

2017-2021



**WILSON WAY PROPERTY AND BUSINESS  
IMPROVEMENT DISTRICT  
MANAGEMENT DISTRICT PLAN AND  
ENGINEER'S REPORT**

*Prepared pursuant to the Property and Business Improvement District Law of 1994, Streets and Highways Code section 36600 et seq.*

April 14, 2016

Wilson Way PBID  
MANAGEMENT DISTRICT PLAN

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Draft

## I. OVERVIEW

Developed by a growing coalition of property owners and the City of Stockton, the Wilson Way Property and Business Improvement District (WWPBID) is a benefit assessment district whose main goal is to provide improvements and activities which constitute and convey a special benefit to assessed parcels. This approach has been used successfully in other cities throughout the country to provide enhanced benefits to property owners, namely increased security and litter abatement programs, attraction of new tenants, increased occupancies, and specifically increased property values. As required by state law, property owners have created this Management District Plan (Plan) to form the WWPBID.

**Location:** The WWPBID generally includes parcels along Wilson Way between East Harding Way and East Weber Avenue, as detailed on the map in Section IV.

**Purpose:** The purpose of the WWPBID is to provide activities and improvements which constitute and convey a special benefit to assessed parcels. The WWPBID will provide enhanced security services, maintenance, capital improvements, advocacy, and administration directly and only to assessed parcels within its boundaries.

**Budget:** The WWPBID annual assessment budget for the initial year of its five (5) year operation is anticipated to be \$504,955.11. The annual budget may be subject to an increase in assessment rates of no more than three percent (3%) per year.

**Cost:** The annual assessment rate (cost to the parcel owner) is based on parcel type, parcel square footage, and parcel linear front footage. The initial annual rate applied to each parcel is shown in the table below. Assessment rates may be subject to an increase of no more than three percent (3%) per year.

Parcel Type	Initial Parcel Assessment Rate	
	Lot Size (sq. ft.)	Linear Frontage (ft.)
Commercial	\$0.12	\$10.00
Industrial	\$0.08	\$10.00
Vacant	\$0.01	\$10.00

**Formation:** WWPBID formation requires submittal of petitions from property owners representing more than 50% of the total assessment. The "Right to Vote on Taxes Act" (also known as Proposition 218) requires a ballot vote in which more than 50% of the ballots received, weighted by assessment, be in support of the WWPBID.

**Duration:** The WWPBID will have a five (5) year life beginning January 1, 2017 through December 31, 2021. Near the end of the term, the petition, ballot, and City Council hearing process must be repeated for the WWPBID to be renewed.

**Management:** The Wilson Way Property Association (Association) will serve as the Owners' Association for the WWPBID.

## II. IMPETUS

There are several reasons why now is the time to form the WWPBID. The most compelling reasons are as follows.

**1. The Need to be Proactive in Determining the Future of Wilson Way.**

In order to protect their investment, parcel owners must be partners in the process that determines the level and frequency of services, and how new improvements and development projects are implemented. The WWPBID will allow these owners to lead and shape future services and improvements through the WWPBID. With the collaboration of frequent Business Watch meetings, property owners and businesses within the Wilson Way corridor continue to meet to discuss issues around safety and beautification, to ensure there is a cohesive approach to the area.

**2. The Need to Attract New Business and Investment Throughout Wilson Way.**

If Wilson Way is to compete as a successful commercial district it must develop its own well-financed, proactive strategy to retain businesses and tenants as well as attract new business and investment. The WWPBID provides the financial resources to develop and implement a focused strategy that will work to prevent and fill vacancies and attract new tenants to all areas of Wilson Way.

**3. An Opportunity to Create a Private/Public Partnership with a Unified Voice for Wilson Way.**

Because parcel owners would be investing financial resources through the WWPBID, they will be looked upon as a strong partner to leverage additional public or private funding sources, with the goal of adding additional investment opportunities along Wilson Way.

**4. An Opportunity to Establish Private Sector Management and Accountability.**

A non-profit, private organization, the Wilson Way Property Association, formed for the sole purpose of improving Wilson Way will manage the services provided and the WWPBID. Annual WWPBID work plans and budgets are developed by a board composed of a mix of stakeholders along Wilson Way to include property owners, businesses, advocates, and the City. Improvements and activities provided by the WWPBID are subject to private sector performance standards, controls, and accountability.

### III. BACKGROUND

The International Downtown Association estimates that more than 1,500 Property and Business Improvement Districts (PBIDs) currently operate throughout the United States and Canada. PBIDs are a time-tested tool for property owners who wish to come together and obtain collective services which benefit their properties.

PBIDs provide supplemental services in addition to those provided by local government. They may also finance physical and capital improvements. These improvements and activities are concentrated within a distinct geographic area and are funded by a special parcel assessment. Services and improvements are only provided to those who pay the assessment.

Although funds are collected by the local government, they are then directed to a private nonprofit. The nonprofit implements services and provides day-to-day oversight. The nonprofit is managed by a Board of Directors representing those who pay the assessment, to help ensure the services meet the needs of property owners and are responsive to changing conditions within the PBID.

PBIDs all over the globe have been proven to work by providing services that improve the overall viability of commercial districts, resulting in higher property values, lease rates, occupancy rates, and sales volumes.

The WWPBID will be formed pursuant to a state law that took effect in January of 1995. The “Property and Business Improvement District Law of 1994,” which was signed into law by Governor Pete Wilson, ushered in a new generation of Property and Business Improvement Districts in California. Key provisions of the law include:

- Allows a wide variety of services which are tailored to meet specific needs of assessed properties in each individual PBID;
- Requires property owner input and support throughout the formation process;
- Requires written support on both a petition and ballot from property owners paying 50% of proposed assessments;
- Allows for a designated, private nonprofit corporation to manage funds and implement programs, with oversight from property owners and the City;
- Requires limits for assessment rates to ensure that they do not exceed the amount owners are willing to pay; and
- Requires the PBID be renewed after a five year period, making it accountable to property owners.

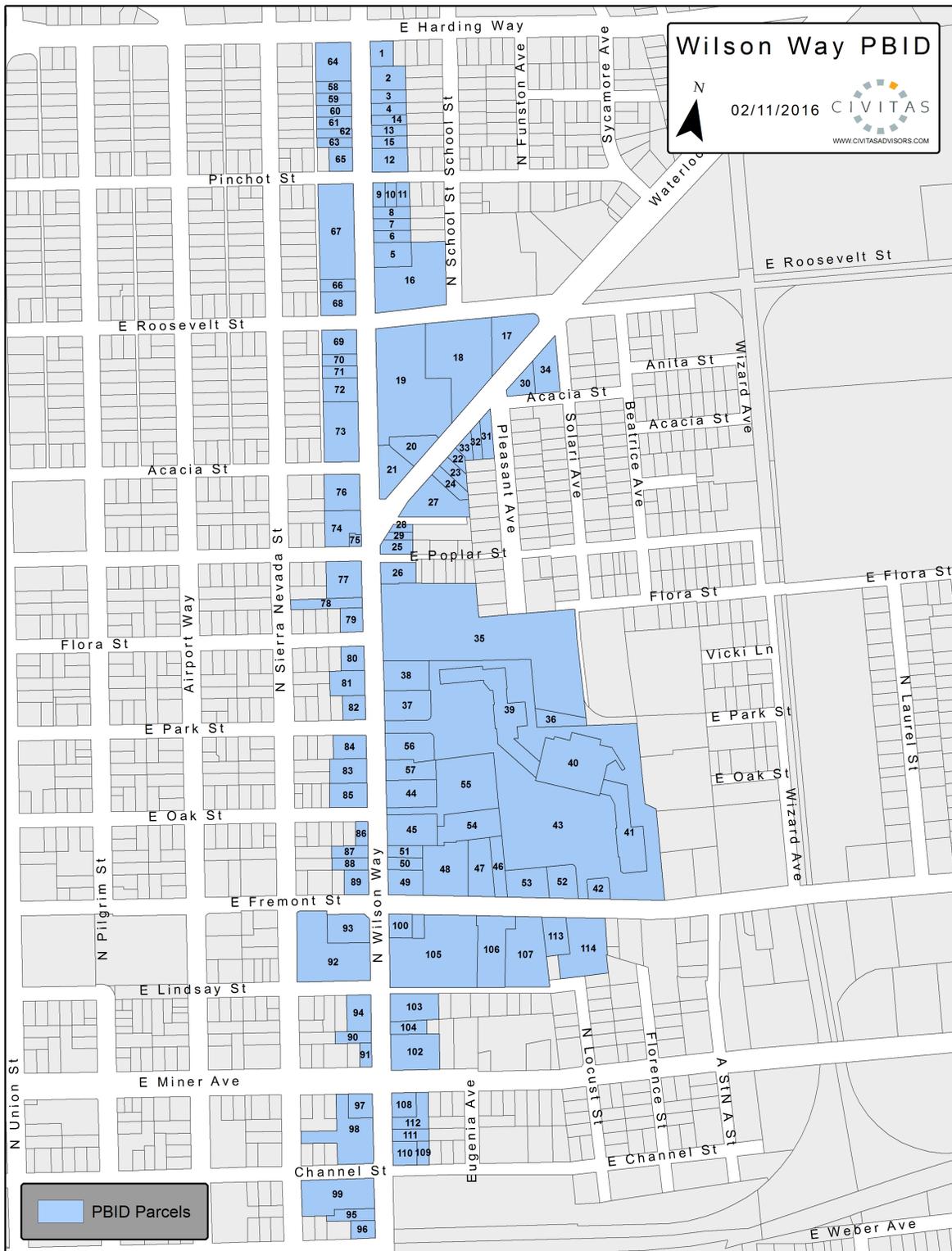
The “Property and Business Improvement Business District Law of 1994” is provided in Appendix 2 of this document.

#### **IV. BOUNDARIES**

The WWPBID general includes parcels along Wilson Way between East Harding Way and East Weber Avenue. The service area includes approximately 106 properties with 76 property owners. The WWPBID boundary is illustrated by the map below. A larger map is available on request by calling (916)437-4300 or (800)999-7781.

##### **Boundary Description**

Beginning at the southwest corner of East Harding Way and North Wilson Way. West along the north property line of APN Number 151-024-27, then south along the west property line of all those parcels fronting on North Wilson Way to East Weber Avenue. Then east long the north side of East Weber Avenue to North Wilson Way, then north along East Wilson Way to the north side of Channel Street. Then east along the north side of Channel Street to APN 153-030-28, then North along the East side of APN 153-030-31 to East Miner Avenue. Continuing north along the east boundary of the parcels fronting on North Wilson Way to the north side of Easy Lindsay Street. Then East along the north side of Lindsay Street to the east property line of APN 153-070-47 then north to the north side of East Freemont Street. Then east along the north side of East Freemont Street to the east property line of APN 141-290-11, continuing north along the east property line of APN 141-070-22 to Flora Street. Continuing north and west along property lines of parcels fronting on North Wilson Way to Poplar Street. Continuing north and east along property lines of parcels fronting on Waterloo Street to APN 141-050-38, then north along the east property line of APN 117-350-01 to the south side of East Roosevelt Street to the east property line of parcels fronting on North Wilson Way, then north along the east property line of parcels facing North Wilson Way to East Harding Way. Then west along the south side of East Harding Way to the point of beginning.



