



CITY OF SAN DIEGO

WESTERN PACIFIC BEACH MAINTENANCE ASSESSMENT DISTRICT

ENGINEER'S REPORT

MARCH 2008

PURSUANT TO THE SAN DIEGO MAINTENANCE ASSESSMENT DISTRICT
ORDINANCE OF THE SAN DIEGO MUNICIPAL CODE
AND
LANDSCAPING AND LIGHTING ACT OF 1972, CALIFORNIA STREETS AND
HIGHWAY CODE

ENGINEER OF WORK:

SCIConsultingGroup

4745 MANGELS BLVD

FAIRFIELD, CALIFORNIA 94534

PHONE 707.430.4300

FAX 707.430.4319

www.sci-cg.com

TABLE OF CONTENTS

SUMMARY 1

 PROJECT: PROPOSED WESTERN PACIFIC BEACH MAINTENANCE ASSESSMENT DISTRICT 1

 OVERVIEW OF PROPOSED BENEFIT ASSESSMENTS..... 2

INTRODUCTION 4

PLANS & SPECIFICATIONS 6

FISCAL YEAR 2008-09 ESTIMATE OF COST AND BUDGET 8

METHOD OF APPORTIONMENT..... 10

 DISCUSSION OF BENEFIT 10

 SERVICE FREQUENCIES BY BENEFIT ZONE..... 12

 GENERAL VERSUS SPECIAL BENEFIT 13

 ZONES OF BENEFIT 13

 ASSESSMENT APPORTIONMENT 14

 ANNUAL COST INDEXING 16

ASSESSMENT 17

CERTIFICATES 19

APPEALS AND INTERPRETATION..... 20

ASSESSMENT DIAGRAM..... 21

APPENDICES..... 23

 APPENDIX A – ASSESSMENT ROLL, FY 2008-09 24

LIST OF FIGURES

FIGURE 1 - ASSESSMENT SUMMARY 2

FIGURE 2 - ESTIMATE OF COSTS FOR FISCAL YEAR 2008-09 8

FIGURE 3 – DETAIL OF COSTS FOR FISCAL YEAR 2008-2009 9

FIGURE 4 - SERVICES BY BENEFIT ZONE..... 12

FIGURE 5 – SFE FACTORS (SINGLE FAMILY EQUIVALENT BENEFIT UNITS)..... 16

SUMMARY

PROJECT: PROPOSED WESTERN PACIFIC BEACH MAINTENANCE ASSESSMENT DISTRICT

OVERVIEW:

Benefit assessments are levies on real property to fund services and public improvements that benefit the properties paying the assessments. Benefit assessments are widely used throughout California to fund a wide variety of important services and projects, including landscaping, lighting, parks, sidewalks, roads, utility infrastructure and public safety services.

Property owners in many areas of the City of San Diego have recognized that additional services to improve and maintain public facilities in their area would specifically benefit their properties. Consequently many property owners in the City have joined together to propose specific services and improvements to be funded by a benefit assessment for their area. These benefit assessments, which have ultimately been approved in a ballot proceeding by the affected property owners, are currently serving to improve the desirability, cleanliness and economic vitality of specific neighborhoods and areas throughout the City.

Property owners in the Western Pacific Beach area of the City of San Diego have similarly organized to propose a benefit assessment to provide a local, ongoing funding source for services and improvements in the area to include enhanced cleaning, debris removal and maintenance of public resources. This Engineer's Report describes the Western Pacific Beach Maintenance Assessment District (the "District") and the services and improvements that would be funded by the assessment.

SERVICES/IMPROVEMENTS FUNDED:

The District will fund and provide the following improvements/maintenance services:

- Cleaning and Maintenance
 - Litter Abatement
 - Emptying of private and city trash receptacles
 - Sidewalk power washing
 - Landscape maintenance
 - Large debris removal
 - Large item pickup
 - Removal of public health and sanitation hazards
 - Graffiti removal
 - Trip hazards reporting

- Protection Services
 - Safety Ambassadors
 - Off Duty Officers
- Special Projects

OVERVIEW OF PROPOSED BENEFIT ASSESSMENTS

Apportionment Method: Linear Frontage Feet (LFF) and Single Family Equivalent Benefit Units (SFE) ¹
Benefit Zone A, Zone B and Zone C

