



Harris & AssociatesSM

SHAPING THE FUTURE ONE PROJECT AT A TIMESM

DRAFT

Maintenance Funding Feasibility Study

Working Waterfront Improvements Harbor Drive

Prepared for:
Unified Port of San Diego

January 2, 2012

TABLE OF CONTENTS

I	Introduction	Pg. 1
II	Analysis of Available Funding Mechanisms	
	A. Introduction	Pg. 3
	B. Issues to Consider	Pg. 3
	C. Proposition 218	Pg. 3
	D. Available Funding Mechanisms	Pg. 5
III	Preliminary Methodology Concepts	
	A. Introduction	Pg. 8
	B. Parcel Data	Pg. 6
	C. Estimated Maintenance Costs	Pg. 9
	D. Benefit Assessment District	Pg. 9
	E. Mello-Roos Community Facilities District Special Tax	Pg. 19
IV	Conclusions	Pg. 21
	Appendix	
	Parcel Listing	Pg. 22

I. INTRODUCTION

As part of the Unified Port of San Diego's project to evaluate the feasibility of developing the portion of the Bayshore Bikeway between 32nd Street and Park Boulevard, Harris & Associates was tasked with identifying available funding operations that could be used to provide a dedicated source of funds for the maintenance of some of the improvements that would be constructed as part of the project.

Currently, the only long remaining segment of the Bayshore Bikeway not completed is the segment from the Tenth Ave Marine Terminal along the Working Waterfront to Naval Base San Diego. Construction of this segment has not progressed for several reasons, including conflicts between the bikeway and the existing on-street parking along Harbor Drive, the impacts on the adjacent off-street parking lots and safety concerns. The Unified Port of San Diego's consultant KTU+A has recently completed their study of the "Harbor Drive Segment –Bayshore Bikeway" which identified a proposed configuration for the Bayshore Bikeway along Harbor Drive to fit within the existing right-of-way and to minimize impacts to parking.

In addition, the Barrio Logan Community Plan update which is currently nearing completion has also drawn attention to the poor state of public amenities on Harbor Drive, including a lack of landscaping, lighting, sidewalks, and drainage. The need to identify a dedicated source of funding for the maintenance of any future improvements was also emphasized in the Barrio Logan Community Plan update's outreach program

In response to these issues, the Port tenants and the Working Waterfront groups have been discussing the formation of an assessment district which would extend from 8th Ave to Naval Base San Diego. The assessment or special tax district would provide a dedicated source of funds for the maintenance of some the proposed improvements along Harbor Drive. The establishment of a funding mechanism for the future maintenance of the planned Harbor Drive improvements is a key component in seeking to qualify for capital funding opportunities. Once the maintenance financing mechanism is in place, the City of San Diego, SANDAG and other funding programs and agencies can be approached for construction of the needed bikeway, sidewalk, landscape, and parking area improvements.

Description of Improvements to be Maintained

It is envisioned that the Maintenance Assessment District (MAD) or Special Tax District (CFD) (collectively hereafter referred to as "The District") through the levy of special assessments or taxes will provides funding for the ongoing maintenance and servicing of specific landscaping and other improvements. As identified in the KTU+A report, this would include maintenance of the Bayshore Bikeway bio-swale, parkway trees, median landscaping, irrigation systems and other improvements. Maintenance of the landscape buffers between the Harbor Drive right-of-way and the adjacent parking lots would be the responsibility of the property owner. The City of San Diego would be responsible for the maintenance of the travel ways and the Bayshore Bikeway hardscape surfaces.

The purpose of this feasibility study is:

1. Identify the feasible funding mechanisms available for funding the maintenance of the planned improvements and the pros and cons of the different mechanisms, including the City of San Diego's Maintenance Assessment District Ordinance and the Mello-Roos Community Facilities Act of 1982.

2. Prepare preliminary methodology concepts and alternative apportionment formulas for an Maintenance Assessment District (MAD) and a Mello-Roos Community Facilities Districts (CFD).
3. Identify the preliminary annual charge on properties based upon an estimate of the annual maintenance costs , and generally analyze the financial impacts associated with the methodology analyses as they relate to the benefiting parcels and various district configurations.

II. ANALYSIS OF AVAILABLE FUNDING MECHANISMS

A. Introduction

This section provides an analysis of available property-based funding mechanisms.

B. Issues to Consider

Establishing a funding source for the maintenance of landscaped areas and related improvements requires that several major issues be considered. The funding source must balance the needs of the City and property owners who would pay for the maintenance, and the unique features of each funding mechanism. This would include:

- **Methodology Requirements.** The concept of special benefit is used in some funding tools (particularly assessments). The special benefit concept requires that a property receive unique and special benefit from the project or activity as a condition of paying for that project or activity.
- **Voter Pool.** All funding mechanisms available which would have property owners pay for the maintenance will be subject to voter approval of some form or another. The voter pool changes depending upon which type of funding mechanism is used. Property owners vote on assessments. Since there are less than 12 registered voters within the preliminary boundary of the district, property owners would also vote on a special tax, however the approval threshold would be 2/3 versus a majority approval for an assessment. This issue of voter pool or “enfranchisement” is often important in selecting a funding mechanism.
- **Vote Weight.** Assessment district votes are weighted by the amount of the assessment. A property with a large assessment has more “vote weight” than properties with small assessments. Special taxes generally operate on the principal of “one person, one vote” and, in some cases “one acre, one vote.” As with the issue of the voter pool, the issue of vote weight may determine which funding mechanism is more appropriate.
- **Allowable Projects / Activities.** Different funding mechanisms allow different types of projects and activities to be funded. Assessments are generally limited to projects and activities that provide special benefit to properties (such as capital projects and operation and maintenance activities). Special taxes are not limited at all.

C. Proposition 218

Passed in 1996 and known as the “Right to Vote on Taxes Act,” Proposition 218 added Articles XIII C and XIII D to the California State Constitution. Article XIII C confirmed a 2/3 vote of the electorate for special taxes, and Article XIII D modified the requirements used to establish benefit assessments and property-based fees and charges.

Benefit Assessments

General vs. Special Benefit. Proposition 218 reads, “Only special benefits are assessable and an agency shall separate the general benefits from the special benefits...” General benefits, if they

exist, now have to be quantified and these general benefits may not be included in the assessment to the specially benefiting properties within the assessment district.

Public Property. Proposition 218 also reads, “Parcels within a district that are owned or used by any (public) agency... shall not be exempt from the assessment unless the agency can demonstrate ... that (the) parcels in fact receive no special benefit.” Publicly owned parcels must be assessed for the benefit they receive so that the cost of their benefit is not passed on to the other parcels being assessed.

Assessment Ballot Proceedings. Proposition 218 reads, “...Each such notice mailed to owners of identified parcels... shall contain a ballot,” and “In tabulating the ballots, the ballots shall be weighted according to the proportional financial obligation of the affected property.” The former Protest Hearing process has now been replaced with an Assessment Balloting process that counts only the ballots that are returned weighted by the proposed assessment amount for each property.

Burden of Proof. Proposition 218 reads, “In any legal action contesting the validity of any assessment, the burden shall be on the agency to demonstrate that the property or properties in question receive a special benefit over and above the benefits conferred on the public at large and that the amount on any contested assessment is proportional to, and no greater than, the benefits conferred on the property or properties in question.” Therefore, the benefit nexus and formula must be defensible, as the burden of proof of the validity of the assessment now rests with the public agency.

Since the passage of Proposition 218 there have been several court rulings, including six (6) recent court rulings over the past several years that have made it more challenging to use assessments to fund services. These are summarized below:

- **Silicon Valley Taxpayers Association vs. Santa Clara County Open Space Authority, Supreme Court ruling dated July 14, 2008.** One of the primary findings of this case was that the improvements/services to be funded must be identified to a level sufficient to establish whether or not a parcel will receive a special benefit from the improvement.
- **Robert Dahms vs. Downtown Pomona Property, Appellate Court ruling dated May 12, 2009.** The Court ruled that parcels can receive a special benefit from improvements funded by assessments if the services funded by the assessment are over and above those already provided by the City, so long as the assessment does not exceed the reasonable cost of the proportional special benefit conferred.
- **Town of Tiburon vs. Jimmie D. Bonander, Appellate Court ruling dated December 31, 2009.** In its review of this case, the Court found that assessments done on the basis of differential costs to establish benefit zones violated the requirement that the assessments be determined in proportion to the special benefits received.
- **Steven Beutz vs. County of Riverside, Appellate Court ruling dated May 26, 2010.** This case reaffirmed the requirement that assessments must be based upon special benefit, and therefore the general benefit must be identified and quantified in order to establish the level of special benefit that exist.

- **Concerned Citizens vs. Consolidated Fire Protection District, Appellate Court ruling dated August 5, 2011.** This case calls into question the ability of local governments to impose assessments to fund services or facilities for fire protection, park maintenance or other services. In order to levy assessments for these purposes, a local government must be able to clearly demonstrate that the services provide a special benefit to property and separate the general benefits from the special benefits
- **Golden Hill Neighborhood Association, Inc. v. City of San Diego, Appellate Court ruling dated September 22, 2011.** This case illustrated the importance of documenting the special benefit received by parcels and the proportionality of the assessments. In addition, the court also held that the assessment engineer’s report failed to separate and quantify the general and special benefits received from the proposed services and improvements.

D. Available Funding Mechanisms

The following information has been prepared to provide an easy reference to the different funding mechanisms. Under the heading of each funding mechanism is an outline of the requirements and applications, and the pros and cons for the mechanism.

