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DATE: August 21, 2013

TO: Honorable Mayor and City Councilmembers

FROM: Property Management Division

SUBJECT: **ADOPTION OF RESOLUTION CONFIRMING FORMATION OF THE CITY OF OCEANSIDE HI HOPE RANCH OPEN SPACE MAINTENANCE DISTRICT, AND APPROVING AND CONFIRMING THE LEVY OF ASSESSMENTS**

**SYNOPSIS**

Staff recommends that the City Council adopt a resolution approving formation of the High Hope Ranch Open Space Maintenance District, confirming the diagram as shown in the Engineer's Report, and confirming and authorizing the levy of the assessments.

**BACKGROUND**

The City of Oceanside ("City") was approached by the developer of the Hi Hope Ranch project ("Project"), Meritage Homes of California, Inc. ("Developer"), to facilitate the formation of an Open Space Maintenance Assessment District ("Maintenance District") for the required habitat mitigation adjacent to the San Luis Rey River. The Project, consisting of 92 homes on 76.02 acres, is located northwest of State Highway 11-SD-76 at the intersection of Melrose Drive in the City of Oceanside.

Pursuant to approval of the Project, a conservation area comprised of approximately 8 acres on the Project (including a 5.4-acre, 100-foot wide floodplain scrub restoration site and a 2.6-acre non-native grassland preservation area) was established by the City of Oceanside Planning Commission, to be preserved in perpetuity. The City and Developer are desirous of creating the Maintenance District as a funding mechanism to maintain the conservation area in perpetuity pursuant to the Developer's Property Owner Consent to the Formation of a Landscape Maintenance District ("Developer's Request").

On June 26, 2013, the City Council approved Resolution 13-R0464-1, initiating proceeding and making certain designations in connection with the proposed Maintenance District and Resolution 13-R0465-1, approving an Engineer's Report and declaring intention to order the formation of the Maintenance District.

## **ANALYSIS**

The City Council is required to conduct a public hearing regarding the proposed FY 2014-15 assessments to be levied within the Maintenance District. The public hearing provides all interested persons an opportunity to be heard, either in writing or orally at the public hearing, regarding the formation of the Maintenance District and the proposed assessments. After consideration of the evidence submitted, the City Council is requested to adopt the resolution for the Maintenance District confirming the FY 2014-15 diagram and assessment.

The amount of the assessment levied against each parcel is based on the improvements and services provided, to fairly apportion the costs based on estimated benefits of each parcel. The improvements are a direct result of property development and would otherwise not be required or necessary. The conservation area is required by the U.S. Fish and Wildlife Services ("USFW") and California Department of Fish and Game ("CDFG") as a condition of the Project. Without establishment and maintenance of this conservation area, the Project would not have been allowed to develop.

The conservation area is not directly accessible to the public and is directly adjacent to the Project. Therefore, it has been determined that the conservation area improvements, ongoing maintenance and monitoring of the conservation area are a direct and special benefit to the properties within the Maintenance District and there is no general benefit

The method of apportionment is based on each assessed parcel within the Maintenance District receiving benefit from the conservation area improvements maintained and financed by annual assessments.

An itemized outline of costs and the calculation of average annual assessment per property are summarized in the attached Engineer's Report, and the accompanying exhibits, approved June 26, 2013. The report identifies the proposed assessment for each parcel of real property within the Maintenance District. Exhibit "B" of the Engineer's Report contains an assessment roll showing the proposed amount to be assessed against each parcel within the Maintenance District. Since there will not be any changes to the Engineer's Report approved June 26, 2013, the City Council is not required to approve a modified Engineer's Report. The proposed assessments within the Engineer's Report, approved June 26, 2013, will be used to pay the monitoring, maintenance and administrative costs associated with the Maintenance District. Exhibit "B" is available for review in the City Clerk's Office.

**FISCAL IMPACT**

All costs are included in the Maintenance District’s budget. Revenues to cover the estimated expenditures are levied and collected as a special assessment against the properties within the Maintenance District. The budget for the Maintenance District is detailed on Part B of the Engineer’s Report. A summary of the proposed assessments for the Maintenance District is shown below:

<b>District</b>	<b>Proposed Annual/Monthly</b>	<b>Account Number</b>
Hi Hope Ranch	\$392/\$32.66	320342253.4143

The assessment is subject to an annual increase to the base assessment rate by the Consumer Price Index (CPI) for all Urban Consumers for San Diego Area annually. The total annual assessment will not exceed the maximum rate unless a balloting process is completed in compliance with Proposition 218. All of the assessments approved by the City Council were prepared in accordance with the 1972 Landscape and Lighting Act and are in full compliance with the provisions of the California Constitution XIID (Proposition 218).

**INSURANCE REQUIREMENTS**

Does not apply.

**COMMISSION OR COMMITTEE REPORT**

Does not apply.

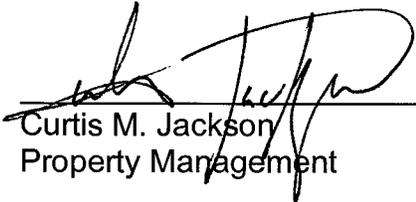
**CITY ATTORNEY’S ANALYSIS**

The City Attorney has reviewed and approved the resolution as to form.

**RECOMMENDATION**

Staff recommends that the City Council adopt a resolution approving formation of the High Hope Ranch Open Space Maintenance District, confirming the diagram as shown in the Engineer’s Report, and confirming and authorizing the levy of the assessments.

