



THE CITY OF SAN DIEGO



# ANNUAL REPORT for Fiscal Year 2021

## HILLCREST MAINTENANCE ASSESSMENT DISTRICT

under the provisions of the

**San Diego Maintenance Assessment District Procedural Ordinance  
of the San Diego Municipal Code**

**Prepared For  
City of San Diego, California**



**Prepared By  
EFS Engineering, Inc.  
P.O. Box 22370  
San Diego, CA 92192-2370  
(858) 752-3490**

**June 2020**

# **CITY OF SAN DIEGO**

## **Mayor**

Kevin Faulconer

## **City Council Members**

Barbara Bry  
District 1 (Council President Pro Tem)

Jennifer Campbell  
District 2

Chris Ward  
District 3

Monica Montgomery  
District 4

Mark Kersey  
District 5

Chris Cate  
District 6

Scott Sherman  
District 7

Vivian Moreno  
District 8

Georgette Gómez  
District 9 (Council President)

## **City Attorney**

Mara W. Elliott

## **Chief Operating Officer**

Kris Michell

## **City Clerk**

Elizabeth Maland

## **Independent Budget Analyst**

Andrea Tevlin

## **City Engineer**

James Nagelvoort

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# Annual Report for Fiscal Year 2021

## Hillcrest

### Maintenance Assessment District

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#### Preamble

Pursuant to §65.0220 of the “San Diego Maintenance Assessment District Procedural Ordinance” (being Division 2, Article 5, Chapter 6 of the *San Diego Municipal Code*) and City of San Diego Council Resolution No. R-310618 passed on July 22, 2016, authorizing the continued levy of assessments for the life of the HILLCREST MAINTENANCE ASSESSMENT DISTRICT (hereinafter referred to as “District”), and in accordance with applicable provisions of “Proposition 218” (being Article XIID of the California Constitution), and provisions of the “Proposition 218 Omnibus Implementation Act” (being California Senate Bill 919) (the aforementioned provisions are hereinafter referred to collectively as “applicable law”), and in accordance with Resolution No. \_\_\_\_\_, adopted by the CITY COUNCIL OF THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, and in connection with the annual proceedings for the District, EFS Engineering, Inc., as Assessment Engineer to the City of San Diego, submits herewith this annual report for the District as required by §65.0220 of the “San Diego Maintenance Assessment District Procedural Ordinance.”

DATE OF FINAL PASSAGE BY THE CITY OF SAN DIEGO,  
COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ON THE  
\_\_\_\_\_ DAY OF \_\_\_\_\_, 2020.

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Elizabeth Maland, CITY CLERK  
CITY OF SAN DIEGO  
STATE OF CALIFORNIA

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## Executive Summary

**Project:** Hillcrest  
Maintenance Assessment District

**Apportionment Method:** Linear Frontage Foot (LFF)

	<b>FY 2020</b>	<b>FY 2021 <sup>(1)</sup></b>	<b>Maximum <sup>(2)</sup> Authorized</b>
<b>Total Parcels Assessed:</b>	41	41	--
<b>Total Estimated Assessment:</b>	\$19,077	\$19,437	--
<b>Total Number of LFF:</b>	3,272.24	3,272.24	--
<b>Assessment per LFF:</b>	\$5.83	\$5.94	\$5.94 <sup>(3)</sup>

<sup>(1)</sup> FY 2021 is the City's Fiscal Year 2021, which begins July 1, 2020 and ends June 30, 2021. Total Parcels Assessed, Total Estimated Assessment, and assessment apportionment factors may vary from prior fiscal year values due to parcel changes and/or land use re-classifications.

<sup>(2)</sup> Maximum authorized assessment rate subject to cost-indexing as approved by property owners at the time of District formation.

<sup>(3)</sup> Prior fiscal year's maximum authorized annual assessment rate increased by cost-indexing factor of 1.93%.

**Annual Cost-Indexing:** The maximum authorized assessment rates are cost-indexed and will increase (or decrease) annually based on the annual change in the *San Diego Consumer Price Index for Urban Consumers* (SDCPI-U).

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## Background

The Hillcrest Maintenance Assessment District (District), originally known as the “Mid-City Maintenance Assessment District, Sub-District #12,” was established by the City of San Diego (City) on March 23, 1999 by City Council Resolution R-291373. The purpose of the District was, and still is, to fund specifically identified improvements and activities within the boundary of the District.

