



THE CITY OF SAN DIEGO



# ANNUAL REPORT

for Fiscal Year 2020

## CARMEL MOUNTAIN RANCH 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 2019**

# **CITY OF SAN DIEGO**

## **Mayor**

Kevin Faulconer

## **City Council Members**

Barbara Bry  
District 1 (Council President Pro Tem)

Jennifer Campbell  
District 2

Chris Ward  
District 3

Monica Montgomery  
District 4

Mark Kersey  
District 5

Chris Cate  
District 6

Scott Sherman  
District 7

Vivian Moreno  
District 8

Georgette Gómez  
District 9 (Council President)

## **City Attorney**

Mara W. Elliott

## **Chief Operating Officer**

Kris Michell

## **City Clerk**

Elizabeth Maland

## **Independent Budget Analyst**

Andrea Tevlin

## **City Engineer**

James Nagelvoort

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# Annual Report for Fiscal Year 2020

## Carmel Mountain Ranch

### Maintenance Assessment District

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#### Preamble

Pursuant to §65.0220 of the “San Diego Maintenance Assessment District Procedural Ordinance” (being Division 2, Article 5, Chapter 6 of the *San Diego Municipal Code*) and City of San Diego Council Resolution No. R-310618 passed on July 22, 2016, authorizing the continued levy of assessments for the life of the CARMEL MOUNTAIN RANCH MAINTENANCE ASSESSMENT DISTRICT (hereinafter referred to as “District”), and in accordance with 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 “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 \_\_\_\_\_, 2019.

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

## Executive Summary

**Project:** Carmel Mountain Ranch  
Maintenance Assessment District

**Apportionment Method:** Equivalent Benefit Unit (EBU)

	<b>FY 2019</b>	<b>FY 2020 <sup>(1)</sup></b>	<b>Maximum <sup>(2)</sup> Authorized</b>
<b>Total Parcels Assessed:</b>	4,041	4,040	--
<b>Total Estimated Assessment:</b>	\$365,080	\$396,683	--
<b>Total Number of EBUs:</b>	11,799.55	11,799.53	--
<b>Assessment per EBU:</b>	\$30.94	\$33.62	\$33.62 <sup>(3)</sup>

<sup>(1)</sup> FY 2020 is the City's Fiscal Year 2020, which begins July 1, 2019 and ends June 30, 2020. Total Parcels Assessed, Total Estimated Assessment, and assessment apportionment factors may vary from prior fiscal year values due to parcel changes and/or land use re-classifications.

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

<sup>(3)</sup> Prior fiscal year's maximum authorized annual assessment rate increased by cost-indexing factor of 3.71%.

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

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## Background

The Carmel Mountain Ranch Maintenance Assessment District (District), originally known as the “Carmel Mountain Ranch Landscape and Lighting Maintenance District,” was established by the City of San Diego (City) on November 5, 1984 by City Council Resolution R-261871. The District was subsequently re-formed on June 30, 1998 by City Council Resolution R-290406 primarily for purposes of compliance with Proposition 218 and to permit future cost-indexing. The purpose of the District was, and still is, to fund specifically identified improvements and activities within the boundary of the District.

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

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

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## District Boundary

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

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## Project Description

The authorized assessments will be used to fund specifically identified improvements and activities within the District. The District improvements and activities generally consist of maintenance and servicing of landscaped street medians, paved street medians, landscaped rights-of-way and adjacent areas, curbs and gutters, slope areas and light 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.

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## Separation of General and Special Benefits

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

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

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## Cost Estimate

The estimated annual budget (Revenue & Expense Statement) for Fiscal Year 2020 (July 1, 2019 to June 30, 2020 period) is included as **Exhibit B**. The "Other Contributions (Non Assessment Source)" revenue contained in the budget includes the value of improvements and activities determined to provide "general benefits." The District budget with full detail is available for public reference in the Maintenance Assessment Districts section of the Parks and Recreation Department of the City.