## **V. SERVICE PLAN & BUDGET**

### **A. Establishment**

Property and business owners along Wilson Way have been concerned about the need for coordinated supplemental services in the area for several years. City services and efforts in the area have been welcomed, but limited resources have not allowed for a more comprehensive approach to managing this commercial area with further potential growth expected.

A service plan to provide special benefits to assessed properties was developed using several methods. A series of property owner meetings, a survey of property owners, and an analysis of current property conditions and needs were all conducted over a ten month period. The primary needs identified were: security, maintenance, capital improvements, and advocacy. To meet those needs, the WWPBID will provide security, maintenance, capital improvements, advocacy and related administration to assessed parcels within its boundaries.

### **B. Improvements and Activities**

The WWPBID will provide supplemental improvements and activities that are above and beyond those provided by the City and other government agencies. None of the services to be provided by the WWPBID are provided by the City or other government agencies. The improvements and activities will be provided directly and only to assessed parcels; they will not be provided to parcels that are not assessed. Each and every service is unique to the WWPBID, thus the benefits provided are particular and distinct to each assessed parcel.

#### **1. Security**

Security services will focus on making the District a safer place to do business. Security will include services and improvements to enhance the safety of District parcels, including: dedicated patrols by the Stockton Police Department, supplemental private security patrols, security cameras, and security lighting, among others. A 24/7 security hotline will also be established and maintained to help property owners access security services as needed.

#### **2. Maintenance & Capital Improvements**

The maintenance program will make the District cleaner, more accessible, and more attractive to potential tenants and customers. Maintenance services will include litter and graffiti removal, sidewalk pressure washing, weed abatement, and median maintenance. Maintenance services will be provided on the public right-of-way adjacent to assessed parcels, not directly on assessed parcels (such as parking lots). Small-scale capital improvements may include bus benches, landscaping features, art installations, and trash receptacles. Capital improvement funds may also be leveraged to seek additional funding for large-scale projects.

#### **3. Administration, Advocacy & Collections**

The administration portion of the budget will be utilized for administrative costs associated with providing the services. Those costs may include rent, telephone charges, legal fees, accounting fees, postage, administrative staff, insurance, and other general office expenses. Advocacy will provide staff time to work to represent the WWPBID's best interests at local government agencies, and promote the area as a desirable place to live, work, and do business. Collections

will include the City administrative fees for levying, collecting, and forwarding the assessment and accounting. City administrative costs will be actual costs, subject to the requirements of state law and compliant with generally accepted methods for costing under Federal regulations (OMB Circulars). In addition, all City administrative costs will be accounted for in detail and available on demand.

#### **4. Contingency/Reserve**

The budget includes a contingency line item to account for uncollected assessments, if any. If there are contingency funds collected, they may be held in a reserve fund or utilized for other program, administration or renewal costs at the discretion of the Owners' Association. Policies relating to contributions to the reserve fund, the target amount of the reserve fund, and expenditure of monies from the reserve fund shall be set by the Board of Directors of the Owners' Association. The reserve fund may be used for the costs of renewing the District.

#### **C. Annual Budget**

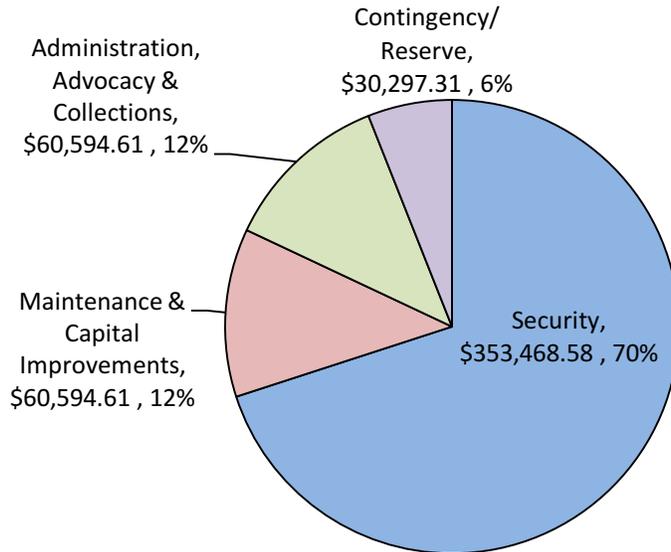
A projected five (5) year budget for the WWPBID is provided on the next page. The overall budget shall remain consistent with this Plan. In the event of a legal challenge, assessment funds may be used to defend the WWPBID. The annual budget is based on the following assumptions and guidelines:

1. The cost of providing improvements and activities may vary depending upon the market cost for those improvements and activities. Expenditures may require adjustment up or down to continue the intended level of improvements and activities. The Association shall annually have the ability to re-allocate up to fifteen percent (15%) of the budget allocation by line item within the budgeted categories. Any change will be approved by the Association and submitted with the Annual Report.
2. Funds not spent in any given year may be rolled over to the next year.
3. The assessment rate may be subject to annual increases that will not exceed three percent (3%) per year. Increases will be determined by the Association and will vary each year. The following projections illustrate the maximum annual three percent (3%) increase for all budget items.

#### **D. Assessment Budget**

The total improvement and activity budget for 2017 that is funded by property assessments is \$504,955.11. The breakdown of the assessment fund budget is shown on the following chart. The total of non-assessment and assessment funds, and the determination of special and general benefit, is included in the Engineer's Report.

## 2017 Total Assessment Budget



The maximum annual assessment budget below assumes the maximum annual increase of three percent (3%) is enacted and that there are no changes to the categorical budget allocations.

Year	Security	Maintenance & Capital Improvements	Administration, Advocacy & Collections	Contingency/Reserve	TOTAL
2017	\$353,468.58	\$60,594.61	\$60,594.61	\$26,384.03	\$504,955.11
2018	\$364,072.64	\$62,412.45	\$62,412.45	\$27,175.55	\$520,103.77
2019	\$374,994.82	\$64,284.83	\$64,284.83	\$27,990.81	\$535,706.88
2020	\$386,244.66	\$66,213.37	\$66,213.37	\$28,830.54	\$551,778.09
2021	\$397,832.00	\$68,199.77	\$68,199.77	\$29,695.45	\$568,331.43
<b>TOTAL</b>	<b>\$1,876,612.70</b>	<b>\$321,705.03</b>	<b>\$321,705.03</b>	<b>\$140,076.38</b>	<b>\$2,680,875.28</b>

## **VI. GOVERNANCE**

### **A. Owners' Association**

The City Council, through adoption of this Management District Plan, has designated, pursuant to Streets and Highways Code §36651, the Wilson Way Property Association as the Owners' Association of the WWPBID as defined in Streets and Highways Code §36612. The City shall contract with the Owners' Association to implement the proposed WWPBID programs.

A majority of the Board of Directors of the Association must be parcel owners paying the assessment. In addition, the Board of Directors must represent a variety of interests within the WWPBID and respond to the needs of all properties within the WWPBID.

### **B. Brown Act & Public Records Act Compliance**

An Owners' Association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. The Owners' Association is, however, subject to government regulations relating to transparency, namely the Ralph M. Brown Act and the California Public Records Act. These regulations are designed to promote public accountability. The Owners' Association must act as a legislative body under the Ralph M. Brown Act (Government Code §54950 et seq.). Thus, meetings of the Association Board of Directors and certain committees must be held in compliance with the public notice and other requirements of the Brown Act. The Owners' Association is also subject to the record keeping and disclosure requirements of the California Public Records Act.

### **C. Annual Report**

The Association shall present an annual report at the end of each year of operation to the City Council pursuant to Streets and Highways Code §36650 (see Appendix 2). The annual report is a prospective report for the upcoming year and must include:

1. Any proposed changes in the boundaries of the WWPBID or in any benefit zones or classification of property within the district;
2. The improvements, maintenance, and activities to be provided for that fiscal year;
3. The estimated cost of providing the improvements, maintenance, and activities to be provided for that fiscal year;
4. The method and basis of levying the assessment in sufficient detail to allow each real property owner to estimate the amount of the assessment to be levied against his or her property for that fiscal year;
5. The estimated amount of any surplus or deficit revenues to be carried over from a previous fiscal year; and
6. The estimated amount of any contributions to be made from sources other than assessments levied pursuant to this Plan.

## VII. ENGINEER'S REPORT

The District's parcel assessments will be imposed in accordance with the provisions of Article XIID of the California Constitution. Article XIID provides that "only special benefits are assessable,"<sup>1</sup> and requires the City "separate the general benefits from the special benefits conferred on a parcel."<sup>2</sup> Special benefits are a "particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public-at-large."<sup>3</sup> Conversely, a general benefit is "conferred on real property located in the district or to the public-at-large."<sup>4</sup> Assessment law also mandates that "no assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."<sup>5</sup>

The Engineer determined the total cost of the improvements and services, quantified the general benefit accruing to the public-at-large and parcels adjacent to and within the District, and separated that amount from the special benefit accruing to the assessed parcels. Then, the Engineer determined the proportionate special benefit derived by each parcel and allocated the cost of the improvements and services accordingly. The Engineer's determinations and detailed calculations are summarized in this report.

### A. Separation of General and Special Benefits

Each of the improvements and activities, and the associated costs and assessments within the District, were reviewed, identified, and allocated based on special and general benefits pursuant to Article XIID of the California Constitution. The assessment has been apportioned based on the proportional special benefits conferred to the assessed parcels located within the District boundaries as determined below.

#### 1. General Benefits

Unlike special benefits, which are conferred directly and only upon assessed parcels, a general benefit is conferred on the general public or non-assessed parcels. Existing City and other public services, which are provided to every person and parcel, everywhere within the City, are an example of a general benefit. Although the District's boundaries have been narrowly drawn and programs have been carefully designed to provide special benefits, and activities and improvements will only be provided directly to assessed parcels, it is acknowledged that there will be general benefits as a result of the District's activities and improvements.

The California Constitution mandates that "only special benefits are assessable, and an agency shall separate the general benefits from the special benefits."<sup>6</sup> "Generally, this separation and quantification of general and special benefits must be accomplished by apportioning the cost of a service or improvement between the two and assessing property owners only for the portion of the cost representing special benefits."<sup>7</sup> The first step that must be undertaken to separate general and special benefits provided by the District's activities and improvements is to identify and quantify the general

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<sup>1</sup> Cal. Const., art. XIII D, §4(a)

<sup>2</sup> Cal. Const., art. XIII D, §4(a)

<sup>3</sup> Id., §2(i)

<sup>4</sup> Cal. Const., art. XIII D §2(i)

<sup>5</sup> Cal. Const., art. XIII D, §4(a)

<sup>6</sup> Cal. Const., art. XIII D §4(a)

<sup>7</sup> Golden Hill Neighborhood Association v. City of San Diego (2011) 199 Cal.App.4th 416

benefits. There are two bodies who can receive general benefits: the public-at-large within the District, and non-assessed parcels within and surrounding the District.

