Council Meeting of
June 19, 2007

PUBLIC HEARING

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the Council:

SUBJECT: Public Hearing regarding City of Torrance Lighting District No. 99-1

Expenditure: $2,486,938

RECOMMENDATION

The Finance Director recommends that the City Council take the following actions:

1. Hold the Public Hearing on the proposed levy of assessments within the City of Torrance Lighting District No. 99-1 for Fiscal Year 2007-2008; and,

2. Adopt the attached Resolution confirming the diagram and assessment for Fiscal Year 2007-2008 and ordering the improvements in connection with the City of Torrance Lighting District No. 99-1.

Funding

Funding is available in the Street Lighting District Assessment Fund.

BACKGROUND

Since 1977, the City has had Street Lighting District No. 17, which was formed under the Landscaping and Lighting Act of 1972. The Landscaping and Lighting Act of 1972 authorized local public agencies to impose assessments on benefited property to fund the installation, construction and maintenance of landscaping, lighting facilities including traffic signals, street lights and safety lights. The district the City formed paid for costs related to the maintenance and servicing of street lights, safety lights and traffic signals in the City.

Proposition 218, which California voters approved on November 1996, changed the way local governments could levy special assessments on property. In accordance with the Proposition 218 provisions, the owner of each parcel subject to an assessment had the opportunity to cast a ballot in favor of, or in opposition to, the formation of a new assessment district under the Landscaping and Lighting Act of 1972.

On June 15, 1999, a public hearing approved the formation of a new assessment district under the Landscaping and Lighting Act of 1972 called the City of Torrance Lighting District No. 99-1 (the District) and also approved the initial levy of assessments.

In order to levy assessments to pay for the continued maintenance and servicing of street lights, safety lights, and traffic signals in the City, under the "Landscaping and Lighting Act of 1972", the City of Torrance formed a new City of Torrance Lighting District No. 99-1 (the "District").

On May 22, 2007 the City Council took the following actions:

1. Adopted a RESOLUTION initiating proceedings to levy assessments within the City of Torrance Lighting District No. 99-1 for the Fiscal Year 2007-2008.

2. Adopted a RESOLUTION approving the Fiscal Year 2007-2008 Engineer's Report for the City of Torrance Lighting District No. 99-1; and

3. Adopted a RESOLUTION of Intention to levy assessments within the City of Torrance Lighting District No. 99-1 for fiscal year 2007-2008 which set a public hearing on the assessments for June 19, 2007.

Subsequent to these actions, as required by law, the Resolution of Intention was published in the Daily Breeze on June 1, 2007, which is at least 10 days prior to the date of the public hearing.

ANALYSIS

The total cost of the improvements, including incidental expenses, for fiscal year 2007-2008 is $2,486,938 which is an increase of $376,470 from last year's costs of $2,110,468; however, the rates did not exceed the rates levied with property owner approval in fiscal year 1999-2000.

Item	**Amount**
Gross Cost of Improvements	$2,443,550
Incidental Expenses	$ 43,388
Total Cost of Improvements	***$2,486,938***
City Contribution	(1,188,927)
Net Assessment	***$1,298,011***

The first step for the City Council to take is to hold the public hearing on the proposed levy of assessments within the City of Torrance Lighting District No. 99-1 for fiscal year 2007-2008. Following the conclusion of the public hearing, the second step is to adopt a Resolution ordering improvements, as defined in Section 4 of the Resolution, and confirming a diagram and assessment for fiscal year 2007-08 pursuant to the provisions of the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code and as provided by Article XIII D of the California Constitution.

Respectfully submitted,

ERIC E. TSAO
FINANCE DIRECTOR

By _____
Joyce Reyes
Accounting Manager

CONCUR:

_____
Eric E. Tsao
Finance Director

_____
LeRoy J. Jackson
City Manager

Attachments:
A. Resolution
B. Proof of Publication
C. Agenda Item 12D for the City Council meeting of May 22, 2007 **(Limited Distribution)**
D. Mayor's Script **(Limited Distribution)**

ATTACHMENT A

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE CONFIRMING A DIAGRAM AND ASSESSMENT FOR FISCAL YEAR 2007-2008 IN CONNECTION WITH THE CITY OF TORRANCE LIGHTING DISTRICT NO. 99-1 PURSUANT TO THE PROVISIONS OF THE LANDSCAPING AND LIGHTING ACT OF 1972, PART 2 OF DIVISION 15 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE, AND AS PROVIDED BY ARTICLE XIII D OF THE CALIFORNIA CONSTITUTION

THE CITY COUNCIL OF THE CITY OF TORRANCE DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

Section 1. Pursuant to prior resolutions, the City Council of the City of Torrance initiated proceedings and declared its intention to levy an assessment against lots and parcels of property within the City of Torrance Lighting District No. 99-1 (the "District") pursuant to the provisions of the Landscaping and Lighting Act of 1972 (the "Act"), Part 2 of Division 15 of the California Streets and Highways Code and Article XIII D of the California Constitution for the fiscal year commencing July 1, 2007 and ending June 30, 2008. Pursuant to prior resolutions, the City Council ordered MuniFinancial to prepare and file a written report (the "Engineer's Report") in accordance with Article 4 of Chapter 1 of the Act and Article XIII D of the California Constitution and approved such Engineer's Report.

Section 2. Following notice duly given in accordance with law, the City Council has held a full and fair public hearing regarding the levy and collection of the proposed assessment within the District for fiscal year 2007-2008 to pay for the costs and expenses of the improvements described in Section 4 hereof. All interested persons were afforded the opportunity to hear and be heard regarding protests and objections to the levy and collection of the proposed assessment. The City Council considered all oral and written statements, protests and communications made or filed by interested persons. All protests and objections to the levy and collection of the proposed assessment against lots or parcels of property within the District for fiscal year 2007-2008 are hereby overruled by the City Council.

Section 3. Based upon its review of the Engineer's Report, a copy of which has been presented to the City Council and which has been filed with the City Clerk, and other reports and information, the City Council hereby finds and determines that (i) the land within the District will be specially benefited by the improvements described in Section 4 hereof and in such Engineer's Report, (ii) the district includes all of the lands so benefited, (iii) the net amount to be assessed upon the lands within the District for the 2007-2008 fiscal year in accordance with the Engineer's Report is apportioned by a formula and method which fairly distributes the net

amount among all assessable lots or parcels in proportion to the estimated special benefits to be received by each such lot or parcel from the improvements, and (iv) only special benefits are assessed and no assessment is imposed on any parcel within exceeds the reasonable cost of the proportional special benefit conferred on that parcel.

Section 4. The City Council hereby orders the proposed improvements to be made as described in the Engineer's Report, which improvements are briefly described as follows: The maintenance and servicing of public lighting facilities, including traffic signals and appurtenant facilities installed in public places in the District.

Section 5. The City Council hereby confirms the diagram and assessment set forth in the Engineer's Report as filed.

Section 6. The assessment is in compliance with the provisions of the Act and Article XIII D of the California Constitution and the City Council has complied with all laws pertaining to the levy of an annual assessment pursuant to the Act and Article XIII D of the California Constitution. Parcels within the District that are owned or used by any county, city, city and county, special district or other local government entity, the State of California, or the United States shall be assessed unless the City demonstrates by clear and convincing evidence that such lots or parcels receive no special benefit from the proposed improvements.

Section 7. The assessment is levied without regard to property valuation.

Section 8. The assessment is levied for the purpose of paying the costs and expenses of the improvements described in Section 4 hereof for fiscal year 2007-2008.

Section 9. The improvements described in Section 4 hereof shall be performed pursuant to law.

Section 10. The County Auditor of Los Angeles County shall enter on the County Assessment Roll opposite each lot or parcel of land the amount of the assessment, and such assessments shall then be collected at the same time and in the same manner as the County taxes are collected. After collection by the County, the net amount of the assessments, after deduction of any compensation due the County for collection, shall be paid to the City Treasurer.

Section 11. The City Treasurer shall deposit all moneys representing assessments collected by the County to the credit of a special fund known as Improvement Fund, City of Torrance Lighting District No. 99-1.

Section 12. The adoption of this Resolution constitutes the levy of an assessment against the lots and parcels of land in the District for the fiscal year commending July 1, 2007 and ending June 30, 2008.

Section 13. The City Council declares that the diagram and assessment, as presented to the City Council in the Engineer's Report and on file in the Office of the City Clerk is hereby confirmed as filed. The City Clerk is hereby authorized and directed to file the diagram and assessment, or a certified copy of the diagram and assessment, with the County Auditor, together with a certified copy of this Resolution upon its adoption.

Section 14. A certified copy of the assessment and diagram shall be filed in the office of the City Clerk and open for public inspection.

PASSED, APPROVED and ADOPTED this ____ day of _____, 2007.

