



CITY OF SAN BERNARDINO

Preliminary Engineer's Report



Fiscal Year 2024-25

Maintenance Assessment Districts
Volume 5

Table of Contents

Sections

i. Introduction	i
1. Plans and Specifications	1
2. Cost Estimates	2
3. Method of Apportionment of Assessment	6
4. Engineers Signature	12
5. Assessment Diagram	13
6. Assessment Rolls	14

Tables

Table 2-1 MAD No. 1022 Zone 1 FY 2024-25 Budget	3
Table 2-2 MAD No. 1022 Zone 2 FY 2024-25 Budget	4
Table 2-3 MAD No. 1022 Zone 3 FY 2024-25 Budget	5
Table 3-1 Maximum Assessment Rates	10

Appendices

Appendix A – Assessment Rolls
Appendix B – Assessment Diagram

AGENCY: CITY OF SAN BERNARDINO
 PROJECT: MAINTENANCE ASSESSMENT DISTRICTS ENGINEER REPORT
 TO: CITY COUNCIL
 CITY OF SAN BERNARDINO
 STATE OF CALIFORNIA

ENGINEER'S REPORT PURSUANT TO THE "ASSESSMENT LAW"

Pursuant to direction from the City Council (the "City Council") of the City of San Bernardino (the "City"), State of California, submitted herewith is the Engineer's Report (the "Report") for Maintenance Assessment District No. 1022 (the "District"), consisting of the following parts, pursuant to the Charter of the City of San Bernardino and Section 19 of Article 16 and in compliance with Article XIII D of the Constitution of the State of California (the "Assessment Law"), and which is in accordance with Resolution No. 2024-___ adopted by the City of San Bernardino City Council, San Bernardino County, California ordering preparation of this Report. This Report is applicable for the ensuing 12-month period, being the Fiscal Year commencing July 1, 2024, to June 30, 2025.

- Section 1** **PLANS AND SPECIFICATIONS** including a general description of the maintenance and plans of the landscaping, irrigation systems and street lighting proposed to be funded.
- Section 2** A **COST ESTIMATE** of maintaining the landscaping, irrigation systems and street lighting including incidental costs and expenses in connection therewith for Fiscal Year 2024-25, is as set forth on the lists thereof, attached hereto.
- Section 3** The **METHOD OF APPORTIONMENT OF ASSESSMENT** contains the method of apportionment of assessments, indicating the proposed assessment of the total amount of the costs and expenses of the improvements upon several lots and parcels of land within the District, in proportion to the estimated benefits to be received by such lots and parcels.
- Section 4** **ASSESSMENT DIAGRAM** showing the District, the lines and dimensions of each parcel of land within said District, as the same exists on the maps of the County of San Bernardino Assessor for Fiscal Year 2024-25, is filed in the offices of the City of San Bernardino. An Assessment Diagram of each zone can be found in Appendix B.
- Section 5** **ASSESSMENT ROLLS** showing the actual assessment for the Fiscal Year 2024-25 apportioned to each parcel as shown on the latest equalized roll at the County Assessor's Office can be found in Appendix A.

Maintenance Assessment District	Name	Actual Assessment per Unit (\$)	Maximum Assessment per Unit (\$)
MAD No. 1022 Zone 1	San Bernardino International Airport/Alliance-California	\$115.66	\$211.76
MAD No. 1022 Zone 2	San Bernardino International Airport/Alliance-California	\$129.56	\$129.56
MAD No. 1022 Zone 3	San Bernardino International Airport/Alliance-California	\$104.68	\$124.02

Background

The City Council of the City of San Bernardino approved the formation of MAD No. 1022 in 2006. The District was formed pursuant to the requirements of the Assessment Law.

The District was formed to provide a source of funds for the improvements which may include, but are not limited to: landscaping, planting, shrubbery, trees, turf, irrigation and drainage systems, trails, hardscapes, walls, site lighting and appurtenant facilities. The Report sets forth the methodology to be used in apportioning the assessment to the different land use types within the City based upon the benefit they receive.

There are 13 commercial parcels within Zone 1. There are 10 commercial parcels within Zone 2. There are 17 commercial parcels within Zone 3. No further subdivision of the parcels is anticipated.

The boundaries of MAD No. 1022 Zone 1 are shown on the Assessment Diagram located in Appendix B of this Report and is generally described as follows:

The centerline of Tippecanoe Avenue on the west, the centerline of 3rd Street to the north, the centerline of Leland Norton Way to the east and the San Bernardino International Airport to the south.

The boundaries of MAD No. 1022 Zone 2 are shown on the Assessment Diagram located in Appendix B of this Report and is generally described as follows:

The centerline of Lena Road to the west, the centerline of Mill Street to the south and the centerline of Tippecanoe Avenue to the east.

The boundaries of MAD No. 1022 Zone 3 are shown on the Assessment Diagram located in Appendix B of this Report and is generally described as follows:

The centerline of Mill Street to the north, the centerline of Tippecanoe Avenue to the east and the centerline of Central Avenue to the south.

Parcels within this District are assessed their proportionate share of the cost for the maintenance of local improvements including, but not limited to, landscaping facilities. These improvements provide a special benefit to those parcels due to their nature and location.

