



DOWNTOWN SACRAMENTO 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.*

February 7, 2025

Table of Contents

I. Overview.....	1
II. Background	3
III. Accomplishments	4
IV. Boundaries	5
V. Service Plan & Budget.....	6
VI. Assessment Rate.....	11
VII. Governance	13
VIII. Engineer’s Report	14
Appendix 1 – Maximum Annual Assessment Rates	30
Appendix 2 – PBID law	31
Appendix 3 – Map Book	43
Appendix 4 – Parcel Assessment Calculations	51
Appendix 5 – Total Estimated Cost of Improvements, Maintenance and Activities	67

Prepared by Civitas



I. OVERVIEW

The Downtown Sacramento Property and Business Improvement District (DSPBID) is a benefit assessment district whose main goal is to provide improvements, maintenance, 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 special benefits to property owners, namely increased sales, attraction of new tenants, and increased occupancies. The DSPBID was initially formed in 1995 and has been subsequently renewed. The DSPBID is reaching the end of its current term, and property owners now wish to renew the DSPBID for an additional ten (10) year term. As required by state law, property owners have created this Management District Plan (Plan) to renew the DSPBID.

Location: The DSPBID's parcel assessments will be imposed solely on property-based parcels and in accordance with the provisions of Article XIIIID of the California Constitution ("Proposition 218"). The DSPBID includes parcels in the Downtown Sacramento area. The approximate District boundaries are the Sacramento River in the west, with portions bound by E Street, F Street, H Street, and I Street in the north, 16th Street in the east, and portions of N Street, O Street, and P Street in the south. The DSPBID has further been divided into seven benefit zones. The boundaries of the DSPBID and its benefit zones are shown on the map in Section IV and in the map book attached herein as Appendix 3.

Purpose: The purpose of the DSPBID is to provide improvements, maintenance, and activities which constitute and create a special benefit to assessed parcels. The DSPBID will provide maintenance, safety, environmental management, economic development, and related administration directly and only to assessed parcels within its boundaries.

Budget: The DSPBID annual assessment budget for the initial year of its ten (10) year operation is anticipated to be \$5,920,808.91 ("special benefit budget"). The annual assessment budget may be subject to an increase in assessment rates of no more than five percent (5%) per year, upon approval by the Downtown Sacramento Partnership (DSP) Board of Directors. In any given year, if the assessment rate increase is less than the authorized 5%, the unused portion of the allowable increase may be carried forward and added to the maximum allowable increase in subsequent years. The annual assessment funds will be supplemented by non-assessment funds (such as grants and event income), so that the total budget for the initial year of its operation is estimated at \$6,184,275.77 ("total budget"). Further detail on the separation of special and general benefit is provided in Section VIII.

Cost: The assessment rate (cost to each parcel owner) within the DSPBID boundaries is based on parcel size, building size, benefit zone, parcel type and property tax-exemption status. Entertainment and sports complexes will be assessed the standard rate for the applicable zone based on building footprint, rather than building square footage. The assessment methodology has been created to ensure that the assessment paid by each parcel is commensurate with the benefit received. Further detail on the assessment methodology is provided in Section VIII.

The initial annual assessment rate to each parcel is shown in the table below. Assessment rates may be subject to an increase of no more than five percent (5%) per year, as shown in Appendix 1. In any given year, if the assessment rate increase is less than the authorized 5%, the unused portion of the allowable increase may be carried forward and added to the maximum allowable increase in subsequent years.

The initial assessment rates are:

Benefit Zone	Initial Parcel Assessment Rate (\$/sq ft/yr)	Initial Building Assessment Rate (\$/sq ft/yr)
A – The Kay	\$0.290	\$0.145
Tax Exempt	\$0.145	\$0.073
B – Civic Center	\$0.260	\$0.130
Tax Exempt	\$0.130	\$0.065
C – Old Sacramento	\$0.300	\$0.150
Tax Exempt	\$0.150	\$0.075
D – Capitol Mall	\$0.110	\$0.055
Tax Exempt	\$0.055	\$0.028
E – Entertainment	\$0.200	\$0.100
Tax Exempt	\$0.100	\$0.050
Interior	\$0.154	\$0.077
F – Theater	\$0.250	\$0.125
Tax Exempt	\$0.125	\$0.063
G - Railyards	\$0.150	\$0.075
Tax Exempt	\$0.075	\$0.038

Renewal: DSPBID renewal 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 fifty percent (50%) of the ballots received, weighted by assessment, be in support of the DSPBID.

