



America's Finest City

THE CITY OF SAN DIEGO



Assessment Engineer's Report

PARK VILLAGE MAINTENANCE ASSESSMENT DISTRICT

Annual Update for Fiscal Year 2015

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

EFS Engineering, Inc.

P.O. Box 22370

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June 2014

CITY OF SAN DIEGO

Mayor

Kevin Faulconer

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Ed Harris
District 2

Todd Gloria
District 3 (Council President)

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City Clerk

Elizabeth Maland

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EXHIBITS

- Exhibit A: Boundary Map
- Exhibit B: Estimated Annual Expenses, Revenues & Reserves
- Exhibit C: Assessment Roll

Assessment Engineer's Report

Park Village

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 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"), in connection with the proceedings for the PARK VILLAGE 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 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 _____, 2014.

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



Executive Summary

Project: Park Village
 Maintenance Assessment District

Apportionment Method: Equivalent Benefit Unit (EBU)

	FY 2014	FY 2015 ⁽¹⁾	Maximum ⁽²⁾ Authorized
Total Parcels Assessed:	3,151	3,151	--
Total Estimated Assessment:	\$245,224	\$245,224	--
<i>Zone 1</i>	\$142,888	\$142,888	--
<i>Zone 2</i>	\$15,556	\$15,556	--
<i>Zone 3</i>	\$86,780	\$86,780	--
Total Number of EBUs:	3,373.32	3,373.32	--
<i>Zone 1</i>	1,653.41	1,653.41	--
<i>Zone 2</i>	875.91	875.91	--
<i>Zone 3</i>	844.00	844.00	--
Assessment per EBU:			
<i>Zone 1</i>	\$86.42	\$86.42	\$182.01 ⁽³⁾
<i>Zone 2</i>	\$17.76	\$17.76	\$38.94 ⁽³⁾
<i>Zone 3</i>	\$102.82	\$102.82	\$172.18 ⁽³⁾

⁽¹⁾ FY 2015 is the City's Fiscal Year 2015, which begins July 1, 2014 and ends June 30, 2015. 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 3.71%.

District History: The District, originally established in February 1985, was re-engineered and re-balloted for Fiscal Year 2004 to allow for an increase in assessments and additional District improvements.

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 Park Village Maintenance Assessment District (District), originally established in February 1985, is located in the Rancho Peñasquitos Community Planning Area and is generally bounded by State Route (SR) 56 to the north, Salmon River Road to the east and the Peñasquitos Canyon Preserve to the south. The original Assessment Engineer's Report is on file in the City of San Diego (City) Clerk's Office.

The general purpose of the District is to provide for the maintenance of dedicated open space areas, landscaped medians and parkways, lighted monument wall, and shade structure within the District boundary. The improvements, and the associated maintenance, have expanded since the establishment of the District. In addition, maintenance costs have increased as a result of increases in labor and materials over time.

In order to accommodate a broader scope of District maintenance activities for existing and new improvements, and to provide for additional cost-indexing flexibility, community representatives requested that the City initiate proceedings to allow for an increase in assessments beyond the amount authorized. The City retained Boyle Engineering Corporation to prepare an Assessment Engineer's Report for Fiscal Year 2004 and beyond, which provides for inclusion of additional maintenance activities and modification of current cost-indexing provisions. These changes were approved, by a mail ballot proceeding, with a majority of weighted votes supporting the proposed modifications.

District Proceedings for Fiscal Year 2015

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 2015. The Fiscal Year 2015 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 District falls within the Rancho Peñasquitos Community Planning Area, and is generally bounded by State Route (SR) 56 to the north, Salmon River Road to the east and the Peñasquitos Canyon Preserve to the south. 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**. **Exhibit A** also shows three zones into which the District has been subdivided for determination of assessments, as discussed later in this report.

Project Description

The project to be funded by the proposed assessments includes developed and undeveloped open space, landscaped medians, hardscaped medians, and landscaped rights-of-way. These improvements are located within four distinct maintenance areas as outlined in **Table 1**.