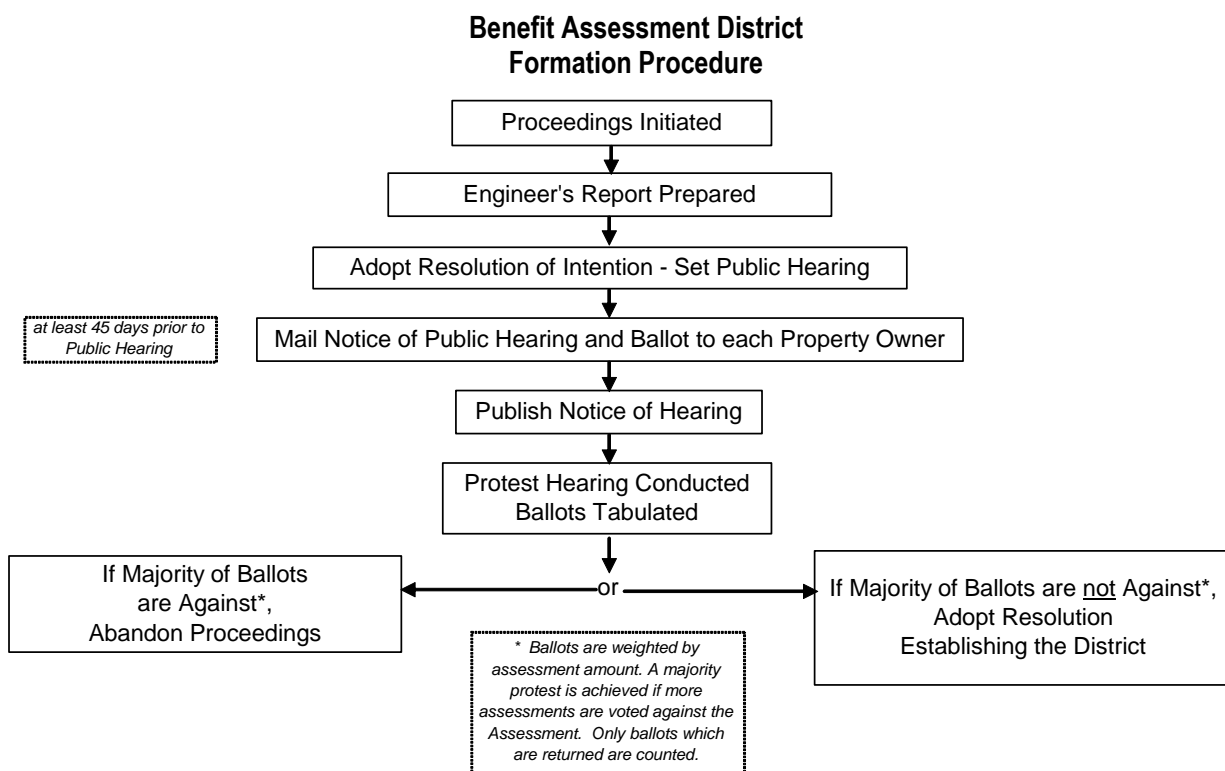
- **Maintenance Assessment District (or MAD),** these are authorized by the State of California under the California Streets and Highways Code (Part 2 of Division 15) which is typically referred to as the “Landscape and Lighting Act of 1972, and the provisions of the San Diego Maintenance District Ordinance (Division 2, Article 5, Chapter 5 of the San Diego Municipal Code).
- **Community Facilities District (or CFD),** these are authorized by the State of California under the Government Code (Part 1 of Division 2) Mello-Roos Community Facilities Act of 1982 (the “Mello-Roos Act”).

Flowcharts of the formation processes for each funding mechanism have also been provided.

1. Benefit Assessment (utilizing the Landscape and Lighting Act of 1972)

1. Special / general benefit analysis required (only special benefits may be assessed)
2. Public property share of benefit must be “assessed” to the public property
3. Property owner vote
4. Requires 50% approval of property owner ballots returned (weighted by assessment amount)

A flowchart is shown on the following page which summarizes the formation process for a Benefit Assessment.



Pros:

- a. 50% approval, by assessment amount, of the property owners returning their ballots

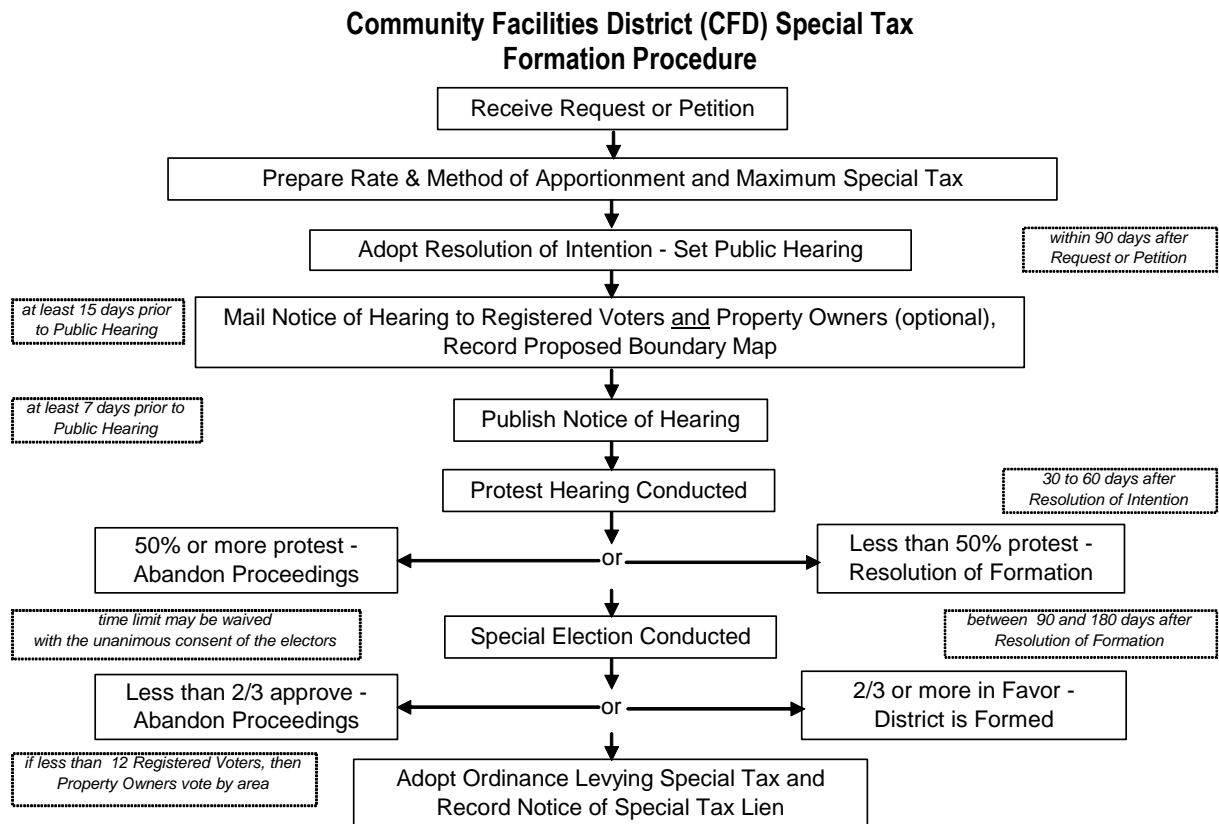
Cons:

- a. Requires a benefit methodology, which must include public property that receives a special benefit (which are difficult to collect from)
- b. General benefit must be quantified and the assessed amounts must exclude any general benefits
- c. Increasing levels of scrutiny by the courts and property owner challenges have made it more difficult to document special benefit to withstand challenges

2. Special Tax (Utilizing the Mello-Roos Act)

1. No benefit analysis required – but tax rate structure must be “reasonable”
2. Property owner vote, unless there are more than 12 registered voters within the district boundaries, weighted by area of the property.
3. Requires 2/3 approval of tax of the votes cast.

The following is a flowchart of the formation process for a Mello-Roos CFD special tax.



Pros:

- a. Does not require a benefit nexus, this allows greater flexibility in how costs are allocated to parcels
- b. Is not limited to funding only “special” benefit
- c. Boundaries are not based on benefit, this allows parcels to be excluded/included from the district

Cons:

- a. Requires 2/3 approval of property owners, by area, if less than 12 registered voters.
- b. Publicly owned parcels cannot be taxed (with limited exceptions)

III. PRELIMINARY METHODOLOGY CONCEPTS

A. Introduction

This section provides an analysis of the preliminary methodology concepts and alternative apportionment formulas for the formation of a Maintenance Assessment District (MAD) and a Mello-Roos Community Facilities District (CFD). The methodology concepts presented will need to be refined once the preferred funding mechanism has been selected and the specific improvements to be maintained identified.

B. Parcel Data

Under both MAD's and CFD's the assessment or special tax would be levied upon parcels of real property, and the approval for the establishment of the assessment or special tax would require the approval of the property owners who would be obligated to pay the assessment or special tax. As described previously, the approval threshold is different depending upon whether it is a MAD or a CFD. The preliminary boundary for the District is shown in Figure 1

Since both the MAD and CFD require the approval of property owners and are levied upon real property, a parcel database was developed for the property within the proposed boundary of the district. This includes parcels which have a taxable possessory interest where the land is leased from the San Diego Port District, since the owner of the possessory interest would be directly liable for the payment of any assessment or special tax. While the method of voting is different for the formation of a MAD versus a CFD, they are both based upon property ownership, including possessory interest. Although the summary also shows those parcels which are tenant occupied, the underlying property owner would vote on the formation of either type of special district rather than the tenant in accordance with the applicable enabling legislation governing the formation of either a MAD or CFD.

Since many of the public trust parcels of land owned or managed by the San Diego Port District include submerged lands, only those portions of a parcel that are deemed useable (which excludes the waterside portion of any parcel) as determined by the Port District were included in the database.

In addition, the current land use for each parcel is also shown in the parcel database. The land use shown is based upon the current land use shown in the Assessor's parcel data, information provided by the San Diego Port District and a review of aerial photos for the area. The land use categories assigned to parcels were:

- Industrial
- Commercial
- Active Railroad
- Parking
- Utility, and
- Exempt

However, because of the convoluted parcel configurations, overlaying easements, SBE parcels and other factors it is often difficult to assign a single land use to a parcel. In reviewing the parcel data, there were also differences noted in the area for many of the parcels between the data provided by the Port District and the County Assessors data. This included the parcel area for real property, as well

as for possessory interest parcels. Prior to the beginning of any formation proceedings, these discrepancies' will need to be resolved. A summary of the parcel ownership data is shown in Figure 2. A detailed summary of the parcel data is included in Appendix A.

C. Estimated Maintenance Costs

A summary of the estimated cost (in current dollars) for maintenance of the improvements to be maintained by the proposed special financing district is shown below. The estimated quantities and maintenance activities are based upon the information shown in the “Harbor Drive Segment-Bayshore Bikeway, Parking, Trail Layout and Urban Design Features Report” prepared for the Unified Port of San Diego by KTU+A.

