



America's Finest City

THE CITY OF SAN DIEGO



# **Assessment Engineer's Report**

## **BAY TERRACES – PARKSIDE MAINTENANCE ASSESSMENT DISTRICT**

**Annual Update for Fiscal Year 2010**

**under the provisions of the**

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

**and**

**Landscaping & Lighting Act of 1972  
of the California Streets & Highways Code**

**Prepared For**

**City of San Diego, California**

**Prepared By**

**AECOM**

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San Diego, CA 92111  
(858) 268-8080

**May 2009**

# **CITY OF SAN DIEGO**

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Jerry Sanders

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District 1

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District 5

Kevin Faulconer  
District 2 (Council President Pro Tem)

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## **Chief Operating Officer**

Jay Goldstone

## **City Clerk**

Elizabeth Maland

## **Independent Budget Analyst**

Andrea Tevlin

## **City Engineer**

Afshin Oskoui

## **Assessment Engineer**

AECOM USA, Inc.

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# Assessment Engineer’s Report

## Bay Terraces – Parkside

### Maintenance Assessment District

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#### Preamble

Pursuant to the provisions of the “San Diego Maintenance Assessment District Ordinance” (being Division 2, Article 5, Chapter VI beginning at Section 65.0201 of the San Diego Municipal Code), provisions of the “Landscaping and Lighting Act of 1972” (being Part 2 of Division 15 of the California Streets and Highways 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”), in connection with the proceedings for the BAY TERRACES – PARKSIDE MAINTENANCE ASSESSMENT DISTRICT (hereinafter referred to as “District”), AECOM USA, INC., as Assessment Engineer to the City of San Diego for these proceedings, submits herewith this report for the District as required by California Streets and Highways Code Section 22565.

FINAL APPROVAL, BY RESOLUTION NO. \_\_\_\_\_ ,  
ADOPTED BY THE CITY COUNCIL OF THE CITY OF SAN  
DIEGO, COUNTY OF SAN DIEGO, CALIFORNIA, ON THE  
\_\_\_\_\_ DAY OF \_\_\_\_\_, 2009.

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

## Executive Summary

**Project:** Bay Terraces – Parkside  
 Maintenance Assessment District

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

	<b>FY 2009</b>	<b>FY 2010 <sup>(1)</sup></b>	<b>Maximum <sup>(2)</sup> Authorized</b>
<b>Total Parcels Assessed:</b>	319	319	--
<b>Total Estimated Assessment:</b>	\$34,311	\$34,311	--
<b>Total Number of EBUs:</b>	329.35	329.35	--
<b>Unit Assessment Rate:</b>	\$104.17	\$104.18	\$113.19 <sup>(3)</sup>

<sup>(1)</sup> FY 2010 is the City's Fiscal Year 2010, which begins July 1, 2009 and ends June 30, 2010. Total Parcels Assessed, Total Estimated Assessment, and Total Number of EBUs may vary from prior fiscal year values due to parcel changes and/or land use re-classifications.

<sup>(2)</sup> Maximum authorized annual assessment subject to cost-indexing provisions as set forth in this Assessment Engineer's Report.

<sup>(3)</sup> Prior fiscal year's maximum authorized annual assessment increased by cost-indexing factor of 3.16%.

**District History:** The District was established in December 1982, and re-engineered in Fiscal Year 2003 to permit an increase in assessments and annual cost-indexing.

**Annual Cost-Indexing:** The maximum authorized assessment rate has been increased based on the approved annual cost-indexing provisions.

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

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## Background

The Bay Terraces – Parkside Maintenance Assessment District (District), formerly known as “Bay Terraces Zone 1,” was established in December 1982. The general purpose of the assessments is to provide for the maintenance of dedicated open space areas.

The City of San Diego (City) retained AECOM USA, Inc. (AECOM), formerly Boyle Engineering Corporation, to prepare an Assessment Engineer’s Report for the reformation of the District in May 2002. The purpose of the reformation was to allow for an increase in the overall assessment (with additional provisions for annual cost-indexing) in accordance with Proposition 218 requirements. The effort also involved modification of the apportionment methodology and determination of benefiting parcels.

