Street Landscaping and Lighting Assessment District Fiscal Year 2024-25 Engineer's Report

June 11, 2024

Prepared by

FRANCISCO AND ASSOCIATES

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CITY OF REDONDO BEACH
STREET LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT

CITY DIRECTORY

JAMES A. LIGHT
Mayor

NILS NEHRENHEIM
Council Member

TODD LOEWENSTEIN
Council Member

PAIGE KALUDEROVIC
Council Member

ZEIN OBAGI, Jr.
Council Member

SCOTT BEHRENDT
Council Member

MIKE WITZANSKY
City Manager

MICHAEL W. WEBB
City Attorney

LAUREN SABLAN, P.E.
Acting City Engineer

WENDY COLLAZO
Financial Services Director

ANDREW S. WINJE, P.E.
Public Works Director

FRANCISCO & ASSOCIATES
Assessment Engineer

ENGINEER'S REPORT
CITY OF REDONDO BEACH
STREET LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT
FISCAL YEAR 2024-25

The undersigned, acting on behalf of the City of Redondo Beach respectfully submits the enclosed Engineer's Report as directed by the Redondo Beach City Council pursuant to the provisions of Article XIIID, Section 4 of the California Constitution, provisions of the Landscape and Lighting Act of 1972 and Section 22500 et al of the California Streets and Highways Code. The undersigned certifies that she is a Professional Engineer, registered in the State of California.

Dated: June 4, 2024 By: Lauren Sablan
Lauren Sablan, P.E.

SECTION I

INTRODUCTION

To ensure a flow of funds for the ongoing maintenance and servicing of landscaping, streetlighting, and traffic signal facilities within the boundaries of the City of Redondo Beach (hereafter referred to as "City"), the City formed the Street Landscaping and Lighting Assessment District (hereafter referred to as the "District") in 1983 and annually levies and collects special assessments to maintain these improvements. The formation of the District and the annual levy of assessments are made pursuant to the Landscape and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code (hereafter referred to as the "Act"). The boundaries of the District are contiguous with City limits.

Streetlighting and traffic signal facilities, when well maintained, provides protection of property, increased public safety, reduction of traffic accidents, and savings in accident costs and lost working hours. Street trees and landscaping, when well maintained, provides beautification, shade, traffic safety, aesthetic appeal, and enhancement of the desirability of the surroundings, along with a direct and positive effect on property values. Property values in a community are increased when public infrastructure such as street trees, landscaping, streetlighting, and traffic signals are in place, improved, operable, safe, clean, and maintained. The operation, servicing, and maintenance of facilities benefiting parcels within the District is in accordance with the Act and performed pursuant to City ordinances and regulations.

Current Annual Administration

As required by the Act, City Council has followed a multi-step Council meeting process each year to approve the levy of assessments on parcels within the District. The annual process includes the preparation and approval of an annual Engineer's Report and holding a public hearing. On April 2, 2024, City Council directed City staff to prepare the annual Engineer's Report and it was approved at the May 21, 2024 City Council meeting.

City Council will hold a public hearing on June 11, 2024 to provide an opportunity for any interested person to be heard. Notice of the public hearing will be provided in accordance with the Act and California Government Code. At the conclusion of the public hearing, City Council may order changes to the annual Engineer's Report or adopt a resolution confirming the levy of assessments as proposed. Following adoption of this resolution, the Assessor's Roll for the District will be prepared and filed with the Los Angeles County ("County") Auditor's Office for inclusion on the Fiscal Year 2024-25 property tax roll.

Payment of District assessments will be made in the same manner and at the same time as payments made for property taxes for each respective parcel. Revenues from District assessments must be placed in a special fund and shall only be used for the purposes stated in this Engineer's Report.

Compliance with the California Constitution

In November 1996, voters of the state of California passed Proposition 218 that added Article XIIID to the California Constitution requiring certain substantive and procedural requirements for the imposition of assessments. Article XIIID requires that assessments comply with stated provisions by July 1, 1997, unless an assessment meets the following criteria:

"(a) Any assessment imposed exclusively to finance the capital costs or maintenance and operation expenses for sidewalks, streets, sewers, water, flood control, drainage systems or vector control."

The District qualifies for the exemptions from the procedural and approval requirements of Proposition 218 because the District funds the maintenance and servicing of improvements considered to be street improvements within public right-of-way including landscaping, streetlighting, and traffic signals. An increase to the maximum assessment rate or modification to the existing District assessment methodology requires that the District be brought into compliance with all the requirements of Article XIIID and approval of the property owners subject to the proposed assessment.

