

CITY OF LOS ANGELES

BUREAU OF STREET LIGHTING

Formation and Annual Levy Engineer's Report For:

**Streetlight Maintenance Assessment District
No. 5500**

March 2026

Fiscal Year 2026/27

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1. INTRODUCTION

1.1 District History

The City of Los Angeles (“City”) Bureau of Street Lighting (“BSL”), created within the City’s Department of Public Works in 1925, provides maintenance and servicing of certain publicly owned streetlights throughout its jurisdictional boundaries. In order to fund the maintenance and operation (the “Services”) of these improvements, the City has formed Street Lighting Maintenance Assessment Districts, including subsequent Annexations, covering over 500,000 parcels.

1.2 Legislative Context

The assessments described in this Report have been prepared pursuant to Article XIII D of the California Constitution, the Proposition 218 Omnibus Implementation Act (Division 2 of the California Government Code §53739 et seq.), and the Landscaping and Lighting Act of 1972 (Division 15 of the California Streets and Highways Code §22500 et seq.) collectively, the “Assessment Law”.

Determinations of special and general benefits must comply with the requirements of Assessment Law. The following is a description of the legislative context within which this report is written.

In 1996, California Voters adopted Proposition 218, the “Right to Vote on Taxes Act” which added Articles XIII C and XIII D to the California Constitution. Article XIII D imposes certain substantive and procedural requirements on any agency that wishes to levy special assessments and property related fees.

The substantive requirements related to special assessments are twofold: (1) assessments can only be imposed for a “special benefit” conferred on an assessed parcel, and (2) assessments must be in proportion to, and no greater than, the special benefit conferred on an assessed parcel.

The special benefit and proportionality requirements are described in Section 4, Subdivision (a) of Article XIII D: *“An agency which proposes to levy an assessment shall identify all parcels which will have a special benefit conferred upon them and upon which an assessment will be imposed. The proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the property related service being provided. No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are assessable, and an agency shall separate the general benefits from the special benefits conferred on a parcel...”*

In addition to its substantive requirements, Article XIII D imposes certain procedural requirements, which include preparing an engineer’s report, providing written notice to property owners, providing assessment protest ballots to property owners, holding a public hearing, and tabulating the assessment protest ballots.

1.3 Court Rulings

Since the initial passage of Proposition 218, several court rulings have helped provide context and direction on the practical implementation procedures and requirements for levying assessments. Several of the key concepts from these rulings are summarized below.

1.3.1 GENERAL BENEFIT

Article XIII D requires an agency to separate the general benefits from the special benefits conferred because only special benefits are assessable.

The Court of Appeal in *Golden Hills Neighborhood Assn., Inc. v. City of San Diego* (2011) (“*Golden Hills*”) clarified this concept by stating, “*Separation and quantification of general and special benefits must be accomplished by apportioning the cost of a service or improvement between the two and assessing property owners only for the portion of the cost representing special benefits.*”

The Court of Appeal in *Beutz v. County of Riverside* (2010) (“*Beutz*”) quoted from the Legislative Analyst’s Office pamphlet titled “*Understanding Proposition 218*” which states an agency must, “*estimate the amount of special benefit landowners would receive from the project or service, as well as the amount of ‘general benefit.’ This step is needed because Proposition 218 allows local government to recoup from assessments only the proportionate share of cost to provide the special benefit.*”

The Court in *Beutz* furthered this idea stating, “*Separating the general from the special benefits of a public improvement project and estimating the quantity of each in relation to the other is essential if an assessment is to be limited to the special benefits.*”

Silicon Valley Taxpayers Association Incorporated v. Santa Clara County Open Space Authority (2008) clarified that general benefits are not restricted to benefits conferred only on persons and property outside the assessment district but can include benefits both conferred on real property located in the district or to the public at large. The court defined the “public at large” as comprising all members of the public, including those who live, work, and shop within the district, and not simply transient visitors.

The Court of Appeal again reiterated the need to separate, quantify and apportion costs to general benefits from the improvements in *Broad Beach Geologic Hazard Abatement District v 31506 Victoria Point LLC*, stating “*The District cites no authority, and we are aware of none, suggesting that an agency’s subjective intent determines the need to account for general benefits.*”

1.3.2 BENEFIT-BASED NOT COST-BASED

In *Bonander v. Town of Tiburon* (2009) (“*Tiburon*”), the Court of Appeal clarified the idea that assessments must be apportioned based upon benefit rather than cost. The Court stated, “*Proportionate special benefit is the basis upon which a project’s total assessable costs are apportioned among parcels within an assessment district.*”

The assessment on a particular property cannot be based on the relative cost of the improvements, but rather the special benefit conferred on such property. The Court in *Tiburon* also stated, “*an assessment represents the entirety of the cost of the improvement or property-related service, less any amount attributable to general benefits (which may not be assessed), allocated to individual properties in proportion to the relative special benefit conferred on the property.*”

1.3.3 PUBLIC PROPERTY

Section 4, Subdivision (a) of Article XIII D states, in part, “*Parcels within a district that are owned or used by any agency, the State of California or the United States shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive*

no special benefit.” Historically, there had been differing opinions about whether this requirement that publicly owned property should not be exempt actually meant those properties must be assessed.