_____
Mayor of the City of Torrance

ATTEST:

_____
City Clerk of the City of Torrance

APPROVED AS TO FORM:

JOHN L. FELLOWS III, City Attorney

By _____

ATTACHMENT B

Daily Breeze

5215 TORRANCE BLVD * TORRANCE CALIFORNIA 90503-4077
(310) 543-6635 * (510) 540-6511 Ext. 396

PROOF OF PUBLICATION

(201 5.5 C.C.P.)

STATE OF CALIFORNIA

County of Los Angeles,

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above-entitled matter. I am the principal clerk of the printer of the THE DAILY BREEZE

a newspaper of general circulation, printed and published

In the City of Torrance
County of Los Angeles, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of County of Los Angeles, State of California, under the date of

June 10, 1974

Case Number SWC7146

that the notice, of which the annexed is a printed copy (set in type not smaller than nonpareil), has been published in each regular and entire issue of said newspaper and not in any supplement there of on the following dates, to-wit

June 1,

all in the year 2007

I

the foregoing is true and correct.

Dated at Torrance

California this 1 Day of June 2007

Signature

This space is for the County Clerk's Filing Stamp

Proof of Pi

DB

DB 5-3

RESOLUTION NO. 2007-55

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE DECLARING ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS WITHIN THE CITY OF TORRANCE LIGHTING DISTRICT NO. 99-1 FOR FISCAL YEAR 2007-08 PURSUANT TO THE PROVISIONS OF PART 2 OF DIVISION 15 OF THE STREETS AND HIGHWAYS CODE AND AS PROVIDED BY ARTICLE XIIID OF THE CALIFORNIA CONSTITUTION APPOINTING A TIME AND PLACE FOR PUBLIC HEARING

THE CITY COUNCIL OF THE CITY OF TORRANCE HEREBY FINDS, DETERMINES, RESOLVES AND ORDERS AS FOLLOWS:

Section 1
The City Council of the City of Torrance, pursuant to the provisions of the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code (hereinafter referred to as the "Act"), hereby declares an intention to levy and collect assessments against the lots and parcels of land within an existing assessment district designated "City of Torrance Lighting District No. 99-1" (hereinafter referred to as the "District"), to pay for the costs and expenses of the improvements described below in Section 3 of this Resolution for the fiscal year commencing July 1, 2007 and ending June 30, 2008.

Section 2
The boundaries of the District are coterminous with the boundaries of the City of Torrance.

Section 3
The proposed improvements may be briefly described as follows: The maintenance and servicing of public lighting facilities, including traffic signals, and appurtenant facilities installed in public places in the District. Maintenance means the furnishings of services and materials for the ordinary and usual maintenance, operation and servicing of the public lighting facilities and appurtenant facilities, including repair, removal or replacement of all or part of any of the public lighting facilities and appurtenant facilities, and the cleaning, sandblasting and painting of the public lighting facilities and appurtenant facilities to remove or cover graffiti. Servicing means the furnishing of water for the maintenance of any of the public lighting facilities or appurtenant facilities and the furnishing of electric current or energy, gas or other illuminating agent for the public lighting facilities, or for the lighting or operation of appurtenant facilities.

Section 4
The assessments to be levied and collected against the lots and parcels of land within the District No. 99-1 for fiscal year 2007-08 are not proposed to increase from the assessments approved by the property owners and levied and collected for fiscal year 1999-2000.

Section 5
Lots or parcels of land within the proposed District that are owned or used by any county, city, city and county, special district or any other local government entity, the State of California, or the United States shall be assessed unless the City demonstrates by clear and convincing evidence that such lots or parcels receive no special benefit from the proposed improvements.

Section 6
Reference is hereby made to the Engineer's Report entitled "City of Torrance Lighting District No. 99-1, Engineer's Annual Levy Report, Fiscal Year 2007-08," on file in the office of the City Clerk, for a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.

Section 7
NOTICE IS HEREBY GIVEN that the City Council appoints the 19th day of June, 2007, at the hour of 7:00 p.m. in the Council Chambers at City Hall, 3031 Torrance Boulevard, Torrance California, 90503, as the time and place for a public hearing on the levy of the proposed assessments against the lots and parcels of land within the District for the 2007-08 fiscal year. All interested persons shall be afforded the opportunity to hear and be heard at the public hearing. The City Council shall consider all oral statements made at the public hearing and all written correspondence filed with the City Clerk prior to the conclusion of the public hearing.

Section 8
The City Clerk is hereby authorized and directed to give notice of such hearing in accordance with the law.

Section 9
The City Council hereby designates the Finance Director of the City of Torrance, 3031 Torrance Boulevard, California, 90503, (310) 618-5850 to answer inquiries regarding the proceedings.

INTRODUCED, APPROVED AND ADOPTED this 22nd day of May, 2007.

/s/ Frank Scotto
Mayor Frank Scotto

APPROVED AS TO FORM:
JOHN FELLOWS III, City Attorney

ATTEST:

By /s/ Ron Poh
Ronald T. Poh, Assistant City Attorney

/s/ Sue Herbers
Sue Herbers, City Clerk

TORRANCE CITY COUNCIL RESOLUTION NO. 2007-55

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES ss.
CITY OF TORRANCE

I, Sue Herbers, City Clerk of the City of Torrance, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Torrance at a regular meeting of said Council held on the 22nd day of May, 2007 by the following roll call vote:

AYES: COUNCILMEMBERS Brewer, Dhanno, Nowaka, Sutherland, Witkowsky, and Mayor Scotto
NOES: COUNCILMEMBERS None
ABSTAIN: COUNCILMEMBERS None
ABSENT: COUNCILMEMBERS McIntyre

/s/ Sue Herbers
Sue Herbers
City Clerk of the City of Torrance

Pub: June 1, 2007

ATTACHMENT C

Council Meeting of
May 22, 2007

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the Council:

SUBJECT: City of Torrance Lighting District No. 99-1; Proceedings to Levy Annual Assessments for FY 2007-2008.

Expenditure: $2,486,938

RECOMMENDATION

The Finance Director recommends that the City Council take the following actions:

1. Adopt a **Resolution** initiating proceedings to levy assessments within the City of Torrance Lighting District No. 99-1 for fiscal year 2007-08;

2. Adopt a **Resolution** approving the Fiscal Year 2007-08 Engineer's Report for the City of Torrance Lighting District No. 99-1; and,

3. Adopt a **Resolution** of Intention to levy assessments within the City of Torrance Lighting District No. 99-1 for fiscal year 2007-08.

Funding
Funding is available from the Street Lighting District Assessment Fund.

BACKGROUND

The City has had Street Lighting District (No. 17) since 1977. The district was established to pay for costs related to the maintenance and servicing of street lights, safety lights and traffic signals in the City.

The district was re-formed on June 15, 1999 under the requirements of Proposition 218. Proposition 218 was an initiative designed and passed by the voters in November 1996 to give taxpayers the right to approve or reject local governments' tax increases and special assessments on property.

In accordance with the Proposition 218 provisions, the owner of each parcel subject to an assessment had the opportunity to cast a ballot in favor of, or in opposition to, the formation of a new assessment district under the Landscaping and Lighting Act of 1972. The Landscaping and Lighting Act of 1972 authorizes local public agencies to impose assessments on benefited property to fund the installation, construction and

maintenance of landscaping, lighting facilities including traffic signals, street lights and safety lights.

Proposition 218 provides that only special benefits are assessable and an agency must separate the general benefits from the special benefits conferred on real property located in the assessment district or to the public at large.

Special Benefit is the direct street lighting benefit to a property, and to its owner or users, based on the existence of the nearby street lighting systems that is designed to illuminate the roadway and sidewalk adjacent to the specific property at night. When there is a single streetlight in front of or near the property, there is a special benefit to the extent that the roadway and sidewalk are illuminated.

General Benefit is defined as a benefit to properties in the surrounding community or a benefit to the public in general resulting from the improvements, activities, or services to be provided by the assessment levy. These benefits include the benefit from street lighting systems for locations that do not benefit from specific properties, as well as interim lighting for minimal traffic safety on wooden power poles and permanent lighting at intersections. Proposition 218 requires the City to finance general benefit costs from other than property assessments.

ANALYSIS

The 2007-2008 proposed assessment rates do not exceed the rates approved on June 15, 1999, in which case the City Council may levy such assessments without further approval from the property owners in the City. However, in order to continue levying assessments, the City must approve an Engineer's Report calculating the relative benefit each parcel in the City will receive from the assessment as well as the following Resolutions required by law:

- Resolution to initiate proceedings to levy assessments within the City of Torrance Lighting District No. 99-1 for Fiscal Year 2007-08;
- Resolution to approve the Fiscal Year 2007-08 Engineer's Report for the City of Torrance Lighting District No. 99-1; and,
- Resolution to levy assessments within the City of Torrance Lighting District No. 99-1 for fiscal year 2007-08.

An Engineer's Report for the District has been prepared in accordance with the requirements of the Landscaping and Lighting Act of 1972 and Proposition 218.