PREPARED BY:

  
Curtis M. Jackson  
Property Management

SUBMITTED BY:

  
Peter A. Weiss  
City Manager

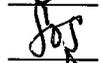
REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager

Douglas E. Eddow, Real Property Manager

Scott O. Smith, City Engineer

Michael Blazenski, Interim Financial Services Director


Attachments:

**“A” Resolution** (Initiating proceedings) – June 26, 2013

**“B” Resolution** (Approving Engineers Report; declaring intention to form the Hi Hope Ranch Open Space Maintenance District; and levy an assessment) – June 26, 2013

**“C” Resolution** (Approving the formation of the Hi Hope Ranch Open Space Maintenance District)

**Engineer’s Report** (Hi Hope Ranch Open Space Maintenance District)

**"A" Resolution**

RESOLUTION NO. 13-R0464-1

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
OCEANSIDE, CALIFORNIA, INITIATING PROCEEDINGS AND  
MAKING CERTAIN DESIGNATIONS IN CONNECTION WITH  
A PROPOSED OPEN SPACE MAINTENANCE DISTRICT

WHEREAS, the City Council of the City of Oceanside (the "City") desires to undertake proceedings pursuant to the provisions of the "Landscaping and Lighting Act of 1972," being Part 2 of Division 15 of the California Streets and Highways Code (commencing with Section 22500) (the "Act") and in accordance with Article XIID of the California Constitution and the Proposition 218 Omnibus Implementation Act (commencing with Section 53750 of the California Government Code) to form an assessment district (the "District") to fund the costs of maintenance and monitoring of the open space within the Conservation Area located within the Hi Hope Ranch development.

WHEREAS, the boundaries of the proposed District shall be as shown on the map presented to this Council and on file with the City Clerk and incorporated herein by reference; and

WHEREAS, the title of the proposed District shall be "City of Oceanside Hi Hope Ranch Open Space Maintenance District"; and

WHEREAS, the City has approved a consulting engineer's contract with Harris & Associates, naming Harris & Associates as the Assessment Engineer and firm responsible for preparing the Engineer's Report and assisting in the public hearing and formation process for the proposed District.

NOW, THEREFORE, the City Council of the City of Oceanside, California, does hereby resolve as follows:

SECTION 1. The City Council of the City proposes to form the "City of Oceanside Hi Hope Ranch Open Space Maintenance District." The boundaries of said District shall be as shown on the map entitled "City of

1 Oceanside Hi Hope Ranch Open Space Maintenance District  
2 Diagram/Boundary Map," on file with the City Clerk.

3 SECTION 2. The proposed District would fund the costs of the monitoring  
4 and maintenance of the open space within the Conservation Area located  
5 within the Hi Hope Ranch development.

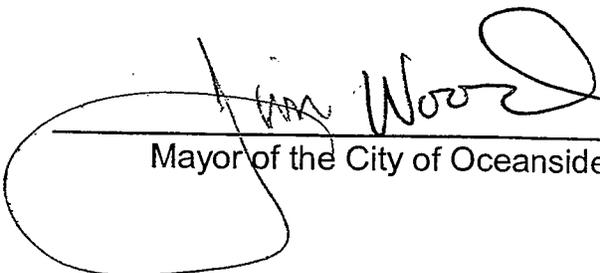
6 SECTION 3. Harris & Associates, an engineer registered pursuant to the  
7 Professional Engineers Act (Chapter 7, commencing with Section 670, of  
8 Division 3 of the Business and Professions Code), is hereby designated  
9 Assessment Engineer for the proposed District. Harris & Associates is hereby  
10 ordered to prepare and file an "Engineer's Report" for the City Council's  
11 review, consideration and adoption in accordance with the Act and the laws of  
12 the State of California.

13 SECTION 4. This resolution shall take effect immediately.

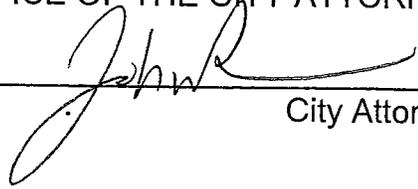
14 SECTION 5. The City Clerk shall certify to the passage and adoption of this  
15 resolution; shall cause the same to be entered in the book of resolutions of the  
16 City, and shall make a minute of the passage and adoption thereof in the  
17 records of the proceedings of the City Council of the City in the minutes of the  
18 meeting at which the same is presented.

19  
20  
21 PASSED AND ADOPTED by the City Council of the City of Oceanside,  
California, this 26th day of June, 2013, by the following vote:

22 AYES: WOOD, FELIEN, FELLER, KERN  
23 NAYS: NONE  
24 ABSENT: SANCHEZ  
25 ABSTAIN: NONE

26   
\_\_\_\_\_  
27 Mayor of the City of Oceanside  
28 /  
/

APPROVED AS TO FORM:  
OFFICE OF THE CITY ATTORNEY

  
\_\_\_\_\_  
City Attorney

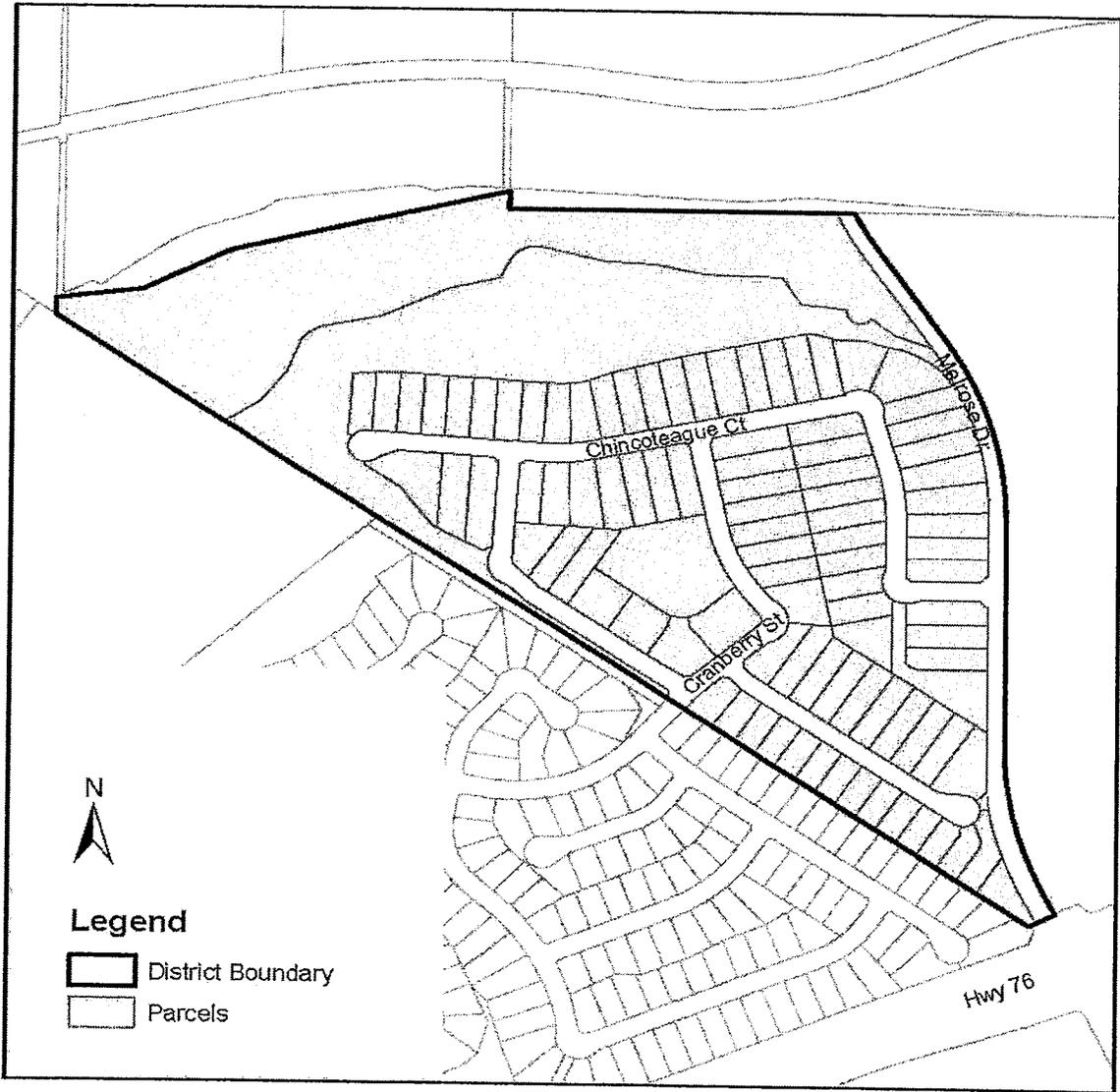
ATTEST:

  
\_\_\_\_\_  
City Clerk

**Resolution declaring intent to levy and collect assessments  
for fiscal year 2013-2014 within the Hi-Hope Ranch Landscape  
Maintenance District, Assessment District No. \_\_\_\_\_**

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# Hi Hope Ranch Open Space Maintenance District Diagram/Boundary Map



"B" Resolution

RESOLUTION NO. 13-R0465-1

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OCEANSIDE, CALIFORNIA, APPROVING AN ENGINEERS REPORT AND DECLARING ITS INTENTION TO ORDER THE FORMATION OF A OPEN SPACE MAINTENANCE DISTRICT AND TO LEVY AN ASSESSMENT THEREON, AND TAKING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

WHEREAS, the City Council of the City of Oceanside (the "City") has initiated proceedings to form an assessment district (the "District") pursuant to the provisions of the "Landscaping and Lighting Act of 1972," being Part 2 of Division 15 of the California Streets and Highways Code (commencing with Section 22500) (the "Act") and in accordance with Article XIID of the California Constitution and the Proposition 218 Omnibus Implementation Act (commencing with Section 53750 of the California Government Code), to fund the maintenance and monitoring of the open space within the Conservation Area located within the Hi Hope Ranch development (the "Property"); and

WHEREAS, the boundaries of the proposed District shall be as shown on the map presented to this Council and on file with the City Clerk and incorporated herein by reference; and

WHEREAS, the title of the proposed District shall be "City of Oceanside Hi Hope Ranch Open Space Maintenance District"; and

WHEREAS, the Assessment Engineer, Harris & Associates, has filed with the City Clerk of the City and the City Clerk has presented to the City Council a report dated May 30, 2013 (the "Engineer's Report") regarding the proposed District and containing the matters specified in Section 22586 of the Act; and

WHEREAS, the Engineer's Report has been duly presented by the City Clerk for consideration and has been fully considered by the City Council.