FIGURE 1 - ASSESSMENT SUMMARY

	Zone A	Zone B	Zone C	Totals
<u>Total Parcels Assessed</u>	446	406	1321	2173
<u>Measure Quantities</u>				
SFE	1020.88	3,130.92	2,998.95	7150.75
LFF	24,148.36	26,657.21	27,536.33	78,341.90
<u>Unit Assessment Rates</u>				
\$/SFE	\$45.99	\$33.09	\$68.47	\$147.55
\$/LFF	\$0.65	\$1.30	\$2.49	\$4.43
<u>Estimated Assessment</u>				% of Total
SFE Revenue	\$46,950.19	\$103,599.82	\$205,329.01	75%
LFF Revenue	\$15,650.06	\$34,533.27	\$68,443.00	25%

Annual Cost Indexing: If the assessments are approved, in future years the maximum authorized assessment rate will increase by up to 5% per year, and the assessments can be levied at any rate, up to the maximum authorized assessment rate. In addition the assessment for any property may change, up or down, if the total building area for the parcel increases or decreases, or the parcel classification and usage changes.

Bonds: No bonds will be issued in connection with this District.

¹ SFE benefit units are based on residential units, building area and lot area for trip generation factors.

District Formation: The District and assessments are proposed and require property owner approval in an assessment ballot proceeding. Formation proceedings are scheduled to be staged in 2008. By a ballot proceeding, a majority of property owners (greater than 50% of the weighted vote of returned ballots) must approve the District establishment and maximum authorized assessments, and provisions for annual cost indexing.

OVERSIGHT:

If the proposed assessments are approved, the assessments and the provision of services and improvements funded by the assessments will be overseen by the City of San Diego and will be managed by local property owners in the District. The City will receive the assessment funds from the County Tax Collector and will distribute assessment funds to the Discover Pacific Beach Association (the Association). The Association, which is comprised of approximately 1,200 businesses, will directly manage and oversee the provision of services and improvements funded by the assessments.

The Discover Pacific Beach board of directors is a made up of 15 West Pacific Beach business owners/managers who volunteer their time to help the business improvement district meet its mission; "To promote and revitalize the Pacific Beach community physically and economically."

The board meets on the first Tuesday of each month at 12 noon to hear updates from each of the four Discover Pacific Beach standing committees; Organization, Design, Promotion and Economic Restructuring and vote on action items.

All meetings are open to the public and are held at the Discover Pacific Beach office at 1503 Garnet Avenue. Please call first to confirm meeting date and time, 858-273-3303.

LOCATION:

The District is generally described as the Western Pacific Beach area. The location of the District is depicted on the map and Assessment Diagram within this Report.

INTRODUCTION

In Fiscal Year 2007-08, the City of San Diego was petitioned by property owners in the Western Pacific Beach area asking the City to form a new assessment district to fund the maintenance, improvement and servicing of landscaping, sidewalk sweeping, sidewalk power washing, trash removal and graffiti abatement generally within the area bordered by Chalcedony and Felspar Streets on the north, Gresham Street to the east, and Thomas Street borders the district to the south. To the West the assessment district is bounded by Ocean Blvd. This proposed new assessment district was named the "Western Pacific Beach Maintenance Assessment District" (the "District").

After receiving and reviewing this petition, the City plans to conduct an assessment ballot proceeding that will allow property owners in the District to ultimately decide if the proposed assessments should be levied and the services and improvements they would fund should be provided.

The City of San Diego will be conducting formation proceedings for the proposed Western Pacific Beach Maintenance Assessment District in 2008. If, following a favorable weighted majority Proposition 218 balloting procedure, and an affirmative vote of the City Council of the City of San Diego (the "City"), the District would be established with funding beginning in Fiscal Year 2008-09.

The purpose of the District is to provide funding for:

- Litter Abatement
- Enhanced trash receptacles
- Trash removal
- Large trash removal
- Graffiti Abatement
- Power Washing of sidewalks
- Sidewalk sweeping
- Security service
- Tree trimming
- Landscape maintenance
- Amenity maintenance/repair
- Trail maintenance

The District has been structured around this priority of improvements and maintenance services.

