



Administrative Report

L.3., File # 22-4263

Meeting Date: 6/7/2022

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

TITLE

PUBLIC HEARING TO CONSIDER THE PROPOSED ASSESSMENTS FOR THE STREET LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT FOR FISCAL YEAR 2022-2023;

ADOPT, BY TITLE ONLY, RESOLUTION NO. CC-2206-033, 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, 2022 TO JUNE 30, 2023; AND

PROCEDURES:

- A. OPEN THE PUBLIC HEARING, TAKE TESTIMONY; AND
- B. CLOSE THE PUBLIC HEARING; AND
- C. ADOPT THE RESOLUTION

EXECUTIVE SUMMARY

On May 3, 2022, the City Council approved the City Engineer's Report and adopted Resolution No. CC-2205-026, declaring its intention to levy assessments for the Street Landscaping and Lighting District for maintenance of street lighting fixtures and landscaped areas for the 2022-2023 Fiscal Year. As part of the approval, the City Council set June 7, 2022 as the date for a public hearing to consider the proposed District assessment. The annual assessment fee is not proposed for adjustment in the upcoming Fiscal Year and has not been changed since 1991. It should be noted that current assessment fee revenue does not fully cover District expenses. As a result, the General Fund must annually subsidize District operations. The subsidy for the 2022-2023 Fiscal Year is \$1,067,107.

BACKGROUND

On April 5, 2022, the City Council adopted Resolution No. CC-2204-014, ordering a report from the City Engineer for the 2022-2023 Fiscal Year 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 3, 2022.

At that time, the City Council approved Resolution No. CC-2205-026, declaring its intention to levy assessments for the 2022-2023 Fiscal Year for maintenance of the public lighting facilities and

landscaped areas. The Resolution set June 7, 2022 as the date for a public hearing to consider the proposed assessments (see attached) for the 2022-2023 Fiscal Year.

As described in the Engineer's Report, a typical home in Redondo Beach with a frontage of 40 feet pays approximately \$59.20 per year for street landscaping and lighting. The fee 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 discussions, but ultimately decided to leave the assessment unchanged. In the 2022-2023 Fiscal Year, the District will run a \$1,067,107 deficit, which must be offset by a subsidy from the General Fund.

The District was formed in 1983 under the requirements of the 1972 Landscaping and Lighting Act. The District operates and maintains: 5,127 street lights (3,228 Southern California Edison owned and 1,899 City owned); 102 signals (55 traffic and 23 flashing yellow beacon and 24 flashing red beacon); and 21.85 acres of landscaping. Despite the lack of a proposed change to the annual fee, the Act requires that a public hearing be held before implementing each year's District assessment.

COORDINATION

The attached resolution was prepared by the City Attorney's Office. Public Works Department staff coordinated with staff in the Financial Services Department to prepare the District's annual revenue and expense figures.

FISCAL IMPACT

The following funding/expenditure plan is consistent with the May 3, 2022 City Engineer's Report. The amounts included in the Proposed FY 2022-2023 City Budget (page 42) are lower than the City Engineer's Report by \$87 in both the general fund subsidy and the personnel expenditures.

<u>FY 2022-23 Funding</u>		<u>FY 2022-23 Expenditures</u>	
Assessment Fee	\$ 1,513,000	Personnel	\$ 879,986
Public Services Lighting Fee	\$ 600	M & O	\$ 1,341,929
Other Revenues	\$ 17,000	POB Debt	\$ 97,450
General Fund Subsidy	\$ 1,067,107	Overhead/Internal Svc Chg	\$ 278,342
Total Funding	\$ 2,597,707	Total Expenditures	\$ 2,597,707

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

1. RESOLUTION- LANDSCAPE & LIGHTING ACT
2. TABLE 1-FY 22-23 ASSESSMENT SCHEDULE