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## District Proceedings for Fiscal Year 2010

This District is authorized and administered under the provisions of the “San Diego Maintenance Assessment District Procedural Ordinance of 1986” (being Division 2, Article 5, Chapter VI beginning at Section 65.0201 of the San Diego Municipal Code), provisions of the “Landscaping and Lighting Act of 1972” (being Part 2 of Division 15 of the California Streets and Highways 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”).

The purpose of the proposed proceedings and this Assessment Engineer’s Report is to update the District budget and assessments for Fiscal Year 2010. The Fiscal Year 2010 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 levying of the proposed assessments.

## Bond Declaration

No bonds will be issued in connection with this District.

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## District Boundary

The District is located just north of Highway 54 in the Paradise Hills community of the City. 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.

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## Project Description

The project to be funded by the proposed assessments is the maintenance of open space, including an irrigated greenbelt adjacent to Parkside Neighborhood Park. Maps of 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 services 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.

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## Separation of General and Special Benefits

Consistent with City policy for the public at large, the City will provide the District with annual contributions from the Environmental Growth Fund for open space maintenance (\$45.13 per acre). The City will also reimburse the District for contractual maintenance performed on parks (\$6,410 per acre). These cost allocations, reviewed and adjusted annually by the City, are considered to be “general benefits” administered by the District. All other maintenance, operations, and administration costs associated with the District, which exceed the City’s contribution to the public at large, are accordingly considered to be “special benefits” funded by the District.

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## Cost Estimate

### Estimated Costs

Estimated Fiscal Year 2010 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 approved by property owners via a mail ballot and public hearing process, similar to these proceedings. A majority of ballots received (weighted according to each parcel's proportionate assessment) must be affirmative for the City Council to confirm and levy the increased assessments. For small assessment districts or districts with relatively low dollar assessments, the cost of an engineer's report, balloting, and the public hearing process can potentially exceed the total cost of the increase. These incidental costs of the proceedings can be added to the assessments, resulting in even higher assessments.

Indexing assessments annually to a factor equal to the San Diego Consumer Price Index for Urban Consumers (SDCPI-U) allows for minor increases in normal maintenance and operating costs, without incurring the costs of ballot proceedings required by Proposition 218. Any significant change in the assessment initiated by an increase in service provided or other significant changes to the District would still require Proposition 218 proceedings and property owner approval.

The maximum authorized assessment established in the Fiscal Year 2003 proceedings are authorized to be indexed (increased or decreased) annually by the factor published in the SDCPI-U. The maximum authorized assessment rates contained within this Assessment Engineer's Report have been indexed in accordance with these cost-indexing provisions.

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## Method of Apportionment

### Estimated Benefit of the Improvements

Dedication 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, and 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.

The maintenance for these enhanced assets, since installation, has been funded through the District. The City's General Plan also supports the establishment of community landscape improvement and maintenance districts, such as this District, to serve these maintenance needs.

### **Apportionment Methodology**

The total cost for maintenance of the District improvements will be assessed to the various parcels within the District 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 in the District have been determined as a function of two factors, a Land Use Factor and a Benefit Factor, related as shown in the following equation:

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

Each of these factors is discussed below. Parcels determined to receive no benefit from maintenance of District improvements have been assigned zero (0) EBUs. The EBUs calculated for each property in the District can be found in the Assessment Roll (Exhibit C).

### **Land Use Factor**

Since the improvements to be maintained by District 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 the open space areas maintained by the District are linked to trip generation primarily by the public safety, aesthetic, and recreational enhancements enjoyed by travelers through the District. 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
Educational – Primary & Secondary	EPS	5.0 per acre
Open Space (designated)	OSP	0.0 per acre
Park – Undeveloped	PKU	0.5 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.

***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 improvements to be maintained by the District. 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 considered may include some or all of the following: public safety, view corridors and aesthetics, enhancement of community identity, drainage corridors, and recreational potential. These are the components used for this District: public safety, aesthetics, and recreation.

As Benefit Factors and their subcomponents are intended to reflect the particular relationships between specific land uses within a district and the specific improvements maintained by the district, Benefit Factors will generally vary from one district to another, based on the specific character and nature of the applicable land uses and improvements maintained.

For a given land use, the composite Benefit Factor is equal to the sum of the subcomponent values. If a land use category receives no benefit from a subcomponent, then a value of zero is assigned to that subcomponent. A composite Benefit Factor of 1.0 indicates that full benefit is received. A decimal fraction indicates that less than full benefit is received.