///

1           NOW, THEREFORE, the City Council of the City of Oceanside does resolve  
2 as follows:

3           SECTION 1. The above recitals are true and correct.

4           SECTION 2. The Engineer's Report, including the plans, specifications,  
5 general descriptions, estimate of the cost of the maintenance and monitoring of the  
6 open space within the Conservation Area (the "Improvements") and incidental  
7 expenses in connection therewith, the diagram and the proposed assessments, is  
8 hereby approved as filed [or modified] and incorporated herein by this reference.  
9 The Engineer's Report shall stand as the report for the purpose of all subsequent  
10 proceedings under the Act and Article XIID, except that it may be confirmed,  
11 modified or corrected as provided in the Act.

12           SECTION 3. The City Council hereby declares its intention to form an  
13 assessment district to be known as the "City of Oceanside Hi Hope Ranch Open  
14 Space Maintenance District." The boundaries of the District shall cover the real  
15 property benefited by the Improvements and is described on the map entitled "City of  
16 Oceanside Hi Hope Ranch Open Space Maintenance District Diagram/Boundary  
17 Map," on file with the City Clerk. The City Council hereby declares and finds the  
18 land within the boundaries of the District to be specially benefited by the  
19 Improvements and/or the maintenance thereof.

20           SECTION 4. The purpose of District is to fund the maintenance and  
21 monitoring of the open space within the Conservation Area located within the Hi  
22 Hope Ranch development All improvements and work to be funded by the District  
23 shall be done in accordance with the Engineer's Report on file in the office of the  
24 City Clerk and which is hereby referred to and by this reference incorporated herein  
25 and made a part hereof. The Engineer's Report and its exhibits contain a full and  
26 detailed description of the Improvements and the maintenance thereof which may be  
27 funded by the District, the boundaries of the District and the proposed assessments  
28 upon the assessable properties in the District.

1 SECTION 5. As set forth in the Engineer's Report, each year the maximum  
2 annual maintenance assessment will be increased for cost of living according to the  
3 change in Consumer Price Index (CPI) for the San Diego County area. The actual  
4 assessment to be levied each year will be as determined by the City Council, not to  
5 exceed the maximum annual assessment rate period. If approved, the assessment  
6 will be levied beginning in FY 2013-14.

7 SECTION 6. The City Council appoints August 21, 2013 at 5:00 p.m. in the  
8 Council Chambers, 300 North Coast Highway, Oceanside, California, or as soon  
9 thereafter as the matter may be heard, as the time and place for hearing protests to  
10 the proposed levy of assessments, the amount of the individual assessments, and  
11 related matters as set forth in the Engineer's Report, and any interested person may  
12 appear and object to the Improvements, or to the extent of the District or to said  
13 proposed assessments.

14 SECTION 7. The City Clerk is hereby directed to give notice of such hearing  
15 by mailing notices thereof, together with assessment ballots, in the time, form and  
16 manner provided by Section 53753 of the California Government Code, and upon  
17 the completion of the mailing of said notices and assessment ballots, the City Clerk  
18 is hereby directed to file with the City Council an affidavit setting forth the time and  
19 manner of the compliance with the requirements of law for mailing said notices and  
20 assessment ballots. The City Clerk shall cause notice of the public hearing to be  
21 given by mailing, postage prepaid, in the United States mail, and such notice shall  
22 be deemed to have been given when deposited in such mail. The notice shall be  
23 mailed not less than forty-five (45) days prior to the date of the public hearing upon  
24 the proposed assessment.

25 SECTION 8. This resolution shall take effect immediately.

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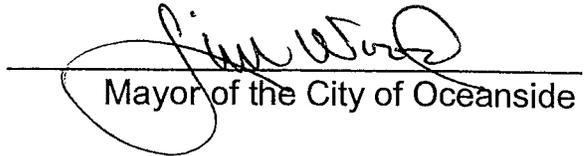
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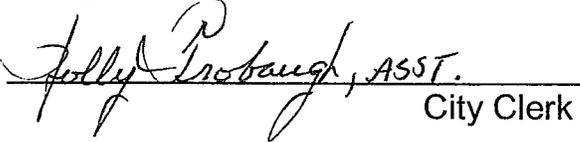
1 SECTION 9. The City Clerk shall certify to the passage and adoption of this  
2 resolution; shall cause the same to be entered in the book of resolutions of the City,  
3 and shall make a minute of the passage and adoption thereof in the records of the  
4 proceedings of the City Council of the City in the minutes of the meeting at which the  
5 same is presented.

6 PASSED AND ADOPTED by the City Council of the City of Oceanside,  
7 California, this 26th day of June, 2013, by the following vote:

8 AYES: WOOD, FELIEN, FELLER, KERN  
9 NAYS: NONE  
10 ABSENT: SANCHEZ  
11 ABSTAIN: NONE

  
Mayor of the City of Oceanside

12 APPROVED AS TO FORM:  
13 OFFICE OF THE CITY ATTORNEY

14 ATTEST:  
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16 City Clerk

  
17 City Attorney

18 Resolution approving an Engineer's Report and declaring  
19 its intention to order the formation of the Hi-Hope Ranch  
20 Landscape Maintenance District, Assessment District No. \_\_\_\_\_  
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“C” Resolution

RESOLUTION NO.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OCEANSIDE, CALIFORNIA, APPROVING THE FORMATION OF THE CITY OF OCEANSIDE HI HOPE RANCH OPEN SPACE MAINTENANCE DISTRICT, AND APPROVING AND CONFIRMING THE LEVY OF ASSESSMENTS FOR SAID ASSESSMENT DISTRICT

