



# Staff Report

## City of Manhattan Beach

**TO:** Honorable Mayor Tell and Members of the City Council

**THROUGH:** Geoff Dolan, City Manager

**FROM:** Neil Miller, Director of Public Works  
Carmen Zarate, Management Analyst

**DATE:** October 17, 2006

**SUBJECT:** Approve Assessment Ballot for the Proposed Supplemental Street Landscaping and Lighting Assessment District by Redondo Beach for FY 06-07 for Manhattan Beach Property Located in Redondo Beach

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### **RECOMMENDATION:**

Staff recommends that the City Council vote in favor of the proposed Supplemental Street Landscaping and Lighting Assessment District for the City of Redondo Beach.

### **FISCAL IMPLICATION:**

The proposed maximum FY 06-07 Supplemental Assessment Amount is \$12.05 for the parcel that belongs to the City of Manhattan Beach in accordance with the Property Owner Assessment Ballot from Redondo Beach. The maximum supplemental assessment rate will be adjusted each year by the annual change in the Consumer Price Index (CPI) for Los Angeles County or 5%, whichever is less. The Supplemental Assessment will appear each year on the City's property tax bill. Assessments will be levied beginning in FY 2007-08. The actual supplemental assessments levied in any fiscal year will be approved by the Redondo Beach City Council after a public hearing and may not exceed the maximum assessment rate without receiving property owner approval for the increase.

### **BACKGROUND:**

The City of Redondo Beach has adopted a resolution declaring its intention to establish a Supplemental Street Landscaping and Lighting Assessment District and to levy supplemental assessments against properties in the proposed District.

The Redondo Beach City Council is seeking for property owners to pay an increased annual assessment to balance the District budget through the formation of a Supplemental District and the levy of a supplemental assessment. Assessments from the existing district fund horticultural care and routine landscape maintenance for medians, parkway tree care and trimming, parkway landscaping care in select areas and operation and maintenance of street lights and traffic signals. Assessments also fund the repair and improvement of these areas and fixtures. The Supplemental District Assessments will raise approximately \$680,000 per year. Of this amount, \$375,000 will be

used to sustain existing service levels while the balance will be used to enhance services. The supplemental assessment district will be used to pay for the increased costs of operation, maintenance, repair and improvement of street lighting, traffic signals, and median and parkway landscaping within Redondo Beach.

**DISCUSSION:**

The City of Manhattan Beach is the property owner of one parcel (4150-001-902) on the corner of Vail and Manhattan Beach Blvd in the City of Redondo Beach. This parcel is the location of a City groundwater well. Currently, the City does not pay an assessment on this property for the existing Landscaping and Lighting Assessment District because the City of Redondo Beach does not collect any assessments on government owned property for Assessment Districts formed before the enactment of Proposition 218 in 1996. Since the passing of Proposition 218, public agencies must be assessed for parcels that they own.

Similar to the Redondo Beach district, property owners in the City of Manhattan Beach are assessed a fixed amount for the Landscaping and Street Lighting Maintenance Assessment District on their property tax bill. In the future, the City of Manhattan Beach may seek to collect a supplemental assessment from its property owners to keep pace with the City's expenses. Redondo Beach's existing Lighting and Landscaping Assessment District has not been increased since 1991 which has resulted in a continuing deficit. Redondo Beach has maintained services for the last 15 years without asking property owners for an increase in assessments. However, materials mailed with the assessment ballot state that the City can no longer afford to fund the current landscape and lighting deficit with its more limited general revenues. The City has scheduled a Public Hearing concerning the proposed Supplemental District for November 7, 2006.

The Department of Public Works suggests that the City support Redondo Beach's supplemental assessment district to build a positive intergovernmental relationship that will not only benefit its own City but also its surrounding regions.