#### General Benefit to the Public-at-Large

Although the programs are narrowly designed and carefully implemented to benefit the assessed parcels, and only provided directly to assessed parcels, they will generate a general benefit to the public-at-large within the District. State law indicates that “Activities undertaken for the purpose of conferring special benefits upon property to be assessed inherently produce incidental or collateral effects that benefit property or persons not assessed.”<sup>8</sup> However, “the mere fact that special benefits produce incidental or collateral effects that benefit property or persons not assessed does not convert any portion of those special benefits or their incidental or collateral effects into general benefits.”<sup>9</sup> Further, “the value of any incidental or collateral effects that arise from the improvements, maintenance or activities of a property-based district and that benefit property or persons not assessed shall not be deducted from the entirety of the cost of any special benefit or affect the proportionate special benefit derived by each identified parcel.”<sup>10</sup> Thus, although there may be some incidental benefit to persons using the assessed parcels, that incidental benefit is not considered general benefit because it is inherently produced by activities that provide special benefits to the assessed parcels.

Surveys conducted in other districts have found that approximately 97.3% of pedestrian traffic within PBID boundaries is engaged in business on assessed parcels within the District, while approximately 2.7% is simply passing through<sup>11</sup>. The 2.7% of traffic passing through does not have any connection to the assessed parcels, and therefore does not represent a special benefit to the assessed parcels. The 2.7% will, however, receive a derivative and indirect general benefit as a result of the activities and improvements being provided in the District that they are passing through. Therefore, it is estimated that 2.7% of the benefit created by the District’s services is provided to the public-at-large. The total budget for 2017 is \$593,212.40. To ensure that the assessment dollars do not fund general benefits to the public-at-large, that portion of the cost of activities and improvements will be paid for with funds not obtained through assessments. Using the 2.7% figure, based on the 2017 budget, the value of this general benefit to the public-at-large is \$16,016.73 ( $\$593,212.40 \times 0.027$ ).

#### General Benefit to Non-Assessed Parcels

Although the District’s services are only provided directly to the assessed parcels, the District’s activities and improvements may confer general benefits upon non-assessed parcels within and surrounding the District. One study examining property values in PBID areas found “no evidence of spill-over impacts (either good or bad) on commercial properties located just outside the BID’s boundaries;”<sup>12</sup> however, the California Court of Appeals has stated that “services specifically intended for assessed parcels concomitantly confer collateral general benefits to surrounding properties.”<sup>13</sup> It is reasonable to conclude that increased security, maintenance, capital improvements, advocacy, and administration services within the District will have an impact on non-assessed parcels immediately

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<sup>8</sup> Streets and Highways Code section 36601(h)(2)

<sup>9</sup> Ibid

<sup>10</sup> Streets and Highways Code Section 36622(k)(2)

<sup>11</sup> Surveys conducted in: North Park, San Diego (January 2015); Mack Road, Sacramento (July 2014); and Sunrise MarketPlace, Citrus Heights (December 2013)

<sup>12</sup> Furman Center for Real Estate & Urban Policy; The Impact of Business Improvement Districts on Property Values: Evidence from New York City (2007) p. 4

<sup>13</sup> Beutz v. Riverside (2010) 184 Cal.App.4th 1516

adjacent to or within the District boundaries. Although the legislature has indicated that “the value of any incidental or collateral effects that arise from the improvements, maintenance, or activities of a property-based district and that benefit property or persons not assessed shall *not* be deducted from the entirety of the cost of any special benefit,”<sup>14</sup> the California Court of Appeals has noted that “the characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement...or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement.” Those derivative and indirect impacts are considered general benefits and will be quantified and separated.<sup>15</sup> In this Engineer’s opinion, because activities and improvements are provided only within the District and on its perimeter, parcels separated from the District by at least one intervening parcel will not receive spill over benefits. Parcels separated by at least one intervening parcel will not benefit because they are physically removed from the actual location of services provided, and do not face serviced parcels.

As mentioned above, the total District service budget for 2017 is \$593,212.40. After reducing the budget by the general benefit to the public (\$16,016.73), the remaining benefit to parcels is \$577,195.67. All parcels within and adjacent to the District have been assigned a benefit factor to mathematically represent the proportional special and general benefit and quantify the value of each. Since all assessed parcels within the District benefit from and receive all of the District’s services, they have been assigned a benefit factor of 1.0. Parcels adjacent to the District have been assigned benefit factors as described in detail below. Because the activities and improvements benefit parcels as a whole, parcel square footage is an appropriate measure of the relative general benefit received by adjacent parcels and will be used in the below calculations by category for all parcels.

There are also eight (8) parcels within the District boundaries that are not assessed. These parcels have also been assigned a benefit factor of 0.250.

#### *Security*

Security services will be provided directly and only to assessed parcels. Within the District boundaries, services will be provided along both sides of each street, with parcels along each side receiving 50% of the benefit provided by the service. Along the District perimeter, services will only be provided to the side of the street that fronts assessed parcels within the District boundaries. It is, however, reasonable to conclude that parcels abutting the non-serviced side of the street will receive spill-over benefits.

Since parcels along each side of the street receive 50% of the benefit provided by the service, and the non-assessed side of the street will not be serviced, it is our professional estimation that parcels adjacent to the District, with an assessed parcel across the street, will receive one-half of the standard benefit, or one-quarter of the total benefit provided to similarly-zoned inside parcels ( $50\% \times 50\% = 25\%$ ). Based on this calculation, adjacent parcels, with an assessed parcel across the street, would have a benefit factor of 0.25 ( $1.00 \times 25\%$ ).

The following table calculates the amount of benefit provided to parcels by the District security services and separates that benefit value between special benefits provided to the assessed parcels and general benefits indirectly received by non-assessed parcels.

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<sup>14</sup> Streets and Highways Code section 36622(k)(2)

<sup>15</sup> Tiburon v. Bonander (2009) 180 Cal.App.4<sup>th</sup> 1057, 1077

**Security**

<u>Location &amp; Use</u>	<u>Parcel Square Footage</u> <sup>1</sup>	<u>Benefit Factor</u> <sup>2</sup>	<u>Benefit Units</u> <sup>3</sup>	<u>Benefit Percent</u> <sup>4</sup>	<u>Benefit Value</u> <sup>5</sup>	<u>Special Benefit</u>	<u>General Benefit</u>
Inside Commercial	2,459,831.00	1.000	2,459,831.00	76.18%	\$307,782.51	\$307,782.51	\$0.00
Inside Industrial	12,824.82	1.000	12,824.82	0.40%	\$1,604.69	\$1,604.69	\$0.00
Inside Vacant	338,935.12	1.000	338,935.12	10.50%	\$42,408.73	\$42,408.73	\$0.00
Inside Non-Assessed	53,471.86	0.250	13,367.97	0.41%	\$1,672.65	\$1,672.65	\$0.00
Adjacent Commercial	585,995.41	0.250	146,498.85	4.54%	\$18,330.44	\$0.00	\$18,330.44
Adjacent Industrial	93,574.69	0.250	23,393.67	0.72%	\$2,927.10	\$0.00	\$2,927.10
Adjacent Vacant	311,039.34	0.250	77,759.84	2.41%	\$9,729.58	\$0.00	\$9,729.58
Adjacent Non-Assessed	625,982.50	0.250	156,495.63	4.85%	\$19,581.27	\$0.00	\$19,581.27
<b>Subtotal</b>	<b>4,481,654.74</b>		<b>3,229,106.89</b>	<b>100.00%</b>	<b>\$404,036.97</b>	<b>\$353,468.58</b>	<b>\$50,568.39</b>

<sup>1</sup> Parcel Square Footage = the total square footage for each parcel location & use.

<sup>2</sup> Benefit Factor = The benefit ratio described in the paragraph above for each parcel location & use

<sup>3</sup> Benefit Units = The linear feet multiplied by the benefit factor for each parcel location & use

<sup>4</sup> Benefit Percentage = The benefit units for each parcel location & use divided by the total benefit units for the District

<sup>5</sup> Benefit Value = The total Security Services budget less General Benefit to the Public-at-Large multiplied by the benefit percentage for each parcel location & use

*Maintenance & Capital Improvements*

Maintenance and capital improvements will be provided directly and only to assessed parcels. Within the District boundaries, services will be provided and improvements installed along both sides of each street, with parcels along each side receiving 50% of the benefit provided. Along the District perimeter, services and improvements will only be provided to the side of the street that fronts assessed parcels within the District boundaries. It is, however, reasonable to conclude that parcels abutting the non-serviced side of the street will receive spill-over benefits.

**Maintenance & Capital Improvements**

<u>Location &amp; Use</u>	<u>Parcel Square Footage</u> <sup>1</sup>	<u>Benefit Factor</u> <sup>2</sup>	<u>Benefit Units</u> <sup>3</sup>	<u>Benefit Percent</u> <sup>4</sup>	<u>Benefit Value</u> <sup>5</sup>	<u>Special Benefit</u>	<u>General Benefit</u>
Inside Commercial	2,459,831.0	1.000	2,459,831.00	76.18%	\$52,762.71	\$52,762.71	\$0.00

Inside Industrial	12,824.8	1.000	12,824.82	0.40%	\$275.09	\$275.09	\$0.00
Inside Vacant	338,935.1	1.000	338,935.12	10.50%	\$7,270.07	\$7,270.07	\$0.00
Inside Non-Assessed	53,471.9	0.250	13,367.97	0.41%	\$286.74	\$286.74	\$0.00
Adjacent Commercial	585,995.4	0.250	146,498.85	4.54%	\$3,142.36	\$0.00	\$3,142.36
Adjacent Industrial	93,574.7	0.250	23,393.67	0.72%	\$501.79	\$0.00	\$501.79
Adjacent Vacant	311,039.3	0.250	77,759.84	2.41%	\$1,667.93	\$0.00	\$1,667.93
Adjacent Non-Assessed	625,982.5	0.250	156,495.63	4.85%	\$3,356.79	\$0.00	\$3,356.79
Subtotal	4,481,654.7		3,229,106.89	100.00%	\$69,263.48	\$60,594.61	\$8,668.87

Since parcels along each side of the street receive 50% of the benefit provided, and the non-assessed side of the street will not be serviced, it is our professional estimation that parcels adjacent to the District, with an assessed parcel across the street, will receive one-half of the standard benefit, or one-quarter of the total benefit provided to similarly-zoned inside parcels (50% x 50% = 25%). Based on this calculation, adjacent commercial parcels, with an assessed parcel across the street, would have a benefit factor of 0.25 (1.00 x 25%).

*Administration, Advocacy & Collections*

The administration, advocacy and collections budget item relates to the activities and improvements to be provided. These costs have been allocated proportionally based upon the special and general benefit provided by each category, as detailed in the table below. It is our professional estimation that there is no general benefit to non-assessed parcels for Administration, Advocacy & Collections.

**Administration, Advocacy & Collections**

Service Provided	Special Benefit Value to Parcels	General Benefit Value to Parcels	Total Benefit to Parcels
Security	\$353,468.58	\$50,568.39	\$404,036.97
Maintenance & Capital Improvements	\$60,594.61	\$8,668.87	\$69,263.48
<b>TOTAL</b>	<b>\$414,063.19</b>	<b>\$59,237.26</b>	<b>\$473,300.45</b>
% of Benefit to Parcels	87.48%	12.5158%	100.00%
<b>Administration Budget</b>	<b>\$60,594.61</b>	<b>\$8,668.87</b>	<b>\$69,263.48</b>

*Contingency/Reserve*

The contingency/reserve budget item relates to the activities and improvements to be provided. These costs have been allocated proportionally based upon the special and general benefit provided by each category, as detailed in the table below. It is our professional estimation that there is no general benefit to non-assessed parcels for Contingency/Reserve.

