



City of Covina

Lighting District No. 1978-79

Engineer's Report

Annexation No. 83

Commencing Fiscal Year 2025/2026

Intent Meeting: April 1, 2025

Public Hearing: June 3, 2025

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ATTACHMENT B

ENGINEER'S ANNEXATION REPORT AFFIDAVIT

City of Covina
Covina Lighting District No. 1978-79
Annexation No. 83
Commencing in Fiscal Year 2025/2026

**City of Covina,
Los Angeles County, State of California**

As part of the Resolution of Intention packet presented for the consideration of the Covina City Council, this Report and the enclosed budget, diagrams, and description outline specific proposed changes to the Covina Lighting District No. 1978-79 for Fiscal Year 2025/2026, including the annexation of territory to the District; and the proposed new annual assessments for all parcels within Annexation No. 83 commencing in Fiscal Year 2025/2026. Reference is hereby made to the Los Angeles County Assessor's Parcel Maps for a detailed description of the lines and dimensions of parcels within Annexation No. 83 known as Assessor Parcel Number 8430-015-021 (Tract No. 84311) that will be subject to the proposed annual assessments.

The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this 4th day of April, 2025.

Willdan Financial Services
Assessment Engineer
On Behalf of the City of Covina

By: 

Stacey Reynolds
Principal Consultant

By: 

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Introduction

Pursuant to the provisions of the Landscaping and Lighting Act of 1972, being Part 2, Division 15, of the California Streets and Highways Code, commencing with Section 22500 (hereafter referred to as the "1972 Act"), this report is prepared in compliance with the requirements of Article 4, Chapter 1, of the 1972 Act regarding the annexation of territory into the City's existing Covina Lighting District No. 1978-79 (hereafter referred to as "District").

The City Council of the City of Covina, being the legislative body for the District, may, pursuant to the 1972 Act, annex territory and levy annual assessments for the operation and administration of the District. In Section 22608 of the 1972 Act, it states "*right of majority protest shall be limited to the territory proposed to be annexed.*"

In addition, the 1972 Act provides for the levy of annual assessments after annexation into or formation of an assessment district for the continued maintenance and servicing of the improvements. The 1972 Act further allows various areas to be annexed into an existing district when the territory in the annexation receives substantially the same proportional special benefits from the improvements. The costs associated with the installation, maintenance, and servicing of the improvements may be assessed to properties benefiting from the installation, maintenance, and servicing of such improvements.

This report specifically addresses the annexation of approximately 2.78 acres of territory consisting of one parcel (Tract No. 84311).

In accordance with the 1972 Act, the District utilizes benefit zones ("Zones") to address variations in the nature, and extent of the improvements that provide special benefits to parcels in the District. Within the boundaries of the District, parcels are assigned to either Residential Zone A or Commercial Zone B.

This territory is more specifically identified as:

- **APN 8430-015-01** located north of Limoncello Lane, east of Ruby Red Drive and west of Barranca Avenue, will develop out to seventy-five (75) condominiums. This development will benefit from existing streetlights.

This annexation territory is proposed to be annexed into the District and levied assessments commencing in Fiscal Year 2025/2026, and shall be known and referred to as:

Annexation No. 83 for the Covina Lighting District No. 1978-79

(hereafter referred to "Annexation No. 83"). The properties associated with and identified herein as Annexation No. 83 are shown on the Assessment Diagrams incorporated herein as Part IV of this Report.

This Report has been prepared in connection with the annexation of parcels into the District for Fiscal Year 2025/2026, designated as Annexation No. 83, pursuant to a resolution of the City Council and consists of the following five (5) parts.

Part I – Plans and Specifications

Contains a description of the improvements to be maintained or serviced throughout the District.

Part II – Method of Apportionment

Describes the basis on which the costs have been apportioned to each parcel of land within the District, in proportion to the estimated benefits to be received.

Part III – Estimate of Costs

Identifies the estimated cost of the services or maintenance to be provided throughout the District, including incidental costs and expenses in connection therewith.