Duration: The renewed DSPBID will have a ten (10)-year-life, beginning on January 1, 2026, through December 31, 2035. After ten (10) years, the DSPBID may be renewed pursuant to the Property and Business Improvement District Law of 1994, Streets and Highways Code section 36600 et seq. if property owners support continuing the DSPBID programs by repeating the petition, ballot, and City Council hearing process.

Management: The DSP shall continue to serve as the Owners’ Association for the DSPBID. The Owners’ Association is charged with managing funds and implementing programs in accordance with this Plan and must provide annual reports to the City Council.

II. BACKGROUND

The International Downtown Association estimates that more than 2,500 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, maintenance and activities are concentrated within a distinct geographic area and are funded by a special parcel 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 DSPBID will be renewed 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. The Downtown Sacramento PBID was the first district to be created under this law. Key provisions of the law include:

- Allows a wide variety of services which are tailored to meet the specific needs of assessed properties in each individual PBID;
- Requires property owner input and support throughout the renewal 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 of Sacramento (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 certain time 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.

III. ACCOMPLISHMENTS

The DSP manages current conditions while building for downtown’s future through the strategic use of maintenance, safety, and economic development efforts. Programs and services are managed and measured through notable milestones and accomplishments, as listed below. This section details the DSP’s efforts to grow a downtown that is clean, safe, vibrant, and welcoming for all.

MAINTENANCE

- Grew Public Space Services team by 36% to meet increased need for maintenance services in response to decreased daytime employee pedestrian activity.
- Average of 1.5 million pounds of trash removed annually.
- Average of 100 miles of sidewalk power washed annually.
- 53,000+ hours worked annually.
- Secured \$3.5M+ from city & county for supplementary Clean & Safe services since 2022.

SAFETY

- In-district Point in Time count (a monthly survey of tents and/or people appearing to be experiencing homelessness during morning hours within PBID boundaries) trending down.
- Introduced Downtown Resource Coordinators, connecting unhoused people to services and reconnecting multiple people with their families out of district.
- Leading voice in support of strengthening the city’s ability to enforce encampment ordinances.
- Fought for enhanced conditions in the Sacramento County Main Jail, leading to implementation of more sensible release hours.
- Developed security camera deployment plan for JKL corridor and Old Sacramento Waterfront.

