



America's Finest City

THE CITY OF SAN DIEGO



Assessment Engineer's Report

CARMEL VALLEY NEIGHBORHOOD 10 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
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May 2009

AECOM

CITY OF SAN DIEGO

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Independent Budget Analyst

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Afshin Oskoui

Assessment Engineer

AECOM USA, Inc.

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Maintenance Assessment District

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Assessment Engineer's Report Carmel Valley Neighborhood 10 Maintenance Assessment District

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 CARMEL VALLEY NEIGHBORHOOD 10 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.

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

Executive Summary

Project: Carmel Valley Neighborhood 10
 Maintenance Assessment District

Apportionment Method: Equivalent Benefit Unit (EBU)

	FY 2009	FY 2010 ⁽¹⁾	Maximum ⁽²⁾ Authorized
Total Parcels Assessed:	1,443	1,582	--
Total Estimated Assessment:	\$179,956	\$185,846	--
Total Number of EBUs:	1,685.61	1,740.78	--
Assessment per EBU:	\$106.76	\$106.76	\$205.15 ⁽³⁾

⁽¹⁾ 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.

⁽²⁾ Maximum authorized annual amounts subject to cost-indexing provisions as set forth in this Assessment Engineer's Report.

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

Proposition 218 Compliance: The District was engineered in Fiscal Year 1999 in compliance with Proposition 218. By a ballot proceeding, majority property owners approved Fiscal Year 1999 assessments, maximum authorized assessments for subsequent years, and provisions for 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.

Background

The Carmel Valley Neighborhood 10 Planning Area is located north of Los Peñasquitos Canyon Preserve and east of the Sorrento Hills Planning Area. In 1998, the City of San Diego (City) retained AECOM USA, Inc. (AECOM), formerly Boyle Engineering Corporation, to prepare an Assessment Engineer's Report for the formation of the Carmel Valley Neighborhood 10 Maintenance Assessment District (District).

The improvements comprising the District consist of landscaped and paved medians, native and revegetated open spaces, hardscape features (sidewalks, curbs, gutters, etc.), and landscaped parkways. The purpose of the District is to provide for the maintenance of these identified improvements.

The District was engineered in Fiscal Year 1999 in compliance with Proposition 218. By a mail ballot proceeding, property owners approved the District. The Assessment Engineer's Report, preliminarily accepted by Resolution Number R-290634, proposed Fiscal Year 1999 assessments, maximum authorized assessments for subsequent years, and provisions for annual cost-indexing of the maximum authorized assessments.

District Proceedings for Fiscal Year 2010

This District is authorized and administered under 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 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"). 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 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.

District Boundary

The Boundary Map and Assessment Diagram for the District are on file in the Maintenance Assessment Districts section of the Park and Recreation Department of the City of San Diego and by reference are made a part of this report. The Boundary Map and Assessment Diagram for the District are available for public inspection during normal business hours. A reduced copy of the Boundary Map is included as Exhibit A.

Project Description

The project to be funded by the proposed assessments is the maintenance of landscaped medians, paved medians, landscaped rights-of-way, paved rights-of-way, landscaped slope, natural open space, gutters, and additional maintenance activities performed at certain population-based parks within the district above the General Fund contribution. The City would provide funds to the District for park grounds maintenance based on the City's average annual cost to maintain park grounds.

Maintenance activities include, but are not limited to, turf mowing and edging, irrigation, gutter sweeping, collection and disposal of fallen branches and trees, revegetation and replacement of damaged plant material, tree and bush trimming, fertilizing, weeding, ongoing inspection and repairs. 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 to be maintained by the District are on file at Maps and Records in the Development Services Department and are incorporated herein by reference. 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.

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 Gas Tax Fund for median maintenance (32.20¢ per square foot of landscaped median and 12.84¢ per square foot of hardscaped median) and from the Environmental Growth Fund for open space maintenance (\$45.13 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.

Cost Estimate

Estimated Costs

Estimated Fiscal Year 2010 annual expenses, revenues, reserves, and assessments (provided by the City) 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. 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 the San Diego Consumer Price Index for Urban Consumers (SDCPI-U), as approved by the District property owners in Fiscal Year 1999, allows for minor increases for normal maintenance and operating cost escalation without incurring the costs of the Proposition 218 ballot proceedings. Any significant change in the assessment initiated by an increase in service provided or other significant changes to the District would still require the Proposition 218 proceedings and property owner approval.

The maximum authorized assessment established in the Fiscal Year 1999 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.

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 Valley Community Plan establish several goals for the community's transportation system. The improvements being maintained by this District 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 being maintained by the District.

Apportionment Methodology

The total cost for maintenance of the improvements funded by the District 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 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.