Part IV – Assessment Diagram

Contains a diagram showing the existing exterior boundaries of the District, and the location and parcels that receive special benefits from the streetlight improvements to be provided and maintained as part of Annexation No. 83. The lines and dimensions of each lot, parcel, and subdivision of land within Annexation No. 83 are inclusive of all parcels listed in Part V, Assessment Roll, of this Report and the corresponding Los Angeles County Assessor's Parcel Maps for said parcels as they existed at the time this Report was prepared and shall include all subsequent subdivisions, lot-line adjustments, or parcel changes therein. Reference is hereby made to the Los Angeles County Assessor's maps for a detailed description of the lines and dimensions of each lot and parcel of land within Annexation No. 83.

Part V – Assessment Roll

Identifies the maximum assessment to be levied on each benefited lot or parcel of land within Annexation No. 83.

If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Report is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining provisions of the Report and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions might subsequently be declared invalid or unconstitutional.

Part I — Plans and Specifications

IMPROVEMENTS AUTHORIZED BY THE 1972 ACT

As applicable or may be applicable to the District, the 1972 Act defines improvements to mean one or any combination of the following:

- The installation or construction of public lighting facilities.
- The maintenance and/or servicing of any public lighting facilities.
- The acquisition of any existing lighting improvement otherwise authorized pursuant to this section.

The 1972 Act defines “incidental expenses” to include all of the following:

- The costs of preparation of the report, including plans, specifications, estimates, diagram, and assessment.
- The costs of printing, advertising, and the giving of published, posted, and mailed notices.
- Compensation payable to the county for collection of assessments.
- Compensation of any engineer or attorney employed to render services in the proceeding pursuant to this part.
- Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements.
- Any expenses incidental to the issuance of bonds or notes pursuant to Section 22662.5.
- Costs associated with any elections held for the approval of a new or increased assessment.

The 1972 Act defines “maintain” or “maintenance” to mean furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement, including the repair, removal, or replacement of all or any part of any improvement.

DESCRIPTION OF IMPROVEMENTS TO BE MAINTAINED AND SERVICED

The District was established to collect funds to cover the expenses for energy and maintenance of streetlights in the City. These costs are billed by the Southern California Edison Company for all District streetlights currently owned and maintained by Edison (approximately 1,247 streetlights) and all District streetlights owned by the City (approximately 215 streetlights).

The following tables show the wattage and lumens of the City's streetlights, distinguishing between those owned by Edison and those owned by the City, along with the number of units in each zone.

Edison-Owned	Zone A	Zone B
Delivery and Maintenance	Units	Units
20.01 - 25W	5	2
25.1 - 30W	1	0
30.01 - 35W	448	138
35.01 - 40W	2	0
40.01 - 45W	32	135
70.01 - 75W	0	1
70.01 - 75W	0	1
80.01 - 85W	0	3
85.01 - 90W	62	289
85.01 - 90W	0	94
120.1 - 125W	0	3
135.01 - 140W	0	0
160.01 - 165W	3	20
5800 Lumens	1	0
9500 Lumens	1	0
16000 Lumens	0	4
22000 Lumens	0	1
27500 Lumens	0	1
Total	555	692

City-Owned	Zone A	Zone B
Delivery and Maintenance	Units	Units
30.1 - 35W	0	3
35.01 - 40W	0	92
45.01 - 50W	6	1
60.01 - 65W	8	6
80.01 - 85W	8	9
100.1 - 105W	20	56
165.01 - 170W	0	2
27500 Lumens	3	1
Total	45	170

The existing improvements for the District include, but are not limited to, and may be generally described as follows:

- The installation of streetlighting, traffic signals, and other appurtenant facilities that are necessary for the daily operation of said lighting located within City road rights-of-way. Installation covers all work necessary for the installation or replacement of said lighting and all appurtenant work necessary to complete said installation or replacement.
- The operation, maintenance, and servicing of all existing streetlighting, traffic signals, and other appurtenant facilities necessary for the daily operation of said lighting located within City road rights-of-way. Operation, maintenance, and servicing means all work necessary to maintain said lights in proper operation including providing energy to operate the lights.