ECONOMIC DEVELOPMENT

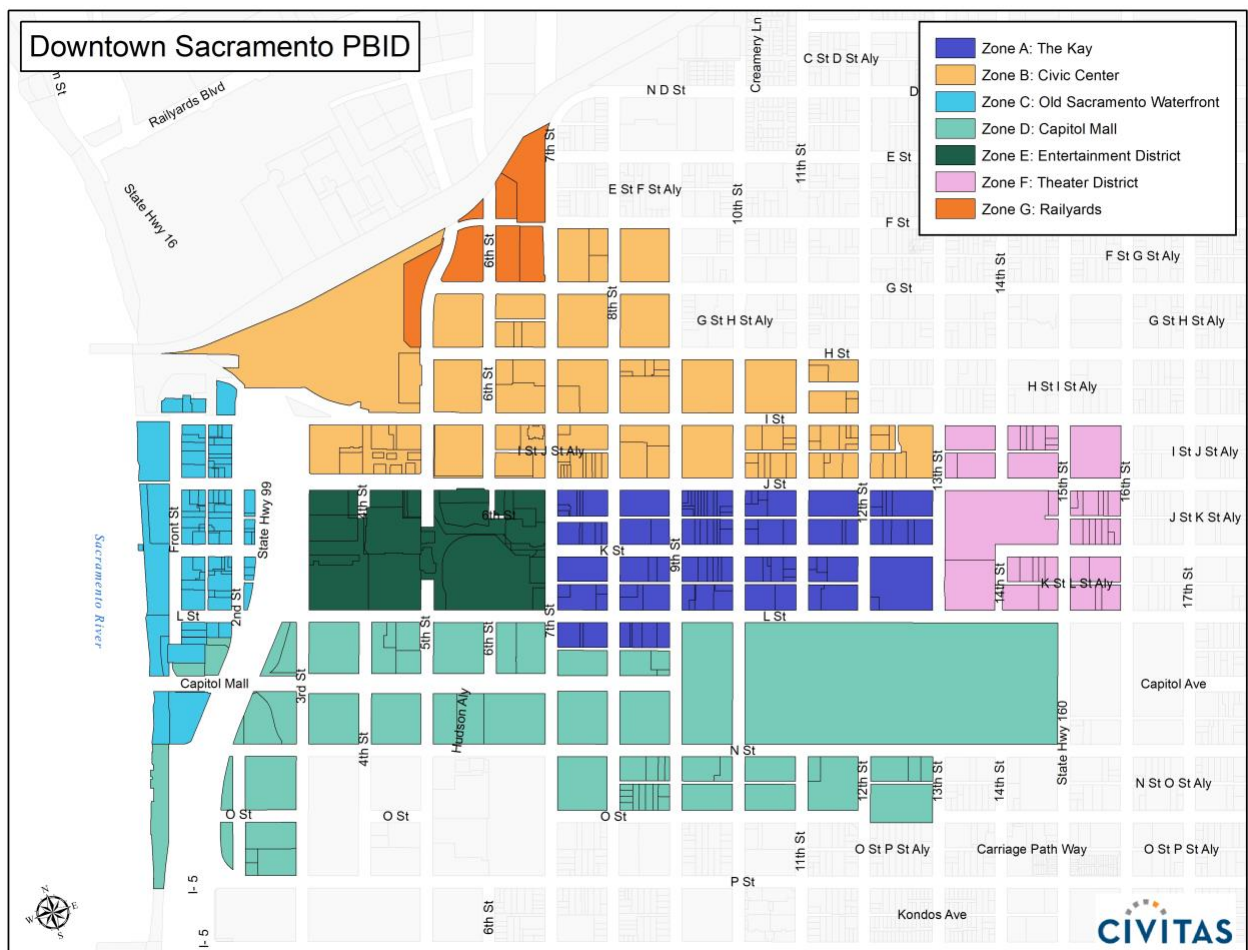
- Leading voice in the campaign to develop the Golden 1 Center and DOCO, which has contributed to 18% growth in visitation, over 12.9 million hotel stays, and an estimated investment of over \$7 billion in the central city.
- Repositioned downtown from a business district to a social hub following the pandemic and work from home policies, driving downtown visitation back to 2019 levels.
- Leading voice in support of renovations and upgrades to the SAFE Credit Union Convention and Performing Arts Centers.
- Assessed and ensured repairs and replacements for streetlights throughout the K Street Corridor and Old Sacramento Waterfront.
- Launched 35 businesses through “Calling All Dreamers” business incubator.

IV. BOUNDARIES

The renewed DSPBID will include parcels in the Downtown Sacramento area. The approximate District boundaries are the Sacramento River in the west, with portions bound by E Street, F Street, H Street, and I Street in the north, 16th Street in the east, and portions of N Street, O Street, and P Street in the south. The DSPBID boundary overview is illustrated by the map below.

Parcels included in the DSPBID boundaries comprise the core commercial Downtown Sacramento area. Due to the variety of needs for service throughout Downtown, the District has been further divided into seven (7) unique benefit zones. These benefit zones will be assessed a rate equal to the level and type of services they receive, as explained further in Section VIII.

The service area includes approximately 585 properties, of which 576 are assessed. There are approximately 248 property owners of assessed parcels. The DSPBID boundary is illustrated by the map below. A detailed map book is attached herein as Appendix 3 and includes Map Key numbers which correlate to the Assessor Parcel Numbers (APNs) included in Appendix 4. A larger map is available on request by calling Civitas at (916) 437-4300 or (800) 999-7781.