The Court of Appeal in *Manteca Unified School District v. Reclamation District No. 17 et al* (2017) (“*Manteca*”) clarified this issue by stating, “*section 4, subdivision (a) of article XIII D of the California Constitution unambiguously conditions any continuing benefit assessment exemption on a showing by clear and convincing evidence of no special benefit.*”

The Court of Appeal provided additional context to this issue in *Broad Beach Geologic Hazard Abatement District v 31506 Victoria Point LLC*, stating “*The benefit here – the provision of a wide sandy beach – is the heart of the District’s proposed project, not a mere condition for approval or required consideration by a state agency. That state agencies acted to ensure the project does not cut off the public’s access to a public beach does not transform the improvement project’s general benefits into costs. Were it otherwise, virtually any improvement to a public street or public park that provided a degree of special benefits could be fully funded by a special assessment based on the claim that public access to the improvement could not be restricted, and thus that any benefit to the public should be seen as a cost rather than a general benefit. That is not the law.*”

1.3.4 IMPRECISION

The Court in *Tiburon* acknowledged the difficulty of trying to precisely assign and measure special benefit, stating, “*Any attempt to classify special benefits conferred on particular properties and to assign relative weights to those benefits will necessarily involve some degree of imprecision.*”

The Court in *Tiburon* went on to say that a formula assigning equal weight to different special benefits “*may be a legally justifiable approach to measuring and apportioning special benefits, [but] it is not necessarily the only valid approach. Whichever approach is taken to measuring and apportioning special benefits, however, it must be both defensible and consistently applied.*”

2. IMPROVEMENTS

The City seeks to fund the following services and maintenance activities:

- Streetlight Maintenance and Services

The services and maintenance activities listed above are collectively referred to as the “Improvements.” A diagram detailing the proposed area in which the Improvements can be found in Section 8 of this report.

2.1 Streetlight Maintenance and Services

The City wishes to fund ongoing maintenance and servicing of streetlights and appurtenant devices, throughout the City. Maintenance includes the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of the improvements, including 1) repair, removal, or replacement of all or any part of any improvement including due to vandalism or theft, 2) removal of trimmings, rubbish, debris, and other solid waste. Servicing includes the furnishing of electric current or energy, gas, or other illuminating agent for any public lighting facilities., and could include a solar component.

There are approximately 216,000 streetlights that comprise the Improvements. The following page shows the approximate location of the Improvements.

3. BENEFITS

The Improvements will confer the special benefit of street lighting upon assessed parcels within Streetlight Maintenance Assessment District No. 5500 (the “District”). Ancillary benefits associated with street lighting are summarized in the table below:

Improvement	Benefit(s)
Street Lighting	Improved Security and Crime Prevention Improved Safety Improved Economic Activity and Access Improved Aesthetics

3.1 Improved Security and Crime Prevention

The Improvements will confer security benefits and help mitigate potential criminal activity within the District. This benefit extends to property, as adequate lighting should decrease vandalism and other property-related crime. The following safety and crime prevention benefits will be provided as a result of the Improvements and each benefitting property will be assessed for its proportional special benefit.

The Improvements will provide enhanced lighting throughout the District, which will ensure that sidewalks, streets and property fronts are more visible during dusk and nighttime hours. The increased level of visibility, during these darker periods of the day, will reduce opportunities for potential vandalism and other property-related crimes. “Lighting has a positive effect on reducing crime and the positive benefits are similar to those observed for roadway lighting reducing crashes.” The creation of a cohesive neighborhood is also accomplished by lighting in that “lighting may send a message that goes beyond visibility as a means for providing a community with crime-reducing benefit.” (Review of the Safety Benefits and Other Effects of Roadway Lighting, National Cooperative Highway Research Program, Transportation Research Board of the National Academies, 2009).

3.2 Improved Safety

The Improvements also provide a measure of safety for pedestrian and vehicular traffic within the District. Per the City’s Vision Zero policy, street lighting plays an important role in the public safety of vehicles and pedestrian traffic to provide nighttime visibility of and for pedestrians crossing the street. Additionally, “Published studies having different methodologies tend to converge on an overall average reported 20% to 30% reduction in nighttime crash risk from lighting” (National Cooperative Highway Research Program Transportation Research Board of The National Academies, 2009). This is of particular importance in a residential area where pedestrians are likely to be present during nighttime hours. The same report also states, “... lighting has a positive effect on reducing crime ...”

The Improvements will also provide improved safety benefits by facilitating a more efficient and safer flow of traffic to and from properties within the District between the dusk and dawn hours. This increased traffic circulation benefit is due to the fact that well-maintained and reliable lighting artificially extends the “lighted” hours, which increases the amount of time for activity to occur. It is a well-accepted fact that

pedestrian and traffic safety is considerably reduced in the hours of darkness. Various studies have concluded that good quality street lighting reduces the accident rate by increasing the overall visibility, as vehicle headlights are inadequate for high-speed traffic. For example, "Driving outside of daylight hours is more dangerous – only a quarter of all travel by car drivers is between the hours of 7pm and 8am, yet this period accounts for 40% of fatal and serious injuries in the same group." (Night-time accidents: a scoping study, UCL, London, 2009). Additionally, "... installing road lighting in a previously unlit road led to a rate ratio of 0.45 (95% confidence interval 0.29 to 0.69), which implies a 55% reduction in crashes compared to that in the control area." (Street lighting for preventing road traffic injuries, Cochrane Database of Systematic Reviews, 2009) Therefore, the street lighting improvements will confer safety benefits to property within the District and each benefitting property will be assessed for its proportional special benefit.

