



Date: January 14, 2025

To: Honorable Mayor and Members of the City Council

From: Aram Chaparyan, City Manager

By: Ian Dailey, Deputy City Manager | IDailey@TorranceCA.Gov

Subject: City Manager – Receive Update and Provide Direction on Annexation of El Camino Village. Expenditure: None.

RECOMMENDATION

Recommendation of the City Manager that City Council receive update and provide direction on the annexation of El Camino Village into the City of Torrance.

FUNDING

None required.

DISCUSSION

On August 13, 2024, City Council approved an oral request to explore the potential annexation of El Camino Village into the City of Torrance. El Camino Village consists of approximately 1,761 existing parcels encompassing approximately 1.14 square miles. Within this area there are approximately 2,804 households and 208 businesses, with a total of 8,293 residents and 1,063 employees. The analysis assumes an additional 8,825 persons served, which is 100% of the residents and 50% of the employee figure described based on amount of time spent within the boundaries. El Camino Village is also home to Alondra Park and El Camino College, both of which are property tax exempt and represent a little over half of the area examined as part of this analysis. While they are property tax exempt properties, if Alondra Park were indeed annexed into the City of Torrance this would add an additional 204 acres of open space to the City's current 354.76 acres.

To better understand the process of a potential annexation staff met with the Los Angeles Local Agency Formation Commission (LAFCO). This process, outlined by the LAFCO representatives, indicated that an election of the residents would be required to change the City's boundaries and annex this region, which would be exempt from the California Environmental Quality Act process (CEQA). In the event this passed, it would mean that these residents then pay the City's Transactions and Use Tax, the City's Utility Users' Tax, and the City's Occupancy Tax rates. However, the election annexing this area into the City boundaries would have no immediate effect on school boundaries for residents and that would be handled separately.

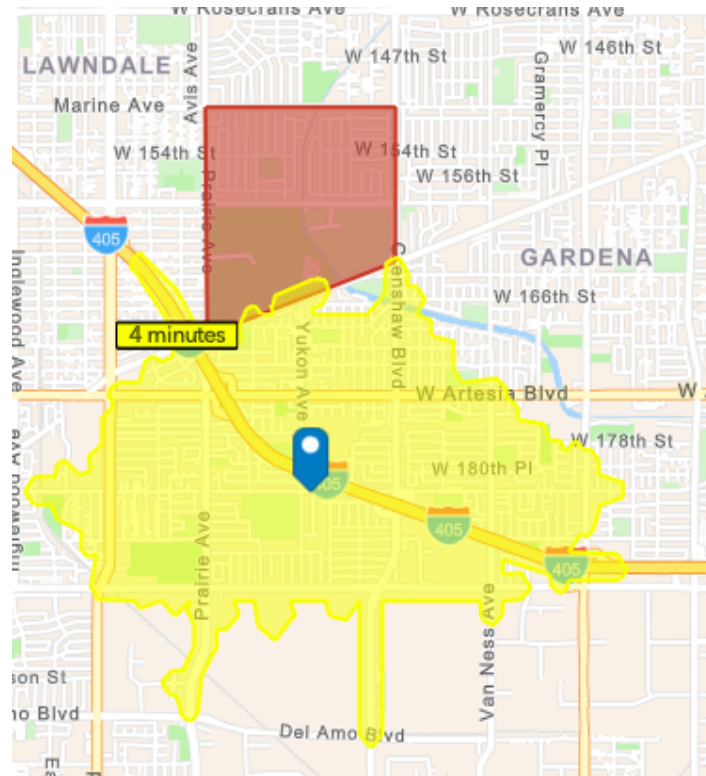
Open Space Impacts

The City's 1992 General Plan set a goal of 10 acres of public recreation land per 1,000 residents. With that said, as of the City's 2010 General Plan the City is currently home to 354.76 acres of parks; recreation facilities; libraries; cultural, arts, and community centers, which equates to approximately 2.48 acres per 1,000 residents based on the City's current population of 143,057 residents. The potential addition of Alondra Park to the City's inventory of parks and open spaces would add approximately 204 acres, totaling 558.76 acres post annexation, an increase of 58%. With the additional 8,293 residents annexed this would equate to a revised ratio of 3.69 acres per 1,000 residents, an improvement over the current rate. The financial component of this analysis does not include the impacts of additional park staff required to maintain this property as the inclusion of Alondra Park, including the golf course, would be determined later in discussions with Los Angeles County. With that said, based on the size of the park, it is estimated that staffing levels would need to expand by approximately 12 full-time equivalent positions, but a further detailed analysis would be required especially with respect to the golf course and whether it operates at a surplus or deficit. As a result of adding staff, additional vehicles and equipment would also be required to maintain the newly acquired park space.

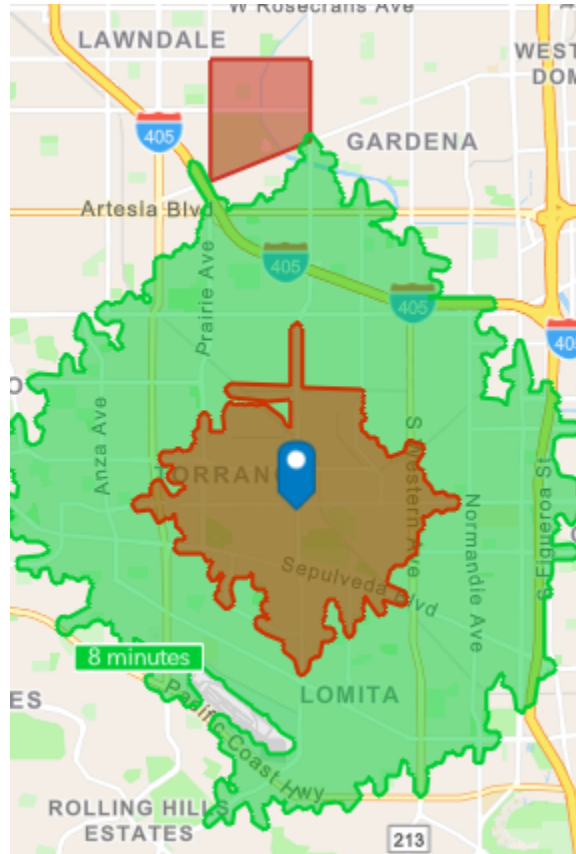
Response Time Impacts

To best understand the operational impacts on Police and Fire, meetings were held to examine the details of this potential annexation. For the Police Department, combatting the impacts on response time would require additional staff to address the new service area being introduced. To address the additional square mileage and the approximate 8,825 additional persons served, it is estimated that an additional 13 sworn officers would be needed to patrol this area across all of the shifts. These additional sworn officers would help patrol this new area and help ensure response times were not adversely affected by the annexation.

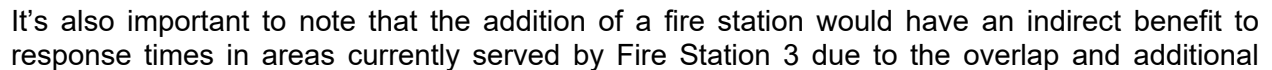
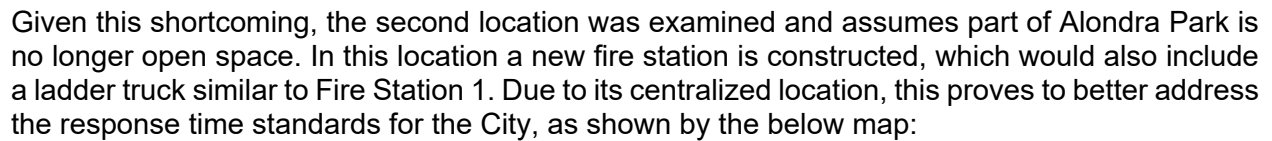
In consultation with the Fire Department, an in-depth analysis was conducted to evaluate response time impacts and determine options to mitigate. The Fire Department's 2023 Community Risk Assessment/Standards of Cover document sets response time targets that are reflective of National Fire Protection Association (NFPA) standards. For Torrance, the benchmark time target for the first unit to arrive on scene is 4 minutes. Further, for truck companies (ladder truck) the established benchmark is 8 minutes. The below map illustrates the 4-minute benchmark response time, utilizing Fire Station 3, relative to the El Camino annexation area. As shown below, the area falls outside of the 4-minute response time:



Staff also examined the 8-minute response time, utilizing Fire Station 1, which is the closest fire station with a ladder truck. As shown below, the area falls outside of the 8-minute response time:



As a result of these conclusions utilizing existing fire station resources, it was determined that an additional fire station would be required to meet the City's response time standards. To evaluate the impacts of a new fire station, two main locations were evaluated, including El Camino College's Training Center and the northside of Alondra Park along Manhattan Beach Blvd. Beginning with the first option, the below map is provided to show the 4-minute response time for this new fire station location, and its corresponding deficits:



availability of resources in the area. In addition to the internal analysis that was conducted, Deccan International's ADAM model was utilized to help with the City's response time analysis to understand the impacts of expanding the City boundaries. This analysis specific response time impacts in the different scenarios as shown in Attachment 1.