Designation of Maintenance Assessment District/Zones:

For your reference, you can find the following Maintenance Assessment Districts within the corresponding Volumes listed below:

Volume 1: MAD 951 (Zone 1), MAD 951 (Zone 2), MAD 952 (Zone 1, 2 and 2A), MAD 952 (Zone 3), MAD 953, MAD 956, MAD 959 (Zone 1), MAD 962, MAD 963, MAD 968, MAD 974, MAD 975, MAD 976, MAD 981, MAD 982, MAD 986, MAD 989, MAD 991, MAD 993, MAD 997, MAD 1001, MAD 1002, MAD 1005, MAD 1007, MAD 1012, and MAD 1016. These Maintenance Assessment Districts listed are contained within Volume 1 and does not contain an annual escalator.

Volume 2: MAD 1017, MAD 1019, MAD 1020, MAD 1023 and MAD 1024. These Maintenance Assessment Districts listed are contained within Volume 2 and does contain an annual CPI escalator only.

Volume 3: MAD 1025 and MAD 1027. These Maintenance Assessment Districts listed are contained within Volume 3 and has a 25% general benefit of major arterial streets, 20% general benefit of secondary arterial streets, 15% general benefit of collector streets, and 100% special benefit of the local streets. These Maintenance Assessment Districts listed are contained in Volume 3 and contains an annual escalator of 5% or CPI, whichever is less with other direct and special benefit requirements only pertaining to these Maintenance Districts.

Volume 4: MAD 1028, MAD 1029, MAD 1030, MAD 1031, MAD 1032, MAD 1035 (Zone 1), MAD 1035 (Zone 2), MAD 1036, MAD 1037, MAD 1038, MAD 1039, MAD 1040, MAD 1041, MAD 1042, MAD 1043 (Zone 1), MAD 1043 (Zone 2), MAD 1045, MAD 1046, MAD 1047, MAD 1048, MAD 1050, MAD 1052, MAD 1054, MAD 1055, MAD 1056, MAD 1057, MAD 1059, MAD 1060, MAD 1063, MAD 1064, and MAD 1068. These Maintenance Assessment Districts listed are contained within Volume 4 and contains an annual escalator of 5% or CPI, whichever is less.

Volume 5: MAD 1022 (Zone 1), MAD 1022 (Zone 2) and MAD 1022 (Zone 3). These Maintenance Assessment Districts listed are contained within Volume 5 and contains an annual escalator of 5% or CPI, whichever is less with other direct and special benefit requirements only pertaining to these Maintenance Districts.

Current Annual Administration

As required by the Assessment Law, the Report includes: (1) a description of the improvements to be operated, maintained and serviced by the District, (2) an estimated budget for the District, and (3) a listing of the proposed Fiscal Year 2024-25 assessments to be levied upon each assessable lot or parcel within the District.

The City of San Bernardino will hold a Public Hearing on July 17, 2024, regarding the District which will provide an opportunity for any interested person to be heard. At the conclusion of the Public Hearing, the City Council may adopt a resolution confirming the assessment rates as originally proposed or as modified.

Payment of these annual assessments for each parcel will be made in the same manner and at the same time as payments are made for their annual property taxes. All funds collected through the assessments must be placed in a special fund and can only be used for the purposes stated within this Report.

Description of Improvements

This Report provides information specific to the parcels within the boundaries of Maintenance Assessment District No. 1022 Zone 1. The improvements to be maintained include 89,550 sq. ft. of landscaping (including one tree), streetlighting and all appurtenances along portions of Tippecanoe Avenue, Harry Shepard Boulevard, Del Rosa Drive, Third Street and Leland Norton Way. Street lighting shall also include traffic signals and all appurtenances thereto.

In Zone 2 the improvements to be maintained include 22,200 sq. ft. of landscaping (including one tree), streetlighting and all appurtenances along portions of Lena Road Mill Street and Tippecanoe Avenue. Street lighting shall also include traffic signals and all appurtenances thereto.

In Zone 3 the improvements to be maintained include 5,657 sq. ft. of landscaping (including one tree), streetlighting and all appurtenances along portions of Mill Street, Tippecanoe Avenue and Central Avenue. Street lighting shall also include traffic signals and all appurtenances thereto.

An Assessment Diagram showing the maintained area is provided in Appendix B of this Report.

The cost estimate contains each of the items specified in the Assessment Law.

The Assessment Law provides that the estimated costs of the improvements shall include the total cost of the improvements for the entire Fiscal Year 2024-25, including incidental expenses, which may include operating reserves.

The Assessment Law also provides that the amount of any surplus, deficit, or contribution be included in the estimated cost of improvements. The net amount to be assessed on the lots or parcels within the District is the total cost of installation, maintenance, and servicing with adjustments either positive or negative for reserves, surpluses, deficits, and/or contributions.

The District includes an annual inflation factor for future increases in assessments by a percentage equal to the increase in the Consumer Price Index for all Urban Consumers ("CPI-U") for the Riverside-San Bernardino-Ontario California Standard Metropolitan Statistical area, as published by the Bureau of Labor Statistics of the United States Department of Labor, Bureau of Labor Statistics over the previous year, or 5%, whichever is less.