This Engineer's Report was prepared to provide a framework and requirements for the proposed assessments, to establish the budget for the services that would be funded by the proposed assessments, to summarize the benefits received by property in the District from the services and improvements funded by the assessments and to establish the method of assessment apportionment of the assessment to lots and parcels in the District. This Report and the proposed assessments have been made pursuant to provisions of the San Diego Maintenance Assessment District Procedural Ordinance of 1986 (the "Ordinance"), provisions of the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code (the "Act") and Article XIID of the California Constitution (the "Article").

The proposed assessments are subject to an annual increase in the maximum authorized assessment rate not to exceed 5% per year.

Upon preliminary approval of this report by the City Council, this report will be filed with the City Clerk, a time and place for a public hearing will be set and the mailing of notices and ballots to all property owners in the proposed District will be requested. After this Council action, the notices and ballots will be prepared and mailed. A minimum 45-day period must be provided for the return of the ballots prior to the public hearing which will conclude the balloting period.

A public hearing will be scheduled where public testimony will be heard by the City Council. The public hearing will include presentation and consideration of this report, hearing of public testimony, and recordation of affirmative and protest votes. After conclusion of the public hearing, a tabulation of affirmative and protest votes will be declared.

If a majority of ballots cast by parcel owners, weighted in accordance with the proposed District assessment for each parcel, are affirmative, the City Council may, at its discretion, proceed to confirm the new assessments and order the assessments to be levied as proposed in this Report. If the assessments are so confirmed and levied, they will be submitted to the County Auditor and will provide funding for the services and improvements described in this Report.

PLANS & SPECIFICATIONS

The proposed Western Pacific Beach Maintenance Assessment District (the "District") would fund improvements to the appearance, identity, continuity, sense of place, economic vitality, desirability, and aesthetic appeal of property in the District. The District area is located just north of Mission Bay Park and south of Chalcedony Street. The work and improvements proposed to be undertaken by the District and the cost thereof paid from the levy of the annual assessment provide special benefit to Assessor Parcels within the District as defined in the Method of Assessment herein. Consistent with the Maintenance Assessment District Ordinance of the City of San Diego the services and improvements are generally described as follows:

Installation, maintenance and servicing of public improvements and incidental expenses, including but not limited to landscaping, sprinkler systems, shrubs and trees, sidewalks, gutters, water, street lighting, signage and materials, supplies, utilities and equipment, as applicable, for property within the District, and any incidental costs thereto (collectively, the "Services"). Any plans and specifications for these improvements will be filed with the Project Manager of the City of San Diego Community and Economic Development Department (the "Project Manager") and are incorporated herein by reference.

As applied herein, "maintenance" means the furnishing of services and materials for the ordinary and usual maintenance, operation and servicing of any improvement, including repair, removal or replacement of all or any part of any improvement; providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, collection and disposal of fallen branches and trees, tree and bush trimming, fertilizing, or treating for disease or injury; the removal of trimmings, rubbish, debris, and other solid waste, ongoing inspection and repairs and labor, sidewalk and gutter cleaning and sweeping, placement of street furniture, banner installation, security services, including homeless patrolling and reporting of security and safety problems to governmental agencies, and the cleaning, sandblasting, and painting of walls, and other improvements to remove or cover graffiti.

"Servicing" means the furnishing of electric current, or energy, gas or other illuminating agent for any public lighting facilities or for the lighting or operation of any other improvements; or water for the irrigation of any landscaping, the operation of any fountains, or the maintenance of any other improvements.

"Incidental expenses" include all of the following: (a) The costs of preparation of the report, including plans, specifications, estimates, diagram, and assessment; (b) the costs of printing, advertising, and the giving of published, posted, and mailed notices; (c) compensation payable to the County for collection of assessments; (d) compensation of any engineer or attorney employed to render services in proceedings pursuant to this part; (e) any other expenses incidental to the construction, installation, or maintenance and servicing of the Improvements; (f) any expenses incidental to the issuance of bonds or notes pursuant to Section 22662.5 of the Streets and Highways Code; and (g) costs associated with any elections or ballot procedures held for the approval of a new or increased assessment.

