

June 5, 2006

Honorable Mayor and Members of
The Hermosa Beach City Council

Regular Meeting of
June 13, 2006

**PUBLIC HEARING - HERMOSA BEACH LANDSCAPING
AND STREET LIGHTING DISTRICT 2006-2007**

Recommendation:

It is recommended that the City Council:

1. Conduct a Public Hearing in connection with the levy of assessments for FY 2006-2007; and
2. Adopt the attached Resolution confirming the diagram and assessment for Hermosa Beach Landscaping & Street Lighting District 2006-2007 ("District") and levying an assessment for the fiscal year commencing July 1, 2006 and ending June 30, 2007.

Background:

As required by law, the following steps have been taken for the levy and collection of assessments for fiscal year 2006-2007 within the District:

1. April 25, 2006: The City Council adopted Resolution No. 06-6457 ordering the preparation of a report for the District.
2. May 3, 2006: The Director of Public Works filed with the City Clerk the report consisting of, among other things; the assessment diagram and assessment roll for the District.
3. May 9, 2006: The City Council adopted Resolution No. 06-6444 approving the report of the Director of Public Works.
4. May 9, 2006: The City Council adopted Resolution No. 06-6465 setting June 13, 2006 at 7:30 p.m. as the date and time for a public hearing in order to accept public input on the District.
5. June 1, 2006: Notice of the Public Hearing was given by publishing a public notice in the Easy Reader.

Analysis:

The District assessment funds the cost of maintaining and operating street lights, traffic signals and landscaping located within parkways or medians. The proposed assessment rate for FY 2006-2007 is \$41.45 per equivalent dwelling unit, the same equivalent dwelling unit rate used in fiscal year 2005-2006 to finance those improvements. The assessment is based on the actual number of dwelling units that are on a property (or their equivalent for vacant and commercial properties).

Prior to 1995, the assessment amount was \$16.84 per dwelling unit. In FY 1995-96, the assessment amount was increased to \$54.82 with the exception of senior citizens, for whom the \$16.84 amount (through a rebate program) was maintained. Due to a surplus of funds, the assessment amount was reduced to the present amount of \$41.45 in FY 1997-98.

This surplus of District funds was enough to cover the increasing costs of services through FY 2003-04. The FY 2004-05 budget had a projected deficit of \$141,738 which was funded by a transfer from the General Fund. Only \$52,622 of the transfer was actually used, leaving \$89,116 available from the transfer for use in the District for FY 2005-06. A District Fund balance of \$117 is projected for FY 2005-06. This balance will be used for FY 2006-07. Staff projects a budget deficit of \$166,801 for FY 2006-07. The FY 2006-07 budget deficit could be funded through a Supplemental Street Lighting and Landscaping District if approved by ballot process. Ballots are scheduled to be mailed on June 9, 2006 and will be counted after the public hearing during the Council meeting on July 25, 2006.

Fiscal Impact:

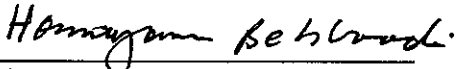
On March 8, 2005, the City Council approved a Professional Services Agreement with Harris & Associates to provide assessment engineering services to amend the District by creating a Supplemental Landscaping and Street Lighting

Maintenance Assessment District for FY 2006-07. Staff anticipates that the balloting process could be completed by August 2006. Successful formation the Supplemental Assessment District will eliminate the deficit.


Attachment: Draft Resolution

Respectfully submitted,

Concur:




Homayoun Behboodi
Associate Engineer



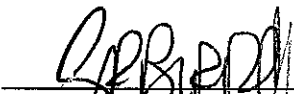
Richard D. Morgan, P.E.
Director of Public Works/City Engineer

Noted for Fiscal Impact:

Concur:



Viki Copeland
Finance Director



Stephen R. Burrell
City Manager

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RESOLUTION NO. 06-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH CONFIRMING A DIAGRAM AND ASSESSMENT AND LEVYING ASSESSMENTS FOR THE FISCAL YEAR COMMENCING JULY 1, 2006 AND ENDING JUNE 30, 2007 IN CONNECTION WITH THE HERMOSA BEACH LANDSCAPING AND STREET LIGHTING DISTRICT 2006-2007.

**THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH DOES HEREBY
RESOLVE AS FOLLOWS:**

SECTION 1. Pursuant to the provisions of the "Landscaping and Lighting Act of 1972," Part 2 of Division 15 of the Streets and Highways Code, commencing with Section 22500, (the "Act"), the City Council adopted Resolution No. 06-6457 initiating proceedings and ordering the Director of Public Works to prepare and file the report required by the Act. Said report is for the proposed levy of an annual assessment for the fiscal year commencing July 1, 2006 and ending June 30, 2007. Pursuant to Resolution No. 06-6457, such report was prepared and filed with the City Clerk.

SECTION 2. The City Council adopted Resolution No. 06-6464, approving the report as filed, and Resolution No. 06-6465, declaring its intention to order certain improvements for the fiscal year commencing July 1, 2006 and ending June 30, 2007 and appointing a time and place for hearing protests relative thereto.

SECTION 3. Following notice duly given in accordance with law, the City Council held a full and fair public hearing at the time and place appointed therefor regarding the proposed levy of assessments within the District and the report of the Director of Public Works, including the diagram and assessment for the District. At the public hearing, all interested persons were afforded the opportunity to hear and be heard regarding protests and objections to

1 the levy and collection of the proposed assessments against lots or parcels of real property
2 within the District.

3 **SECTION 4.** The City Council considered all oral and written statements,
4 protests and communications made or filed by any interested persons. Any and all oral and
5 written protests and objections are hereby overruled by the City Council.
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7 **SECTION 5.** Based upon its review of the Engineer's Report, a copy of which
8 has been presented to the City Council and which has been filed with the City Clerk, and other
9 reports and information presented to the City Council, the City Council hereby finds and
10 determines that (i) the land within the District will be benefited by the improvements described
11 in Section 6 below, (ii) the District includes all of the land so benefited, and (iii) the net amount
12 to be assessed upon the land within the District for the 2006-2007 fiscal year in accordance with
13 the Engineer's Report is apportioned by a method and formula which fairly distributes the net
14 amount among all assessable lots or parcels in proportion to the estimated benefits to be
15 received by each such lot or parcel from the improvements.
16

17 **SECTION 6.** The City Council hereby orders the proposed improvements to be
18 made as described in the Engineer's Report, which improvements are briefly described as
19 follows: the maintenance and operation of streets and sidewalks within the assessment District,
20 including the operation, maintenance and servicing of landscaping, lighting and appurtenant
21 facilities located in and along such streets and sidewalks.
22

23 **SECTION 7.** The City Council declares that the diagram and assessment in the
24 Engineer's Report are hereby confirmed as filed. The adoption of this Resolution constitutes the
25 levy of an assessment for the fiscal year commencing July 1, 2006 and ending June 30, 2007.
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27 **SECTION 8.** The assessment is in compliance with the provisions of the Act,
28 and the City Council has complied with all laws pertaining to the levy of an annual assessment
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pursuant to the Act. The assessment is levied for the purpose of paying the costs and expenses of the improvements described in Section 6 above for fiscal year 2006-2007.

SECTION 9. The City Clerk is hereby authorized and directed to file a certified copy of this Resolution and the diagram and assessment with the County Auditor of the County of Los Angeles. Thereupon, the County Auditor shall provide for the collection of assessments at the time and in the manner provided in the Act.

SECTION 10. The City Clerk shall certify to the passage and adoption of this Resolution, shall cause the original of the same to be entered among the original Resolutions of the City Council, and shall make a minute of the passage and adoption thereof in the minutes of the City Council meeting at which the same is passed and adopted.

PASSED, APPROVED and ADOPTED this 13th day of June 2006.

PRESIDENT, of the City Council and MAYOR
of the City of Hermosa Beach, California

ATTEST:

_____, CITY CLERK

APPROVED AS TO FORM:

_____, CITY ATTORNEY