- Attachments:
- A. Supplemental Street Landscaping and Lighting Assessment District Property Owner Assessment Ballot
  - B. Frequently Asked Questions
  - C. Notice to Property Owners and Ballot for Supplemental Street Landscaping and Lighting Assessment District

**SUPPLEMENTAL STREET LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT  
PROPERTY OWNER ASSESSMENT BALLOT**

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City Clerk  
City of Redondo Beach  
415 Diamond Street  
Redondo Beach, CA 90277

**MANHATTAN BEACH CITY  
ATTN: GEOFF DOLAN, CITY MANAGER  
1400 HIGHLAND AVE  
MANHATTAN BEACH CA 90266**

Assessor's Parcel Number: 4150-001-902  
Parcel Address: None Provided  
Land Use: Non-Residential  
Dwelling Units / Acres: 0.126 Acres  
Tree Benefit Area: No  
FY 06-07 Maximum  
Supplemental Assessment\*: \$ 12.05

\* The maximum FY 06-07 supplemental assessment rates will be adjusted each year by the annual change in the Consumer Price Index (CPI), during the preceding year ending in January, for All Urban Consumers for the Los Angeles, Riverside and Orange County areas, or 5%, whichever is less. The actual supplemental assessments levied in any fiscal year will be as approved by the City Council after a public hearing and may not exceed the maximum assessment rate without receiving property owner approval for the increase.

The person completing and submitting this assessment ballot must be the owner of the property identified above or the representative of the owner of such property who is legally authorized to complete and submit this ballot for and on behalf of the owner. Please see "Summary of Assessment Balloting Procedures" on the back of this ballot sheet to assist in filling out the ballot. If there are two or more property owners, only one needs to sign and return the ballot.

Upon completion, tear off the ballot and place it in the return envelope and seal the envelope. **Make sure you sign and mark your ballot.** Mail or deliver the assessment ballot to the address shown on the return envelope pursuant to the instructions on the back of this ballot sheet.

**Please see the "Summary of Assessment Ballot Procedures" on the back of this sheet.**

For additional information about Supplemental Street Landscaping and Lighting Assessment District, please see the enclosed legal notice.

**This is not a bill.**

*Please tear here, fold your ballot, seal in the provided envelope, and return to the City Clerk*

**OFFICIAL PROPERTY OWNER ASSESSMENT BALLOT**

Assessor's Parcel Number: 4150-001-902

Owner Name: MANHATTAN BEACH CITY



**Proposed Maximum FY 06-07 Supplemental Assessment Amount\*: \$ 12.05**

\* The maximum FY 06-07 supplemental assessment rates will be adjusted each year by the annual change in the Consumer Price Index (CPI), during the preceding year ending in January, for All Urban Consumers, for the Los Angeles, Riverside and Orange County areas or 5%, whichever is less. The actual supplemental assessments levied in any fiscal year will be as approved by the City Council after a public hearing and may not exceed the maximum assessment rate without receiving property owner approval for the increase.

**YES, I am IN FAVOR** of the proposed Supplemental Street Landscaping and Lighting Assessment District

**NO, I am OPPOSED** to the proposed Supplemental Street Landscaping and Lighting Assessment District

**I hereby declare, under penalty of perjury under the laws of the State of California, that I am the owner, or the authorized representative of the owner, of the parcel identified above. (Your ballot will not be counted if you do not sign below.)**

**Vote Here**

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Signature

**SUMMARY OF ASSESSMENT BALLOT PROCEDURES**

If you are the owner of the property described on the enclosed ballot, or the authorized representative of the record owner, you may submit the enclosed ballot to the City to support or oppose the proposed Supplemental Street Landscaping and Lighting Assessment District (the "Supplemental District"). Please follow the instructions below to complete and return your ballot.

