

ADOPTION AGENDA, CONSENT ITEMS (Continued)

RESOLUTIONS: (Continued)

- \* ITEM-109: Western Pacific Beach Maintenance Assessment District. Preliminarily approving the Engineer's Report submitted in connection with the proposed formation of the Western Pacific Beach Maintenance Assessment District; Resolution of Intention to form the Western Pacific Beach Maintenance Assessment District and to levy and collect Fiscal Year 2009 annual assessments on the Western Pacific Beach Maintenance Assessment District; And initiating proceedings for the formation of the Western Pacific Beach Maintenance Assessment District. (Pacific Beach Community Area. District 2.)

[▶ View referenced exhibit back-up material.](#)

**STAFF'S RECOMMENDATION:**

Adopt the following resolutions:

Subitem-A: (R-2008-1036)

Resolution of the Council of the City of San Diego preliminarily approving the Engineer's Report submitted in connection with the proposed formation of the Western Pacific Beach Maintenance Assessment District.

Subitem-B: (R-2008-1037)

Resolution of the Council of the City of San Diego of Intention to form the Western Pacific Beach Maintenance Assessment District and to levy and collect Fiscal Year 2009 annual assessments on the Western Pacific Beach Maintenance Assessment District.

Subitem-C: (R-2008-1035)

Resolution of the Council of the City of San Diego initiating proceedings for the formation of the Western Pacific Beach Maintenance Assessment District.

**STAFF SUPPORTING INFORMATION:**

**REQUESTED ACTION:**

The City Council is being asked to authorize the following actions by resolution:

1. Propose the formation of the Western Pacific Beach Maintenance Assessment District; and preliminarily approving the Engineer Report.
2. Authorize the intention to levy and collect assessments for Fiscal Year 2009, establish the maximum authorized assessments, and set maximum assessment indexed annually to the San Diego Regional Consumer Price Index-Urban (CPI-U) not to exceed 5%.

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**STAFF SUPPORTING INFORMATION:** (Continued)

3. Authorize the mailing of ballots to all property owners subject to assessment.
4. Establish the time and place for a public hearing to count ballots; and

**Upon affirmative findings at the public hearing on July 15, 2008:**

5. Authorize the consideration of protests, ordering the formation of the District, approve the Assessment Engineer's Report, confirm assessments, and order the improvements, maintenance, and/or services.
6. Approving the annual budget for the Western Pacific Beach Maintenance Assessment District in Fiscal Year 2009.
7. Authorize the City Auditor and Comptroller to establish an interest-bearing fund for the District.
8. If a weighted majority of returned ballots opened following the public hearing select the Pacific Beach Community Development Corporation, a non-profit Section 501(c)(3) organization, to administer the contracts for goods and services, authorize the Mayor or his designee to negotiate a contract with the Pacific Beach Community Development Corporation pursuant to Municipal Code § 65.0212-65.0214.

**STAFF RECOMMENDATION:**

Approve the requested actions listed above.

**EXECUTIVE SUMMARY:**

Efforts to form a Maintenance Assessment District (MAD) in the Pacific Beach community began in 2005. A variety of business owners on Mission Blvd. were seeking solutions to persistent problems on the beach including crumbling infrastructure, trash, homeless issues, and crime. In response, the Pacific Beach Community Development Corporation (Corporation) formed a Business Vision Committee whose task was to begin implementation of programs that would have a window of impact over a long term period between ten and fifteen years. This committee held a variety of informational meetings and developed several long term plans. These included the development of a Western Pacific Beach MAD, an Eastern Pacific Beach MAD, and a comprehensive parking strategy. As many of the committee meetings were attended by hoteliers, who had voiced their concerns clearly, a priority was given to the development of the Western Pacific Beach MAD.

A series of surveys were completed and distributed in the fall of 2005 and early 2006. The surveys sought to indicate who might be interested in the idea of a MAD, what services might be provided, how much owners might be interested in contributing, and finally who would support a MAD. The surveys results were positive in a variety of ways. An overwhelming majority of property owners that submitted responses to the survey indicated support for the idea of paying for cleaning and security services.

ADOPTION AGENDA, CONSENT ITEMS (Continued)

RESOLUTIONS: (Continued)

\* ITEM-109: (Continued)

**STAFF SUPPORTING INFORMATION:** (Continued)

Property owners and residents indicated to the Corporation that they supported forming a MAD to fund services to make Pacific Beach more appealing to tourists and locals and to make it safer. There was an even mix of those who sought cleaning services and security services. A broad group supported the idea of a capital maintenance program that would provide for repair of infrastructure that was commonly neglected.