**Contingency / Reserve**

Service Provided	Special Benefit Value to Parcels	General Benefit Value to Parcels	Total Benefit to Parcels
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Security	\$353,468.58	\$50,568.39	\$404,036.97
Maintenance & Capital Improvements	\$60,594.61	\$8,668.87	\$69,263.48
Administration, Advocacy & Collections	\$60,594.61	\$8,668.87	\$69,263.48
<b>TOTAL</b>	<b>\$474,657.80</b>	<b>\$67,906.13</b>	<b>\$542,563.93</b>
% of Benefit to Parcels	87.48%	12.5158%	100.00%
<b>Contingency Budget</b>	<b>\$30,297.31</b>	<b>\$4,334.43</b>	<b>\$34,631.74</b>

*Total General Benefit to Parcels*

Based upon the above evaluations, the total value of the general benefit provided to non-assessed parcels adjacent to and within the District is shown below.

<b>Service Provided</b>	<b>General Benefit to Parcels</b>
Security	\$50,568.39
Maintenance & Capital Improvements	\$8,668.87
Administration, Advocacy & Collections	\$8,668.87
Contingency / Reserve	\$4,334.43
<b>TOTAL</b>	<b>\$72,240.56</b>

Total General Benefit

Based upon the previous evaluations, in this Engineer's professional estimation, the total value of the general benefit provided to the public-at-large, adjacent parcels, and non-assessed parcels within the District is shown below.

**TOTAL BENEFITS**

<b>Service Provided</b>	<b>General Benefit to Public</b>	<b>General Benefit to Parcels</b>	<b>Total General Benefit</b>
Security	\$11,211.71	\$50,568.39	\$61,780.10
Maintenance & Capital Improvements	\$1,922.01	\$8,668.87	\$10,590.88
Administration, Advocacy & Collections	\$1,922.01	\$8,668.87	\$10,590.88
Contingency / Reserve	\$961.00	\$4,334.43	\$5,295.43
<b>TOTAL</b>	<b>\$16,016.73</b>	<b>\$72,240.56</b>	<b>\$88,257.29</b>

Non-Assessment Funding

The programs funded by the District receive additional non-assessment funding in the form of grants, corporate sponsorships, event income, and other miscellaneous funds. These funding sources are anticipated to equal or exceed the amount of general benefit conferred annually by the District’s activities and improvements, \$88,257.29. These non-assessment funds will be used to pay for the general benefit provided by the District’s activities and improvements, ensuring that parcel assessments will only be used to provide special benefits and “any additional costs of providing general benefits [are] not included in the amounts assessed.”<sup>16</sup>

**2. Special Benefit**

The activities and improvements to be provided by the District constitute and convey special benefits directly to the assessed parcels. Assessment law requires that “the proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the property related service being provided.”<sup>17</sup> Further, “no assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel.”<sup>18</sup> Special benefit “includes incidental or collateral effects that arise from the improvements, maintenance, or activities of property-based districts even if those incidental or collateral effects benefit property or persons not assessed.”<sup>19</sup>

To determine the total special benefit value to be conveyed to the assessed parcels, we deduct the general benefit value (\$72,240.56) from the total value of the activities and improvements (\$577,195.67). The remaining \$504,212.40 is considered the special benefit to assessed parcels (the “Total Assessment”). The Total Assessment represents the total value of the special benefit to be provided by the activities and improvements. The Total Assessment has been proportionally divided among the assessed parcels so that no assessment exceeds the reasonable cost of the proportional special benefit conferred on a parcel. The assessment rate has been designed to ensure that “properties that receive the same proportionate special benefit pay the same assessment.”<sup>20</sup>

Service Provided	Total Benefit Value	Benefit Value Applied to Public Benefit	Benefit Factor	General Benefit Value to Public	Benefit Value to Parcels (Special & General)
Security	\$415,248.68	\$415,248.68	0.027	<b>\$11,211.71</b>	\$404,036.97
Maintenance & Capital Improvements	\$71,185.49	\$71,185.49	0.027	<b>\$1,922.01</b>	\$69,263.48
Administration, Advocacy & Collections	\$71,185.49	\$71,185.49	0.027	<b>\$1,922.01</b>	\$69,263.48
Contingency / Reserve	\$35,592.74	\$35,592.74	0.027	<b>\$961.00</b>	\$34,631.74
<b>TOTAL</b>	<b>\$593,212.40</b>	<b>\$593,212.40</b>		<b>\$16,016.73</b>	<b>\$577,195.67</b>

<sup>16</sup> Streets and Highways Code section 36632(a)  
<sup>17</sup> Cal. Const., art XIII D §4(a)  
<sup>18</sup> Ibid  
<sup>19</sup> Streets and Highways Code section 36615.5  
<sup>20</sup> *Tiburón v. Bonander* (2009) 180 Cal.App.4th 1057

## B. Assessment Methodology

### 1. Base Formula

Each parcel will be assessed based on proportional special benefits received. The variables used for the annual assessment formula are parcel type, parcel square footage, and parcel linear front footage. These variables are all appropriate measures of the proportional special benefit because the need for services, level of services, and quantity of services are all relative to these variables; thus the special benefit provided to each parcel by the services can be proportionally measured using these variables.

#### Determination of Assessment Rates

“Because not all parcels in the district are identical in size...some will receive more special benefit than others.”<sup>21</sup> Each of the variables used relates directly to the service level and special benefit provided to each parcel. Parcel square footage is the size of the parcel, measured in square feet. Size is an appropriate measure of proportional special benefit because it relates directly to the quantity of services provided to the parcel, the highest and best use of a parcel, and reflects the long-term value implications of the District. The larger a parcel, the more services and benefit the parcel will receive. Linear footage is the number of feet a parcel has adjacent to a public street. Linear footage is an appropriate measure of proportional special benefit because it relates directly to the quantity of services provided to the parcel. The more linear feet facing a street a parcel has, the more services and benefit the parcel will receive.

Because not all parcels in the District are identical in use, some will receive more special benefit than others. For example, a vacant parcel, will benefit to a lesser degree than a commercial parcel, because it will not enjoy the benefits of increased commerce resulting from the services. Further detail on the benefit to each parcel type is in the following pages. To determine the assessment rates, the assessed parcels were classified by the estimated benefit each type of parcel receives, the estimated special benefit value of the services provided to each type was determined based on approximate cost of service provision, and an assessment rate that is proportional to the estimated proportional benefit received by each parcel type was determined.

To determine the assessment rates, the estimated special benefit value for each parcel type in each benefit zone was divided by the total assessable parcel square footage per zone, parcel type and linear front footage, as shown in the tables below.

#### *Parcel Type*

Parcel types were categorized based on the typical amount of foot and vehicle traffic on the various commercial and industrial parcels. Parcels with heavy traffic, such as commercial parcels, will receive the highest level of services. Parcels with low traffic, such as industrial and vacant parcels, will receive the lowest level of services. The approximate cost of services by parcel type was determined. Then, the cost of services by type was divided by the linear front footage and square footage of those parcels to determine the assessment rates.

#### *Lot Size*

A majority of the District’s services will benefit each assessed parcel as a whole. For instance, improved security leading to increased commerce will benefit the entire parcel. That portion of the service budget which, in this Engineer’s estimation, represents benefits to the parcels as a whole has been allocation based on parcel size.

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<sup>21</sup> *Dahms v. Downtown Pomona* (2009) 174 Cal.App.4th 708

Parcel Group	Initial Parcel Size Budget	Parcel Square Footage	Initial Parcel Assessment Rate (\$/sqft/yr)
Commercial	\$295,179.78 ÷	2,459,831.48 =	\$0.12
Industrial	\$1,025.99 ÷	12,824.82 =	\$0.08
Vacant	\$3,389.35 ÷	338,935.12 =	\$0.01

*Linear Front Footage*

Because some of the District’s services will be provided directly along public streets, a portion of the budget has been allocated based on linear front footage.

Parcel Group	Initial Parcel Size Budget	Parcel Linear Footage	Initial Parcel Assessment Rate (\$/lnft/yr)
Commercial	\$190,840.00 ÷	19,084 =	\$10.00
Industrial	\$1,010.00 ÷	101 =	\$10.00
Vacant	\$13,510.00 ÷	1,351 =	\$10.00

Summary of Assessment Rates

Therefore, the annual cost to parcels is as shown below. All assessment rates may be subject to an increase of no more than three (3%) percent per year. Maximum annual assessment rates are shown in Appendix 1. If you would like more information about parcel assessments, please call Civitas at (916)437-4300 or (800)999-7781.

Initial Parcel Assessment Rates		
Parcel Type	Lot Size (sq. ft.)	Linear Front Footage (ft.)
Commercial	\$0.12	\$10.00
Industrial	\$0.08	\$10.00
Vacant	\$0.01	\$10.00

Sample assessment calculations are shown in Appendix 3.

**2. Commercial Parcels**

Retail, professional service offices, and other commercial parcels will receive the highest level of benefit from District services aimed to attract and increase customers to assessed parcels.

**3. Industrial Parcels**

Manufacturing, processing and other industrial parcels will receive a lesser level of benefit from District services aimed to attract and increase customers to assessed parcels. Parcels with the following use code will be assessed at the industrial rate: 310 (light mfg. & light industrial).

#### 4. Vacant Parcels

Vacant parcels will not receive benefit from District services aimed to attract and increase customers to assessed parcels. Because they do not have a commercial component, vacant parcels will be assessed at a rate commensurate to the benefits received. Parcels with the following use codes will be assessed at the vacant rate: 001 (van res lot – dev w/util), 300 (vacant industrial & land undeveloped), 311 (light industrial & warehousing), and 925 (misc county property).

#### 5. Non-Assessed Parcels

There are eight (8) parcels within the District that will not be assessed. These parcels are neither commercial, industrial, or vacant parcels and will not specially benefit from or directly receive the District's services and improvements. These parcels are accounted for in the analysis of general benefit provided to non-assessed parcels within the District. These parcels have the following uses:

- Residential: The state legislature has determined that “properties zoned exclusively for residential use...are conclusively presumed not to benefit from the improvements and services funded through these assessments, and shall not be subject to any assessment.”<sup>22</sup> The services and improvements to be provided are designed to specially benefit commercial, industrial, and vacant parcels via increased commerce, occupancy, and lease rates. None of these benefits apply to residential parcels, which will not be serviced or benefit from the District's activities. Residential parcels are those parcels with four family units or less, residential common areas, residential condos and planned unit development of single family residences. Eight (8) residential parcels within the District that will not be assessed, the Assessor's Parcel Numbers (APN) for those parcels follows:
  - 11733001
  - 11733039
  - 11733045
  - 11733046
  - 11733053
  - 11733054
  - 15102406
  - 15102407

#### 6. Changes in Data

It is the intent of this Plan and Engineer's Report that each parcel included in the District can be clearly identified. Every effort has been made to ensure that all parcels included in the District are consistent in the boundary description, the boundary map, and the assessment calculation table. However, if inconsistencies arise, the order of precedence shall be: 1) the assessment calculation table, 2) the boundary map, and 3) the boundary description.

