site contains adequate parking for police and visitor vehicles.

Additional site features include landscaping and irrigation, exterior lighting, signage, and appurtenances.

The facility also includes interior office improvements, furniture and office equipment, expanded telephone and radio communications, an emergency operations center, police information and security systems, and a firing range.

3. **DISTRICT BOUNDARIES**

The boundaries of Assessment District No. 91-1 coincide with the established boundaries of the City of Alhambra as incorporated on July 11, 1903, all annexations to date, and all future annexations to the City. (See Exhibit "A")

4. **NECESSITY FOR IMPROVEMENTS OR SERVICES**

In order to maintain high quality police services for the citizens of Alhambra, it was necessary to upgrade the existing facility as recommended by the independent 15 member Citizens Police Facility Advisory Committee. The old facility had been utilized far beyond its original design intent. The new facility located adjacent to the city hall and the municipal court building now provides the citizens with a central location for all police or City business and will continue to efficiently serve the community for many years to come.

5. **BENEFITS DERIVED FROM IMPROVEMENTS OR SERVICES**

The special benefits derived from the new police facility include not only the existing services provided but the ability to handle those services more efficiently and effectively in the future. As before, the police services include all the vehicles, equipment, personnel and facilities necessary to provide police protection. With a new facility, those items have been upgraded and the facility itself provides a more effective police force for

service to the public. Individuals calling for police services clearly benefit from the facility and the related services. Those residents that never call for those services also benefit because of the preventive measures which are so important in police sciences and related services. Overall, the new facility helps speed up responses to calls, better addresses the public concerns, and brings to the City a level of police protection necessary to provide order in our society.

6. **COSTS**

The cost of providing the new police facility was approximately \$26.7 million. This figure includes building costs, permits, engineering fees, communications equipment, land acquisition and contingencies.

Gross Floor Area	60,482 S.F.
Site Area	120,500 S.F.

<u>ITEM</u>	<u>AMOUNT</u>
Construction Contract Award	\$ 14,895,272
Insurance, permits, and bonds	407,439
Construction change order contingency	1,042,669
Professional fees	2,475,000
Testing and Inspection	135,000
Furniture, fixtures, and equipment	670,419
Communications Equipment	2,400,000
Land Acquisition	4,639,863
TOTAL	\$ 26,665,662

7. **ESTIMATED TOTAL ASSESSMENT**

In order to service the debt on the bond proceeds, the estimated assessment for fiscal year 2020/2021 is as follows:

Land Use

1.	Residential (includes condominiums)	\$	59.56	per unit
2.	Multi-family (.75 of single family rate)	\$	44.67	per unit
3.	Commercial	\$	1,458.61	per acre
4.	Industrial	\$	1,093.95	per acre

5.	Department Stores	\$	2,917.50	per acre
6.	Regional Shopping Centers	\$	2,917.50	per acre
7.	Supermarkets	\$	2,917.50	per acre
8.	Restaurants with Entertainment & Liquor	\$	2,187.92	per acre
9.	Banks	\$	2,187.92	per acre
10.	Vacant Residential	\$	6.08	per parcel
11.	Vacant Commercial/Industrial	\$	145.87	per acre
12.	Exempt	\$	0.00	per parcel

The assessment levels for 2020/2021 will be the same as those for 1995/1996. In accordance with the provisions of Proposition 218, the assessment proceeds can only be used for debt service on the bonds sold to finance the building of the police facility. Any assessment proceeds generated in excess of the amount needed to fully fund the annual principal and interest payment on the bonds will be used to pay for early retirement of the outstanding bonds.

8. **DEFINITIONS**

For the purpose of implementing and administering the assessment authorized by Assessment District 91-1, the following definitions shall apply:

Residential Properties: Residential properties shall be defined as all properties that are improved with residential units.

Residential Unit: A residential unit shall be defined as any structure or portion thereof which contains facilities for sleeping, eating, cooking, and sanitation for not more than one family. By way of example, this would include, but not be limited to, single family homes, individual apartments, condominiums, mobile home spaces in parks, and any other facilities for housing people. Temporary housing such as hotels and motels are included under commercial properties.

