



CITY OF ALBANY CITY COUNCIL AGENDA STAFF REPORT

Agenda Date: March 2, 2026
Reviewed by: NA

SUBJECT: Revenue Measures: Street Tree and Streetlight Funding

REPORT BY: Devora Zauderer, Program Manager, Public Works
Mark Hurley, Public Works Director/City Engineer
Reina Schwartz, Finance Director

SUMMARY

The City Council previously provided direction to staff to pursue funding for programmatic maintenance and improvements for the City's street trees and streetlighting infrastructure. The City's consultant, NBS, will provide a presentation regarding a special tax measure proposed for the November 2026 ballot.

STAFF RECOMMENDATION

That the Council provide direction on the preferred revenue scenario for the potential special tax measure to fund street tree maintenance and streetlighting improvements.

BACKGROUND

Street trees and streetlights are important elements in the urban landscape and contribute to Albany's character and comfort. These programs are also interrelated as increases in street tree canopy could impact the effectiveness of street lighting. Consequently, funding of these programs ideally should be considered together to ensure that there are sufficient resources to develop both programs.

In February 2024, the City completed the Citywide Streetlighting Evaluation (Evaluation, CIP Project No. 25008). This Evaluation inventoried and analyzed the streetlighting distribution in Albany, and recommended a series of immediate actions, general best practices, and potential systemwide improvements and prioritization thereof. The analysis also produced design guidelines and fixture specifications. The Citywide Streetlight Renewal Project (CIP No. 24016) was incorporated into the City's Capital Improvement Program Plan (CIP Plan) adopted in July 2025, aiming to address an expedited level and comprehensive scope of light-emitting diode (LED) lighting replacement needed across the City.

The Street Tree Management Plan (STMP) was adopted by the Council on September 15, 2025 (Resolution No. 2025-55). The STMP laid out a series of goals, objectives, and actions which together represent a comprehensive approach to managing Albany's urban forest. This

approach includes more holistic maintenance, increased biodiversity, and engaging the community in street tree stewardship.

On November 17, 2025, staff presented potential developments for both street tree and streetlighting programs to the Council in alignment with these planning efforts, and requested direction for the path forward for each. The Council indicated support for clarifying street tree maintenance responsibilities between the City and property owners and investing in enhancements to core City urban forestry programming. The Council also indicated support for moving forward on streetlighting improvements. The Council directed staff to investigate and develop a funding measure for the November 2026 ballot to support these expansions to core services.

DISCUSSION

Staff have partnered with NBS to develop preliminary modeling for a special tax measure. Details of projected program and project costs, as well as potential revenue targets and preliminary tax rates, are outlined in Financial Considerations, below.

SUSTAINABILITY CONSIDERATIONS

Street trees are a key part of Albany's urban landscape. Trees provide shade, help mitigate air pollution, create beautiful and relaxing places, reduce stormwater runoff, and support wildlife. Expanding the tree canopy with attention to biodiversity and maintaining street trees holistically improves forest resilience and protection against climate change-related impacts. Increasing and improving management of the City's trees is discussed in detail in the Street Tree Management Plan (2025) and is included as Goal Con-2 in Albany's 2035 General Plan.

Improvements in streetlighting encourage the use of non-motorized travel and public transit. Reduction of motorized travel and related air emissions is highlighted as a priority in the Climate Action and Adaptation Plan (2019). Streetlighting is also highlighted in Goal T-4 and CSF-6 in Albany's 2023 General Plan, with specific references to the benefits of energy conservation and "dark sky" objective.

SOCIAL EQUITY AND INCLUSIVITY CONSIDERATIONS

The STMP included equity analysis of Albany's street tree canopy coverage, which is expected to assist and inform future planting projects. Additionally, moving down the pathway of comprehensive City-run street tree maintenance would allow the City to allocate street tree care more equitably through comprehensive coverage rather than on a case by case basis.

Improving streetlighting increases visibility and reduces collisions and other right of way issues, making active transportation and use of public transit more accessible and comfortable for all.

The proposed parcel tax measure includes exemptions for very-low-income residents and a 50% discount for low-income residents.

CITY COUNCIL STRATEGIC PLAN INITIATIVES

Program improvements and funding for delivery of services related to street trees and streetlights supports the following City Council Strategic Plan goals:

- GOAL 1: Reduce Greenhouse Gas Pollution and Adapt to Climate Change
OBJECTIVE: Identify opportunities to enhance management of the urban forest
- GOAL 3: Promote Streets That Support Safety, Transportation, & Mobility Options
OBJECTIVE: Support development of a City program for increasing streetlighting

FINANCIAL CONSIDERATIONS

Revenue Targets

Staff worked with Hortscience | Bartlett Consulting (Hortscience), who provide consulting arboriculture services to the City on an as-needed basis and who prepared the City's STMP, to develop a more refined estimate of Street Tree Maintenance Program costs. The estimated total Street Tree Maintenance Program budget for integration of the STMP's recommendations into current program activities, including grid pruning, increased planting, holistic young tree care, periodic assessments and surveys, GIS (geographic information system) maintenance, and volunteer programming, is approximately \$599,700 per year. Current budget allocations to the program consist of \$380,000 from Measure M (2018) & Lighting and Landscape Assessment District (LLAD) 1988-1 funds, which are shared between the City's Parks, Street Trees, and Creeks & Open Space maintenance and capital programs.