The applicable benefit subcomponents and resultant composite Benefit Factors determined for the various land use/zoning categories within the District are as shown in Table 2.

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

Land Use/Zoning	Public Safety (Max. 0.2)	Aesthetics (Max. 0.4)	Recreation (Max. 0.4)	Composite Benefit Factor (Max. 1.0)
All Residential	0.2	0.4	0.4	1.0
Educational – Primary & Secondary	0.2	0.2	0.0	0.4
Open Space (designated)	0.2	0.0	0.0	0.2
Park – Undeveloped	0.2	0.0	0.0	0.2

**Public Safety.** All land uses are considered to receive the maximum available benefit from the public safety element of District improvements. 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 the open space areas 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 open spaces. 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.

Lands in the Open Space and Park categories are considered to receive no significant benefit from the aesthetic elements of District improvements, as enhanced aesthetic quality of other lands in their vicinity does not affect their function, use, or value.

**Recreation.** Lands in all Residential categories are considered to receive the maximum available benefit from the recreation elements of District improvements, through the regular enjoyment of these elements by their residents. Lands in all other categories are considered to receive no significant enjoyment or benefit from these elements of District improvements.

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## Summary Results

The District boundary is presented in Exhibit A.

An estimate of the costs of the improvements 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 Fiscal Year 2010 District assessment for each parcel was calculated and is 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 2010 can be found on the Assessment Roll.

This report has been prepared and respectfully submitted by:

AECOM USA, INC.

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Eugene F. Shank, PE

C 52792

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Carolyn R. Crull

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 \_\_\_\_\_, 2009.

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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 \_\_\_\_\_, 2009.

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

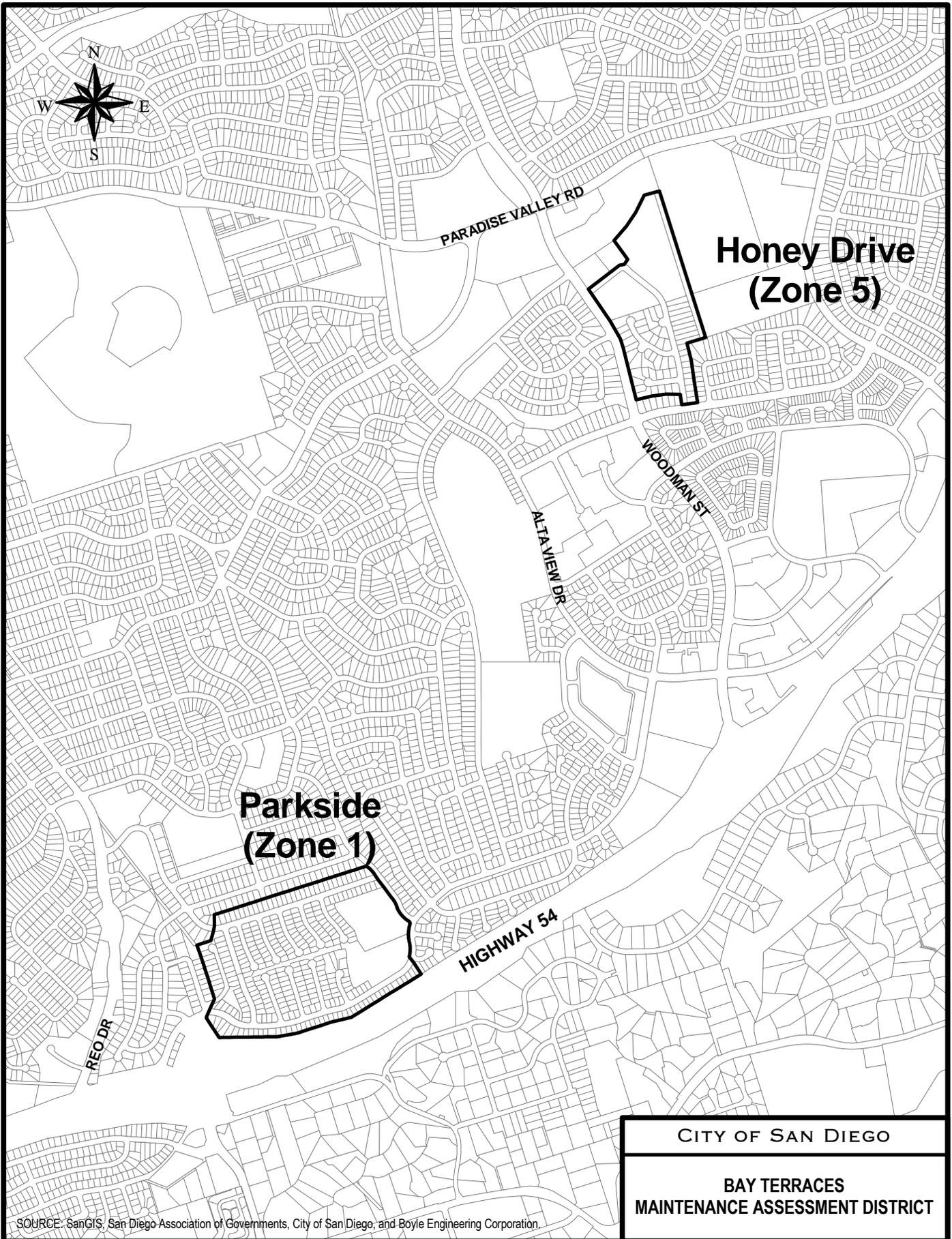
I, \_\_\_\_\_, as CITY ENGINEER of the CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, CALIFORNIA, do hereby certify that the foregoing Assessment, together with the Assessment Diagram was recorded in my office on the \_\_\_\_ day of \_\_\_\_\_, 2009.