1. Register your vote on the enclosed ballot in favor or against the proposed Supplemental District by placing an "X" in the appropriate box.
2. Mark, sign and date your ballot in pen. (Assessment Ballots received without a signature will not be counted.) Do not use pencil.
3. Tear off your ballot, fold it, and place it into the provided return envelope, and seal the envelope. **Make sure you mark and sign your ballot.**
4. Mail or personally deliver your ballot to the City Clerk of the City of Redondo Beach, 415 Diamond Street, Redondo Beach, CA 90277. The City **must** receive mailed assessment ballots by November 7, 2006. **Postmarks will not be accepted.**
5. Assessment Ballots must be received by the City Clerk prior to the close of the Public Hearing concerning the proposed Supplemental District scheduled for Tuesday, November 7, 2006, at 6:30 p.m. in the Redondo Beach City Hall Council Chambers. Any ballots received after the close of the Public Hearing cannot legally be counted. (Property Owner Ballots may be delivered to the City Clerk prior to this date and time during normal business hours.)
6. The City Clerk or designee will tabulate the assessment ballots received commencing the day after the close of the Public Hearing, at 8:30 a.m. in the City Council chambers. The Ballots will be tabulated electronically, and each Ballot will be weighted by the assessment amount for the property. (Simplified, this means one vote per each dollar of assessment.)
7. The Supplemental District may be confirmed unless a majority protest exists. A majority protest exists if, upon the close of the November 7, 2006 Public Hearing, the monetary value of the ballots submitted in opposition to the Supplemental District exceeds the monetary value of the ballots submitted in favor of the Supplemental District.
8. If a majority protest exists based upon the value of the ballots received by the City Clerk, prior to the close of the Public Hearing, the Supplemental District will not be established.
9. Your assessment ballot is not confidential and may be subject to public disclosure during and after the tabulation.

A complete copy of the Assessment Balloting Procedures is on file in the City Clerk's office and on the City's website at [www.redondo.org](http://www.redondo.org)

The City of Redondo Beach complies with the Americans with Disabilities Act. If you are a qualified individual with a disability and need assistance with completing or returning the enclosed ballot, please contact the City Clerk's office at (310) 318-0656, Ext 2746.

*The information in this notice and the accompanying materials were compiled and is distributed at public expense by the City of Redondo Beach in compliance with Proposition 218. This information is presented in the public interest. It is not intended to influence or attempt to influence the actions of the property owners with regard to the enclosed ballot.*

RECEIVED  
CITY OF MANHATTAN BEACH

SEP 25 2006



September 22, 2006

Dear Property Owner:

The City of Redondo Beach has initiated proceedings to consider establishing a Supplemental Street Landscaping and Lighting Assessment District to fund the increased costs of operation, maintenance, repair, and improvement of street lighting, traffic signals, and median and parkway landscaping within the City.

The existing Lighting and Landscaping District assessments have not been increased since 1991, which, over time, has resulted in an on-going deficit. While the City has endeavored to provide the current level of services with the revenues collected, this is not sustainable. Therefore, the City Council is asking property owners to pay an increased annual assessment to balance the District budget through the formation of a Supplemental District and the levy of a supplemental assessment. This supplemental assessment, as proposed, will not only sustain existing service levels, but will also provide a level of enhanced services.

To that end, the enclosed Public Hearing Notice and Assessment ballot are sent to you for your consideration.

The fiscal year 2006-07 annual supplemental assessment rate for a single family home is proposed to be \$11.95 for a home on non-tree-lined street (approximately .96 cents a month per home) and \$29.84 for a home on a tree-lined street. (approximately \$2.49 per month per home). The higher rate for homes on tree-lined streets are to cover the costs of parkway tree trimming, and other parkway landscaping maintenance in select areas. If approved, this would be an ongoing annual assessment that is placed on your property tax bill and it may be increased each year by a cost of living (CPI) factor, or 5%, whichever is less.

Please review the enclosed information, which will give you complete details of the proposed supplemental assessment, how the supplemental assessment was determined for your property, and other information. In addition, City staff will be conducting two workshops to answer your questions about the proposed Supplemental District. You are invited and encouraged to attend these workshops for more information and to get your questions answered. These will be held on:

Monday, October 16, 2006 – 6:30 PM Anderson Park Senior Center 3007 Vail Ave, Redondo Beach, CA 90277	Monday, October 23, 2006 – 6:30 PM Knob Hill Community Center 320 Knob Hill Ave, Redondo Beach, CA 90278
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**A very important document in this envelope is your assessment ballot.** This is the yellow piece of paper with your name and address on it. **It must be marked and returned by mail or in person to the City Clerk no later than the end of the public hearing scheduled for Tuesday, November 7, 2006 to be counted** (please see the enclosed documentation for where to return your Assessment Ballot). In this special process, the weight of each ballot is based upon the amount of the supplemental assessment for each property. If more than 50% of the returned ballots (based on an aggregate supplemental assessment amounts) are marked in opposition to the proposal, the Supplemental District will not proceed.