There is a 4.25% proposed inflationary increase in the assessment per acre or per parcel as applicable over the assessment levied for Fiscal Year 2023-24, which is consistent with the ballot proposition approved by the qualified electors when establishing said District.

Table 2-1

MAD No. 1022 Zone 1 FY 2024-25 Budget

Direct Costs	Estimated through June 30	
	FY 2023-24	FY 2024-25
Total EDU's	305.71	
Common Area Maintenance	\$33,289.07	\$33,954.85
Percent of Zone 1 Common Area Maintenance	-10.00%	-10.00%
Prorated Zone 1 Amount	(\$3,287.76)	(\$3,349.80)
Percent of Timber Creek	63.00%	63.00%
Prorated Timber Creek Amount	\$1,746.12	\$1,781.04
Total Direct Costs	\$31,747.43	\$32,386.09
Indirect Costs		
Assessment Engineer	\$2,548.39	\$2,599.36
City Administration	\$2,187.47	\$2,187.47
Auditor-Controller	\$3.60	\$4.50
Total Indirect Costs	\$4,739.46	\$4,791.33
Total Costs	\$36,486.90	\$37,177.42
Collection/(Contribution)		
Operating Reserve	\$1,646.51	\$2,455.06
Capital Replacement	\$0.00	\$0.00
City Contribution	\$0.00	\$0.00
General Benefit Contribution	(\$5,150.96)	(\$5,248.17)
Total Adjustments	(\$3,504.46)	(\$2,793.11)
Total Assessment	\$32,982.44	\$34,384.31

Table 2-2

MAD No. 1022 Zone 2 FY 2024-25 Budget

Direct Costs	Estimated through June 30	
	FY 2023-24	FY 2024-25
Total EDU's	153.59	
Common Area Maintenance	\$14,608.18	\$14,900.34
Percent of Zone 1 Common Area Maintenance	5.00%	5.00%
Prorated Zone 1 Amount	\$1,406.91	\$1,435.33
Percent of Timber Creek	37.42%	37.42%
Prorated Timber Creek Amount	\$1,037.05	\$1,057.79
Total Direct Costs	\$17,052.14	\$17,393.47
Indirect Costs		
Assessment Engineer	\$1,470.01	\$1,499.41
City Administration	\$1,773.76	\$1,773.76
Auditor-Controller	\$2.40	\$2.40
Total Indirect Costs	\$3,246.17	\$3,275.57
Total Costs	\$20,298.31	\$20,669.04
Collection/(Contribution)		
Operating Reserve	\$1,035.42	\$1,517.03
Capital Replacement	\$0.00	\$0.00
City Contribution	\$0.00	\$0.00
General Benefit Contribution	(\$2,246.01)	(\$2,287.03)
Total Adjustments	(\$1,210.59)	(\$770.00)
Total Assessment	\$19,087.72	\$19,899.04

Table 2-3

MAD No. 1022 Zone 3 FY 2024-25 Budget

Direct Costs	Estimated through June 30	
	FY 2023-24	FY 2024-25
Total EDU's	100.20	
Common Area Maintenance	\$7,548.61	\$7,699.58
Percent of Zone 1 Common Area Maintenance	5.00%	5.00%
Prorated Zone 1 Amount	\$1,406.91	\$1,435.33
Total Direct Costs	\$8,955.52	\$9,134.92
Indirect Costs		
Assessment Engineer	\$774.81	\$790.31
City Administration	\$896.88	\$896.88
Auditor-Controller	\$4.50	\$4.50
Total Indirect Costs	\$1,676.18	\$1,691.68
Total Costs	\$10,631.70	\$10,826.60
Collection/(Contribution)		
Operating Reserve	\$353.35	\$602.92
Capital Replacement	\$0.00	\$0.00
City Contribution	\$0.00	\$0.00
General Benefit Contribution	(\$934.47)	(\$951.34)
Total Adjustments	(\$581.12)	(\$348.41)
Total Assessment	\$10,050.58	\$10,478.18

Changes in Organization

There are no changes in organization for Fiscal Year 2024-25.

Proposition 218 Compliance

On November 5, 1996 California voters approved Proposition 218 entitled “Right to Vote on Taxes Act” which added Article XIII D to the California Constitution. While its title refers only to taxes, Proposition 218 establishes new procedural requirements for the formation and administration of assessment districts. Proposition 218 also requires that with certain specified exceptions, which are described below, all existing assessment districts must be ratified by the property owners within the District using the new procedures.

Some of these exceptions include:

1. Any assessment imposed exclusively to finance the capital cost or maintenance and operation expenses for streets.
2. Any assessments levied pursuant to a petition signed by the persons owning all of the parcels subject to the assessment at the time the assessment was initially imposed.

However, even if assessments are initially exempt from Proposition 218, if the assessments are increased in the future, the City will need to comply with the provisions of Proposition 218 for that portion of the increased assessment formula (e.g., CPI increase).

Proposition 218 does not define this term “streets”, however, based on the opinions of the public agency officials, attorneys, assessment engineers, and Senate Bill 919, it has been determined that streets include all public improvements located within the street right-of-way. This would include median and parkway landscaping, traffic signals, safety lighting, and street lighting.