If the ownership, parcel size, or type of a parcel changes during the term of this District, the assessment calculation may be modified accordingly.

#### C. Assessment Notice

During the hearing process, an Assessment Ballot will be sent to owners of each parcel in the WWPBID. The Assessment Ballot provides an estimated assessment. The final individual assessment for any

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<sup>22</sup> Streets and Highways Code § 36632(c)

particular parcel may change, up or down, if the parcel square footage, linear front footage, or use differ from those used to calculate the amount shown on the notice, which can be found in Appendix 3.

**D. Time and Manner for Collecting Assessments**

As provided by State Law, the WWPBID assessment will appear as a separate line item on annual property tax bills prepared by the County of San Joaquin. Parcels which do not receive property tax bills will be invoiced by the City. Property tax bills are generally distributed in the fall, and payment is expected by lump sum or installment. The County of San Joaquin shall distribute funds collected to the City of Stockton, which shall forward them to the Association. Existing laws for enforcement and appeal of property taxes, including penalties and interest, apply to the WWPBID assessments.

**E. Engineer's Certification**

I hereby certify, to the best of my knowledge and experience, that each of the identified assessed parcels located within the Wilson Way Property and Business Improvement District will receive a special benefit over and above the general benefits conferred and that the amount of the assessment is no greater than the proportional special benefits conferred on each parcel, as described in this Engineer's Report.

Review of this Wilson Way Property and Business Improvement District Management District Plan and preparation of the Engineer's Report was completed by:

\_\_\_\_\_  
Orin Bennet  
State of California

\_\_\_\_\_  
Date

*This Engineer's Report is intended to be distributed as part of the Management District Plan in its entirety, including the Boundary Description (Section IV), the Assessment Calculation Table (Appendix 3), and the Boundary Map. Reproduction and distribution of only Section VII of this Management District Plan violates the intent of this stamp and signature.*

## APPENDIX 1 – MAXIMUM ANNUAL ASSESSMENT RATES

Year	Commercial		Industrial		Vacant	
	Lot Size	Frontage	Lot Size	Frontage	Lot Size	Frontage
2017	\$0.12000	\$10.00000	\$0.08000	\$10.00000	\$0.01000	\$10.00000
2018	\$0.12360	\$10.30000	\$0.08240	\$10.30000	\$0.01030	\$10.30000
2019	\$0.12731	\$10.60900	\$0.08487	\$10.60900	\$0.01061	\$10.60900
2020	\$0.13113	\$10.92727	\$0.08742	\$10.92727	\$0.01093	\$10.92727
2021	\$0.13506	\$11.25509	\$0.09004	\$11.25509	\$0.01126	\$11.25509
2022	\$0.13911	\$11.59274	\$0.09274	\$11.59274	\$0.01159	\$11.59274
2023	\$0.14329	\$11.94052	\$0.09552	\$11.94052	\$0.01194	\$11.94052
2024	\$0.14758	\$12.29874	\$0.09839	\$12.29874	\$0.01230	\$12.29874
2025	\$0.15201	\$12.66770	\$0.10134	\$12.66770	\$0.01267	\$12.66770
2026	\$0.15657	\$13.04773	\$0.10438	\$13.04773	\$0.01305	\$13.04773

## APPENDIX 2 – PBID LAW

\*\*\* This document is current through the 2016 Supplement \*\*\*  
(All 2015 legislation)

STREETS AND HIGHWAYS CODE  
Division 18. Parking  
Part 7. Property and Business Improvement District Law of 1994

*Cal Sts & Hy Code Div. 18, Pt. 7 (2016)*

### CHAPTER 1. General Provisions [36600 - 36617]

#### ARTICLE 1. Declarations [36600 - 36604]

##### 36600. Citation of part

This part shall be known and may be cited as the “Property and Business Improvement District Law of 1994.”

##### 36601. Legislative findings and declarations; Legislative guidance

The Legislature finds and declares all of the following:

- (a) Businesses located and operating within business districts in some of this state’s communities are economically disadvantaged, are underutilized, and are unable to attract customers due to inadequate facilities, services, and activities in the business districts.
- (b) It is in the public interest to promote the economic revitalization and physical maintenance of business districts in order to create jobs, attract new businesses, and prevent the erosion of the business districts.
- (c) It is of particular local benefit to allow business districts to fund business related improvements, maintenance, and activities through the levy of assessments upon the businesses or real property that receive benefits from those improvements.
- (d) Assessments levied for the purpose of conferring special benefit upon the real property or businesses in a business district are not taxes for the general benefit of a city, even if property or persons not assessed receive incidental or collateral effects that benefit them.
- (e) Property and business improvement districts formed throughout this state have conferred special benefits upon properties and businesses within their districts and have made those properties and businesses more useful by providing the following benefits:
  - (1) Crime reduction. A study by the Rand Corporation has confirmed a 12-percent reduction in the incidence of robbery and an 8-percent reduction in the total incidence of violent crimes within the 30 districts studied.
  - (2) Job creation.
  - (3) Business attraction.
  - (4) Business retention.
  - (5) Economic growth.
  - (6) New investments.

(f) With the dissolution of redevelopment agencies throughout the state, property and business improvement districts have become even more important tools with which communities can combat blight, promote economic opportunities, and create a clean and safe environment.

(g) Since the enactment of this act, the people of California have adopted Proposition 218, which added Article XIII D to the Constitution in order to place certain requirements and restrictions on the formation of, and activities, expenditures, and assessments by property-based districts. Article XIII D of the Constitution provides that property-based districts may only levy assessments for special benefits.

(h) The act amending this section is intended to provide the Legislature's guidance with regard to this act, its interaction with the provisions of Article XIII D of the Constitution, and the determination of special benefits in property-based districts.

(1) The lack of legislative guidance has resulted in uncertainty and inconsistent application of this act, which discourages the use of assessments to fund needed improvements, maintenance, and activities in property-based districts, contributing to blight and other underutilization of property.

(2) Activities undertaken for the purpose of conferring special benefits upon property to be assessed inherently produce incidental or collateral effects that benefit property or persons not assessed. Therefore, for special benefits to exist as a separate and distinct category from general benefits, the incidental or collateral effects of those special benefits are inherently part of those special benefits. The mere fact that special benefits produce incidental or collateral effects that benefit property or persons not assessed does not convert any portion of those special benefits or their incidental or collateral effects into general benefits.

(3) It is of the utmost importance that property-based districts created under this act have clarity regarding restrictions on assessments they may levy and the proper determination of special benefits. Legislative clarity with regard to this act will provide districts with clear instructions and courts with legislative intent regarding restrictions on property-based assessments, and the manner in which special benefits should be determined.

#### **36602. Purpose of part**

The purpose of this part is to supplement previously enacted provisions of law that authorize cities to levy assessments within property and business improvement districts, to ensure that those assessments conform to all constitutional requirements and are determined and assessed in accordance with the guidance set forth in this act. This part does not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes.

#### **36603. Preemption of authority or charter city to adopt ordinances levying assessments**

Nothing in this part is intended to preempt the authority of a charter city to adopt ordinances providing for a different method of levying assessments for similar or additional purposes from those set forth in this part. A property and business improvement district created pursuant to this part is expressly exempt from the provisions of the Special Assessment Investigation, Limitation and Majority Protest Act of 1931 (Division 4 (commencing with Section 2800)).

**36603.5. Part prevails over conflicting provisions**

Any provision of this part that conflicts with any other provision of law shall prevail over the other provision of law, as to districts created under this part.

**36604. Severability**

This part is intended to be construed liberally and, if any provision is held invalid, the remaining provisions shall remain in full force and effect. Assessments levied under this part are not special taxes.

**ARTICLE 2. Definitions [36606 - 36616]**

**36606. “Activities”**

“Activities” means, but is not limited to, all of the following that benefit businesses or real property in the district:

- (a) Promotion of public events.
- (b) Furnishing of music in any public place.
- (c) Promotion of tourism within the district.
- (d) Marketing and economic development, including retail retention and recruitment.
- (e) Providing security, sanitation, graffiti removal, street and sidewalk cleaning, and other municipal services supplemental to those normally provided by the municipality.
- (f) Other services provided for the purpose of conferring special benefit upon assessed businesses and real property located in the district.

**36606.5. “Assessment”**

“Assessment” means a levy for the purpose of acquiring, constructing, installing, or maintaining improvements and providing activities that will provide certain benefits to properties or businesses located within a property and business improvement district.

**36607. “Business”**

“Business” means all types of businesses and includes financial institutions and professions.

**36608. “City”**

“City” means a city, county, city and county, or an agency or entity created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code, the public member agencies of which includes only cities, counties, or a city and county, or the State of California.

**36609. “City council”**

“City council” means the city council of a city or the board of supervisors of a county, or the agency, commission, or board created pursuant to a joint powers agreement and which is a city within the meaning of this part.

**36609.4. “Clerk”**

“Clerk” means the clerk of the legislative body.

**36609.5. “General benefit”**

“General benefit” means, for purposes of a property-based district, any benefit that is not a “special benefit” as defined in Section 36615.5.

**36610. “Improvement”**

“Improvement” means the acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of five years or more including, but not limited to, the following:

- (a) Parking facilities.
- (b) Benches, booths, kiosks, display cases, pedestrian shelters and signs.
- (c) Trash receptacles and public restrooms.
- (d) Lighting and heating facilities.
- (e) Decorations.
- (f) Parks.
- (g) Fountains.
- (h) Planting areas.
- (i) Closing, opening, widening, or narrowing of existing streets.
- (j) Facilities or equipment, or both, to enhance security of persons and property within the area.
- (k) Ramps, sidewalks, plazas, and pedestrian malls.
- (l) Rehabilitation or removal of existing structures.

**36611. “Management district plan”; “Plan”**

“Management district plan” or “plan” means a proposal as defined in Section 36622.

**36612. “Owners’ association”**

“Owners’ association” means a private nonprofit entity that is under contract with a city to administer or implement improvements, maintenance, and activities specified in the management district plan. An owners’ association may be an existing nonprofit entity or a newly formed nonprofit entity. An owners’ association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. Notwithstanding this section, an owners’ association shall comply with the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code), at all times when matters within the subject matter of the district are heard, discussed, or deliberated, and with the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code), for all records relating to activities of the district.

**36614. “Property”**

“Property” means real property situated within a district.

**36614.5. “Property and business improvement district”; “District”**

“Property and business improvement district,” or “district,” means a property and business improvement district established pursuant to this part.

**36614.6. “Property-based assessment”**

“Property-based assessment” means any assessment made pursuant to this part upon real property.

**36614.7. “Property-based district”**

“Property-based district” means any district in which a city levies a property-based assessment.

**36615. “Property owner”; “Business owner”; “Owner”**

“Property owner” means any person shown as the owner of land on the last equalized assessment roll or otherwise known to be the owner of land by the city council. “Business owner” means any person recognized by the city as the owner of the business. “Owner” means either a business owner or a property owner. The city council has no obligation to obtain other information as to the ownership of land or businesses, and its determination of ownership shall be final and conclusive for the purposes of this part. Wherever this part requires the signature of the property owner, the signature of the authorized agent of the property owner shall be sufficient. Wherever this part requires the signature of the business owner, the signature of the authorized agent of the business owner shall be sufficient.