V. SERVICE PLAN & BUDGET

A. Renewal

Property and business owners in DSPBID 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 the commercial area. The DSPBID was initially formed to address these needs. Property owners in the boundaries of the DSPBID now wish to renew the DSPBID to continue this mission.

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. The primary needs identified were: maintenance, safety, environmental management, economic development, and related administration. To meet those needs, the DSPBID will provide maintenance, safety, environmental management, economic development, and related administration to assessed parcels within its boundaries

B. Improvements, Maintenance and Activities

The renewed DSPBID will provide particular and distinct activities and improvements that constitute and create a special benefit to assessed parcels. The renewed DSPBID will provide supplemental improvements, maintenance and activities that enhance and compliment the services generally provided by the City and other government agencies. None of the services to be provided by the DSPBID are provided by the City or other government agencies. The improvements, maintenance and activities will be provided directly and only to assessed parcels, and will not be provided directly to the public-at-large or non-assessed parcels within or outside, but adjacent to the DSPBID boundaries.

Each and every service is unique to the DSPBID, thus the benefits provided are particular and distinct to each assessed parcel. Each of the improvements, maintenance, and activities is focused on removing barriers and creating incentives that promote economic activity to attract investment and increase commerce throughout Downtown. The frequency and level of improvements, maintenance, and activities provided to individual parcels will vary based on benefit zone, but will be consistent within each benefit zone.

1. Maintenance

The purpose of the maintenance program is to maintain a clean, inviting public realm within DSPBID boundaries for the special benefit of the assessed parcels. The distinct maintenance activities to be provided constitute and create special benefits to assessed parcels.

A maintenance team will regularly patrol and service the DSPBID. The maintenance team services may include, but are not limited to, the following:

- Pressure washing sidewalks adjacent to assessed properties on a regular basis;
- Litter removal services, including garbage, debris, and leaves;
- Graffiti removal services upon request and not to exceed 8-feet above street level; and,
- Any other maintenance improvement or activity that confers a special benefit to assessed properties within the PBID.

2. Safety

The purpose of the safety program is to increase the usability of assessed parcels and address issues that discourage property owners, tenants, and customers from utilizing assessed parcels, ultimately constituting and providing unique, special benefits to assessed parcels.

The safety program will include regularly scheduled patrols by ambassador employees of the DSPBID and/or by qualified third-party vendors who respond to issues. Additionally, the program will include proactive programs with public and private partners to prevent and address instances of disorder, vagrancy, property damage, encampment, and petty crimes through both proactive situation identification and reactive calls for service on assessed parcels. Deployment schedules will be periodically evaluated to ensure that parcels' needs are being met in the most effective and efficient manner possible. The safety programs will be provided directly to the assessed parcels throughout the DSPBID. Safety services may include, but are not limited to, the following:

- On-street safety teams;
- Community prosecution;
- Safety coalitions, training, and communications;
- Intelligence-based public safety tools;
- Homeless outreach and assistance;
- Public space audits; and
- Any other safety improvement or activity that confers a special benefit to assessed properties within the DSPBID.

3. Environmental Management

A place-based approach to support properties, businesses, employees, and residents fostering healthy social settings, increased feeling of safety and security, and encourages people to live, work, visit, and invest in a downtown and create special benefits to assessed parcels.

The goal of Environmental Management is to achieve and maintain safe and beautiful streets through marketing activations, management, and improvements within the public realm which support safety and encourage customer traffic while beautifying the district, community, and enhancing quality of life. Projects may include installation of planter boxes, hanging baskets, decorative lights, placemaking signage, and any other beautification improvements or activities that confer a special benefit to assessed parcels throughout the District. Funds may be used on the acquisition, construction, installation, or maintenance of these improvements. Environmental Management projects may include, but are not limited to, the following:

- Landscaping projects and maintenance;
- Enhanced lighting installations and maintenance;
- Blight removal, public art and mural installations;
- Implementation of projects and marketing activations;
- External event production assistance;
- Program fund development; and
- Any other project or activity that confers a special benefit to assessed properties within the DSPBID.

4. Economic Development

The Economic Development Program seeks to attract and retain tenants for assessed parcels, focusing on measures and campaigns toward increasing commercial activity, sales and investment appeal to create special benefits to assessed parcels.