Fiscal Impacts: Overall

To evaluate the fiscal impacts of this potential action on the City's General Fund, staff obtained the services of DTA, a public finance consulting firm. From a fiscal analysis perspective, the recurring General Fund cost impact totals \$16.5 million annually, which is partially offset by additional revenues totaling \$5.0 million annually, for a net deficit of \$11.5 million annually. In addition to the recurring cost impacts, it is estimated that one-time expenditures in the amount of \$27.2 million would be needed to implement this annexation. The details of these results, and the operational considerations, are explained in further detail in this item. Additionally, a summary table articulating the recurring financial impacts on an annual basis can be found below:

Fiscal Impact Category	Property Tax Sharing at 50%	
	Amount	Percent of Total
Selected Recurring City Funds Revenues [1]		
Secured Property Tax	\$2,952,657	58.8%
Property Tax In Lieu of Vehicle License Fee	\$426,264	8.5%
Direct and Indirect Sales Tax	\$286,000	5.7%
Transient Occupancy Tax	\$159,532	3.2%
Utility User's Tax	\$1,195,400	23.8%
Subtotal	\$5,019,852	100.0%
Selected Recurring City Funds Expenditures [2]		
Police Department	\$4,067,178	24.56%
Library	\$271,281	1.64%
Fire Department	\$12,220,763	73.80%
Subtotal	\$16,559,222	100.00%
Net Fiscal Impact		
Total Annual Recurring General Fund	(\$11,539,370)	NA
Total Annual Revenue/Expenditure Ratio	0.30	NA

Fiscal Impacts: Revenue

Overall, it is anticipated that the annexation of El Camino Village will yield \$5.0 million in additional recurring revenue each fiscal year. This is driven by increased revenues in the areas of Sales Tax, Property Tax, Property Tax in Lieu of Vehicle License Fees, Transient Occupancy Tax, and Utility Users' Taxes.

For Property Tax and Property Tax in lieu of Vehicle License Fees, the Los Angeles County Assessor's Office reported net taxable assessed value of \$893,710,204. Currently, of the Proposition 13 established 1% taxable assessed value, the County receives 29.01% for the General Fund, 16.36% for Fire Protection Services, and 2.17% for County Library Services. For purposes of the financial analysis conducted by DTA, it is assumed the City would receive either 50% or 25% of the General Fund amount, which is typically the outcome of these annexations, and 100% of the Fire and Library Services amount. For the purposes of this report, staff are focusing on the optimistic 50% scenario with respect to the General Fund portion. Ultimately, the final amount determined would be the result of negotiations resulting in a property tax sharing

agreement between the City and the County. In total, under the 50% assumption, the City would generate an additional \$3.4 million annually. The details of this analysis are shown in Attachment 1 of the Staff Report under its Attachment 1-C.

For Sales Tax, the City's sales tax consultant HdL noted that the annual taxable sales in the El Camino Village area is \$20,000,000. The City would be eligible to receive its Bradley Burns 1.0% tax as well as the 0.50% Measure SST Transactions and Use Tax. It is estimated that this would generate \$286,000 annually. The details of this analysis are shown in Attachment 1 of the Staff Report under its Attachment 1-D.

For Transient Occupancy Tax (TOT), an analysis of the hotels in the El Camino Village area was conducted and determined that one of the four motels in the area appear to be operating on a short-term rental basis and would qualify for TOT. Additionally, the City would be eligible to receive its 11% TOT rate established in the Torrance Municipal Code for these rentals. It was assumed that based on the 45 hotel rooms in the annexation area, an average daily rate of \$122, and occupancy at 75% would yield approximately \$159,532 annually. The details of this analysis are shown in Attachment 1 of the Staff Report under its Attachment 1-E.

For Utility Users' Tax (UUT), an analysis was conducted to estimate the gross utility receipts generated in the El Camino Village area would yield by land use. The City would be eligible to receive its 6.5% for Electricity, Gas, Telephone, and Cable while receiving 6.0% for water. In total, as a result of this analysis it is estimated that the City would receive \$1,195,400 annually. The details of this analysis are shown in Attachment 1 of the Staff Report under its Attachment 1-F.

Fiscal Impacts: Expenditures

For the Police Department, it is estimated that annexing El Camino Village into the City of Torrance would cost the City \$3.5 million in one-time costs and \$4.1 million annually. The one-time costs are made up of the below cost elements:

One-Time Cost Category	Amount
Police Substation Renovation	2,600,000
Police Vehicles	630,000
Radios	78,000
Uniforms & Accessories	207,064
Subtotal	3,515,064

In consultation with the Police Department, as a result of extending the City's boundaries to the north, this would require the City to consider the addition of an enhanced substation at McMaster Park with additional amenities. The scope of this work would include a renovation at McMaster Park's existing facility and expanding the area dedicated for Police. This would have a displacement effect on Community Services, which would have to leverage the Tillim Center for programming activities. In addition, this expansion of the City boundaries would require additional staffing to respond to incidents and corresponding overhead costs related with this expansion. It is estimated that 13 additional Police Officers would be required, which would result in 7 additional Police vehicles, necessary radios, and uniforms/accessories required for outfitting these additional staff. In addition to these one-time costs, it is estimated that the City would expend an additional \$4.1 million annually for the new staff and ancillary costs associated with expanding

our workforce. This amount was derived using a “persons served” model. The City’s Adopted Fiscal Year 2024-25, discounted for fixed costs, was applied to the persons served within the existing city boundaries. By leveraging this factor, we are able to estimate the additional costs needed to support the additional “persons served” by the potential El Camino annexation.

For the Library Division of the Community Services Department, it is estimated that annexing El Camino Village into the City of Torrance would have no one-time cost impacts but would cost \$271,000 annually. It is assumed that no new satellite libraries would be constructed through the annexation. For libraries, a similar approach was conducted to the Police Department on its operating budget impacts. The City’s Adopted Fiscal Year 2024-25, discounted for fixed costs, was applied to the persons served within the existing city boundaries. By leveraging this factor, we are able to estimate the additional costs needed to support the additional “persons served” by the potential El Camino annexation. With the El Camino annexation including an estimated 8,825 people requiring library services, it is estimated that would cost the City \$271,000 annually.