**36615.5. “Special benefit”**

“Special benefit” means, for purposes of a property-based district, a particular and distinct benefit over and above general benefits conferred on real property located in a district or to the public at large. Special benefit includes incidental or collateral effects that arise from the improvements, maintenance, or activities of property-based districts even if those incidental or collateral effects benefit property or persons not assessed. Special benefit excludes general enhancement of property value.

**36616. “Tenant”**

“Tenant” means an occupant pursuant to a lease of commercial space or a dwelling unit, other than an owner.

**ARTICLE 3. Prior Law [36617- 36617.]**

**36617. Alternate method of financing certain improvements and activities; Effect on other provision**

This part provides an alternative method of financing certain improvements and activities. The provisions of this part shall not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes. Every improvement area established pursuant to the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500) of this division) is valid and effective and is unaffected by this part.

***CHAPTER 2. Establishment [36620 - 36630]***

**36620. Establishment of property and business improvement district**

A property and business improvement district may be established as provided in this chapter.

**36620.5. Requirement of consent of city council**

A county may not form a district within the territorial jurisdiction of a city without the consent of the city council of that city. A city may not form a district within the unincorporated territory of a county without the consent of the board of supervisors of that county. A city may not form a district within the territorial jurisdiction of another city without the consent of the city council of the other city.

**36621. Initiation of proceeding; Petition of property or business owners in proposed district**

(a) Upon the submission of a written petition, signed by the property or business owners in the proposed district who will pay more than 50 percent of the assessments proposed to be levied, the city council may initiate proceedings to form a district by the adoption of a resolution expressing its intention to form a district. The amount of assessment attributable to property or a business owned by the same property or business owner that is in excess of 40 percent of the amount of all assessments proposed to be levied, shall not be included in determining whether the petition is signed by property or business owners who will pay more than 50 percent of the total amount of assessments proposed to be levied.

(b) The petition of property or business owners required under subdivision (a) shall include a summary of the management district plan. That summary shall include all of the following:

- (1) A map showing the boundaries of the district.
- (2) Information specifying where the complete management district plan can be obtained.
- (3) Information specifying that the complete management district plan shall be furnished upon request.

(c) The resolution of intention described in subdivision (a) shall contain all of the following:

- (1) A brief description of the proposed improvements, maintenance, and activities, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or businesses within the district, a statement as to whether bonds will be issued, and a description of the exterior boundaries of the proposed district, which may be made by reference to any plan or map that is on file with the clerk. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements, maintenance, and activities, and the location and extent of the proposed district.
- (2) A time and place for a public hearing on the establishment of the property and business improvement district and the levy of assessments, which shall be consistent with the requirements of Section 36623.

### **36622. Contents of management district plan**

The management district plan shall include, but is not limited to, all of the following:

(a) If the assessment will be levied on property, a map of the district in sufficient detail to locate each parcel of property and, if businesses are to be assessed, each business within the district. If the assessment will be levied on businesses, a map that identifies the district boundaries in sufficient detail to allow a business owner to reasonably determine whether a business is located within the district boundaries. If the assessment will be levied on property and businesses, a map of the district in sufficient detail to locate each parcel of property and to allow a business owner to reasonably determine whether a business is located within the district boundaries.

(b) The name of the proposed district.

(c) A description of the boundaries of the district, including the boundaries of benefit zones, proposed for establishment or extension in a manner sufficient to identify the affected property and businesses included, which may be made by reference to any plan or map that is on file with the clerk. The boundaries of a proposed property assessment district shall not overlap with the boundaries of another existing property assessment district created pursuant to this part. This part does not prohibit the boundaries of a district created pursuant to this part to overlap with other assessment districts established pursuant to other provisions of law, including, but not limited to, the

Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500)). This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with another business assessment district created pursuant to this part. This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with a property assessment district created pursuant to this part.

**(d)** The improvements, maintenance, and activities proposed for each year of operation of the district and the maximum cost thereof. If the improvements, maintenance, and activities proposed for each year of operation are the same, a description of the first year's proposed improvements, maintenance, and activities and a statement that the same improvements, maintenance, and activities are proposed for subsequent years shall satisfy the requirements of this subdivision.

**(e)** The total annual amount proposed to be expended for improvements, maintenance, or activities, and debt service in each year of operation of the district. If the assessment is levied on businesses, this amount may be estimated based upon the assessment rate. If the total annual amount proposed to be expended in each year of operation of the district is not significantly different, the amount proposed to be expended in the initial year and a statement that a similar amount applies to subsequent years shall satisfy the requirements of this subdivision.

**(f)** The proposed source or sources of financing, including the proposed method and basis of levying the assessment in sufficient detail to allow each property or business owner to calculate the amount of the assessment to be levied against his or her property or business. The plan also shall state whether bonds will be issued to finance improvements.

**(g)** The time and manner of collecting the assessments.

**(h)** The specific number of years in which assessments will be levied. In a new district, the maximum number of years shall be five. Upon renewal, a district shall have a term not to exceed 10 years. Notwithstanding these limitations, a district created pursuant to this part to finance capital improvements with bonds may levy assessments until the maximum maturity of the bonds. The management district plan may set forth specific increases in assessments for each year of operation of the district.

**(i)** The proposed time for implementation and completion of the management district plan.

**(j)** Any proposed rules and regulations to be applicable to the district.

**(k)** **(1)** A list of the properties or businesses to be assessed, including the assessor's parcel numbers for properties to be assessed, and a statement of the method or methods by which the expenses of a district will be imposed upon benefited real property or businesses, in proportion to the benefit received by the property or business, to defray the cost thereof.

**(2)** In a property-based district, the proportionate special benefit derived by each identified parcel shall be determined exclusively in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the activities. An assessment shall not be imposed on any parcel that exceeds the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are assessable, and a property-based district shall separate the general benefits, if any, from the special benefits conferred on a parcel. Parcels within a property-based district that are owned or used by any city, public agency, the State of California, or the United States shall

not be exempt from assessment unless the governmental entity can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit. The value of any incidental, secondary, or collateral effects that arise from the improvements, maintenance, or activities of a property-based district and that benefit property or persons not assessed shall not be deducted from the entirety of the cost of any special benefit or affect the proportionate special benefit derived by each identified parcel.

- (l) In a property-based district, the total amount of all special benefits to be conferred upon the properties located within the property-based district.
- (m) In a property-based district, the total amount of general benefits, if any.
- (n) In a property-based district, a detailed engineer's report prepared by a registered professional engineer certified by the State of California supporting all assessments contemplated by the management district plan.
- (o) Any other item or matter required to be incorporated therein by the city council.

**36623. Procedure to levy assessment**

- (a) If a city council proposes to levy a new or increased property assessment, the notice and protest and hearing procedure shall comply with Section 53753 of the Government Code.
- (b) If a city council proposes to levy a new or increased business assessment, the notice and protest and hearing procedure shall comply with Section 54954.6 of the Government Code, except that notice shall be mailed to the owners of the businesses proposed to be assessed. A protest may be made orally or in writing by any interested person. Every written protest shall be filed with the clerk at or before the time fixed for the public hearing. The city council may waive any irregularity in the form or content of any written protest. A written protest may be withdrawn in writing at any time before the conclusion of the public hearing. Each written protest shall contain a description of the business in which the person subscribing the protest is interested sufficient to identify the business and, if a person subscribing is not shown on the official records of the city as the owner of the business, the protest shall contain or be accompanied by written evidence that the person subscribing is the owner of the business or the authorized representative. A written protest that does not comply with this section shall not be counted in determining a majority protest. If written protests are received from the owners or authorized representatives of businesses in the proposed district that will pay 50 percent or more of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protests to less than 50 percent, no further proceedings to levy the proposed assessment against such businesses, as contained in the resolution of intention, shall be taken for a period of one year from the date of the finding of a majority protest by the city council.
- (c) If a city council proposes to conduct a single proceeding to levy both a new or increased property assessment and a new or increased business assessment, the notice and protest and hearing procedure for the property assessment shall comply with subdivision (a), and the notice and protest and hearing procedure for the business assessment shall comply with subdivision (b). If a majority protest is received from either the property or business owners, that respective portion of the assessment shall not be levied. The remaining portion of the assessment may be levied unless the improvement or other special benefit was proposed to be funded by assessing both property and business owners.

**36624. Changes to proposed assessments**

At the conclusion of the public hearing to establish the district, the city council may adopt, revise, change, reduce, or modify the proposed assessment or the type or types of improvements, maintenance, and activities to be funded with the revenues from the assessments. Proposed assessments may only be revised by reducing any or all of them. At the public hearing, the city council may only make changes in, to, or from the boundaries of the proposed property and business improvement district that will exclude territory that will not benefit from the proposed improvements, maintenance, and activities. Any modifications, revisions, reductions, or changes to the proposed assessment district shall be reflected in the notice and map recorded pursuant to Section 36627.

**36625. Resolution of formation**

**(a)** If the city council, following the public hearing, decides to establish a proposed property and business improvement district, the city council shall adopt a resolution of formation that shall include, but is not limited to, all of the following:

- (1)** A brief description of the proposed improvements, maintenance, and activities, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property, businesses, or both within the district, a statement on whether bonds will be issued, and a description of the exterior boundaries of the proposed district, which may be made by reference to any plan or map that is on file with the clerk. The descriptions and statements need not be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements, maintenance, and activities and the location and extent of the proposed district.
- (2)** The number, date of adoption, and title of the resolution of intention.
- (3)** The time and place where the public hearing was held concerning the establishment of the district.
- (4)** A determination regarding any protests received. The city shall not establish the district or levy assessments if a majority protest was received.
- (5)** A statement that the properties, businesses, or properties and businesses in the district established by the resolution shall be subject to any amendments to this part.
- (6)** A statement that the improvements, maintenance, and activities to be conferred on businesses and properties in the district will be funded by the levy of the assessments. The revenue from the levy of assessments within a district shall not be used to provide improvements, maintenance, or activities outside the district or for any purpose other than the purposes specified in the resolution of intention, as modified by the city council at the hearing concerning establishment of the district.
- (7)** A finding that the property or businesses within the area of the property and business improvement district will be benefited by the improvements, maintenance, and activities funded by the proposed assessments, and, for a property-based district, that property within the district will receive a special benefit.
- (8)** In a property-based district, the total amount of all special benefits to be conferred on the properties within the property-based district.

(b) The adoption of the resolution of formation and, if required, recordation of the notice and map pursuant to Section 36627 shall constitute the levy of an assessment in each of the fiscal years referred to in the management district plan.

**36626. Resolution establishing district**

If the city council, following the public hearing, desires to establish the proposed property and business improvement district, and the city council has not made changes pursuant to Section 36624, or has made changes that do not substantially change the proposed assessment, the city council shall adopt a resolution establishing the district. The resolution shall contain all of the information specified in Section 36625.

**36627. Notice and assessment diagram**

Following adoption of the resolution establishing district assessments on properties pursuant to Section 36625 or Section 36626, the clerk shall record a notice and an assessment diagram pursuant to Section 3114. No other provision of Division 4.5 (commencing with Section 3100) applies to an assessment district created pursuant to this part.