WHEREAS, on June 26, 2013, the City Council of the City of Oceanside (the “City”) initiated proceedings to form an assessment district (the “District”) pursuant to the provisions of the “Landscaping and Lighting Act of 1972,” being Part 2 of Division 15 of the California Streets and Highways Code (commencing with Section 22500) (the “Act”) and in accordance with Article XIID of the California Constitution and the Proposition 218 Omnibus Implementation Act (commencing with Section 53750 of the California Government Code), to fund the maintenance and monitoring of the open space within the Conservation Area located within the Hi Hope Ranch development; and

WHEREAS, the boundaries of the proposed District are as shown on the map presented to this Council and on file with the City Clerk and incorporated herein by reference;

WHEREAS, the title of the proposed District is “City of Oceanside Hi Hope Ranch Open Space Maintenance District” and;

WHEREAS, on June 26, 2013, the City preliminarily approved a report prepared by the Assessment Engineer, Harris & Associates (the “Engineer’s Report”), regarding the proposed District and containing the matters specified in Section 22567 of the Act, and appointed a time and place for a public hearing on the formation of the proposed District and on said report; and

WHEREAS, following notice duly given in accordance with the law, the City Council held a full and fair public hearing at the time and place appointed

1 therefor regarding the proposed formation of the District, the proposed levy of  
2 the assessments and the Engineer's Report; and

3 WHEREAS, the City Council considered all oral and written statements,  
4 protests and communications made or filed by any interested persons; and

5 WHEREAS, following the conclusion of the public hearing, assessment  
6 ballots received by the City were tabulated by the City Clerk and a majority  
7 protest did not exist;

8 NOW, THEREFORE, the City Council of the City of Oceanside does  
9 resolve as follows:

10 SECTION 1. The above recitals are true and correct.

11 SECTION 2. The City Council finds and declares that a majority  
12 protest does not exist as to the the formation of the District, the approval of the  
13 Engineer's Report and the levy of assessments.

14 SECTION 3. Based on its review of the Engineer's Report, and other  
15 reports and information presented to the City Council, the City Council hereby  
16 finds and determines that the land within the District will be benefited by the  
17 improvements and services, the District includes all land so benefited and the  
18 net maximum amounts to be assessed upon the land within the District is  
19 apportioned by a method and formula which fairly distributes the net maximum  
20 amounts among all assessable lots or parcels in proportion to the estimated  
21 benefits to be received by each such lot or parcel from the services.

22 SECTION 4. The City of Oceanside Hi Hope Ranch Open Space  
23 Maintenance District is hereby formed. The diagram of the District as shown  
24 in the Engineer's Report is hereby confirmed and shall constitute the  
25 boundaries of the District.

26 SECTION 5. The purpose of the District is to fund the maintenance  
27 and monitoring of the open space within the Conservation Area located within  
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1 the Hi Hope Ranch development. All improvements and work to be funded by  
2 the District shall be done in accordance with the Engineer's Report on file in  
3 the office of the City Clerk and which is hereby referred to and by this  
4 reference incorporated herein and made a part hereof.

5 SECTION 6. The City Council declares that the assessments in the  
6 Report are hereby confirmed as filed and as provided in the Engineer's Report  
7 and, subject to the permitted escalation factor, shall constitute the maximum  
8 assessments which may be levied in any fiscal year.

9 SECTION 7. The assessments are in compliance with the provisions  
10 of the Act and the improvements and maintenance thereof shall be performed  
11 pursuant to law.

12 SECTION 8. The City Clerk is hereby authorized and directed to file a  
13 certified copy of this Resolution and the diagram and assessment (or modified  
14 assessment) with the County Auditor of the County of San Diego.

15 SECTION 9. A special fund is hereby established to be called the  
16 "City of Oceanside Hi Hope Ranch Open Space Maintenance District Fund"  
17 into which all monies collected in connection with the District shall be placed  
18 and used in accordance with the provisions of this Resolution, the Engineer's  
19 Report and the law. Assessments related to the improvements and the  
20 maintenance thereof shall be deposited therein and used in accordance with  
21 the Law.

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1 SECTION 10. This Resolution shall take effect immedietly.  
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3 PASSED AND ADOPTED by the City Council of the City of Oceanside,  
4 California, this \_\_\_\_\_ day of \_\_\_\_\_, 2013, by the following vote:

5 AYES:  
6 NAYS:  
7 ABSENT:  
8 ABSTAIN:

9 \_\_\_\_\_  
10 Mayor of the City of Oceanside

11 APPROVED AS TO FORM:  
12 OFFICE OF THE CITY ATTORNEY

13 *Paul D. Hamilton, A3887*  
14 City Attorney

15 ATTEST:

16 \_\_\_\_\_  
17 City Clerk  
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# **Engineer's Report**

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for

## **High Hope Ranch Open Space Maintenance District No. 1**

For the

**City of Oceanside  
San Diego County, California**

**May 30, 2013**

**ENGINEER'S REPORT  
CITY OF OCEANSIDE  
OPEN SPACE MAINTENANCE DISTRICT NO. 1**

The undersigned respectfully submits the enclosed report as directed by the City Council. The undersigned certifies that she is a Professional Engineer, registered in the State of California.

DATED: May 30, 2013

\_\_\_\_\_  
BY: Alison Bouley  
Assessment Engineer  
R.C.E. No. 61383

I HEREBY CERTIFY that the enclosed Engineer's Report, together with Assessment Roll and Assessment Diagram thereto attached was filed with me on the \_\_\_\_ day of \_\_\_\_\_, 2013.