In conformity with §65.0221 of the “San Diego Maintenance Assessment District Procedural Ordinance,” the City adopted Resolution No. R-310618 on July 22, 2016, approving the annual budget and assessments for Fiscal Year 2017, and authorizing the levy of the assessments for the life of the District, consistent with the benefit findings and assessment apportionment method contained in the approved formational and all subsequently updated Engineer’s Reports (Engineer’s Reports). The Engineer’s Reports are on file with the City Clerk, and incorporated herein by reference.

The District is authorized and administered under the provisions of the “San Diego Maintenance Assessment District Procedural Ordinance.” This annual report has been prepared pursuant to the requirements of §65.0220 of the “San Diego Maintenance Assessment District Procedural Ordinance.”

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## District Boundary

The District boundary is generally depicted in **Exhibit A**. The District Boundary Map and Assessment Diagram are on file in the Maintenance Assessment Districts section of the Parks and Recreation Department of the City, and, by reference, are made a part of this annual report.

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## Project Description

The authorized assessments will be used to fund specifically identified improvements and activities within the District. The District improvements and activities generally consist of maintenance and servicing associated with landscaped and hardscaped medians, and median gutter sweeping in the District. All improvements to be maintained by the District fall within the dedicated City public rights-of-way. The approximate location of the improvements is generally shown on **Exhibit A**.

For additional detail as to the location, type of improvements, and activities performed by the District, please refer to the maps,

improvement plans, engineering drawings, maintenance specifications, the Engineer's Reports and other associated documents on file with the Maintenance Assessment Districts section of the Parks and Recreation Department of the City. These documents, collectively, are incorporated herein by reference and made part of this annual report.

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## Separation of General and Special Benefits

The identified improvements and activities provide benefits to the parcels located within the District. These benefits are "special benefits" to the extent that they are above and beyond the City's standard level of service, and exclusive of those "general benefits" provided to the public at large or properties located outside the District. By law, only "special benefits" are assessable.

The assessments presented in this annual report are based on the cost of improvements and activities determined to provide "special benefits" in accordance with the Engineer's Reports. For additional detail relative to the separation and quantification of general and special benefits for the District, please refer to the Engineer's Reports, on file with the Maintenance Assessment Districts section of the Parks and Recreation Department of the City.

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## Cost Estimate

The estimated annual budget (Revenue & Expense Statement) is included as **Exhibit B**. The "Other Contributions (Non Assessment Source)" revenue contained in the budget includes the value of improvements and activities determined to provide "general benefits." The District budget with full detail is available for public reference in the Maintenance Assessment Districts section of the Parks and Recreation Department of the City.

### Annual Cost-Indexing

The maximum authorized assessment set forth in the Engineer's Reports is permitted to increase annually based on the published change in the "San Diego Consumer Price Index for Urban Consumers" (SDCPI-U). The annual change in second half SDCPI-U values, as compiled by the *U.S. Bureau of Labor Statistics* (see [www.bls.gov](http://www.bls.gov)), for the prior year period was from 295.018 to 300.718 (a 1.93% increase). In accordance with the approved cost-indexing provisions, the maximum authorized assessment rate has been increased by 1.93%.

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## Method of Apportionment

### Estimated Benefit of the Improvements

The Transportation Element of the City's General Plan and the general policy recommendations found in the local Community Plan establish several goals for the community's transportation system. The District improvements and activities are consistent with the plans' goals for safety and pleasing aesthetics. All benefits assessed to the District are special to this District and are distinct from other parcels in the City.

The improvements and activities, enhanced landscape, streetscape, medians, benches, and additional street lighting) benefit parcels by enhancing the visual aesthetics of the business districts, establishing a continuity of business district appearance, increasing land and business values, promoting public safety and a sense of security for the clientele and employees through increased night lighting, reducing graffiti problems, and creating a sense of community identity and pride.

### Apportionment Methodology

It is estimated that the benefit received by each parcel is directly proportional to the linear front footage of each parcel fronting the improvements. The total cost associated with District improvement and activities has been divided by the total linear front footage of all parcels within the District to determine the unit assessment rate, or cost per linear frontage foot (LFF).



## Sample Calculations

As described above, assessments have been calculated for each parcel based the linear front footage (LFF) of the property along the improvement/service corridor.

LFF = Linear Front Footage
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Shown below are LFF calculations for various sample parcels.