**36628. Establishment of separate benefit zones within district; Categories of businesses**

The city council may establish one or more separate benefit zones within the district based upon the degree of benefit derived from the improvements or activities to be provided within the benefit zone and may impose a different assessment within each benefit zone. If the assessment is to be levied on businesses, the city council may also define categories of businesses based upon the degree of benefit that each will derive from the improvements or activities to be provided within the district and may impose a different assessment or rate of assessment on each category of business, or on each category of business within each zone.

**36628.5. Assessments on businesses or property owners**

The city council may levy assessments on businesses or on property owners, or a combination of the two, pursuant to this part. The city council shall structure the assessments in whatever manner it determines corresponds with the distribution of benefits from the proposed improvements, maintenance, and activities, provided that any property-based assessment conforms with the requirements set forth in paragraph (2) of subdivision (k) of Section 36622.

**36629. Provisions and procedures applicable to benefit zones and business categories**

All provisions of this part applicable to the establishment, modification, or disestablishment of a property and business improvement district apply to the establishment, modification, or disestablishment of benefit zones or categories of business. The city council shall, to establish, modify, or disestablish a benefit zone or category of business, follow the procedure to establish, modify, or disestablish a property and business improvement district.

**36630. Expiration of district; Creation of new district**

If a property and business improvement district expires due to the time limit set pursuant to subdivision (h) of Section 36622, a new management district plan may be created and the district may be renewed pursuant to this part.

**CHAPTER 3. Assessments [36631 - 36637]**

**36631. Time and manner of collection of assessment; Delinquent payments**

The collection of the assessments levied pursuant to this part shall be made at the time and in the manner set forth by the city council in the resolution levying the assessment. Assessments levied on real property may be collected at the same time and in the same manner as for the ad valorem property tax, and may provide for the same lien priority and penalties for delinquent payment. All delinquent payments for assessments levied pursuant to this part may be charged interest and penalties.

**36632. Assessments to be based on estimated benefit; Classification of real property and businesses; Exclusion of residential and agricultural property**

(a) The assessments levied on real property pursuant to this part shall be levied on the basis of the estimated benefit to the real property within the property and business improvement district. The city council may classify properties for purposes of determining the benefit to property of the improvements and activities provided pursuant to this part.

(b) Assessments levied on businesses pursuant to this part shall be levied on the basis of the estimated benefit to the businesses within the property and business improvement district. The city council may classify businesses for purposes of determining the benefit to the businesses of the improvements and activities provided pursuant to this part.

(c) Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and service funded through these assessments, and shall not be subject to any assessment pursuant to this part.

**36633. Time for contesting validity of assessment**

The validity of an assessment levied under this part shall not be contested in any action or proceeding unless the action or proceeding is commenced within 30 days after the resolution levying the assessment is adopted pursuant to Section 36626. Any appeal from a final judgment in an action or proceeding shall be perfected within 30 days after the entry of judgment.

**36634. Service contracts authorized to establish levels of city services**

The city council may execute baseline service contracts that would establish levels of city services that would continue after a property and business improvement district has been formed.

**36635. Request to modify management district plan**

The owners' association may, at any time, request that the city council modify the management district plan. Any modification of the management district plan shall be made pursuant to this chapter.

**36636. Modification of plan by resolution after public hearing; Adopting of resolution of intention**

(a) Upon the written request of the owners' association, the city council may modify the management district plan after conducting one public hearing on the proposed modifications. The city council may modify the improvements and activities to be funded with the revenue derived from the levy of the assessments by adopting a resolution determining to make the modifications after holding a public hearing on the proposed modifications. If the modification includes the levy of a new or increased assessment, the city council shall comply with Section 36623. Notice of all other public hearings pursuant to this section shall comply with both of the following:

- (1) The resolution of intention shall be published in a newspaper of general circulation in the city once at least seven days before the public hearing.
- (2) A complete copy of the resolution of intention shall be mailed by first class mail, at least 10 days before the public hearing, to each business owner or property owner affected by the proposed modification.
- (b) The city council shall adopt a resolution of intention which states the proposed modification prior to the public hearing required by this section. The public hearing shall be held not more than 90 days after the adoption of the resolution of intention.

**36637. Reflection of modification in notices recorded and maps**

Any subsequent modification of the resolution shall be reflected in subsequent notices and maps recorded pursuant to Division 4.5 (commencing with Section 3100), in a manner consistent with the provisions of Section 36627.

**CHAPTER 3.5. Financing [36640- 36640.]**

**36640. Bonds authorized; Procedure; Restriction on reduction or termination of assessments**

- (a) The city council may, by resolution, determine and declare that bonds shall be issued to finance the estimated cost of some or all of the proposed improvements described in the resolution of formation adopted pursuant to Section 36625, if the resolution of formation adopted pursuant to that section provides for the issuance of bonds, under the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500)) or in conjunction with Marks-Roos Local Bond Pooling Act of 1985 (Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code). Either act, as the case may be, shall govern the proceedings relating to the issuance of bonds, although proceedings under the Bond Act of 1915 may be modified by the city council as necessary to accommodate assessments levied upon business pursuant to this part.
- (b) The resolution adopted pursuant to subdivision (a) shall generally describe the proposed improvements specified in the resolution of formation adopted pursuant to Section 36625, set forth the estimated cost of those improvements, specify the number of annual installments and the fiscal years during which they are to be collected. The amount of debt service to retire the bonds shall not exceed the amount of revenue estimated to be raised from assessments over 30 years.
- (c) Notwithstanding any other provision of this part, assessments levied to pay the principal and interest on any bond issued pursuant to this section shall not be reduced or terminated if doing so would interfere with the timely retirement of the debt.

**CHAPTER 4. Governance [36650 - 36651]**

**36650. Report by owners' association; Approval or modification by city council**

- (a) The owners' association shall cause to be prepared a report for each fiscal year, except the first year, for which assessments are to be levied and collected to pay the costs of the improvements, maintenance, and activities described in the report. The owners' association's first report shall be due after the first year of operation of the district. The report may propose changes, including, but not limited to, the boundaries of the property and business improvement district or any benefit zones within the district, the basis and method of levying the assessments, and any changes in the classification of property, including any categories of business, if a classification is used.

(b) The report shall be filed with the clerk and shall refer to the property and business improvement district by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following information:

- (1) Any proposed changes in the boundaries of the property and business improvement district or in any benefit zones or classification of property or businesses within the district.
- (2) The improvements, maintenance, and activities to be provided for that fiscal year.
- (3) An estimate of the cost of providing the improvements, maintenance, and activities for that fiscal year.
- (4) The method and basis of levying the assessment in sufficient detail to allow each real property or business owner, as appropriate, to estimate the amount of the assessment to be levied against his or her property or business for that fiscal year.
- (5) The estimated amount of any surplus or deficit revenues to be carried over from a previous fiscal year.
- (6) The estimated amount of any contributions to be made from sources other than assessments levied pursuant to this part.

(c) The city council may approve the report as filed by the owners' association or may modify any particular contained in the report and approve it as modified. Any modification shall be made pursuant to Sections 36635 and 36636.

The city council shall not approve a change in the basis and method of levying assessments that would impair an authorized or executed contract to be paid from the revenues derived from the levy of assessments, including any commitment to pay principal and interest on any bonds issued on behalf of the district.

**36651. Designation of owners' association to provide improvements, maintenance, and activities**

The management district plan may, but is not required to, state that an owners' association will provide the improvements, maintenance, and activities described in the management district plan. If the management district plan designates an owners' association, the city shall contract with the designated nonprofit corporation to provide services.

**CHAPTER 5. Renewal [36660- 36660.]**

**36660. Renewal of district; Transfer or refund of remaining revenues; District term limit**

- (a) Any district previously established whose term has expired, or will expire, may be renewed by following the procedures for establishment as provided in this chapter.
- (b) Upon renewal, any remaining revenues derived from the levy of assessments, or any revenues derived from the sale of assets acquired with the revenues, shall be transferred to the renewed district. If the renewed district includes additional parcels or businesses not included in the prior district, the remaining revenues shall be spent to benefit only the parcels or businesses in the prior district. If the renewed district does not include parcels or businesses included in the prior district, the remaining revenues attributable to these parcels shall be refunded to the owners of these parcels or businesses.
- (c) Upon renewal, a district shall have a term not to exceed 10 years, or, if the district is authorized to issue bonds, until the maximum maturity of those bonds. There is no requirement that the boundaries, assessments, improvements, or activities of a renewed district be the same as the original or prior district.

## **CHAPTER 6. Disestablishment [36670 - 36671]**

### **36670. Circumstances permitting disestablishment of district; Procedure**

(a) Any district established or extended pursuant to the provisions of this part, where there is no indebtedness, outstanding and unpaid, incurred to accomplish any of the purposes of the district, may be disestablished by resolution by the city council in either of the following circumstances:

(1) If the city council finds there has been misappropriation of funds, malfeasance, or a violation of law in connection with the management of the district, it shall notice a hearing on disestablishment.

(2) During the operation of the district, there shall be a 30-day period each year in which assesses may request disestablishment of the district. The first such period shall begin one year after the date of establishment of the district and shall continue for 30 days. The next such 30-day period shall begin two years after the date of the establishment of the district. Each successive year of operation of the district shall have such a 30-day period. Upon the written petition of the owners or authorized representatives of real property or the owners or authorized representatives of businesses in the area who pay 50 percent or more of the assessments levied, the city council shall pass a resolution of intention to disestablish the district. The city council shall notice a hearing on disestablishment.

(b) The city council shall adopt a resolution of intention to disestablish the district prior to the public hearing required by this section. The resolution shall state the reason for the disestablishment, shall state the time and place of the public hearing, and shall contain a proposal to dispose of any assets acquired with the revenues of the assessments levied within the property and business improvement district. The notice of the hearing on disestablishment required by this section shall be given by mail to the property owner of each parcel or to the owner of each business subject to assessment in the district, as appropriate. The city shall conduct the public hearing not less than 30 days after mailing the notice to the property or business owners. The public hearing shall be held not more than 60 days after the adoption of the resolution of intention.

### **36671. Refund of remaining revenues upon disestablishment or expiration without renewal of district; Calculation of refund; Use of outstanding revenue collected after disestablishment of district**

(a) Upon the disestablishment or expiration without renewal of a district, any remaining revenues, after all outstanding debts are paid, derived from the levy of assessments, or derived from the sale of assets acquired with the revenues, or from bond reserve or construction funds, shall be refunded to the owners of the property or businesses then located and operating within the district in which assessments were levied by applying the same method and basis that was used to calculate the assessments levied in the fiscal year in which the district is disestablished or expires. All outstanding assessment revenue collected after disestablishment shall be spent on improvements and activities specified in the management district plan.

(b) If the disestablishment occurs before an assessment is levied for the fiscal year, the method and basis that was used to calculate the assessments levied in the immediate prior fiscal year shall be used to calculate the amount of any refund.