3.3 Improved Economic Activity and Access

A brightly lit area makes us feel safer. Commercial establishments benefit from street lighting because areas with adequate lighting feel more welcoming and safer to customers. More people are willing to be outdoors after dark, and streetlighting increases the amount of time people can spend on economic activities. (Modifying the Built Environment: The Impact of Improved Streetlighting, Herbert, Geoforum, Volume 25, Issue 3, 1994).

The Improvements also provide improved accessibility and traffic circulation benefits to the District parcels where the access route to the property utilizes street lighting. The maximum usefulness of a parcel cannot be fully realized unless it is accessible. Thus, improving the accessibility of a parcel especially during nighttime hours, through proper street lighting, can improve the overall utilization of the parcel. It is reasonable to conclude that improving street lighting will improve accessibility, especially during the nighttime hours for parcels within the District and each benefitting property will be assessed for its proportional special benefit.

3.4 Improved Aesthetics

Some of the Improvements consist of ornamental street lighting. The ornamental street lighting Improvements serve to identify a specific neighborhood, creating a signature element that distinguishes a specific area. It provides a welcoming environment and is a distinctive instrument in shaping a unique neighborhood aesthetic. Therefore, the ornamental streetlighting Improvements will confer aesthetic benefits to properties in the District and each benefitting property will be assessed for its proportional special benefit.

4. SPECIAL BENEFIT DISTRIBUTION

Once special benefits are identified, they must be assigned based on the estimated proportionate special benefit derived by each parcel. This section describes the assignment of special benefit to each parcel.

4.1 Factors Affecting Special Benefit

4.1.1 LAND USE TYPE

A parcel's land use type will affect the special benefits received. Various land uses receive different types of benefit from the Improvements. For example, non-residential uses receive economic activity benefits. As such, the land use affects the amount of special benefit conferred by the Improvements. All parcel within the District will fall into one of the follow land use categories:

- Residential Property is characterized largely by buildings consisting of dwelling units.
- Retail Property is characterized largely by buildings where goods and/or services are marketed or sold.
- Office Property is characterized largely by buildings consisting of offices for work that is typically clerical or professional in nature.
- Industrial Property is characterized largely by buildings where goods are manufactured, warehoused, or distributed, including parking lots or parking garages.
- Public/Institutional Property includes property that is owned by and used for purposes that are public or governmental or non-profit organizations.
- Utility Property includes property that is owned by and used for purposes that are utilities.
- Undeveloped Property is that property which does not have a structure built upon it.

The land use type for each property will be determined by referencing County Assessor's data, including Use Code, ownership information, etc. Each assessed property receives a direct and special benefit from all streetlighting throughout the district, whether such lighting is provided on a local, collective, or arterial street, and the land use factor identifies and quantifies the proportional special benefit provided to each assessed property by streetlighting throughout the district.

4.1.2 LIGHTING TYPE

Some neighborhoods and streets in the City have specialized ornamental lighting. This ornamental lighting serves to create a specific neighborhood identity, providing a cohesive aesthetic for the area. This ornamental lighting confers an aesthetic special benefit in addition to the other special benefits conferred by standard lighting.

4.1.3 PARCEL SIZE

The size of a parcel is in direction relation to the special benefit such parcel receives from the streetlighting services. Therefore, the parcel lot square footage is used to determine a parcel's special benefit.

4.2 Special Benefit Apportionment

To allocate special benefit proportionally to property of varying land uses and account for proximity to specialized lighting, a point system is used as a weighting factor and referred to below as the Land Use Factor. This Land Use Factor system provides a concise and consistent approach to the allocation of special benefit to property. The Land Use Factor is then multiplied by the Parcel Size Factor to determine the total special benefit points assigned to each parcel of land within the District.

4.2.1 APPORTIONMENT OF SPECIAL BENEFIT BY LAND USE

Differing land use types benefit from the Improvements in different ways. A value of one (1) is assigned when a specific land use fully benefits from the identified special benefit. Values less than one (1) recognize that the benefit for that land use and identified special benefit is proportionately less. The special benefits quantified in the table below includes the special benefit conferred to property by the system of street lighting improvements that serve each property. The table below summarizes the Land Use Factor assigned to each parcel within the District:

Class	Land Use/Lighting Type	Security	Safety	Economics/Access	Aesthetics	Land Use Benefit Point Total
1	Ornamental Light					
	Residential	1.00	1.00	0.00	1.00	3.00
	Retail	1.00	1.00	1.00	1.00	4.00
	Office	1.00	1.00	0.50	1.00	3.50
	Industrial	1.00	1.00	0.75	1.00	3.75
	Institutional	1.00	1.00	0.00	1.00	3.00
	Public	1.00	1.00	0.50	1.00	3.50
Undeveloped/Utility	0.50	0.50	0.00	0.00	1.00	
2	Standard Light					
	Residential	1.00	1.00	0.00	0.00	2.00
	Retail	1.00	1.00	1.00	0.00	3.00
	Office	1.00	1.00	0.50	0.00	2.50
	Industrial	1.00	1.00	0.75	0.00	2.75
	Institutional	1.00	1.00	0.00	0.00	2.00
	Public	1.00	1.00	0.50	0.00	2.50
Undeveloped/Utility	0.50	0.50	0.00	0.00	1.00	
3	Pedestrian Light					
	Residential	0.50	0.50	0.00	0.00	1.00
	Retail	0.50	0.50	0.50	0.00	1.50
	Office	0.50	0.50	0.25	0.00	1.25
	Industrial	0.50	0.50	0.37	0.00	1.37
	Institutional	0.50	0.50	0.00	0.00	1.00
	Public	0.50	0.50	0.25	0.00	1.25
Undeveloped/Utility	0.25	0.25	0.00	0.00	0.50	