SECTION II

ENGINEER'S REPORT PREPARED PURSUANT TO THE PROVISIONS OF LANDSCAPE AND LIGHTING ACT OF 1972 SECTION 22500 THROUGH 22679 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE

Pursuant to the Landscape and Lighting Act of 1972 (Part 2 of Division 15 of the Streets and Highways Code of the State of California), and in accordance with the Resolution of Intention adopted by the City Council of the City of Redondo Beach on May 21, 2024. I, Lauren Sablan, the duly appointed Engineer of Work, submit herewith the "Report" consisting of Section I (Introduction), and this, Section II, which consists of five (5) parts as follows:

PART A: PLANS AND SPECIFICATIONS

This part describes the improvements maintained by the District. Plans and specifications for the improvements are on file in the Office of the City Engineer of the City of Redondo Beach and incorporated herein.

PART B: ESTIMATE OF COST

This part contains an estimate of the cost of the proposed improvements to be maintained for Fiscal Year 2024-25, including incidental costs and expenses in connection therewith. The estimate is on file in the Office of the City Engineer of the City of Redondo Beach and incorporated herein.

PART C: ASSESSMENT DISTRICT DIAGRAM

This part incorporates a diagram of the District showing the exterior boundaries of the District and the lines and dimensions of each lot or parcel of land within the District. This diagram has been prepared by the Engineer of Work and is on file in the Office of the City Engineer of the City of Redondo Beach.

PART D: METHOD OF APPORTIONMENT OF ASSESSMENTS

This part describes the method of apportionment of assessments, based upon each parcel's land use classification within the District in proportion to the estimated special benefits to be received.

PART E: DISTRICT ASSESSMENT ROLL

This part contains the County Assessor's Parcel numbers, and the amount to be assessed upon the benefited lands within the District. The Assessment Roll is filed in the Office of the City Clerk of the City of Redondo Beach and keyed to the records of the County Assessor, which are incorporated herein by reference.

PART A

PLANS AND SPECIFICATIONS

The District provides for the continued maintenance and servicing of landscaping, streetlighting, and traffic signal improvements within the public right-of-way which provide special benefit to properties within the District. The District operates and maintains 5,127 streetlights (3,228 Southern California Edison owned and 1,899 City owned); 101 traffic signals (56 Traffic, 22 Flashing Yellow Beacon, and 23 Flashing Red Beacon), and approximately 22 acres of landscaping. Drawings showing the specific locations of the improvements are on file in the Office of the City Engineer and are made a part of this report by reference.

Maintenance and Servicing has the following definitions pursuant to the Act:

> "Maintain" or "maintenance" means the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement, including:
>
> (a) Repair, removal, or replacement of all or any part of any improvement.
>
> (b) Providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury.
>
> (c) The removal of trimmings, rubbish, debris, and other solid waste.
>
> (d) The cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti.
>
> "Service" or "servicing" means the furnishing of:
>
> (a) Electric current or energy, gas, or other illuminating agent for any public lighting facilities or for the lighting or operation of any other improvements.
>
> (b) Water for the irrigation of any landscaping, the operation of any fountains, or the maintenance of any other improvements.

Incidental expenses may also be funded using District assessment revenues. Incidentals Expenses has the following definitions pursuant to the Act:

> (a) The costs of preparation of the report, including plans, specifications, estimates, diagram, and assessment.
>
> (b) The costs of printing, advertising, and the giving of published, posted, and mailed notices.
>
> (c) Compensation payable to the county for collection of assessments.
>
> (d) Compensation of any engineer or attorney employed to render services in proceedings pursuant to this part.

(e) Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements.

(f) Any expenses incidental to the issuance of bonds or notes pursuant to Section 22662.5.

(g) Costs associated with any elections held for the approval of a new or increased assessment.

PART B

ESTIMATE OF COSTS

The Act provides that the cost of maintenance and servicing of landscaping, streetlighting, and traffic signals can be funded by the District. Incidental costs including administration of the District and all other ancillary costs associated with the maintenance and servicing of the District can also be included.

The Act requires the City to establish a special fund for the costs and revenues of the District. Assessments generated by the District can be used only for the purposes stated in this Report. Contributions to the District from the City's General Fund may be made to offset costs, as City Council deems appropriate. Any balance or deficit remaining at the end of each fiscal year (June 30th) must be carried over to the next fiscal year.

Below is a summary table of the estimated District costs and revenues for Fiscal Year 2024-25.