On Tuesday, November 7, 2006, at 6:30 PM, the City Council will hold a public hearing to hear public comment and authorize tallying of the ballots received. The assessment amounts cast as “yes” or “no” votes will help determine the fate of the Supplemental District. Ballots that are not returned, or are not received prior to the close of the public hearing, will not be counted, **so please return your ballot promptly!**

If you have any questions about the proposed supplemental assessment or this process, please contact us at (310) 318-0649 or send an e-mail to [AssessmentQandA@redondo.org](mailto:AssessmentQandA@redondo.org)

Thank you for your consideration of this important issue.

**Frequently Asked Questions**  
**Supplemental Street Landscape and Lighting Assessment District**

***What services are funded through the Existing District and the Supplemental District?***

Assessments fund horticultural care and routine landscape maintenance for medians, parkway tree care and trimming, parkway landscaping care in select areas, and operation and maintenance of street lights and traffic signals. Assessments also fund the repair and improvement of these areas and fixtures.

***How many streetlights and traffic signals does the City maintain and operate? What is the scope of median and parkway tree maintenance?***

The City operates and maintains 5,120 streetlights and 56 signalized intersections, plus 39 flashing red signals. More than 3,115 acres of turf are mowed and edged in 110 landscaped median islands, greenbelts and parkways. There are over 11,500 street trees in the City.

***How much money will the Supplemental District raise and how will it be used?***

The Supplemental District Assessments will raise approximately \$680,000 per year. Of this amount, \$375,000 will be used to sustain existing service levels. The balance of \$305,000 will be used to enhance services.

***How and when will the Supplemental Assessment be levied?***

The Supplemental Assessment will appear each year on your property tax bill. While the maximum annual supplemental assessment rates were included for FY 2006-07, no assessment will be levied for that period. Assessments will be levied beginning in FY 2007-08 and will continue to be levied annually.

***Why is the City asking property owners to pay a supplemental assessment?***

The City can no longer afford to fund the current landscape and lighting deficit with its more limited general revenues. These general revenues are used primarily to fund public safety services like Police and Fire, and other highly valued services such as libraries, senior services, parks, and recreation programs that do not have access to a dedicated revenue stream. In addition, a portion of the supplemental assessments will go toward service enhancements.

***Is the City asking property owners to carry the entire burden of funding these services?***

No, the City will continue to fund a portion of both the existing level of service and the proposed enhancements from the City's General Fund. For Fiscal year 2006/07, this amounts to \$337,000. This funding will continue in order to pay the general benefit portion of the services that can not be passed onto property owners and the assessments due on publicly owned properties.

***What types of service enhancements are proposed?***

Examples include increased nighttime inspections of streetlights; improved median maintenance to ensure a well-kept, weed free appearance; scheduled parkway tree trimming every three years instead of every four; and synchronized traffic signals to improve traffic flow and circulation.

***What has the City done to reduce costs and save money in the provision of these services?***

The City is constantly looking for ways to operate more efficiently and to reduce costs. Energy efficient LED signals have been installed in all signalized intersections with an 80 to 90 percent energy savings. In addition, water use has been reduced in medians and landscaped areas through technology and better management practices and neighborhood tree trimming has been contracted out through a competitive bid process. Finally, energy saving retro-fits have resulted in a 20% reduction in electricity use for City-owned street lights. These efforts have allowed the City to maintain services over the last 15 years without asking property owners for an increase in assessments.

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**NOTICE TO PROPERTY OWNERS AND BALLOT  
FOR SUPPLEMENTAL STREET LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT**

**I. Notice**

This notice informs you, as record owner of property within the proposed Supplemental District, that on September 5, 2006, the City Council adopted Resolution No. CC-0609-91 in which it declared its intention to establish the Supplemental Street Landscaping and Lighting Assessment District (Supplemental District) and to levy supplemental assessments against properties in the proposed District for Fiscal Year (FY) 2006-07, and has scheduled a Public Hearing concerning the proposed Supplemental District.