Commercial Properties: This category includes all properties that contain improvements that are not being used for purposes such as residential, industrial, department stores, regional shopping centers, supermarkets, restaurants with entertainment and serving liquor, banks, vacant, or tax-exempt. It also includes utility parcels i.e., distribution yards, administrative and service offices and facilities which are industrially zoned, but are primarily commercial uses such as office buildings. The assessment applied to such

properties shall be applied on the basis of equivalent area of the parcel expressed in square feet. This will, in most cases, be the area indicated or calculated as such area as shown on the latest county assessor maps.

Industrial Properties: This category includes properties included in an industrial, manufacturing zone which are used for industrial purposes. It also includes properties used for the sale and service of automobile, recreation, and construction vehicles.

Department Store Properties: This category includes properties having stores offering a wide variety of retail sales merchandise.

Regional Shopping Center Properties: This category includes properties offering a wide variety of retail sales merchandise and services. These properties differ from other merchandise sites in that they attract customers from a much broader customer area.

Supermarket Properties: This category includes properties which are used by a supermarket chain for retail food and grocery sales.

Restaurant/Entertainment/Liquor Properties: This category includes property which is used for restaurant purposes and also sells liquor and has an entertainment license issued by the City. Restaurants without both liquor and entertainment are included under commercial properties.

Bank Properties: This category includes properties used by banks, and savings and loans.

Vacant Properties: This category includes all zoned properties which have no structures constructed on them and are otherwise unimproved.

Tax-Exempt Properties: Tax-exempt properties shall be properties upon which property taxes are not levied within the City of Alhambra and shall include properties or portions of properties under public or private ownership which are normally tax-exempt under the laws of the United States or the State of California, such as public schools, streets, parks, churches, hospitals, cemeteries, utility rights-of-way, etc. Properties that are designated for conveyance to the public, but which may not be publicly owned at the time of recordation of maps, will be included in this category as exempt from the special tax at the time of recording the final subdivision map or deed with respect to such properties.

9. **PROPOSED METHOD OF ASSESSMENT**

The Police Facility Assessment District (PFAD) was created in 1991 by the City Council after a vote in which nearly 60 percent of the voters indicated approval for the proposal. As was indicated at the time of the election, in order to provide revenues to fund the debt service on the bonds that were sold to finance the new facility, as well as some of the additional operating costs that the new facility had necessitated, such as additional jailers, it was necessary that the assessment level increase by 5 percent per year, for the first

several years of the District's existence. As a result of Proposition 218, the portion of the assessment that represented the added operating costs of the new building can no longer be levied for that purpose. However, the assessment could legally be continued at the 1996-97 level, and any proceeds in excess of those needed to fund debt service on the bonds can be used to retire some of the bonds early. As with the PWMID, the assessment level would remain at the current year level, which for a single family home is \$59.56. On March 1 of each year, all properties within Assessment District 91-1 shall be assigned one of the land use categories as follows:

- Single Family Residential Properties with a specific number of residential units assigned thereto.
- Multi-Family Residential Properties with a specific number of residential units assigned thereto.
- Commercial/Industrial/Department Stores/Regional Shopping Centers/Supermarkets/Restaurants with entertainment and liquor/Banks with an assessable square footage assigned thereto.
- Vacant Residential Properties shall be defined as all properties not containing any structure or other beneficial land use but which may be developed under current zoning conditions and entitled to residential land use.
- Vacant Commercial/Industrial Properties not containing structures or being used for storage, parking, etc., which may be developed under current zoning conditions and entitled to commercial/industrial land use. Assessable square footage is assigned thereto.

The proposed assessment to be placed on properties as discussed in this report is based on the special benefit derived from the facilities and services provided. The benefits of police services include all of the personnel, equipment, and especially the building that supports the basic aspects of police protection. Property owners and City residents may benefit in varying degrees from the service. Also, their need, and thus the benefits, may be greater in some years than others. The fact that some residents have not required police services reaffirms that police service does as much to prevent and deter crime as it does to react to criminal and civil situations.

The City has conducted random samples and finds that approximately 35% of all police calls are devoted to commercial and industrial properties. We find the records of police calls give an equitable perspective of how the benefit should be spread.

Since a police facility, the personnel, and equipment therein all support the function of police service calls, it would be appropriate to assess approximately 35% of the benefit of these services to commercial and industrial properties. The remaining 65% would be assessed against residential properties. Therefore, the assessment rate to provide a new

police facility is established such that approximately 65% of these costs will be funded by residential property owners and approximately 35% of these costs will be funded by commercial and industrial property owners.

