



America's Finest City

THE CITY OF SAN DIEGO



# **Assessment Engineer's Report**

## **CAMPUS POINT MAINTENANCE ASSESSMENT DISTRICT**

**Annual Update for Fiscal Year 2017**

**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 2016**

# CITY OF SAN DIEGO

## Mayor

Kevin Faulconer

## City Council Members

Sherri Lightner  
District 1 (Council President)

Lorie Zapf  
District 2

Todd Gloria  
District 3

Myrtle Cole  
District 4

Mark Kersey  
District 5

Chris Cate  
District 6

Scott Sherman  
District 7

David Alvarez  
District 8

Marti Emerald  
District 9 (Council President Pro Tem)

## City Attorney

Jan Goldsmith

## Chief Operating Officer

Scott Chadwick

## City Clerk

Elizabeth Maland

## Independent Budget Analyst

Andrea Tevlin

## City Engineer

James Nagelvoort

## Assessment Engineer

EFS Engineering, Inc.

# Table of Contents

---

## Assessment Engineer's Report

### Campus Point Maintenance Assessment District

Preamble .....	1
Executive Summary .....	2
Background .....	3
District Proceedings for Fiscal Year 2017 .....	3
Bond Declaration .....	3
District Boundary .....	3
Project Description .....	4
Separation of General and Special Benefits .....	4
City Standard .....	5
External Benefits.....	5
Cost Estimate .....	5
Estimated Costs.....	5
Annual Cost-Indexing.....	5
Method of Apportionment .....	6
Estimated Benefit of the Improvements .....	6
Apportionment Methodology .....	6
Sample Calculations .....	7
Summary Results .....	8

## EXHIBITS

Exhibit A: District Boundary

Exhibit B: Estimated Annual Expenses, Revenues & Reserves

Exhibit C: Assessment Roll

# Assessment Engineer's Report

## Campus Point

### Maintenance Assessment District

---

#### Preamble

Pursuant to the provisions of the "San Diego Maintenance Assessment District Procedural Ordinance" (being Division 2, Article 5, Chapter VI of the San Diego Municipal Code), applicable provisions of "Proposition 218" (being Article XIII D 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 "Assessment Law"), and in accordance with the Resolution of Intention, being Resolution No. \_\_\_\_\_, adopted by the CITY COUNCIL OF THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, in connection with the proceedings for the CAMPUS POINT MAINTENANCE ASSESSMENT DISTRICT (hereinafter referred to as "District"), EFS ENGINEERING, INC., as Assessment Engineer to the City of San Diego for these proceedings, submits herewith this report for the District as required by Assessment Law.

PRELIMINARY APPROVAL BY THE CITY COUNCIL OF THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, CALIFORNIA, ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 2016.

---

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

FINAL APPROVAL BY THE CITY COUNCIL OF THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, CALIFORNIA, ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 2016.

---

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

---

## Executive Summary

**Project:** Campus Point  
Maintenance Assessment District

**Apportionment Method:** Equivalent Dwelling Unit (EDU)

	<b>FY 2016</b>	<b>FY 2017 <sup>(1)</sup></b>	<b>Maximum Authorized</b>
<b>Total Parcels Assessed:</b>	13	13	--
<b>Total Estimated Assessment:</b>	\$5,737	\$17,211	--
<b>Total Number of EDUs:</b>	57.37	57.37	--
<b>Assessment per EDU:</b>	\$100.00	\$300.00	\$425.00

<sup>(1)</sup> FY 2017 is the City's Fiscal Year 2017, which begins July 1, 2016 and ends June 30, 2017. Total Parcels Assessed, Total Estimated Assessment, and Total Number of EDUs may vary from prior year values due to parcel changes.

**District History:** The District was established in May 1981.

**Annual Cost-Indexing:** Indexing of assessments is not permitted under the current apportionment methodology.

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

---

## Background

The Campus Point Maintenance Assessment District (District) was established in May 1981. The original Assessment Engineer's Report is on file in the City of San Diego (City) Clerk's office. The District funds defined improvements and activities within the District.

---

## District Proceedings for Fiscal Year 2017

This District is authorized and administered under the provisions of the "San Diego Maintenance Assessment District Procedural Ordinance" (being Division 2, Article 5, Chapter VI of the San Diego Municipal Code), 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 "Assessment Law"). This report has been prepared in compliance with Assessment Law.