TABLE 1: Existing Maintenance Areas

Existing Improvements	Black Mountain Road	Park Village Road east of Licia	Park Village Road west of Licia	Camino Del Sur
Medians/Ground Cover & Trees	X	X		X
Medians – Paved	X			X
ROW & Slopes	X	X	X	X
Re-Established Natural Banks		X		X
Open Space (Undeveloped)	X			
Gutter (Linear Feet)	X	X	X	X
Monuments		X		
SDG&E Easement		X		

Maintenance areas will increase based on future improvements as outlined in **Table 2**.

TABLE 2: Future Maintenance Areas

Future Improvements	Camino Del Sur Extension	Black Mountain Road
Medians/Ground Cover & trees	X	X
ROW & Slopes	X	
Gutter (Linear Feet)	X	X

Maintenance activities for the landscaped and hardscaped medians, as well as the developed rights-of-way and developed open space include, but are not limited to, the following: litter control; fertilizing; irrigation and maintenance of irrigation components; weed control; pest control; pruning; planting; tree maintenance; gutter, sidewalk and hardtop cleaning; maintenance necessary for the health and appearance of the plant material; cleaning of brow ditches and activities necessary to address safety concerns.

Maintenance activities for the undeveloped open space areas are limited to litter control as necessary to control illegal dumps and heavy accumulations of litter. Brush management of City-owned open space in accordance with the Municipal Code §142.0412 is performed by the City's General Fund.

Community representatives have identified the following additional



District improvements for future inclusion and/or maintenance:

- ◆ Camino del Sur Extension improvements.
- ◆ Other improvements of like character and nature to the extent that such improvements are consistent with the current apportionment methodology.

A special assessment of \$90,000 was levied in 1997 to provide for additional median improvements on Black Mountain Road. These improvements were completed in April 2006 by a developer. These funds were reimbursed to the developer in Fiscal Year 2014. Improvements associated with the extension of Camino del Sur will be funded by adjacent development. The proposed assessments may be used to maintain the aforementioned improvements to the extent that the improvements are consistent with the current apportionment methodology.

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 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

The identified improvements/services 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/services 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/services; “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/services.

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 Gas Tax Fund for median maintenance (28.03¢ per square foot of landscaped median and 4.43¢ per square foot of hardscaped median for Fiscal Year 2015) and from the Environmental Growth Fund for open space maintenance (\$68.32 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 proposed improvements/services, it has been determined that the maintenance and servicing of the improvements has the potential to confer benefits to others outside the District.

It is estimated as much as 4.6% 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 0.0% accruing directly to properties located outside the District, and the remaining 4.6%



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 2015 annual expenses, revenues, reserves, and assessments (provided by the City) are included as **Exhibit B** hereto. Assessments authorized and collected as part of these proceedings may be used for future balloting and re-engineering efforts, as may be required from time to time.

Annual Cost-Indexing

With the passage of Proposition 218, any proposed increase in District assessments must be approved by property owners via a mail ballot and public hearing process. 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) plus 2% 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 2004 proceedings are authorized to be indexed (increased or decreased) annually by the factor published in the SDCPI-U plus 2%. 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 257.285 to 261.679 (a 1.71% increase). In accordance with the approved cost-indexing provisions, the maximum authorized assessment rates contained within this Assessment Engineer's Report have been increased by 3.71%.

Method of Apportionment

Estimated Benefit of Improvements

The Transportation Element of the City's General Plan and the general policy recommendations found in the Rancho Peñasquitos Community Plan establish several goals for the community's transportation system. The improvements being maintained by this District are consistent with these plans' goals for safety and pleasing aesthetics. The maintenance for these enhanced assets, since installation, has been funded through the District.

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.

Benefit Zones

The improvements within the District do not provide equal benefit to all of the properties. Some of the improvements are isolated and provide benefit only to a limited number of properties. A separate maintenance cost estimate has been prepared for each of the maintenance areas. The District has been divided into zones with maintenance areas and associated costs assigned to the benefiting zones. The District includes five major maintenance areas and three benefit zones. The benefit zones are shown in **Exhibit A**.