Maintenance Quantities	Monthly	Unit Cost	Quarterly	Unit Cost	Annually	Unit Cost	Unit	Annual Cost	Maintenance Type and Frequency
Parkway stream course rock and cobble					15,768.00	0.35	SF	\$ 5,518.80	Annual inspection for loose rocks and weeding
Maintain Parkway native planting irrigation	18,992	\$ 0.20					SF	\$ 45,580.80	Monthly inspection of irrigation and trash pickup
Maintain parkway native planting areas			4,076	\$ 1.65			Plants	\$ 26,901.60	Quarterly inspection for plant replacement, disease control & weeding
Median stream course rock and cobble					19,146	\$ 0.35	SF	\$ 6,701.10	Annual inspection for loose rocks and weeding
Maintain Median native planting irrigation	47,130	\$ 0.20					SF	\$ 113,112.00	Monthly inspection of irrigation and trash pickup
Maintain median concrete strip					20,679	\$ 0.10	SF	\$ 2,067.90	Annual inspection for damage and repair as-needed
Maintain median native planting area			8,069	\$ 1.65			SF	\$ 53,255.40	Quarterly inspection for plant replacement, disease control & weeding
Maintain turn lane stream course rock and cobble mortar set					5,405	\$ 0.35	EA	\$ 1,891.75	Annual inspection for loose rocks and weeding
Maintain turn lane concrete strip					6,448	\$ 0.10	EA	\$ 644.80	Annual inspection for damage and repair as-needed
Median 36" box trees					130	\$ 60.00	EA	\$ 7,800.00	Annual inspection for disease, and pruning/shaping
Parkway 36" box trees					252	\$ 60.00	EA	\$ 15,120.00	Annual inspection for disease, and pruning/shaping
								\$ 278,594.15	Total Estimated Maint. Cost
								\$ 97,507.95	Special District District Administration (35%)
								\$ 376,102.10	Estimated Total Annual Cost

The estimated unit costs shown are based upon costs from similar types of maintenance districts and will need to be updated and confirmed by City of San Diego staff.

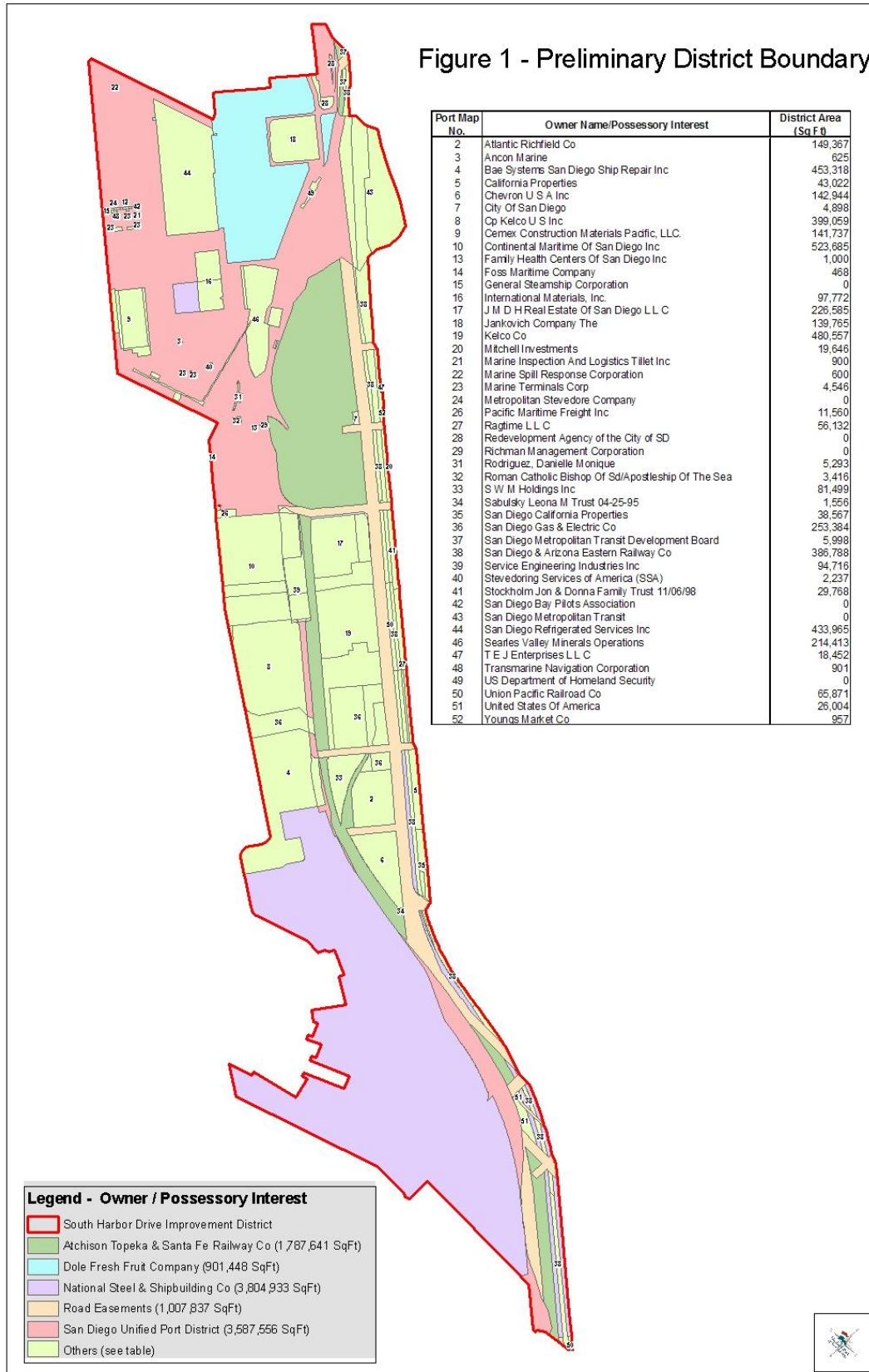


Figure 2
Summary of Parcel Data

Port Name / Tenant	Real Property	Posssory Interest	Tenant	Total Square Ft.
Atlantic Richfield Co Total	149,367	-	-	149,367
Ancon Marine Total	-	625	-	625
Bae Systems San Diego Ship Repair Inc Total	-	453,318	-	453,318
California Properties Total	43,022	-	-	43,022
Chevron U S A Inc Total	142,944	-	-	142,944
City Of San Diego Total	4,898	-	-	4,898
Cp Kelco U S Inc Total	-	399,059	-	399,059
Cemex Construction Materials Pacific, LLC. Total	-	141,737	2,457	144,194
Continental Maritime Of San Diego Inc Total	-	523,685	3,094	526,779
Eastern Car Liner Americas, In Total	-	-	450	450
Family Health Centers Of San Diego Inc Total	-	1,000	-	1,000
Foss Maritime Company Total	-	468	-	468
General Steamship Corporation Total	-	-	901	901
International Materials, Inc. Total	-	97,772	-	97,772
J M D H Real Estate Of San Diego L L C Total	226,585	-	-	226,585
Jankovich Company The Total	-	139,765	-	139,765
Kelco Co Total	480,558	-	-	480,558
Mitchell Investments Total	19,646	-	-	19,646
Marine Inspection And Logistics Tillet Inc Total	-	900	-	900
Marine Spill Response Corporation Total	-	600	-	600
Marine Terminals Corp Total	-	4,546	1,350	5,896
Metropolitan Stevedore Company Total	-	450	-	450
Pacific Maritime Freight Inc Total	-	11,560	-	11,560
Ragtime L L C Total	56,133	-	-	56,133
Redevelopment Agency of the City of SD Total	-	-	19,272	19,272
Richman Management Corporation Total	-	-	200	200
Rodriguez, Danielle Monique Total	-	5,293	-	5,293
Roman Catholic Bishop Of Sd/Apostleship Of The Sea Tot	-	3,416	-	3,416
S W M Holdings Inc Total	81,499	-	-	81,499
Sabulsky Leona M Trust 04-25-95 Total	1,556	-	-	1,556
San Diego California Properties Total	38,567	-	-	38,567
San Diego Gas & Electric Co Total	253,384	-	93,463	346,847
San Diego Metropolitan Transit Development Board Total	5,998	-	-	5,998
San Diego & Arizona Eastern Railway Co Total	386,788	-	-	386,788
Service Engineering Industries Inc Total	94,715	-	-	94,715
Stevedoring Services of America (SSA) Total	-	2,237	-	2,237
Stockholm Jon & Donna Family Trust 11/06/98 Total	29,768	-	-	29,768
San Diego Bay Pilots Association Total	-	-	901	901
San Diego Metropolitan Transit Total	-	-	434,625	434,625
San Diego Refrigerated Services Inc Total	-	433,965	-	433,965
Searles Valley Minerals Operations Total	-	214,413	-	214,413
T E J Enterprises L L C Total	18,452	-	-	18,452
Transmarine Navigation Corporation Total	-	901	-	901
US Department of Homeland Security Total	-	-	8,466	8,466
Union Pacific Railroad Co Total	65,870	-	-	65,870
United States Of America Total	26,004	-	-	26,004
Youngs Market Co Total	957	-	-	957
Atchison Topeka & Santa Fe Railway Co Total	1,787,641	-	-	1,787,641
Dole Fresh Fruit Company Total	-	901,448	-	901,448
National Steel & Shipbuilding Co Total	204,493	3,600,440	-	3,804,933
San Diego Unified Port District Total	3,587,556	-	-	3,587,556
Total	7,706,401	6,937,598	565,179	15,209,178

D. Benefit Assessment District

Section 4.a of Article XIID of the State Constitution (Proposition 218) states that:

“An agency which proposed to levy an assessment shall identify all parcels which will have a special benefit conferred upon them and upon which an assessment will be imposed. The proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the capital cost of a public improvement or the maintenance and operation expenses of a public improvement or for the cost of the property related service being provided. No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are assessable, and an agency must separate the general benefits from the special benefits conferred on a parcel.”

Additionally, Proposition 218 requires that all parcels that benefit from improvements or services be assessed for that benefit, whether the properties are publicly or privately owned, so parcels owned by the Port District, City-owned property, as well as properties owned by other public entities, are required to be assessed unless there is “clear and convincing evidence that those publicly owned parcels in fact receive no special benefit”..

The benefit nexus test imposed by Proposition 218 effectively limits the special assessment to funding those services which directly and specially benefit the properties within the MAD and the limits the amount of the assessment to the proportional special benefit received by the parcel. Any general benefits, must be identified, quantified and cannot be assessed to parcels.

1. Separation of General and Special Benefits

Historically, in separating general and special benefit the City of San Diego has made a contribution to the various MAD’s within the City with annual contributions from the Gas Tax Fund. Those contributions are considered to represent or offset any “general benefits” related to the maintenance services administered by a District. All other maintenance, operations, and administration costs associated with the improvements within the District, which exceed the City’s contribution to the public at large, are accordingly considered to be “special benefits” funded by the District.