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Afshin Oskoui, CITY ENGINEER  
CITY OF SAN DIEGO  
STATE OF CALIFORNIA

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# **EXHIBIT A**



**Honey Drive  
(Zone 5)**

**Parkside  
(Zone 1)**

CITY OF SAN DIEGO  
BAY TERRACES  
MAINTENANCE ASSESSMENT DISTRICT

SOURCE: SanGIS, San Diego Association of Governments, City of San Diego, and Boyle Engineering Corporation.

# **EXHIBIT B**

# EXHIBIT B - Estimated Annual Expenses, Revenues & Reserves

Bay Terraces - Parkside - Fund No. 70271  
Formerly: Bay Terraces Zone 1 - Fund No. 70222/Org 2000

	FY 2008 BUDGET	FY 2009 BUDGET	FY 2010 BUDGET
<b>BALANCE FROM PRIOR YEAR</b>	\$ 23,483	\$ 35,068	\$ 31,080
<b>REVENUE</b>			
Assessments	\$ 34,311	\$ 34,311	\$ 34,311
Interest	\$ 975	\$ 740	\$ 900
Environmental Growth Fund	\$ 80	\$ 81	\$ 91
Gas Tax Fund	\$ -	\$ -	\$ -
General Fund	\$ 911	\$ 973	\$ 1,090
Miscellaneous	\$ -	\$ -	\$ -
<b>TOTAL REVENUE</b>	<b>\$ 36,277</b>	<b>\$ 36,105</b>	<b>\$ 36,392</b>
<b>TOTAL BALANCE AND REVENUE</b>	<b>\$ 59,760</b>	<b>\$ 71,173</b>	<b>\$ 67,472</b>
<b>EXPENSE</b>			
<b>OPERATING EXPENSE</b>			
Personnel	\$ 2,737	\$ 2,805	\$ 2,730
Contractual	\$ 14,600	\$ 13,125	\$ 29,324
Incidental	\$ 3,156	\$ 3,540	\$ 3,728
Utilities	\$ 7,919	\$ 10,037	\$ 9,797
<b>TOTAL OPERATING EXPENSE</b>	<b>\$ 28,412</b>	<b>\$ 29,507</b>	<b>\$ 45,579</b>
<b>RESERVE</b>			
Contingency Reserve	\$ 31,348	\$ 41,666	\$ 21,893
<b>TOTAL RESERVE</b>	<b>\$ 31,348</b>	<b>\$ 41,666</b>	<b>\$ 21,893</b>
<b>BALANCE</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>TOTAL EXPENSE, RESERVE AND BALANCE</b>	<b>\$ 59,760</b>	<b>\$ 71,173</b>	<b>\$ 67,472</b>

# **EXHIBIT C**

Due to the size of the Assessment Roll (Exhibit C), only limited copies are available. Please contact the City of San Diego, Park & Recreation Department, Open Space Division, Maintenance Assessment Districts Program at (619) 685-1350 to review the Assessment Roll.