



Public Works Department
Engineering Services Division

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May 3, 2022

Honorable Mayor and Members of the City Council
City of Redondo Beach
415 Diamond Street
Redondo Beach, CA 90277

SUBJECT: Street Landscaping and Lighting Assessment District Engineer's Report

In compliance with instructions set forth in Resolution No. CC-2204-016 adopted by the City Council on April 5, 2022, I have prepared this Engineer's report pursuant to the provisions of the "Landscaping and Lighting Act of 1972" being Division 15, Part 2, of the Streets and Highways Code of the State of California. This report is required to be presented to the City Council prior to any authorization to assess the District in the upcoming fiscal year.

The purpose of the report is to support a Council decision to levy assessments for financing the District's expenses. The estimated expenses include the cost of electrical energy, maintenance and improvements of public lighting facilities and maintenance and improvements of landscaped areas within the streets in the City of Redondo Beach for Fiscal Year 2022-23. There are no expenses related to CIP projects in this fiscal year and there have not been since 2007. The City had replaced twenty (20) of existing marbelite street light poles and fixtures in the past year. Majority of the existing light poles are aging and several of them are needed to be replaced in the near future.

In addition to this letter and attached FY 2022-23 Financial Report, the Engineer's Report includes a District map, which is a large format document that is too large to be easily reproduced for this meeting. It is, however, available on the City's website at:

https://www.redondo.org/depts/public_works/engineering/lighting_n_landscaping_assessment_information.asp.

The District map consists of all Los Angeles County Assessor's maps within the boundaries of the City of Redondo Beach. Section 22570 and 22571 of said Act requires the use of such maps. The District map identifies the District's boundaries and the public lighting facilities and landscaped areas within the District, as shown on seven large City maps. The City's parcels (approximately 21,000) are categorized into Zones of Benefit per Section 22568 of said Act. Zone 1 includes parcels situated along residential streets.

Zone 2 includes those situated along boulevards and within commercial areas. Each parcel's assessment is based on the unit cost to provide services within a zone multiplied by the linear footage of a property's frontage to the public right of way. It is estimated that 80% of all parcels are within Zone 1 and 20% in Zone 2. These seven large City maps are referred to as "Plan No. 3000". Specifications for landscaping and public lighting facilities are also incorporated onto these drawings.

Expenditures for operations and maintenance of the District have continued to increase since the District's inception. Revenue raised by the annual assessment covers only a portion of the ongoing expenses. The gap between revenue and expenses is typically funded by a subsidy from the City's General Fund. A deficit of \$894,299 was experienced in FY 2020-21 and a deficit of \$1,018,856 is anticipated for FY 2021-22, based on the midyear budget report. The projected deficit for FY 2022-23 is anticipated to be \$1,067,194, assuming an assessment is collected. The slight increase in the gap anticipated for FY 2022-23 results from a projected increase in Internal Service Fund changes, utilities and energy costs offset by a slight reduction in the projected personnel fund changes.

Future increases in the assessment (i.e. revenue increases) can only be instituted if approved under the requirements of Proposition 218. The last rate increase was in FY 1990-91.

Respectfully submitted by:



Andrew S. Winje, P.E.
City Engineer

Street Landscaping and Lighting Assessment District FY 2022-23 Financial Report

FY 2022-23 Budget

Personnel	879,986
Energy Costs	671,817
Other Utilities	155,850
Supplies & Operations	301,189
Contract & Professional Services	
Tree Trimming	160,660
Signal Maintenance	21,000
Other	30,000
Other Equipment	1,500
Internal Service Charges	278,342
Capital Improvement Expenditure	-0-
POB Debt	97,450
 Total FY 21-22 Budget	 2,597,794

Financial Resources

FY 22-23 Assessment	1,513,000
Public Services Lighting Fee	600
Other Revenues (Misc./Interest)	17,000
FY 22-23 Estimated Fund Deficit –General Fund Subsidy	1,067,194
 Total Estimated Financial Resources	 2,597,794

Typical Assessment

	<u>Rate per Foot*</u>	<u>40 Ft. Parcels</u>
Zone 1	\$1.48	\$59.20
Zone 2	\$3.02	\$120.80

** This rate is the maximum that can currently be assessed.*