

Council Meeting of  
May 23, 2006

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 2006-2007.**

**Expenditure: \$2,110,468**

**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 2006-2007;
2. Adopt a **Resolution** approving the Fiscal Year 2006-2007 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 2006-2007.

**Funding**

Funding is available from the Street Lighting District Assessment Fund.

**BACKGROUND**

Since 1977, the City had Street Lighting District No. 17, a district that paid 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. On November 1996, California voters approved Proposition 218, an initiative designed 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.

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.

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 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 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 2006-2007 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 2006-07
- Resolution to approve the Fiscal Year 2006-07 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 2006-07.

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 2006-2007 is \$2,110,468. General Benefit is \$817,445 and Special Benefit totaled \$1,293,023 as shown below.

	<b>General Benefit</b>	<b>Special Benefit</b>	<b>Total</b>
Assessment (Non-City Parcels)	N/A	\$1,198,580	\$1,198,580
Prior Year Surplus	N/A	N/A	N/A
City of Torrance			
Assessment of City Parcels	N/A	\$94,443	\$94,443
City Contribution	\$817,445	N/A	\$817,445
<b>Total</b>	<b>\$817,445</b>	<b>\$1,293,023</b>	<b>\$2,110,468</b>

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

<b>FY 2006-2007</b>	
Gross Cost of Improvements	\$2,032,362
Prior Year Surplus or Deficit Amount	N/A
City Contribution	(\$817,445)
Improvement Assessment Amount	\$1,214,917
Incidental Expenses	\$78,106
<b>Net Assessment</b>	<b>\$1,293,023</b>

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 2006-2007 assessment for each land use classification within each zone is higher than in fiscal year 2005-2006, 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 2005-2006 and 2006-2007 to fiscal year 1999-2000.

Upon adoption of the three resolutions by Council, the City Council must hold a public hearing on the proposed levy of assessments for fiscal year 2006-2007. The resolution appoints June 20, 2006 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 2006-07 tax roll.

Respectfully submitted,

ERIC E. TSAO  
FINANCE DIRECTOR

By   
Kenneth A. Flewellyn  
Assistant Finance Director

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 (Limited Distribution. A copy is available for review in the City Clerk's office.)

## ATTACHMENT A

## NET ASSESSMENT RATES

LAND USE CLASSIFICATION	LIGHTING DISTRICT NO. 99-1 (1999-2000)		LIGHTING DISTRICT NO. 99-1 (2005-2006)		LIGHTING DISTRICT NO. 99-1 (2006-2007)	
	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	\$19.32/unit	\$6.88/unit	\$20.42/unit	\$7.28/unit
Multi-family Residential	\$4.69/unit	\$1.67/unit	\$4.42/unit	\$1.57/unit	\$4.67/unit	\$1.66/unit
.25 acres or less	\$18.53/parcel	\$6.60/parcel	\$17.46/parcel	\$6.22/parcel	\$18.46/parcel	\$6.58/parcel
>.25 and <=.50 acres	\$55.58/parcel	\$19.80/parcel	\$52.38/parcel	\$18.66/parcel	\$55.36/parcel	\$19.73/parcel
>.50 and <=.75 acres	\$92.64/parcel	\$33.01/parcel	\$87.30/parcel	\$31.11/parcel	\$92.27/parcel	\$32.88/parcel
>.75 and <=1.00 acres	\$129.69/parcel	\$46.21/parcel	\$122.22/parcel	\$43.55/parcel	\$129.18/parcel	\$46.03/parcel
Over 1 acre	\$148.22/acre	\$52.81/acre	\$139.69/acre	\$49.77/acre	\$147.64/acre	\$52.60/acre
.25 acres or less	\$6.18/parcel	\$2.20/parcel	\$5.82/parcel	\$2.07/parcel	\$6.15/parcel	\$2.19/parcel
>.25 and <=.50 acres	\$18.53/parcel	\$6.60/parcel	\$17.46/parcel	\$6.22/parcel	\$18.46/parcel	\$6.58/parcel
>.50 and <=.75 acres	\$30.88/parcel	\$11.00/parcel	\$29.10/parcel	\$10.37/parcel	\$30.76/parcel	\$10.96/parcel
>.75 and <=1.00 acres	\$43.23/parcel	\$15.41/parcel	\$40.74/parcel	\$14.52/parcel	\$43.06/parcel	\$15.34/parcel
Over 1 acre	\$49.41/acre	\$17.60/acre	\$46.56/acre	\$16.59/acre	\$49.21/acre	\$17.53/acre