The total cost of the improvements for fiscal 2007-2008 is $2,486,938. General Benefit is $1,188,927 and Special Benefit totaled $1,298,011 as shown below.

	General Benefit	Special Benefit	Total
Assessment (Non-City Parcels)	N/A	$1,202,934	$1,202,934
Prior Year Surplus	N/A	N/A	N/A
City of Torrance			
Assessment of City Parcels	N/A	$95,077	$95,077
City Contribution	$1,188,927	N/A	$1,188,927
Total	***$1,188,927***	***$1,298,011***	***$2,486,938***

The net assessment (Special Benefit) calculation is as follows:

FY 2007-2008	
Gross Cost of Improvements	$2,443,550
Prior Year Surplus or Deficit Amount	N/A
City Contribution	($1,188,927)
Improvement Assessment Amount	$1,254,623
Incidental Expenses	$43,388
Net Assessment	***$1,298,011***

The assessment for each property within the District was calculated based on the special benefit that each property receives from the improvements. Factors used in determining the assessment include the location of the assessed parcel, the land use of the parcel, and the number of dwelling units on, or the size of, the parcel. Parcels fronting fully lit streets were placed in Zone A, while parcels fronting streets on which lights have not been systematically installed were placed in Zone B. As shown in Attachment A, the fiscal year 2007-2008 assessment for each land use classification within each zone is higher than in fiscal year 2006-07, but does not exceed the rates levied, with property owner approval, in fiscal year 1999-2000.

Attachments A, B, C and D were provided to compare information for fiscal years 2006-2007 and 2007-2008 to fiscal year 1999-2000.

Upon adoption of the three resolutions by Council, the City Council must hold a public hearing to accept public testimony on the proposed levy of assessments for fiscal year 2007-2008. The resolution appoints June 19, 2007 at 7:00 PM in the City Council Chambers as the date, time and location for the public hearing. The City shall enroll the assessments with the Auditor-Controller for inclusion on the fiscal year 2007-08 tax roll.

Respectfully submitted,

Eric E. Tsao
Finance Director

By _____
Joyce Reyes
Accounting Manager

CONCUR:

_____
Eric E. Tsao
Finance Director

_____
LeRoy J. Jackson
City Manager

Attachments:
A. Net Assessment Rates
B. Net Assessment
C. Incidental Expenses
D. Allocation of Costs of Improvements to General Benefit and Special Benefit
E. Resolutions
F. Engineer's Report

ATTACHMENT A

NET ASSESSMENT RATES

LAND USE CLASSIFICATION	LIGHTING DISTRICT NO. 99-1 (1999-2000)		LIGHTING DISTRICT NO. 99-1 (2006-2007)		LIGHTING DISTRICT NO. 99-1 (2007-2008)	
	ZONE A RATE	ZONE B RATE	ZONE A RATE	ZONE B RATE	ZONE A RATE	ZONE B RATE
Single-family Residential	$20.50/unit	$7.30/unit	$20.42/unit	$7.28/unit	$20.50/unit	$7.30/unit
Multi-family Residential	$4.69/unit	$1.67/unit	$4.67/unit	$1.66/unit	$4.69/unit	$1.67/unit
.25 acres or less	$18.53/parcel	$6.60/parcel	$18.46/parcel	$6.58/parcel	$18.53/parcel	$6.60/parcel
>.25 and <=.50 acres	$55.58/parcel	$19.80/parcel	$55.36/parcel	$19.73/parcel	$55.58/parcel	$19.80/parcel
>.50 and <=.75 acres	$92.64/parcel	$33.01/parcel	$92.27/parcel	$32.88/parcel	$92.64/parcel	$33.01/parcel
>.75 and <=1.00 acres	$129.69/parcel	$46.21/parcel	$129.18/parcel	$46.03/parcel	$129.69/parcel	$46.21/parcel
Over 1 acre	$148.22/acre	$52.81/acre	$147.64/acre	$52.60/acre	$148.22/acre	$52.81/acre
.25 acres or less	$6.18/parcel	$2.20/parcel	$6.15/parcel	$2.19/parcel	$6.18/parcel	$2.20/parcel
>.25 and <=.50 acres	$18.53/parcel	$6.60/parcel	$18.46/parcel	$6.58/parcel	$18.53/parcel	$6.60/parcel
>.50 and <=.75 acres	$30.88/parcel	$11.00/parcel	$30.76/parcel	$10.96/parcel	$30.88/parcel	$11.00/parcel
>.75 and <=1.00 acres	$43.23/parcel	$15.41/parcel	$43.06/parcel	$15.34/parcel	$43.23/parcel	$15.41/parcel
Over 1 acre	$49.41/acre	$17.60/acre	$49.21/acre	$17.53/acre	$49.41/acre	$17.60/acre

ATTACHMENT B

NET ASSESSMENT

FY 1999-2000	
Gross Cost of Improvements	$1,660,000
Prior Year Surplus or Deficit Amount	$0
City Contribution	($522,738)
Improvement Assessment Amount	$1,137,262
Incidental Expenses	$152,000
Net Assessment	***$1,289,262***
FY 2006-2007	
Gross Cost of Improvements	$2,032,362
Prior Year Surplus or Deficit Amount	$0
City Contribution	($817,445)
Improvement Assessment Amount	$1,214,917
Incidental Expenses	$78,106
Net Assessment	**$1,293,023**
FY 2007-2008	
Gross Cost of Improvements	$2,443,550
Prior Year Surplus or Deficit Amount	$0
City Contribution	($1,188,927)
Improvement Assessment Amount	$1,254,623
Incidental Expenses	$43,388
Net Assessment	***$1,298,011***

ATTACHMENT C

INCIDENTAL EXPENSES

FY 1999-2000	
Assessment Engineering	$56,000
Legal Counsel	$40,000
Los Angeles County	$25,000
Public Notice	$4,500
Assessment Administration	$26,500
Total	***$152,000***
FY 2006-2007	
Assessment Engineering	$39,750
Legal Counsel	$7,000
Los Angeles County	$9,856
Public Notice	$500
Assessment Administration	$21,000
Total	***$78,106***
FY 2007-2008	
Assessment Engineering	$15,000
Legal Counsel	$3,000
Los Angeles County	$9,888
Public Notice	$500
Assessment Administration	$15,000
Total	***$43,388***

ATTACHMENT D

ALLOCATION OF COSTS OF IMPROVEMENTS TO GENERAL BENEFIT AND SPECIAL BENEFIT

FY 1999-2000	GENERAL BENEFIT	SPECIAL BENEFIT	TOTAL
Maintenance & Servicing of Public Street Lights-SCE	$194,738	$1,137,262	$1,332,000
Maintenance of Safety Lights and Traffic Signals-Cap. Costs	$120,000	$0	$120,000
Maintenance of Safety Lights and Traffic Signals – Salaries & Benefits	$100,000	$0	$100,000
Servicing of Safety Lights and Traffic Signals SCE	$108,000	$0	$108,000
Total	***$522,738***	***$1,137,262***	***$1,660,000***
FY 2006-2007			
Maintenance & Servicing of Public Street Lights-SCE	$193,746	$1,214,917	$1,408,663
Maintenance of Safety Lights and Traffic Signals-Cap. Costs	$65,012	$0	$65,012
Maintenance of Safety Lights and Traffic Signals – Salaries & Benefits	$482,200	$0	$482,200
Servicing of Safety Lights and Traffic Signals SCE	$76,487	$0	$76,487
Total	***$817,445***	***$1,214,917***	***$2,032,362***
FY 2007-08			
Maintenance & Servicing of Public Street Lights-SCE	$223,501	$1,401,499	$1,625,000
Maintenance of Safety Lights and Traffic Signals-Cap. Costs	$180,000	$0	$180,000
Maintenance of Safety Lights and Traffic Signals – Salaries & Benefits	$528,550	$0	$528,550
Servicing of Safety Lights and Traffic Signals SCE	$110,000	$0	$110,000
Total	***$1,042,051***	***$1,401,499***	***$2,443,550***

ATTACHMENT E

RESOLUTION NO. 2007-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE INITIATING PROCEEDINGS FOR THE LEVY AND COLLECTION OF ASSESSMENTS WITHIN THE CITY OF TORRANCE LIGHTING DISTRICT NO. 99-1 FOR FISCAL YEAR 2007-08 PURSUANT TO THE PROVISIONS OF PART 2 OF DIVISION 15 OF THE STREETS AND HIGHWAYS CODE AND AS PROVIDED BY ARTICLE XIIID OF THE CALIFORNIA CONSTITUTION

THE CITY COUNCIL OF THE CITY OF TORRANCE HEREBY FINDS, DETERMINES, RESOLVES AND ORDERS AS FOLLOWS:

Section 1. Pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code (hereinafter referred to as the "Act"), the City Council desires to initiate proceedings to levy and collect assessments against the lots and parcels of land within an existing assessment district designated "City of Torrance Lighting District No. 99-1" (hereinafter referred to as the "District") to pay for the costs and expenses of the improvements described below in Section 3 of this Resolution for the fiscal year commencing July 1, 2007 and ending June 30, 2008.