Land Use Factor

Since the improvements to be maintained by the 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 improvements maintained by the District 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

Land Use/Zoning	Code	Land Use Factor
Residential – Single Family (detached)	SFD	1.0 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
Open Space (designated)	OSP	0.0 per acre
Park – Developed	PKD	5.0 per acre
Park – Undeveloped	PKU	0.5 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.

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.

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. 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.

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

Land Use/Zoning	Public Safety (max. 0.4)	Aesthetics (max. 0.6)	Composite Benefit Factor (max. 1.0)
Residential – All	0.4	0.6	1.0
Commercial – Office & Retail	0.4	0.3	0.7
Educational – Primary & Secondary	0.4	0.3	0.7
Open Space (designated)	0.4	0.0	0.4
Park – Developed	0.4	0.0	0.4
Park – Undeveloped	0.4	0.0	0.4
Utility Facility	0.4	0.0	0.4

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 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.

Lands in the Open Space and Utility Facility 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. Lands in the Park category are considered to receive no significant benefit from the aesthetic elements of District improvements, as the aesthetic values of these lands are themselves so high that they are little enhanced by those of other lands in their vicinity.

Equivalent Benefit Units (EBUs)

As described above, the number of Equivalent Benefit Units (EBUs) attributable to each parcel in the District has been calculated, based on the preceding factors, as follows:

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

Based on the above formula, the EBUs 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 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 EBUs and Fiscal Year 2010 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 2010 can be found on the Assessment Roll.

This report has been prepared and respectfully submitted by:

AECOM USA, INC.

Eugene F. Shank, PE

C 52792

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.

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

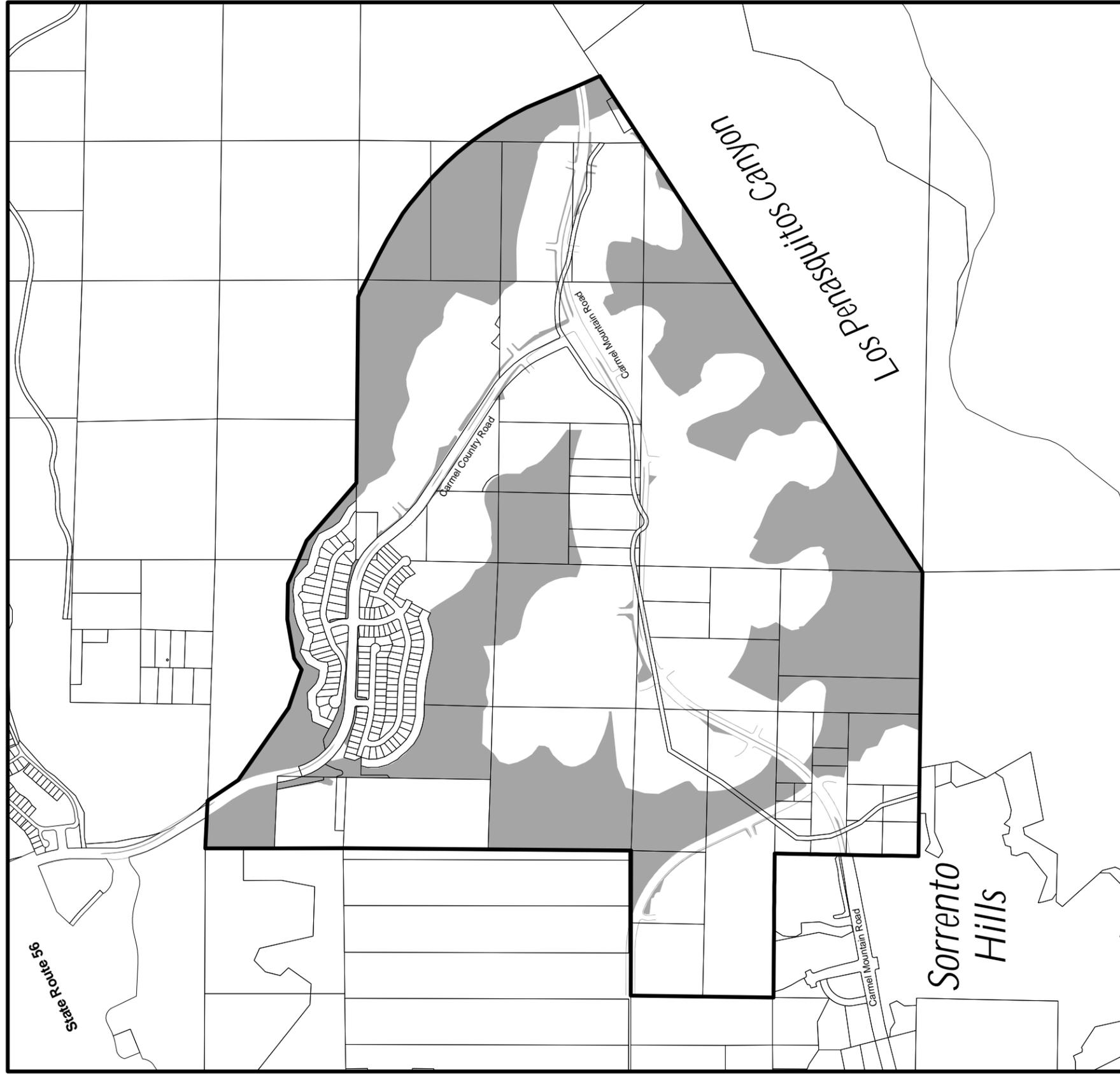
I, _____, as CITY CLERK of the CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, CALIFORNIA, do hereby certify that the foregoing Assessment, together with the Assessment Diagram incorporated into this report, was approved and confirmed by the CITY COUNCIL of said City on the ____ day of _____, 2009.

