City of Richmond Revenue Feasibility Study and Staff Report Regarding Street Paving
January 28, 2014
Types of Pavement Distresses

- Alligator cracking
- Patches
- Block cracking
- Longitudinal or transverse cracking
- Distortions
- Rutting
- Weathering & raveling
Richmond Neighborhood Councils
South 49th St. & Wall St.

PARK PLAZA
South 4th & Florida Ave.

SANTA FE
Scenic Ave. & Terrace Ave.
Garvin Ave. & McLaughlin St.

RICHMOND HEIGHTS
Groom Dr. & Lutherson Ln.

FAIRMED
Leke Way & Griffin Dr.

PARCHESTER VILLAGE
34th St. & Esmond Ave.

NORTH AND EAST
Alamo St. Ave. & York St.

SHIELDS REID
South 56th St. & Jefferson Ave.

RICHMOND ANNEX
Morwood Dr. & Maywood Dr.

MAY VALLEY
South 18th St. & Ohio Ave.

CORONADO
Florida Ave. & Carlson Blvd.

PULLMAN
6th St. & Chanslor Ave.

IRON TRIANGLE
Greenway Dr. & Fairway Dr.

HILLTOP
Buckboard Way & Victoria Ln.

CARRIAGE HILLS
Capital Improvement Plan Paving

Revenue Forecast by Fund

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>State Gas Tax</th>
<th>Lease Bond</th>
<th>General Capital</th>
<th>Measure C</th>
<th>Traffic Impact Fee</th>
<th>Transportation</th>
<th>Prop 42</th>
<th>State Highway</th>
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<tbody>
<tr>
<td>FY2005-06</td>
<td>$1.5</td>
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<td>FY2006-07</td>
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<td>FY2009-10</td>
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<td>FY2010-11</td>
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<td>FY2011-12</td>
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<td>FY2012-13</td>
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<td>FY2013-14</td>
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<td>FY2014-15</td>
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<td>FY2015-16</td>
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<td>FY2016-17</td>
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<td>FY2017-18</td>
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</table>
## Community Survey Ratings

<table>
<thead>
<tr>
<th>Service</th>
<th>2007</th>
<th>2009</th>
<th>2011</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street repair</td>
<td>8%</td>
<td>14%</td>
<td>16%</td>
<td>14%</td>
</tr>
<tr>
<td>Improving street pavement conditions</td>
<td>88%</td>
<td>84%</td>
<td>82%</td>
<td>86%</td>
</tr>
</tbody>
</table>

**Percent rating service as “good” or “excellent”**

**Percent responding that this service was either “essential” or “very important”**
# 2013 Key Issues for the City to Address in Next 2 Years

<table>
<thead>
<tr>
<th>How important, if at all, are the following issues for the City to address?</th>
<th>Essential or very important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reducing crime</td>
<td>96%</td>
</tr>
<tr>
<td>Addressing blighted properties</td>
<td>86%</td>
</tr>
<tr>
<td><strong>Improving street paving conditions</strong></td>
<td><strong>86%</strong></td>
</tr>
<tr>
<td>Developing job training opportunities</td>
<td>84%</td>
</tr>
<tr>
<td>Improving environmental quality</td>
<td>84%</td>
</tr>
<tr>
<td>Improving street and pedestrian lighting</td>
<td>80%</td>
</tr>
<tr>
<td>Renovating community centers and expanding programming</td>
<td>76%</td>
</tr>
<tr>
<td>Positively marketing the City</td>
<td>71%</td>
</tr>
<tr>
<td>Improving traffic flow and pedestrian safety</td>
<td>70%</td>
</tr>
<tr>
<td>Improving downtown Richmond</td>
<td>67%</td>
</tr>
<tr>
<td>Improving park conditions</td>
<td>66%</td>
</tr>
<tr>
<td>Increasing transportation options (i.e. car/bike share, shuttles)</td>
<td>66%</td>
</tr>
<tr>
<td>Upgrading existing and developing more athletic fields</td>
<td>65%</td>
</tr>
<tr>
<td>Establishing a link between Richmond and Lawrence Berkeley National Lab</td>
<td>64%</td>
</tr>
<tr>
<td>Providing more parks and open space</td>
<td>61%</td>
</tr>
<tr>
<td>Preserving historic buildings</td>
<td>48%</td>
</tr>
</tbody>
</table>
Godbe Research Poll
Overview and Research Objectives