City Clerk, City of Oceanside  
County of San Diego, California

By: \_\_\_\_\_

I HEREBY CERTIFY that the enclosed Engineer's Report, together with Assessment Roll thereto attached was approved and confirmed by the City Council of the City of Oceanside, California, on the \_\_\_\_ day of \_\_\_\_\_, 2013.

City Clerk, City of Oceanside  
County of San Diego, California

By: \_\_\_\_\_

I HEREBY CERTIFY that the enclosed Engineer's Report, together with Assessment Roll thereto attached was filed with the County Auditor of the County of San Diego, on the \_\_\_\_ day of \_\_\_\_\_, 2013.

City Clerk, City of Oceanside  
County of San Diego, California

By: \_\_\_\_\_

City of Oceanside  
Open Space Maintenance District No. 1  
Engineer's Report

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**CITY OF OCEANSIDE**

**ENGINEER'S REPORT**

**Prepared Pursuant to the Provisions of the Landscaping and Lighting Act of 1972 (California Streets and Highways Code Section 22500 through 22679), Article XIID of The California Constitution, and The Proposition 218 Omnibus Implementation Act (California Government Code Section 53750 Et Seq.)**

Pursuant to Part 2 of Division 15 of the Streets and Highways Code of the State of California, Article XIID of the California Constitution, the Proposition 218 Omnibus Implementation Act and in accordance with the Resolution of Initiation adopted by the Council of the City of Oceanside, State of California, in connection with the proceedings for:

**CITY OF OCEANSIDE  
OPEN SPACE MAINTENANCE DISTRICT NO. 1**

hereinafter referred to as the "Assessment District" or "District", I, Alison Bouley, P.E., the authorized representative of Harris & Associates, the duly appointed ENGINEER OF WORK, submit herewith the "Report" consisting of five (5) parts as follows:

**PART A - PLANS AND SPECIFICATIONS**

Plans and specifications for the improvements showing and describing the general nature, location and extent of the improvements.

**PART B – ESTIMATE OF COST**

An estimate of the cost of the proposed improvements for FY 2013-14, including incidental costs and expenses in connection therewith.

**PART C – ASSESSMENT ROLL**

An assessment of the estimated cost of the improvements on each benefited lot or parcel of land within the Assessment District.

**PART D – METHOD OF APPORTIONMENT OF ASSESSMENT**

The method of apportionment of assessments, indicating the proposed assessment of the total amount of the costs and expenses of the improvements upon the lots and parcels of land within the Assessment District, in proportion to the estimated benefits to be received by such lots and parcels.

**PART E – ASSESSMENT DISTRICT BOUNDARIES**

The Diagram of the Assessment District Boundaries showing the exterior boundaries of the Assessment District, the boundaries of any zones within the Assessment District and the lines and dimensions of each lot or parcel of land within the Assessment District.

***PART A - PLANS AND SPECIFICATIONS***

The District is being established to provide for the continued maintenance and monitoring of the open space within the Conservation Area on the Hi Hope Ranch Project site which provides special benefit to parcels and properties within the Hi Hope Ranch Project.

As generally defined in the 1972 Act, maintenance and monitoring of the Hi Hope Conservation Area improvements may include the following tasks:

- 1) Removal of non-native invasive plants.
- 2) Removal of trash.
- 3) Control of unauthorized access to the conservation area including sign replacement.
- 4) Completion of an annual biological survey to document the condition of the conservation area and provide direction on the maintenance tasks.
- 5) Oversight for the enforcement of covenants, terms, conditions and restrictions of the conservation easement.
- 6) Preparation of an annual letter report that summarizes the enforcement and compliance monitoring, survey observations and a summary of the tasks completed.

In addition, incidental expenses associated with the maintenance and monitoring of the Hi Hope Conservation Area improvements include, but are not limited to:

- 1) The cost of preparation of the report, including plans, specifications, estimates, diagram, and assessment;
- 2) The costs of printing, advertising, and the publishing, posting and mailing of notices;
- 3) Compensation payable to the County for collection of assessments;
- 4) Compensation of any engineer or attorney employed to render services;
- 5) Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements; and,
- 6) Costs associated with any elections held for the approval of a new or increased assessment.

***LEVEL OF MAINTENANCE SERVICES PROVIDED***

The required annual maintenance and monitoring tasks for the 8-acre Hi Hope Ranch Conservation Area are described in detail in the "Hi Hope Ranch Project Long-Term Management and Monitoring Plan" which is included in Appendix A.

The location, boundaries and general description of the improvements to be maintained within the District are described below. The detailed specifications and location of the improvements are on plans and maps on file with the Public Works department and by reference are made part of this Report

**PART B - ESTIMATE OF COST**

The estimated cost of the maintenance and monitoring of the Hi Hope Conservation area for Fiscal Year 2013-14 if all of the improvements had been completed and accepted, as described in Part A, are summarized herein and described below.

	Frequency	Estimated Hours	Materials Cost	Estimated Hourly Rate	Total Cost
<b>Annual Monitoring Tasks</b>					
Enforcement and Compliance	annually	6		\$175	\$1,050
Biological Survey	annually	8		\$175	\$1,400
Reporting	annually	10		\$175	\$1,750
Legal Assistance	annually	1		\$250	\$250
<b>Annual Maintenance Tasks</b>					
Weed Removal	annually	32		\$75	\$2,400
Trash Removal	annually	10		\$75	\$750
Sign Maintenance	ongoing	6	\$100	\$75	\$550
<b>City Administration</b>					
Oversight and coordination	annually				\$20,000
District Administration	annually				\$5,000
<b>Reserve (10%)</b>					\$3,150
<b>Maximum Allowable Assessment for Fiscal Year 13/14</b>					<b>\$36,465</b>
<b>Proposed Assessment for Fiscal Year 13/14</b>					<b>\$0.00</b>

Since the improvements have not been completed and accepted by the City, the developer shall be responsible for the annual monitoring and maintenance tasks for Fiscal Year 13/14 and no assessment is proposed for the coming fiscal year.