Section 2. The boundaries of the District are coterminous with the boundaries of the City of Torrance.

Section 3. The existing improvements may be briefly described as follows: The maintenance and servicing of public lighting facilities, including traffic signals, and appurtenant facilities installed in public places in the District. There are no proposed changes to the existing improvements for fiscal year 2007-08.

Maintenance means the furnishings of services and materials for the ordinary and usual maintenance, operation and servicing of the public lighting facilities and appurtenant facilities, including repair, removal or replacement of all or part of any of the public lighting facilities and appurtenant facilities; and the cleaning, sandblasting and painting of the public lighting facilities and appurtenant facilities to remove or cover graffiti. Servicing means the furnishing of water for the maintenance of any of the public lighting facilities or appurtenant facilities and the furnishing of electric current or energy, gas or other illuminating agent for the public lighting facilities, or for the lighting or operation of appurtenant facilities.

Section 4. Lots or parcels of land within the District that are owned or used by any county, city, city and county, special district or any other local government entity, the State of California, or the United States shall be assessed unless the City demonstrates by clear and convincing evidence that such lots or parcels receive no special benefit from the proposed improvements.

Section 5. The City Council hereby orders the Engineer, MuniFinancial, to prepare and file with the City Clerk a report in writing in connection with the proposed levy and collection of assessments against lots and parcels of land within the District for Fiscal Year 2007-08. This report shall be prepared in accordance with Article 4 of Chapter 1 of the Act and Section 4 of Article XIIID of the California Constitution.

INTRODUCED, APPROVED AND ADOPTED this 22nd day of May, 2007.

_____
Mayor of the City of Torrance

ATTEST:

_____
City Clerk of the City of Torrance

APPROVED AS TO FORM:
John L. Fellows III, City Attorney

By _____

RESOLUTION NO. 2007-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE APPROVING THE REPORT OF THE ENGINEER IN CONNECTION WITH THE LEVY AND COLLECTION OF ASSESSMENTS WITHIN CITY OF TORRANCE LIGHTING DISTRICT NO. 99-1FOR FISCAL YEAR 2007-08 PURSUANT TO THE PROVISION OF PART 2 OF DIVISION 15 OF THE STREETS AND HIGHWAYS CODE AND AS PROVIDED BY ARTICLE XIII D OF THE CALIFORNIA CONSTITUTION

THE CITY COUNCIL OF THE CITY OF TORRANCE HEREBY FINDS, DETERMINES, RESOLVES AND ORDERS AS FOLLOWS:

Section 1. The City Council of the City of Torrance, pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code (Hereinafter referred to as the "Act"), did by previous resolution order the Engineer, MuniFinancial, to prepare and file a written report in accordance with Article 4 of Chapter 1 of the Act in connection with the levy and collection of assessments against lots and parcels of land within the District of City of Torrance Lighting District No. 99-1 (hereinafter referred to as the "District") for the fiscal year commencing July 1, 2007 and ending June 30, 2008.

Section 2. The Engineer has prepared and filed with the City Clerk of the City of Torrance and the City Clerk has presented to the City Council such report entitled "City of Torrance Lighting District No. 99-1, Engineer's Annual Levy Report, Fiscal Year 2007/08" (the "Report").

Section 3. The City Council has carefully examined and reviewed the Report, and the Report is hereby approved as filed.

INTRODUCED, APPROVED AND ADOPTED this 22nd day of May, 2007.

_____
Mayor of the City of Torrance

ATTEST:

_____
City Clerk of the City of Torrance

APPROVED AS TO FORM:
John L. Fellows III, City Attorney

By _____

RESOLUTION NO. 2007-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE DECLARING ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS WITHIN THE CITY OF TORRANCE LIGHTING DISTRICT NO. 99-1 FOR FISCAL YEAR 2007-08 PURSUANT TO THE PROVISIONS OF PART 2 OF DIVISION 15 OF THE STREETS AND HIGHWAYS CODE AND AS PROVIDED BY ARTICLXIIIDOF THE CALIFORNIA CONSTITUTION APPOINTING A TIME AND PLACE FOR PUBLIC HEARING

THE CITY COUNCIL OF THE CITY OF TORRANCE HEREBY FINDS, DETERMINES, RESOLVES AND ORDERS AS FOLLOWS:

Section 1. The City Council of the City of Torrance, pursuant to the provisions of the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code (hereinafter referred to as the "Act"), hereby declares its intention to levy and collect assessments against the lots and parcels of land within an existing assessment district designated "City of Torrance Lighting District No. 99-1" (hereinafter referred to as the "District") to pay for the costs and expenses of the improvements described below in Section 3 of this Resolution for the fiscal year commencing July 1, 2007 and ending June 30, 2008.

Section 2. The boundaries of the District are coterminous with the boundaries of the City of Torrance.

Section 3. The proposed improvements may be briefly described as follows: The maintenance and servicing of public lighting facilities, including traffic signals, and appurtenant facilities installed in public places in the District.

Maintenance means the furnishings of services and materials for the ordinary and usual maintenance, operation and servicing of the public lighting facilities and appurtenant facilities, including repair, removal or replacement of all or part of any of the public lighting facilities and appurtenant facilities; and the cleaning, sandblasting and painting of the public lighting facilities and appurtenant facilities to remove or cover graffiti. Servicing means the furnishing of water for the maintenance of any of the public lighting facilities or appurtenant facilities and the furnishing of electric current or energy, gas or other illuminating agent for the public lighting facilities, or for the lighting or operation of appurtenant facilities.

Section 4. The assessments to be levied and collected against the lots and parcels of land within the District No. 99-1 for fiscal year 2007-08 are not proposed to increase from the assessments approved by the property owners and levied and collected for fiscal year 1999-2000.

Section 5. Lots or parcels of land within the proposed District that are owned or used by any county, city, city and county, special district or any other local government entity, the State of California, or the United States shall be assessed unless the City

demonstrates by clear and convincing evidence that such lots or parcels receive no special benefit from the proposed improvements.

Section 6. Reference is hereby made to the Engineer's Report entitled "City of Torrance Lighting District No. 99-1, Engineer's Annual Levy Report, Fiscal Year 2007/08," on file in the office of the City Clerk, for a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.

Section 7. **NOTICE IS HEREBY GIVEN** that the City Council appoints the 19th day of June, 2007, at the hour of 7:00 p.m., in the Council Chambers at City Hall, 3031 Torrance Boulevard, Torrance California, 90503, as the time and place for a public hearing on the levy of the proposed assessments against the lots and parcels of land within the District for the 2007-08 fiscal year. All interested persons shall be afforded the opportunity to hear and be heard at the public hearing. The City Council shall consider all oral statements made at the public hearing and all written correspondence filed with the City Clerk prior to the conclusion of the public hearing.

Section 8. The City Clerk is hereby authorized and directed to give notice of such hearing in accordance with the law.

Section 9. The City Council hereby designates the Finance Director of the City of Torrance, 3031 Torrance Boulevard, California, 90503, (310) 618-5850 to answer inquiries regarding the proceedings.

INTRODUCED, APPROVED AND ADOPTED this 22nd day of May, 2007.

_____
Mayor of the City of Torrance

ATTEST:

_____
City Clerk of the City of Torrance

APPROVED AS TO FORM:
John L. Fellows III, City Attorney

By _____

ATTACHMENT F

CITY OF TORRANCE
LIGHTING DISTRICT NO. 99-1

ENGINEER'S ANNUAL LEVY REPORT

Fiscal Year 2007/08

california Torrance

INTENT MEETING: May 22, 2007
PUBLIC HEARING: June 19, 2007

MuniFinancial

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ENGINEER'S REPORT AFFIDAVIT
Lighting District No. 99-1

City of Torrance

Los Angeles County, State of California

This Report describes the District and services therein including the improvements, budgets, parcels and assessments to be levied for Fiscal Year 2007/2008, as they existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the Los Angeles County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District. The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this _____ day of _____, 2007

MuniFinancial
Assessment Engineer
On Behalf of the City of Torrance

By: _____

Gladys Medina
Project Manager, District Administration Services

By: _____

Richard Kopecky
R. C. E. # 16742

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I. OVERVIEW

A. Introduction

In 1977, the City of Torrance ("City") formed Street Lighting District No. 17 in order to pay for costs related to the maintenance and servicing of street lights, safety lights and traffic signals in the City. This district completed its twentieth and final year of collections in the 1996-97 tax year. In compliance with Proposition 218, the property owners were balloted and on June 15, 1999, a public hearing approved the formation of a new assessment district under the *Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code* ("1972 Act") called the City of Torrance Lighting District No. 99-1 ("District").

The City annually levies and collects special assessments in order to maintain the improvements within the District pursuant to the 1972 Act and in compliance with California Constitution Article XIIID ("Article XIID").