The City of Richmond commissioned Godbe Research to conduct a survey of local voters with the following research objectives:

• Gauge satisfaction with City services and financial management of public funds;
• Assess potential support for a property owner assessment for street repair or a general sales tax measure for City services and facilities, both with funding that cannot be taken by the State;
• Identify the optimum tax type and amount at which property owners or voters will support the measures;
• Prioritize projects and programs to be funded with the proceeds;
• Test the influence of supporting and opposing arguments on potential voter support; and
• Identify any differences in property owner and voter support due to demographic and/or voter behavioral characteristics.
Methodology Overview

• Data Collection: Telephone Interviewing

• Universe: 25,549 likely November 2014 voters in the City of Richmond, with sub-sample of likely vote-by-mail homeowners for the property assessment.

• Fielding Dates: December 13 through December 22, 2013

• Interview Length: 20 minutes

• Sample Size: 602 likely November 2014 voters overall
  Split Sample A: 301 likely vote-by-mail homeowners
  Split Sample B: 301 likely November voters

• Margin of Error: Overall Sample: ± 4.0%
  Split Sample A: ± 5.6%
  Split Sample B: ± 5.6%

Note: The data have been weighted to reflect the actual population characteristics of likely voters in the City of Richmond in terms of their gender, age, and political party type.
Uninformed Support – Property Assessment Permanent Absentee Homeowners (n=301)

To improve residential streets in all neighborhoods and enhance road safety citywide by

• fixing potholes; sealing cracks; maintaining, repairing and repaving streets;

• improving sidewalks, handicap ramps, crosswalks, and bicycle lanes; and

• maintaining road markings and signage,

shall the City of Richmond enact a $300 assessment, that can’t be taken by the State, used exclusively for street improvements, with citizens’ oversight, annual independent audits, with all funds spent only in Richmond?
To improve our quality of life and maintain and enhance city services and facilities, including:

- neighborhood police patrols;
- fixing potholes, streets, sidewalks and street lights;
- crime and gang prevention;
- fire and emergency response;
- library, park and recreation for youth and seniors; and
- other city services,

shall the City of Richmond enact a half cent sales tax, that can’t be taken by the State, with citizens’ oversight, annual independent audits, with all funds spent only in Richmond?
Features of the Measure (n=602)

<table>
<thead>
<tr>
<th>Feature</th>
<th>Mean Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maintain rec. programs to keep kids off streets</td>
<td>1.41</td>
</tr>
<tr>
<td>Enhance rapid police and fire response times</td>
<td>1.39</td>
</tr>
<tr>
<td>Increase neighborhood police patrols to improve safety</td>
<td>1.3</td>
</tr>
<tr>
<td>Enhance anti-gang/youth violence prevention</td>
<td>1.27</td>
</tr>
<tr>
<td>Maintain library hours, services and programs</td>
<td>1.18</td>
</tr>
<tr>
<td>Provide library, park and rec. pgms. for youth/seniors</td>
<td>1.14</td>
</tr>
<tr>
<td>Fix potholes, streets, sidewalks and street lights</td>
<td>1.1</td>
</tr>
<tr>
<td>Fix streets in every neighborhood, including yours</td>
<td>1.07</td>
</tr>
<tr>
<td>Fix potholes; seal cracks; repair and repave streets</td>
<td>1.03</td>
</tr>
<tr>
<td>Maintain neighborhood services, graffiti removal</td>
<td>1</td>
</tr>
<tr>
<td>Maintain and repair local streets and roads</td>
<td>1</td>
</tr>
<tr>
<td>Keep streets from falling into disrepair</td>
<td>0.98</td>
</tr>
<tr>
<td>Repair and maintain major roads</td>
<td>0.97</td>
</tr>
<tr>
<td>Repair drainage to prevent flooding</td>
<td>0.94</td>
</tr>
<tr>
<td>Resurface streets throughout the City</td>
<td>0.9</td>
</tr>
<tr>
<td>Improve the quality of pavement throughout the City</td>
<td>0.86</td>
</tr>
<tr>
<td>Improve sidewalks, handicap ramps, crosswalks, etc.</td>
<td>0.79</td>
</tr>
<tr>
<td>Repair 125 miles of roads in Richmond</td>
<td>0.78</td>
</tr>
<tr>
<td>Fund the current $114 million backlog of road work</td>
<td>0.76</td>
</tr>
<tr>
<td>Maintain road markings and signage</td>
<td>0.7</td>
</tr>
<tr>
<td>Fund $7 million ongoing road maintenance per year</td>
<td>0.58</td>
</tr>
<tr>
<td>Improve &amp; beautify with public art entrances to City</td>
<td>0.23</td>
</tr>
</tbody>
</table>