The zones are as follows:

Zone 1

Zone 1 comprises the central core area of the District between Black Mountain Road and Licia Way as well as the proposed development with access directly to Camino Del Sur. Zone 1 receives benefit from all the amenities within the District with the exception of the improvements on Park Village Drive west of Carmel Mountain Road, which are isolated from the central core area.

Zone 2

Zone 2 is comprised of the area east of Black Mountain Road. This area takes its access from Black Mountain Road and Salmon River Road, and is generally isolated from the remainder of the District amenities. As a result, Zone 2 is assessed only for the maintenance of the Black Mountain Road improvements.

Zone 3

Zone 3 is comprised of the parcels west of Licia Way with access to Park Village Drive. These parcels receive benefit from the improvements located in Zone 2 and Zone 3. When completed, Camino Del Sur will provide the area with a local primary access route into and out of the community. At that time, Zone 3 will not be responsible for the costs of maintenance of improvements on Black Mountain Road.

Table 3 below summarizes the improvement areas and corresponding zones of benefit.



TABLE 3: Maintenance Areas & Benefiting Zones

Maintenance Area	Benefiting Zones	
	FY 2015	Ultimate
Black Mountain Road	1, 2, 3	1, 2
Park Village Road (from Black Mountain Road to Licia Way)	1, 3	1, 3
Camino Del Sur (Existing)	1, 3	1, 3
Camino Del Sur (Extension)	N/A	1, 3
Park Village Road (west of Licia Way)	3	3

Apportionment Methodology

The total cost for maintenance of the improvements funded by the District have been assessed to the various parcels in the District on the basis of Equivalent Benefit Units (EBUs) assigned to each parcel. 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:

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

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 open space and landscaped/hardscaped improvements maintained by the District are linked to trip generation primarily by the public safety, aesthetic enhancement, and recreational opportunities enjoyed by travelers through the community. Thus, 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 4**.

TABLE 4: Land Use Factors

Land Use/Zoning	Code	Land Use Factor
Residential – Detached Single Family	SFD	1.0 per dwelling unit
Residential – Attached Condominium	CND	0.7 per dwelling unit
Residential – Multi-Family & Apartment	MFR	0.7 per dwelling unit
Residential – Duplex	DUP	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
House of Worship	CRH	2.8 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
Park – Undeveloped	PKU	0.5 per acre
Street/Roadway	STR	0.0 per acre
Recreational Facility	REC	3.0 per acre
Undevelopable	UND	0.0 per acre
Unknown/Future Developable	UNK	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 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 has been assigned a Land Use Factor of zero.

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

While those traveling streets and roadways enjoy the improvements maintained by the District 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, the Streets/Roadways category receives no benefit 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, communications facilities, 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. Public safety and aesthetics are the



components used for this District.

For a given land use, the composite Benefit Factor equals 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 reflects full benefit. A decimal fraction indicates less than full benefit. 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 5**.

TABLE 5: Benefit Factors by Land Use

Land Use/Zoning	Public Safety (Max. 0.6)	Aesthetics (Max. 0.4)	Composite Benefit Factor (Max. 1.0)
All Residential	0.6	0.4	1.0
Commercial – Office & Retail	0.6	0.2	0.8
Educational – Primary & Secondary	0.6	0.2	0.8
Fire/Police Station	0.6	0.2	0.8
House of Worship	0.6	0.2	0.8
Industrial	0.6	0.2	0.8
Library	0.6	0.2	0.8
Open Space (designated)	0.6	0.0	0.6
Park – Developed	0.6	0.0	0.6
Park – Undeveloped	0.6	0.0	0.6
Street/Roadway	0.6	0.0	0.6
Recreational Facility	0.6	0.0	0.6
Undevelopable	0.6	0.0	0.6
Unknown/Future Developable	0.6	0.0	0.6
Utility Facility	0.6	0.0	0.6

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 open spaces, landscaped/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 open spaces, landscaped/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.

Generally, commercial and business districts require large areas of flat land and are constructed in the larger valley or mesa areas, which typically include less designated open space. On the other hand, residential neighborhoods can be sculpted into the areas of irregular terrain common to San Diego, which generally incorporate a greater amount of open space adjacent to the community's residential land use parcels. The proximity of open space to residential parcels creates a greater benefit to residential land use parcels.

