



THE CITY OF SAN DIEGO



ANNUAL REPORT

for Fiscal Year 2021

BLACK MOUNTAIN RANCH NORTH 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
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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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Black Mountain Ranch North Maintenance Assessment District

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Annual Report for Fiscal Year 2021

Black Mountain Ranch North

Maintenance Assessment District

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 BLACK MOUNTAIN RANCH NORTH MAINTENANCE ASSESSMENT DISTRICT (hereinafter referred to as “District”), and in accordance with applicable provisions of “Proposition 218” (being Article XIIIID 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.

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

Executive Summary

Project: Black Mountain Ranch North
Maintenance Assessment District

Apportionment Method: Equivalent Benefit Unit (EBU)

| | FY 2020 | FY 2021 ⁽¹⁾ | Maximum ⁽²⁾ Authorized |
|------------------------------------|----------------|-------------------------------|--|
| Total Parcels Assessed: | 3,058 | 3,058 | -- |
| Total Estimated Assessment: | \$0 | \$0 | -- |
| Total Number of EBUs: | 5,202.97 | 5,202.97 | -- |
| <i>Zone A</i> | 616.98 | 616.98 | -- |
| <i>Zone B</i> | 12.00 | 12.00 | -- |
| <i>Zone C</i> | 58.00 | 58.00 | -- |
| <i>Zone D</i> | 618.83 | 618.83 | -- |
| <i>Zone E</i> | 575.04 | 575.04 | -- |
| <i>Zone F</i> | 2,121.49 | 2,121.49 | -- |
| <i>Zone G</i> | 412.63 | 412.63 | -- |
| <i>Zone H</i> | 788.00 | 788.00 | -- |
| Assessment per EBU: | | | |
| <i>Zone A</i> | \$0.00 | \$0.00 | \$21.33 ⁽³⁾ |
| <i>Zone B</i> | \$0.00 | \$0.00 | \$344.18 ⁽³⁾ |
| <i>Zone C</i> | \$0.00 | \$0.00 | \$56.19 ⁽³⁾ |
| <i>Zone D</i> | \$0.00 | \$0.00 | \$265.35 ⁽³⁾ |
| <i>Zone E</i> | \$0.00 | \$0.00 | \$202.67 ⁽³⁾ |
| <i>Zone F</i> | \$0.00 | \$0.00 | \$59.36 ⁽³⁾ |
| <i>Zone G</i> | \$0.00 | \$0.00 | \$71.00 ⁽³⁾ |
| <i>Zone H</i> | \$0.00 | \$0.00 | \$42.03 ⁽³⁾ |

⁽¹⁾ 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.

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

⁽³⁾ Prior fiscal year's maximum authorized annual assessment rate increased by cost-indexing factor of 4.93%.

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) plus 3%.

Background

The Black Mountain Ranch North Maintenance Assessment District (District) was established by the City of San Diego (City) on June 27, 2006 by City Council Resolution R-301612. 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.”

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.

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 of identified street lighting improvements (i.e., decorative acorn style and cobra style fixtures) in the District. The approximate location of the improvements is generally shown in **Figure 1**.

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.

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.

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) plus 3%. The annual change in second half SDCPI-U values, as compiled by the *U.S. Bureau of Labor Statistics* (see 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 4.93%.

Method of Apportionment

Estimated Benefit of Improvements

The Community Design Element of the *Black Mountain Ranch Subarea Plan* (Subarea Plan) and the general policy recommendations found in the City's *Progress Guide & General Plan* (General Plan) establish several goals and guidelines for the planned development of the community. The District improvements and activities are consistent with these goals. The City's General Plan and Subarea Plan support the establishment of community-based improvement and maintenance districts, such as this District, to fund enhanced improvements and activities.

Camino Del Sur & Paseo Del Sur. Collectively, Camino Del Sur and Paseo Del Sur make up the backbone street network for the community. These streets serve as the primary access routes for inter-community and intra-community trips, serving all parcels within the community. All parcels within the District benefit from the aesthetic enhancement of these streets and the enhanced community image provided by District improvements and activities. As such, all parcels within the District have been assessed for the improvements and activities on Camino Del Sur and Paseo Del Sur. The assessment costs associated with these improvements and activities (common to all parcels) are termed "overlay" costs.

Other Collector & Neighborhood Streets. The other collector and neighborhood streets serve as the primary access routes to and from the backbone street system, serving parcels within a specific area. Only those parcels served by such collector and neighborhood streets benefit from their enhancement. Consistent with this concept, the District has been divided into eight zones as shown in **Exhibit A**. The assessment costs associated with improvements and activities located along the other collector and neighborhood streets are termed "zone" costs.

Apportionment Methodology

The total cost associated with District improvement and activities will be assessed proportionally to the parcels in the District based on Equivalent Benefit Units (EBUs). The total assessment for a given parcel is equal to the parcel's total EBUs multiplied by the Unit Assessment Rate (unique to the zone in which parcel is situated) as shown in the following equation:

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

Equivalent Benefit Units (EBUs)

EBUs for each parcel have been determined as a function of parcel area or number of residential units and a Land Use Factor, as shown in the following equation:

$$\text{EBUs} = (\text{Acres or Units}) \times \text{Land Use Factor}$$

Parcels determined to receive no benefit from District improvements and activities have been assigned zero (0) EBUs.