For the Fire Department, it is estimated that annexing El Camino Village into the City of Torrance would cost the City \$23.7 million in one-time costs and \$12.7 million annually. The one-time costs are made up of the below cost elements:

One-Time Cost Category	Amount
Fire Station	19,100,000
Fire Engine	1,151,427
Ladder Truck	1,782,548
Advanced Life Support Ambulance	392,816
Basic Life Support Ambulance	291,747
Battalion Chief vehicle	52,749
Equipment for Vehicles	586,000
Personal Protective Equipment	298,050
Subtotal	\$ 23,655,336

In consultation with the Fire Department, as a result of extending the City’s boundaries to the north, this would require the City to construct an additional Fire Station to ensure proper response times for the community. The assumption would be that the new fire stations is constructed along the north side of Alondra Park on Manhattan Beach Blvd, which assumes no purchase price of land as it would utilize existing park space. The El Camino College property where the current training facility was located was explored but did not adequately serve the community from a response time perspective. In addition, this expansion of the City boundaries would require additional staffing to respond to incidents and corresponding overhead costs related with this expansion. It is estimated that 39 positions would be required. This amount was derived using a “case study” model in consultation with the Fire Department. In this scenario, due to the addition of a new fire station, examining costs associated with this action is the most accurate approach. To staff this fire station, including the necessary oversight, it would require the below staffing levels:

Position	Full-Time Equivalent	Cost per Position	Total Cost
Fire Engine			
Fire Captain	3.00	400,210	1,200,631
Fire Engineer	3.00	337,608	1,012,825
Fire Fighter	3.00	238,529	715,587
Fire Fighter/Paramedic	3.00	238,529	715,587
Ladder Truck			
Fire Captain	3.00	400,210	1,200,631
Fire Engineer	3.00	337,608	1,012,825
Fire Fighter	3.00	238,529	715,587
Fire Fighter/Paramedic	3.00	238,529	715,587
Paramedic Rescue (Rescue Ambulance)			
Fire Fighter/Paramedic	6.00	238,529	1,431,175
BLS Ambulance			
Ambulance Operators	6.00	69,145	414,869
Battalion Chief	3.00	493,535	1,480,605
Subtotal	39.00		10,615,912

In addition to the above staffing levels, other non-wage impacts would result from the annexation totaling \$1.6 million annually. This includes costs such as setting aside amounts to pay for the future replacement of the new vehicles (\$510,000), additional workers compensation and liability claims exposure through an expanded workforce (\$815,000), as well as other non-wage categories such as utilities, fuel, supplies, and training.

Next Steps

Should Council direct staff to further pursue the annexation of El Camino Village, staff will proceed in the following manner. Staff would engage with Supervisor Janice Hahn and Supervisor Holly Mitchell to share Council's direction and keep them apprised. In consulting with LAFCO, we understand that annexations are exempt from CEQA and this would further be confirmed. Depending on the exact boundaries of the annexation the City would need to consult with the City of Lawndale and potentially the City of Hawthorne if the annexation would extend north of Marine Ave. As part of this process a Municipal Service Review would be conducted in coordination with LAFCO. The final step at the conclusion of all efforts would be an election, which would require 25% of registered voters or 25% of land ownership by parcel value to vote in favor of this effort. Additionally, since this is an increase in net cost to the City, staff would provide Council with budget amendment scenarios to identify services for elimination to offset this anticipated deficit. A summary of the one-time and recurring cost impacts for the potential annexation of El Camino Village can be found below:

One-Time Budget Impacts	Amount
One-Time Police Costs	3,515,064
One-Time Fire Costs	23,655,336
Subtotal	27,170,400
Recurring Budget Impacts	Amount
Recurring Revenues (50% prop tax scenario)	5,019,852
Recurring Police Expenditures	4,067,178
Recurring Library Expenditures	271,281
Recurring Fire Expenditures	12,220,763
Net Surplus / (Deficit)	(11,539,370)

Staff would provide regular updates to City Council along the process if direction is given to further pursue.

ATTACHMENTS

1. Deccan Response Time Report
2. DTA Fiscal Impact Analysis Report

2024

Torrance Fire Department El Camino Village Annexation Study

**ANALYZING THE IMPACTS OF ANNEXING THE EL CAMINO
VILLAGE, EL CAMINO COLLEGE, AND ALONDRA PARK AREAS**

Contents

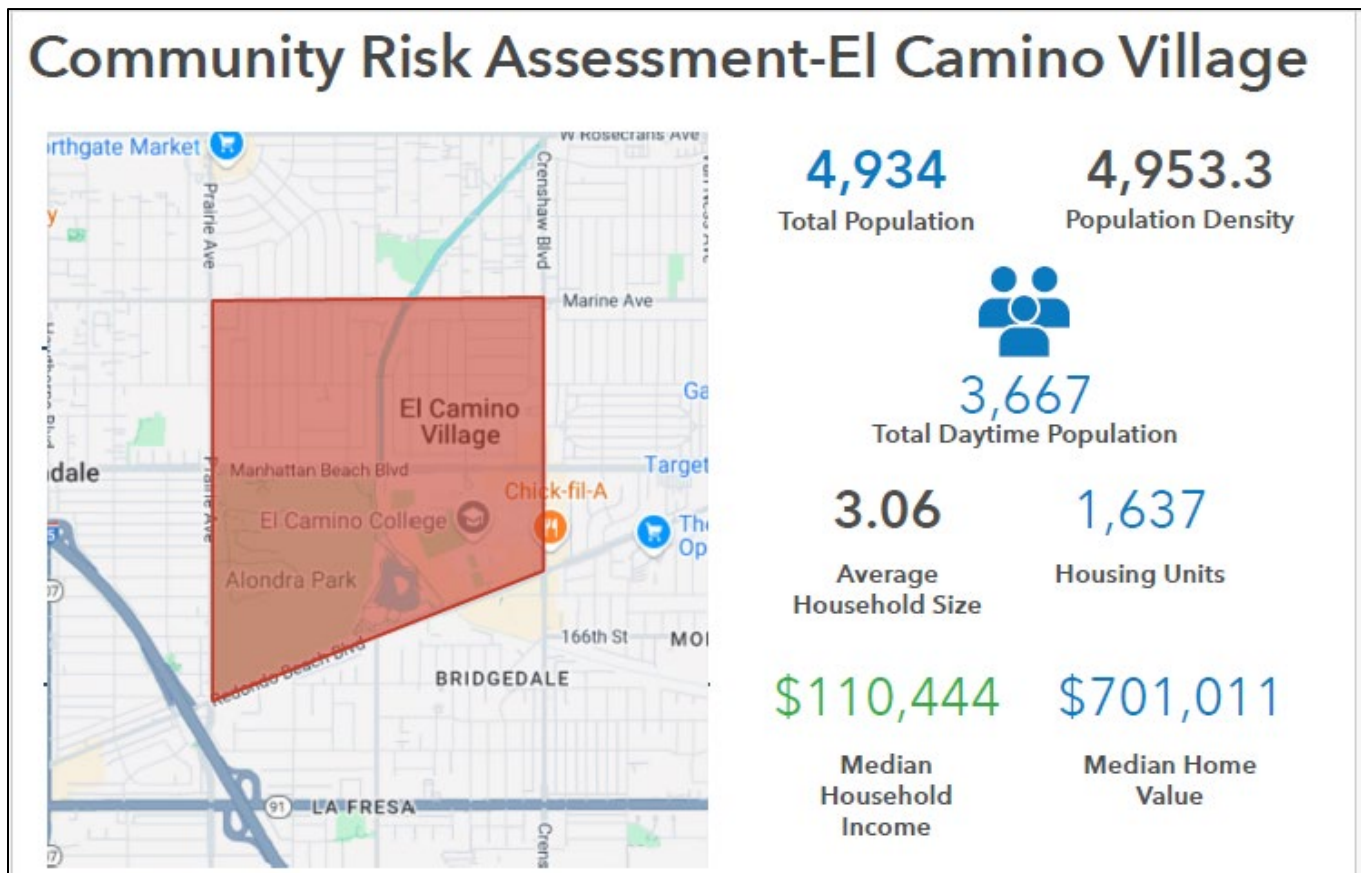
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Analysis Needs

Torrance FD would like to study the impacts to performance metrics if the El Camino Village, El Camino College, and Alondra Park areas were annexed into the FD's service area. This report includes a scenario where only an annexation occurs and a scenario where there is a new Fire Station built in tandem with the annexation. As there is no reliable incident and response data readily available for this area, this information will have to be predictively modeled.

Methods

Due to the unavailability of existing incident and response data, it was decided to execute this project through an scientific estimation of workloads to be added. In the El Camino Village area, the workloads to be added were based upon population in the area to be annexed. The El Camino Village population data was provided by ESRI (see below). In the El Camino College and Alondra Park areas, workloads were derived from similar locations across the United States where data was available to be studied.