## APPENDIX 3 – PARCEL ASSESSMENT CALCULATIONS

MAP KEY	APN	TYPE	FRONTAGE	FRONTAGE ASSESSMENT	LOT SIZE	LOT SIZE ASSESSMENT	TOTAL ASSESSMENT
1	11731001	COM	213	\$2,130.00	10,207.57	\$1,224.91	\$3,354.91
2	11731007	COM	100	\$1,000.00	14,466.62	\$1,735.99	\$2,735.99
3	11731009	VACANT	50	\$500.00	8,051.06	\$80.51	\$580.51
4	11733001	SFR	46	\$0.00	7,396.09	\$0.00	\$0.00
5	11733036	COM	100	\$1,000.00	16,101.45	\$1,932.17	\$2,932.17
6	11733039	SFR	50	\$0.00	7,728.67	\$0.00	\$0.00
7	11733040	COM	50	\$500.00	7,797.98	\$935.76	\$1,435.76
8	11733043	COM	50	\$500.00	7,722.75	\$926.73	\$1,426.73
9	11733044	COM	150	\$1,500.00	5,324.81	\$638.98	\$2,138.98
10	11733045	SFR	50	\$0.00	4,720.02	\$0.00	\$0.00
11	11733046	SFR	50	\$0.00	5,686.67	\$0.00	\$0.00
12	11733052	COM	250	\$2,500.00	14,970.61	\$1,796.47	\$4,296.47
13	11733053	SFR	46	\$0.00	6,847.25	\$0.00	\$0.00
14	11733054	SFR	46	\$0.00	6,262.39	\$0.00	\$0.00
15	11733066	COM	50	\$500.00	7,438.90	\$892.67	\$1,392.67
16	11733071	COM	728	\$7,280.00	67,824.59	\$8,138.95	\$15,418.95
17	11735001	COM	394	\$3,940.00	28,550.49	\$3,426.06	\$7,366.06
18	11735002	COM	535	\$5,350.00	83,245.12	\$9,989.41	\$15,339.41
19	11735003	COM	736	\$7,360.00	120,550.22	\$14,466.03	\$21,826.03
20	11735004	COM	160	\$1,600.00	15,770.39	\$1,892.45	\$3,492.45
21	11735006	COM	447	\$4,470.00	20,396.32	\$2,447.56	\$6,917.56
22	14102001	COM	50	\$500.00	4,047.51	\$485.70	\$985.70
23	14102002	COM	50	\$500.00	6,762.16	\$811.46	\$1,311.46
24	14102003	COM	49	\$490.00	8,453.49	\$1,014.42	\$1,504.42
25	14102004	COM	201	\$2,010.00	8,155.50	\$978.66	\$2,988.66
26	14102014	COM	236	\$2,360.00	13,132.54	\$1,575.90	\$3,935.90
27	14103001	COM	528	\$5,280.00	30,761.38	\$3,691.37	\$8,971.37
28	14103002	COM	119	\$1,190.00	2,920.14	\$350.42	\$1,540.42
29	14103003	COM	38	\$380.00	3,622.25	\$434.67	\$814.67
30	14104001	COM	308	\$3,080.00	9,887.20	\$1,186.46	\$4,266.46
31	14104029	COM	256	\$2,560.00	9,010.67	\$1,081.28	\$3,641.28
32	14104030	COM	57	\$570.00	5,744.57	\$689.35	\$1,259.35
33	14104031	COM	56	\$560.00	5,082.71	\$609.92	\$1,169.92
34	14105038	VACANT	619	\$6,190.00	19,442.28	\$194.42	\$6,384.42
35	14107022	VACANT	320	\$3,200.00	256,814.98	\$2,568.15	\$5,768.15
36	14109035	VACANT	0	\$0.00	11,821.95	\$118.22	\$118.22

37	14129003	COM	125	\$1,250.00	24,341.51	\$2,920.98	\$4,170.98
38	14129004	COM	125	\$1,250.00	23,788.06	\$2,854.57	\$4,104.57
39	14129005	COM	0	\$0.00	51,560.40	\$6,187.25	\$6,187.25
40	14129006	COM	0	\$0.00	61,422.08	\$7,370.65	\$7,370.65
41	14129007	COM	0	\$0.00	35,921.51	\$4,310.58	\$4,310.58
42	14129008	COM	94	\$940.00	8,120.13	\$974.42	\$1,914.42
43	14129011	COM	311	\$3,110.00	429,771.82	\$51,572.62	\$54,682.62
44	14129013	COM	115	\$1,150.00	24,133.96	\$2,896.08	\$4,046.08
45	14129014	COM	127	\$1,270.00	27,351.88	\$3,282.23	\$4,552.23
46	14129017	COM	50	\$500.00	13,153.77	\$1,578.45	\$2,078.45
47	14129018	COM	112	\$1,120.00	24,749.48	\$2,969.94	\$4,089.94
48	14129019	COM	185	\$1,850.00	41,403.21	\$4,968.39	\$6,818.39
49	14129020	COM	256	\$2,560.00	15,443.17	\$1,853.18	\$4,413.18
50	14129021	COM	50	\$500.00	7,611.61	\$913.39	\$1,413.39
51	14129022	COM	50	\$500.00	7,522.26	\$902.67	\$1,402.67
52	14129023	COM	121	\$1,210.00	16,613.54	\$1,993.63	\$3,203.63
53	14129024	COM	175	\$1,750.00	21,158.04	\$2,538.96	\$4,288.96
54	14129025	COM	0	\$0.00	30,137.84	\$3,616.54	\$3,616.54
55	14129026	COM	30	\$300.00	66,392.24	\$7,967.07	\$8,267.07
56	14129027	COM	138	\$1,380.00	23,295.78	\$2,795.49	\$4,175.49
57	14129028	COM	81	\$810.00	17,082.15	\$2,049.86	\$2,859.86
58	15102406	SFR	50	\$0.00	7,361.24	\$0.00	\$0.00
59	15102407	SFR	50	\$0.00	7,469.52	\$0.00	\$0.00
60	15102408	COM	50	\$500.00	7,250.31	\$870.04	\$1,370.04
61	15102409	COM	50	\$500.00	7,375.49	\$885.06	\$1,385.06
62	15102410	COM	50	\$500.00	5,424.89	\$650.99	\$1,150.99
63	15102411	COM	50	\$500.00	6,155.20	\$738.62	\$1,238.62
64	15102427	COM	297	\$2,970.00	24,075.79	\$2,889.10	\$5,859.10
65	15102428	COM	199	\$1,990.00	9,871.84	\$1,184.62	\$3,174.62
66	15103412	COM	50	\$500.00	7,421.83	\$890.62	\$1,390.62
67	15103429	COM	548	\$5,480.00	58,972.21	\$7,076.67	\$12,556.67
68	15103430	COM	250	\$2,500.00	14,669.67	\$1,760.36	\$4,260.36
69	15104404	COM	248	\$2,480.00	14,792.35	\$1,775.08	\$4,255.08
70	15104405	COM	50	\$500.00	7,316.14	\$877.94	\$1,377.94
71	15104406	COM	50	\$500.00	7,225.51	\$867.06	\$1,367.06
72	15104423	COM	100	\$1,000.00	14,639.13	\$1,756.70	\$2,756.70
73	15104424	COM	397	\$3,970.00	36,683.81	\$4,402.06	\$8,372.06
74	15105038	COM	203	\$2,030.00	20,386.06	\$2,446.33	\$4,476.33
75	15105039	COM	96	\$960.00	2,571.63	\$308.60	\$1,268.60
76	15105045	COM	300	\$3,000.00	22,820.53	\$2,738.46	\$5,738.46

77	15107504	COM	300	\$3,000.00	22,833.59	\$2,740.03	\$5,740.03
78	15107505	COM	50	\$500.00	12,845.63	\$1,541.48	\$2,041.48
79	15107506	COM	200	\$2,000.00	9,608.08	\$1,152.97	\$3,152.97
80	15107605	COM	200	\$2,000.00	9,927.57	\$1,191.31	\$3,191.31
81	15107606	COM	100	\$1,000.00	15,352.96	\$1,842.36	\$2,842.36
82	15107607	COM	200	\$2,000.00	9,732.25	\$1,167.87	\$3,167.87
83	15109506	COM	100	\$1,000.00	15,889.33	\$1,906.72	\$2,906.72
84	15109518	COM	233	\$2,330.00	13,659.22	\$1,639.11	\$3,969.11
85	15109519	COM	250	\$2,500.00	15,986.12	\$1,918.33	\$4,418.33
86	15109607	COM	150	\$1,500.00	5,353.03	\$642.36	\$2,142.36
87	15109608	COM	50	\$500.00	7,692.49	\$923.10	\$1,423.10
88	15109609	COM	50	\$500.00	7,739.96	\$928.79	\$1,428.79
89	15109610	COM	200	\$2,000.00	10,641.20	\$1,276.94	\$3,276.94
90	15113023	COM	50	\$500.00	7,584.26	\$910.11	\$1,410.11
91	15113024	COM	150	\$1,500.00	4,906.12	\$588.73	\$2,088.73
92	15113051	COM	878	\$8,780.00	66,374.72	\$7,964.97	\$16,744.97
93	15113052	COM	259	\$2,590.00	20,979.05	\$2,517.49	\$5,107.49
94	15113056	COM	250	\$2,500.00	15,449.39	\$1,853.93	\$4,353.93
95	15117031	COM	50	\$500.00	9,124.17	\$1,094.90	\$1,594.90
96	15117032	COM	175	\$1,750.00	7,717.10	\$926.05	\$2,676.05
97	15117052	COM	200	\$2,000.00	10,235.76	\$1,228.29	\$3,228.29
98	15117055	COM	450	\$4,500.00	42,237.93	\$5,068.55	\$9,568.55
99	15117057	COM	550	\$5,500.00	42,010.02	\$5,041.20	\$10,541.20
100	15302001	COM	198	\$1,980.00	9,803.42	\$1,176.41	\$3,156.41
101	15302002	COM	50	\$500.00	5,000.00	\$600.00	\$1,100.00
102	15302024	COM	352	\$3,520.00	30,586.66	\$3,670.40	\$7,190.40
103	15302026	COM	320	\$3,200.00	23,063.44	\$2,767.61	\$5,967.61
104	15302031	COM	49	\$490.00	8,448.97	\$1,013.88	\$1,503.88
105	15302039	COM	793	\$7,930.00	97,601.12	\$11,712.13	\$19,642.13
106	15302040	COM	281	\$2,810.00	31,158.38	\$3,739.01	\$6,549.01
107	15302041	COM	298	\$2,980.00	53,927.30	\$6,471.28	\$9,451.28
108	15303001	COM	202	\$2,020.00	10,627.30	\$1,275.28	\$3,295.28
109	15303028	COM	50	\$500.00	5,088.74	\$610.65	\$1,110.65
110	15303029	COM	202	\$2,020.00	10,185.77	\$1,222.29	\$3,242.29
111	15303030	COM	50	\$500.00	7,819.04	\$938.28	\$1,438.28
112	15303031	IND	101	\$1,010.00	12,824.82	\$1,025.99	\$2,035.99
113	15307046	COM	100	\$1,000.00	16,066.60	\$1,927.99	\$2,927.99
114	15307047	VACANT	362	\$3,620.00	42,804.86	\$428.05	\$4,048.05
<b>TOTALS</b>			<b>20,924</b>	<b>\$205,360.00</b>	<b>2,865,063.29</b>	<b>\$299,595.11</b>	<b>\$504,955.11</b>

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