



Honorable Mayor and Members of the Hermosa Beach City Council

ADOPT A RESOLUTION CONFIRMING THE DIAGRAM AND LEVYING ASSESSMENTS FOR THE HERMOSA BEACH LANDSCAPING AND STREET LIGHTING DISTRICT FISCAL YEAR 2025–2026

(Public Works Director Joe SanClemente)

Recommended Action:

Staff recommends City Council:

1. Conduct a public hearing in connection with the levy of assessments for the Hermosa Beach Landscaping and Street Lighting District for Fiscal Year 2025–26; and
2. Adopt a Resolution (**Attachment 1**) confirming the diagram and assessment found in the Engineer’s Report (**Attachment 2**) for Hermosa Beach Landscaping and Street Lighting District 2025–2026 and levying an assessment for the fiscal year beginning July 1, 2025 and ending June 30, 2026.

Executive Summary:

The Hermosa Beach Landscaping and Street Lighting District (“District”) collects funds for the maintenance and operation of the citywide street lighting program and landscaping within street medians and parkways. The City Council must approve the annual enrollment of assessments within the District through a three-step process. Staff recommends taking the above recommended actions thereby completing the third step of this renewal process.

Background:

The District was created in Fiscal Year 1989–90, 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 estimated cost of maintaining the District, the list of parcels within the District,

and the method of apportionment of the assessment. At its February 25, 2025 meeting, City Council adopted Resolution 25-7474 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. At its May 27, 2025, meeting, Council adopted Resolution 25-7491 approving the Engineer’s Report, and Resolution 25-7492, declaring the City’s intent to order certain improvements, to levy and collect assessments, and to set June 24, 2025 at 6:30 p.m. as the date and time for a public hearing. The notice of the public hearing was published in the paper on June 5, 2025.

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
<u>February 25, 2025</u>	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.	All Ayes (5-0) (Francois, Saemann, Detoy, Jackson, Keegan)
<u>May 27, 2025</u>	City Council adopted Resolution 25-7491 approving the Engineer’s Report and Resolution 25-7492 declaring the City’s intent to order certain improvements, to levy and collect assessments, and to set June 24, 2025, as the date for a public hearing.	All Ayes (5-0) (Saemann, Detoy, Jackson, Keegan, Francois)

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 third, and final, step in the process: holding the public hearing. If there is no majority protest, the City may authorize the levy of an assessment for the fiscal year beginning July 1, 2025, and ending June 30, 2026.

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.

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.

For the Fiscal Year 2025–2026 Budget, staff has budgeted \$30,000 in the Lighting & Landscaping Fund to conduct a feasibility study to increase the assessment in order to eliminate the need for the general fund transfer. The feasibility 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, the City must conduct a majority protest ballot proceeding in compliance with Proposition 218.

Attachments:

1. Draft Resolution
2. Engineer’s Report

Respectfully Submitted by: Karla Vargas, Assistant Engineer

Concur: Brandon Araujo, Senior Engineer

Concur: Saad Malim, City Engineer

Concur: Joe SanClemente, Public Works Director

Noted for Fiscal Impact: Henry Chao, Finance Manager

Concur: Brandon Walker, Administrative Services Director

Legal Review: Todd Leishman, Interim City Attorney

Approved: Steve Napolitano, Interim City Manager