This Engineer's Annual Levy Report ("Report") describes the District, any annexations, or changes to the District including substantial changes to the District improvements, and the proposed assessments for fiscal year 2007/2008. The proposed assessments are based on the estimated cost to maintain the improvements that provide special benefits to properties within the District. The costs of improvements and the annual levy include all expenditures, deficits, surpluses, revenues, and reserves. Each parcel is assessed proportionately for only those improvements provided and for which the parcel receives special benefit based on an established method of apportionment.

The word "parcel," for the purposes of this Report, refers to an individual property assigned its own Assessor's Parcel Number by the County of Los Angeles ("County") Assessor's Office. The County Auditor/Controller uses Assessor's Parcel Numbers and specific Fund Numbers, to identify on the tax roll, properties assessed for special district benefit assessments.

B. Compliance with Current Legislation

In compliance with the 1972 Act, the City Council annually conducts a public hearing to accept property owner and public comments and testimony, and to approve the annual assessments to be levied on the County tax roll for the fiscal year. All assessments contained in this Report and to be approved by the City Council have been prepared in accordance with the 1972 Act and are in compliance with the provisions of Article XIIID (Proposition 218). The City has reviewed the provisions of Article XIIID and has made the following findings and determinations:

Pursuant to Article XIIID Section 4, the City conducted a Property Owner Protest Ballot proceeding for the proposed levy of a new assessment.. Upon conclusion of a Noticed Public Hearing, ballots which were weighted based on assessment amounts, were tabulated and it was determined that a majority protest did not exist for the proposed assessments and the assessment range formula presented.

The provisions of Article XIIID do not alter the non-conflicting provisions of the 1972 Act. As such, the Method of Apportionment described in this Report utilizes commonly accepted assessment engineering practices consistent with the 1972 Act and the provisions of Article XIIID. The proposed assessments for the current fiscal year are less than or equal to the maximum assessment rate previously approved and adopted for the District. The application of this adjusted maximum assessment rate for the various land uses within the District is described in more detail in Section III E of this Report. Any proposed assessment that exceeds the adjusted maximum assessment rate is considered an increased assessment. Pursuant to the provisions of Article XIIID, all new or increased assessments (the incremental increase) are subject to both the substantive and procedural requirements of Article XIIID Section 4.

Following consideration of public comments and written protests at a noticed public hearing, and review of the Report, the City Council may order amendments to the Report or confirm the Report as submitted. Following final approval of the Report, and confirmation of the assessments, the Council may order the levy and collection of assessments for fiscal year 2007/2008 pursuant to the 1972 Act. In such case, the assessment information will be submitted to the County Auditor/Controller, and included on the property tax roll for each benefiting parcel for fiscal year 2007/2008.

II. DESCRIPTION OF THE DISTRICT

A. Boundaries of the District

The boundaries of the District are coterminous with the boundaries of the City. A Diagram of the District boundaries showing the exterior citywide boundaries, the boundaries of any benefit zones and the lines and dimensions of each lot or parcel of land within the District is shown in Appendix A.

B. Improvements To Be Maintained and Serviced

1. Public Street Lights

Public street lights include all improvements used or useful for the lighting of any public street, excluding safety lights and traffic signals, but including lamps, ornamental standards, poles, supports, and other related appurtenances thereto. The table below lists all the public street lights in the City by lamp, as shown in the street lighting maps of Southern California Edison ("SCE"). The table does not include street lights, which were de-energized as part of the City's energy conservation efforts. The street lighting maps are on file at the office of SCE and the City's records regarding the public street light installation and removal during fiscal year 2006-07 are on file with the City of Torrance Community Development Department and both are incorporated herein by reference. With the exception of a *de minimis* number of public street lights owned by the City, all the public street lights in the City are owned by SCE. Costs of maintaining and servicing for all public street lights in the City are paid by the City to SCE. The public street lights in the table are listed by type of lamp and street type.

Inventory of Public Street Lights

Street Type	5HP[1]	7HP	10HP	15HP	20HP	25HP	40HP	40MV[2]	70MV
Arterials	0	226	92	113	2,910	277	0	9	2
Local Streets	15	4,558	462	831	1,336	39	5	0	0
Total	15	4,784	554	944	4,246	316	5	9	2

[1] The term "HP" denotes a sodium vapor lamp.
[2] The term "MV" denotes a mercury vapor lamp.

2. Safety Lights

Safety lights include public lights positioned atop traffic signals at intersections for vehicular safety and related appurtenances. Costs for furnishing electric current for safety lights in the City are paid by the City to SCE.

3. Traffic Signals

Traffic signals include public lights at intersections that govern and facilitate the flow of traffic and related appurtenances. Costs for furnishing electric current for traffic signals in the City are paid by the City to SCE.

The public lighting system shall be maintained to provide adequate illumination. The Southern California Edison Company shall furnish power for street lights and traffic signals, and it shall be adequate for the intended purpose. The traffic signal system shall be maintained based on the City specifications and current industry standards. Rates for power shall be those authorized by the California Utilities Commission.

The plans and specifications for the improvements are on file in the office of the City of Torrance Community Development Department and are made part of this report by reference.

C. Types of Maintenance and Service

1. Maintenance

Maintenance includes the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of the public lighting facilities and appurtenant facilities, including repair, removal or replacement of all or part of any of the public lighting facilities and appurtenant facilities; and the cleaning, sandblasting and painting of the public lighting facilities and appurtenant facilities to remove or cover graffiti.

2. Servicing

Servicing includes the furnishing of electric current or energy, gas or other illuminating agent for the public lighting facilities, or for the lighting or operation of appurtenant facilities.

III. METHOD OF APPORTIONMENT

A. General

The 1972 Act permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements that include the construction, maintenance and servicing of public lights, landscaping and appurtenant facilities. The 1972 Act further requires that the cost of these improvements be levied according to benefit rather than assessed value:

> *"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."*

The formula used for calculating assessments in this District therefore reflects the composition of the parcels, and the improvements and services provided, to fairly apportion the costs based on benefit to each parcel.

In addition, Article XIIID requires that a parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred on that parcel. Article XIIID provides that only special benefits are assessable and the City must separate the general benefits from the special benefits. A special benefit is a particular and distinct benefit over and above general benefits conferred on the public at large, including real property within the district. The general enhancement of property value does not constitute a special benefit.

B. Benefit Analysis

The public street lighting, safety lights, traffic signals and appurtenant facilities are for the benefit and enjoyment of all properties within the District and parcels benefit from the operation, maintenance and servicing thereof. The assessment of maintenance and servicing costs upon each parcel is apportioned in accordance with the methodology, which has been established by the City Council upon formation of the District.

1. Categories of Streets

In order to allocate special benefit from improvements to individual parcels within the District, it is necessary to classify the streets by differences in use and public street lighting as described below.

a. Arterials

Arterials form the part of the roadway system which serves as the principal network for through-traffic flow. Based upon the Circulation Analysis Evaluation of Future Roadway Needs, prepared by Parsons Brinckerhoff Quade & Douglas, Inc., dated May, 1992 ("Circulation Analysis), there are twenty-six (26) streets in the City which compose the principal network for through-traffic flow in the City. These streets are listed in the following table:

Anza Avenue	Palos Verdes Boulevard (north)
Arlington Avenue	Palos Verdes Boulevard (south)
Artesia Boulevard	Plaza Del Amo
Cabrillo A venue	Prairie A venue
Calle Mayor	Redondo Beach Boulevard
Carson Street	Sepulveda Boulevard
Crenshaw Boulevard	Torrance Boulevard
Del Amo Boulevard	Van Ness Avenue
Hawthorne Boulevard	Western Avenue
Lomita Boulevard	Yukon Avenue
Madrona Avenue	182 Street
Maple Avenue	190 Street
Pacific Coast Highway	235 Street

Of all the streets in the City, Arterials generally maintain the highest levels of luminance and illuminance. These high levels of luminance and illuminance are necessary to accommodate the high traffic volumes and relatively high average speeds of travel on Arterials. Beginning January 25, 2001 the City instituted a program of de-energizing selected Arterial Street Lights in order to conserve energy. A study conduced by Albert Grover & Associates on October 30 2001 titled "Evaluation of Street Light Illumination Levels for Selected Streets in the City of Torrance" concluded that the City conservation program did not diminish the illumination level on Arterials below what would be considered acceptable by IES standards. In order to eliminate maintenance and fixed charge costs to the City for deactivated street lights, the City has requested that Southern California Edison permanently remove these lights. This Engineer's Report uses the lumen yield of active street lamps to approximate luminance and illuminance. Accordingly, the following table shows the number of active public street lights on Arterials by lamp type and lumen yield. As the following table shows, the modal public street lighting lamp on the Arterials in terms of lumen yield is a 20HP lamp. The average lumen yield of a public street lighting lamp on a Local Street is 20,915 lumens.