Locations of all streetlights for the District are included in a database held at the City. The annexation diagram is on page 9 of this report, as Annexation No. 83. The Los Angeles County Assessor's Maps, copies of which are in the City of Covina Engineering Division's office, are made a part hereof.

Part II — Method of Apportionment

LEGISLATIVE REQUIREMENTS FOR ASSESSMENTS

The costs of the proposed improvements have been identified and allocated to properties within Annexation No. 83 based on proportional special benefit with the Assessor Parcel Numbers currently in the District, consistent with the provisions of the 1972 Act and the assessment provisions of Proposition 218 (being contained in Article XIID of the California Constitution). The improvements provided by this District and for which properties within the annexation areas are assessed are identified as streetlights that were installed prior to this annexation. The formulas used for calculating assessments and the designation of Zones herein reflect the composition of parcels within Annexation No. 83, and the streetlight improvements are fairly apportioned among the parcels in the District.

In addition to the provisions of the 1972 Act, Article XIID of the California Constitution outlines specific requirements regarding assessments including the following:

Article XIID Section 2d defines District as follows:

“District means an area determined by an agency to contain all parcels which will receive a special benefit from a proposed public improvement or property-related service.”

Article XIID Section 2i defines Special Benefit as follows:

“Special benefit means a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large. General enhancement of property value does not constitute “special benefit.”

Article XIII D Section 4a defines proportional special benefit assessments as follows:

“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.”

SPECIAL BENEFITS

Street lighting in the District is primarily useful for illuminating the streets that provide access to the properties in the District as well as the sidewalks and parking lanes associated with those properties. While it is recognized that both streetlights and traffic signals serve in part to enhance traffic safety, installation and construction of these improvements were clearly required by the development of properties within the District and these improvements provide three main special benefits to those properties: (i) property security benefit, (ii) pedestrian safety benefit, and (iii) parkway/roadway egress benefit. Furthermore, because traffic circulation in the City is largely the result of local traffic to and from these properties by the property owners and guests, it is reasonable to assume that these properties derive a particular and distinct benefit from the streetlights and traffic signals that support the safe access to the properties and essentially all pedestrians and parking vehicles in the lit areas will, after dark, be directly associated with the assessed properties. As a result, the maintenance of these lighting improvements is a particular and distinct benefit to the properties in Zone A.

GENERAL BENEFIT

In regard to street lighting on the arterial streets, similar to local streetlights located on the collector streets and development perimeters, it is certainly reasonable to recognize that arterial streetlights provide a measure of general benefit to the public and to properties in general resulting from nighttime traffic safety and circulation on these primary streets. Based on a report completed by Meyer, Mohaddes Associates, in March 2006, regarding the City's Transportation Impact Fee Program, it is estimated that the average number of vehicular trips generated by properties within the City account for approximately sixty-six percent (66%) of the total daily trips on the City's arterial streets, with thirty-four percent (34%) being either pass-through trips from outside the City or additional trips above the average from properties within the City. Utilizing this information as part of the analysis for separating general benefits from special benefits, it is reasonable to conclude that thirty-four percent (34%) of the street light improvements and associated costs of the City's arterial streetlights can be identified as general benefit to the public at large and to the properties that are assessed. Therefore, thirty-four percent (34%) of the District's maintenance costs are for general traffic-related improvements along the City's arterial streets, which together improve the overall safety of the community at large, and the properties therein and therefore, are considered to be a general benefit.

ASSESSMENT METHODOLOGY

To assess benefits equitably it is necessary to calculate each property's relative share of the special benefits conferred by the funded improvements and service. The Benefit Unit (BU) method of assessment apportionment is utilized for this District and establishes a basic unit (base value) of benefit and then calculates the benefit derived by each assessed parcel as a multiple (or a fraction) of that basic unit. The BU method of apportioning special benefits is typically seen as the most appropriate and equitable assessment methodology for assessment districts, as the benefit to each parcel from the improvements are apportioned as a function of comparable property characteristics which may include, but are not limited to, land use and property size.