The basis for this identification of general benefit is that the contribution is consistent with the level of maintenance provided to the “public at large” under City funded and administered maintenance programs for the maintenance of medians, landscaped areas and pathways on public property. Since the level of improvements to be provided, and the associated maintenance costs of those improvements are greater than the level provided by the City, the enhanced level of improvements and the maintenance of those improvements are “special benefit” since they represent a level of service that are not provided by the City or are provided at a lesser service level. Further, without the proceeds from the assessments that will be used to fund the enhanced level of maintenance within the MAD, the enhanced level of maintenance would not be provided and the improvements would likely deteriorate to a state of disrepair of time.

Based upon this, the estimated portion of the annual maintenance costs that represents a “special benefit” to the parcels is shown below. A contribution for general benefit for median maintenance (32.20¢ per square foot of landscaped median and 12.84¢ per square foot of hardscaped median for FY 2012) is shown. These cost allocations, are reviewed and adjusted annually by the City,

Maintenance Quantities	Monthly	Unit Cost	Quarterly	Unit Cost	Annually	Unit Cost	Unit	Annual Cost	Maintenance Type and Frequency
Parkway stream course rock and cobble					15,768.00	0.35	SF	\$ 5,518.80	Annual inspection for loose rocks and weeding
Maintain Parkway native planting irrigation	18,992	\$ 0.20					SF	\$ 45,580.80	Monthly inspection of irrigation and trash pickup
Maintain parkway native planting areas			4,076	\$ 1.65			Plants	\$ 26,901.60	Quarterly inspection for plant replacement, disease control & weeding
Median stream course rock and cobble					19,146	\$ 0.35	SF	\$ 6,701.10	Annual inspection for loose rocks and weeding
Maintain Median native planting irrigation	47,130	\$ 0.20					SF	\$ 113,112.00	Monthly inspection of irrigation and trash pickup
Maintain median concrete strip					20,679	\$ 0.10	SF	\$ 2,067.90	Annual inspection for damage and repair as-needed
Maintain median native planting area			8,069	\$ 1.65			SF	\$ 53,255.40	Quarterly inspection for plant replacement, disease control & weeding
Maintain turn lane stream course rock and cobble mortar set					5,405	\$ 0.35	EA	\$ 1,891.75	Annual inspection for loose rocks and weeding
Maintain turn lane concrete strip					6,448	\$ 0.10	EA	\$ 644.80	Annual inspection for damage and repair as-needed
Median 36" box trees					130	\$ 60.00	EA	\$ 7,800.00	Annual inspection for disease, and pruning/shaping
Parkway 36" box trees					252	\$ 60.00	EA	\$ 15,120.00	Annual inspection for disease, and pruning/shaping
								\$ 278,594.15	Total Estimated Maint. Cost
								\$ 97,507.95	Special District Administration (35%)
								\$ 376,102.10	Estimated Total Annual Cost
Less General Benefit Contribution (\$0.3309/sf for landscaped & \$0.025 for hardscaped areas)								\$ 23,539.47	
									Amount to be Assessed
								\$ 352,562.63	

2. Special Benefit Discussion

The overall improvements proposed for Harbor Drive, between 32nd Street and Park Boulevard, within the boundaries of the MAD are intended to provide a “branding for the area and to set a character for the working waterfront”. The overall project has an estimated construction costs in excess of \$15 million dollars, including over \$3 million for parking lot construction and over \$2 million for landscape, irrigation and median improvements.

The result of these improvements, including the on-going maintenance of the parkway trees and landscaping, median landscaping, irrigation systems which will be funded by assessments, will provide a special benefit to the properties within the MAD.

Specifically, the special benefit to parcels within the MAD would include, but not limited to, the following:

- Increased Public Safety – Each parcel would receive a special benefit related to the improvements to be constructed along Harbor Drive, including the maintenance of the parkway trees and landscaping, median trees and landscaping and hardscape. Those improvements will improve the safety for vehicular ingress/egress to parcels and parking areas, pedestrians as they transit from parking areas to parcels, and provide for the separation of vehicular and pedestrian/bicycle traffic.
- Improved Aesthetics – Each parcel would receive a special benefit from the ongoing maintenance of the landscaped roadway medians and parkways to be maintained by the District consistent with Policy 2.7.22 of the Barrio Logan Community Plan to “Enhance infrastructure and working environment within areas designated for maritime uses to better serve businesses and industry”.

The following section describes the a proposed methodology that could be used to assess the parcels within the district in proportion to the benefit each parcel receives in accordance with the requirements of the enabling legislation. However as noted in the discussion regarding several recent court rulings, the “bar has been raised” and the burden is on the agency to show that a parcel receives a special benefit over and above the benefits conveyed to the public at large.

3. Benefit Apportionment

Prior to calculating the total costs of maintenance to be apportioned to each parcel, a methodology must be developed to calculate the proportional benefit which each parcel receives. This is done by calculating the Equivalent Benefit Units (EBU’s) assigned to a parcel and then allocating the costs proportion to the total EBU’s assigned to all of the parcels within the MAD.

EBU’s are assigned to parcels based upon the size of a parcel, its land use and a benefit factor related to land use. .

The benefit formula is as follows:

$$\text{Parcel Area} \times \text{Land Use Factor} \times \text{Benefit Factor} = \text{Equivalent Benefit Points}$$

The Benefit Factors can be calculated in a number of ways. Since the improvements to be maintained are associated with the planned improvements to Harbor Drive, trip generation rates for the various land use categories are used as the basis for determining the Land Use Factor to be assigned to each parcel. The Land Use Factor shown in Table 1 are based upon the trip generation rates shown in the City of San Diego *Trip Generation Manual* (May, 2003) and are proportional between land uses.

Table 1
Land Use Factor by Land Use

Code	Land Use	Land Use Factor
IND	Industrial	1.0
COM	Commercial	2.0
PRK	Parking	0.1
RR	Active Railroad	0.0
UTL	Utility	0.0
EXE	Exempt	0.0

While the Land Use Factor is used to establish relative proportionality based upon the intensity of use of a parcel, the Benefit Factor is used to establish the proportionality of the special benefit received by parcels from the improvement to be maintained by the District. As shown in Table 2, two (2) Benefit Factors have been identified, which are used to establish the relative benefit received by the different land uses within the District based upon

the improvements to be maintained. For this feasibility study, two types of benefit factors have been identified as described earlier:

- **Safety Benefit Factor** – Each parcel would receive a special benefit related to the improvements to be constructed along Harbor Drive, including the maintenance of the parkway trees and landscaping, median trees and landscaping and hardscape. Those improvements will improve the safety for vehicular ingress/egress to parcels and parking areas, pedestrians as they transit from parking areas to parcels, and provide for the separation of vehicular and pedestrian/bicycle traffic.
- **Aesthetics Benefit Factor** – Each parcel would receive a special benefit from the ongoing maintenance of the landscaped roadway medians and parkways to be maintained by the District consistent with Policy 2.7.22 of the Barrio Logan Community Plan to “Enhance infrastructure and working environment within areas designated for maritime uses to better serve businesses and industry”.

As seen in Table 2, those parcels which have daily activity and are trip generators are deemed to receive a greater benefit related to the improved safety related to vehicular ingress/egress and the separation of vehicular and pedestrian/bicycle traffic than those parcels which are used for passive activities and generate little traffic on a daily basis. Although parcels used for parking are generally ancillary uses, in this District because of the number of parcels which do not provide the necessary on-site parking and the fact that many of the parcels used for parking are on leased lands, a Safety Benefit Factor has been assigned to this land use. It was determined that parcels which are used to Active Railroad uses and exempt parcels (due to their small size) do not receive a Safety Benefit from the improvements to be maintained by the District.

Table 2
Benefit Factors by Land Use

Land Use	Safety Benefit Factor	Aesthetic Benefit Factor	Total Benefit Factor
Industrial	0.5	0.3	0.8
Commercial	0.5	0.5	1.0
Parking	0.3	0.1	0.4
Active Railroad	0.0	0.0	0.0
Utility	0.03	0.0	0.0
Exempt	0.0	0.0	0.0

4. Estimated Annual Assessment Amounts

Based upon the estimated maintenance costs less the anticipated contribution for General Benefit, the amount to be assessed to parcels in the District has been apportioned to each parcel as shown in Figure 3. The amount shown is based upon the land use assigned to the

parcel, which may change as additional data is gathered. It should also be noted that assessments could change in future years if a parcel's use changes as well.

At the time the District is formed, it is recommended that a cost of living adjustment be included which would allow the assessment amount to be increased without requiring approval of the property owners. It is recommended the annual increase be limited to the annually change in the San Diego Consumer Price Index for Urban Consumers (SDCPI-U) plus three percent (3%). Any increase beyond this or other significant changes in the services provided within the District would still require the approval of the property owners under a Proposition 218 proceeding.