Public Street Lighting Lamps on Arterials

Lamp	Number of Lamps	Lumen Yield Per Lamp	Total Lumen Yield
5 HP	0	4,000	0
7 HP	226	5,800	1,310,800
10 HP	92	9,500	874,000
15 HP	113	16,000	1,808,000
20 HP	2,910	22,000	64,020,000
25 HP	277	27,500	7,617,500
40 HP	0	50,000	0
40 MV	9	21,000	189,000
70 MV	2	41,000	82,000
Total	*3,629*	*N/A*	*75,901,300*
Average Lumens			*20,915*

b. Local Streets

All the streets in the City which are not Arterials are defined as Local Streets. In general, these are the roadways used primarily for direct access to residential and nonresidential property. In terms of public street lighting, Local Streets are distinguished from Arterials in generally maintaining significantly lower levels of luminance and illuminance than Arterials. This is consistent with the traffic volumes of Local Streets as such streets do not accommodate the same volumes of traffic and do not permit the same average speeds of travel as Arterials. The table below shows the number of public street lighting lamps on Local Streets by lamp type and lumen yield. As the following table shows, the modal public street lightinglamp on the Local Streets in terms of lumen yield is a 7HP lamp. The average lumen yield of a public street lighting lamp on a Local Street is 10,336 lumens.

Public Street Lighting Lamps on Local Streets

Lamp	Number of Lamps	Lumen Yield Per Lamp	Total Lumen Yield
5 HP	15	4,000	60,000
7 HP	4,558	5,800	26,436,400
10 HP	462	9,500	4,389,000
15 HP	831	16,000	13,296,000
20 HP	1,336	22,000	29,392,000
25 HP	39	27,500	1,072,500
40 HP	5	50,000	250,000
40 MV	0	21,000	0
70 MV	0	41,000	0
Total	*7,246*	*N/A*	*74,895,900*
Average Lumens			*10,336*

The method of apportionment (method of assessment) is based on the premise that each assessed parcel within the District receives benefit from the improvements. However, each individual improvement element has its own distinct benefits both specific and general. The special benefits associated with the improvements within the District are as follows:

2. Benefit of Improvements

Public Street Lights, which are Arterial Lights and Local Street Lights located in close proximity to the property, provide both Access Benefit, Security Benefit and Traffic Benefit.

The improvements within the District provide special benefit to the parcels in the District including Access Benefit, Security Benefit, and Traffic Benefit, defined as follows.

a. **Access Benefit** is defined as benefit derived from the improved ingress to and egress from the property by illuminating access to said property between dusk and dawn. Access Benefit is distinct from Traffic Benefit because it exists independent of actual use and is uncorrelated with frequency of use. Generally, Access Benefit is allocable to parcels on the basis of parcel size because the amount of access provided varies with accessible area.

b. **Security Benefit** is defined as benefit derived from the reduction of vandalism against property and criminal acts on the property between dusk and dawn. Security Benefit is also generally allocable to parcels on the basis of parcel size because the amount of security provided varies with the area secured.

c. **Traffic Benefit** is defined as benefit derived from improved safety for and facilitation of the flow of traffic to and from the property between dusk and dawn. Traffic Benefit is also generally allocable to parcels on the basis of parcel size because the number of trips to and from a parcel generally varies with the size of the parcel.

Safety Lights, which are located atop Traffic Signals at intersections for the purpose of enhancing traffic safety at intersections, provide Traffic Benefit only (see above for definition of Traffic Benefit).

Traffic Signals, which are located only at intersections for the purposes of facilitating the flow of traffic and enhancing traffic safety at intersections, provide Traffic Benefit only (see above for definition of Traffic Benefit).

3. Categories of Benefit

Proposition 218 provides that "an agency shall separate the general benefits from the special benefits conferred on a parcel," where "Special benefit means a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large." It is there fore necessary to establish definitions of General Benefit and special Benefit as such terms relate to the benefit to be derived from the Improvements.

As discussed above, Local Streets are used primarily for direct access to residential and non-residential property. As such, the benefits generated by Local Streets accrue specially to properties served directly by the Local Streets, and not generally to properties throughout the city or to the public at large. Accordingly, no benefit from public street lights, safety lights, or traffic signals on Local Streets is allocable to General Benefit; the public street lights, safety lights, and traffic signals on Local Streets generate only Special Benefit. Arterials, on the other hand, serve property throughout the City and the public at large because they compose the principal network for through traffic flows in the City. However, not all the benefit generated by public street lights, safety lights, and traffic signals located on Arterials are General Benefit. As is the case with Local Streets, Access Benefit and Security Benefit from public street lights located on Arterials accrue specially to properties served directly by the Arterials. Only the portion of Traffic Benefit generated by public street lights, safety lights, and traffic signals located on Arterials which is not allocable to Special Benefit is General Benefit. To quantify this portion of Traffic Benefit, it is necessary to compare the levels of luminance and illuminance provided by Arterials with the levels of luminance and illuminance provided by Local Streets. As discussed above, the Arterials generally maintain the highest levels of luminance and illuminance in order to accommodate the high traffic volumes and relatively high average speeds of travel which occur on Arterials as a result of their serving property throughout the City and the public at large, i.e., their function as the principal network for through-traffic flow in the City. The portion of Traffic Benefit which is allocable to General Benefit can therefore be quantified as the level of Traffic Benefit provided by public street lights, safety lights, and traffic signals located on Arterials which is over and above the level of Traffic Benefit provided by public street lights, safety lights, and traffic signals on Local Streets.

C. Calculation of General Benefit and Special Benefit

The costs of maintaining and servicing public street lights in fiscal year 2007-08 is estimated to be $1,625,000. This amount is allocated between General Benefit and Special Benefit as described below.

1. Arterials and Local Streets

The first step in allocating the cost of maintaining and servicing public street lights to General Benefit and Special Benefit is allocating such costs to the Arterials and Local Streets, based upon lumen yield. The following table shows the allocation of total lumen yield between Arterials and Local Streets, based on the tables on page 7 (Public Street Lighting Lamps on Arterials and Public Street Lighting Lamps on Local Streets).

Cost Allocation of Maintaining and Servicing Public Street Lights

Street Type	Total Lumen Yield	Allocation Percentage	Cost Allocation
Arterials	75,901,300	50.33%	$817,863
Local Streets	74,895,900	49.67%	807,137
Total	150,797,200	100.00%	$1,625,000

2. Local Street Allocation

Because Local Streets provide only Special Benefit, all the costs of maintaining and servicing public street lights which are applicable to Local Streets are allocable to Special Benefit.

3. Arterial Allocation

The costs of maintaining and servicing public street lights which are allocable to Arterials are allocable partially to General Benefit and partially to Special Benefit. On Local Streets, public street light lamps are generally 15 HP or less, with the exception that higher lumen lamps are located on certain high traffic volume Local Streets to accommodate the higher traffic volume. Accordingly, for purposes of this allocation, all lamps of luminous intensity less than 15HP, or 16,000 lumens, located on Arterials were allocated entirely to Special Benefit while lamps of luminous intensity greater than 15HP, or 16,000 lumens, located on Arterials were allocated partly to Special Benefit and partly to General Benefit. The allocation to General Benefit for each such lamp was determined as the differential between the luminous intensity of the lamp and 16,000 lumens. It should be noted that this allocation results in an overestimation of General Benefit because it allocates none of the benefit generated from lumens over and above 16,000 lumens to Special Benefit. The following table shows the allocation of public street light lamp lumens on Arterials to General Benefit and Special Benefit and the resulting percentage allocation to General Benefit and Special Benefit.

Arterial Public Street Light Benefit Allocation

Benefit	Lumens	Percentage
General Benefit	20,740,500	27.33%
Special Benefit	55,160,800	72.67%
Total	75,901,300	100.00%

Safety lights and traffic lights are dispersed throughout the City. Most of the safety lights and traffic signals are located on Arterials; however, some of the safety lights and traffic signals are located on Local Streets. The benefit from the safety lights and traffic signals on Local Streets, which is entirely Traffic Benefit, is allocable to Special Benefit; the benefit from the safety lights and traffic signals on Local Streets, which is entirely Traffic Benefit, is allocable to Special Benefit; the benefit form the safety lights and traffic signals on Arterials, which is also entirely Traffic Benefit, is allocable partially to General Benefit and partially to Special Benefit. However, for purposes of this Engineer's Report, in order not to overestimate the amount of Special Benefit allocable to parcels in the Assessment District, all the benefit from the safety lights and traffic signals are being allocated to General Benefit. Accordingly, none of the costs of maintaining and servicing safety lights and traffic signals in fiscal year 2007-08 which is estimated to be $818,550, will be assessed on parcels in the Assessment District.

4. Summary of General Benefit and Special Benefit

Based upon the foregoing, the following table summarizes the allocation of the estimated costs of the Improvements to general Benefit and Special Benefit.

