



Administrative Report

H.10., File # 24-0369

Meeting Date: 4/2/2024

To: MAYOR AND CITY COUNCIL
From: TED SEMAAN, PUBLIC WORKS DIRECTOR

TITLE

ADOPT BY TITLE ONLY, RESOLUTION NO. CC-2404-020 OF THE CITY OF REDONDO BEACH, CALIFORNIA, ORDERING THE CITY ENGINEER TO PREPARE AND FILE A REPORT PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972 SECTIONS 22500 ET SEQ. OF THE CALIFORNIA STREETS AND HIGHWAYS CODE DESCRIBING THE MAINTENANCE AND IMPROVEMENT OF STREET LIGHTS AND LANDSCAPING IN THE CITY OF REDONDO BEACH, CALIFORNIA, FOR THE FISCAL YEAR COMMENCING JULY 1, 2024 AND ENDING JUNE 30, 2025

EXECUTIVE SUMMARY

As part of the annual process to levy and collect assessment fees for the City's Street Landscaping and Lighting Assessment District (District), the City Council is required to adopt a resolution ordering the City Engineer to prepare and file a report on the proposed assessments. Staff intends for the City Council to receive the report on May 7, 2024, and hold a public hearing on the assessment on June 4, 2024.

BACKGROUND

Section 22500 et seq. of the Streets and Highways Code requires the City Council to annually adopt a resolution ordering the City Engineer to prepare and file a report on the proposed assessments for the District. If so ordered, the report will be completed in the coming weeks and will include a diagram of the assessed area, plans and specifications for any proposed improvements funded by the District, and an analysis of assessment district operating revenues and expenditures.

The report is presented to the City Council for review in May each year with a recommendation to adopt a resolution of intention to levy and collect assessments and to schedule a public hearing in June to consider final approval of the District's proposed assessment for the coming fiscal year.

The City-wide District includes approximately 20,000 parcels that are divided into Zones of Benefit per the Street and Highways Code. Zone 1 includes parcels situated along residential streets and Zone 2 includes those situated along boulevards and within commercial areas. It is estimated that 80% of all parcels are within Zone 1 and 20% are classified in Zone 2. For FY 2023-24, the Zone 1 assessment is \$1.48 per foot of street frontage, or \$59.20 for a typical 40 ft. parcel. The Zone 2 assessment is \$3.02 per foot, or \$120.80 for a typical 40 ft. parcel.

The District was formed in 1983 under the requirements of the 1972 Landscaping and Lighting Act. The District operates and maintains the following public improvements: 5,127 Street Lights (3,228 of

which are owned and operated by Southern California Edison and 1,899 of which are owned and operated by the City); 101 Signals (56 Traffic, 22 Flashing Yellow Beacon, and 23 Flashing Red Beacon); and 21.85 Acres of Landscaping. In FY 2022-23, the District operated at a deficit and received a \$1,272,508.13 subsidy from the General Fund. The subsidy for FY 2023-24 is anticipated to be \$1,037,300 and a comparable subsidy is expected for FY 2024-25.

A typical home in Redondo Beach with a frontage of 40 feet pays approximately \$59.20 a year for street landscaping and lighting under the District's assessment methodology. This has not changed since 1991, despite costs to operate the District regularly exceeding revenues. In 2006, the City sought voter approval under Proposition 218 to raise the assessment to pay for all District costs, and Redondo Beach property owners voted against the proposed fee increase.

COORDINATION

The attached Resolution has been approved as to form by the City Attorney's Office.

FISCAL IMPACT

The cost of preparing this Engineer's Report is included within the Public Works Department's adopted FY 2023-24 Annual Budget and is part of the Department's annual work program. The revenues collected through the District do not cover all related street light and landscape maintenance expenses. The General Fund subsidy required for the District is roughly \$1M.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Reso - No. CC-2404-020 Ordering the City Engineers Report as per the Landscape & Lighting Act of 1972