The purpose of the proposed proceedings and this Assessment Engineer's Report is to update the District budget and assessments for Fiscal Year 2017, and authorize the continued levy of assessments for the life of the District. The Fiscal Year 2017 assessments proposed within this Assessment Engineer's Report are equal to or less than the maximum authorized assessment. Therefore, the vote requirements of Section 4 of Article XIID do not apply to these proceedings.

A public hearing will be scheduled where public testimony will be heard by the Council, and the Council may, at its discretion, adopt a resolution ordering the levy of assessments for the life of the District, and collection of the Fiscal Year 2017 proposed assessments.

## Bond Declaration

No bonds will be issued in connection with this District.

---

## District Boundary

The Boundary Map & Assessment Diagram for the District is on file in the Maintenance Assessment Districts Section of the Park and Recreation Department of the City of San Diego and by reference is made a part of this report. The Boundary Map & Assessment Diagram is available for public inspection during normal business hours. The District boundary is depicted in **Exhibit A**.

---

## Project Description

The proposed assessments will be used to fund defined improvements and activities within the District. The activities include maintenance and servicing of twenty five acres of open space containing natural trees and vegetation. Brush management of City-owned open space in accordance with the Municipal Code §142.0412 is performed by the City's General Fund.

The engineering drawings for the improvements maintained by the District are on file at Maps and Records in the Development Services Department and are incorporated herein. The improvements and activities provided by the District will be maintained in accordance with specifications and contracts on file with the Park and Recreation Department. These documents are available for public inspection during normal business hours.

---

## Separation of General and Special Benefits

The identified improvements and activities provide benefits to the parcels located within the District. Some of these benefits are “special benefits,” benefits that 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. Under Assessment Law, only “special benefits” are assessable. As such, isolation and quantification of the “special benefits” associated with the improvements and activities are paramount, and illustrated in the following equations:

$$\text{Special Benefits} = \text{Total Benefits} - \text{General Benefits}$$

$$\text{General Benefits} = \text{City Standard} + \text{External Benefits}$$

$$\text{Special Benefits} = \text{Total Benefits} - [\text{City Standard} + \text{External Benefits}]$$

In these equations, “Total Benefits” refers to the cost of providing the total benefits of the improvements and activities; “City Standard” represents the cost of providing the City's standard level of service; and “External Benefits” refers to the cost of those additional benefits accruing to the public at large or properties located outside the District. In order to isolate the “Special Benefits,” it is necessary to quantify the amount of “General Benefits” associated with the improvements and activities.

## City Standard

As a “general benefit” (not funded by assessments), the District will continue to receive the standard level of service provided to the public at large under City-funded and administered programs for maintenance and servicing of public facilities and improvements (e.g., medians, open space, street lights, street trees, sidewalks, parks, etc.), including street sweeping and graffiti removal on public property. Consistent with City policy for the public at large, the City will provide the District with standard service levels and annual contributions from the Environmental Growth Fund for open space maintenance (\$62.29 per acre). These levels of service and cost allocations, reviewed and adjusted annually by the City, are “general benefits” administered by the District

## External Benefits

Assessment Law prohibits levying assessments to pay for “general benefits” conferred to the public at large or properties located outside the District. Based on a review of the spatial limits of the District and the improvements and activities, it has been determined that the improvements and activities have the potential to confer benefits to others outside the District.

It is estimated as much as 42.4% of the total benefit (in excess of the City standard) may accrue to the public at large or properties located outside the District (with an estimated 37.6% accruing directly to properties located outside the District, and the remaining 4.8% accruing to the general public as indirect/incidental beneficiaries passing through the District or utilizing District-provided amenities). The estimated costs associated with these “general benefits” have been quantified and will not be funded by assessments.

---

## Cost Estimate

### Estimated Costs

Estimated Fiscal Year 2017 annual expenses, revenues, reserves, and assessments (provided by the City) for the District are included as **Exhibit B** hereto.

### Annual Cost-Indexing

With the passage of Proposition 218, any proposed increase in assessments must be placed for approval before the property owners

by a mail ballot and a public hearing process, similar to these proceedings. A majority of ballots received must be affirmative for the City Council to confirm and levy the increased assessments. The current maximum authorized assessment established in 1981 is not authorized to be indexed (increased or decreased) without a vote of the affected property owners.