Proposition 218 defines “assessment” as “any levy or charge upon real property by an agency for a special benefit conferred upon the real property”, California Constitution, Article XIII D, §2(b). A special assessment, sometimes called a “benefit assessment,” is a charge generally levied upon parcels of real property to pay for benefits the parcels receive from local improvements. Special assessments are levied according to statutory authority granted by the Legislature or, in some instances, local charters. Distinguishing among taxes, fees and assessments can be difficult and often depends on the context in which the distinction is made. For example, taxes, assessments and property-related fees all may be imposed on property. The key feature that distinguishes an assessment from a tax, fee, or charge is the existence of a special benefit to real property. Without identifying a special benefit, there can be no assessment.

Distinguishing General and Special Benefit

Proposition 218 added a set of procedures and requirements which a local government must follow to levy an assessment. In addition to notice, hearing, and assessment ballot proceedings, Proposition 218 provides that “only special benefits are assessable” and requires a local government to “separate the general benefits from the special benefits conferred on a parcel.”

By its nature most every public improvement financed through an assessment district contains an element of public benefit. The test is: does there exist, with relation to the improvement, a special benefit to the property assessed? The law requires that portion of the cost of the improvement which benefits the public generally, to be separated from that portion of the cost of the improvement which specially benefits assessed properties. Proposition 218 provides the following definition of “special benefit”:

“Special benefit” means a particular and distinct benefit over and above general benefits conferred on real property located in the District or to the public at large. General enhancement of property value does not constitute “special benefit”.

The actual assessment and the amount of the assessment for the Fiscal Year 2024-25 apportioned to each parcel as shown on the latest equalized roll at the County Assessor’s office are listed in Appendix A of this Report. The description of each lot or parcel is part of the records of the County Assessor of the County of San Bernardino and such records are, by reference, made part of this Report.

Direct and Special Benefit

The maintenance of landscaping, groundcover, shrubs, trees, irrigation and detention basin provides direct and special benefit to those properties located within MAD No. 1022.

Each and every lot or parcel within the District, receives a particular and distinct benefit from the improvements over and above general benefits conferred by the improvements. First, improvements were conditions of approval for the creation or development of the parcels. In order to create or develop the parcels, the City required the original developer to install and/or guarantee the maintenance of the improvements, and appurtenant facilities serving the lots or parcels. Therefore, each and every lot or parcel within the District could not have been developed in the absence of the installation and expected maintenance of these facilities.

In addition, the improvements continue to confer a particular and distinct special benefit upon parcels within the District because of the nature of the improvements. The proper maintenance of landscaping, multi-purpose trails, fencing, fossil filters, bio-swales, streetlights, traffic signals, and bridge lights, and graffiti abatement, and appurtenant facilities specially benefit parcels within the District by moderating temperatures, providing oxygenation, attenuating noise from adjacent streets and controlling dust for those properties in close proximity to the landscaping. Improved erosion and water quality control, dust abatement, increased public safety (e.g., control sight distance restrictions and fire hazards), improved neighborhood property protection and aesthetics, controlling or restricting the flow of traffic into and out of the development, increasing public safety for both pedestrians and the motoring public, and increasing traffic safety by improving visibility. The spraying and treating of landscaping for disease reduces the likelihood of insect infestation and other diseases spreading to landscaping located throughout the properties within the District. Streetlights also provide safety for pedestrians and motorists living and owning property in the District during the nighttime hours, and to assign rights-of-way for the safety of pedestrians and motorists by defining a specific path during all hours of the day.

Streets are constructed for the safe and convenient travel of vehicles and pedestrians. They also provide an area for underground and overhead utilities. These elements are a distinct and special benefit to all developed parcels in the District. Streetlights are installed on and are for street purposes and are maintained and serviced to allow the street to perform to the standards it was designed.

Streetlights are determined to be an integral part of "streets" as a "permanent public improvement." One of the principal purposes of fixed roadway lighting is to create a nighttime environment conducive to quick, accurate, and comfortable seeing for the user of the facility. These factors, if attained, combine to improve traffic safety and achieve efficient traffic movement. Fixed lighting can enable the motorist to see detail more distinctly and to react safely toward roadway and traffic conditions present on or near the roadway facility.

The system of streets within the District is established to provide access to each parcel in the District. Streetlights provide a safer street environment for owners of the parcels served. If the parcels were not subdivided to provide individual parcels to owners within the District, there would be no need for a system of streets with streetlights. Therefore, the installation of streetlights is for the express, special benefit of the parcels within the District.

The proper maintenance of the landscaping, ornamental structures, and appurtenant facilities reduces property-related crimes (especially vandalism) against properties in the District through the screening of properties within the District from arterial streets.

Finally, the proper maintenance of landscaping, multi-purpose trails, fencing, fossil filters, bio-swales, and graffiti abatement, and appurtenant structures improves the attractiveness of the properties within the District. This provides a positive visual experience each and every time a trip is made to or from the property and provides an enhanced quality of life and sense of well-being for properties within the District.