Lands in the Open Space, Parks, Recreational Facility, Street/Roadway, 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.

Unit Assessment Rate

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 a parcel is situated) as shown in the following equation:

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

Unit assessment rates for each zone have been established to reflect each zone's proportionate obligation for maintenance of improvement areas within the zone. **Table 6** summarizes the unit assessment rates for each of the three zones within the District for Fiscal Year 2015.



TABLE 6: Unit Assessment Rates for FY 2015

Zone	Unit Cost (\$/EBU)
1	\$86.42
2	\$17.76
3	\$102.82

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
- **2-acre Elementary School**
 EBUs = 2.00 acres x 5.00 x 0.80 = 8.00 EBUs
- **5-acre Park with Recreation Center**
 EBUs = 5.00 acres x 5.00 x 0.60 = 15.00 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 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 parcel within the District 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.

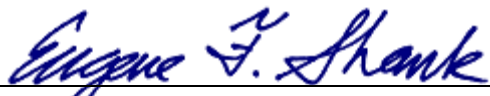
The assessment methodology utilized is as described in the text of this report. Based on this methodology, the EBUs and Fiscal Year 2015 District assessment for each parcel were calculated and are shown in the Assessment Roll (**Exhibit C**).

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 2015 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 _____, 2014.

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 _____, 2014.

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

EXHIBIT A

EXHIBIT B

EXHIBIT C

ASSESSMENT ENGINEER'S REPORT
ASSESSMENT ROLL

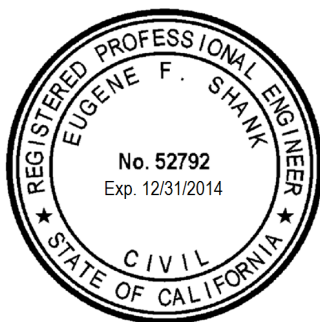
The undersigned, pursuant to the "Maintenance Assessment Districts Ordinance" (Division 2, Article 5, Chapter VI beginning at Section 65.0201 of the San Diego Municipal Code), the "Landscaping and Lighting Act of 1972" (Part 2, Division 15 of the California Streets and Highways Code), applicable provisions of "Proposition 218" (Article XIID of the California Constitution), and the "Proposition 218 Omnibus Implementation Act" (California Senate Bill 919) (the aforementioned provisions are hereinafter referred to collectively as "Assessment Law"), does hereby submit the following:

1. Pursuant to the provisions of Assessment Law and the Resolution of Intention, we have assessed the costs and expenses of the works of improvement (maintenance) to be performed in the Assessment District upon the parcels of land in the Assessment District benefited thereby in direct proportion and relation to the estimated benefits to be received by each of said parcels. For particulars as to the identification of said parcels, reference is made to the Assessment Diagram and Boundary Map on file in the Maintenance Assessment Districts section of the Park and Recreation Department of the City of San Diego. A copy of the Boundary Map is included in the Assessment Engineer's Report as **Exhibit A**.
2. The Assessment Diagram included in this report shows the Assessment District, as well as the boundaries and dimensions of the respective parcels and subdivisions of land within the Assessment District, the same as existed at the time of the passage of the Resolution of Intention, each of which subdivisions of land or parcels or lots respectively have been given a separate number upon the Assessment Diagram and in the Assessment Roll (**Exhibit C**).
3. By virtue of the authority contained in said Assessment Law, and by further direction and order of the legislative body, we hereby make the following assessment to cover the costs and expenses of the works of improvement (maintenance) for the Assessment District based on the costs and expenses as set forth in the Assessment Engineer's Report.

For particulars as to the individual assessments and their descriptions, reference is made to the Assessment Roll (**Exhibit C**) attached hereto.

DATED: June 13, 2014

EFS ENGINEERING, INC.



By: Eugene F. Shank
Eugene F. Shank, PE C 52792

By: Sharon F. Risse
Sharon F. Risse