RESOLUTION NUMBER R-310701
DATE OF FINAL PASSAGE SEP 30 2016

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO APPROVING THE DISTRICT MANAGEMENT PLAN AND ASSESSMENT ENGINEER’S REPORT AND DECLARING ITS INTENTION TO FORM THE LA JOLLA MAINTENANCE ASSESSMENT DISTRICT AND TO LEVY AND COLLECT ANNUAL ASSESSMENTS WITHIN THE DISTRICT FOR THE LIFE OF THE DISTRICT; DIRECTING THE MAILING OF BALLOTS TO IDENTIFIED PROPERTY OWNERS; AND SETTING THE DATE AND TIME FOR A PUBLIC HEARING WITH RESPECT TO THIS MATTER.

WHEREAS, the Maintenance Assessment District Procedural Ordinance (San Diego Municipal Code sections 65.0201 – 65.0222) (MAD Procedural Ordinance) authorizes the creation of a maintenance assessment district (MAD) within the City of San Diego and sets forth the procedure for the formation of MADs; and

WHEREAS, a district formation committee has proposed to form the La Jolla Maintenance Assessment District (District), facilitated the preparation of a draft of the district management plan (Draft Plan) and engineer’s report, and submitted a written petition to the City supporting the Draft Plan; and

WHEREAS, City staff has approved the Draft Plan and has verified that the written petition supporting the Draft Plan was signed by property owners who would pay at least 30 percent of the proposed assessments to be generated in the proposed District; and

WHEREAS, the district formation committee has provided a finalized District Management Plan (DMP) and the Engineer’s Report (Engineer’s Report) (collectively, District Plan) for the proposed MAD in the Village area of La Jolla in the City of San Diego; NOW THEREFORE,
BE IT RESOLVED, by the City Council of the City of San Diego, as follows:

1. The petition meets the requirements of the MAD Procedural Ordinance and is executed by property owners whose names appear on the last equalized secured property tax assessment roll, as shown on records on file with the San Diego County Assessor’s Office.

2. The Council declares its intent to order the formation of a MAD to be designated the La Jolla Maintenance Assessment District, and to levy and collect annual assessments within the District, beginning in Fiscal Year 2018, to pay a prescribed portion of the costs of future improvements and activities as described in the District Plan, in accordance with the MAD Procedural Ordinance, Article XIIIID of the California Constitution, and Proposition 218 Omnibus Implementation Act (California Government Code sections 53750 – 53758).

3. The Council expresses its intention that the administrative documents for the District, to be considered by the Council in the future, designate authority to the Mayor or designee to preclude the expenditure of all or any portion of District assessments during the pendency of any litigation that has been timely initiated to challenge the formation of the District.

4. The District Plan submitted in connection with the District, and on file in the Office of the City Clerk as Document No. RR-310701, is approved as filed and incorporated herein by reference. The District Plan contains a full and detailed description of the improvements and activities; a detailed map which describes the exterior boundaries of the proposed District; and a list of the lots and parcels, and the proposed assessments upon assessable lots and parcels, of land within the District.

5. The improvements and activities to be undertaken within the District, located in the Village area of the La Jolla neighborhood of the City, generally consist of the procurement,
maintenance, operation, and servicing of landscaping, sidewalk cleaning, and trash and graffiti removal, all which shall be in excess of the City's baseline services provided within the District.

6. The amount of the proposed assessment for the District in Fiscal Year 2018 is $502,378.00. The annual assessment for each parcel is based on land use, zone (location of parcels in proximity to the improvements and activities within the District), and lot square footage (LSF) or equivalent benefit unit (EBU), as described in further detail in the Engineer's Report, using the following information:

<table>
<thead>
<tr>
<th>Land Use Description</th>
<th>Allocation based on</th>
<th>Zone 1 Rate</th>
<th>Zone 2 Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial, Recreational, Multi-Family, Public</td>
<td>LSF</td>
<td>$0.1015</td>
<td>$0.0846</td>
</tr>
<tr>
<td>Tax Exempt Parcels</td>
<td>LSF</td>
<td>$0.0338</td>
<td>$0.0282</td>
</tr>
<tr>
<td>Single Family Residential</td>
<td>EBU</td>
<td>$86.8700</td>
<td>$86.8700</td>
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</tbody>
</table>