Figure 3
Preliminary Annual Assessments

Port Map No.	Owner Name/Possessory Interest	Land Use	Total Area (Sq Ft)	Assessable Area (Sq Ft)	Land Use Factor	Benefit Factor	Total EBU's	Preliminary Assessment
2	Atlantic Richfield Co	IND/Util Gas	149,367	149,367	1.0	0.8	119,494	\$ 4,062
3	Ancon Marine	IND	625	625	1.0	0.8	500	\$ 17
4	Bae Systems San Diego Ship Repair Inc	IND	453,318	453,318	1.0	0.8	362,654	\$ 12,328
5	California Properties	Parking	43,022	43,022	0.1	0.4	1,721	\$ 58
6	Chevron U S A Inc	IND/Util Gas	142,944	142,944	1.0	0.8	114,355	\$ 3,887
7	City Of San Diego	IND	4,898	4,898	1.0	0.8	3,918	\$ 133
8	Cp Kelco U S Inc	IND	399,059	399,059	1.0	0.8	319,247	\$ 10,852
9	Cemex Construction Materials Pacific, LLC.	IND	144,194	141,737	1.0	0.8	113,390	\$ 3,854
10	Continental Maritime Of San Diego Inc	IND	526,779	523,685	1.0	0.8	418,948	\$ 14,241
13	Family Health Centers Of San Diego Inc	Parking	1,000	1,000	0.1	0.4	40	\$ 1
14	Foss Maritime Company	IND	468	468	1.0	0.8	374	\$ 13
15	General Steamship Corporation	IND	901	0	1.0	0.8	-	\$ -
16	International Materials, Inc.	IND	97,772	97,772	1.0	0.8	78,218	\$ 2,659
17	J M D H Real Estate Of San Diego L L C	IND	226,585	226,585	1.0	0.8	181,268	\$ 6,162
18	Jankovich Company The	IND	139,765	139,765	1.0	0.8	111,812	\$ 3,801
20	Mitchell Investments	Access/Parking	19,646	19,646	0.1	0.4	786	\$ 27
21	Marine Inspection And Logistics Tillet Inc	COM	900	900	2.0	1.0	1,800	\$ 61
22	Marine Spill Response Corporation	IND	600	600	1.0	0.8	480	\$ 16
23	Marine Terminals Corp	COM	5,896	4,546	2.0	1.0	9,092	\$ 309
24	Metropolitan Stevedore Company	COM	450	0	2.0	1.0	-	\$ -
26	Pacific Maritime Freight Inc	IND	11,560	11,560	1.0	0.8	9,248	\$ 314
27	Ragtime L L C	Access/Parking	56,132	56,132	0.1	0.4	2,245	\$ 76
28	Redevelopment Agency of the City of SD	COM	19,272	0	2.0	1.0	-	\$ -
29	Richman Management Corporation	COM	200	0	2.0	1.0	-	\$ -
31	Rodriguez, Danielle Monique	COM	5,293	5,293	2.0	1.0	10,586	\$ 360
32	Roman Catholic Bishop Of Sd/Apostleship Of The Sea	COM	3,416	3,416	2.0	1.0	6,832	\$ 232
33	S W M Holdings Inc	IND/storage	81,499	81,499	1.0	0.8	65,199	\$ 2,216
34	Sabulsky Leona M Trust 04-25-95	IND	1,556	1,556	1.0	0.8	1,245	\$ 42
35	San Diego California Properties	Parking	38,567	38,567	0.1	0.4	1,543	\$ 52
37	San Diego Metropolitan Transit Development Board	RR	5,998	5,998	0.0	0.0	-	\$ -
40	Stevedoring Services of America (SSA)	IND	2,237	2,237	1.0	0.8	1,790	\$ 61
41	Stockholm Jon & Donna Family Trust 11/06/98	Access/Parking	29,768	29,768	0.1	0.4	1,191	\$ 40
42	San Diego Bay Pilots Association	IND	901	0	1.0	0.8	-	\$ -
43	San Diego Metropolitan Transit	RR / RR Yard	434,625	0	0.0	0.0	-	\$ -
44	San Diego Refrigerated Services Inc	IND	433,965	433,965	1.0	0.8	347,172	\$ 11,801
46	Searles Valley Minerals Operations	IND	214,413	214,413	1.0	0.8	171,530	\$ 5,831
47	T E J Enterprises L L C	Access/Parking	18,452	18,452	0.1	0.4	738	\$ 25
48	Transmarine Navigation Corporation	COM	901	901	2.0	1.0	1,802	\$ 61
49	US Department of Homeland Security	IND	8,466	0	1.0	0.8	-	\$ -
51	United States Of America	Parking	26,004	26,004	0.1	0.4	1,040	\$ 35
52	Youngs Market Co	Access/Parking	957	957	0.1	0.4	38	\$ 1
Dole	Dole Fresh Fruit Company	IND	901,448	901,448	1.0	0.8	721,158	\$ 24,514
19	Kelco Co	IND	417,725	417,725	1.0	0.8	334,180	\$ 11,360
19	Kelco Co	IND/Parking	62,832	62,832	1.0	0.8	50,266	\$ 1,709
	Sub-total		480,557	480,557			384,446	\$ 13,068

**Figure 3 (continued)
 Preliminary Annual Assessments**

Port Map No.	Owner Name/Possessory Interest	Land Use	Total Area (Sq Ft)	Assessable Area (Sq Ft)	Land Use Factor	Benefit Factor	Total EBU's	Preliminary Assessment
36	San Diego Gas & Electric Co	IND/storage	101,624	101,624	1.0	0.8	81,299	\$ 2,764
36	San Diego Gas & Electric Co	Utility SubStn	245,223	151,760	0.0	0.0	-	\$ -
	Sub-total		346,847	253,384			81,299	\$ 2,764
38	San Diego & Arizona Eastern Railway Co	Access/Parking	35,783	35,783	0.1	0.4	1,431	\$ 49
38	San Diego & Arizona Eastern Railway Co	EXE	191	191	0.0	0.0	-	\$ -
38	San Diego & Arizona Eastern Railway Co	RR	350,814	350,814	0.0	0.0	-	\$ -
	Sub-total		386,788	386,788			1,431	\$ 49
39	Service Engineering Industries Inc	COM	37,200	37,200	2.0	1.0	74,400	\$ 2,529
39	Service Engineering Industries Inc	IND	57,516	57,516	1.0	0.8	46,013	\$ 1,564
	Sub-total		94,716	94,716			120,413	\$ 4,093
50	Union Pacific Railroad Co	RR	3,578	3,578	0.0	0.0	-	\$ -
50	Union Pacific Railroad Co	Station/unmand	19,578	19,578	0.0	0.0	-	\$ -
50	Union Pacific Railroad Co	VAC	25,239	25,239	0.0	0.0	-	\$ -
50	Union Pacific Railroad Co	VAC/Utility	17,476	17,476	0.0	0.0	-	\$ -
	Sub-total		65,871	65,871			-	\$ -
AT & SF RR	Atchison Topeka & Santa Fe Railway Co	Access/Parking	10,646	10,646	0.1	0.4	426	\$ 14
AT & SF RR	Atchison Topeka & Santa Fe Railway Co	IND	7,885	7,885	1.0	0.8	6,308	\$ 214
AT & SF RR	Atchison Topeka & Santa Fe Railway Co	IND or EXE **	101,079	101,079	0.0	0.0	-	\$ -
AT & SF RR	Atchison Topeka & Santa Fe Railway Co	IND/Parking	1,153,850	1,153,850	1.0	0.8	923,080	\$ 31,378
AT & SF RR	Atchison Topeka & Santa Fe Railway Co	IND/RRfuelcar	71,295	71,295	1.0	0.8	57,036	\$ 1,939
AT & SF RR	Atchison Topeka & Santa Fe Railway Co	Parking	7,564	7,564	0.1	0.4	303	\$ 10
AT & SF RR	Atchison Topeka & Santa Fe Railway Co	RR	58,907	58,907	0.0	0.0	-	\$ -
AT & SF RR	Atchison Topeka & Santa Fe Railway Co	RR/Parking	260,719	260,719	0.0	0.0	-	\$ -
AT & SF RR	Atchison Topeka & Santa Fe Railway Co	RR/parking	115,695	115,695	0.0	0.0	-	\$ -
	Sub-total		1,787,640	1,787,640			987,152	\$ 33,556
Natl Steel	National Steel & Shipbuilding Co	IND	3,568,625	3,568,625	1.0	0.8	2,854,900	\$ 97,047
Natl Steel	National Steel & Shipbuilding Co	Parking	163,149	163,149	0.1	0.4	6,526	\$ 222
Natl Steel	National Steel & Shipbuilding Co	RR Stn/Util	16,810	16,810	0.0	0.0	-	\$ -
Natl Steel	National Steel & Shipbuilding Co	RR/Parking	3,517	3,517	0.0	0.0	-	\$ -
Natl Steel	National Steel & Shipbuilding Co	Util/Parking	21,017	21,017	0.1	0.0	-	\$ -
Natl Steel	National Steel & Shipbuilding Co	IND/Access	31,815	31,815	1.0	0.8	25,452	\$ 865
	Sub-total		3,804,933	3,804,933			2,886,878	\$ 98,134
Port	San Diego Unified Port District	IND	3,429,006	3,429,006	1.0	0.8	2,743,205	\$ 93,250
Port	San Diego Unified Port District	PARK	148,389	148,389	0.1	0.4	5,936	\$ 202
Port	San Diego Unified Port District	RR / RR Yard	10,611	10,611	0.0	0.0	-	\$ -
	Sub-total		3,588,006	3,588,006			2,749,140	\$ 93,452
Totals			15,209,177	14,643,998			10,392,214	\$ 353,263

E. Mello-Roos Community Facilities District Special Tax

Mello-Roos Special Taxes may also fund the maintenance services to be provided within the District, provided a 2/3-voter approval is received. Since there are less than 12 registered voters within the boundaries of the CFD, the 2/3 vote is by properties weighted by parcel size.

1. Special Tax Options

As there are no benefit nexus or usage proportionality requirements for a CFD as there are with a MAD, there would be greater latitude regarding the configuration of the CFD and/or structure of the tax. Properties can be taxed based on any tax formula that is deemed palatable enough to pass with a 2/3 vote, as long as the legislative body can make a finding that it is reasonable.

Unlike in a MAD where the assessment amount must be proportion to the special benefit received by a parcel, the CFD tax formula could be per parcel, based on area or on some other measurable attribute, such as frontage.

For the purposes of this study, the basis of levying the special tax apportionment is proportional to the taxable parcel area (which excluded any submerged lands or other areas deemed unusable). Parcels with active railroad uses shall be exempt from the levy of the special tax. This is a fair and reasonable method of spreading the costs.

2. District Configuration

As mentioned above, there is greater latitude in determining which parcels to include within a CFD. For comparison purposes, the CFD boundaries are the same as the MAD project shown earlier in Figure 1.

3. CFD Estimated Maintenance Costs

Since the CFD is a special tax rather than a benefit assessment, there is no requirement that general benefit be removed from the amount to be assessed or that the amount of the special tax be less than the special benefit received by a parcel. For comparison purposed, the maintenance costs to be funded by the CFD are the same as the maintenance costs shown earlier for the MAD.

4. Estimated Annual Payment Amounts

The estimated annual special tax for each parcel is shown in Figure 4. Since the special tax would not consider land use and would be levied upon taxable parcel area, it would be simple to administer in future years, and the special tax levied upon a parcel would not be subject to change as the use the parcel changed. Similar to the MAD, an annual increase to the amount of the special tax can be included as part of the tax formula to allow an annual increase in the amount of the special tax without requiring the approval of the property owners. However, since a special tax cannot be levied upon government owned parcels, the estimated maintenance costs has been spread to only none public parcels. However, there is nothing that would preclude the Unified Port of San Diego or other owner of public property to make a contribution to the District which would reduce the maintenance costs spread to properties within the District.