For the purposes of this Engineer's Report, BU is the quantum of benefit derived from the various Zone improvements by a single-family residential parcel. The single-family residential parcel has been selected as the basic unit for calculation of assessments. Thus, the "benchmark" property (the single-family residential parcel) derives one BU of benefit and is assigned 1.00 Equivalent Benefit Unit. Pursuant to the 1972 Act, the costs of the District may be apportioned by any formula or method that fairly distributes the net amount to be assessed, among all assessable parcels in proportion to the estimated benefits to be received by each parcel from the improvements. The benefit formula used for the District should reflect the composition of the parcels, and the improvements and services provided, to fairly apportion the costs based on special benefit to each parcel.

The existing District's Method of Apportionment utilizes commonly accepted assessment-engineering practices and were established pursuant to the 1972 Act and the provisions of the California Constitution. The method outlined for each Zone is based on the premise that each assessed parcel receives benefit from the improvements maintained and financed by the District's assessments.

APPORTIONMENT

Assessments proposed for individual lots within the District are for special benefit received and are determined based upon two benefit zones, Zone A and Zone B, which are identified in the chart below:

Benefit Zones	FY 2025/2026
	Maximum Assessment per Benefit Unit
(1) Residential - Zone A	\$20.80
(2) Non-Residential - Zone B	\$2.70

Zone A residential parcels are assigned one (1) unit per dwelling unit and BUs for commercial parcels in Zone B are calculated per thousand square feet of land area.

This same method of apportionment is applicable to parcels within Annexation No. 83.

The benefit to properties for traffic signals, intersection lighting and local safety lighting on City streets are a benefit to the parcels within the City. The parcels within the District share equally the cost of the signal and safety lights. Thus, the total benefit to each parcel within the District is a combination of the traffic signal and safety lighting.

Part III — Estimate of Costs

The 1972 Act provides that the estimated costs of the improvements shall include the total cost of the improvements, including incidental expenses.

The 1972 Act also provides that the amount of any surplus, deficit, or contribution be included in the estimated cost of improvements. The net amount to be assessed on the lots or parcels within Annexation No. 83 is the total cost of maintenance and servicing with adjustments either positive or negative for reserves, surpluses, deficits, and/or contributions.