The special benefit of police services for each residential property is proportionate to the number of residential units on the property. For example, a property with three residential units would pay three times the cost as that of a property with only one residential unit. However, industrial uses and uses such as auto, recreational vehicles and large construction equipment dealerships require large land areas by the very nature of their business. Those large areas do not require the same amount of police services as would the more intense commercial developments. In recognition of this reduced need and a corresponding benefit reduction, industrial/vehicle dealerships are assessed at three-quarters the rate of commercial users. Therefore, the special benefits and the assessment rate are based on the amount of area devoted to this use and its intensity.

Not only are there differences between the required police services for commercial and industrial users, but there are differences in categories of commercial users. Department Stores, Regional Shopping Centers, and Supermarkets by their very nature attract substantial numbers of people. Police calls and the need for police patrols and thus the special benefit of police services is highest in those categories. Therefore, the assessment for those categories is twice that for other commercial users. In the same manner, restaurants with entertainment that sell liquor in the course of normal business and banks require more police service than standard commercial users but not as greatly as shopping centers. Therefore, their benefit is one and one half times that of regular commercial uses.

Multi-family units usually house fewer persons than do an equivalent number of single family units. In recognition of this fact, multi-family units are assessed at 75% the rate of single family units.

Vacant properties benefit from police services to a much lesser degree because of the lower levels of activity associated with those parcels. They are assessed at 1/10th the level of other properties to account for that lower activity. No assessment for police services is placed on tax exempt properties.

10. SUMMARY

In summary, this assessment report discusses the pertinent facts related to the need, special benefit, and financing of the police facilities building adjacent to the existing City Hall. It proposes to continue to assess those owners of property in proportion to special benefits they receive from police services and facilities. The quality of this service and facilities affords them the opportunity to enjoy the quality of life and to protect their investment in the community. Since the facility will be funded over a period of 30 years, the yearly assessment will be paid by those residents and owners for only those years during which they receive special benefit from the facility.

In conclusion, it is my opinion that the assessments for the City of Alhambra Police Facilities Assessment District No. 91-1 are spread in direct accordance with the benefits that the land within the district boundary receives from the works of the improvement (facility).

This Final Report dated this 29th day of April, 2020.

TRANSTECH ENGINEERS, INC.

By: 



EXHIBIT "A"

BOUNDARIES

The boundaries of the District contain approximately 7.619 square miles.

Legal Description:

THE BOUNDARIES OF POLICE FACILITIES ASSESSMENT DISTRICT 91-1 COINCIDE WITH THE ESTABLISHED BOUNDARIES OF THE CITY OF ALHAMBRA AS INCORPORATED ON JULY 11, 1903, ALL ANNEXATIONS UP TO JULY 22, 1991, AND ALL FUTURE ANNEXATIONS TO THE CITY.

SEE ATTACHED MAP.