- **Property with 50-foot frontage**  
LFF = 50.00 LFF
- **Property with 140-foot frontage**  
LFF = 140.00 LFF
- **10-unit Condominium Property with 100-foot frontage**  
LFF (per condo unit) = 100.00 LFF / 10 units = 10.00 LFF

The total assessment for each parcel in the District is based on the calculated LFF for the parcel and the applicable unit assessment rate, as shown in the following equation:

Total Assessment = Total LFF x Unit Assessment Rate
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Based on the above formula, the LFF calculated for each property, can be found in the Assessment Roll (**Exhibit C**).

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## Summary Results

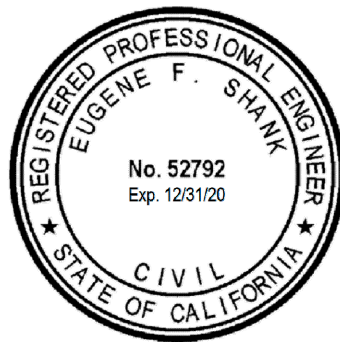
The District Boundary is presented in **Exhibit A**.

An estimate of the annual costs of the improvements and activities provided by the District is included as **Exhibit B**.

The assessment methodology utilized is as described in the text of this annual report. Based on this methodology, the assessments for each parcel were calculated and are shown in the Preliminary Assessment Roll (**Exhibit C**).

Each lot or parcel of land within the District has been identified by unique County Assessor's Parcel Number in the Preliminary Assessment Roll and on the Boundary Map and Assessment Diagram referenced herein.

This annual report has been prepared and respectfully submitted by:



EFS ENGINEERING, INC.