A parcel may benefit from both standard lighting and pedestrian lighting or ornamental lighting and pedestrian lighting. Pedestrian lights are attached to existing street light poles and therefore provide a separate and incremental special benefit. In that case, the Land Use Benefit Point Total for such parcel will be the sum of the Land Use Benefit Points for each type of lighting the parcel benefits from. A parcel may also benefit from both ornamental and standard lighting (e.g., a corner lot with ornamental lighting on one side and standard lighting on the other). In that case, the Land Use Benefit Point Total for such parcel will be the sum of the Land Use Benefit Points for those two types of lighting, divided by two. Should that parcel also benefit from pedestrian lighting, the Land Use Benefit Points for pedestrian lighting will be added to the standard and ornamental lighting average previously calculated.

4.2.2 APPORTIONMENT OF SPECIAL BENEFIT BY PARCEL SIZE

Differing parcel sizes benefit from the Improvements in different ways. A value of one (1) is assigned to a typical Single Family Residential parcel that is 0.1-0.2 acres in size. Values less than or greater than one (1) recognize that the benefit for that land use and smaller or larger parcel size respectively is less or greater than that typical Single Family Residential parcel. The table below summarizes the Parcel Size Benefit Points assigned to each parcel within the District:

Land Use	PARCEL SIZE BENEFIT POINTS							
	1	2	3	4	5	6	7	8
	<0.1 Acres	0.1- <0.2 Acres	0.2- <0.4 Acres	0.4- <0.8 Acres	0.8- <1.5 Acres	1.5- <3.0 Acres	3.0- <6.0 Acres	>=6.0 Acres
Single Family Residential	0.75	1.00	1.25	1.50	1.75	2.00	2.25	2.50
Multi-Family Residential 2-4 Units	1.50	1.75	3.25	5.50	8.00	11.00	14.00	18.00
Multi-Family Residential 5-15 Units	1.75	2.00	3.75	6.25	9.00	13.00	15.00	21.00
Multi-Family Residential 16-25 Units	2.00	2.50	4.50	7.00	10.00	15.00	17.00	25.00
Multi-Family Residential 26-50 Units	2.50	3.00	5.00	8.00	11.50	17.00	19.00	30.00
Multi-Family Residential >50 Units	3.00	4.00	6.00	9.50	13.00	19.00	25.00	40.00
Retail	1.50	1.75	3.25	5.50	8.00	11.50	20.00	40.00
Office	1.50	1.75	3.25	5.50	8.00	11.50	20.00	40.00
Industrial	0.75	1.00	1.25	2.25	4.00	7.00	10.00	25.00
Institutional	0.50	1.00	1.25	2.25	4.00	7.00	10.00	25.00
Public	0.50	1.00	1.25	2.25	4.00	7.00	10.00	25.00
Undeveloped/Utility	0.25	0.50	0.75	1.25	1.75	3.50	4.50	8.00

Single Family Residential includes condominium parcels which are to be assigned to the appropriate parcel size category based on their share of the common area parcel they are located on.

Parcel size shall be based on the Acreage data shown in the County Assessor’s Data for each Assessor’s Parcel unless City staff has more accurate data from another source.

These values include and quantify the benefit assessed properties receive from lighting provided throughout the district, whether adjacent to local, collector, or arterial streets.

4.3 Total Special Benefit Points

The calculation of Total Special Benefit Points for each parcel takes into account each component analyzed and described above, parcel characteristics and land use. The formula for determining each parcel's Total Special Benefit Points is as follows:

$$\begin{array}{ccccc} \text{Land} & & & & \\ \text{Use} & & \text{Parcel Size Benefit} & & \text{Total Special} \\ \text{Benefit} & \times & \text{Points} & = & \text{Benefit Points} \\ \text{Points} & & & & \end{array}$$

The Total Special Benefit Points are computed for each parcel in the District and summed. The Total District Special Benefit Points are 1,899,630.745. These Total District Special Benefit Points are used to determine the proposed assessment amounts on each parcel.

5. SEPARATION AND QUANTIFICATION OF GENERAL BENEFITS

As described in the Introduction, only special benefits are assessable and in order to assess only special benefits, the general benefits resulting from the Improvements must be separated and quantified. This section describes the process used to separate and quantify the general benefits.

5.1 Summary

As detailed below, it is estimated the Improvements will confer an Effective General Benefit of 10.59%.

5.2 General Benefits Identified

Section 4 of Article XIII D of the California Constitution provides that once a local agency which proposes to impose assessments on property has identified those parcels that will have special benefits conferred upon them and upon which an assessment will be imposed, the local agency must next “separate the general benefits from the special benefits conferred,” and only the special benefits can be included in the amount of the assessments imposed.

General benefit is an overall and similar benefit to the public at large resulting from the maintenance of the Improvements provided by the assessments levied. The Improvements to be maintained by the District are located within the District boundaries only. There will be no District maintenance activities provided for Improvements located outside of the District boundaries.

The ongoing maintenance of the Improvements will provide safety and crime prevention, access and traffic circulation, aesthetics and economic benefits to the property within the District. However, it is recognized that the ongoing maintenance activities will also provide a level of benefit to individuals, bicycles and vehicles passing through, neighboring properties, and the public at large, including all properties within the district. Therefore, the general benefit created as a result of the District maintenance activities has been considered.