EXHIBIT A
ASSESSMENT DIAGRAM - ASSESSMENT DISTRICT NO. 91-1
2020/2021 FISCAL YEAR

Alhambra Police Assessment Zone

Exhibit B
Assessment Diagram
Alhambra Police Facilities Assessment District 91-1

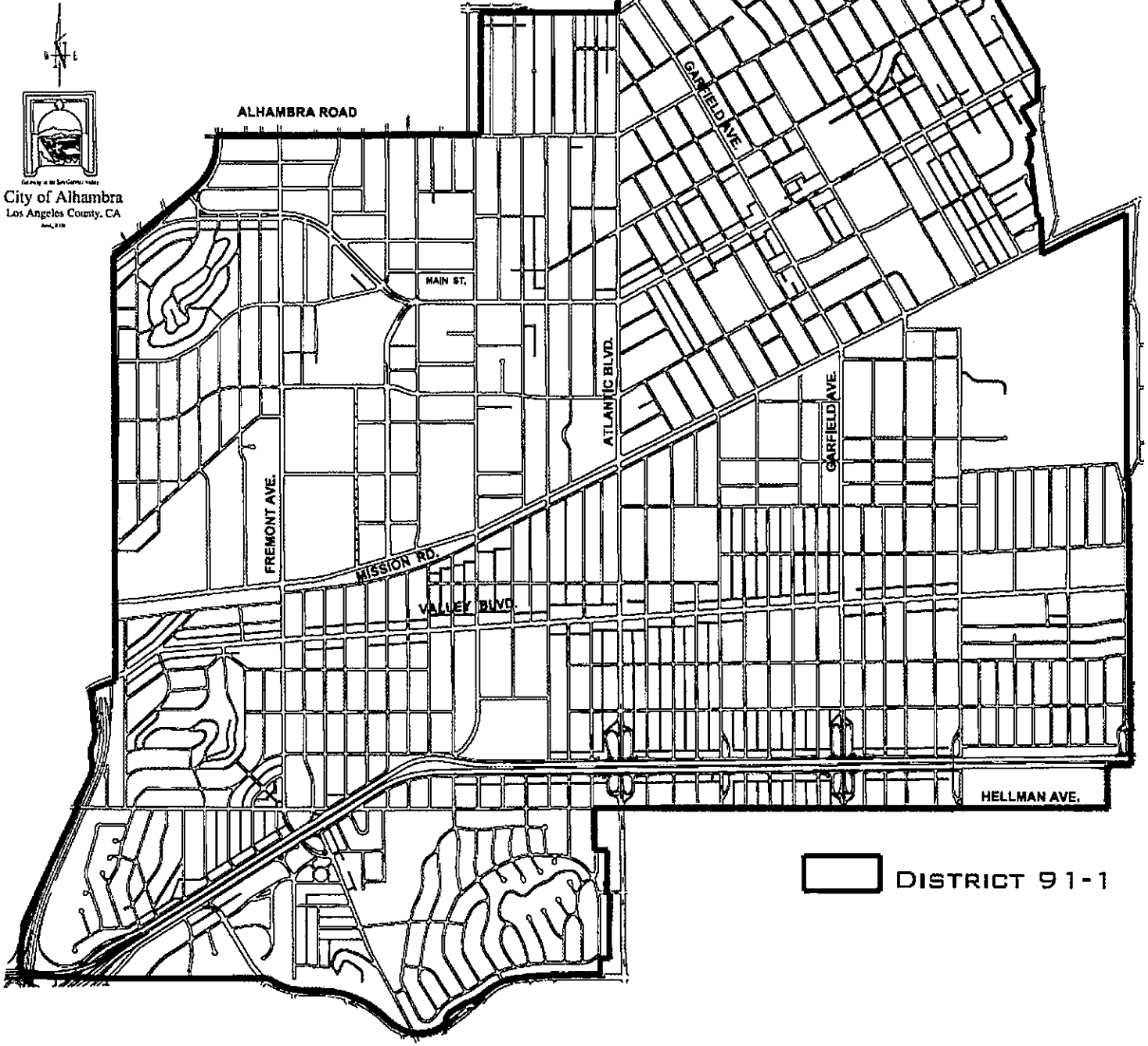


EXHIBIT "B"
POLICE DISTRICT
SAMPLE ASSESSMENTS

RESIDENTIAL ONLY

Residential and
 Condominiums 59.56 per unit

Units	Assessment
1	59.56
2	119.12
3	178.68
4	238.24
5	297.80
10	595.60
20	1,191.20
50	2,978.00

Multi-Family 44.67 per unit

Units	Assessment
1	44.67
2	89.34
3	134.01
4	178.68
5	223.35
10	446.70
20	893.40
50	2,233.50

NON-RESIDENTIAL AND EXCEPTIONS

Note: A Square Foot is 0.00002295684 of an acre.

Commercial	1,458.61 per acre	0.033485 per Square Foot
Industrial	1,093.95 per acre	0.025114 per Square Foot
Department Stores	2,917.50 per acre	0.066977 per Square Foot
Regional Shopping Centers	2,917.50 per acre	0.066977 per Square Foot
Supermarkets	2,917.50 per acre	0.066977 per Square Foot
Restaurants with		
Entertainment/Liquor	2,187.92 per acre	0.050228 per Square Foot
Banks	2,187.92 per acre	0.050228 per Square Foot
Vacant Residential	6.08 per parcel	
Vacant Commercial/Industrial	145.87 per acre	0.003349 per Square Foot
Exempt	0.00 per parcel	