## Annual Cost-Indexing

The maximum authorized assessment set forth in the Engineer's Reports is permitted to increase annually based on the published change in the "San Diego Consumer Price Index for Urban Consumers" (SDCPI-U). The annual change in second half SDCPI-U values, as compiled by the *U.S. Bureau of Labor Statistics* (see [www.bls.gov](http://www.bls.gov)), for the prior year period was from 284.464 to 295.018 (a 3.71% increase). In accordance with the approved cost-indexing provisions, the maximum authorized assessment rates have been increased by 3.71%.

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## Method of Apportionment

### Estimated Benefit of Improvements

The Transportation Element of the City's General Plan and the general policy recommendations found in the Carmel Mountain Ranch Community Plan establish several goals for the community's transportation system. The District improvements and activities are consistent with the plans' goals for safety and pleasing aesthetics.

The major and arterial streets within the District are the backbone of the street network within the community. They serve as the primary access routes for inter-community and intra-community trips and thus serve all parcels within the community. All parcels within the District benefit from the enhancement of these streets and the enhanced community image provided by the improvements and activities.

### Apportionment Methodology

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

EBUs for each parcel have been determined as a function of three factors, a Land Use Factor, a Benefit Factor, and a Location Factor, related as shown in the following equation:

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

Each of these factors is discussed below.



### ***Land Use Factor***

Since the District improvements and activities are primarily associated with the Transportation Element of the General and Community Plans, 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 strictly address only 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.

The special benefits of District landscape improvements and activities are linked to trip generation primarily by the public safety and aesthetic enhancement enjoyed by travelers through the community. Trip generation rates provide the required nexus and basis for assigning ratios of maximum potential benefit to the various land use/zoning classifications as defined by the City's Municipal Code.

Land use/zoning classifications have been grouped with averaged trip generation rates assigned to establish the Land Use Factors as shown in **Table 1**.

**TABLE 1: Land Use Factors**

<b>Land Use/Zoning</b>	<b>Code</b>	<b>Land Use Factor</b>
Residential – Detached Single Family	SFD	1.0 per dwelling unit
Residential – Condominium (Attached)	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	0.8 per acre
Hospital/Medical Facility	HMF	30.0 per acre
Hotel	HTL	15.0 per acre
Industrial	IND	15.0 per acre
Library	LIB	40.0 per acre
Open Space (designated)	OSP	0.0 per acre
Park – Developed	PKD	5.0 per acre
Post Office	PST	15.0 per acre
Recreational Facility	REC	3.0 per acre
Street/Roadway	STR	0.0 per acre
Undevelopable	UND	0.0 per acre
Utility Facility	UTL	3.0 per acre

Designated Open Space serves primarily to preserve natural landscape and habitat. While access for study and passive recreation is sometimes permitted, these activities are usually allowed only to the limited extent 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, not use by nature), the trip generation rate is zero, therefore, the designated Open Space receives no benefit from the Transportation Element and has been assigned a Land Use Factor of zero.

While those traveling streets and roadways enjoy the District improvements and activities during their travel, the actual benefit of this enjoyment accrues to the lands at the origins and destinations of their trips, not to the lands of the streets and roadways, themselves. Accordingly, parcels in the Street/Roadway category receive no benefit and have been assigned a Land Use Factor of zero.

The Utility Facility category applies to utility infrastructure facilities, such as water tanks, pump stations, electric power

transformer stations, etc. Utility company administrative offices are not included in this category.

Zoning regulations allow some Commercial uses in areas of the District that are zoned Industrial. In those areas, parcels were categorized by their apparent *usage*, rather than strictly by their zoning designation.

### ***Benefit Factor***

The Land Use Factor described above reflects the relative intensity of use (or potential use) of the various parcels of land to be assessed. It does not address the relationship of this use to the specific District improvements and activities. This relationship is reflected in the Benefit Factor utilized in the assessment methodology.

In determining the Benefit Factor for each land use category, the subcomponents of the benefits of District improvements and activities considered may include some or all of the following: public safety, view corridors and aesthetics, enhancement of community identity, drainage corridors, and recreational potential. As Benefit Factors and their subcomponents are intended to reflect the particular relationships between specific land uses within a district and the specific District improvements and activities, Benefit Factors will generally vary from one district to another, based on the specific character and nature of the applicable land uses and District improvements and activities.