Cost Allocation of Improvements to General Benefit and Special Benefit

Improvement	General Benefit	Special Benefit	Total Costs
Maintenance and Servicing of Public Street Lights - SCE	$223,522	$1,401,478	$1,625,000
Maintenance of Safety Lights and Traffic Signals - City	180,000	0	180,000
Maintenance of Safety Lights and Traffic Signals – Salaries and Benefits	528,550	0	528,550
Servicing of Safety Lights and Traffic Signals - SCE	110,000	0	110,000
Total	$1,042,072	$1,401,478	$2,443,550

D. Maximum Assessment

Article XIIID currently requires certain noticing, balloting and meeting procedures for any new or increased assessment, prior to the passage of Proposition 218, which established California Constitution Articles XIIIC and XIIID, legislative changes in the Brown Act defined a "new or increased assessment" to exclude certain conditions. These conditions included "any assessment that does not exceed an assessment formula or range of assessments previously adopted by the agency or approved by the voters in the area where the assessment is imposed." This definition and conditions were later confirmed through Senate Bill 919 (Proposition 218 implementing legislation).

E. Assessment Methodology

Section 22574 of the 1972 Act provides that "a zone shall consist of all territory which will receive substantially the same degree of benefit from the improvements." Public street lights have been systematically installed on most streets in the City; however, there are some streets in the City, including streets inside gated communities, on which public street lights have not been systematically installed. As a result, not all parcels in the Assessment District will receive substantially the same degree of benefit from the Improvements. Accordingly, parcels which front streets on which public street lights have been installed both at intersections and along street lengths are assigned to Benefit Zone A. Parcels which front streets on which no public street lights have been installed, or on which public street lights have been installed only at intersections are assigned to Benefit Zone B.

1. Benefit Zone A

Parcels fronting streets that have public street lights installed at intersections and along street lengths are assigned to Benefit Zone A. A Special Benefit is allocated to these parcels in Benefit Zone A based upon the number of Equivalent Benefit Units ("EBUs") assigned to each such parcel. The number of EBUs assigned to a parcel reflects the relative amount of Special Benefit allocable to each such parcel.

Each parcel in Benefit Zone A on which a single family detached unit is located was assigned 1.00 EBU. To determine the appropriate number of EBUs to assign to a parcel on which a multi-family attached unit is located, relative densities of residential property in the City were examined.

Residential Property Densities

Unit Type	Density	Acres	Units	Units/Acre
Single Family Detached	Low	4,109.10	29,709	7.2301
Multi-Family Attached	Low-Medium	429.40	5,727	13.3372
Multi-Family Attached	Medium	211.30	5,004	23.6820
Multi-Family Attached	High	342.10	14,283	41.7510

Based upon the information contained in the table above, it is possible to assign a weighted average density of 31.6309 units per acre for multi-family attached residential property in the City. This weighted average was then compared against the average density of 7.2301 units per acre for single family detached residential property in the City to arrive at an EBU of 0.2286 per multi-family attached unit.

Parcels of developed non-residential property are assigned EBUs based on parcel size in comparison to the number of EBUs assigned to residential property. Specifically, as stated above, a parcel in Benefit Zone A on which a single family detached unit is located is assigned 1.0000 EBU. In accordance with the density of 7.2301 single family detached units per acre of residential property in the City, parcels of non-residential property are assigned EBUs based upon the rate of 7.2301 EBUs per acre. Pursuant to Article XIIID, no distinction is made for non-residential public parcels.

Undeveloped parcels in Benefit Zone A will receive significantly less Special Benefit than developed parcels in Benefit Zone A. Specifically, no Access Benefit or Traffic Benefit accrues to undeveloped property. Security Benefit however, does accrue to undeveloped property because public street lighting deters illegal dumping and other forms of trespassing that would otherwise damage such property. Accordingly, undeveloped parcels are assigned EBUs equal to one-third of the EBUs assigned to developed parcels of equal size. The following table summarizes the EBUs assigned to parcels in Benefit Zone A by land use class.

EBUs By Land Use in Benefit Zone A

Land Use	EBUs
Single Family Detached	1.0000 EBU per Unit
Multi-family Attached	0.2286 EBU per Unit
Non-Residential	7.2301 EBU per Acre
Undeveloped	2.4100 EBU per Acre

2. Benefit Zone B

As stated above, parcels which front streets on which no public street lights have been installed, or on which public street lights have been installed only at intersections, are assigned to Benefit Zone B. Because of their distance from public street lights, these parcels generally receive significantly less Special Benefit than parcels in Benefit Zone A. Specifically, parcels in Benefit Zone B receive special benefit from the public street lights on Local Streets primarily from public street lights at intersections. Accordingly, the EBUs assigned to parcels in Benefit Zone B are calculated as a percentage of the EBUs assigned to parcels in Benefit Zone A, based on the lumen yield from public street lights at intersections on Local Streets as a percentage of the total lumen yield from public street lights on Local Streets. A survey of public street lights on Local Streets was performed to determine this percentage. The results of this survey are shown in the following table.

Local Street Lumen Yield By Location

Location of Local Street Public Lights	Percentage of Lumen Yield
Intersections	35.63%
Street Lengths	64.37%
Total	100.00%

As shown in the table above, 35.63% percent of the lumen yield on Local Streets is located at intersections. This percentage is applied to the EBUs assigned to parcels in Benefit Zone A to arrive at the EBUs assignable to parcels in Benefit Zone B, as shown in the table below.

EBU's By Land Use in Benefit Zone B

Land Use	Benefit Zone A EBUs	Benefit Zone B Percentage	Benefit Zone B EBUs
Single Family Detached	1.0000 EBU per Unit	35.63%	0.3563 EBU per Unit
Multi-family Attached	0.2286 EBU per Unit	35.63%	0.0815 EBU per Unit
Non-Residential	7.2301 EBU per Acre	35.63%	2.5761 EBU per Acre
Undeveloped	2.4100 EBU per Acre	35.63%	0.8587 EBU per Acre

F. Classification of Parcels by Land Use

Parcels to be included in the Assessment District were identified from the Fiscal Year 2006-07 Secured Property Tax Roll of the County of Los Angeles based upon the tax rate areas of the City. Parcels were assigned to benefit Zone A and Benefit Zone B on the basis set forth above and to land uses based upon the land use designations assigned to the parcels by the Assessor of the County of Los Angeles, In addition, because of small errors in acreage data that sometimes occur on the Secured Property Tax Roll with respect to small parcels, five classes of Non-Residential property and five classes of Undeveloped property, differentiated by parcel size, have been established in order to reduce the impact of such data errors. The following tables list the parcels in Benefit Zone A and Benefit Zone B by land use and EBU's.

Parcels in Benefit Zone A

Land Use	Parcels	Units/Parcels/ Acres	EBU's	FY 2007-08 Rates
Single Family Detached	26,998	26,998	26,998.0000	$20.50
Multi Family Attached	7,352	25,567	5,844.6162	$4.69
Non-Residential (= <.25 Acres)	675	84.38	610.0397	$18.53
Non-Residential (>.25 to .50 Acres)	363	136.13	983.7300	$55.58
Non-Residential (>.50 to .75 Acres)	207	129.38	935.6400	$92.64
Non-Residential (>.75 to 1.00 Acres)	130	113.75	822.9000	$129.69
Non-Residential (>1.00 Acres)	564	3,061.00	22,131.2980	$148.22
Undeveloped (= <.25 Acres or less)	371	46.38	111.7638	$6.18
Undeveloped (>.25 to .50 Acres)	44	16.50	39.7650	$18.53
Undeveloped (>.50 to .75 Acres)	57	35.63	85.8563	$30.88
Undeveloped (>.75 to 1.00 Acres)	29	25.38	61.1538	$43.23
Undeveloped (>1.00 Acres)	196	1,518.05	3,658.4931	$49.41
Total	**36,986**		**62,283.2559**	

Parcels in Benefit Zone B

Land Use	Parcels	Units/Parcels/ Acres	EBU's	FY 2007-08 Rates
Single Family Detached	2,192	2,192	781.0096	$7.30
Multi Family Attached	318	1,002	81.6630	$1.67
Non-Residential (= <.25 Acres)	15	1.88	4.8302	$6.60
Non-Residential (>.25 to .50 Acres)	0	0.00	0.0000	$19.80
Non-Residential (>.50 to .75 Acres)	2	1.25	3.2200	$33.01
Non-Residential (>.75 to 1.00 Acres)	0	0.00	0.0000	$46.21
Non-Residential (>1.00 Acres)	10	57.33	147.6943	$52.81
Undeveloped (= <.25 Acres or less)	15	1.88	1.6500	$2.20
Undeveloped (>.25 to .50 Acres)	0	0.00	0.0000	$6.60
Undeveloped (>.50 to .75 Acres)	7	4.38	3.7568	$11.00
Undeveloped (>.75 to 1.00 Acres)	2	1.75	1.5027	$15.41
Undeveloped (>1.00 Acres)	5	6.00	5.1522	$17.60
Total	**2,566**		**1030.4788**	

IV. DISTRICT BUDGET

A. Description of Budget Items

The 1972 Act provides that the estimated costs of the improvements shall include the total cost of the maintenance and servicing of the improvements for the entire fiscal year 2007/2008, commencing July 1, 2007 and ending June 30, 2008, including incidentals, which may include reserves to operate the District.