Because all benefiting properties consist of a uniform land use, it is determined that all lots or parcels benefit equally from the improvements and the costs and expenses for the provision of electricity for the streetlights and traffic signals and the maintenance of landscaping, multi-purpose trails, fencing, fossil filters, bio-swales, traffic signals, and bridge lights, and graffiti abatement are apportioned on a per acre, per EDU (Equivalent Dwelling Unit), or per parcel basis.

Based on the benefits described above, landscaping, multi-purpose trails, fencing, fossil filters, bio-swales, streetlights, traffic signals, and bridge lights, and graffiti abatement are an integral part of the quality of life of the District. This quality of life is a special benefit to those parcels that are not government owned easements, utility easements, and flood channel parcels. Government owned easements, utility easements, and flood channel parcels do not benefit from the improvements due to their use and lack of habitation on such parcels. Parcels of this nature are usually vacant narrow strips of land or flood control channels and therefore do not generate or experience pedestrian or vehicular traffic. Nor do these types of parcels support dwelling units or other structures that would promote frequent use of the parcels by the traveling public. As a result of this lack of activity on such parcels they do not receive any benefit from landscaping, multi-purpose trails, fencing, fossil filters, bio-swales, streetlights, traffic signals, and bridge lights, and graffiti abatement and are not assessed.

General Benefit

The Benefit received by the parcels within the boundaries of the District is determined to be of more than ordinary public benefit, thus each parcel within the District being assessed receives special benefit from the improvements. If the property not within the boundaries of a District also receives some benefit from the improvements, consideration must then be given to a general benefit given by the improvements, which may not be assessed to the parcels within the District. Since the installation and maintenance of the landscaping and establishment of an assessment district for the maintenance of the landscaping is specific and incidental to this development, it is further determined that the improvements to be maintained by the assessment district are of special benefit to the District only and are 100% assessable to the parcels within the boundaries of the assessment district, except as follows:

1. Areas of maintenance that front on **major arterial streets**, as determined by the Circulation Plan of the City's General Plan, are determined to be **15% general benefit** and the proportional costs thereof are not assessable to the District.
2. Areas of maintenance that front on **secondary arterial streets**, as determined by the Circulation Plan of the City's General Plan, are determined to be **10% general benefit** and the proportional costs thereof are not assessable to the District.
3. Areas of maintenance that front on **collector streets**, as determined by the Circulation Plan of the City's General Plan, are determined to be **5% general benefit** and the proportional costs thereof are not assessable to the District.
4. Areas that front on **local streets** are determined to be **100% special benefit** and are 100% assessable to the District.

These percentages are based on the traffic circulation for the various street classifications.

Tippecanoe Avenue, Third Street, and Del Rosa Drive between Harry Sheppard Boulevard and Third Street are classified as **major arterial streets**. Lena Road, Mill Street, and Harry Shepard Boulevard between Tippecanoe Avenue and Del Rosa Drive are classified as **secondary arterial streets**. Rialto Avenue, Mountain View Avenue, Leland Norton Way, Harry Sheppard Boulevard between Del Rosa Drive and Leland Norton Way are classified as **collector streets**.

Within Zone 1 the **major arterial streets** comprise 75.6%, the **secondary arterial streets** comprise 19.7%, and the **collector streets** comprise 4.7% of the total areas of maintenance. Pursuant to the above determination of benefit, 15% of 75.6% plus 10% of 19.7% plus 5% of 4.7% of the total cost of maintenance will not be assessed to Zone 1.

The General Benefit is calculated by taking the area of General Benefit and dividing it by the total area to be maintained. The percentage of total area of General Benefit is multiplied by the total area maintenance costs. The total cost of a General Benefit area is then multiplied by the derived factor from above (5%, 10% and 15%). The result is the General Benefit of 13.55% needed for Zone 1.

Within Zone 2 the **major arterial streets** comprise 21.3%, the **secondary arterial streets** comprise 78.7%, and the **collector streets** comprise 0.0% of the total areas of maintenance. Pursuant to the above determination of benefit, 15% of 21.3% plus 10% of 78.7% of the total cost of maintenance will not be assessed to Zone 2.

The General Benefit is calculated by taking the area of General Benefit and dividing it by the total area to be maintained. The percentage of total area of General Benefit is multiplied by the total area maintenance costs. The total cost of a General Benefit area is then multiplied by the derived factor from above (5%, 10% and 15%). The result is the General Benefit of 11.07% needed for Zone 2.

Within Zone 3 the **major arterial streets** comprise 35.9%, the **secondary arterial streets** comprise 30.8%, and the **collector streets** comprise 33.3% of the total areas of maintenance. Pursuant to the above determination of benefit, 15% of 35.9% plus 10% of 30.8% plus 5% of 33.3 of the total cost of maintenance will not be assessed to Zone 3.

The General Benefit is calculated by taking the area of General Benefit and dividing it by the total area to be maintained. The percentage of total area of General Benefit is multiplied by the total area maintenance costs. The total cost of a General Benefit area is then multiplied by the derived factor from above (5%, 10% and 15%). The result is the General Benefit of 10.13% needed for Zone 3.

Publicly owned lands within the Assessment District, if any, are subject to assessments, unless they receive no benefit with the exception of public right of way, which is not subject to assessments.