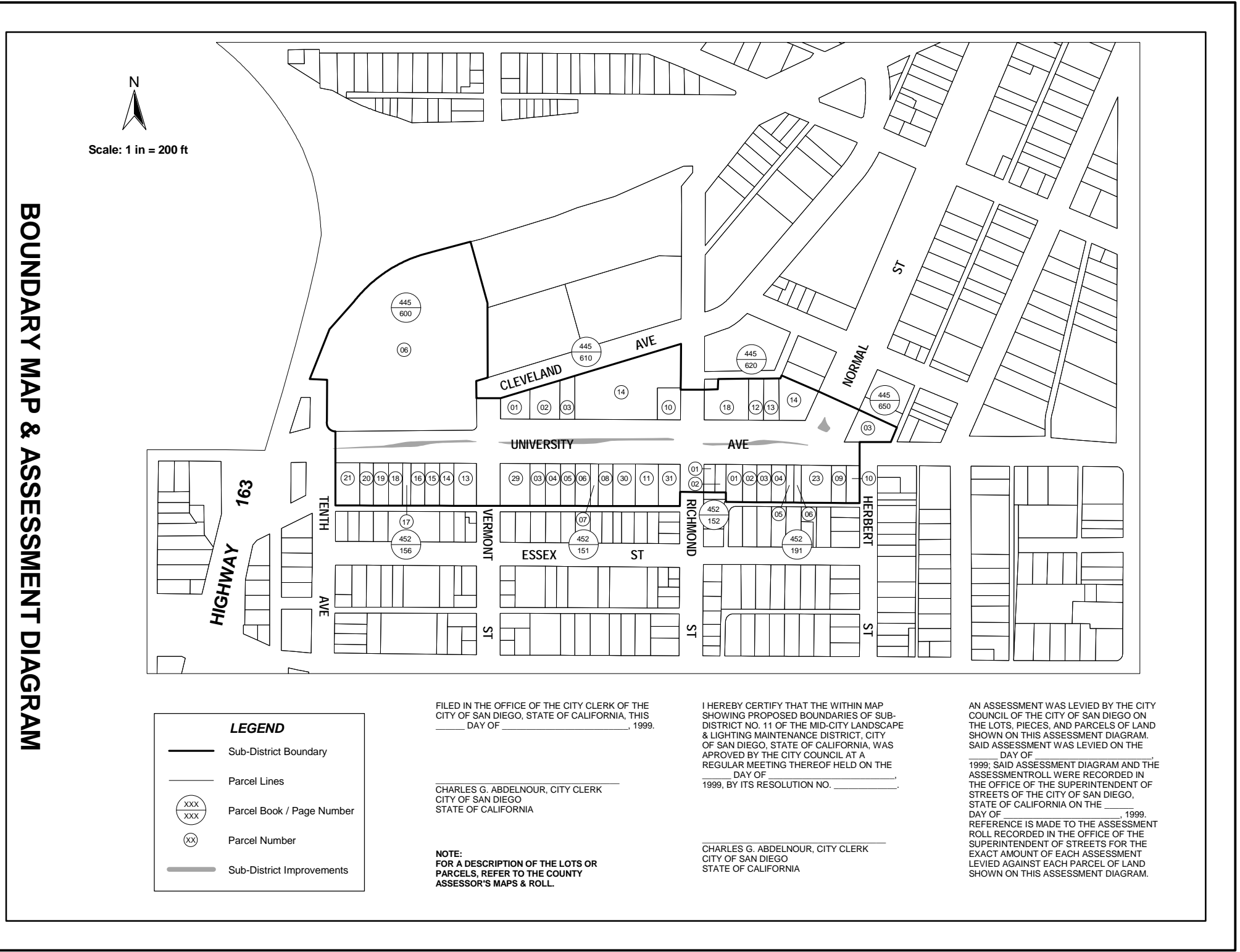
Eugene F. Shank, PE

C 52792

Sharon F. Risse

# EXHIBIT A

## **District Boundary**



CITY OF SAN DIEGO

W.O. \_\_\_\_\_ DATE: \_\_\_\_\_

MID-CITY MAINTENANCE ASSESSMENT DISTRICT SUB-DISTRICT #12

SHEET

# EXHIBIT B

**Estimated Budget – Revenue & Expense Statement  
for Fiscal Year 2021**

# EXHIBIT B

## REVENUE AND EXPENSE STATEMENT

### Hillcrest Maintenance Assessment District Fund 200094

	FY 2019 ACTUALS	FY 2020 ESTIMATE	FY 2021 PROPOSED
<b>BEGINNING FUND BALANCE</b>			
Surplus (or Deficit) from Prior Year	\$ 15,308.02	\$ 15,167.45	\$ 14,073.00
<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$ 15,308.02</b>	<b>\$ 15,167.45</b>	<b>\$ 14,073.00</b>
<b>REVENUE</b>			
Assessment Revenue	\$ 17,823.86	\$ 19,044.00	\$ 19,437.08
Interest	\$ 321.29	\$ 83.00	\$ 83.00
Other Contributions (Non Assessment Source)	\$ 8,949.30	\$ 11,257.00	\$ 12,214.00
<b>TOTAL REVENUE</b>	<b>\$ 27,094.45</b>	<b>\$ 30,384.00</b>	<b>\$ 31,734.08</b>
<b>TOTAL BEGINNING FUND BALANCE &amp; REVENUE</b>	<b>\$ 42,402.47</b>	<b>\$ 45,551.45</b>	<b>\$ 45,807.08</b>
<b>OPERATING EXPENSE</b>			
Landscaping Improvements and Activities <sup>(1)</sup>	\$ 14,231.02	\$ 18,181.30	\$ 19,163.00
Tree Services	\$ 1,495.00	\$ 1,500.00	\$ 1,500.00
Special Districts Administration Cost	\$ 11,509.00	\$ 11,797.00	\$ 12,093.00
<b>TOTAL OPERATING EXPENSE</b>	<b>\$ 27,235.02</b>	<b>\$ 31,478.30</b>	<b>\$ 32,756.00</b>
<b>TOTAL EXPENSE</b>	<b>\$ 27,235.02</b>	<b>\$ 31,478.30</b>	<b>\$ 32,756.00</b>
<b>TOTAL ENDING FUND BALANCE</b>	<b>\$ 15,167.45</b>	<b>\$ 14,073.15</b>	<b>\$ 13,051.08</b>
<b>NET ANNUAL REVENUE (OR EXPENSE)</b>	<b>\$ (140.57)</b>	<b>\$ (1,094.30)</b>	<b>\$ (1,021.92)</b>

<sup>(1)</sup> Includes utility costs.

*The District budget with full detail is available for public reference in the Maintenance Assessment Districts section of the Parks and Recreation Department of the City of San Diego.*