FISCAL YEAR 2008-09 ESTIMATE OF COST AND BUDGET

FIGURE 2 - ESTIMATE OF COSTS FOR FISCAL YEAR 2008-09

	FY 08-09 PROPOSED
BEGINNING BALANCE	\$0
Revenue	
Assessments	\$474,505.36
Interest	\$0
TOTAL OPERATING REVENUE	<u>\$474,505.36</u>
 TOTAL REVENUE AND BALANCE	 \$474,505.36
 Activities and Services Expense	
General Operations	\$51,300.00
Protection	\$136,340.00
Maintenance	\$151,104.00
Special Projects Fund	\$60,000.00
Incidentals	
City Administration ¹	\$15,949.76
Administrative	<u>\$59,811.60</u>
TOTAL EXPENSE	\$474,505.36
 BALANCE	 \$0

Notes:

¹. Includes 4% City Administration Fee, which is for administrative services including calculating and enrolling assessments with the County Assessor's Office; providing direct management support and advocacy; district budget input and review; analyzing and updating budgets; processing reimbursements; issuing manual billings; providing information technology and communication support; and providing professional support from the City Attorney's Office, City Auditor and Comptroller's Office, and City Purchasing Agent. Administration responsibilities may also include meeting with property owners to explain how assessments are calculated and expended; and responding to numerous other property owner/citizen inquiries each month.

FIGURE 3 – DETAIL OF COSTS FOR FISCAL YEAR 2008-2009

General Operations		
Rent		\$ 20,400.00
Utilities		2,400.00
Insurance Riders		12,000.00
Office Supplies		3,000.00
Accounting		3,500.00
Telephone		2,400.00
Communication		3,600.00
Contingency		<u>4,000.00</u>
Subtotal		51,300.00
Protection		
Uniforms, Radios, Bicycles		3,700.00
Off Duty Officers**		68,640.00
Ambassadors**		<u>64,000.00</u>
Subtotal		136,340.00
Maintenance		
Supervisor		43,000.00
Maintenance personnel		77,000.00
Uniforms		1,200.00
Equipment		3,500.00
General Supplies		6,000.00
Waste Disposal		6,000.00
Steam Cleaners Lease*		6,680.00
Truck		6,124.00
Insurance		<u>1,600.00</u>
Subtotal		151,104.00
Special Projects Fund		<u>60,000.00</u>
Total Cleaning & Safety		<u>398,744.00</u>
Administrative (10% of C&S)		59,811.60
City Administration (4% of C&S)		<u>15,949.76</u>
Total		\$ 474,505.36

METHOD OF APPORTIONMENT

This section of the Engineer's Report includes an explanation of the benefits derived from the maintenance, services and improvements provided by the District and the methodology used to apportion the total assessment to properties within the District.

The method used for apportioning the assessment is based upon the proportional special benefits to be derived by the properties in the District, over and above general benefits conferred on real property or to the public at large. The apportionment of special benefit is a two step process: the first step is to identify the types of special benefit arising from the improvements, and the second step is to allocate the assessments to property based on the estimated relative special benefit for each type of property.

DISCUSSION OF BENEFIT

In summary, the assessments can only be levied based on the special benefit to property. This benefit is received by property over and above any general benefits. Moreover, such benefit is not based on any one property owner's use of the District's setback landscaping or a property owner's specific demographic status. With reference to the requirements for assessments, Section 22573 of the Landscaping and Lighting Act of 1972 states:

"The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements."

Proposition 218, as codified in Article XIID of the California Constitution, has confirmed that assessments must be based on the special benefit to property:

"No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."

The following benefit categories summarize the types of special benefit to residential, commercial, industrial and other lots and parcels resulting from the maintenance, services and improvements to be provided with the assessment proceeds. These categories of special benefit are derived from the statutes passed by the California Legislature and other studies which describe the types of special benefit received by property from services and improvements such as those proposed by the City of San Diego Western Pacific Beach

Maintenance Assessment District. These types of special benefit are summarized as follows:

- Enhanced visual aesthetics of the commercial business district.
- Increased economic opportunity.
- Creating a sense of community identity and pride.
- Enhanced quality of life and desirability of the area.
- Enhanced safety and utility of property.
- Enhanced image for properties in the District.
- Specific enhancement of property values.