Method of Apportionment

The Assessment Law permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements, which include the construction, maintenance, and servicing of public lights, landscaping, dedicated easements for landscape use, and appurtenant facilities. The Assessment Law further provides that assessments may be apportioned upon all assessable lots or parcels of land within an assessment district in proportion to the estimated benefits to be received by each lot or parcel from the improvements 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 reflects the composition of the parcels and the improvements and services provided by the District to fairly apportion the costs based on the estimated benefit to each parcel.

In addition, Article XIII D of the California Constitution (the “Article”) requires that a parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred on that parcel. The Article provides that only special benefits are assessable, and the City must separate the general benefits from the special benefits conferred on a parcel. A special benefit is a particular and distinct benefit over and above general benefits conferred on the public at large, including real property within the District. The general enhancement of property value does not constitute a special benefit.

Landscaping and streetlighting and its proper maintenance enhances the esthetics of any given area. The benefit received by the owners of properties in the area varies depending on which zone the property is located. The Assessment District is divided into three zones. The San Bernardino International Airport provided special benefit to all three zones. Thus all three zones shall share a portion of the maintenance cost for improvements located on such Airport properties. Timber Creek provides a special benefit to Zone 1 and 2 but provides no benefit to Zone 3. The maintenance cost for Timber Creek shall be shared proportionately by area between Zone 1 and Zone 2 whereas Zone 3 shall not participate in any of the maintenance costs for Timber Creek.

Part I – Applicable to All Properties within the Assessment District:

Apportionment of assessments across the individual parcels is based on the area of each parcel in relation to the total area within each respective zone or combination of zones as follows:

Where: Area “I” is the area of any of the individual parcels shown as an assessment number.

Area 1 is the summation of the areas of the participating parcels within Zone 1.

Area 2 is the summation of the areas of the participating parcels within Zone 2.

Area 3 is the summation of the areas of the participating parcels within Zone 3.

Zone 1 Owners: $0.9 \text{ (net cost Zone 1)} * (\text{Area “I”} / \text{Area 1}) + (\text{total cost Timber Creek}) * \{ \text{Area “I”} / (\text{Area 1} + \text{Area 2}) \}$

Zone 2 Owners: $0.05 \text{ (net cost Zone 2)} * (\text{Area “I”} / \text{Area 2}) + (\text{net cost Zone 2}) * (\text{Area “I”} / \text{Area 2}) + (\text{total cost Timber Creek}) * \{ \text{Area “I”} / (\text{Area 1} + \text{Area 2}) \}$

Zone 3 Owners: $0.05 \text{ (net cost Zone 1)} * (\text{Area “I”} / \text{Area 3}) + (\text{total cost Zone 3}) + (\text{Area “I”} / \text{Area 3})$

Part II – Applicable to Properties without a Default Assessment Agreement:

Within each Zone of the Assessment District the City shall undertake a separate accounting and calculation to be maintained as to those properties which then have a Default Assessment Agreement in effect. On a Zone by Zone basis within the Assessment District, the dollar amount of the City incurred costs for the maintenance of adjacent landscaping, exclusive of common area landscaping at intersections and median strips and other monument sign areas, shall be calculated and spread on an acreage basis against all

properties within each Zone that do not have then have a Default Assessment Agreement in effect. Such amount as calculated pursuant to this Part II shall then be added to the amount calculated for all properties pursuant to Part I above placed on the tax bill only for those properties that do not have a Default Assessment Agreement then in effect. Only properties having either a minimum street frontage of 400 feet or a minimum area of 2.25 acres are eligible to petition the City for a Default Assessment Agreement. The Part II formula is below for Zone 1, Zone 2 and Zone 3 Owners:

(Cost of Adjacent Landscaping by Zone) / Acreage of Maintenance Areas properties without Default Assessment Agreement = Part II assessment amount per Acre of Maintenance Areas

Benefit by Zone

Each of the assessable parcels within the District has been deemed to receive proportional special benefit from the maintenance and operation of the improvements. The percentage change in allowable Fiscal Year 2024-25 assessment from the allowable Fiscal Year 2023-24 assessment is as follows:

Table 3-1
Maximum Assessment Rates

Zone	Estimated Cost FY 24-25	Max Assessment FY 23-24		Max Assessment FY 24-25		Allowable Assessment Rate Change	Actual Assessment FY 24-25	
		Common Area/Acre	Adjacent Area/Sq. Ft.	Common Area/Acre	Adjacent Area/Sq. Ft.		Common Area/Acre	Adjacent Area/Sq. Ft.
1	\$37,177.50	\$203.13	\$4.12	\$211.76	\$4.30	4.25%	\$115.66	\$0.00
2	\$20,669.05	\$127.28	\$0.36	\$132.69	\$0.38	4.25%	\$129.56	\$0.00
3	\$10,826.31	\$118.96	\$0.36	\$124.02	\$0.38	4.25%	\$104.68	\$0.00

Due to the nature of landscape maintenance, it is anticipated that there will be future increases in assessments as contract, labor, water and energy costs are all subject to future increases. Annual increases may be increased without further notice or public hearing by a percentage equal to the increase in the Consumer Price Index for all Urban Consumers ("CPI-U") for the Riverside-San Bernardino-Ontario California Standard Metropolitan Statistical area, as published by the Bureau of Labor Statistics of the United States Department of Labor, Bureau of Labor Statistics over the previous year, or 5%, whichever is less. The CPI-U is typically used for maintenance districts. The rate varies from year to year, but in no event will an increase, if needed, exceed 5% without a majority approval of property owners in the District.