The amount of the proposed assessment shall be indexed (increased or decreased) annually, starting in Fiscal Year 2019, by the annual factor published in the San Diego Consumer Price Index – All Urban Consumers (SDCPI-U) not to exceed 3 percent. In the event that the annual change in SDCPI-U exceeds 3 percent, a percentage change in excess of 3 percent can be cumulatively reserved and can be added to the annual change in the SDCPI-U for years in which the SDCPI-U is less than 3 percent. Reference is made to the District Plan for a more complete description of the District, the assessment, and funded improvements and activities.

7. Bonds will not be issued in connection with the District.

8. On November 15, 2016 at 10:00 a.m., or as soon thereafter as it may be heard, in the City Council Chambers of the City Administration Building, 202 C Street, 12th floor, San Diego, California, the Council shall conduct a public hearing (Hearing) pursuant to California Government Code section 53753. At the Hearing, all persons will be permitted to present written or oral testimony regarding the District and the levy of the proposed assessment, and the Council
will consider all objections or protests, if any, to the levy of the proposed assessment. The Hearing may be continued at the discretion of the Council.

9. The City Clerk and City staff are directed to cause preparation and distribution of a notice of the Hearing and assessment ballots to the properties identified in Section VII of the Engineer’s Report. Such notice of the Hearing and assessment ballots shall be mailed at least forty-five (45) days before the date of the Hearing, postage prepaid, to all affected property owners, whose names and addresses appear on the last equalized secured property tax assessment roll, all in the manner and form provided for in California Government Code sections 53750-53756.

10. Ballots shall be issued, accepted, and tabulated in the manner set forth in the MAD Procedural Ordinance, Article XIIID, section 4 of the California Constitution, California Government Code section 53753, and the Guidelines for the Return and Tabulation of Assessment Ballots, a copy of which is on file with the City Clerk as Document No. RR-310701-2 and incorporated herein by reference. At the conclusion of the Hearing, a person or persons designated by the City Clerk will tabulate ballots submitted, and not withdrawn, in support of or opposition to the proposed assessment. A majority protest exists if the ballots submitted, and not withdrawn, in opposition to the proposed assessment exceed the ballots submitted, and not withdrawn, in its favor. For purposes of calculating whether a majority protest exists, the ballot returned by a property owner shall be weighted by the estimated assessment obligation of the property owner. The estimated assessment obligation applicable to each property owner will be calculated by applying the assessment rates set forth in this Resolution, discussed in further detail in the District Plan.
If there is a majority protest against the imposition of the assessment, the Council will not impose the assessment.

APPROVED: JAN I. GOLDSMITH, City Attorney

By 
Daphne Z. Skogen
Deputy City Attorney

DZS:dkr
September 12, 2016
Or.Dept: Economic Development
Doc. No.: 1345077

I certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of SEP 27 2016.

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: 9/30/16
(date)

KEVIN L. FAULCONER, Mayor

Vetoed: 
(date)

KEVIN L. FAULCONER, Mayor
Passed by the Council of The City of San Diego on **SEP 27 2016**, by the following vote:

<table>
<thead>
<tr>
<th>Councilmembers</th>
<th>Yeas</th>
<th>Nays</th>
<th>Not Present</th>
<th>Recused</th>
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<tbody>
<tr>
<td>Sherri Lightner</td>
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<td>Lorie Zapf</td>
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<td>Todd Gloria</td>
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<td>Myrtle Cole</td>
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Date of final passage **SEP 30 2016**.

(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY:

_________________________
KEVIN L. FAULCONER
Mayor of The City of San Diego, California.

_________________________
ELIZABETH S. MALAND
City Clerk of The City of San Diego, California.

By _______________________, Deputy

Office of the City Clerk, San Diego, California

Resolution Number R-______310701______