# EXHIBIT C

**Preliminary Assessment Roll  
for Fiscal Year 2021**

# EXHIBIT C - Assessment Roll (Fiscal Year 2021)

## Hillcrest Maintenance Assessment District

Parcel Number	Mid-City Sub-District	Total LFF <sup>(1)</sup> (Lineal Feet)	Unit Cost (\$/LFF)	FY 2021 <sup>(2)</sup> Assessment	Owner Name
445 600 06 00	12	500.51	\$5.94	\$2,973.02	Uptown District Regency L L C
445 610 01 00	12	100.00	\$5.94	\$594.00	San Diego Income Properties Llc
445 610 02 00	12	100.00	\$5.94	\$594.00	San Diego Income Properties Llc
445 610 03 00	12	50.00	\$5.94	\$297.00	San Diego Income Properties Llc
445 610 10 00	12	75.00	\$5.94	\$445.50	Hillcrest Colonnade L P
445 610 14 00	12	275.00	\$5.94	\$1,633.50	Hillcrest Colonnade L P
445 620 12 00	12	50.00	\$5.94	\$297.00	Mcdonalds Corp <Dba Delaware Mcdonalds Corp>
445 620 13 00	12	50.00	\$5.94	\$297.00	Ray Lynn&Hiroko Family Trust 07-17-01
445 620 14 00	12	200.00	\$5.94	\$1,188.00	Hillcrest Village Square Partnership
445 620 18 00	12	150.00	\$5.94	\$891.00	Franchise Realty Interstate Corp
445 650 03 00	12	115.00	\$5.94	\$683.10	7-Eleven Inc <Lf> S E J Asset Management&Investme
452 151 03 00	12	50.00	\$5.94	\$297.00	Sutter Uptown L P
452 151 04 00	12	50.00	\$5.94	\$297.00	Gonzalez-Figuroa Rafael&Gonzalez Maria D L A
452 151 05 00	12	50.00	\$5.94	\$297.00	Gonzalez-Figuroa Rafael&Gonzalez Maria D L A
452 151 06 00	12	50.00	\$5.94	\$297.00	Hess Sandra C Living Trust 10-24-16 Et Al
452 151 07 00	12	25.00	\$5.94	\$148.50	Hess Gregory D Separate Property Trust 06-12-14 Et
452 151 08 00	12	50.00	\$5.94	\$297.00	4061 38Th Street Llc
452 151 11 00	12	75.00	\$5.94	\$445.50	Barta James C Revocable Trust 12-01-99
452 151 29 00	12	100.00	\$5.94	\$594.00	Sutter Uptown L P
452 151 30 00	12	75.00	\$5.94	\$445.50	Theodore Family Trust 06-26-85
452 151 31 00	12	75.00	\$5.94	\$445.50	1295 University Family Ltd Ptnshp
452 152 01 00	12	36.00	\$5.94	\$213.84	Petrone Joseph Separate Property Trust 05-16-18
452 152 02 00	12	36.00	\$5.94	\$213.84	Burni 3 Llc
452 156 13 00	12	75.00	\$5.94	\$445.50	The 1065 Group L L C
452 156 14 00	12	50.00	\$5.94	\$297.00	Disco Pizza L L C
452 156 15 00	12	50.00	\$5.94	\$297.00	Wong Gary Separate Property Trust 06-05-13
452 156 16 00	12	50.00	\$5.94	\$297.00	Joshlin Group L L C
452 156 17 00	12	25.00	\$5.94	\$148.50	Apex Investment Properties Llc
452 156 18 00	12	50.00	\$5.94	\$297.00	Degenhart George J&Toshiko T Trs
452 156 19 00	12	50.00	\$5.94	\$297.00	Kalamaras Family Trust 08-09-00
452 156 20 00	12	50.00	\$5.94	\$297.00	Solomons Mine L L C
452 156 21 00	12	80.50	\$5.94	\$478.16	Feldman 10Th Street Llc
452 191 01 00	12	54.23	\$5.94	\$322.12	Katz Peter R&Teresa M Family Trust 06-09-98
452 191 02 00	12	50.00	\$5.94	\$297.00	Katz Peter R Separate Property Trust 06-09-98
452 191 03 00	12	50.00	\$5.94	\$297.00	Katz Peter R Separate Property Trust 06-09-98
452 191 04 00	12	50.00	\$5.94	\$297.00	Chen Andrew D Property Trust 06-08-99
452 191 05 00	12	25.00	\$5.94	\$148.50	Jannone Revocable Trust B 07-31-89
452 191 06 00	12	25.00	\$5.94	\$148.50	Churchman Margaret Trust 01-05-00
452 191 09 00	12	50.00	\$5.94	\$297.00	Marin Alexander
452 191 10 00	12	50.00	\$5.94	\$297.00	Lin Family Trust 06-04-13
452 191 23 00	12	100.00	\$5.94	\$594.00	Payne Clifton L Sr Revocable Trust 07-29-10
<b>TOTAL</b>		<b>3,272.24</b>	<b>-</b>	<b>\$19,437</b>	

<sup>(1)</sup> Linear Front Footage.

<sup>(2)</sup> FY 2021 is the City's Fiscal Year 2021, which begins July 1, 2020 and ends June 30, 2021.