

Lights to the parcels within the various lighting zones (including residential, rural, and nonresidential zones) through annual assessments.

The Street Lighting Assessment District uses a unit of benefit (UOB) formula to determine streetlight assessments for individual properties. The first UOB is the first 199 feet of street frontage. An additional UOB is added for each additional 100 feet of street frontage. Residential properties on corner parcels are assessed based on street frontage along one side. Nonresidential properties on corner parcels are assessed based on all street frontages.

DISCUSSION:

The following table outlines the proposed FY 2026/27 Street Lighting Assessment District No. 1 assessments per UOB.

**Table 12-1
Parcels, Lots, and Units of Benefit**

Zone	Parcels	Levied UOBs	City-Subsidized UOBs ⁽³⁾	Total UOBs	Charge per UOB	City-Subsidize Total ⁽³⁾
R Zone 1: Residential (Urban Area)	60,840	62,066	0	62,066	\$31.44	\$0.00
X Zone 2: Residential-Rural (Urban Area)	1,091	1,788	553	2,341	\$23.76	\$13,139.28
L Zone 3: Condominium (Urban Area)	7,379	7,520	0	7,520	\$27.60	\$0.00
A Zone 4: Apartment and Mobile Home Park (Urban Area)	1,314	30,105	0	30,105	\$27.60	\$0.00
M Zone 5: Non-Residential (Urban Area)	3,792	8,656	0	8,656	\$67.04	\$0.00
C Zone 6: Rural Area	199	296	113	409	\$2.44	\$275.72
Total	74,431	110,431	666	111,097		\$13,415.00

⁽³⁾ In Rural areas, the District has set a cap of 3 UOBs per parcel. The City has historically subsidized the remainder.

Source: Attachment 2 (SLAD Preliminary Engineer’s Report)

In Rural zones, the District caps each parcel at 3 UOBs. For FY 2026/27, this results in a General Fund subsidy of approximately \$13,415 as illustrated in the table above.

This figure is calculated as follows:

X Zone 2: (553 UOBs) x (\$23.76) = \$13,139.28
 + C Zone 6: (113 UOBs) x (\$2.44) = \$275.72
 Total = \$13,415

The original assessment did not include CPI adjustments, resulting in current rates covering only approximately 63% of operating costs. The remaining non-rural zone shortfall – approximately \$2,072,175.76 for FY 2026/27 – will be subsidized by the General Fund, for a total General Fund

impact of \$2,085,590.76. Any increase to account for higher operating and maintenance costs would require majority approval from property owners and renters under Proposition 218.

The following table outlines the Engineer’s FY 2026/27 Street Lighting Assessment District No. 1 cost estimate and projected assessment.

**Table 13-1
Fiscal Year 2026-27 Cost Estimate and Projected Assessment**

This table uses the Fiscal Year 2025-26 Unit of Benefit counts to project the expected costs and the revenue by Assessment Zone for the Lighting District per the assessments authorized by the approved ordinance.

Lighting Costs ⁽⁴⁾			
Major Streets			\$1,499,702.34
Wide Collector Streets			\$126,289.38
Skinny Collector Streets			\$303,213.72
Local Streets			\$3,222,238.14
Residential Streets			\$616.02
Commercial Streets			\$1,528.20
Various			\$12,481.86
Total Lighting Costs			\$5,166,069.66
Incidental Expenses			
Intersection Safety Lighting			\$319,429.50
Professional Services			\$13,000.00
State Energy Tax			\$3,500.00
Public Benefits Charge			\$144,100.00
Southern California Edison			\$52,800.00
Total Incidental Expenses			\$532,829.50
Total Costs			\$5,698,899.16
Assessment by Zone			
	Levied UOBs	Charge per UOB	Assessment
1 Residential within Urban Area (R)	62,066	\$31.44	\$1,951,355.04
2 Residential-Rural within Urban Area (X)	1,788	\$23.76	\$42,482.88
3 Condominium within Urban Area (L)	7,520	\$27.60	\$207,552.00
4 Apartment and Mobile Home Park within Urban Area (A)	30,105	\$27.60	\$830,898.00
5 Non-Residential within Urban Area (M)	8,656	\$67.04	\$580,298.24
6 Rural Area (C)	296	\$2.44	\$722.24
Proposed Assessment			\$3,613,308.40
City Contribution			
Under Recovery/General Fund Subsidy			\$2,072,175.76
City Rural Subsidy			\$13,415.00
Total City Contribution			\$2,085,590.76

⁽⁴⁾ Lighting Costs as provided by the City of Riverside Public Utilities Streetlight Department and the LS-1 Electric Rate Schedule, effective January 1, 2024.

To pay for costs associated with providing services in newly developed areas of the City, including increased street lighting, the City Council approved a services component with the formation of two new Community Facilities Districts (CFD). City Staff will continue to recommend the inclusion of services components in future new developments to ensure full cost recovery related to new development costs. The streetlights maintained within such a CFD will be excluded from Street

Lighting District No. 1, and property owners will pay the cost of their street light maintenance through a Special Tax, which is not capped at the same rate as originally established in the District. The first such CFD formed with a streetlight maintenance component is Community Facilities District No. 2021-3 (Bridle Ridge).

Street Lighting Assessment District No. 1 procedures require the adoption of a Resolution approving the 2026/2027 Preliminary Engineer's Report and the proposed assessments. Due to the size of the proposed assessment roll referred to in the Engineer's Report, it is listed under a separate cover and is on file with the City Clerk. The Resolution also sets the required public hearing for the final approval of the levy of special assessments within the District for July 14th, 2026, at 3:00 p.m.

FISCAL IMPACT:

The total fiscal impact of this action is approximately \$5,698,899. The FY 2026/27 Street Lighting Maintenance District assessment levy will collect approximately \$3,613,308, which will cover approximately 63% of the estimated streetlight maintenance and operations costs. The General Fund subsidy for FY 2026/27 is estimated to be approximately \$2,085,591.

The FY 2026/27 proposed budget was developed prior to the receipt of the Engineers report and currently includes a General Fund subsidy of \$1,670,040, leaving a potential remaining gap of \$415,551. Staff will monitor actual expenditures throughout the fiscal year and recommend a budget adjustment if necessary to cover the remaining General Fund subsidy need.

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Attachments:

1. Resolution
2. Preliminary 2026-2027 Street Light Assessment District No. 1 Engineer's Report
3. Preliminary 2026-2027 Street Light Assessment District No. 1 Assessment Roll
4. Preliminary 2026-2027 Street Light Assessment District No. 1 Engineer's Diagrams