It is expected in future years that the City will prepare the annual estimate of costs for the maintenance and monitoring of the High Hope Conservation Area prior to March 1st of each succeeding year and advise the High Hope Homeowners Association (HOA) of the annual budget requirements. The HOA shall deposit the required funds with the City prior to April 1<sup>st</sup> for the coming year. If the HOA does not deposit the required funds prior to April 1<sup>st</sup>, the Engineer's Report for the next fiscal year shall be prepared to show the levy of an assessment on each parcel not exempt from assessment. If funds equal to the estimated budget for the next fiscal year are deposited prior to April 1<sup>st</sup>, those funds shall be shown as a contribution to the district and no assessment shall be levied on parcels for the next year.

The 1972 Act requires that a special fund be set up for the revenues and expenditures of the District. Funds raised by assessment shall be used only for the purpose as stated herein. Any balance or deficit remaining on July 1st must be carried over to the next fiscal year.

***PART C - ASSESSMENT ROLL***

The total proposed assessment for Fiscal Year 2013-14 and the amount of the total proposed assessment apportioned to each lot or parcel within the District, as shown on the latest assessment roll at the San Diego County Assessor's Office, are contained in the Assessment Roll in Appendix B.

The description of each lot or parcel is part of the San Diego County assessment roll and this roll is, by reference, made part of this Report.

**PART D - METHOD OF APPORTIONMENT OF ASSESSMENT**

**GENERAL**

The 1972 Act permits the establishment of assessment districts by agencies for the purpose of maintenance and monitoring of open space. The 1972 Act further requires that the cost of these improvements be levied according to benefit rather than assessed value:

*"The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements."*

The formula used for calculating assessments in the District therefore reflects the composition of the parcels, and the improvements and services provided, to fairly apportion the costs based on estimated benefit to each parcel. In addition, pursuant to Article XIID Section 4:

*"No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are assessable and an agency shall separate the general benefits from the special benefits conferred on a parcel."*

This Engineer's Report is consistent with the requirements of Article XIID of the California Constitution and with recent legal rulings including:

- Silicon Valley Taxpayers Association, Inc. v. Santa Clara County Open Space Authority
- Dahms v. Downtown Pomona Property
- Bonander v. Town of Tiburon
- Beutz v. County of Riverside

Each of the improvements have been carefully reviewed and the corresponding assessments have been proportionately spread to each parcel based on special benefits received from the improvements.

**General Benefits** — the improvements are a direct result of property development and would otherwise not be required or necessary. The conservation easement is required by the U.S. Fish and Wildlife Service and California Department of Fish and Game as a condition of the development. The Conservation easement will prohibit all activities that may harm or significantly disturb wildlife, or detrimentally impact habitat within the Conservation Area, except activities intended to maintain habitat values. Without establishment and maintenance of this conservation easement, the Hi Hope Ranch Subdivision would not have been allowed to develop.

Although the Conservation Area (by virtue of their location), may be visible to surrounding properties or to the public at large, the area is not accessible to the public is not directly adjacent only to the Hi Hope Ranch Development. Therefore, it has been determined that the conservation improvements and the ongoing maintenance and monitoring of those improvements are clearly a direct and special benefit to properties within the District and there is no general benefit. These improvements would not have been deemed necessary as the land would have stayed in its natural native state without the development of the Hi Hope Ranch subdivision. These improvements provide no measurable general benefit to properties outside the District or to the public at large.

**Special Benefits** — The method of apportionment (assessment methodology) is based on the premise that each of the assessed parcels within the District receives benefit from the improvements maintained and financed by annual assessments. Specifically, the assessments are for the maintenance and monitoring of the conservation area. Each year the City will cause to be prepared a budget for the estimated maintenance and monitoring cost for the coming year, including the cost for the preparation of the Engineer’s Report. The property owners have indicated their desire to have the Hi Hope Ranch Home Owner’s Association (HOA) make a contribution to the District equal to the estimated budget for the coming year. The payment will be made by March 1<sup>st</sup> of each year.

**Non-Assessable Properties** — Within the boundaries of the District, there are two open space parcels that are considered to receive no special benefit from the District improvements and are therefore not assessed. In addition, there are three lettered lots that receive no benefits from the improvements and will also not be assessed.

**ASSESSMENT METHODOLOGY**

The parcels of land in the District are single family residential (SFR) lots, with each of these lots benefiting equally from the improvements being maintained. Therefore, the costs associated with the maintenance and monitoring of the Conservation Area, as described in Part B of this report, will be apportioned on a residential lot basis. The table below provides the assessment apportionment for the district.

<b>SFR Lots</b>	<b>Max. Maint. Asmt per Lot (FY 2013-14)</b>	<b>Actual Asmt per Lot (FY 2013-14)</b>	<b>Total Asmt for District</b>
93	\$392.10	\$0.00	\$0.00

\* The maximum annual maintenance assessments shall be increased for cost of living each year according to the change in Consumer Price Index (CPI) for the San Diego County area. The actual assessments levied in any fiscal year will be as approved by the City Council and may not exceed the maximum assessment rate without receiving property owner approval for the increase.