These benefit factors, when applied to property in the District, specifically increase the utility and value of the land within the District. In addition, the maintenance services funded by the assessments enhance safety and security of customers, residents and guests, which specifically enhances the value of the properties in the District and is a special benefit to properties in the District from the assessments that is not received by other properties outside of the District.

SERVICE FREQUENCIES BY BENEFIT ZONE

Figure 4 details the enhanced levels of services by Benefit Zone that would be provided by the assessments.

FIGURE 4 - SERVICES BY BENEFIT ZONE

Service Provided:	Zone A Base Services	Zone B Base Services + Security Service Level 1	Zone C Base Services + Security Service Level 2
Litter Abatement	five days / week	five days / week	five days / week
Private and city trash receptacles	five days / week	five days / week	five days / week
Large debris removal	Weekly	Weekly	Weekly
Graffiti will be reported or removed	Weekly	Weekly	Weekly
Power washing of sidewalks		One block/ week throughout Zone	One block/ week throughout Zone
Landscape Maintenance	Weekly	Weekly	Weekly
Trip hazards reporting	Weekly	Weekly	Weekly
security guard "ambassadors" provide security and safety services			Tuesday through Thursday between 10am and 5pm
Two teams of two off duty officers		Friday and Saturday nights from 11pm through 3am	
Special Project Fund	Replace existing MAD elements such as trash receptacles, street lights, trees, gardens	Replace existing MAD elements such as trash receptacles, street lights, trees, gardens	Replace existing MAD elements such as trash receptacles, street lights, trees, gardens

GENERAL VERSUS SPECIAL BENEFIT

The proceeds from the District will be used to fund the installation, maintenance and servicing of improvements within the District that, in absence of the assessments, otherwise would not be provided. Properties in the District directly and specifically benefit from the Services, while properties outside the District do not receive the benefit of the Services funded by the District. The assessments provide special benefit to properties in the District. Therefore, the Services funded by the District are determined to be exclusively of distinct and special benefit to properties in the District. The State Legislature has made a similar finding as shown previously: "Assessments levied for the purpose of providing improvements and promoting activities that benefit real property or businesses are not taxes for the general benefit of a city, but are assessments for the improvements and activities which confer special benefits upon the real property or businesses for which the improvements and activities are provided."

The City provides properties in the District with services, resources and contributions including, but not limited to street sweeping, roadway and storm drain improvement and maintenance, regular trash removal, graffiti removal, parks maintenance and improvement, street lighting, and security, traffic controls and public signage, street medians, public safety and other public services and improvements. Many of these City Services are considered to be incremental services for which the City could charge additional fees or could choose to provide at a reduced level. These City Services and contributions are considered to be a contribution towards property in the District and towards any potential general benefits from the Services.

In summary, the Services funded by the District are determined to be of special benefit to properties in the District. Any general benefits from the Services are determined to be minimal and are more than offset by the significant other contributions the City provides to property in the District.

ZONES OF BENEFIT

Services and improvements funded by the assessments will be provided at different levels and frequencies as outlined in Figure 4. Therefore, three zones of benefit, Zone A, Zone B and Zone C are established within the District.

ASSESSMENT APPORTIONMENT

In preparing the Assessment Engineer's Report for the District, the Engineers concluded that the special benefit to each parcel are related to the linear street frontage of each parcel, the property type, the trip generation factors from each property, plus the area of the parcel and/or the square footage of the improvements constructed upon the parcel.

The special benefits derived from the Services funded by the assessments are conferred on property and are not based on a specific property owner's use and/or enjoyment of the Services. However, it is ultimately people who value the special benefits described in this Report. Further, it is ultimately people who control property values by placing a value on the special benefits from the Services. In other words, the benefits conferred to property are related to the average number of people who could potentially live on, work at, or otherwise could use a property, not how the property is currently used by the present owner. Therefore, the number of people who could or potentially live on, work at or otherwise use a property is an indicator of the relative level of special benefit received by a property. Building size/parcel area, property type and linear frontage are directly correlated with the population density and current or potential usage of property. Therefore, the Services are reasonably related to building size, property type and linear frontage because these factors reflect the relative population density and intensity of use of properties and the Services.