**Figure 4
 Preliminary Annual Special Tax**

Port Map No.	Owner Name/Possessory Interest	Land Use	Total Area	Taxable Area	Preliminary Special Tax
2	Atlantic Richfield Co	IND/Util Gas	149,367	149,367	\$ 5,254
3	Ancon Marine	IND	625	625	\$ 22
4	Bae Systems San Diego Ship Repair Inc	IND	453,318	453,318	\$ 15,946
5	California Properties	Parking	43,022	43,022	\$ 1,513
6	Chevron U S A Inc	IND/Util Gas	142,944	142,944	\$ 5,028
7	City Of San Diego	IND	4,898	0	\$ -
8	Cp Kelco U S Inc	IND	399,059	399,059	\$ 14,038
9	Cemex Construction Materials Pacific, LLC.	IND	144,194	141,737	\$ 4,986
10	Continental Maritime Of San Diego Inc	IND	526,779	523,685	\$ 18,422
13	Family Health Centers Of San Diego Inc	Parking	1,000	1,000	\$ 35
14	Foss Maritime Company	IND	468	468	\$ 16
15	General Steamship Corporation	IND	901	0	\$ -
16	International Materials, Inc.	IND	97,772	97,772	\$ 3,439
17	J M D H Real Estate Of San Diego L L C	IND	226,585	226,585	\$ 7,971
18	Jankovich Company The	IND	139,765	139,765	\$ 4,916
20	Mitchell Investments	Access/Parking	19,646	19,646	\$ 691
21	Marine Inspection And Logistics Tillet Inc	COM	900	900	\$ 32
22	Marine Spill Response Corporation	IND	600	600	\$ 21
23	Marine Terminals Corp	COM	5,896	4,546	\$ 160
24	Metropolitan Stevedore Company	COM	450	0	\$ -
26	Pacific Maritime Freight Inc	IND	11,560	11,560	\$ 407
27	Ragtime L L C	Access/Parking	56,132	56,132	\$ 1,975
28	Redevelopment Agency of the City of SD	COM	19,272	0	\$ -
29	Richman Management Corporation	COM	200	0	\$ -
31	Rodriguez, Danielle Monique	COM	5,293	5,293	\$ 186
32	Roman Catholic Bishop Of Sd/Apostleship Of Th	COM	3,416	3,416	\$ 120
33	S W M Holdings Inc	IND/storage	81,499	81,499	\$ 2,867
34	Sabulsky Leona M Trust 04-25-95	IND	1,556	1,556	\$ 55
35	San Diego California Properties	Parking	38,567	38,567	\$ 1,357
37	San Diego Metropolitan Transit Development Bo	RR	5,998	0	\$ -
40	Stevedoring Services of America (SSA)	IND	2,237	2,237	\$ 79
41	Stockholm Jon & Donna Family Trust 11/06/98	Access/Parking	29,768	29,768	\$ 1,047
42	San Diego Bay Pilots Association	IND	901	0	\$ -
43	San Diego Metropolitan Transit	RR / RR Yard	434,625	0	\$ -
44	San Diego Refrigerated Services Inc	IND	433,965	433,965	\$ 15,265
46	Searles Valley Minerals Operations	IND	214,413	214,413	\$ 7,542
47	T E J Enterprises L L C	Access/Parking	18,452	18,452	\$ 649
48	Transmarine Navigation Corporation	COM	901	901	\$ 32
49	US Department of Homeland Security	IND	8,466	0	\$ -
51	United States Of America	Parking	26,004	26,004	\$ 915
52	Youngs Market Co	Access/Parking	957	957	\$ 34
Dole	Dole Fresh Fruit Company	IND	901,448	901,448	\$ 31,710
19	Kelco Co		480,557	480,557	\$ 16,904
36	San Diego Gas & Electric Co		346,847	101,624	\$ 3,575
38	San Diego & Arizona Eastern Railway Co		386,788	35,783	\$ 1,259
39	Service Engineering Industries Inc		94,716	94,716	\$ 3,332
50	Union Pacific Railroad Co		65,871	42,715	\$ 1,503
AT & SF RR	Atchison Topeka & Santa Fe Railway Co		1,787,640	1,352,319	\$ 47,570
Natl Steel	National Steel & Shipbuilding Co		3,804,933	3,763,589	\$ 132,391
Port	San Diego Unified Port District		3,588,006	0	\$ -
Totals			15,209,177	10,042,510	\$ 353,263

IV. CONCLUSIONS

Either a Maintenance Assessment District (MAD) or a Mello-Roos CFD Special Tax could be established to fund the ongoing maintenance of parkway trees, parkway landscaping, median landscaping, and irrigation systems. The maintenance of the roadway surface, Bayshore Bikeway and bio-swale stormwater runoff system would be funded from other sources.

Each funding mechanism has its own requirements relating to establishment, methodology, voter pool, and vote weight. The table below provides a summary of pertinent information relating to each funding mechanism.

Funding Mechanism	Hearing Required	Vote Required	Voter Pool	Weighted Votes	Rate Structure
Special Assessment	Yes	50%	Property Owners	Yes	Proportional Benefit
CFD Special Tax	Yes	2/3	Property Owners (less than 12 registered voters)	No	Reasonable

The Special Tax provides the City with the most flexibility. However, the 2/3 voter approval requirement is high, which presents some challenges. The Benefit Assessment provides a more attainable approval threshold, but the requirement to fund general benefits from a different source, the inflexibility of drawing the boundaries of the district (such that certain properties can't be excluded if undergrounding is performed adjacent to it), and the scrutiny that any assessment must endure especially after recent court rulings, might make it a less desirable alternative. This issue is of specific concern due to the industrial land uses for the majority of the parcels within the District, and the types of improvements to be maintained. This will require careful analysis to document that the parcels will receive a "special benefit" and that all "general benefit" has been excluded from the costs to be borne by property owners.

**Appendix A
 Parcel Listing**

APN	Port Parcel	Port Map No.	Port Name / Tenant	Landuse	Port SF	Port Acres	County acres	County SF
538-770-02-00		2	Atlantic Richfield Co Atlantic Richfield Co Total	IND/Util Gas	149,367 149,367	3.43 3.43	3.37 3.37	146,797 146,797
760-018-83-00	020-112	3	Ancon Marine Ancon Marine Total	IND	625 625	0.01 0.01	1.09 1.09	47,480 47,480
760-022-06-00	021-015	4	Bae Systems San Diego Ship Repair Inc Bae Systems San Diego Ship Repair Inc Total	IND	453,318 453,318	10.41 10.41	26.39 26.39	1,149,548 1,149,548
538-790-09-00		5	California Properties California Properties Total	Parking	43,022 43,022	0.99 0.99	0.77 0.77	33,541 33,541
538-800-10-00		6	Chevron U S A Inc Chevron U S A Inc Total	IND/Util Gas	142,944 142,944	3.28 3.28	3.30 3.30	143,748 143,748
538-840-06-00		7	City Of San Diego City Of San Diego Total	IND	4,898 4,898	0.11 0.11	0.11 0.11	4,898 4,898
760-022-10-00	021-010	8	Cp Kelco U S Inc Cp Kelco U S Inc Total	IND	399,059 399,059	9.16 9.16	17.40 17.40	757,944 757,944
760-018-76-00	020-037 1	9	Cemex Construction Materials Pacific, LLC.	IND	141,737	3.25	5.68	247,420
760-018	020-157	9	Cemex Construction Materials Pacific, LLC.	IND	2,457	0.06	0.00	0
			Cemex Construction Materials Pacific, LLC. Total		144,194	3.31	5.68	247,420
760-022	021-012	10	Continental Maritime Of San Diego Inc	IND	3,094	0.07	0.00	0
760-021-17-00	021-008 5	10	Continental Maritime Of San Diego Inc	IND	523,685	12.02	29.55	1,287,198
			Continental Maritime Of San Diego Inc Total		526,779	12.09	29.55	1,287,198
760-018	020-205	12	Eastern Car Liner Americas, In Eastern Car Liner Americas, In Total	IND	450 450	0.01 0.01	0.00 0.00	450 450
760-020-15-00	020-206	13	Family Health Centers Of San Diego Inc Family Health Centers Of San Diego Inc Total	Parking	1,000 1,000	0.02 0.02	0.00 0.00	0 0
760-020-14-00	020-024	14	Foss Maritime Company Foss Maritime Company Total	COM	468 468	0.01 0.01	0.41 0.41	17,859 17,859
760-018	020-038	15	General Steamship Corporation General Steamship Corporation Total		901 901	0.02 0.02	0.00 0.00	0 0
760-018 C-10	020-113	16	International Materials, Inc.	IND	48,871	1.12	1.10	47,916
760-018-82-00	020-113	16	International Materials, Inc.	IND	48,901	1.12	1.10	47,916
			International Materials, Inc. Total		97,772	2.24	2.20	95,832
538-660-06-00		17	J M D H Real Estate Of San Diego L L C	IND	43,245	0.99	0.96	41,817
538-660-45-00		17	J M D H Real Estate Of San Diego L L C	IND	183,340	4.21	4.21	183,387
			J M D H Real Estate Of San Diego L L C Total		226,585	5.20	5.17	225,204
760-018-04-00	020-012	18	Jankovich Company The Jankovich Company The Total	IND	139,765 139,765	3.21 3.21	3.13 3.13	136,342 136,342
538-660-46-00		19	Kelco Co	IND/Parking	62,832	1.44	1.79	77,972
538-660-47-00		19	Kelco Co	IND	258,939	5.94	4.53	197,326