The Public Hearing will be held during a regular meeting of the Redondo Beach City Council, in City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California, on

**November 7, 2006, at 6:30 p.m.**

or as soon thereafter as the matter may be heard. All interested persons are invited to attend the Public Hearing and express opinions on the matter of the proposed Supplemental District.

Property owners who wish to submit an assessment ballot should mail or personally deliver it to the City Clerk so that it is received prior to the close of the scheduled Public Hearing in accordance with the directions provided on the back of the ballot in "Summary of Ballot Procedures."

**II. Assessment Information**

1. **Name of Assessment District:** Supplemental Street Landscaping and Lighting Assessment District
2. **Boundaries of Assessment District:** Coterminous with the boundaries of the City of Redondo Beach.
3. **The total estimated annual Supplemental Assessment for the entire Supplemental District for FY 2006-07:** \$679,698
4. **Your proposed annual Supplemental Assessment:** The proposed maximum annual supplemental assessment on your parcel for FY 2006-07 is shown on the yellow assessment ballot.
5. **Duration of the Proposed Supplemental Assessment:** The proposed on-going supplemental assessment for street landscaping and lighting will be levied annually. The maximum annual assessment will be increased for cost of living each year according to the change in Consumer Price Index (CPI) for the Los Angeles, Riverside, Orange County area, or 5%, whichever is less. The actual assessments levied in any fiscal year will be as approved by the City Council and may not exceed the maximum assessment rate without receiving property owner approval for the increase.  
  
If approved, this supplemental assessment will be levied beginning in FY 2007-08 and will continue to be levied annually.
6. **Reason for the Supplemental Assessment:** To pay for the increased costs of operation, maintenance, repair and improvement of street lighting, traffic signals and landscaping appurtenant facilities in public rights-of-way, medians, parkways and dedicated easements within the City.
7. **Calculation of the Supplemental Assessment:** All parcels within the City of Redondo Beach receive special benefit from the ongoing maintenance and servicing of street lighting and landscaping within the City and will be assessed in proportion to the special benefit they receive. Please see the Assessment Calculation Information Sheet (on the back of this notice) for information on how the supplemental assessments are calculated.
8. **Balloting Results:** If a majority of the ballots returned are in support of the Supplemental District, the City Council will consider establishing the Supplemental District and imposing the Supplemental Assessment in the amount listed on the enclosed ballot. If a majority of the ballots returned are in opposition to the Supplemental District, the Supplemental District will not be established. Ballots are weighted proportionally by each parcel's supplemental assessment amount. (This means \$1 = 1 vote.)

The proposed ongoing annual Supplemental Assessment described in this Notice is new and, if approved, will appear each year on your property tax bill.

**III. Questions Regarding These Proceedings**

If you have any questions about the proposed Supplemental District or this process, please contact us, at (310) 318-0649, Monday through Friday, 8:00 a.m. - 5:00 p.m. or send an email to [AssessmentQandA@redondo.org](mailto:AssessmentQandA@redondo.org)

### Assessment Calculation Information Sheet

Existing law requires an assessment methodology be used for calculating the supplemental assessment to be levied on each parcel, based on the special benefit each parcel receives from the improvements being funded. The following is a description of the methodology, which is summarized from a detailed Engineer's Report that is on file and may be viewed in the office of the City Clerk, City Hall, 415 Diamond Street, Redondo Beach, during normal business hours. This Report is also available on the City's website at [www.redondo.org](http://www.redondo.org)

The District boundaries are coterminous with the City of Redondo Beach.

**Equivalent Dwelling Units** – In order to allocate benefit fairly between the parcels, an Equivalent Dwelling Unit (EDU) methodology is proposed which equates different types of land uses to a single-family residential parcel, thereby allowing a uniform method of assessment.