Note: The above rating questions have been abbreviated for charting purposes, and responses were recoded to calculate mean scores: “Much More Likely” = +2, “Somewhat More Likely” = +1, “No Effect” = 0, “Somewhat Less Likely” = -1, and “Much Less Likely” = -2.
Influence of Supporting Statements (n=602)

Needed to improve levels of public safety and police
Programs for children/teens that keep them off streets
Groceries and medicine are not taxed
Improve lighting, safety and public use of parks
All residents, businesses, & visitors pay fair share
Improve our neighborhood cleanliness and safety
Give local control over local funds for local needs
The streets that are in worst shape will be fixed first
Indep. citizen oversight, mandatory financial audits, etc.
Streets, sidewalks and facilities continue to deteriorate
Maintaining city services & fixing potholes will cost 13¢
Upgraded streets and safety enhance quality of life
Maintenance of many streets has been deferred for years
Street repairs improve safety for cars, pedestrians etc.
City very fiscally responsible, balancing budgets
City has done a good job working with existing revenue

Note: The above rating questions have been abbreviated for charting purposes, and responses were recoded to calculate mean scores: “Much More Likely” = +2, “Somewhat More Likely” = +1, and “No Effect” = 0.
Potential Opposition Statements (n=602)

- No rules that direct the spending of these tax dollars: 0.91
- Sales tax in will be one of the highest in County: 0.83
- State just increased sales and income taxes: 0.81
- City Council is responsible for the current problems: 0.81
- Wouldn’t need if salaries were not out of control: 0.72
- Economic recovery is very fragile, not right time: 0.72
- Drive shoppers out of Richmond, hurt local bs.: 0.69

Note: The above rating questions have been abbreviated for charting purposes, and responses were recoded to calculate mean scores: “Much More Likely” = +2, “Somewhat More Likely” = +1, and “No Effect” = 0.
To improve residential streets in all neighborhoods and enhance road safety citywide by

- fixing potholes; sealing cracks; maintaining, repairing and repaving streets;
- improving sidewalks, handicap ramps, crosswalks, and bicycle lanes; and
- maintaining road markings and signage,

shall the City of Richmond enact a $300 assessment, that can’t be taken by the State, used exclusively for street improvements, with citizens’ oversight, annual independent audits, with all funds spent only in Richmond.

Informed and Uninformed Support – Property Assessment
Permanent Absentee Homeowners (n=301)
To improve our quality of life and maintain and enhance city services and facilities, including:

- neighborhood police patrols;
- fixing potholes, streets, sidewalks and street lights;
- crime and gang prevention;
- fire and emergency response;
- library, park and recreation for youth and seniors; and
- other city services,

shall the City of Richmond enact a half cent sales tax, that can’t be taken by the State, with citizens’ oversight, annual independent audits, with all funds spent only in Richmond?
Summary and Recommendations

The survey revealed a limited base support for a property owner assessment, but a strong base for a ½ cent general sales tax measure.

