



Administrative Report

L.1., File # 26-0397

Meeting Date: 6/2/2026

To: MAYOR AND CITY COUNCIL
From: ANDREW WINJE, PUBLIC WORKS DIRECTOR

TITLE

PUBLIC HEARING TO CONSIDER THE PROPOSED ASSESSMENTS FOR THE STREET LANDSCAPING AND LIGHTING DISTRICT FOR FISCAL YEAR 2026-27

ADOPT, BY TITLE ONLY, RESOLUTION NO. CC-2606-035, A RESOLUTION OF THE CITY COUNCIL OF REDONDO BEACH, CALIFORNIA, CONFIRMING THE DIAGRAM AND ASSESSMENT, AND LEVYING OF THE ASSESSMENT FOR THE STREET LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT FOR THE FISCAL YEAR FROM JULY 1, 2026 TO JUNE 30, 2027

PROCEDURES:

1. Open the public hearing, take testimony and deliberate;
2. Close the public hearing; and
3. Adopt Resolution No. CC-2606-035

EXECUTIVE SUMMARY

On May 5, 2026, the City Council approved the City Engineer's Report and adopted Resolution No. CC-2605-024, declaring its intention to levy assessments for the Street Landscaping and Lighting District (District) for maintenance of street lighting fixtures and landscaped areas for FY 2026-27. As part of the May 5th Resolution, the City Council set June 2, 2026, as the date for a public hearing to consider the proposed District assessments and consider all oral statements and all written protests made or filed by any interested person. Adoption of the attached Resolution will confirm the assessments as originally proposed in the Engineer's Report, or as modified during the public hearing, and shall constitute the levy of the District assessments for FY 2026-27.

The annual assessment fee is not proposed for adjustment in the upcoming fiscal year and has not been changed since 1991. It should be highlighted that current assessment fee revenue does not fully cover District expenses. As a result, the General Fund must annually subsidize District operations. The proposed subsidy for FY 2026-27 is \$1,161,394, as noted in the Engineer's Report.

BACKGROUND

The District was formed in 1983 under the requirements of the 1972 Landscaping and Lighting Act (Act). The District operates and maintains: 4,856 street lights (3,395 Southern California Edison owned and 1,461 City owned); 106 signals (65 Traffic, 20 Flashing Yellow Beacons, and 21 Flashing Red Beacons); and 21.85 acres of landscaping. The Landscaping and Street Lighting Assessment

District Plan is available for viewing on the City website at the following web address:

<https://redondobeachgis.maps.arcgis.com/home/index.html%20>

On April 14, 2026, in accordance with the Act, the City Council adopted Resolution No. CC-2604-018, ordering a report from the City Engineer for the FY 2026-27 Landscaping and Lighting Assessment District, including an assessment diagram, plans, specifications, and cost estimates for furnishing electrical energy, maintenance, and improvements for public lighting facilities and landscaped areas included in the District. The report was presented to the City Council on May 5, 2026.

At that time, the City Council approved Resolution No. CC-2605-024, declaring its intention to levy assessments for FY 2026-27 for maintenance of the public lighting facilities and landscaped areas. The Resolution set June 2, 2026 as the date for a public hearing to consider the proposed assessments (see attached) for FY 2026-27. Adoption of this final Resolution is needed to levy the assessment for the next fiscal year.

As described in the Engineer's Report, a typical home in Redondo Beach with a frontage of 40 feet will pay approximately \$59.20 per year for street landscaping and lighting if Council authorizes the full assessment. The sum of all fees collected by the maximum authorized assessment is not enough to cover the costs of the District and the City annually subsidizes the District's expenses through the General Fund. Despite the shortfall, the assessment has not changed since 1991.

In 2006, the City sought voter approval under Proposition 218 to adjust the assessment to pay for all District costs. Redondo Beach property owners voted against the proposed fee increase. The City Council considered initiating the process to increase the assessment during the FY 2016-17 budget adoption process but ultimately decided to leave the assessment unchanged. In FY 2026-27, the District is anticipated to run a \$1,161,394 deficit which must be offset by a subsidy from the General Fund. The Act requires that a public hearing be held before implementing each year's District assessment despite the FY 2026-27 assessment remaining unchanged.

Staff recommends the City Council adopt the proposed Resolution confirming the diagram and assessment and levying of the assessment for the District for the July 1, 2026 to June 30, 2027 Fiscal Year.

COORDINATION

Public Works Department staff coordinated with the Financial Services Department to prepare the District's annual revenue and expense figures. The City Attorney's Office prepared the proposed Resolution.

FISCAL IMPACT

The following funding/expenditure plan is based on the proposed FY 2026-27 Budget and is consistent with the revised City Engineer's Report presented on May 5, 2026.

| <u>FY 2026-27 Funding</u> | | <u>FY 2026-27 Expenditures</u> | |
|------------------------------|------------------|--------------------------------|----------------|
| Assessment Fee | 1,513,000 | Personnel | 1,098,870 |
| Public Services Lighting Fee | 600 | M & O | 1,400,946 |
| Other Revenues | 17,000 | Capital Improvements | 0 |
| General Fund Subsidy | <u>1,161,394</u> | Overhead/Internal Svc Chg | <u>192,178</u> |
| Total Funding | 2,691,994 | Total Expenditures | 2,691,994 |

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Reso - No.CC-2606-035 Confirming the Diagram and Assessment and Levying of the Assessment for the Street Landscape & Lighting District for Fiscal Year From July 1, 2026 to June 30, 2027
- Report - City Engineer's Report for the Street Landscaping and Lighting Assessment District FY 2026-27, May 5, 2026
- Table 1 - FY 2026-27 Assessment Schedule
- Prop 218 Requirements