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.

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

EXHIBIT A



BOUNDARY MAP

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF SAN DIEGO, STATE OF CALIFORNIA, THIS ____ DAY OF _____, 1998.

CHARLES G. ABDELNOUR, CITY CLERK
CITY OF SAN DIEGO
STATE OF CALIFORNIA

PREPARED BY:
Bowie Engineering Corporation
3807 Gateway Court, Suite 205, San Diego, CA 92111 (619)284-3800



**CITY OF
SAN DIEGO**

AN ASSESSMENT WAS LEVIED BY THE CITY COUNCIL OF THE CITY OF SAN DIEGO ON THE LOTS, PIECES, AND PARCELS OF LAND SHOWN ON THIS ASSESSMENT DIAGRAM. SAID ASSESSMENT WAS LEVIED ON THE ____ DAY OF _____, 1998. SAID ASSESSMENT DIAGRAM AND THE ASSESSMENT ROLL WERE RECORDED IN THE OFFICE OF THE SUPERINTENDENT OF STREETS OF THE CITY OF SAN DIEGO, STATE OF CALIFORNIA ON THE ____ DAY OF _____, 1998. REFERENCE IS MADE TO THE ASSESSMENT ROLL FOR THE YEAR 1998 FOR THE SUPERINTENDENT OF STREETS FOR THE EXACT AMOUNT OF EACH ASSESSMENT LEVIED AGAINST EACH PARCEL OF LAND SHOWN ON THIS ASSESSMENT DIAGRAM.

NOTE:
FOR A DETAILED DESCRIPTION OF THE LINES AND DIMENSIONS OF LOTS OR PARCELS SHOWN ON THIS MAP, REFER TO THE COUNTY ASSESSOR'S MAPS WHICH SHALL GOVERN WITH RESPECT TO ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH LOTS OR PARCELS.

- LEGEND**
- District Boundary
 - Parcel Lines
 - District Improvements

CARMEL VALLEY NEIGHBORHOOD 10 MAINTENANCE ASSESSMENT DISTRICT

W.O.

DATE: AUGUST 1998

REVISIONS:

EXHIBIT B

EXHIBIT B - Estimated Annual Expenses, Revenues & Reserves

Carmel Valley #10 - Fund 70248

	FY 2008 BUDGET	FY 2009 BUDGET	FY 2010 BUDGET
BALANCE FROM PRIOR YEAR	\$ 310,136	\$ 350,873	\$ 314,340
REVENUE			
Assessments	\$ 179,316	\$ 179,956	\$ 185,846
Interest	\$ 6,510	\$ 7,700	\$ 3,500
Environmental Growth Fund	\$ 11,226	\$ 11,246	\$ 12,673
Gas Tax Fund	\$ 29,491	\$ 29,068	\$ 29,246
General Fund	\$ -	\$ -	\$ -
Miscellaneous	\$ -	\$ -	\$ -
TOTAL REVENUE	\$ 226,543	\$ 227,970	\$ 231,265
TOTAL BALANCE AND REVENUE	\$ 536,679	\$ 578,843	\$ 545,605
EXPENSE			
OPERATING EXPENSE			
Personnel	\$ 22,801	\$ 18,696	\$ 18,201
Contractual	\$ 190,000	\$ 200,000	\$ 256,756
Incidental	\$ 25,542	\$ 28,589	\$ 34,027
Utilities	\$ 51,770	\$ 54,090	\$ 50,836
TOTAL OPERATING EXPENSE	\$ 290,113	\$ 301,375	\$ 359,820
RESERVE			
Contingency Reserve	\$ 249,661	\$ 277,468	\$ 185,785
TOTAL RESERVE	\$ 249,661	\$ 277,468	\$ 185,785
BALANCE	\$ (3,095)	\$ 0	\$ (0)
TOTAL EXPENSE, RESERVE AND BALANCE	\$ 539,774	\$ 578,843	\$ 545,605

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.