The applicable benefit subcomponents and resultant composite Benefit Factors determined for the various Land Use/Zoning categories within this District are as shown in **Table 2**.

**TABLE 2: Benefit Factors by Land Use**

<b>Land Use/Zoning</b>	<b>Public Safety (max. 0.3)</b>	<b>Aesthetics (max. 0.7)</b>	<b>Composite Benefit Factor (max. 1.0)</b>
Residential – All	0.3	0.7	1.0
Commercial – Office & Retail	0.3	0.5	0.8
Educational	0.3	0.3	0.6
Fire/Police Station	0.3	0.5	0.8
Golf Course	0.3	0.1	0.4
Hospital/Medical Facility	0.3	0.3	0.6
Hotel	0.3	0.5	0.8
Industrial	0.3	0.3	0.6
Library	0.3	0.3	0.6
Open Space (designated)	0.3	0.1	0.4
Park – Developed	0.3	0.1	0.4
Post Office	0.3	0.5	0.8
Recreational Facility	0.3	0.3	0.6
Street/Roadway	0.3	0.1	0.4
Undevelopable	0.3	0.1	0.4
Utility Facility	0.3	0.1	0.4

**Public Safety.** All land uses are considered to receive the maximum available benefit from the public safety element of District improvements and activities. Public safety is essential to all land uses, and even to lands, such as designated Open Space, held in stewardship with only incidental human use.

**Aesthetics.** The degree of benefit received from the aesthetic qualities of landscaped and hardscaped roadway medians and rights-of-way maintained by the District varies among land use categories. Generally, by nature of their use, residential lands receive the greatest benefit from the reduced traffic congestion, reduced noise levels, greater separation from traffic and generally more tranquil environment provided by landscaped and hardscaped roadway medians and rights-of-way. Commercial and institutional uses, on the other hand, often thrive on higher densities, greater traffic access, and a higher level of activity in the vicinity of their enterprises. These uses, accordingly, receive a lesser degree of benefit from the general insulation and separation provided by the aesthetic elements of District improvements and activities.

Lands in the Open Space, Street/Roadway, and Utility Facility categories are considered to receive no significant benefit from the aesthetic elements of District improvements and activities, as enhanced aesthetic quality of other lands in their vicinity does not affect their function, use, or value. Lands in the Golf Course and Park categories are considered to receive no significant benefit from the aesthetic elements of District, as the aesthetic values of these lands are themselves so high that they are little enhanced by those of other lands in their vicinity.

### ***Location Factor***

The Location Factor considers the location of the parcels to be assessed relative to the location of District improvements and activities. Since all parcels in this District may make use of any of the District Improvements in the trips generated by their uses, all parcels in the District are being assigned the same Location Factor of 1.00.

## 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:

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

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 x 1.00 = 1.00 EBUs
- **1 Condominium**  
EBUs = 1 unit x 0.70 x 1.00 = 0.70 EBUs
- **10-unit Apartment Complex**  
EBUs = 10 units x 0.70 x 1.00 = 7.00 EBUs
- **½-acre Commercial Property**  
EBUs = 0.50 acres x 45.00 x 0.80 = 18.00 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, as shown in the following equation:

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

Based on the above formula, the EBUs calculated for each property, can be found in the Assessment Roll (**Exhibit C**).

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## Summary Results

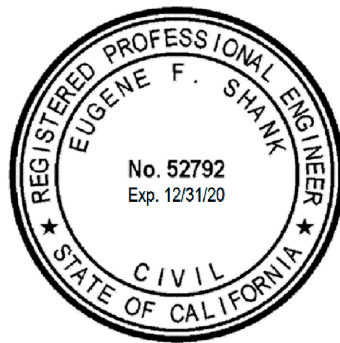
The District Boundary is presented in **Exhibit A**.

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

The assessment methodology utilized is as described in the text of this annual report. Based on this methodology, Fiscal Year 2020 District assessment 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 2020**

# EXHIBIT C

**Preliminary Assessment Roll  
for Fiscal Year 2020**