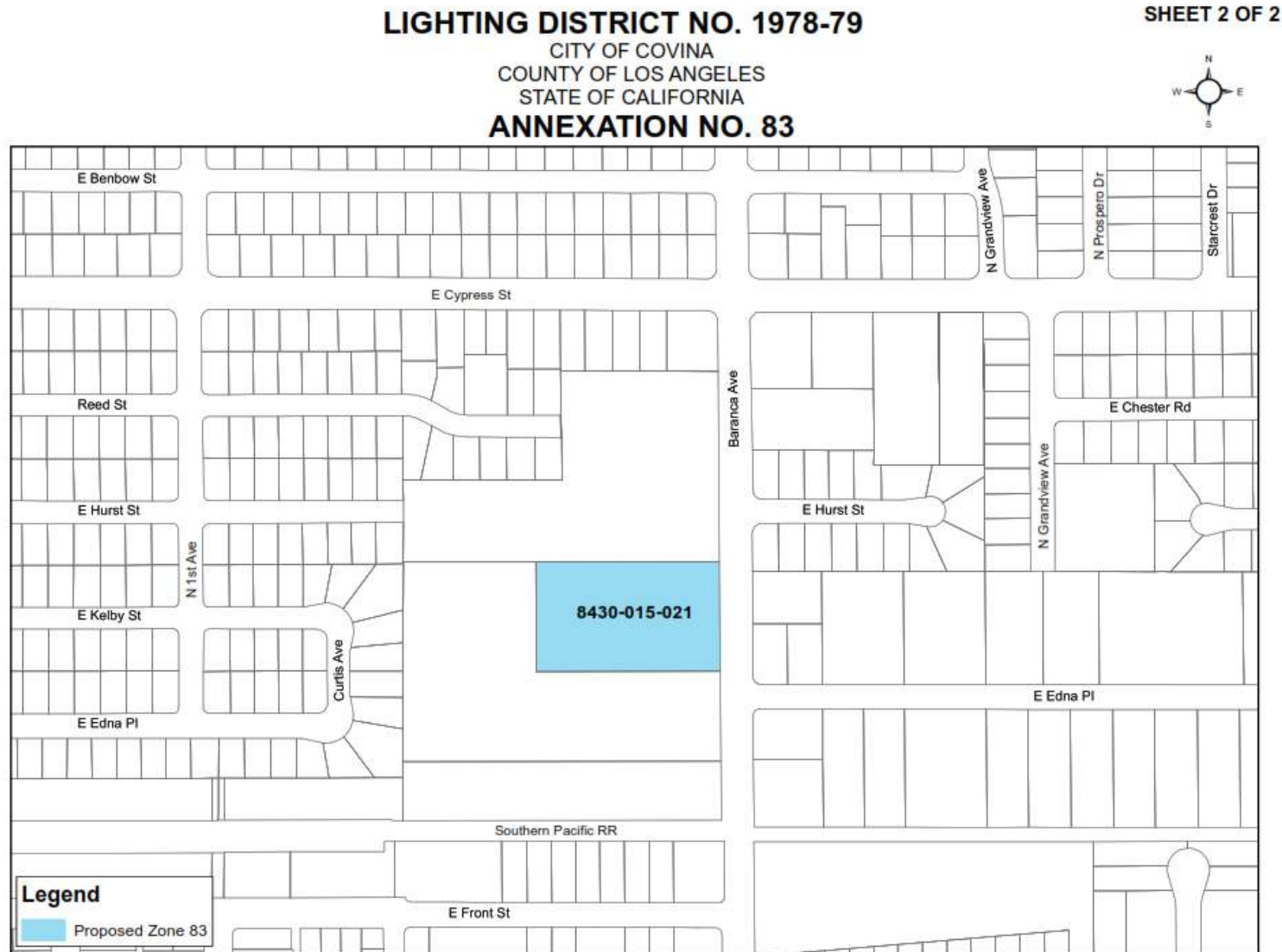
The estimated annual improvement costs for Annexation No. 83 are identified below.

BUDGET ESTIMATES

Note: A full breakdown of Revenue and Expenses will be provided in the Annual Engineers Reports for Fiscal Year 2025/2026 for Lighting District No. 1978-79.

Annexation to Zone A Tract 84311	
Proposed Expenses	
Delivery and Maintenance	\$2,717
Engineering Services	68
Administrative Overhead	271
Legal Notices	1
Property Tax Administrative Fees	10
Contingency ⁽¹⁾	0
Expense Total	\$3,068
Estimated Revenues	
Proposed Assessment Revenue	\$1,560
General Fund Contribution	1,508
Revenue Total	\$3,068
Benefit Units (BUs) at Build Out	75.00
Proposed Assessment Rate Per Unit	\$20.80

Part IV — ASSESSMENT DIAGRAM



Part V — ASSESSMENT ROLL

Parcel identification for each lot or parcel within Annexation No. 83 shall be the parcels as shown on the Los Angeles County Secured Roll for the year in which this Report is prepared and reflective of the Assessor's Parcel Maps.

The following is a list of the parcels of land (parcels) within the District and the corresponding maximum assessments being set for Fiscal Year 2025/2026, as determined by the assessment rate and method of apportionment described herein.

APN	Zone	Owner	Area	EBU	Maximum Rate Per Assessment Unit FY 2025/2026	Maximum Assessment FY 2025/2026
8430-015-021	83	TH BARRANCA II LLC	Tract 84311	75.0000	\$20.80	\$1,560.00