Land Use Factor

Since the proposed District improvements and activities are primarily associated with the Transportation Element of City's General Plan and Community Plan, trip generation rates for various land use categories (as previously established by the City's Transportation Planning Section) have been used as the primary basis for the development of Land Use Factors. While these trip generation rates address vehicular trips, they are also considered to approximately reflect relative trip generation for other modes of transportation (e.g., pedestrian trips, bicycle trips, etc.), and are considered the best available information for these other transportation modes.

Trip generation rates provide the required nexus and basis for assigning relative proportionality of potential benefit to the various land use/zoning classifications (as defined by the City's Municipal Code) within the District. Land use/zoning classifications have been grouped with averaged trip generation rates assigned to establish the Land Use Factors as shown in **Table 1**.

Designated open space serves primarily to preserve natural landscape and habitat. While access for study and passive recreation is often permitted, these activities are allowed only to the extent they are consistent with the primary purpose of natural preservation. Since this land is essentially "unused" in the customary terms of land use (which relate to human use and development), the trip generation rate is zero. Therefore, the designated open space itself receives no benefit from the District improvements and activities and has been assigned a Land Use Factor of zero.

TABLE 1: Land Use Factors

| Land Use/Zoning | Code | Land Use Factor ⁽¹⁾ |
|--|-------------|---------------------------------------|
| Residential – Single Family (detached) | SFD | 1.0 per dwelling unit |
| Residential – Condominium | CND | 0.7 per dwelling unit |
| Residential – Multi-Family & Apartment | MFR | 0.7 per dwelling unit |
| Commercial – Office & Retail | COM | 45.0 per acre |
| Educational – Primary & Secondary | EPS | 5.0 per acre |
| Fire/Police Station | FPS | 15.0 per acre |
| Golf Course | GLF | 0.80 per acre |
| Hotel | HTL | 15.0 per acre |
| Industrial & Institutional | IND | 15.0 per acre |
| Open Space (designated) | OSP | 0 per acre |
| Park – Developed | PKD | 5.0 per acre |
| Park – Undeveloped | PKU | 0.5 per acre |
| Recreational Facility | REC | 3.0 per acre |
| Street/Roadway | STR | 0 per acre |
| Transit Station | TRN | 30.0 per acre |
| Street/Roadway | STR | 0 per acre |
| Undevelopable | UND | 0 per acre |
| Utility Facility | UTL | 3.0 per acre |

⁽¹⁾ Proportional to trip generation rates contained in the City of San Diego *Trip Generation Manual* (May 2003).

While those traveling the streets and roadways visually enjoy the enhanced District improvements and activities, the actual benefit accrues to the lands at the origins and destinations of their trips, not to the lands of the streets and roadways, themselves. Accordingly, the Streets/Roadways category receives no benefit and has been assigned a Land Use Factor of zero.

The Recreational Facility category includes those parcels that consist primarily of concentrated facilities, such as swimming pools, gymnasiums, racquetball clubs, etc. Recreational facilities of a more dispersed nature (e.g., parks, golf courses, etc.) have been categorized separately.

Unit Assessment Rates

As previously mentioned, all parcels have been assessed for the District improvements and activities located along Camino Del Sur and Paseo Del Sur. The assessment costs associated with these improvements and activities (common to all parcels) are termed “overlay” costs. Parcels within each zone have been assessed for the improvements and activities on the collector and neighborhood streets serving their respective zone. The assessment costs associated with these improvements and activities are termed “zone” costs.

The total “overlay” costs have been apportioned to each parcel in proportion to the parcel’s estimated EBUs relative to the total of all District EBUs. The total “zone” costs have been apportioned to each parcel in proportion to the parcel’s estimated EBUs relative to the total of all EBUs within the zone.

The Unit Assessment Rate (rate per EBU) is equal to the sum of the “overlay” unit rate and the “zone” unit rate as shown in the following equation:

| |
|--|
| $\text{Unit Assessment Rate} = \text{Overlay Unit Rate} + \text{Zone Unit Rate}$ |
|--|

The Unit Assessment Rate (also referred to as the “Assessment per EBU”) for each zone is presented in the Executive Summary section of this annual report.

Sample Calculations

As described above, the number of Equivalent Benefit Units (EBUs) 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:

$$\text{EBUs} = (\text{Acres or Units}) \times \text{Land Use Factor}$$

Shown below are sample EBU calculations for several common land uses found in the District.

- **1 Single-Family Residence**
EBUs = 1 unit x 1.00 = 1.00 EBUs
- **1 Condominium**
EBUs = 1 unit x 0.70 = 0.70 EBUs
- **10-unit Apartment Complex**
EBUs = 10 units x 0.70 = 7.00 EBUs
- **½-acre Commercial Property**
EBUs = 0.50 acres x 45.00 = 22.50 EBUs

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

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

Based on the above formula, the EBUs, unit assessment rate, and total assessment 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 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

EXHIBIT B

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

EXHIBIT C

**Preliminary Assessment Roll
for Fiscal Year 2021**