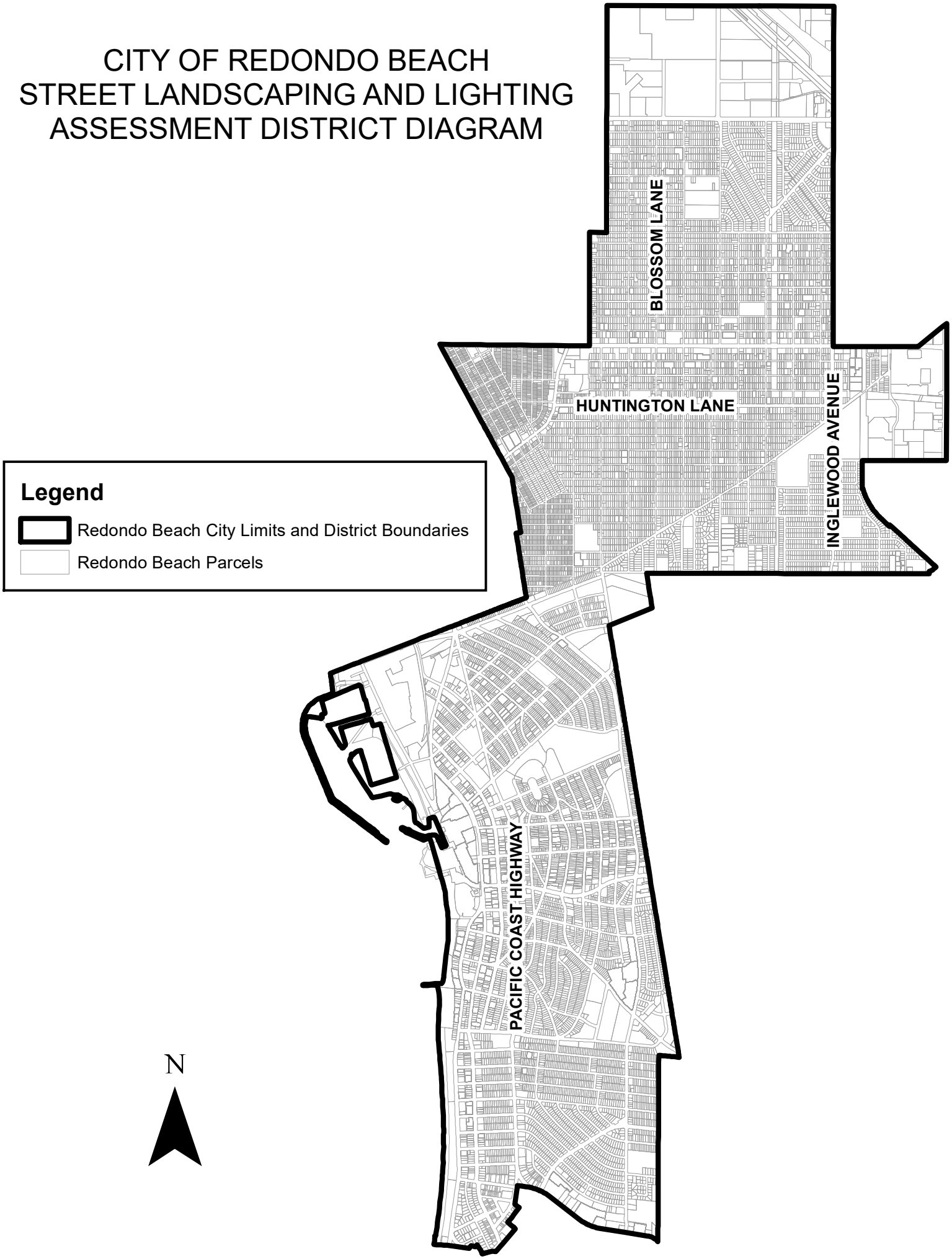
City of Redondo Beach Street Landscape and Lighting Assessment District Fiscal Year 2024-25 Estimate of Cost and Revenue	
ESTIMATED REVENUES	
Assessments	$ 1,513,000
Public Services Lighting Fee	$ 600
Other Revenues (Misc./Interest)	$ 17,000
General Fund Contribution	$ 1,125,701
Total Estimated Revenues	**$ 2,656,301**
ESTIMATED COSTS	
Personnel	$ 977,440
Energy Costs	$ 671,817
Other Utilities	$ 155,850
Supplies & Operations	$ 149,189
Contract & Professional Services	
Tree Trimming	$ 121,590
Signal Maintenance	$ 171,000
Other	$ 30,000
Other Equipment	$ 1,500
Internal Service Charges	$ 170,983
POB Debt	$ 206,933
Total Estimated Costs	**$ 2,656,301**

PART C

ASSESSMENT DISTRICT DIAGRAM

The boundaries of the District are contiguous with City limits. The Assessment Diagram for the District is on file in the Office of the City Clerk and shown on the following page of this Report. The assessor's parcel numbers (APN) and lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the Los Angeles County Assessor, for the year when this Report was prepared, and are incorporated by reference herein and made part of this Report.