## ATTACHMENT B

## NET ASSESSMENT

<b>FY 1999-2000</b>	
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
<b>Net Assessment</b>	<b>\$1,289,262</b>
<b>FY 2005-2006</b>	
Gross Cost of Improvements	\$1,916,170
Prior Year Surplus or Deficit Amount	\$0
City Contribution	(\$776,205)
Improvement Assessment Amount	\$1,139,966
Incidental Expenses	\$76,042
<b>Net Assessment</b>	<b>\$1,216,008</b>
<b>FY 2006-2007</b>	
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
<b>Net Assessment</b>	<b>\$1,293,023</b>



## ATTACHMENT C

## INCIDENTAL EXPENSES

<b>FY 1999-2000</b>	
Assessment Engineering	\$56,000
Legal Counsel	\$40,000
Los Angeles County	\$25,000
Public Notice	\$4,500
Assessment Administration	\$26,500
<b>Total</b>	<b>\$152,000</b>
<b>FY 2005-2006</b>	
Assessment Engineering	\$39,750
Legal Counsel	\$7,000
Los Angeles County	\$7,792
Public Notice	\$500
Assessment Administration	\$21,000
<b>Total</b>	<b>\$76,042</b>
<b>FY 2006-2007</b>	
Assessment Engineering	\$39,750
Legal Counsel	\$7,000
Los Angeles County	\$9,856
Public Notice	\$500
Assessment Administration	\$21,000
<b>Total</b>	<b>\$78,106</b>



## ATTACHMENT D

**ALLOCATION OF COSTS OF IMPROVEMENTS  
TO GENERAL BENEFIT AND SPECIAL BENEFIT**

<b>FY 1999-2000</b>	<b>GENERAL BENEFIT</b>	<b>SPECIAL BENEFIT</b>	<b>TOTAL</b>
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
<b>Total</b>	<b>\$522,738</b>	<b>\$1,137,262</b>	<b>\$1,660,000</b>
<b>FY 2005-2006</b>			
Maintenance & Servicing of Public Street Lights-SCE	\$181,877	\$1,139,966	\$1,321,842
Maintenance of Safety Lights and Traffic Signals-Cap. Costs	\$132,048	\$0	\$132,048
Maintenance of Safety Lights and Traffic Signals – Salaries & Benefits	\$284,180	\$0	\$284,180
Servicing of Safety Lights and Traffic Signals SCE	\$178,100	\$0	\$178,100
<b>Total</b>	<b>\$776,205</b>	<b>\$1,139,966</b>	<b>\$1,916,170</b>
<b>FY 2006-07</b>			
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
<b>Total</b>	<b>\$817,445</b>	<b>\$1,214,917</b>	<b>\$2,032,362</b>



## ATTACHMENT E

RESOLUTION NO. \_\_\_\_\_

**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 2006-07 PURSUANT TO THE PROVISIONS OF PART 2 OF DIVISION 15 OF THE STREETS AND HIGHWAYS CODE AND AS PROVIDED BY ARTICLE XIID 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, 2006 and ending June 30, 2007.

**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 2006-07.

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, David Taussig & Associates, Inc., 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 2006-07. This report shall be prepared in accordance with Article 4 of Chapter 1 of the Act and Section 4 of Article XIID of the California Constitution.

**PASSED, APPROVED AND ADOPTED** this 23rd day of May, 2006.

\_\_\_\_\_  
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. \_\_\_\_\_

**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. 99-1 FOR FISCAL YEAR 2006-07 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, David Taussig & Associates, Inc., 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, 2006 and ending June 30, 2007.

**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 "Engineer's Report, City of Torrance Lighting District No. 99-1, Fiscal Year 2006-07" (the "Report").

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

**PASSED, APPROVED AND ADOPTED** this 23rd day of May, 2006.

\_\_\_\_\_  
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. \_\_\_\_\_

**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 2006-07 PURSUANT TO THE PROVISIONS OF PART 2 OF DIVISION 15 OF THE STREETS AND HIGHWAYS CODE AND AS PROVIDED BY ARTICLE XIID 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"), proposes 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, 2006 and ending June 30, 2007.

**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 2006-07 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 "Fiscal Year 2006-2007 Engineer's Report for Lighting District No. 99-1 of the City of Torrance," 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 20th day of June, 2006, 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 2006-07 fiscal year.

**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.

**PASSED, APPROVED AND ADOPTED** this 23rd day of May, 2006.

\_\_\_\_\_  
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 \_\_\_\_\_