Whereas, the City Council of the City of San Bernardino, State of California, did, pursuant to the provisions of the Assessment Law, adopted Resolution No. 2006-91 to initiate proceedings to form a special assessment district known and designated as: Maintenance Assessment District No. 1022; and,

Whereas, the City Council, did direct the appointed engineer to prepare and file an annual report, in accordance with the Assessment Law.

Whereas, Section 22567 of said Article 4 states the Report shall consist of the following;

- a. Maintenance plans for the improvements
- b. An estimate of the costs of the improvements
- c. A diagram for the assessment district
- d. An assessment of the estimated costs of the maintenance of the improvements

Now, Therefore, I, the appointed ENGINEER, acting on behalf of the City of San Bernardino, pursuant to the Assessment Law, do hereby submit the following:

1. Pursuant to the provisions of law the costs and expenses of the District have been assessed upon the parcels of land in the 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 parcel, reference is made to the Assessment Diagram, a reduced copy of which is included herein.
2. As required by law, a Diagram is filed herewith, showing the District, as well as the boundaries and dimensions of the respective parcels and subdivisions of land within said District as the same exist each of which subdivisions of land or parcels or lots, respectively, have been given a separate number upon said Diagram and in the Assessment Roll contained herein.
3. The separate numbers given the subdivisions and parcels of land, as shown on said Assessment Diagram and Assessment Roll, correspond with the numbers assigned to each parcel by the San Bernardino County Assessor. Reference is made to the County Assessment Roll for a description of the lots or parcels.
4. There are no parcels or lots within MAD No. 1022 that are owned by a federal, state or other local governmental agency that will benefit from the services to be provided by the assessments to be collected.

The City requested Spicer Consulting Group, LLC., to prepare and file an Engineer's Report for Maintenance Assessment District No. 1022 pursuant to the Assessment Law presenting plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the maintenance, operations and servicing of the improvements for MAD No. 1022 for the referenced Fiscal Year, a diagram for the District showing the area and properties to be assessed, and an assessment of the estimated costs of the maintenance, operations and servicing the improvements, assessing the net amount upon all assessable lots and-or parcels within the District in proportion to the special benefit received.

Executed this 17th day of July 2024.



FRANCISCO MARTINEZ JR
PROFESSIONAL CIVIL ENGINEER NO. 84640
ENGINEER OF WORK
CITY OF SAN BERNARDINO
STATE OF CALIFORNIA

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached, was filed with me on the _____ day of _____, 2024. By Adoption of Resolution No. _____ by the City Council.

CITY CLERK
CITY OF SAN BERNARDINO
STATE OF CALIFORNIA

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached, was approved and confirmed by the City Council of the City of San Bernardino, California, on the ____ day of _____, 2024.

CITY CLERK
CITY OF SAN BERNARDINO
STATE OF CALIFORNIA

A reduced copy of the Assessment Diagram is filed herewith, are incorporated by reference in Appendix B herein, and made part of this Report.

If any parcel submitted for collection is identified by the County Auditor-Controller to be an invalid parcel number for the current fiscal year, a corrected parcel number and/or new parcel number will be identified and resubmitted to the County Auditor/Controller. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rate approved in this Report. Therefore, if a single parcel has changed to multiple parcels, the assessment amount applied to each of the new parcels shall be recalculated and applied according to the approved method of apportionment and assessment rate rather than a proportionate share of the original assessment.

Information identified on these maps was received from several sources including the owner/developer, City of San Bernardino, and the San Bernardino County Assessor's Office.

The actual amount of the assessment for the Fiscal Year 2024-25 apportioned to each parcel as shown on the latest equalized roll at the County Assessor's office are listed in Appendix A of this Report. The description of each lot or parcel is part of the records of the County Assessor of the County of San Bernardino and such records are, by reference, made part of this Report.



Appendix A:

Assessment Rolls

Assessment Roll

CC30 SP04 - AD 1022 Zone 1

Fiscal Year 2024-25



APN	Levy	APN	Levy	APN	Levy
0136-341-11	\$162.40	0136-341-13	\$713.82	0136-341-21	\$251.28
0136-341-42	\$2,365.78	0136-341-43	\$1,005.40	0136-341-50	\$378.08
0136-341-65	\$6,728.06	0136-341-68	\$185.04	0136-341-72	\$17,802.70
0136-341-82	\$924.02	0136-541-01	\$263.40	0136-341-89	\$3,052.86
0136-341-90	\$301.98	0136-341-91	\$9.40	0136-341-92	\$240.04
Totals		Parcels	15	Levy	\$34,384.26