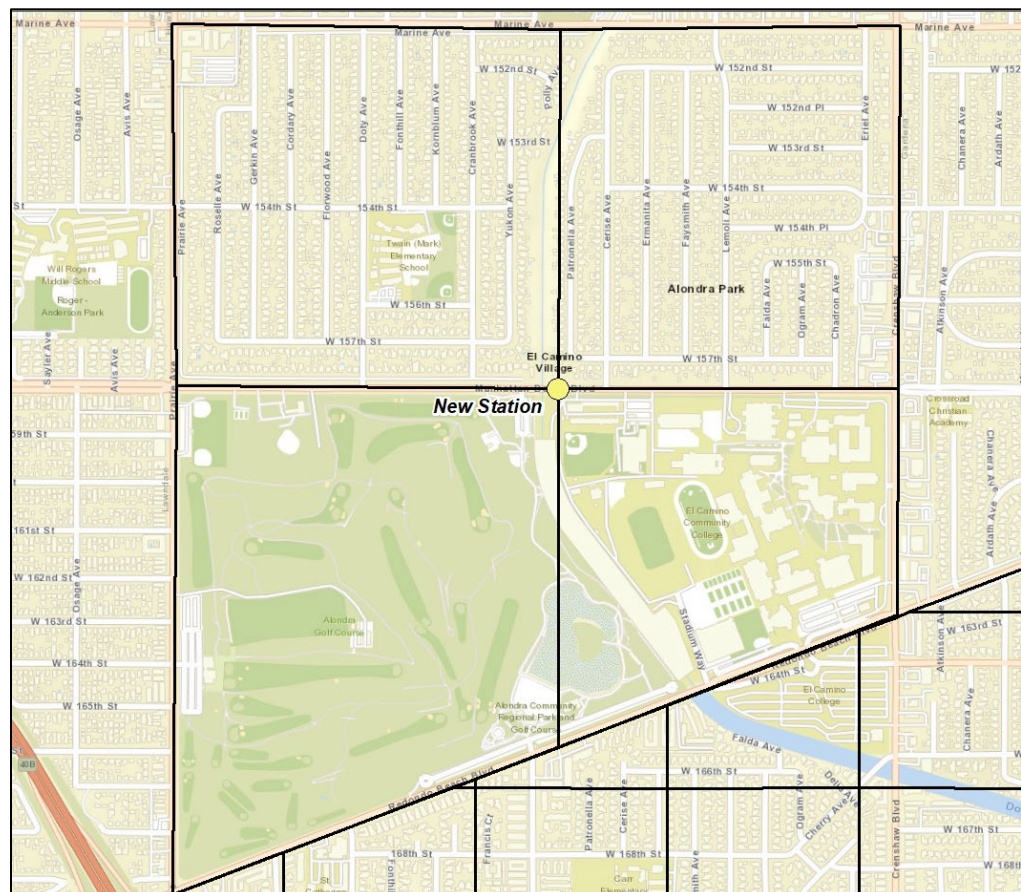
The 2023 U.S. Census QuickFacts estimates

(<https://www.census.gov/quickfacts/fact/table/torrancecitycalifornia/PST045222>) were utilized to define the population metrics for Torrance. The types of incidents and number of times they occurred were defined through Torrance FD's ADAM (Apparatus Deployment Analysis Module) application. Each of ALARM, ALS, BLS, STRUFIRE, AND OTHERFIRE incident total counts were then divided by total Torrance population to define an incident per person rate.

Incidents	15986	Per Person
Alarm	504	0.003571277
ALS	5982	0.042387654
BLS	6701	0.047482392
STRUFIRE	152	0.001077052
FireOTHR3	198	0.001403002

The El Camino Village population count was then multiplied by each of the per person incident rates to define the amount of each type of incident to be added. The El Camino College workloads were added through enrollment count multiplied by $\frac{1}{2}$ of the incident rates (consistent with comparison cases Texas Christian University and Virginia Commonwealth University). These workloads were added into the ADAM predictive model through the ADAM applications Modify Incident Volume interface.

For the applicable scenario, a new Fire Station was built on Manhattan Beach Blvd, roughly geographically centered in the annexed area. This station houses a new Engine, TFD Ambulance, Rescue, Truck, and Chief (see right).



Annexation Only Analysis Results

Annexation only summary – Overall Service Area: Deccan International's ADAM model projects Torrance FD will see a **SIGNIFICANT NEGATIVE IMPACT** to current response standards, especially on EMS incidents by annexing the El Camino Village area. This is primarily due to the high volume of calls expected to be handled by Fire Station 3. Fire Stations 1 and 5 will also be expected to more often cover for Planning Zone 93, providing slower responses, as well as rippling response degradation into Planning Zones 91 and 95.

Overall service area response metrics:

Response Criteria	Baseline Average	Annexation Average	Difference
Response Criteria for All Incidents	14,871 incidents after annexation		
First Unit Travel Time on All Calls	0:03:40	0:03:54	0:00:14
First Engine Travel Time on All Calls	0:03:44	0:03:56	0:00:12
First Truck Travel Time on All Calls	0:04:53	0:05:15	0:00:22
First Rescue Travel Time on All Calls	0:04:02	0:04:28	0:00:26
First Chief Travel Time on All Calls	0:06:15	0:06:30	0:00:15
First TFD Ambulance Travel Time on All Calls	0:05:06	0:05:20	0:00:14

Apparatus runs/day metrics:

UnitID	Station	Runs/Day	Annex. Runs	Difference
B91	Station 1	0.6523	0.7023	0.05
R91	Station 1	9.9919	10.7149	0.723
E97	Station 1	12.1052	13.2215	1.1163
BLS91	Station 1	8.4697	8.8445	0.3748
T91	Station 1	3.6368	3.7745	0.1377
E91	Station 1	8.7991	8.9757	0.1766
E93	Station 3	8.1665	12.0556	3.8891
BLS93	Station 3	5.9818	8.9692	2.9874
R93	Station 3	6.1887	9.5539	3.3652
R95	Station 5	7.7881	8.2893	0.5012
BLS95	Station 5	7.413	8.3842	0.9712
E95	Station 5	8.3447	9.0276	0.6829

Annexation only summary – North Torrance: Deccan International’s ADAM model projects Torrance FD will see a **SUBSTANTIAL NEGATIVE IMPACT** to current response standards, especially on EMS incidents by annexing the El Camino Village area. This is primarily due to the high volume of calls expected to be handled by Fire Station 3. Fire Stations 1 and 5 will also be expected to more often cover for Planning Zone 93, providing slower responses, as well as rippling response degradation into Planning Zones 91 and 95.

North Torrance service area response metrics:

Response Criteria	Baseline Average	Annexation Average	Difference
Response Criteria for All Incidents	4,095 incidents after annexation		
First Unit Travel Time on All Calls	0:04:00	0:04:42	0:00:42
First Engine Travel Time on All Calls	0:04:08	0:04:43	0:00:35
First Truck Travel Time on All Calls	0:06:48	0:07:21	0:00:33
First Rescue Travel Time on All Calls	0:04:30	0:05:50	0:01:20
First Chief Travel Time on All Calls	0:07:41	0:08:00	0:00:19
First TFD Ambulance Travel Time on All Calls	0:05:29	0:06:08	0:00:39

Apparatus runs/day metrics:

UnitID	Station	Runs/Day	Annex. Runs	Difference
B91	Station 1	0.6523	0.7023	0.05
R91	Station 1	9.9919	10.7149	0.723
E97	Station 1	12.1052	13.2215	1.1163
BLS91	Station 1	8.4697	8.8445	0.3748
T91	Station 1	3.6368	3.7745	0.1377
E91	Station 1	8.7991	8.9757	0.1766
E93	Station 3	8.1665	12.0556	3.8891
BLS93	Station 3	5.9818	8.9692	2.9874
R93	Station 3	6.1887	9.5539	3.3652
R95	Station 5	7.7881	8.2893	0.5012
BLS95	Station 5	7.413	8.3842	0.9712
E95	Station 5	8.3447	9.0276	0.6829

Annexation With New Fire Station Analysis Results

Annexation with new Fire Station summary – Overall Service Area: Deccan International's ADAM model projects Torrance FD will see a **MARGINAL POSITIVE IMPACT** to current response standards. This is primarily due to two factors. First, the annexation workloads are relatively near the new station. This means TFD will be able to respond to incidents in the annexed area faster than average. Second, the annexation Fire Station will require slightly less daily responses as compared to other TFD Fire Stations equating to higher availability. The annexation Fire Station can then provide more coverage to surrounding Planning Zones, creating response improvement ripple into Planning Zones 91, 93, and 95.