Since building size/parcel area, property type and linear frontage are good determinates of relative benefit to property, and since the population density in the Western Pacific Beach area (and height of buildings) is average for an urbanized area, a 75/25 split of the assessments based on property's single family equivalent benefit units (SFE) versus linear frontage is deemed to be reasonable. Therefore, 75% of the assessments are allocated based on SFE and 25% are allocated based on street frontage.

This apportionment of costs recognizes the relationship between the amount of maintenance work required on those parcels with large frontages and/or larger building area as well as the intensity of use as determined by property type relative to smaller frontages, smaller building area, and a lesser intensity of use and therefore levies a proportionally greater assessment on those parcels with a greater frontage or building area or intensity of use than on parcels with a lesser frontage or area or intensity of use. Recognizing the impacts which those parcels with extensive improvements (and higher occupancy/use) place on the District, undeveloped and vacant parcels area assigned a SFE benefit unit of one.

We find that this apportionment approach reasonably allocates the assessments based on the special benefit received by each parcel. Therefore, assessments have been apportioned to each benefiting parcel within each zone utilizing an assessment apportionment methodology as described above. The assessments and cost of Services are allocated based on the following schedule:

- Twenty-five percent (25%) of the total amount assessed apportioned to each parcel within a zone is based upon linear feet of street frontage; and
- Seventy-five percent (75%) of the total amount assessed spread to each parcel within a zone is based upon the parcel's single family equivalent benefit factor.

This apportionment of costs recognizes the relationship between the amount of maintenance work required on those parcels with large frontages, and therefore levies a proportionally greater assessment on those parcels with a greater frontage than on parcels with a lesser frontage.

Similarly, recognizing the impacts which those parcels with greater intensity of use and extensive improvements place on the district, a portion of the assessment has based upon a SFE benefit unit, since those parcels with a greater intensity of use and extensive improvements receive a greater benefit from the enhanced maintenance services funded by the assessment.

In order to establish the benefits and assessments, each property is assigned a single family equivalent benefit factor (SFE) and a Linear Frontage factor (LFF). The LFF factor is the linear frontage in feet along the property that borders streets and roads to receive Services from the assessments. The SFE factor for each single Family home is 1, and other property's SFEs are based upon the relative intensity of use (trip factors) in relation to a single family home, number of multi-family units and commercial building size. SFE benefit units are assigned as outlined in Figure 5.

FIGURE 5 – SFE FACTORS (SINGLE FAMILY EQUIVALENT BENEFIT UNITS)

SFE Factors (Single Family Equivalent Benefit Units)		
	Trips	SFE
SFR	10	1.0
MFR SFEs per unit	7	0.7
Condo	7	0.7
Commercial SFEs per Square Foot		0.0032
Vacant Properties, Churches and Parking Lots		1.0

An assessment has been levied upon each publicly owned parcel in the same manner as privately owned property. Each publicly owned parcel, except parks or designated open space area, has been assessed on the same basis as other parcels within the District.

ANNUAL COST INDEXING

The assessments are subject to an annual increase not to exceed 5% per year. The maximum authorized assessment rate is defined as the assessment rate in the first fiscal year the assessments are effective, increased by 5% per year in each subsequent fiscal year. Such annual cost indexing allows for increases in the assessment rate to account for normal maintenance and operating cost escalation without incurring the costs of additional Proposition 218 ballot proceedings. It should be noted that the assessments in a future year can be levied at any rate below or up to the maximum authorized assessment rate. However, any significant change in the assessment initiated by an increase in service provided or other significant changes to the District that causes the assessments to increase by more than the maximum authorized assessment rate would still require the Proposition 218 proceedings and property owner approval.

ASSESSMENT

WHEREAS, the City of San Diego, County of San Diego, California, pursuant to the provisions of the Ordinance, the Act and the Article directed the undersigned Engineer of Work to prepare and file a report presenting an estimate of costs, a diagram for the assessment district and an assessment of the estimated costs of the Services upon all assessable parcels within the assessment district, to which Resolution and the description of said proposed Services therein contained, reference is hereby made for further particulars;

NOW, THEREFORE, the undersigned, by virtue of the power vested in me under said Ordinance, Act and Article, hereby make the following assessment to cover the portion of the estimated cost of said Services, and the costs and expenses incidental thereto to be paid by the assessment district.