The EDU method uses the single-family home as the basic unit of apportionment. A single family home equals one Equivalent Dwelling Unit (EDU). Every other land use is converted to EDU's as described below. All properties in the District are assigned land use classifications and EDU's per the County Assessor's roll. (Inaccuracies in the County data will be reviewed on a case-by-case basis as they are brought to the City's attention.)

A methodology has been developed to calculate the EDU's for other residential land uses and for non-residential parcels. Every land use is converted to EDU's: parcels containing apartments are converted to EDU's based on the number of dwelling units on each parcel of land; non-residential parcels are converted based on the lot size of each parcel of land. The table at the right shows the EDU formula.

**Special Street Tree Benefit Area** – Street trees within the public street parkways provide positive aesthetic enhancement to the properties directly adjacent to the tree-lined roadways and thereby provides special benefit to those properties by increasing property desirability.

Land-Use Category	EDU Rates
• Exempt	
• Single Family Residential (SFR)	1.0 EDU / D.U.
• Duplex, tri-plex and 2 & 3-unit condo complexes	1.0 EDU / D.U.
• Apartments (4 or more units) & 4-unit or more condo complexes	0.75 EDU / D.U.
• Mobile Home Park	0.5 EDU / Space
• Non-Residential Based on the median SFR lot size of 1/8 acre (0.125 acre)	8.0 EDU / Acre
• Vacant SFR lots	0.25 EDU / Parcel
• Vacant / Parks / Cemetery	2.0 EDU / Acre

D.U. = Dwelling Unit

**Assessment Rates**

	Street Lights, Signals & Median Rate	+	Additional Street Tree Rate	=	Total FY 06-07 Asmt Rate*
Parcels <u>without</u> Tree Benefit:	\$11.95 / EDU		\$0.00 / EDU		= \$11.95 / EDU
Parcels <u>with</u> Tree Benefit:	\$11.95 / EDU		\$17.89 / EDU		= \$29.84 / EDU

\*The maximum annual supplemental assessment rates for FY 2006-07, shown in the table above, will be increased each year by the annual change in the Consumer Price Index (CPI), during the preceding year ending in January, for All Urban Consumers for the Los Angeles, Riverside and Orange County areas or 5%, whichever is less.

***The actual supplemental assessments levied in any fiscal year will be as approved by the City Council and may not exceed the maximum assessment rate without receiving property owner approval for the increase.***

**Sample Calculations – Typical Supplemental Assessments**

Land Use	DU's or Lot Size	x	EDU Factor	=	EDU's	St. Light, Signals & Medians Asmt	+	Local Street Trees Asmt	=	Max. FY 06-07 Assessment
<b>Parcels <u>without</u> Street Tree Benefit</b>										
SFR or Condo Unit (in a 2 & 3-unit complex)	1 DU	x	1	=	1	\$11.95	+	\$0.00	=	\$11.95
Condo Unit (in a 4-unit or more complex)	1 DU	x	0.75	=	0.75	\$8.96	+	\$0.00	=	\$8.96
10 Unit Apartment	10 DU	x	0.75	=	7.5	\$89.63	+	\$0.00	=	\$89.63
Non-Res - 1/4 ac lot	0.25 AC	x	8	=	2	\$23.90	+	\$0.00	=	\$23.90
Vacant - 1/4 ac lot	0.25 AC	x	2	=	0.5	\$5.98	+	\$0.00	=	\$5.98
<b>Parcels <u>with</u> Street Tree Benefit</b>										
SFR or Condo Unit (in a 2 & 3-unit complex)	1 DU	x	1	=	1	\$11.95	+	\$17.89	=	\$29.84
Condo Unit (in a 4-unit or more complex)	1 DU	x	0.75	=	0.75	\$8.96	+	\$13.42	=	\$22.38
10 Unit Apartment	10 DU	x	0.75	=	7.5	\$89.63	+	\$134.18	=	\$223.80
Non-Res - 1/4 ac lot	0.25 AC	x	8	=	2	\$23.90	+	\$35.78	=	\$59.68
Vacant - 1/4 ac lot	0.25 AC	x	2	=	0.5	\$5.98	+	\$8.95	=	\$14.92