Overall service area response metrics:

Response Criteria	Baseline Average	Annexation with Station	Difference
Response Criteria for All Incidents		14,871 incidents after annexation	
First Unit Travel Time on All Calls	0:03:40	0:03:36	0:00:04
First Engine Travel Time on All Calls	0:03:44	0:03:38	0:00:06
First Truck Travel Time on All Calls	0:04:53	0:04:29	0:00:24
First Rescue Travel Time on All Calls	0:04:02	0:03:57	0:00:05
First Chief Travel Time on All Calls	0:06:15	0:05:45	0:00:30
First TFD Ambulance Travel Time on All Calls	0:05:06	0:05:00	0:00:06

Overall service area runs/day metrics:

UnitID	Station	Runs/Day	Annex w/ Station	Difference
ENG	New		6.4583	
AMB	New		5.3676	
RES	New		5.6188	
TRK	New		5.4706	
CHIEF	New		0.193	
B91	Station 1	0.6523	0.5704	-0.0819
R91	Station 1	9.9919	9.6755	-0.3164
E97	Station 1	12.1052	11.523	-0.5822
BLS91	Station 1	8.4697	8.1949	-0.2748
T91	Station 1	3.6368	3.5269	-0.1099
E91	Station 1	8.7991	8.6447	-0.1544
E93	Station 3	8.1665	7.4938	-0.6727
BLS93	Station 3	5.9818	6.0133	0.0315
R93	Station 3	6.1887	6.0567	-0.132
R95	Station 5	7.7881	7.5364	-0.2517
BLS95	Station 5	7.413	7.2044	-0.2086
E95	Station 5	8.3447	7.9213	-0.4234

Annexation with new Fire Station summary – North Torrance: Deccan International's ADAM model projects Torrance FD will see a **SUBSTANTIAL POSITIVE IMPACT** to current response standards. This is primarily due to two factors. First, the annexation workloads are relatively near the new station. This means TFD will be able to respond to incidents in the annexed area faster than average. Second, the annexation Fire Station will require slightly less daily responses as compared to other TFD Fire Stations equating to higher availability. The annexation Fire Station can then provide more coverage to surrounding Planning Zones, creating response improvement ripple into Planning Zones 91, 93, and 95.

North Torrance service area response metrics:

Response Criteria	Baseline Average	Annexation with Station	Difference
Response Criteria for All Incidents	4,095 incidents after annexation		
First Unit Travel Time on All Calls	0:04:00	0:03:36	0:00:24
First Engine Travel Time on All Calls	0:04:08	0:03:39	0:00:29
First Truck Travel Time on All Calls	0:06:48	0:04:32	0:02:16
First Rescue Travel Time on All Calls	0:04:30	0:04:03	0:00:27
First Chief Travel Time on All Calls	0:07:41	0:05:14	0:02:27
First TFD Ambulance Travel Time on All Calls	0:05:29	0:05:00	0:00:29

Overall service area runs/day metrics:

UnitID	Station	Runs/Day	Annex w/ Station	Difference
ENG	New		6.4583	
AMB	New		5.3676	
RES	New		5.6188	
TRK	New		5.4706	
CHIEF	New		0.193	
B91	Station 1	0.6523	0.5704	-0.0819
R91	Station 1	9.9919	9.6755	-0.3164
E97	Station 1	12.1052	11.523	-0.5822
BLS91	Station 1	8.4697	8.1949	-0.2748
T91	Station 1	3.6368	3.5269	-0.1099
E91	Station 1	8.7991	8.6447	-0.1544
E93	Station 3	8.1665	7.4938	-0.6727
BLS93	Station 3	5.9818	6.0133	0.0315
R93	Station 3	6.1887	6.0567	-0.132
R95	Station 5	7.7881	7.5364	-0.2517
BLS95	Station 5	7.413	7.2044	-0.2086
E95	Station 5	8.3447	7.9213	-0.4234

Annexation of El Camino Village

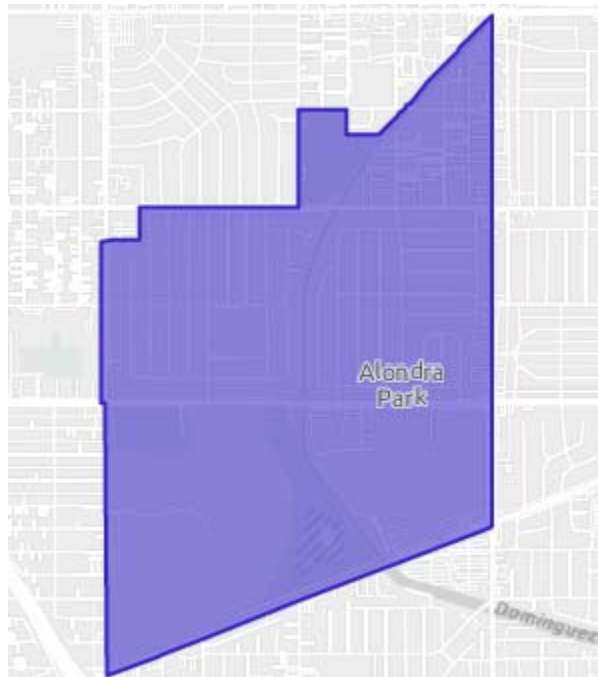
CONCLUSIONS OF THE FISCAL IMPACT ANALYSIS ("FIA") FOR THE ANNEXATION OF EL CAMINO VILLAGE

INTRODUCTION

The purpose of this summary is to evaluate selected fiscal revenues, consisting of property taxes, property taxes in lieu of Vehicle License Fees ("VLF"), direct and indirect sales taxes, Transient Occupancy Taxes ("TOTs"), and Utility Users' Taxes ("UUTs"), and estimate public safety and library expenditures required by the annexation of the Census-Designated Place commonly known as El Camino Village (the "Annexation Area"), currently located within unincorporated Los Angeles County (the "County"), upon its proposed annexation into the City of Torrance (the "City").

DESCRIPTION OF THE ANNEXATION AREA

Figure 1: Boundaries of Annexation Area



- **Annexation Area:** Consists of 1,761 existing parcels encompassing approximately 1.14 square miles in the unincorporated County located north of the City, immediately west of Crenshaw Boulevard, north of Redondo Beach Boulevard, east of Prairie Avenue, and south of Rosecrans Avenue;
- **Demographic:** The Annexation Area is estimated to include 2,804 households and 208 businesses, with a total of 8,293 residents and 1,063 employees; and
- **Assessed Valuation:** The County Assessor's Office reported gross assessed valuations of \$825,780,603 for residential parcels and \$74,355,601 for non-residential properties, totaling \$900,136,204 for Fiscal Year ("FY") 2024-25. The net assessed valuation of \$893,710,204 reflects \$6,426,000 in homeowner exemptions.

FISCAL IMPACT CONCLUSIONS

The overall net fiscal impact to the City's General Fund resulting from the selected revenues anticipated to be generated by the Annexation Area upon its annexation into the City, as compared to the cost of public safety and library services associated with the proposed annexation, will be a substantial annual recurring **fiscal deficit of \$11,539,370 and \$12,187,528**, assuming the property tax sharing at 50% and 25%, respectively. The FIA utilizes the following assumptions:

- **Property Tax Sharing (Secured Property Taxes):** The City's General Fund property tax revenue estimates were derived using apportionment factors provided by the County Auditor-Controller as applied to the general 1% *ad valorem* property tax levy and applicable property tax sharing assumptions. Total secured property tax revenues currently received by the County General Fund from the Annexation Area is approximately 29.01% of the basic 1% [Proposition

("Prop") 13], net of the projected Education Revenue Augmentation Fund ("ERAF") property tax shifts. For the purposes of this FIA, the City is assumed to receive 25% or 50% of the 29.01% of the basic 1% property tax generated by the Annexation Area upon its annexation into the City. Note, the final property tax sharing ratio will be determined by the property tax sharing agreement to be entered into between the City and County.