Appendix A (continued)
Parcel Listing

APN	Port Parcel	Port Map No.	Port Name / Tenant	Landuse	Port SF	Port Acres	County acres	County SF
538-700-19-00		19	Kelco Co Kelco Co Total	IND	158,786 480,558	3.65 11.03	3.64 9.96	158,558 433,856
538-470-17-00		20	Mitchell Investments Mitchell Investments Total	Access/Parking	19,646 19,646	0.45 0.45	0.45 0.45	19,646 19,646
760-018-97-00	020-212	21	Marine Inspection And Logistics Tillet Inc Marine Inspection And Logistics Tillet Inc Total	COM	900 900	0.02 0.02	0.00 0.00	0 0
760-018-67-00	020-207	22	Marine Spill Response Corporation Marine Spill Response Corporation Total	IND	600 600	0.01 0.01	0.00 0.00	0 0
760-018-23-00	020-033	23	Marine Terminals Corp	IND	2048	0.05	0.01	436
760-018-24-00	020-033	23	Marine Terminals Corp	IND	2048	0.05	0.00	0
760-018-79-00	020-033	23	Marine Terminals Corp	COM	450	0.01	0.00	0
760-018	020-190	23	Marine Terminals Corp	COM	550	0.01	0.00	0
760-018	020-190	23	Marine Terminals Corp	COM	800	0.02	0.00	0
760-018	020-209	23	Marine Terminals Corp Marine Terminals Corp Total	COM	 5,896	 0.14	 0.01	 436
760-018-85-00	020-204	24	Metropolitan Stevedore Company Metropolitan Stevedore Company Total	COM	450 450	0.01 0.01	0.00 0.00	0 0
760-021-22-00	021-005	26	Pacific Maritime Freight Inc Pacific Maritime Freight Inc Total	COM	11,560 11,560	0.27 0.27	2.79 2.79	121,532 121,532
538-670-23-00		27	Ragtime L L C	Access/Esmt	27,711	0.64	0.52	22,651
538-670-30-00		27	Ragtime L L C	Access/Esmt	2,812	0.06	0.06	2,814
538-710-08-00		27	Ragtime L L C	Access/Parking	16,316	0.37	0.02	697
538-710-10-00		27	Ragtime L L C Ragtime L L C Total	Esmt	9,293 56,133	0.21 1.28	0.21 0.81	9,291 35,453
760-018	020-215	28	Redevelopment Agency of the City of SD Redevelopment Agency of the City of SD Total	COM	19,272 19,272	0.44 0.44	0.00 0.00	0 0
760-018	020-221	29	Richman Management Corporation Richman Management Corporation Total	COM	200 200	0.00 0.00	0.00 0.00	0 0
760-018-63-00	020-182	31	Rodriguez, Danielle Monique Rodriguez, Danielle Monique Total	COM	5,293 5,293	0.12 0.12	0.00 0.00	0 0
760-018-46-00	020-019	32	Roman Catholic Bishop Of Sd/Apostleship Of The Sea Roman Catholic Bishop Of Sd/Apostleship Of The Sea Total	COM	3,416 3,416	0.08 0.08	0.08 0.08	3,431 3,431
538-770-08-00		33	S W M Holdings Inc S W M Holdings Inc Total	IND/storage	81,499 81,499	1.87 1.87	1.91 1.91	83,199 83,199
538-800-02-00		34	Sabulsky Leona M Trust 04-25-95 Sabulsky Leona M Trust 04-25-95 Total	COM	1,556 1,556	0.04 0.04	0.05 0.05	2,094 2,094
538-790-10-00		35	San Diego California Properties San Diego California Properties Total	Parking	38,567 38,567	0.89 0.89	0.68 0.68	29,620 29,620

**Appendix A (continued)
 Parcel Listing**

APN	Port Parcel	Port Map No.	Port Name / Tenant	Landuse	Port SF	Port Acres	County acres	County SF
538-700-01-00		36	San Diego Gas & Electric Co	Utility SubStn	34,912	0.80	0.75	32,670
538-700-02-00		36	San Diego Gas & Electric Co	Utility SubStn	140,016	3.21	3.21	139,827
538-700-20-00		36	San Diego Gas & Electric Co	Utility SubStn	47,650	1.09	1.10	47,916
538-770-01-00		36	San Diego Gas & Electric Co	Utility SubStn	22,645	0.52	0.52	22,651
538-770-03-00		36	San Diego Gas & Electric Co	IND/storage	8,160	0.19	0.18	7,887
760-022	021-028 1	36	San Diego Gas & Electric Co	IND/storage	6,737	0.15		
760-022	021-028 2	36	San Diego Gas & Electric Co	IND/storage	86,727	1.99		
			San Diego Gas & Electric Co Total		346,847	7.95	5.76	250,951
535-570-15-00		37	San Diego Metropolitan Transit Development Board	EXE	1,240	0.03	0.03	1,241
538-010-32-00		37	San Diego Metropolitan Transit Development Board	RR	4,758	0.11	0.11	4,757
			San Diego Metropolitan Transit Development Board Total		5,998	0.14	0.14	5,998
535-570-09-00		38	San Diego & Arizona Eastern Railway Co	EXE	191	0.00	0.00	192
538-010-28-00		38	San Diego & Arizona Eastern Railway Co	RR	17,061	0.39	0.42	18,104
538-210-19-00		38	San Diego & Arizona Eastern Railway Co	RR	60,561	1.39	1.36	59,242
538-210-24-00		38	San Diego & Arizona Eastern Railway Co	RR	11,803	0.27	0.27	11,818
538-440-08-00		38	San Diego & Arizona Eastern Railway Co	RR	32,134	0.74	0.69	30,056
538-440-12-00		38	San Diego & Arizona Eastern Railway Co	Access/Parking	17,355	0.40	0.40	17,354
538-470-10-00		38	San Diego & Arizona Eastern Railway Co	RR	23,675	0.54	0.67	29,185
538-470-14-00		38	San Diego & Arizona Eastern Railway Co	Access/Parking	18,428	0.42	0.42	18,430
538-670-31-00		38	San Diego & Arizona Eastern Railway Co	RR	17,139	0.39	0.39	17,141
538-670-32-00		38	San Diego & Arizona Eastern Railway Co	RR	20,261	0.47	0.55	23,958
538-710-09-00		38	San Diego & Arizona Eastern Railway Co	RR	19,334	0.44	0.44	19,336
538-790-11-00		38	San Diego & Arizona Eastern Railway Co	RR	37,086	0.85	0.94	40,946
538-812-10-00		38	San Diego & Arizona Eastern Railway Co	RR	30,779	0.71	0.62	27,007
538-822-24-00		38	San Diego & Arizona Eastern Railway Co		12,466	0.29		
538-830-04-00		38	San Diego & Arizona Eastern Railway Co		416	0.01		
550-480-05-00		38	San Diego & Arizona Eastern Railway Co	RR	16,954	0.39	0.39	16,945
550-492-05-00		38	San Diego & Arizona Eastern Railway Co	RR	5,867	0.13	0.13	5,868
550-500-20-00		38	San Diego & Arizona Eastern Railway Co	RR	45,278	1.04	1.60	69,696
			San Diego & Arizona Eastern Railway Co Total		386,788	8.87	9.30	405,278
538-660-41-00		39	Service Engineering Industries Inc	IND	57,516	1.32	1.21	52,707
538-660-43-00		39	Service Engineering Industries Inc	COM	37,200	0.85	0.84	36,590
			Service Engineering Industries Inc Total		94,715	2.17	2.05	89,297
760-018-60-00	020-122	40	Stevedoring Services of America (SSA)	IND	2,237	0.05	0.06	2,506
			Stevedoring Services of America (SSA) Total		2,237	0.05	0.06	2,506
538-670-35-00		41	Stockholm Jon & Donna Family Trust 11/06/98	Access/Esmt	29,768	0.68	0.56	24,393
			Stockholm Jon & Donna Family Trust 11/06/98 Total		29,768	0.68	0.56	24,393
760-018	020-191	42	San Diego Bay Pilots Association	COM	450	0.01	0.00	0

**Appendix A (continued)
 Parcel Listing**

APN	Port Parcel	Port Map No.	Port Name / Tenant	Landuse	Port SF	Port Acres	County acres	County SF
760-018	020-191	42	San Diego Bay Pilots Association	COM	451	0.01	0.00	0
			San Diego Bay Pilots Association Total		901	0.02	0.00	0
760-018	020-001 1	43	San Diego Metropolitan Transit	RR / RR Yard	434,625	9.98	0.00	0
			San Diego Metropolitan Transit Total		434,625	9.98	0.00	0
760-018-63-00	020-091	44	San Diego Refrigerated Services Inc	IND	433,965	9.96	9.96	433,857
			San Diego Refrigerated Services Inc Total		433,965	9.96	9.96	433,857
760-018-16-00	020-031	46	Searles Valley Minerals Operations	IND	212,942	4.89	2.11	91,911
760-018-41-00	020-031	46	Searles Valley Minerals Operations	IND	1,471	0.03	0.03	1,306
			Searles Valley Minerals Operations Total		214,413	4.92	2.14	93,217
538-440-10-00		47	T E J Enterprises L L C	Access/Parking	18,452	0.42	0.42	0
			T E J Enterprises L L C Total		18,452	0.42	0.42	0
760-018-90-00	020-202	48	Transmarine Navigation Corporation	COM	901	0.02	0.02	901
			Transmarine Navigation Corporation Total		901	0.02	0.02	901
760-018	020-035	49	US Department of Homeland Security	IND	8,466	0.19	0.00	0
			US Department of Homeland Security Total		8,466	0.19	0.00	0
538-670-33-00		50	Union Pacific Railroad Co	Station/unmand	19,578	0.45	0.45	19,576
538-670-34-00		50	Union Pacific Railroad Co	VAC	25,239	0.58	0.52	22,651
538-710-11-00		50	Union Pacific Railroad Co	VAC/Utility	17,476	0.40	0.41	17,990
550-500-27-00		50	Union Pacific Railroad Co	RR	3,578	0.08	0.58	25,264
			Union Pacific Railroad Co Total		65,870	1.51	1.96	85,481
550-480-01-00		51	United States Of America	Parking	26,004	0.60	2.07	90,169
			United States Of America Total		26,004	0.60	2.07	90,169
538-440-04-00		52	Youngs Market Co	EXE	957	0.02	0.00	0
			Youngs Market Co Total		957	0.02	0.00	0
535-570-14-00		AT & SF RR	Atchison Topeka & Santa Fe Railway Co	Parking	7,564	0.17	0.26	11,509
538-010-31-00		AT & SF RR	Atchison Topeka & Santa Fe Railway Co	Access/Esmt	10,646	0.24	0.26	11,448
538-660-42-00		AT & SF RR	Atchison Topeka & Santa Fe Railway Co	RR	45,685	1.05	1.02	44,431
538-660-44-00		AT & SF RR	Atchison Topeka & Santa Fe Railway Co	RR	13,222	0.30	0.30	13,220
538-700-12-00		AT & SF RR	Atchison Topeka & Santa Fe Railway Co	RR/parking	57,039	1.31	1.71	74,487
538-700-13-00		AT & SF RR	Atchison Topeka & Santa Fe Railway Co	RR/parking	58,656	1.35	1.56	67,953
538-770-09-00		AT & SF RR	Atchison Topeka & Santa Fe Railway Co	IND/RRfuelcar	71,295	1.64	1.58	68,824
538-800-04-00		AT & SF RR	Atchison Topeka & Santa Fe Railway Co	EXE	101,079	2.32	0.20	8,899
538-800-09-00		AT & SF RR	Atchison Topeka & Santa Fe Railway Co	RR/Parking	90,081	2.07	3.21	139,827
538-830-02-00		AT & SF RR	Atchison Topeka & Santa Fe Railway Co	RR/Parking	33,320	0.76	0.79	34,412
538-840-02-00		AT & SF RR	Atchison Topeka & Santa Fe Railway Co	IND	7,885	0.18	0.18	7,884
538-840-04-00		AT & SF RR	Atchison Topeka & Santa Fe Railway Co	IND/Parking	399,627	9.17	9.08	395,525
538-840-05-00		AT & SF RR	Atchison Topeka & Santa Fe Railway Co	IND/Parking	754,223	17.31	18.72	815,443
550-480-03-00		AT & SF RR	Atchison Topeka & Santa Fe Railway Co	RR/Parking	11,811	0.27	0.27	11,809

