



City of Oceanside

300 North Coast Highway,
Oceanside, California 92054

Staff Report

File #: 26-1380

Agenda Date: 5/6/2026

Agenda #: 14.

DATE: May 6, 2026

TO: Honorable Mayor and City Councilmembers

FROM: Public Works Department

TITLE: INITIATION OF THE PROCEEDINGS FOR THE RENEWAL OF THE OCEANSIDE LIGHTING DISTRICT, ASSESSMENT DISTRICT NO. 2-1991, FOR FISCAL YEAR 2026-27 AND SETTING A PUBLIC HEARING

RECOMMENDATION

Staff recommends that the City Council adopt the following resolutions for the Oceanside Lighting District, Assessment District No. 2-1991 so as to initiate the proceedings for the renewal thereof by: 1) directing the City Engineer to prepare an Engineer's Report; 2) approving the Engineer's Report as prepared or modified; 3) declaring the intent to levy and collect assessments for FY 2026-27 and setting a public hearing for June 3, 2026, at 6:00 p.m. in the City Council Chambers regarding the proposed assessments.

BACKGROUND AND ANALYSIS

The Oceanside Lighting District, Assessment District No. 2-1991 ("District"), was formed in 1991 under the provisions of the Landscaping and Lighting Act of 1972 (the "1972 Act"). The 1972 Act requires the annual renewal of the District in order to levy and collect assessments for the ensuing fiscal year. The purpose of the District and the levy of the assessments is to provide funds for the operation and maintenance of streetlights and other improvements on public streets within the District.

At the time the District was formed, the intent was to levy both "general" and "local" assessments to each applicable property within the District. A "general" benefit assessment covers costs associated with the City's share of the state freeway and highway lighting costs for said thoroughfares and are assessed against each parcel of land within the District. A "local" benefit assessment covers costs applicable to a property which fronts or adjoins a collector or local street.

ANALYSIS

The City Council, under the 1972 Act, must approve the assessments being charged by the District. Also, the levy and collection of assessments requires that an Engineer's Report be prepared, which identifies the proposed improvements to be administered and maintained, and the method of apportionment (Exhibit A). The report also provides an estimate of the costs and the proposed assessments to be levied against the respective properties (Exhibit B). A diagram is also prepared showing the parcels to be assessed (Exhibit D). The assessment roll, showing the proposed amount

to be levied against each parcel (Exhibit C), is available for review in the City Clerk’s Office.

The assessments are based on a formula containing costs associated with both general and local benefit zones as shown in Exhibit B of the Engineer’s Report. The general benefit zone is comprised of the streetlights located on the prime, major and secondary arterials. The general benefit zone costs, which include the City’s share of the state freeway and highway lighting costs for these streets, are assessed against each parcel of land within the District. The local benefit zone is comprised of property which fronts or adjoins a collector or local street. Property within this zone is assessed its proportionate share of the costs associated with the lighting system as well as its share of the general benefit zone costs.

The benefit units assigned to each parcel of land are based upon the same benefit units that are used to calculate the City’s thoroughfare fees. The use of the property is the determining factor in the corresponding benefit unit assignment. For example, if a single-family residential parcel is assigned 10 benefit units and the average cost per lighting assessment unit (which includes the cost for the general benefit zone plus the local benefit zone) is \$1.58, then that single-family residential parcel will be assessed \$15.80.

A current estimate of the costs related to the District, the proposed assessments for FY 2026-27 are contained in the accompanying Engineer’s Report. The expenses decreased for FY 2026-27 due to the expiration of the Lighting Retrofit Lease Agreement in January 2026. For the public hearing scheduled for June 3, 2026, the City Council will be requested to approve the Engineer’s Report. Staff recommends that the City Council approve the Engineer’s Report as submitted or modified, if applicable, and direct that the Engineer’s Report be placed on file with the City Clerk’s Office for public review

FISCAL IMPACT

The estimated annual Lighting District assessments of \$1,650,480 will be appropriated to account 320317221.4142. Expenses to cover the cost to operate and maintain the street light system are estimated to be \$1,181,659. The FY 2026-27 Revenue and Expenses for the District are shown in the table below with a detailed breakdown shown in Exhibit A.

Revenue	Amount	Account
Annual Assessments	\$1,650,480	320317221.4142
Total Revenue	\$1,650,480	
Expenses		
Personnel	\$ 90,864	320317221.5105
Electricity	954,738	320317221.5315
Professional Services	11,343	320317221.5305
Advertising	400	320317221.5360
Internal Service	14,314	320317221.5600
Street Light Maintenance	110,000	320317221.6900.0101
Total Expenses	\$1,181,659	

COMMISSION OR COMMITTEE REPORT

Does not apply.

CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form.

Prepared by: Vicki L. Gutierrez, Real Estate Manager

Reviewed by: Hamid Bahadori, Public Works Director

Submitted by: Jonathan Borrego, City Manager

ATTACHMENTS:

1. Resolutions and Engineers Report (including Exhibits A, B & D)
2. Exhibit C is on file with the City Clerk