***PART E - ASSESSMENT DISTRICT BOUNDARIES***

Diagrams showing the exterior boundaries of the District and the lines and dimensions of each lot or parcel of land within the District are located in Appendix C.

The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the Assessor of the County of San Diego for Fiscal Year 2013-14. The Assessor's maps and records are incorporated by reference herein and made part of this report.

***APPENDIX A***  
**Open Space Maintenance District No. 1**  
**Long-Term Management and Monitoring Plan**

**APPENDIX B**  
**Open Space Maintenance District No. 1**  
**Assessment Roll**

APN Number	FY 13-14 Max Assm't	FY 13-14 Assm't	APN Number	FY 13-14 Max Assm't	FY 13-14 Assm't	APN Number	FY 13-14 Max Assm't	FY 13-14 Assm't
122-620-01	\$392.10	\$0.00	122-621-08	\$392.10	\$0.00	122-623-11	\$392.10	\$0.00
122-620-02	\$392.10	\$0.00	122-621-09	\$392.10	\$0.00	122-623-12	\$392.10	\$0.00
122-620-03	\$392.10	\$0.00	122-621-10	\$392.10	\$0.00	122-623-13	\$392.10	\$0.00
122-620-04	\$392.10	\$0.00	122-621-11	\$392.10	\$0.00	122-623-14	\$392.10	\$0.00
122-620-05	\$392.10	\$0.00	122-621-12	\$392.10	\$0.00	122-623-15	\$392.10	\$0.00
122-620-06	\$392.10	\$0.00	122-621-13	\$392.10	\$0.00	122-623-16	\$392.10	\$0.00
122-620-07	\$392.10	\$0.00	122-621-14	\$392.10	\$0.00	122-623-17	\$0.00	\$0.00
122-620-08	\$392.10	\$0.00	122-621-15	\$392.10	\$0.00	122-623-18	\$0.00	\$0.00
122-620-09	\$392.10	\$0.00	122-621-16	\$392.10	\$0.00	122-624-01	\$392.10	\$0.00
122-620-10	\$392.10	\$0.00	122-621-17	\$392.10	\$0.00	122-624-02	\$392.10	\$0.00
122-620-11	\$392.10	\$0.00	122-621-18	\$392.10	\$0.00	122-624-03	\$392.10	\$0.00
122-620-12	\$392.10	\$0.00	122-622-01	\$392.10	\$0.00	122-624-04	\$392.10	\$0.00
122-620-13	\$392.10	\$0.00	122-622-02	\$392.10	\$0.00	122-624-05	\$392.10	\$0.00
122-620-14	\$392.10	\$0.00	122-622-03	\$392.10	\$0.00	122-624-06	\$392.10	\$0.00
122-620-15	\$392.10	\$0.00	122-622-04	\$392.10	\$0.00	122-624-07	\$392.10	\$0.00
122-620-16	\$392.10	\$0.00	122-622-05	\$392.10	\$0.00	122-624-08	\$392.10	\$0.00
122-620-17	\$392.10	\$0.00	122-622-06	\$392.10	\$0.00	122-624-09	\$392.10	\$0.00
122-620-18	\$392.10	\$0.00	122-622-07	\$392.10	\$0.00	122-624-10	\$392.10	\$0.00
122-620-19	\$392.10	\$0.00	122-622-08	\$392.10	\$0.00	122-624-11	\$392.10	\$0.00
122-620-20	\$392.10	\$0.00	122-622-09	\$392.10	\$0.00	122-624-12	\$392.10	\$0.00
122-620-21	\$392.10	\$0.00	122-622-10	\$392.10	\$0.00	122-624-13	\$392.10	\$0.00
122-620-22	\$392.10	\$0.00	122-622-11	\$392.10	\$0.00	122-624-14	\$392.10	\$0.00
122-620-23	\$392.10	\$0.00	122-622-12	\$392.10	\$0.00	122-624-15	\$392.10	\$0.00
122-620-24	\$0.00	\$0.00	122-623-01	\$392.10	\$0.00	122-624-16	\$392.10	\$0.00
122-620-25	\$0.00	\$0.00	122-623-02	\$392.10	\$0.00	122-624-17	\$392.10	\$0.00
122-620-26	\$0.00	\$0.00	122-623-03	\$392.10	\$0.00	122-624-18	\$392.10	\$0.00
122-621-01	\$392.10	\$0.00	122-623-04	\$392.10	\$0.00	122-624-19	\$392.10	\$0.00
122-621-02	\$392.10	\$0.00	122-623-05	\$392.10	\$0.00	122-624-20	\$392.10	\$0.00
122-621-03	\$392.10	\$0.00	122-623-06	\$392.10	\$0.00	122-624-21	\$392.10	\$0.00
122-621-04	\$392.10	\$0.00	122-623-07	\$392.10	\$0.00	122-624-22	\$392.10	\$0.00
122-621-05	\$392.10	\$0.00	122-623-08	\$392.10	\$0.00	122-624-23	\$392.10	\$0.00
122-621-06	\$392.10	\$0.00	122-623-09	\$392.10	\$0.00	122-624-24	\$392.10	\$0.00
122-621-07	\$392.10	\$0.00	122-623-10	\$392.10	\$0.00			

**APPENDIX C**  
**Open Space Maintenance District No. 1**  
**Assessment Diagram**

