



City of Oceanside

300 North Coast Highway,
Oceanside, California 92054

Staff Report

File #: 25-746

Agenda Date: 6/4/2025

Agenda #: 24.

DATE: June 4, 2025

TO: Honorable Mayor and City Councilmembers

FROM: Public Works Department

TITLE: RESOLUTION CONFIRMING THE ASSESSMENTS FOR FISCAL YEAR 2025-26 AND ORDERING THE ASSESSMENTS TO BE LEVIED FOR FISCAL YEAR 2025-26 FOR THE OCEANSIDE LIGHTING DISTRICT, ASSESSMENT DISTRICT NO. 2-1991

RECOMMENDATION

Staff recommends that the City Council adopt a resolution approving the Engineer's Report confirming the diagram and assessments and ordering the assessments to be levied for FY 2025-26 for the Oceanside Lighting District, Assessment District No. 2-1991.

BACKGROUND AND ANALYSIS

The Oceanside Lighting District ("District") was formed in 1991 pursuant to the authority granted by the Landscaping and Lighting Act of 1972, codified in the California Streets and Highways Code. The formation of the District eliminated the eight separate lighting districts covering various sections of the City of Oceanside ("City"), and provides the means to finance the operation and maintenance of the street lighting system on the City's public streets.

Each year the City Council is required to conduct a public hearing regarding the proposed fiscal year assessments to be levied within the District. The public hearing provides all interested persons an opportunity to be heard, either in writing or orally at the public hearing, regarding the renewal and assessments. Since the formation of the District the assessments for the property owners within the District have remained the same.

On April 23, 2025, the City Council adopted Resolution 25-R0194-1 approving the Engineer's Report for the annual renewal of the District. The Engineer's Report has not been modified and is attached hereto. As part of the public hearing process regarding the proposed FY 2025-26 assessments to be levied within the District, after consideration of the evidence submitted, the City Council is requested to adopt resolutions confirming the diagram and assessments for FY 2025-26. 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 public hearing provides all interested persons an opportunity to be heard, either in writing or orally at the public hearing, regarding the renewal and assessments.

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 a parcel are based on similar factors used to calculate the City's thoroughfare fees. The use of the property is the determining factor in the corresponding benefit unit assignment. Single-family residential homes are assigned 10 benefit units whereas shopping centers are assigned 500 benefit units per acre.

An itemized outline of District costs, including the calculation of the average annual assessment per benefit unit, is summarized in the Engineer's Report. Exhibit C of the Engineer's Report includes the proposed assessments to be levied against each lot and parcel of real property within the District. Exhibit C is available for review in the City Clerk's office. The City Council is required to conduct a public hearing regarding the proposed FY 2025-26 assessments to be levied within the District.

At this time, the current amount of revenue generated from the levy of the annual assessments is sufficient to cover the cost to effectively operate and maintain the street lighting system within the District. The assessments levied within the District have not been increased since 1991, the year the District was formed. A single-family residence is assessed \$15.80 annually. Although the assessment rates have not increased since 1991, the District expenditures have increased over the years. Electric consumption is one of the largest components of the overall expenditures that have steadily increased. Currently, the cost to provide electricity to operate the approximately 8,452 streetlights within the District is approximately \$70,833 per month. Also, as new development occurs, additional streetlights that are installed add to the operational expenses.

The annual assessments are entered on the property tax roll, collected by the County of San Diego and deposited into the District Fund. The total amount of the anticipated revenue is \$1,657,224 and expenditures are anticipated to be \$1,547,743 for FY 2025-26 pursuant to the Engineer's Report.

A Citywide streetlight retrofit project to convert all street lights from high-pressure sodium to LED was completed in December of 2014. The retrofit project lease has an annual lease payment due of approximately \$476,219. The lease will be paid off in December of 2025, thereby eliminating this expense within the Lighting District at that time.

FISCAL IMPACT

The revenue in the amount of \$1,657,224 and expense appropriations in the amount of \$1,547,743 are included in the proposed FY 2025-26 budget. In order to cover the cost to operate and maintain the street light system, in addition to the estimated annual assessments of \$1,655,224, additional funds may be needed. If so, approval of the additional appropriations would be requested from

Council at that time.

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 Gutierrez, Real Estate Manager
Reviewed by: Hamid Bahadori, Public Works Director
Submitted by: Jonathan Borrego, City Manager

ATTACHMENTS:

1. Staff Report
2. Resolution with Approved Engineer's Report (including Exhibits A, B & D)
3. Exhibit C is on file with the City Clerk