5.3 General Benefit Analysis

As a result of the maintenance and operation of the Improvements, there will be a level of general benefit unrelated to the Improvements provided directly to and for the benefit of a specific assessed property, including but not limited to such things as commuter vehicular traffic, commuter pedestrian traffic, and general security, safety, economic, and aesthetic benefits to the public at large. In order for property within the District to be assessed only for that portion of special benefits received from the District’s Improvements, general benefits provided by the ongoing maintenance of the improvements needs to be quantified. The amount of general benefit that is provided from the District’s maintenance activities cannot be funded via property owners’ assessments.

The District’s Improvements are located throughout the District as well as at the boundaries of the District, with the exception of Improvements at the District Boundaries. Improvements at the District boundary would provide the only general benefit outside of the District; however, the City provides the Improvements on the District Boundaries separate from and unrelated to the Improvements provided by

the District. Because any Improvements on the District Boundary are provided separately from and unrelated to the Improvements provided by the District, the District does not and cannot provide any general benefit from Improvements at the District boundary. Agreements with other municipalities are in place to provide such Improvements and the District will not provide any contribution for them. Since those Improvements and their costs are separately accounted for, those boundary Improvements are not considered as part of the general benefit analysis.

5.3.1 TYPES OF STREETS

Improvements within the District are located on various types of streets. According to the City's General Plan Mobility Plan Element, streets within the City are categorized as Local Streets, Collector Streets, and Arterial Streets in accordance with their function. Functional classification is an ordering system that categorizes streets by their ability to move traffic and provide access to adjacent properties. The street types are characterized by different traffic capacity levels and traffic patterns (City of Los Angeles Complete Streets Design Guide):

1. Local Streets emphasize property access, provide limited mobility and are the primary access to residential areas and businesses, usually with slower speed limits and minimal pass-through traffic. Local streets are designed for direct access to property in a neighborhood and to provide a connection from the neighborhood to the higher functional classification streets. Pass-through traffic is typically deliberately discouraged in the design of the local street network for neighborhoods.
2. Collector Streets are major and minor roads that connect Local Streets with Arterial Streets providing a balance between land access and pass-through traffic as well as a means to connect local streets to arterial streets. Collector Streets provide less mobility than Arterial Streets, usually with moderate speed limits and low to moderate levels of localized pass-through traffic.
3. Arterial Streets include major roadways that connect urbanized areas and emphasize mobility for pass-through traffic. Land access is limited, speed limits are usually on the higher end of moderate and there is regional pass-through traffic. Arterial streets are typically characterized by commercial uses, but single family and multi-family residential uses are also located along existing arterial streets.

5.3.2 GENERAL BENEFIT: PASS THROUGH TRAFFIC LOCAL STREETS

Local streets are intended to serve individual neighborhoods, providing access to property with frontage on said streets. As discussed above in Section 5.3.1, local streets are not designed to be pass-through streets. Based on the design of the local streets, one must conclude that the purpose of the local streets is exclusively intended for the benefit of the parcels on such streets. By definition, local streets do not provide a direct or efficient means of traveling from one place to another such that one could reasonably expect a driver to purposefully choose the local streets as the best route for travel unless necessary as either the origin or terminus of a trip from a parcel located within the District.

It is recognized that there are times when local streets, though not intended to be used to provide pass-through connections, are utilized in that manner due to overall traffic conditions, construction, etc. When considering the peak traffic hours when a local street might act as a collector, and considering the limited

number of local streets that might act in this manner, along with the limited times of year when the Streetlighting Improvements operate during these times, the amount of pass-through traffic associated with these conditions is estimated and acknowledged as general benefit. Additionally, given the localized nature of traffic, one could imagine a small degree of “tourism” wherein traffic in fact simply “passes through” to enjoy the views of the homes, the natural surroundings or perhaps lost on their way to their intended destination. This “pass-through” traffic is the only quantifiable general benefit provided by Improvements on these streets. In total, general benefit related to pass-through traffic on local streets is estimated at 5%¹. As such, approximately 5.00% general benefit is attributable to vehicles passing through the District via the local streets.

Pass-through Traffic Local Streets General Benefit	5.00%
Local Streets Length Percentage of Total Streets Length with Streetlighting Improvements	57.60%

5.3.3 GENERAL BENEFIT: PASS THROUGH TRAFFIC COLLECTOR STREETS

Collector Streets provide connection between larger arterial streets and local streets. As such, there is a general benefit component associated with street lighting along collector streets roughly equal to the percentage of pass-through trips using those streets, estimated at 10-20% based on the amount of traffic volume placed on each type of roadway². Said pass-through traffic, whether vehicular, bicycle or pedestrian will also enjoy the Improvements as they travel through the well-lit area of the District along the Collector Streets. This “pass-through” traffic is the only quantifiable general benefit provided by Improvements on these streets. As such, approximately 15.00% general benefit is attributable to vehicles passing through the District via Collector Streets.

Pass-through Traffic Collector Streets General Benefit	15.00%
Collector Streets Length Percentage of Total Streets Length with Streetlighting Improvements	15.47%

5.3.4 GENERAL BENEFIT: PASS THROUGH TRAFFIC ARTERIAL STREETS

Arterial Streets consist of major roadways that provide connection between urban areas. As such, there is a general benefit component associated with street lighting along arterial streets roughly equal to the percentage of pass-through trips using those streets, estimated at 15-25% based on the amount of traffic volume placed on each type of roadway³. Said pass-through traffic, whether vehicular, bicycle or pedestrian will also enjoy the Improvements as they travel through the well-lit area of the District along the Arterial Streets. This “pass-through” traffic is the only quantifiable general benefit provided by Improvements on

¹ The amount of pass-through traffic is estimated for each type of street. For local streets, the amount of pass-through traffic is estimated based on the design of local streets, including the width of the street, posted speed limits and implementation of traffic calming measures should traffic volumes increase. Also considered were various studies of cut-through traffic volumes including one for a neighborhood in the City as well as similar studies in other locales.