**Appendix A (continued)
 Parcel Listing**

APN	Port Parcel	Port Map No.	Port Name / Tenant	Landuse	Port SF	Port Acres	County acres	County SF
550-492-04-00		AT & SF RR	Atchison Topeka & Santa Fe Railway Co	RR/Parking	4,412	0.10	0.10	4,413
550-500-04-00		AT & SF RR	Atchison Topeka & Santa Fe Railway Co	RR/Parking	121,095	2.78	2.67	116,305
		check - may be part of	Atchison Topeka & Santa Fe Railway Co Total		1,787,641	41.02	41.93	1,826,389
760-018-96-00	020-183 1	Dole	Dole Fresh Fruit Company	IND	901,448	20.69	20.69	901,448
			Dole Fresh Fruit Company Total		901,448	20.69	20.69	901,448
538-790-16-00		Natl Steel	National Steel & Shipbuilding Co	Parking	36,361	0.83	0.72	31,363
538-812-12-00		Natl Steel	National Steel & Shipbuilding Co	Parking	26,494	0.61	0.69	30,056
538-822-26-00		Natl Steel	National Steel & Shipbuilding Co		3,517	0.08		
538-830-05-00		Natl Steel	National Steel & Shipbuilding Co	Parking	4,512	0.10	0.12	5,009
550-480-07-00		Natl Steel	National Steel & Shipbuilding Co	Util/Parking	12,173	0.28	0.28	12,153
550-480-08-00		Natl Steel	National Steel & Shipbuilding Co	RR Stn/Util	16,810	0.39	0.39	16,771
550-480-09-00		Natl Steel	National Steel & Shipbuilding Co	Util/Parking	8,844	0.20	0.20	8,843
550-492-07-00		Natl Steel	National Steel & Shipbuilding Co	Parking	5,315	0.12	0.12	5,314
550-492-08-00		Natl Steel	National Steel & Shipbuilding Co	Parking	7,043	0.16	0.16	7,044
550-500-26-00		Natl Steel	National Steel & Shipbuilding Co	Parking	40,281	0.92	1.60	69,696
550-500-28-00		Natl Steel	National Steel & Shipbuilding Co	Parking	43,143	0.99	0.93	40,510
760-018-21-00	020-198	Natl Steel	National Steel & Shipbuilding Co	IND	48,938	1.12	1.10	47,916
760-023-11-00	021-018	Natl Steel	National Steel & Shipbuilding Co	IND	73,364	1.68	1.68	73,180
760-024-06-01	021-022	Natl Steel	National Steel & Shipbuilding Co	IND	3,446,323	79.12	125.69	5,475,056
760-024-07-00	021-031	Natl Steel	National Steel & Shipbuilding Co	EXE	31,815	0.73	4.81	209,523
			National Steel & Shipbuilding Co Total		3,804,933	87.33	138.49	6,032,434
760-018-08-00	020-000	Port	San Diego Unified Port District	IND	14,925	0.34	0.02	871
760-018	020-002	Port	San Diego Unified Port District	RR / RR Yard	1,617	0.04	0.04	1,617
760-018	020-003	Port	San Diego Unified Port District	RR / RR Yard	8,994	0.21	0.21	8,994
760-018	020-004	Port	San Diego Unified Port District	IND	209,271	4.80	4.80	209,259
760-018	020-006	Port	San Diego Unified Port District	IND	1,716,871	39.41	39.39	1,715,972
760-018	020-014	Port	San Diego Unified Port District	IND	41,034	0.94	0.94	41,022
760-018	020-014	Port	San Diego Unified Port District	IND	40,951	0.94	0.94	40,951
760-018	020-014	Port	San Diego Unified Port District	IND	40,943	0.94	0.94	41,049
760-018	020-015	Port	San Diego Unified Port District	IND	88,729	2.04	2.04	88,729
760-018	020-016	Port	San Diego Unified Port District	IND	53,702	1.23	1.23	53,701
760-020	020-021	Port	San Diego Unified Port District	IND	18,168	0.42	0.42	18,168
760-020	020-022	Port	San Diego Unified Port District	IND	42,379	0.97	0.97	42,378
760-020	020-022	Port	San Diego Unified Port District	IND	42,379	0.97	0.97	42,378
760-020	020-025	Port	San Diego Unified Port District	IND	33,721	0.77	0.77	33,720
760-018	020-032	Port	San Diego Unified Port District	IND	22,609	0.52	0.52	22,653
760-020	020-036	Port	San Diego Unified Port District	IND	3	0.00	11.56	503,417
760-020	020-039	Port	San Diego Unified Port District	IND	43,108	0.99	1.16	50,341

Appendix A (continued)
Parcel Listing

APN	Port Parcel	Port Map No.	Port Name / Tenant	Landuse	Port SF	Port Acres	County acres	County SF
760-020	020-043	Port	San Diego Unified Port District	IND	17,868	0.41	0.41	17,867
760-018	020-111	Port	San Diego Unified Port District	IND	400	0.01	0.01	400
760-018 C-12	020-115	Port	San Diego Unified Port District	IND	48,467	1.11	1.11	48,466
760-018	020-116	Port	San Diego Unified Port District	IND	45,806	1.05	1.05	45,805
760-018 C-7	020-117	Port	San Diego Unified Port District	IND	48,690	1.12	1.12	48,690
760-018-83-00	020-119	Port	San Diego Unified Port District	IND	47,308	1.09	1.09	47,308
760-018	020-120	Port	San Diego Unified Port District	IND	50,130	1.15	1.15	50,130
760-018-80	020-131	Port	San Diego Unified Port District	IND	47,791	1.10	1.10	47,791
760-018-80	020-131	Port	San Diego Unified Port District	IND	900	0.02	1.10	47,791
760-018-80	020-132	Port	San Diego Unified Port District	IND	49,065	1.13	1.13	49,065
760-018-89-00	020-133	Port	San Diego Unified Port District	IND	48,393	1.11	1.10	47,916
760-018-80	020-134	Port	San Diego Unified Port District	IND	46,993	1.08	0.02	900
760-018-80	020-134	Port	San Diego Unified Port District	IND	900	0.02	1.08	46,993
760-018-81-00	020-151	Port	San Diego Unified Port District	IND	48,045	1.10	2.30	100,188
760-018-81-00	020-151	Port	San Diego Unified Port District	IND	900	0.02		
760-018-81-00	020-151/2	Port	San Diego Unified Port District	IND	48,603	1.12		
760-018	020-184	Port	San Diego Unified Port District	IND	2,424	0.06	0.06	2,424
760-018	020-186	Port	San Diego Unified Port District	IND	1,000	0.02	0.02	1,000
760-018	020-193	Port	San Diego Unified Port District	IND	9,612	0.22	0.22	9,664
760-018	020-194	Port	San Diego Unified Port District	IND	1,226	0.03	0.03	1,225
760-018	020-195	Port	San Diego Unified Port District	IND	1,578	0.04	0.04	1,578
760-018	020-196	Port	San Diego Unified Port District	IND	1,605	0.04	0.04	1,605
760-018	020-203	Port	San Diego Unified Port District	COM	451	0.01	0.00	0
760-018	020-210	Port	San Diego Unified Port District	IND	450	0.01	0.01	450
760-018	020-211	Port	San Diego Unified Port District	IND	450	0.01	0.01	450
760-018	020-211	Port	San Diego Unified Port District	IND	450	0.01	0.01	450
760-020	021-001	Port	San Diego Unified Port District	IND	10,809	0.25	0.25	10,809
760-020-03-00	021-002	Port	San Diego Unified Port District	PARK	148,389	3.41	0.00	0
760-020	021-006	Port	San Diego Unified Port District	IND	13,377	0.31	0.31	13,376
760-020	021-007	Port	San Diego Unified Port District	IND	21,168	0.49	0.49	21,167
760-022	021-014	Port	San Diego Unified Port District	IND	10,425	0.24	0.24	10,425
760-022	021-016	Port	San Diego Unified Port District	IND	14,657	0.34	0.34	14,604
760-024	021-017	Port	San Diego Unified Port District	IND	986	0.02	0.02	985
760-022	021-024	Port	San Diego Unified Port District	IND	37,952	0.87	0.87	37,952
760-022	021-025	Port	San Diego Unified Port District	IND	1,904	0.04	0.04	1,903
760-020	021-029	Port	San Diego Unified Port District	IND	22,527	0.52	0.52	22,527
760-024	022-004	Port	San Diego Unified Port District	IND	220,140	5.05	5.05	220,141
760-024	022-005	Port	San Diego Unified Port District	IND	48,989	1.12	1.51	65,797

Appendix A (continued)
Parcel Listing

APN	Port Parcel	Port Map No.	Port Name / Tenant	Landuse	Port SF	Port Acres	County acres	County SF
760-024	022-006	Port	San Diego Unified Port District	IND	2,636	0.06	0.06	2,635
538-770	519-016	Port	San Diego Unified Port District	IND	9,207	0.21	0.23	10,052
538-830	519-016	Port	San Diego Unified Port District	IND	12,945	0.30	0.30	12,944
550-480	519-016	Port	San Diego Unified Port District	IND	4,497	0.10	0.10	4,496
760-024	519-016	Port	San Diego Unified Port District	IND	3,289	0.08	0.08	3,275
760-018	519-025	Port	San Diego Unified Port District	IND	14,750	0.34	1.15	50,203
San Diego Unified Port District Total					3,587,556	82.37	92.67	4,036,667
Totals					15,209,178	349.06	443.54	19,302,514