The County currently receives 16.36% and 2.17% of the basic 1% property tax, adjusted for ERAF, for the fire protection and library services, respectively. Since the City will provide such services to the Annexation Area upon its annexation into the City, the City is expected to receive those property tax allocations currently earmarked for the County fire protection and library services.

- **Property Tax In Lieu of VLF:** Per California Revenue and Taxation Code §97.70, the property tax in lieu of VLF amount now increases in proportion to the growth rate of the Citywide gross assessed valuation of taxable property from the prior fiscal year. Property taxes in lieu of VLF revenues constitute an addition to other property tax apportionments and were calculated for the purposes of this FIA at \$0.48 per \$1,000 increase in assessed valuation on a Citywide basis.
- **Sales Tax:** The Annexation Area is currently generating an estimated \$20M in annual taxable sales. Upon its annexation to the City, the Annexation Area is anticipated to generate \$286K in annual sales tax revenue to the City General Fund, based on 100% of the 1.00% Bradley-Burns tax and 86% of the Measure SST tax, a 0.5% district sales tax approved by City voters in June 2022.
- **UUT:** Pursuant to the Municipal Code 225.1, the City will receive 6.5% of the gross receipts for telephone, electricity, gas, and cable services and 6% for water services generated within the Annexation Area upon its annexation into the City.
- **TOT:** Pursuant to the Municipal Code 222.2.1, the City will receive 11% of the lodging receipts generated within the Annexation Area upon its annexation into the City.
- **Discounting Expenses:** The police and library service costs are not expected to increase one-to-one with the annexation of the Annexation Area. The City has estimated that discount factors of 7.00% and 10.00% are appropriate for current police and library service expenditures, respectively.

As listed in Table 1, annual property tax revenues generated by the annexation, including property tax in lieu of VLF, are estimated at \$3,378,921 and \$2,730,763 for 50% and 25% property tax sharing scenarios, respectively. Other General Fund revenues include annual sales taxes of \$286,000, TOTs of \$159,532, and UUTs of \$1,195,400. Conversely, the Project is anticipated to incur estimated police, fire protection, and library service expenditures of \$4,067,178, \$12,220,763, and \$271,281, respectively. Derivations of these calculations are presented in Attachments 1-C through 1-G.

Table 1: General Fund Fiscal Impact Summary Based on Selected Fiscal Revenues and Municipal Service Costs

Fiscal Impact Category	Property Tax Sharing at 50%		Property Tax Sharing at 25%	
	Amount	Percent of Total	Amount	Percent of Total
Selected Recurring City Funds Revenues [1]				
Secured Property Tax	\$2,952,657	58.8%	\$2,304,499	52.7%
Property Tax In Lieu of Vehicle License Fee	\$426,264	8.5%	\$426,264	9.8%
Direct and Indirect Sales Tax	\$286,000	5.7%	\$286,000	6.5%
Transient Occupancy Tax	\$159,532	3.2%	\$159,532	3.6%
Utility User's Tax	\$1,195,400	23.8%	\$1,195,400	27.3%
Subtotal	\$5,019,852	100.0%	\$4,371,694	100.0%
Selected Recurring City Funds Expenditures [2]				
Police Department	\$4,067,178	24.56%	\$4,067,178	24.6%
Library	\$271,281	1.64%	\$271,281	1.6%
Fire Department	\$12,220,763	73.80%	\$12,220,763	73.8%
Subtotal	\$16,559,222	100.00%	\$16,559,222	100.0%
Net Fiscal Impact				
Total Annual Recurring General Fund	(\$11,539,370)	NA	(\$12,187,528)	NA
Total Annual Revenue/Expenditure Ratio	0.30	NA	0.26	NA

NOTES:

[1] Please see Attachments 1-C through 1-F for the derivation of these calculations.

[2] Please see Attachments 1-G and 1-H for the derivation of these calculations.

* All figures subject to rounding

DTA'S QUALIFICATIONS

DTA, formerly David Taussig and Associates, Inc., is a California-based public finance consulting firm with a national practice focusing on the establishment and implementation of infrastructure and public services financing programs. The firm, which provides public finance consulting services to public and private sector clients, has offices in Irvine, San Francisco, San Jose, and Riverside, California, Houston and Dallas, Texas, Raleigh, North Carolina, and Tampa, Florida. Since its formation in 1985, the firm has assisted over 3,000 clients located in 22 states in meeting their infrastructure and public services goals. Additional information on DTA is available on our website at www.FinanceDTA.com.

In addition to the planning and implementation of public financing mechanisms, DTA is involved in fiscal and economic analyses of land development impacts, project feasibility studies, retail market analyses, and economic development studies. DTA's ability to thoroughly analyze the revenues and costs to a local jurisdiction resulting from new development relates specifically to DTA's extensive experience in FIAs of land development projects. **DTA staff has prepared over 700 Fiscal Impact Reports ("FIRs") estimating the revenue and cost impacts of various land use decisions on cities, counties, and special districts.** Our firm has prepared FIRs in conjunction with Specific Plans, Environmental Impact Reports, incorporations and annexations, reuse studies, General Plan Amendments, Development Agreements, and individual project proposals covering different types of residential, commercial/industrial, and mixed-use projects. The quality of DTA's fiscal work has been recognized by the American Planning Association ("APA"). Notably, the APA presented the Award of Merit to DTA for its financing program (which included an FIR) prepared for the County of Santa Barbara.

In terms of economic impact analyses, DTA has prepared over 250 economic impact studies for public agencies and land development firms that identify the general economic impacts of a future or existing development or plan on a municipality in terms of economic output gains or losses and job and wage creation opportunities. General economic impacts include additions to economic output (gross receipts or sales), earnings (the sum of wages, salaries and benefits, other labor income, and employer and employee contributions to social security), and employment (number of average full-time and part-time jobs). DTA utilizes the Impact Analysis for Planning ("IMPLAN") economic analysis database service to determine induced and indirect economic impacts (via input/output modeling multipliers) that complement the direct economic impacts of new development and plans. Our firm's economic analyses also distinguish between one-time impacts that occur on a non-recurring basis as a result of construction activity and impacts that recur annually over the entire term of a development's life.

DTA's Economic Impact Analyses ("EIAs") have been utilized by the States of California, Nevada, and New Mexico, local municipalities, redevelopment successor agencies, community development enterprises, and other parties to determine whether such impacts merit the granting of project entitlements or project subsidies to enable a project to move forward. They have also been used in successful applications for New Market Tax Credits ("NMTCs").

For more information, please contact Jerry Wen at (800) 969-4DTA or by e-mail at Jerry@FinanceDTA.com.

ATTACHMENT 1-A
TORRANCE, CALIFORNIA: EL CAMINO VILLAGE ANNEXATION
CITY FUND EXPENDITURES (BY TYPE)

I Demographics and Other Data

2024 Estimated City Population [1]	143,057
2024 Estimated City Employees [2]	124,638
2024 Persons Served Population [3]	205,376

Notes:

- [1] California Department of Finance, Housing and Population Information, January 1, 2024.
[2] Environics Analytics, EmploymentProfiles by NAICS Codes 2024 for the City of Torrance.
[3] Assumes City population plus 50% of employees.

II City Expenditures (by Type)

Expenditure Type	Total Expenditures	Expenditure Type	Fiscal Impact Basis	Discount	Fiscal Impact Expenditure Factor
Non-General Government					
Police Department	\$101,838,716	Recurring	Persons Served	7%	\$460.87
Library	\$7,020,847	Recurring	Persons Served	10%	\$30.74
Fire Department	\$76,315,892	Recurring	Case Study	0%	NA
Total Expenditures	\$185,175,455	NA	NA	NA	NA
Total Recurring Expenditures	\$185,175,455	NA	NA	NA	NA

ATTACHMENT 1-B

TORRANCE, CALIFORNIA: EL CAMINO VILLAGE ANNEXATION
LAND USE AND DEMOGRAPHICS SUMMARY

Land Use Data [1]

I	Land Use Description	
A	<u>Existing Residential Land Uses</u>	<u>Number of Units</u>
	Residential	2,804
B	<u>Existing Non-Residential Land Uses</u>	<u>Building Sq. Ft.</u>
	Commercial	240,441
	Industrial	8,208
	Institutional	6,270

Population and Employees (Calculations)

I	<u>Estimated Residential Population</u>	<u>Residential Population [2]</u>
	Residential	8,293
II	<u>Estimated Direct Employees</u>	<u>Total Direct Employees [3]</u>
	Non-residential	1,063

Population and Employees (Totals)

I	Total Estimated Residential Population	8,293
II	Total Estimated Direct Employees	1,063
III	Total Persons Served Population [4]	8,825

NOTES:

[1] Source: City of Torrance.