² The amount of pass-through traffic is estimated for each type of street. For collector streets, the amount of pass-through traffic is estimated based on the design of collector streets, including the width of the street, posted speed limits and implementation of traffic calming measures should traffic volumes increase. Also considered were various studies of cut-through traffic volumes including one for a neighborhood in the City as well as similar studies in other locales.

³ The amount of pass-through traffic is estimated for each type of street. For arterial streets, the amount of pass-through traffic is estimated based on the design of arterial streets, including the width of the street, posted speed limits and implementation of traffic calming measures should traffic volumes increase. Also considered were various studies of cut-through traffic volumes including one for a neighborhood in the City as well as similar studies in other locales.

these streets. As such, approximately 20.00% general benefit is attributable to vehicles passing through the District via Arterial Streets.

Pass-through Traffic Arterial Streets General Benefit	20.00%
Arterial Streets Length Percentage of Total Streets Length with Streetlighting Improvements	26.93%

5.3.5 TOTAL GENERAL BENEFIT

Since the District is comprised of security, safety, economic and aesthetic benefits resulting from the Improvements, the activity of vehicles, pedestrians and bicycles passing through the District are weighted according to street type and percentage of each street type (with Street Lighting Improvements) by length. The weighted average is calculated by multiplying the pass-through benefit percentage by the percentage of total street length. The weighted average is equivalent to the general benefit and the result is provided in the table below:

	Pass-through General Benefit	% of Total Street Length*	Weighted Average
Local Streets General Benefit	5.00%	57.60%	2.88%
Collector Streets General Benefit	15.00%	15.47%	2.32%
Arterial Streets General Benefit	20.00%	26.93%	5.39%
Total General Benefit			10.59%

*Street length of each type of street with Street Lighting Improvements.

6. BUDGET

The following table summarizes the estimated annual costs to fund the Improvements for Fiscal Year 2026/27:

Description	Amount
<i>Maintenance and Operation Costs</i>	
Maintenance Support	\$12,009,553
System Protection	14,926,925
Pole Replacement & Upgrade	15,911,336
Other Costs	20,469,422
<i>Administration</i>	
BSL Staffing & Equipment	38,532,764
General Services	23,000,000
County Collection Charges	150,000
Total Cost of Improvements	\$125,000,000

6.1 Maximum Balance Amount to Be Assessed For Fiscal Year 2026/27

The total maximum amount to be assessed upon the specially benefitting parcels is the total cost of the Improvements, as detailed above, less the portion of costs attributable to General Benefit as detailed in the Separation and Quantification of General Benefits section.

The calculation of the balance to be assessed is shown below:

Description	Amount
Total Cost of Improvements	\$125,000,000
Less General Benefit Portion (10.59%)	(13,237,500)
Total Balance to Be Assessed	\$111,762,500

6.2 Maximum Assessment Rate per Special Benefit Point

The Maximum Assessment Rate per Special Benefit Point is determined by dividing the Total Balance to Be Assessed by the sum of the Total District Special Benefit Points noted in Section 4.

The calculation of the Maximum Assessment Rate per Special Benefit Point is shown below:

Description	Amount
Balance to Be Assessed	\$111,762,500.00
Total District Special Benefit Points	1,899,630.745
Maximum Assessment Rate per Special Benefit Point⁽¹⁾	\$58.8338

(1) Beginning July 1, 2027, the maximum assessment per Special Benefit Point will be increased by the percent change in the annual Consumer Price Index for all Urban Consumers, for the Los Angeles region as determined by the U.S. Department of Labor Statistics compared year over year. The two calendar years preceding the Fiscal Year in which assessments are to be levied shall be used to determine the annual percent change each July 1 for that Fiscal Year.

The Maximum Assessment Rate per Special Benefit Point is multiplied by each parcel’s Total Special Benefit Points to determine a maximum assessment amount per parcel. Below is a sample total maximum assessment calculation for a parcel in the District:

Maximum Assessment Rate per Special Benefit Point		Total Special Benefit Points		Total Maximum Assessment Amount Per Parcel
\$58.8338	X	3.00	=	\$176.50

6.3 Annual Maximum Assessment Rate Increases

Each parcel’s actual assessment is determined by multiplying the assessment rate by the parcels total special benefit points. If the total District special benefit points change in future years, the allowable annual Maximum Assessment Rate will not be recalculated. The allowable annual Maximum Assessment Rate per special benefit point, plus the annual cost of living inflator, will remain fixed. The actual annual assessment rate will be calculated by dividing the fiscal year’s net cost estimate to be assessed by the fiscal year’s total special benefit points, not to exceed the allowable annual Maximum Assessment Rate for that fiscal year. Beginning July 1, 2027, the Maximum Assessment Rate per special benefit point is escalated each year on July 1 by an amount not to exceed the percent change in the annual Consumer Price Index for all Urban Consumers, for the Los Angeles-Long Beach-Anaheim CA region as determined by the U.S. Department of Labor Statistics compared year over year. The two calendar years preceding the Fiscal Year in which assessments are to be levied shall be used to determine the annual percent change each July 1 for that Fiscal Year.

