



**Honorable Mayor and Members of the Hermosa Beach City Council**

**HERMOSA BEACH LANDSCAPING AND STREETLIGHTING DISTRICT 2025-2026  
ADOPTION OF RESOLUTIONS REGARDING THE ENGINEER'S REPORT AND  
SETTING JUNE 24, 2025 FOR A PUBLIC HEARING**

**CEQA:** Determine the project is exempt from the California Environmental Quality Act.  
(Public Works Director Joe SanClemente)

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**Recommended Action:**

Staff recommends City Council:

1. Adopt a resolution (**Attachment 3**) approving the Engineer's Report in connection with Hermosa Beach Landscaping and Street Lighting District 2025–2026 made pursuant to the requirements of Resolution No. 25-7474 (**Attachment 1**); and
2. Adopt a resolution (**Attachment 4**) declaring the City's intention to order certain improvements and to levy and collect assessments within the Hermosa Beach Landscaping and Street Lighting District 2025–2026 for the Fiscal Year beginning July 1, 2025, through June 30, 2026, and appointing June 24, 2025, at the hour of 6:30 p.m. in the City Hall Council Chambers as the time and place for a public hearing in relation thereto.

**Executive Summary:**

The Hermosa Beach Landscaping and Street Lighting District ("District") collects funds for the operation and maintenance of the City's streetlights, traffic signals, and landscaping located within the parkways and medians. The District must be renewed annually through a three-step process. Staff recommends taking the above recommended actions thereby completing the second step of this renewal process.

**Background:**

The District was created in Fiscal Year 1989–1990, pursuant to the Landscaping and Lighting Act of 1972 (Streets and Highways Code Sections 22500–22679). The District assessment funds the maintenance and operation of streetlights, traffic signals, and landscaping located within parkways and medians citywide.

The City Council must approve the annual enrollment of assessments within the District through a three-step process.

First, Council directs the Director of Public Works to prepare an Engineer's Report, which includes the list of parcels within the District, the method of apportioning the assessment

across these parcels, and the estimated cost of operating and maintaining the District. At its February 25<sup>th</sup>, 2025 meeting, City Council adopted the first resolution in this process, Resolution 25-7474 (**Attachment 1**), authorizing preparation of this report.

Second, staff presents the Engineer’s Report (**Attachment 2**) to Council for approval and requests to set a date for a public hearing declaring the City Council’s intention to order certain improvements and to levy and collect assessments within the District for the new fiscal year.

The third and final step is to hold a public hearing and adopt a resolution confirming the map and assessment for the District for Fiscal Year 2025–2026, levy the set assessment per-unit rate for the fiscal year commencing July 1, 2025 and ending June 30, 2026; and adopt the Fiscal Year 2025–2026 estimated revenue for secured collections for the District.

***Past Council Actions***

Meeting Date	Description	Votes
<a href="#">February 25<sup>th</sup>, 2025</a>	City Council adopted Resolution 25-7474 authorizing the preparation of a report for the annual levy of assessments within the Hermosa Beach Landscaping and Street Lighting District during Fiscal Year 2025–2026.	<b>All Ayes (5-0)</b>  (Francois, Saemann, Detoy, Jackson, Keegan)

**Analysis:**

The City complies with Proposition 218 and can continue to levy assessments without requiring a ballot, provided the assessments are not increased. The assessment rate per dwelling unit has not increased since the passage of Proposition 218 in 1996 and will continue at the rate of \$41.45 per dwelling unit in Fiscal Year 2025–2026.

The Council is now considering the second of three steps in the annual enrollment assessment process. By approving the second resolution of this process (**Attachment 3**), City Council approves the Engineer’s Report, prepared by an expert Assessment Engineer acting as the duly appointed Engineer of Work. The report contains maps, methodology, costs, and estimated assessments for the District and is on file in the office of the City Clerk. Adoption of the proposed resolution confirms that the report was prepared prior to the public hearing.

By approving the third resolution of this process (**Attachment 4**), City Council sets June 24, 2025, at 6:30 p.m. in the City Hall Council Chambers as the time and place for a public hearing in order to accept input on the report. The City Clerk would publish a Notice of Public Hearing in the paper, a minimum of 10 days in advance of the hearing. The draft public notice is included as **Attachment 5**.