[2] Source: City of Torrance.

[3] Environics Analytics, Employment Profiles by NAICS Codes 2024 for El Camino Village.

[4] An employee is typically assumed to be equivalent to 50% of a resident given they would spend only eight active hours in the City per day versus a resident who is active for 16 hours per day.

* *All figures subject to rounding*

ATTACHMENT 1-C
TORRANCE, CALIFORNIA: EL CAMINO VILLAGE ANNEXATION
PROPERTY TAX REVENUE ANALYSIS

General Property Tax Assumptions

I Property Tax Allocation (as a Portion of the 1% General Property Tax Levy)			
	Prior to Annexation	Upon Annexation to City	
	County of	City of Torrance	
A Category / Code	Los Angeles [1]	Property Tax Sharing at 50%	Property Tax Sharing at 25%
General Fund [2]	29.009720%	14.504860%	7.252430%
Fire [3]	16.358639%	16.358639%	16.358639%
Library [4]	2.174682%	2.174682%	2.174682%
Total	47.543041%	33.038181%	25.785751%

Assessed Valuation Assumptions [5]

I Residential Land Uses	
A Residential	
Total Estimated Net Taxable Value	\$819,354,603
II Non-Residential Land Uses	
A Commercial	
Total Estimated Net Taxable Value	\$64,234,158
B Industrial	
Total Estimated Net Taxable Value	\$5,487,742
C Institutional	
Total Estimated Net Taxable Value	\$4,633,701
III Total Land Use Net Taxable Value (Includes Takeout from Homeowner's Exemption)	\$893,710,204

Other Property Tax Revenue Assumptions

I Property Tax In-Lieu of Vehicle License Fee - Assumptions	
Total City of Torrance Gross Assessed Value [6]	\$38,883,175,064
City of Torrance Property Tax In-Lieu of Vehicle License Fee [7]	\$18,545,720
Property Tax In-Lieu of Vehicle License Fee Increase per \$1,000 Assessed Value	\$0.48

Fiscal Impact Calculation

		Annual Fiscal Impact Amount	
I Fiscal Impact Category		Property Tax Sharing at 50%	Property Tax Sharing at 25%
A Secured Property Tax			
A.1 Existing Residential Land Uses			
Residential		\$2,706,999	\$2,112,767
A.2 Existing Non-Residential Land Uses			
Commercial		\$212,218	\$165,633
Industrial		\$18,131	\$14,151
Institutional		\$15,309	\$11,948
D Property Tax In-Lieu of Vehicle License Fee			
Projected Residential and Non-Residential Land Uses		\$426,264	\$426,264
II Total Property Tax Revenues		\$3,378,921	\$2,730,763

NOTES:

- [1] Based on "General Fund" levy for Tax Rate Area (TRA). Data provided by the County of Los Angeles Auditor-Controller's Office. TRA allocations adjusted for ERAF.
- [2] For the purpose of this FIA, the City is assumed to receive 50% or 25% of County of Los Angeles' current 1% property tax increment upon annexation, as applicable.
- [3] For the purpose of this FIA, the City is assumed to receive 100% of Los Angeles County Consolidated Fire Protection District's current 1% property tax increment upon annexation for providing the fire protection services.
- [4] For the purpose of this FIA, the City is assumed to receive 100% of Los Angeles County Library's current 1% property tax increment upon annexation for providing library services.
- [5] Source: County of Los Angeles Assessor's Office.
- [6] Source: County of Los Angeles Auditor-Controller's Office.
- [7] Source: City of Torrance Operating Budget, Fiscal Year 2024/25.

* All figures subject to rounding

ATTACHMENT 1-D

TORRANCE, CALIFORNIA: EL CAMINO VILLAGE ANNEXATION

SALES TAX REVENUE ANALYSIS

Indirect Sales Tax Assumptions

I Retail Taxable Sales Capture

Annual Taxable Sales [1]	\$20,000,000
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Other Sales Tax Assumptions

I Percent to the City of Torrance

City of Torrance Code §220.1.1	1.00%
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Measure SST [2]	0.43%
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Total	1.43%
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Fiscal Impact Calculation

I Fiscal Impact CategoryAnnual Fiscal Impact AmountA Projected Sales Tax

El Camino Village	\$286,000
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II Total Sales Tax Revenues

\$286,000

NOTES:

[1] Source: HdL Companies

[2] Upon annexation, the City General Fund is anticipated to receive approximately 86% of the 0.5% Measure SST district tax generated within the Annexation Area. Source: City of Torrance.

* *All figures subject to rounding*

ATTACHMENT 1-E
TORRANCE, CALIFORNIA: EL CAMINO VILLAGE ANNEXATION
TRANSIENT OCCUPANCY TAX REVENUE ANALYSIS

Transient Occupancy Tax Assumptions

I	Hotel Assumptions	
A	<u>Motel 6 (14605 Crenshaw Blvd, Gardena, CA 90249)</u>	
	Number of Hotel Rooms [1]	45
	Average Daily Rate [1]	\$122
	Occupancy Rate [2]	75.00%
I	<u>Transient Occupancy Tax Rate Assumptions</u>	
	City of Torrance Municipal Code §222.2.1	11.00%
II	<u>Other Assumptions</u>	
	Occupancy Tax Loss from Extended Stays at Hotel [2]	3.50%
IV	<u>Annual Hotel Revenue</u>	
	Motel 6 (14605 Crenshaw Blvd, Gardena, CA 90249)	\$1,502,888

Fiscal Impact Calculation

I	Fiscal Impact Category	Annual Fiscal Impact Amount
A	<u>Transient Occupancy Tax</u>	
	Motel 6 (14605 Crenshaw Blvd, Gardena, CA 90249)	\$159,532
II	Total Transient Occupancy Tax Revenues	\$159,532

NOTES:

[1] DTA Research.

[2] Based on typical DTA baseline assumptions.

* *All figures subject to rounding*

ATTACHMENT 1-F
TORRANCE, CALIFORNIA: EL CAMINO VILLAGE ANNEXATION
UTILITY USERS' TAX REVENUE ANALYSIS

Utility Assumptions

I Utility Usage Assumptions

	Telephone (\$ per Unit) [1]	Electricity (\$ per Unit) [2]	Natural Gas (\$ per Unit) [2]	Water (\$ per Unit) [2]	Cable (\$ per Unit) [2]
A Existing Residential Land Uses					
Residential	\$1,920	\$2,640	\$720	\$324	\$720
B Existing Non-Residential Land Uses	(\$ per Business) [1]	(kWh per Sq. Ft.) [3]	(Cu. Ft. per Sq. Ft.) [4]	(Gal. per Sq. Ft.) [5]	(\$ per Business) [6]
Food Sales	\$2,880	67.3	43.4	11.8	\$0
Food Service	\$960	36.9	106.4	24.9	\$60
Lodging	\$960	13.2	38.6	41.7	\$60
Office	\$4,800	12.5	18.6	14.6	\$0
Outpatient	\$4,800	15.9	22.4	15.6	\$60
Retail	\$960	13	22.5	11.8	\$0
Service	\$1,920	7.6	39.1	11.8	\$0
Tenant	\$960	13.1	27.7	41.7	\$60
Worship	\$960	4.2	17.4	11.8	\$60

II Energy Price Assumptions

A Non-Residential Land Uses	Commodity Charge
Electricity Costs per kWh [7]	\$0.1181
Natural Gas Rate per 1,000 Cu. Ft. [8]	\$9.87
Water Rate per 748 Gallons [9]	\$3.89