• Support for the property owner assessment peaked at 49.3% among (among single family homeowners), while support for the ½ cent sales tax concluded at 74.3%.

• Reducing the sales tax rate to ¼ cent did not increase support.

The survey results indicate that support for the sales tax measure is higher for several reasons:

• First, the property owner assessment rate of $300 was not affordable. Although, a rate of $150 did surpass the simple majority requirement, it did not cover the margin of error.

• Second, the list of services and facilities that could be funded with a general sales tax is broader than a property owner assessment.

• Third, the services and facilities that can only be funded by the sales tax tested at higher levels than the infrastructure improvements that can be funded by the property owner assessment.
Summary and Recommendations

The survey results indicate the City of Richmond should:

• Consider beginning the necessary steps to place a general sales tax measure on the November 2014 ballot.
• Begin a community outreach and public information effort to explain the City’s service, facility and infrastructure needs.
• Be prepared to head off concerns about a general tax measure, the overall tax rate in Richmond, and any issues associate with the Passage of Proposition 30 in the Fall of 2012, among others.
2014 Tax Election Financing Proceeds (1/2 cent sales tax $6.5M)

<table>
<thead>
<tr>
<th></th>
<th>Parcel Tax</th>
<th>Special Sales Tax (1/2 cent)</th>
<th>General Sales Tax (1/2 cent)</th>
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<tbody>
<tr>
<td>Bond Proceeds</td>
<td>$59,200,000</td>
<td>$61,000,000</td>
<td>$91,600,000</td>
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<tr>
<td>Annual Debt Payment</td>
<td>$4,090,909</td>
<td>$4,333,333</td>
<td>$6,500,000</td>
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</tbody>
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Richmond Neighborhood Councils
Current PCI Condition 1/16/2014
Scenario PCI Condition

Current City funding ($2.5 per yr) - 2023 Project Period - Total Rehab: $2,123,651 - Printed: 11/27/2013

Feature Legend
- I - Very Good
- II - Good (non-load)
- III - Good (load-related)
- IV - Poor
- V - Very Poor
Scenario PCI Condition

$30 Million (3 years), $2.5 Million (7 years) - 2023 Project Period - Total Rehab: $1,992,135 - Printed: 11/27/2013

Feature Legend
- I - Very Good
- II - Good (non-load)
- III - Good (load-related)
- IV - Poor
- V - Very Poor
South 23rd Street

Before

After
ADA Accessibility
Strategy

• Coordinate paving activities with local utility companies and wastewater infrastructure

• Focus paving efforts around gateways to enhance the entrances into the City
City Gateways – San Pablo Ave.
City Gateways – Barrett Ave.
City Gateways – Macdonald Ave.
City Gateways – Cutting Blvd.
City Gateways – Cutting Blvd.
Employment & Training Opportunities

• Maximize hiring opportunities for Richmond residents (including RichmondBUILD graduates)
• Maximize utilization of Richmond businesses and small businesses
• 150-200 new jobs including job training for RichmondBUILD participants and with average annual wages of $45,000-$50,000
SUMMARY & STAFF RECOMMENDATIONS

• Staff concurs with Godbe ½ Cent Sales Tax Measure for the November 2014 Ballot
• Begin a community outreach and public information effort to explain the City’s service, facility and infrastructure needs
• Increase ADA accessibility
• Begin exploring options for maximizing anticipated proceeds to finance and repair streets in all neighborhoods in the City within three years
ACKNOWLEDGEMENTS

• City Council
• City Manager’s Office
• Finance Department
• Engineering Services Department
• Public Works
• Arts and Culture Division
• Planning and Building
• City Attorney’s Office
• Employment and Training
• Police Department Code Enforcement Division
• Richmond Neighborhood Coordinating Council
• Godbe Research