The amount to be paid for said Services and the expense incidental thereto by the Western Pacific Beach Maintenance Assessment District for the fiscal year 2008-09 is \$474,505

As required by the Act, Assessment Diagram is hereto attached and made a part hereof showing the exterior boundaries of said Western Pacific Beach Maintenance Assessment District. The distinctive number of each parcel or lot of land in the District is its Assessor Parcel Number appearing on the Assessment Roll.

And I do hereby assess and apportion said net amount of the cost and expenses of said Services, including the costs and expenses incident thereto, upon the parcels and lots of land within said District, in accordance with the special benefits to be received by each parcel or lot, from the Services, and more particularly set forth in the Cost Estimate and Method of Assessment hereto attached and by reference made a part hereof.

The assessments are subject to an annual adjustment not to exceed 5% per year. The maximum authorized assessment rate is defined as the initial fiscal year 2008-09 assessment rate increased in future fiscal years by 5% per year. In the event that the assessments are levied at a rate below the maximum authorized assessment rate, the assessments can be increased in future years up to the maximum authorized assessment rate without any additional assessment ballot proceeding.

Each parcel or lot of land is described in the Assessment Roll by reference to its parcel number as shown on the Assessor's Maps of the County of San Diego for the fiscal year 2008-09. For a more particular description of said property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of said County.

I hereby place opposite the Assessor Parcel Number for each parcel or lot within the Assessment Rolls, the amount of the assessment for the fiscal year 2008-09 for each parcel or lot of land within the said Western Pacific Beach Maintenance Assessment District.

Dated: March _____, 2008

Engineer of Work

By _____
John W. Bliss, License No. C052091

CERTIFICATES

1. The undersigned respectfully submits the enclosed Engineer's Report and does hereby certify that this Engineer's Report, and the Assessment and Assessment Diagram herein, have been prepared by me in accordance with the order of the City Council of the City of San Diego.

Engineer of Work, License No. C052091

2. I, the Clerk of the City Council, City of San Diego, County of San Diego, California, hereby certify that the enclosed Engineer's Report, together with the Assessment and Assessment Diagram thereto attached, was filed and recorded with me on _____, 2008.

Clerk of the City Council

3. I, the Clerk of the City Council, City of San Diego, County of San Diego, California, hereby certify that the Assessment in this Engineer's Report was approved and confirmed by the City Council on _____, 2008, by Resolution No. _____.

Clerk of the City Council

4. I, the Clerk of the City Council of the City of San Diego, County of San Diego, California, hereby certify that a copy of the Assessment and Assessment Diagram was filed in the office of the County Auditor of the County of San Diego, California, on _____, 2008.

Clerk of the City Council

APPEALS AND INTERPRETATION

Any property owner who feels that the assessment levied on the subject property is in error as a result of incorrect information being used to apply the foregoing method of assessment, may file a written appeal with the Project Manager of the City of San Diego Community and Economic Development Department (the "Project Manager") or his or her designee. Any such appeal is limited to correction of an assessment during the then current or, if before July 1, the upcoming fiscal year. Upon the filing of any such appeal, the Project Manager or his or her designee will promptly review the appeal and any information provided by the property owner. If the Project Manager or his or her designee finds that the assessment should be modified, the appropriate changes shall be made to the assessment roll. If any such changes are approved after the assessment roll has been filed with the County for collection, the Project Manager or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any property owner, who disagrees with the decision of the Project Manager or her or his designee, may refer their appeal to the City Council of the City of San Diego and the decision of the City Council of the City of San Diego shall be final.

ASSESSMENT DIAGRAM

The boundaries of the Western Pacific Beach Maintenance Assessment District are displayed on the following Assessment Diagram.

APPENDICES

Appendix A – Assessment Roll

APPENDIX A – ASSESSMENT ROLL, FY 2008-09

The Assessment Roll (a listing of all parcels assessed within the Western Pacific Beach Maintenance Assessment District and the amount of the assessment) is filed with the Project Manager and is, by reference, made part of this report and is available for public inspection during normal office hours.

Each lot or parcel listed on the Assessment Roll is shown and illustrated on the latest County Assessor records and these records are, by reference made part of this report. These records shall govern for all details concerning the description of the lots or parcels.