The Corporation's outreach efforts included: 1) two mailed surveys to property owners and one hand delivered survey to business owners, 2) a public forum for larger stakeholders within the district held in January 2008 followed by a presentation to the Pacific Beach Planning Committee on 01/23/2008, 3) a mailer to all property owners and business owners in the April of 2008, 4) personal visits and telephone calls with property owners throughout fall of 2007 and spring 2008; and 4) a community forum is planned for June 2008. Additional public outreach was made by Corporation's Board and staff including regular updates before the Pacific Beach Town Council. Information was regularly included in the Pacific Beach Business newsletter PB Business Wave which was distributed to 1300 businesses. Additional community meetings and informational mailings will be made by the Pacific Beach CDC over the coming months to contact each and every property owner prior to and during the public balloting period."

City staff has retained SCI Consulting Group to prepare an Engineer's Report for the requested District. This report summarizes the proposed district, describes requested services / associated costs, provides an assessment diagram and apportions property owner assessments based on the level of benefit received. District proponents had the opportunity to review and comment on the Engineer's Report. The City Council is being asked to authorize the eight (8) requested actions cited above, with authorizations for actions 5 through 8 contingent upon affirmative findings at the public hearing on July 15, 2008. If the City Council approves the requested actions, ballots describing the proposed district and the associated assessments will be mailed to all property owners of record within the proposed district boundaries. Property owners can mail or deliver the ballots to the City Clerk. Interested parties may comment at the public hearing regarding the proposed District. Ballots will be counted at the conclusion of the hearing. If a majority of property owners support formation of the District in accordance with State law, the City Council has the discretion to establish the District and levy assessments beginning in Fiscal Year 2009 as described in the Assessment Engineer's Report.

**FISCAL CONSIDERATIONS:**

The annual assessment for City owned property will be \$24,636. Approximately \$474,426.26 will be assessed and collected in the Western Pacific Beach Maintenance Assessment District in FY 2009 ranging from \$3.63 to \$20,182 per parcel. The proposed assessments will fund an increased level of enhanced services within the District boundaries. If the District is approved by benefiting property owners, assessments will be levied and collected to fund the annual budget.

ADOPTION AGENDA, CONSENT ITEMS (Continued)

RESOLUTIONS: (Continued)

\* ITEM-109: (Continued)

**STAFF SUPPORTING INFORMATION:** (Continued)

	<b><u>FY 08-09</u></b>	<b><u>Maximum Authorized</u></b>
REVENUES		
Assessments	\$474,426.26	\$474,426.26
Interest	\$0	\$0
<b><u>TOTAL REVENUES</u></b>	<b><u>\$474,426.26</u></b>	<b><u>\$474,426.26</u></b>
ACTIVITIES AND SERVICES EXPENSES		
General Operations	\$47,312.58	\$47,312.58
Protection	\$136,340.00	\$136,340.00
Maintenance	\$151,104.00	\$151,104.00
Special Projects	\$60,000.00	\$60,000.00
Incidentals		
City Administration	\$18,977.05	\$18,977.05
District Management	\$47,442.63	\$47,442.63
One Time Costs		
Balloting and Formation	\$13,250.00	\$13,250.00
<b><u>TOTAL EXPENSES</u></b>	<b><u>\$474,426.26</u></b>	<b><u>\$474,426.26</u></b>
<b>BALANCE</b>	<b>\$0</b>	<b>\$0</b>

PREVIOUS COUNCIL and/or COMMITTEE ACTION: None.

**COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:**

The outreach efforts include: 1) two mailed surveys to property owners and one hand delivered survey to business owners, 2) a public forum for larger stakeholders within the district held in January 2008 followed by a presentation to the Pacific Beach Planning Committee on 01/23/2008, 3) a mailer to all property owners and business owners in the April of 2008, 4) personal visits and telephone calls with property owners throughout fall of 2007 and spring 2008; and 5) a community forum is planned for June 2008.

Additional public outreach was made by Corporation's Board and staff including regular updates before the Pacific Beach Town Council. Information was regularly included in the Pacific Beach Business newsletter PB Business Wave which was distributed to 1300 businesses. Additional community meetings and informational mailings will be made by the Pacific Beach CDC over the coming months to contact and each property owner prior to and during the public balloting period.

Upon preliminary approval of the Engineer's report by the City Council, notices / ballots will be prepared and mailed to all property owners of the District who will then ultimately vote whether or not they support the formation of the District. Property owners will also vote whether the Pacific Beach Community Development Corporation, a non-profit, Section 501(c)(3) organization, or the City should administer the contracts for goods and services for the District.

ADOPTION AGENDA, CONSENT ITEMS (Continued)

RESOLUTIONS: (Continued)

\* ITEM-109: (Continued)

**STAFF SUPPORTING INFORMATION:** (Continued)

If this action is approved, a public hearing will be scheduled where public testimony will be heard by the City Council.

**KEY STAKEHOLDERS & PROJECTED IMPACTS (if applicable):**

Key stakeholders include the Pacific Beach business community, property owners and residents within the contemplated district. The Pacific Beach Community Development Corporation will manage the District if approved by property owner ballot.

**NOTE:** This activity is not a project and therefore not subject to CEQA pursuant to the State CEQA Guidelines Section 15060(c)(3).

Anderson/Kessler/LO

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