In any given year, the assessments may be levied at any rate sufficient to meet the estimated budget, as long as the actual assessment rate does not exceed the Maximum Assessment Rate for that fiscal year.

6.4 Future Changes to Parcel Characteristics

Future changes to parcel characteristics (land use, parcel lot square footage) may cause changes in the total assessment revenue. The assessment revenue for any given year will be the product of the District’s parcel characteristics and the budget in effect for such fiscal year. Development within the District that changes the land use type of a parcel, for example, may lead to increased assessment revenue, even if the assessment rate is not increased. In accordance with Government Code Section 53750 (h) (3)⁴, assessment amounts may change over time in accordance with changes to parcel characteristics, including land use type and parcel square footage.

⁴ California Government Code Section 53750(h)(3) provides, “A tax, assessment, fee, or charge is not deemed to be “increased” in the case in which the actual payments from a person or property are higher than would have resulted when the agency approved the tax, assessment, fee, or charge, if those higher payments are attributable to events other than an increased rate or revised methodology, such as a change in the density, intensity, or nature of the use of land.”

6.5 Data for Annual Assessment Calculations

Each year, as part of the assessment calculation procedures, the City or its designated consultant shall determine the land use type for each parcel based on the County Assessor's use code or other supplementary information made available and deemed reliable. The parcel characteristics of lot square footage shall similarly be based on the County Assessor's secured rolled data for the applicable year and may be supplemented with other reliable data sources.

6.6 Method of Collection

The assessments will be collected annually on the County's secured property tax roll. The assessments will be subject to the County's assigned due dates and late penalties. However, the City may choose to collect the assessments in an alternate manner (including directly billing the property owner) as may be deemed appropriate or necessary by the City.

7. ENGINEER'S STATEMENT

The City of Los Angeles Streetlight Maintenance Assessment District No. 500 assessments described in this Report have been prepared pursuant to Article XIII D of the California Constitution, the Proposition 218 Omnibus Implementation Act (Division 2 of the California Government Code §53739 et seq.), and the Landscaping and Lighting Act of 1972 (Division 15 of the California Streets and Highways Code §22500 et seq.) collectively, the "Assessment Law".

1. I have identified all parcels that will have a special benefit conferred upon them by the Improvements described in Section 2 of this Report (the "Specially Benefited Parcels").
 - a. For particulars as to the identification of these parcels, reference is made to the Assessment Diagram, a copy of which is included in Section 8 of this Report.
2. I have assessed the estimated costs and expenses of the Improvements upon the Specially Benefited Parcels. In making such assessment:
 - a. The proportionate special benefit derived from the Improvements by each Specially Benefited Parcel was determined in relationship to the entirety of the cost of the Improvements;
 - b. No assessment has been imposed on any Specially Benefited Parcel which exceeds the reasonable cost of the proportional special benefit conferred on such parcel by the Improvements; and
 - c. The general benefits have been separated from the special benefits and only special benefits have been assessed.

I, the undersigned, respectfully submit this District and Annual Levy Report and, to the best of my knowledge, information and belief, this Report, the assessments, and the Assessment Diagram herein have been prepared and computed in accordance with the Assessment Law.

