



THE CITY OF SAN DIEGO



ANNUAL REPORT

for Fiscal Year 2020

STREET LIGHT DISTRICT NO. 1 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

Table of Contents

Annual Report for Fiscal Year 2020
Street Light District No. 1 Maintenance Assessment District

| | |
|---|---|
| Preamble..... | 1 |
| Executive Summary | 2 |
| Background | 3 |
| District Boundary | 3 |
| Project Description..... | 3 |
| Separation of General and Special Benefits..... | 4 |
| Cost Estimate..... | 4 |
| Annual Cost-Indexing | 4 |
| Method of Apportionment..... | 5 |
| Estimated Benefit of the Improvements..... | 5 |
| Sample Calculations | 5 |
| Summary Results..... | 6 |

EXHIBITS

Exhibit A: District Boundary

Exhibit B: Estimated Budget – Revenue & Expense Statement
for Fiscal Year 2020

Exhibit C: Preliminary Assessment Roll for Fiscal Year 2020

Annual Report for Fiscal Year 2020

Street Light District No. 1

Maintenance Assessment District

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 STREET LIGHT DISTRICT NO.1 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.

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

Executive Summary

Project: Street Light District No. 1
Maintenance Assessment District

Apportionment Method: Linear Frontage Foot (LFF)

| | FY 2019 | FY 2020 ⁽¹⁾ | Maximum Authorized |
|------------------------------------|-------------------|-------------------------------|---------------------------|
| Number of Sub-Districts: | 57 | 57 | -- |
| Total Parcels Assessed: | 15,537 | 15,634 | -- |
| Total Estimated Assessment: | \$390,759 | \$405,255 | -- |
| Total Number of LFF: | 835,280 | 835,290 | -- |
| Assessment per LFF: | -- ⁽²⁾ | -- ⁽²⁾⁽³⁾ | -- ⁽²⁾⁽⁴⁾ |

⁽¹⁾ 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.

⁽²⁾ Unit assessment rate (\$/LFF) varies by Sub-District.

⁽³⁾ Refer to **Table 1** in annual report for FY 2020 unit assessment rate by Sub-District.

⁽⁴⁾ Maximum authorized assessment rate subject to approved cost-indexing provisions.

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).

Background

Street Light District No. 1 Maintenance Assessment District (District), originally known as “San Diego Street Lighting Maintenance District No. 1,” was established by the City of San Diego (City) on July 28, 1970 by City Council Resolution R-200411. The District was subsequently re-formed on August 5, 1997 by City Council Resolution R-289046 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.”

District Boundary

The District currently consists of fifty-seven (57) sub-districts located throughout the City as 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.

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 street lighting facilities in the District.

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.

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.

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), 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%.

Method of Apportionment

Estimated Benefit of the Improvements

It is estimated that the special benefit received by each parcel is directly proportional to the linear front footage (LFF) of each parcel fronting the enhanced lighting corridor. Energy and maintenance costs for each sub-district within the District are based on the type, wattage, and the number of lights, lighting fixtures and poles in each sub-district. Prorated shares of the total District major maintenance and repair costs and the incidental costs are also added to individual sub-district costs. For each sub-district, the estimated costs of maintenance and energy were divided by the total LFF within the sub-district to determine a unit assessment rate per LFF. **Table 1** on the following page provides a summary of unit assessment rates by sub-district.

Sample Calculations

As described above, assessments have been calculated for each parcel based the linear front footage (LFF) of the property along the improvement/service corridor.

| |
|----------------------------|
| LFF = Linear Front Footage |
|----------------------------|

Shown below are LFF calculations for various sample parcels.

- **Property with 50-foot frontage**
LFF = 50.00 LFF
- **Property with 140-foot frontage**
LFF = 140.00 LFF
- **10-unit Condominium Property with 100-foot frontage**
LFF (per condo unit) = 100.00 LFF / 10 units = 10.00 LFF

The total assessment for each parcel in the District is based on the calculated LFF for the parcel and the applicable unit assessment rate for the zone in which the parcel is located, as shown in the following equation:

| |
|---|
| Total Assessment = Total LFF x Unit Assessment Rate |
|---|

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

Summary Results

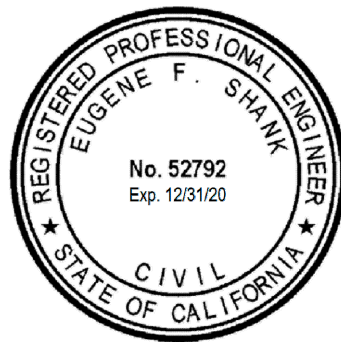
The District Boundary is presented in **Exhibit A**.

An estimate of the 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**