---

## Method of Apportionment

### Estimated Benefit of the Improvements

Creation of open space is consistent with the goals contained in the City’s General Plan. Open space provides benefit through preserving natural resources, controlling urban form, providing for outdoor recreation, providing for the public health and safety, serving as drainage corridors, and view corridors. Open space also produces lower development density, which benefits the community’s residents by not further increasing traffic congestion, noise levels, and storm water runoff pollutants. These open space assets, generally dedicated to the public during the development process, require ongoing management and maintenance to maintain their functionality, aesthetics, and continued contribution to the quality of life in the community. All parcels within the District benefit from these enhanced open space areas being maintained by the District.

### Apportionment Methodology

The total cost associated with District improvements and activities will be assessed to the various parcels within the District in proportion to the estimated Equivalent Dwelling Units (EDUs) assigned to a parcel in relationship to the total EDUs of all the parcels within the District.

EDUs for each parcel have been determined based on a Density Factor applicable to the subject land use as shown in the following equation:

EDUs = (Acres or Units) x Density Factor
--

**Table 1** summarizes the Density Factors for land uses within the District.

**TABLE 1: Density Factors**

Land Use/Zoning	Code	Density Factor
Industrial	IND	1.0 per acre
Open Space	OSP	0.0 per acre

## Sample Calculations

As described above, the number of Equivalent Dwelling Units (EDUs) assigned to each parcel in the District has been calculated based on each parcel's land use and the identified apportionment factors, as shown in the following equation:

$$\text{EDUs} = (\text{Acres or Units}) \times \text{EDU Factor}$$

Shown below is a sample EDU calculation for the most common land use found in the District.

- **½-acre Industrial Property**

$$\text{EDUs} = 0.50 \text{ acres} \times 1.00 = 0.50 \text{ EDUs}$$

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

$$\text{Total Assessment} = \text{Total EDUs} \times \text{Unit Assessment Rate}$$

The EDUs calculated for each property can be found in the Assessment Roll (**Exhibit C**).

---

## Summary Results

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

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

The assessment methodology utilized is as described in the text of this report. Based on this methodology, the EDUs and Fiscal Year 2017 District assessment for each parcel were calculated and are shown in the Assessment Roll (**Exhibit C**).

Each lot or parcel of land within the District has been identified by unique County Assessor's Parcel Number on the Assessment Roll and the Boundary Map and Assessment Diagram referenced herein. The net assessment for each parcel for Fiscal Year 2017 can be found on the Assessment Roll.

This report has been prepared and respectfully submitted by:

EFS ENGINEERING, INC.



  
Eugene F. Shank, PE C 52792

  
Sharon F. Risse

I, \_\_\_\_\_, as CITY CLERK of the CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, CALIFORNIA, do hereby certify that the Assessment as shown on the Assessment Roll, together with the Assessment Diagram, both of which are incorporated into this report, were filed in my office on the \_\_\_\_ day of \_\_\_\_\_, 2016.

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

I, \_\_\_\_\_, as CITY CLERK of the CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, CALIFORNIA, do hereby certify that the foregoing Assessment, together with the Assessment Diagram incorporated into this report, was approved and confirmed by the CITY COUNCIL of said City on the \_\_\_\_ day of \_\_\_\_\_, 2016.

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

---

# **EXHIBIT A**



# **EXHIBIT B**

# EXHIBIT B

**Park and Recreation Department - Open Space Division  
Maintenance Assessment Districts Program  
Summary of Fiscal Year 2017 (07-01-16 to 06-30-17) Budget**