Assessment Roll

CC30 SP05 - AD 1022 Zone 2

Fiscal Year 2024-25



APN	Levy	APN	Levy	APN	Levy
0136-341-84	\$6,421.38	0136-341-85	\$1,324.12	0136-341-86	\$1,167.84
0136-341-87	\$3,048.38	0136-341-88	\$7,261.44	0136-391-10	\$323.08
0136-391-29	\$178.58	0136-391-30	\$174.14		
Totals		Parcels	8	Levy	\$19,898.96

Assessment Roll

CC30 SP08 - AD 1022 Zone 3

Fiscal Year 2024-25

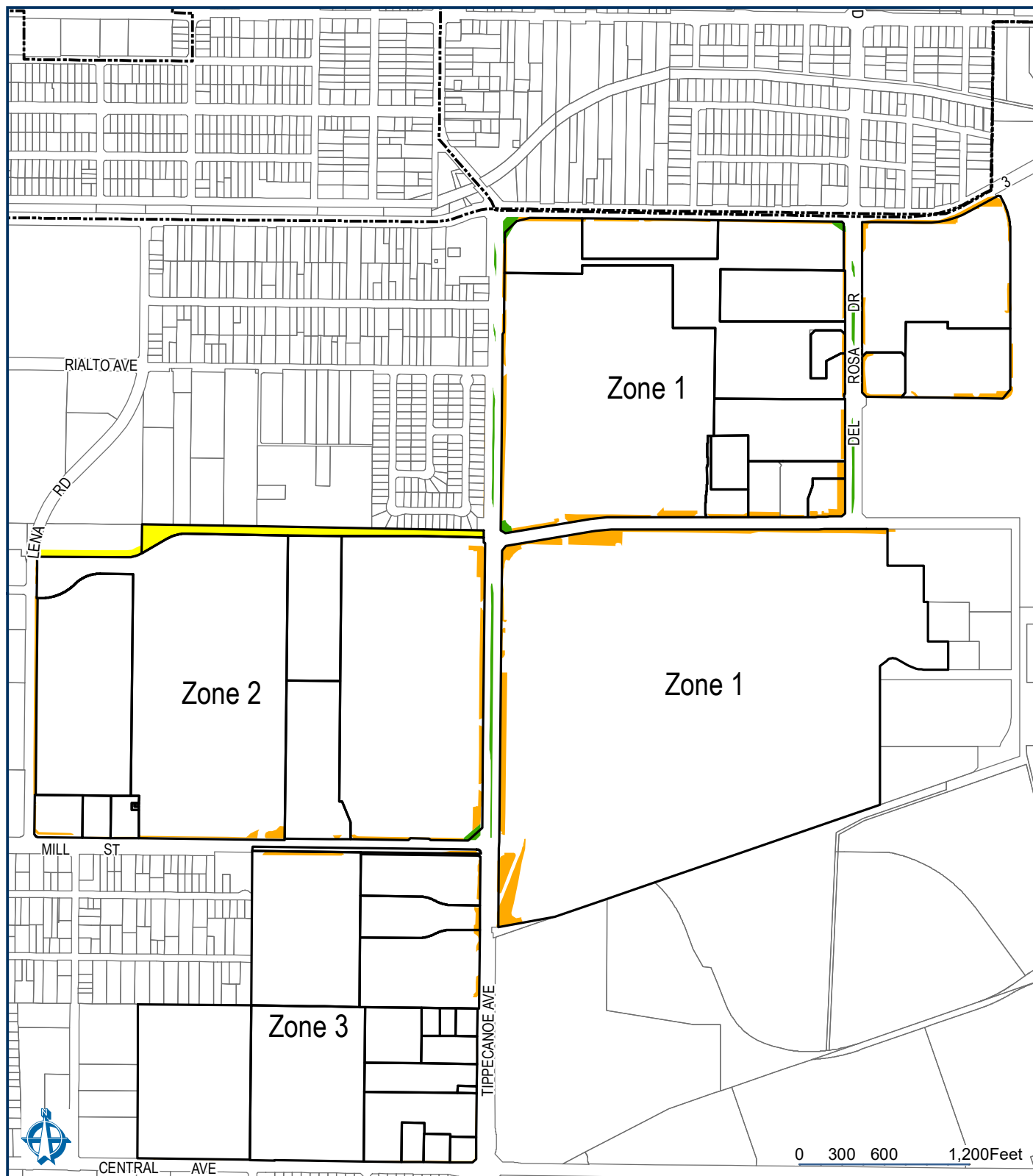


APN	Levy	APN	Levy	APN	Levy
0136-351-01	\$2,093.50	0136-351-12	\$2,121.76	0136-351-16	\$2,019.18
0136-351-17	\$642.70	0136-351-18	\$508.72	0136-351-19	\$1,051.98
0280-091-27	\$697.48	0280-091-28	\$295.50	0280-091-29	\$18.02
0280-091-66	\$378.92	0280-091-67	\$62.80	0280-091-68	\$52.32
0280-091-69	\$73.26	0280-091-70	\$186.32	0280-091-71	\$275.28
Totals		Parcels	15	Levy	\$10,477.74



Appendix B:

Assessment Diagrams



CITY OF SAN BERNARDINO **ASSESSMENT DIAGRAM**

MAINTENANCE ASSESSMENT DISTRICT NO. 1022



S P I C E R

CONSULTING GROUP