### **Environmental Review:**

The proposed project is categorically exempt from the CEQA. The project, which includes initiation of proceedings for the levying of annual assessments for landscape maintenance purposes, is within certain classes of projects that have been determined not to have a significant effect on the environment in that it meets the criteria set forth in Section 15301, subsection (h), and Section 15306 of the CEQA guidelines. The project provides information collection for the District, as well as maintenance of existing landscaping, and will not involve any expansion of an existing use or the removal of healthy, mature, or scenic trees. In addition, based on the proposed project records, it will comply with all applicable regulations; it is not in a sensitive environment; and there are no cumulative impacts, unusual circumstances, damage to scenic highways, listing on hazardous waste site lists compiled pursuant to Government Code, Section 65962.5, or indications that it may cause a substantial adverse change in the significance of a historical resource that would make the exemptions inapplicable.

### **General Plan Consistency:**

This report and associated recommendation have been evaluated for their consistency with the City's General Plan. Relevant Policies are listed below:

#### *Mobility Element*

**Goal 2. A public realm that is safe, comfortable, and convenient for travel via foot, bicycle, public transit, and automobile and creates vibrant, people oriented public spaces that encourage active living.**

Policies:

- **2.1 Prioritize public rights-of-way.** Prioritize improvements of public rights-of-way that provide heightened levels of safe, comfortable, and attractive public spaces for all non-motorized travelers while balancing the need of efficient vehicular circulation.
- **2.4 Sustainable landscape.** Use consistent and sustainable landscape and streetscape designs that reflect the city's community identity; showcase local assets and the community's unique and vibrant culture.

#### *Parks + Open Space Element*

**Goal 10. Abundant landscaping, trees, and green space provided throughout the community.**

Policy:

- **10.3 Green space co-benefits.** Recognize the many positive qualities provided by landscaping, trees, and green space including reduced heat gain, controlled

stormwater runoff, absorbed noise, reduced soil erosion, improved aesthetic character, and absorption of air pollution.

### *Infrastructure Element*

#### **Goal 1. Infrastructure systems are functional, safe, and well maintained.**

Policies:

- **1.1 Infrastructure systems plan.** Establish and adopt an integrated, holistic systems approach to guide infrastructure development, improvement, maintenance, and resilience.
- **1.4 Fair share assessments.** Require new development and redevelopment projects to pay their fair share of the cost of infrastructure improvements needed to serve the project and ensure that needed infrastructure is available prior to or at the time of project completion.

#### **Fiscal Impact:**

The total cost of the operation and maintenance of the Landscaping and Street Lighting District 2025–2026 is estimated to be \$874,031. The anticipated assessment to be collected for Fiscal Year 2025–2026 is \$458,769. The \$415,262 difference is offset by \$4,408 from Fiscal Year 2024–2025 Landscaping and Lighting District fund balance, \$10,519 from miscellaneous revenues, and an additional \$400,335 to be transferred from the General Fund to cover the deficit.

Council approved \$20,000 in the Fiscal Year 2024–2025 Budget to conduct a preliminary study of the District’s rates and consider the creation of a new supplemental district. This preliminary study aims to identify options for addressing the annual operating deficit and eliminate the need for additional transfers from the General Fund or other discretionary funds. The preliminary study may also incorporate recommendations from the Parks Master Plan and is slated for City Council’s further consideration in Fiscal Year 2025–2026. To effectuate any proposed rate increase, it must be placed on the ballot in an upcoming general election in compliance with Proposition 218.

#### **Attachments:**

1. Resolution 25-7474 Ordering the Director of Public Works to Prepare a Report
2. Engineer’s Report
3. Draft Resolution Approving the Engineer’s Report
4. Draft Resolution Declaring the City’s Intention to Order Certain Improvements and to Levy and Collect Assessments
5. Draft Notice of Public Hearing

**Respectfully Submitted by:** Karla Vargas, Assistant Engineer

**Concur:** Brandon Araujo, Senior Engineer

**Concur:** Joe SanClemente, Public Works Director

**Noted for Fiscal Impact:** Henry Chao, Finance Manager

**Concur:** Charlotte Newkirk, Senior Finance Analyst

**Concur:** Brandon Walker, Administrative Services Director

**Legal Review:** Alex Gonzalez, Deputy City Attorney

**Reviewed by:** Leo Zalyan, Interim Deputy City Manager

**Approved:** Joe SanClemente, Interim City Manager / Public Works Director