**Campus Point Maintenance Assessment District  
SAP Fund 200031**

	FY 2015	FY 2016	FY 2017
	Unaudited Actuals	Estimate	Proposed
<b><u>District Costs</u></b>			
<b><u>Contract Services</u></b>			
Landscaping Services - Contract: Based on Quote (512134A)	\$ 14,012.11	\$ 15,750.00	\$ 16,538.00
Landscaping Services - Mulch Delivery (512134B)	\$ -	\$ 5,000.00	\$ 5,000.00
Tree Trimming (512197)	\$ -	\$ 15,000.00	\$ 15,000.00
Electrical Repair (512059)	\$ -	\$ 1,000.00	\$ 1,000.00
<b><u>City Services</u></b>			
Developed Regional Parks - Arborist Services (512114)	\$ -	\$ 250.00	\$ 250.00
<b><u>Supplies</u></b>			
Garden Nursery Stock (511028)	\$ -	\$ 500.00	\$ 500.00
Grounds Maintenance Manager - Labor & Fringe (Contract Administrator = .02 FTE)	\$ 2,315.00	\$ 2,273.00	\$ 2,318.00
Special Districts Administration	\$ 1,680.00	\$ 1,680.00	\$ 1,714.00
Vehicle Usage & Assignment	\$ 156.00	\$ 163.00	\$ 171.00
Water / Storm Drain / Electrical	\$ 2,678.92	\$ 2,992.00	\$ 4,438.00
<b>Total District Costs</b>	<b>\$ 20,842.03</b>	<b>\$ 44,608.00</b>	<b>\$ 46,929.00</b>
<b><u>District Revenues</u></b>			
Special Assessments	\$ 24,412.25	\$ 5,743.00 <sup>(1)</sup>	\$ 17,211.00 <sup>(2)</sup>
Interest Earnings	\$ 366.55	\$ 200.00	\$ 100.00
City Contributions <sup>(3)</sup>			
Environmental Growth Fund	\$ 1,685.00	\$ 1,693.00	\$ 1,536.00
General Benefit Offset (42.4%)	\$ 15,643.48	\$ 6,712.00	\$ 4,516.00
<b>TOTAL REVENUE</b>	<b>\$ 42,107.28</b>	<b>\$ 14,348.00</b>	<b>\$ 23,363.00</b>
<b><u>District Reserves</u></b>			
Beginning Fund Balance	\$ 50,280.64	\$ 71,545.89	\$ 41,285.89
Change in Fund Balance	\$ 21,265.25	\$ (30,260.00)	\$ (23,566.00)
<b>Year End Operating Reserves</b>	<b>\$ 71,545.89</b>	<b>\$ 41,285.89</b>	<b>\$ 17,719.89</b>

<sup>(1)</sup> In Fiscal Year 2016, the annual assessment rate was reduced by \$325.00.

<sup>(2)</sup> In Fiscal Year 2017, the annual assessment rate was increased by \$275.00.

<sup>(3)</sup> City Contributions are subject to change each year pending City Council's approval of new rate per square foot/acreage.

# **EXHIBIT C**

**EXHIBIT C - Assessment Roll (Fiscal Year 2017)**  
**Campus Point Maintenance Assessment District**

Parcel Number	Net Acres	Zone	Land Use	EDU Factor	Total EDUs	Unit Cost (\$/EDU)	FY 2017 <sup>(1)</sup> Assessment	Owner Name
343 230 04 00	25.00	1	OSP	0.00	0.00	\$300.00	\$0.00	City Of San Diego
343 230 06 00	6.20	1	IND	1.00	6.20	\$300.00	\$1,860.00	City Of San Diego
343 230 11 00	4.50	1	IND	1.00	4.50	\$300.00	\$1,350.00	Scripps Health
343 230 12 00	8.96	1	IND	1.00	8.96	\$300.00	\$2,688.00	Qualcomm Inc
343 230 15 00	3.08	1	IND	1.00	3.08	\$300.00	\$924.00	Scripps Health
343 230 16 00	3.69	1	IND	1.00	3.69	\$300.00	\$1,107.00	Scripps Health
343 230 17 00	2.23	1	IND	1.00	2.23	\$300.00	\$669.00	A P 3-S D 1 Campus Point Llc
343 230 38 00	4.13	1	IND	1.00	4.13	\$300.00	\$1,239.00	Iboss Holdings Llc
343 230 40 00	3.24	1	IND	1.00	3.24	\$300.00	\$972.00	A P 3 - S D 2 4224 Campus Point Llc
343 230 41 00	2.96	1	IND	1.00	2.96	\$300.00	\$888.00	A P 3-S D 1 Campus Point Llc
343 230 42 00	3.60	1	IND	1.00	3.60	\$300.00	\$1,080.00	Leidos Realty L L C
343 230 43 00	10.27	1	IND	1.00	10.27	\$300.00	\$3,081.00	Leidos Realty L L C
343 230 44 00	4.51	1	IND	1.00	4.51	\$300.00	\$1,353.00	Are-9880 Campus Point L L C
<b>TOTAL</b>	-	-	-	-	<b>57.37</b>	-	<b>\$17,211</b>	

<sup>(1)</sup> FY 2017 is the City's Fiscal Year 2017, which begins July 1, 2016 and ends June 30, 2017.