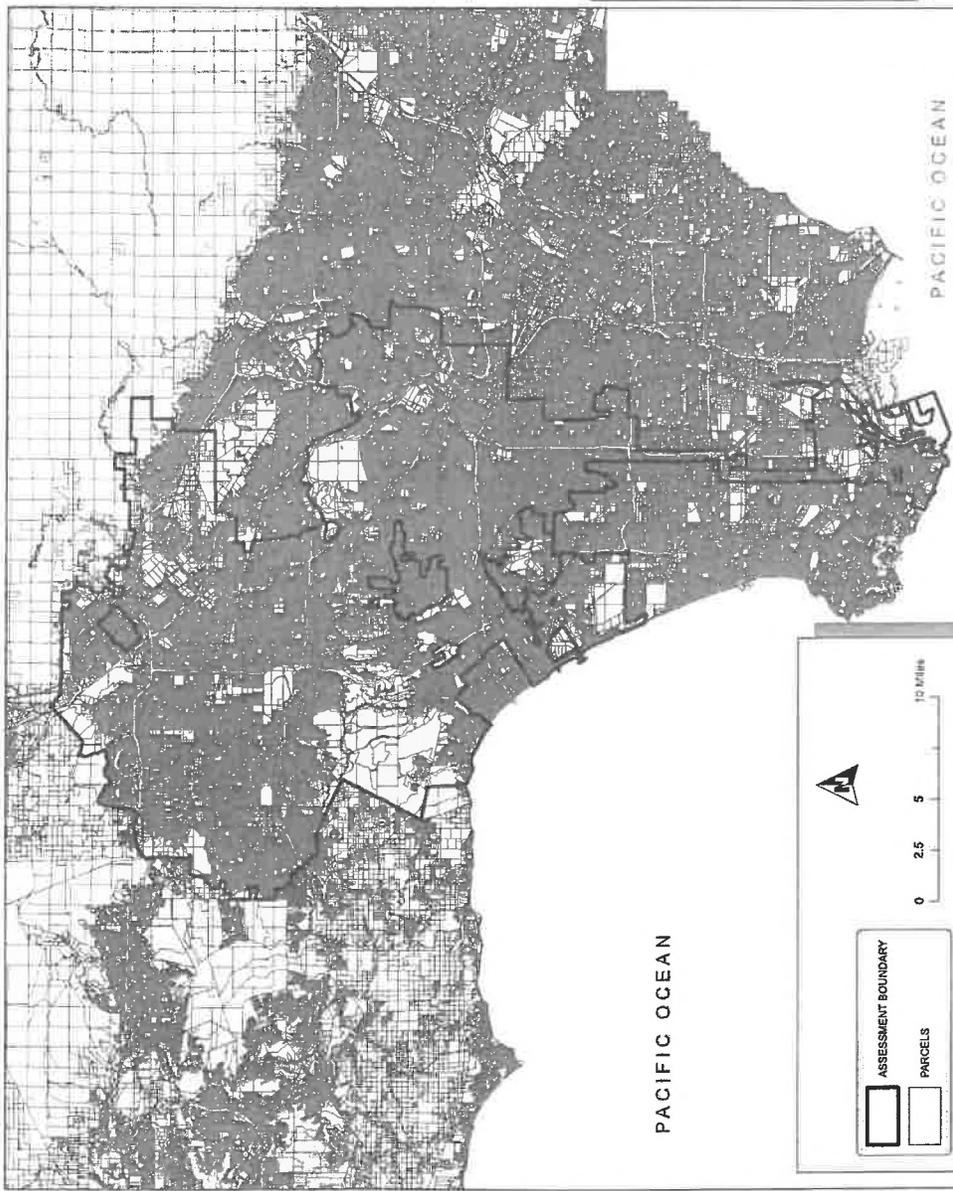
By: Ruben Flamenco
3/6/26



8. ASSESSMENT DIAGRAM

The following pages contain the assessment diagram for the District.

ASSESSMENT DIAGRAM
CITY OF LOS ANGELES
BUREAU OF STREET LIGHTING
STREETLIGHT MAINTENANCE ASSESSMENT DISTRICT NO. 5500
CITY OF LOS ANGELES
COUNTY OF LOS ANGELES
STATE OF CALIFORNIA



FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF LOS ANGELES, THIS DAY OF 20____

CITY CLERK
LOS ANGELES
LOS ANGELES COUNTY, CALIFORNIA

AN ASSESSMENT WAS LEVIED BY THE CITY COUNCIL OF THE CITY OF LOS ANGELES ON THE LOTS, PIECES AND PARCELS OF LAND SHOWN ON THIS ASSESSMENT DIAGRAM AND ASSESSMENT ROLL. THE ASSESSMENT ROLL WAS FILED IN THE OFFICE OF THE SUPERINTENDENT OF STREETS FOR THE EXACT AMOUNT OF EACH ASSESSMENT LEVIED AGAINST EACH PARCEL OF LAND SHOWN ON THIS ASSESSMENT DIAGRAM.

CITY CLERK
CITY OF LOS ANGELES
LOS ANGELES COUNTY, CALIFORNIA

RECORDED IN THE OFFICE OF THE SUPERINTENDENT OF STREETS OF THE CITY OF LOS ANGELES, THIS DAY OF 20____

SUPERINTENDENT OF STREETS
CITY OF LOS ANGELES
LOS ANGELES COUNTY, CALIFORNIA

FILED THIS DAY OF 20____ AT THE HOUR OF O'CLOCK P.M. IN BOOK PAGE OF MAPS OF ASSESSMENT DISTRICTS IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF LOS ANGELES, CALIFORNIA.

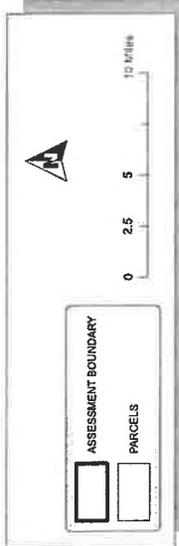
COUNTY RECORDER
LOS ANGELES COUNTY, CALIFORNIA

NOTES:
FOR PARTICULARS OF THE LINES AND DIMENSIONS OF ASSESSOR'S PARCELS, REFERENCE IS MADE TO THE MAPS OF THE ASSESSOR OF THE COUNTY OF LOS ANGELES.

VICINITY MAP



Legend
ASSESSMENT BOUNDARY



ASSESSMENT BOUNDARY
PARCELS



Source: Los Angeles County GIS
Geographic Coordinate Reference: GCS North American 1983
Projection: NAD 1983 StatePlane California V FIPS 0405 Feet

9. ASSESSMENT ROLL

The proposed 2026/27 assessment roll for the District is presented under separate cover and included by reference.

10. REFERENCES

Beutz v. County of Riverside, 109 Cal. Rptr. 3d 851 (Cal. Ct. App. 2010)

Bonander v. Town of Tiburon, 180 Cal. App. 4th 1057 (Cal. Ct. App. 2009)

Broad Beach Geologic Hazard Abatement District v 31506 Victoria Point LLC, B304699 (Cal. Ct. App. 2022)

Coder, Kim D. "Identified Benefits of Community Trees and Forests." *University of Georgia Cooperative Extension Service - Forest Resources Publication*, October 1996.

Golden Hill Neighborhood Assn. v. City of San Diego CA4/1, D062203 (Cal. Ct. App. 2013)

Kearney, Anne R. "Residential Development Patterns and Neighborhood Satisfaction: Impacts of Density and Nearby Nature." *Environment and Behavior*, 38, 112-139, 2006.

Manteca Unified School District v. Reclamation District No. 17 et al, C077906 (Cal. Ct. App. 2017)

Silicon Valley Taxpayers' Association Incorporated v. Santa Clara County Open Space Authority, 44 Cal. 4th 431 (2008)