Gross Utility Receipts

I Existing Residential Land Uses

A Residential	
Telephone	\$5,383,680
Electricity	\$7,402,560
Natural Gas	\$2,018,880
Water	\$908,496
Cable	\$2,018,880

III Existing Non-Residential Land Uses

A Food Sales	
Telephone	\$11,520
Electricity	\$124,428
Natural Gas	\$6,706
Water	\$960
Cable	\$0
B Food Service	
Telephone	\$5,760
Electricity	\$78,385
Natural Gas	\$18,889
Water	\$2,327
Cable	\$360
C Lodging	
Telephone	\$2,880
Electricity	\$69,957
Natural Gas	\$17,097
Water	\$9,724
Cable	\$180
D Office	
Telephone	\$24,000
Electricity	\$53,138
Natural Gas	\$6,608
Water	\$2,731
Cable	\$0
E Outpatient	
Telephone	\$19,200
Electricity	\$44,575
Natural Gas	\$5,248
Water	\$1,924
Cable	\$240
F Retail	
Telephone	\$6,720
Electricity	\$29,567
Natural Gas	\$4,277
Water	\$1,181
Cable	\$0

ATTACHMENT 1-F
TORRANCE, CALIFORNIA: EL CAMINO VILLAGE ANNEXATION
UTILITY USERS' TAX REVENUE ANALYSIS

G	<u>Service</u>	
	Telephone	\$34,560
	Electricity	\$59,939
	Natural Gas	\$25,772
	Water	\$4,095
	Cable	\$0
F	<u>Tenant</u>	
	Telephone	\$960
	Electricity	\$36,645
	Natural Gas	\$6,476
	Water	\$5,133
	Cable	\$60
H	<u>Worship</u>	
	Telephone	\$2,880
	Electricity	\$3,445
	Natural Gas	\$1,193
	Water	\$426
	Cable	\$180

Utility Users' Tax Assumptions

I	<u>Utility Users' Tax Rate Assumptions</u>	
	Telephone (Municipal Code §225.1.3)	6.50%
	Electricity (Municipal Code §225.1.4)	6.50%
	Natural Gas (Municipal Code §225.1.5)	6.50%
	Water (Municipal Code §225.1.6)	6.00%
	Cable (Municipal Code §225.1.7)	6.50%

Fiscal Impact Calculation

I	Fiscal Impact Category	Annual Fiscal Impact Amount
A	Utility User's Tax - Telephone	
A.1	<u>Existing Residential Land Uses</u>	
	Residential	\$349,939
A.1	<u>Existing Non-Residential Land Uses</u>	
	Food Sales	\$749
	Food Service	\$374
	Lodging	\$187
	Office	\$1,560
	Outpatient	\$1,248
	Retail	\$437
	Service	\$2,246
	Tenant	\$62
	Worship	\$187
A	Utility User's Tax - Electricity	
A.1	<u>Existing Residential Land Uses</u>	
	Residential	\$481,166
A.1	<u>Existing Non-Residential Land Uses</u>	
	Food Sales	\$8,088
	Food Service	\$5,095
	Lodging	\$4,547
	Office	\$3,454
	Outpatient	\$2,897
	Retail	\$1,922
	Service	\$3,896
	Tenant	\$2,382
	Worship	\$224
B	Utility User's Tax - Natural Gas	
B.1	<u>Existing Residential Land Uses</u>	
	Residential	\$131,227
B.1	<u>Existing Non-Residential Land Uses</u>	
	Food Sales	\$436
	Food Service	\$1,228
	Lodging	\$1,111
	Office	\$430
	Outpatient	\$341
	Retail	\$278
	Service	\$1,675
	Tenant	\$421
	Worship	\$78

ATTACHMENT 1-F
TORRANCE, CALIFORNIA: EL CAMINO VILLAGE ANNEXATION
UTILITY USERS' TAX REVENUE ANALYSIS

C Utility User's Tax - Water

C.1 Existing Residential Land Uses

Residential	\$54,510
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C.1 Existing Non-Residential Land Uses

Food Sales	\$58
Food Service	\$140
Lodging	\$583
Office	\$164
Outpatient	\$115
Retail	\$71
Service	\$246
Tenant	\$308
Worship	\$26

D Utility User's Tax - Cable

D.1 Existing Residential Land Uses

Residential	\$131,227
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D.1 Existing Non-Residential Land Uses

Food Sales	\$0
Food Service	\$23
Lodging	\$12
Office	\$0
Outpatient	\$16
Retail	\$0
Service	\$0
Tenant	\$4
Worship	\$12

II Total Utility Users' Tax Revenues

\$1,195,400

NOTES:

[1] Based on the current base cost of AT&T Business Unlimited Premium plan with two lines.

[2] Source: Based on DTA market research.

[3] Source: Commercial Buildings Energy Consumption Survey, Table C15, 2018.

[4] Source: Commercial Buildings Energy Consumption Survey, Table C25, 2018.

[5] Source: Commercial Buildings Energy Consumption Survey, Table W1, 2012.

[6] Source: Based on DTA market research.

[7] Source: <https://www.electricitylocal.com/states/california/torrance/>

[8] Source: <https://naturalgaslocal.com/states/california/torrance/>

[9] Based on the monthly usage of between 0 to 10 CCF. Source: City of Torrance Public Works Department.

* *All figures subject to rounding*

ATTACHMENT 1-G

TORRANCE, CALIFORNIA: EL CAMINO VILLAGE ANNEXATION

CURRENT ANNEXATION SCENARIO

MULTIPLIER EXPENDITURES ANALYSIS

Multiplier Expenditure Assumptions

I	<u>Expenditure Category</u>	<u>Multiplier Factor [1]</u>	<u>Expenditure Projection Basis</u>
	Police Department	\$460.87	Persons Served
	Library	\$30.74	Persons Served

Fiscal Impact Calculation

I	<u>Fiscal Impact Category</u>	<u>Annual Fiscal Impact Amount</u>
	Police Department	\$4,067,178
	Library	\$271,281
II	Total Multiplier Expenditures	\$4,338,459

NOTES:

[1] Source: City of Torrance Operating Budget, Fiscal Year 2024/25.

* *All figures subject to rounding*

ATTACHMENT 1-H

TORRANCE, CALIFORNIA: EL CAMINO VILLAGE ANNEXATION

CURRENT ANNEXATION SCENARIO

FIRE PROTECTION SERVICE EXPENDITURES ANALYSIS

Annual Revenue Assumptions [1]

I Charges for Services	Annual Revenues
Transport Fees	\$466,069

Annual Expenditure Assumptions [1]

I Salaries & Benefits	Full-time Employees	Annual Composite Rate	Annual Expenditures
A Fire Engine Staff			
Fire Captain	3	\$400,210	\$1,200,631
Fire Engineer	3	\$337,608	\$1,012,825
Fire Fighter	3	\$238,529	\$715,587
Fire Fighter/Paramedic	3	\$238,529	\$715,587
B Ladder Truck Staff			
Fire Captain	3	\$400,210	\$1,200,631
Fire Engineer	3	\$337,608	\$1,012,825
Fire Fighter	3	\$238,529	\$715,587
Fire Fighter/Paramedic	3	\$238,529	\$715,587
C Paramedic Rescue Staff			
Fire Fighter/Paramedic	6	\$238,529	\$1,431,175
D BLS Ambulance Staff			
Ambulance Operators	6	\$69,145	\$414,869
E Battalion Staff			
Chief	3	\$493,535	\$1,480,605
II Operation Costs			Annual Costs
Materials, Supplies & Maintenance			\$431,198
Professional/Contract Services			\$211,651
Training, Travel & Membership Dues			\$26,381
Liabilities, Settlements & Insurance			\$1,532
Utilities			\$38,678
Interdepartmental Charges			\$814,963
Capital Acquisitions			\$37,182
Vehicle Replacement Costs			\$509,336

Fiscal Impact Calculation

I Fiscal Impact Category	Annual Fiscal Impact Amount
A Revenue	
Charges for Services	\$466,069
B Expenditure	
Salaries & Benefits	\$10,615,912
Operation Costs	\$2,070,920
II Net Fire Protection Service Expenditures	\$12,220,763

NOTES:

[1] Source: City of Torrance Fire Department.

* All figures subject to rounding