The 1972 Act also provides that the amount of any surplus, deficit, or contribution be included in the estimated cost of improvements. The net amount to be assessed on the lots or parcels within the District is the total cost of maintenance and servicing with adjustments either positive or negative for reserves, surpluses, deficits, and/or contributions.

For the purpose of estimating costs for the maintenance and servicing, actual costs are used where possible. But where the improvements are new, or where actual maintenance experience is lacking, cost estimates will be used to determine costs, as follows:

DIRECT COSTS:

Maintenance and Servicing (SCE) – Includes all labor, material and equipment required to properly maintain the lighting within the District performed by Southern California Edison ("SCE"). All improvements within the District are maintained and serviced on a regular basis. The frequency and specific maintenance operations required within the District are determined by SCE and City Staff and is based on the proposed service level of the District.

Maintenance and Servicing (City) – Includes all labor, material and equipment required to properly maintain the lighting within the District performed by the City of Torrance.

Salaries and Benefits – The cost to all particular departments and staff of the City, for providing the coordination of District services and operations, response to public concerns and education, as well as procedures associated with the levy and collection of assessments.

ADMINISTRATION and INCIDENTIAL COSTS:

Assessment Engineering and Administration –The costs of contracting with professionals to provide any administrative, legal or engineering services specific to the District including any required notices, mailings or property owner protest ballot proceedings; administration and application of the assessment roll to the Los Angeles County Secured Property Tax Roll.

Legal Counsel – The cost for legal services from the City Attorney's office.

County Auditor/Controller Fee — The cost to the District for the County to collect District assessments on the property tax bills. This charge is based on a fixed amount per parcel.

Public Notice – The cost for services of the City Clerk and staff assistance and charges involved in publishing the notice of Public Hearing.

REVENUE ADJUSTMENTS:

General Benefit Contribution — This is the contribution made by the General Fund to cover the General Benefit portion of the improvement budget.

Other Contributions — This is the amount of additional funds designated for use by the District that are not from District assessments. These funds are added to the District account to reduce assessments, and may be from either non-District or District sources including City General Fund Contributions, interest earnings and contributions from the Gas Tax. Any funds indicated on this line will be shown as a negative number indicating a reduction in the amount to be levied and represent funds that do not have to be repaid.

Balance to Levy — This is the total amount to be levied and collected through assessments for the current fiscal year (for special benefits) or from other revenue sources (for general benefit). The Balance to Levy represents the sum of Total Direct and Administration Costs, the Reserve Account/Other Revenue Source adjustments. Only those costs related to the improvements identified as special benefits are levied and collected on the tax roll.

DISTRICT BUDGET FISCAL YEAR 2007-2008

Direct Costs:

Maintenance Costs	**Public Street Lights**	**Safety Lights/ Traffic Signals**	**Totals**
Maintenance & Servicing - SCE	$1,625,000	$110,000	$1,735,000
Maintenance & Servicing - City	0	180,000	180,000
Salaries and Benefits	0	528,550	528,550
Subtotal	**$1,625,000**	**$818,550**	**$2,443,550**
Total Direct Costs	**$1,625,000**	**$818,550**	**$2,443,550**

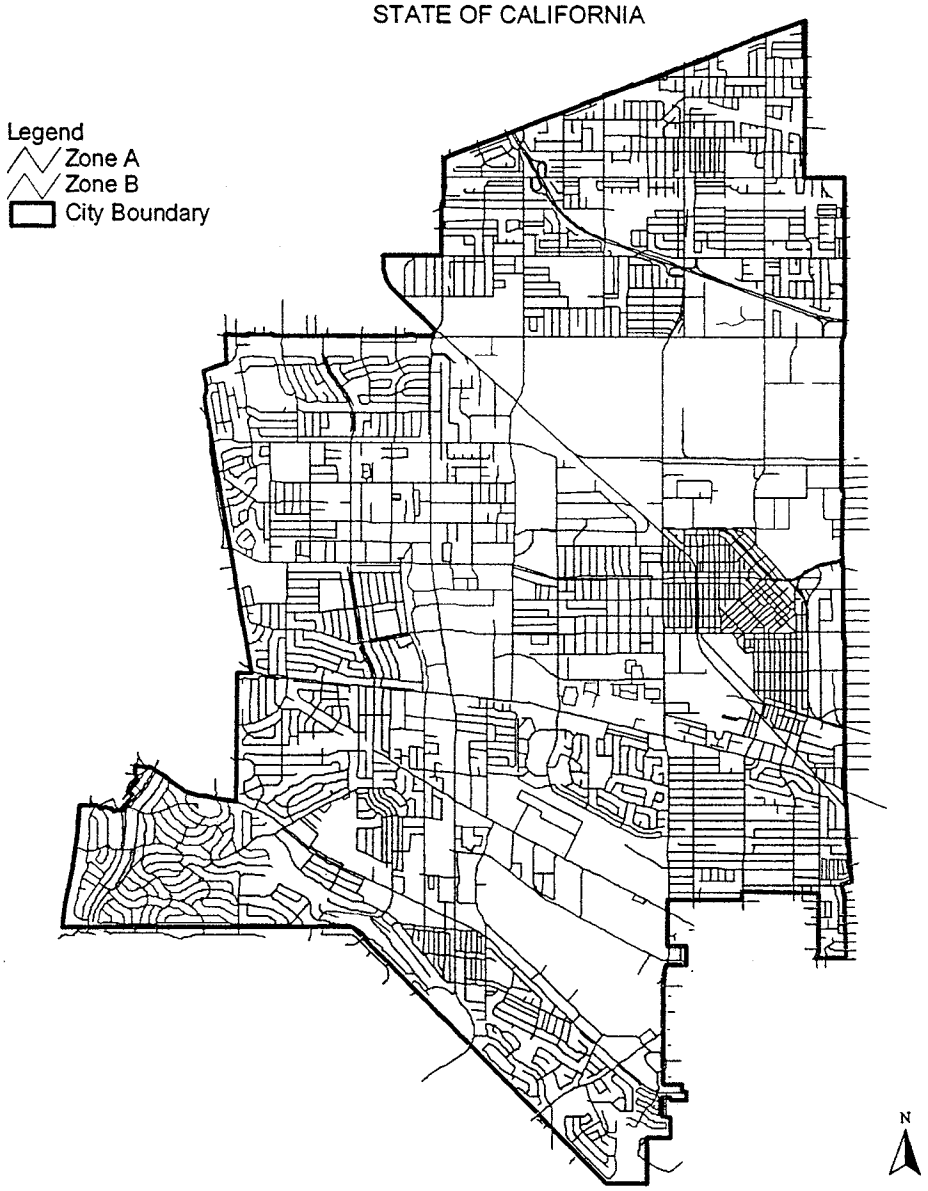
Administration and Incidential Costs	
Assessment Engineering & Administration	$30,000
Legal Counsel	3,000
County Auditor / Controller Fee	9,888
Public Notice	500
Total Administration Costs	**$43,388**
Total District Expenses	**$2,486,938**
Revenue Adjustments:	
General Benefit Contribution	(1,042,072)
Other Contributions (General Fund)	(146,855)
Total Adjustments	**($1,188,927)**
Balance to Levy	**$1,298,011**

Zone A:	
FY 2007-08 Applied Rate Per EBU	$20.50
FY 2007-08 Maximum Rate Per EBU	$20.50
Zone B:	
FY 2007-08 Applied Rate Per EBU	$7.30
FY 2007-08 Maximum Rate Per EBU	$7.30

Appendix A - DISTRICT ASSESSMENT DIAGRAM

A District Diagram has been prepared for the District in the format required by the 1972 Act, and is on file with the City, and is detailed on the following page of this Report. The Assessment Diagram is available for inspection at the City, during normal business hours. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the Assessor of the County of Los Angeles for the fiscal year to which this Report applies. The Assessor's maps and records are incorporated by reference herein and made part of this Report.

ASSESSMENT DIAGRAM
CITY OF TORRANCE
LIGHTING DISTRICT NO. 99-1
LOS ANGELES COUNTY
STATE OF CALIFORNIA



Appendix B - 2007/2008 ASSESSMENT ROLL

Parcel identification, for each lot or parcel within the District, shall be the parcel as shown on the County Assessor's Map for the year in which this Report is prepared.

Non-assessable lots or parcels include land principally encumbered by public or utility rights-of-way and common areas. These parcels will not be assessed.

A listing of parcels assessed within the District, along with the proposed assessment amounts, is included on the following pages and has been identified as "Fiscal Year 2007/2008 Levy Roll".