CITY OF REDONDO BEACH
STREET LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT DIAGRAM



PART D

METHOD OF APPORTIONMENT OF ASSESSMENTS

General

The Act permits the establishment of assessment districts by public agencies for the purpose of providing certain public improvements which include the operation, maintenance, and servicing of landscaping, streetlighting, and traffic signal facilities.

Section 22573 of the Act requires that assessments must be levied according to benefit rather than assessed value as follows:

> *"The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements."*

Section 22574 of the Act permits the designation of zones of benefit within any individual assessment district as follows:

> *"The diagram and assessment may classify various areas within an assessment district into different zones where, by reason of variations in the nature, location, and extent of the improvements, the various areas will receive differing degrees of benefit from the improvements. A zone shall consist of all territory which will receive substantially the same degree of benefit from the improvements."*

Special Benefit from Landscaping, Streetlighting, and Traffic Signal Improvements

The landscaping, streetlighting, and traffic signal improvements maintained and serviced by the District provide a special and direct benefit to all parcels within the City. Therefore, costs attributed to these special benefits are spread to all parcels within the District in accordance with the Method of Assessment described in this Report.

The primary benefits of well-maintained street trees and landscaping located on public streets is improved safety and aesthetic appeal within the community. Streetlighting and traffic signals also provide a special and direct benefits since all parcels within the City access public streets with streetlights and traffic signals. The primary benefits of well-maintained streetlights and traffic signals are convenience, safety, security, and protection of property, property improvements, and people. Facilities that are unsafe or destroyed by the elements or vandalism decrease quality of life.

Benefit Determination

The special benefits conferred on property from the District's improvements and services differ for residential property versus commercial and non-residential land uses because commercial and non-residential properties are generally located in commercial areas and along boulevards that require a higher level of service. Therefore, two (2) zones of benefit within the District were established as follows:

- Benefit Zone 1 - Residential land uses
- Benefit Zone 2 - Commercial and non-residential land uses

Method of Assessment

Special benefits from District improvements are apportioned to property within the District based on land use and linear feet abutting a public street for each parcel. The linear feet abutting a public street for each parcel within the District is determined using the lengths shown on the current Los Angeles County Assessor maps or as previously established by the City's Public Works Director. Once a parcel is identified as residential or commercial/non-residential, the following maximum assessment rates are applied:

- Benefit Zone 1 - $1.48 per linear foot of frontage to a public street
- Benefit Zone 2 - $3.02 per linear foot of frontage to a public street

For parcels abutting more than one public street (i.e., corner lots), the linear feet abutting the public street(s) that are not the street of property address is assessed at 25% of the assessment rates shown above for Benefit Zone 1 and Benefit Zone 2 respectively and added to the base assessment calculated above corresponding to the linear feet abutting the street of property address.

The maximum assessment rates described above will be applied for Fiscal Year 2024-25 as in prior years. Any future increase in the maximum assessment rates require that the District be brought into compliance with all the requirements of Article XIIID and approval of the property owners subject to the assessment. An increased assessment to an individual property resulting from changes in development or land use does not constitute an increased assessment.

APPEAL OF ASSESSMENTS

Any property owner who demonstrates that the amount of their assessment is in error as a result of incorrect information being used to apply the foregoing method of apportionment, may file a written appeal with the City Engineer. Any such appeal is limited to correction of an assessment during the then current or, if before July 1, the upcoming fiscal year. Upon the filing of any such appeal, the City Engineer shall promptly review the information provided by the property owner and if he/she finds that the assessment should be modified, the City Engineer shall have the authority to make the appropriate changes in the assessment roll. If any such changes are approved after the assessment roll has been

filed with the County for collection, the City Engineer is authorized to refund to the property owner the amount of any approved reduction if the District reserve is adequate. Any property owner who disagrees with the decision of the City Engineer or her or his designee may refer their appeal to the City Council and the decision of the City Council shall be final.

PART E

ASSESSMENT ROLL

Parcel identification, for each lot or parcel within the District, shall be the parcel as shown on the Los Angeles County Assessor Parcel Maps and/or the Los Angeles County secured property tax roll for the year in which this Report is prepared. A listing of parcels to be assessed within this District along with the proposed assessment amounts is on file with the City Clerk.

Upon approval of this Report and confirmation of the proposed assessments, the assessment information will be submitted to the County Auditor/Controller and included on the property tax roll in Fiscal Year 2024-25. If the parcels within the District and referenced in this Report, are re-numbered, re-apportioned or changed by the County Assessor's Office after approval of this Report, the new parcel along with the appropriate assessment amount will be submitted to the County Auditor/Controller. If the parcel change made by the County includes a parcel split, parcel merger or change in tax status, the assessment amount submitted on the new parcels will be based on the method of apportionment and assessment rates approved in this Report by the City Council. The total estimated District assessments for Fiscal Year 2024-25 is $1,508,822.