Additionally a more comprehensive estimate has been completed for the Citywide Streetlight Renewal Project (CIP No. 24016), The forecasted project cost is based on updated costs for replacement in kind for existing LED lights, as described in CIP No. 24016, along with the additional capital improvements costs to transition remaining non-LED lights to LEDs. This has been estimated to be approximately \$1.337 million. Projected by the City's financial consultant, Urban Futures, the estimated annual cost associated with repayment of a loan for the project over 10 years is \$185,000.

The three proposed scenarios are as follows:

Scenario	Streetlighting	Street Trees	Total Target Revenue
1 – Base Case	\$ 185,000	\$ 219,700	\$ 404,700
2 – Standalone Program	\$ 185,000	\$ 599,700	\$ 784,700
3 – Standalone Program with Reserves	\$ 222,000	\$ 599,700	\$ 821,700

Scenario 1 is the minimum revenue needed to fund an increase in service levels for street tree maintenance (as guided by the STMP). Existing funding from Measure M (2018) and LLAD 1988-1 revenues for the Street Tree Maintenance Program would remain in place. This scenario would also levy funds for streetlighting improvements, which in the 10-year time horizon would fund repayment of a loan for the Citywide Streetlight Renewal Project. Following loan repayment, the funds could be used for further streetlighting renewal and enhancement projects as defined by the Evaluation, the CIP Plan, and the Active Transportation Plan (ATP).

Scenario 2 fully funds the Street Tree Maintenance Program, allowing Measure M (2018) and LLAD 1988-1 funds to be reallocated to other City Parks & Open Spaces core services. This scenario provides the same funding for streetlighting as Scenario 1.

Scenario 3 fully funds the Street Tree Maintenance Program, funds the Citywide Streetlight Renewal Project, and begins to build a reserve of additional funding for streetlighting projects and project elements expected to be recommended as part of the ATP.

Scenario 1 would provide sufficient funding to address the short-term increase in service levels, and would be an appropriate option should there be concerns regarding voter support for the tax measure. However, Scenarios 2 and 3 would provide for a standalone Street Tree Maintenance Program, reallocation of Parks & Open Space resources to potential growth in other programs, and would have more resilience to increasing costs of service.

Tax Methodology

NBS has developed preliminary tax methodology based on a rate per parcel lot square foot, with the following conditions:

- Escalator included for inflation at 3% per year or CPI (Consumer Price Index), whichever is less;
- Annual tax capped at equivalent rate for a 500,000 sq ft parcel;
- Exemption available for very-low-income households;
- 50% discount available for low-income households;
- Tax continues in perpetuity to support ongoing delivery of core services.

Other methods may be considered, though further exploration may impact November 2026 ballot timelines.

Preliminary modeling suggests that the rate per square foot would be approximately as follows (subject to minor adjustments prior to ballot measure finalization):

Scenario	Rate Per Square Foot (Approximate)
1 - Base Case	\$0.0185
2 - Standalone Program	\$0.0358
3 - Standalone Program with Reserves	\$0.0375

Using this methodology, annual rates could look approximately as follows using an average lot square footage per land use/parcel type:

Parcel Type	# Parcels	Average SqFt	Per Parcel Average Rates		
			Scenario 1	Scenario 2	Scenario 3
Single-Family	3,624	4,150	\$76.77	\$148.57	\$155.62
Condominium	1,095	1,065	\$19.70	\$38.12	\$39.93
Multiple-Family	503	5,149	\$95.25	\$184.33	\$193.08
Non-Residential	278	28,949	\$535.56	\$1,036.37	\$1,085.59

NEXT STEPS

Pending direction on a preferred revenue scenario and any comments on the tax methodology from the Council, staff and NBS will work to finalize the tax modeling and prepare a memo summarizing the full development of the tax measure. Staff will return to the City Council this Spring to share the full tax modeling and request placement of the special tax measure on the November 2026 municipal general election ballot.

Informing the above process, staff will also partner with the City Attorney's office to develop 1) an ordinance update clarifying maintenance responsibilities in the Street Tree Maintenance Program, and 2) ballot measure language for the November 2026 election.

Should the tax measure be authorized by voters in the November 2026 election, staff will 1) work with Urban Futures to pursue project financing for the Citywide Streetlighting Renewal Project (CIP No. 24016), and 2) begin programmatic updates and STMP implementation in the Street Tree Maintenance Program.