The Economic Development program will provide services, programs, and activities aimed at attracting prospects looking to locate and/or grow in downtown buildings. The Economic Development program services may include, but are not limited to, the following:

- Advocacy on behalf of assessed parcels to support safety and economic development;
- Business recruitment and retention;
- Marketing and branding efforts to increase visitation and commerce to assessed parcels;
- Quantifying and articulating the unique value proposition of the downtown Sacramento submarket;
- Creating accessible market and demographic materials and making available to owners, prospective tenants and investors showcasing the benefits of the assessed parcels; and
- Any other economic development project or activity that confers a special benefit to assessed properties within the DSPBID.

5. Administration

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. Expenses may include, but are not limited to, the following:

- Accounting;
- Human Resources;
- Insurance;
- DSPBID Governance and administration;
- Office leases; and
- Any other activity necessary to operate the organization in support of the programs that confers a special benefit to assessed properties within the DSPBID.

C. Annual Assessment Budget

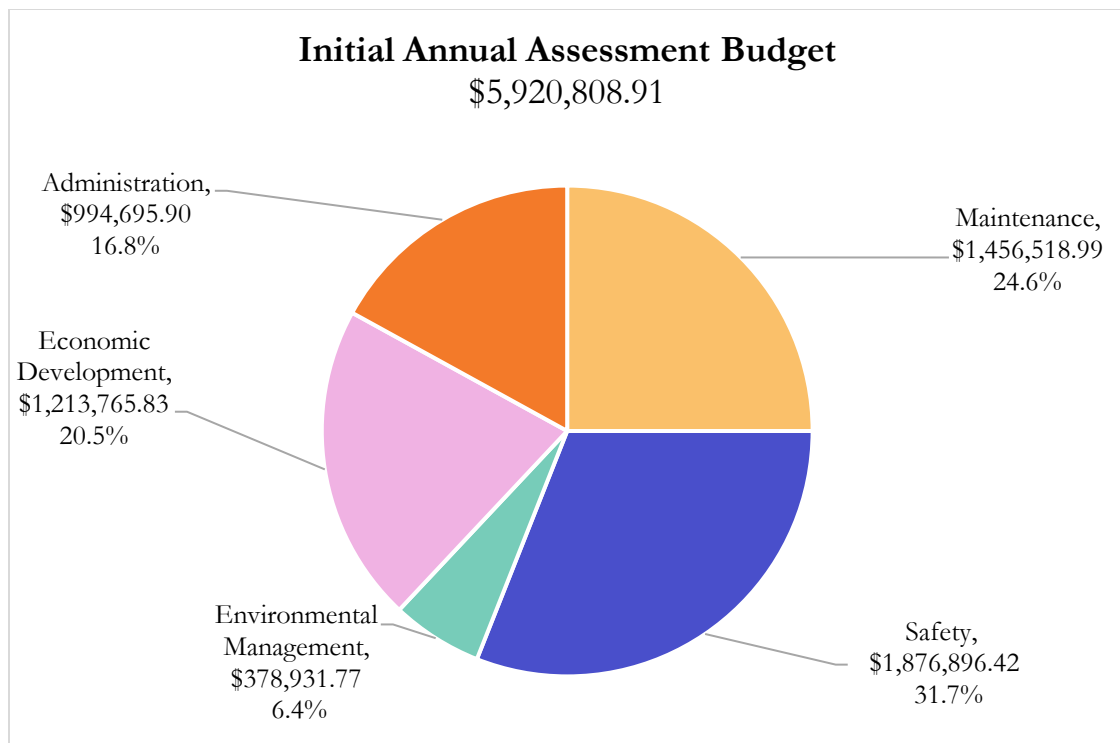
A projected ten (10) year budget for the DSPBID is provided in subsection F of this Section V. The overall assessment budget shall remain consistent with this Plan. In the event of a legal challenge, assessment funds may be used to defend the DSPBID. The annual assessment budget is based on the following assumptions and guidelines:

1. The cost of providing improvements, maintenance and activities may vary depending upon the market cost for those improvements, maintenance and activities. Expenditures may require adjustment up or down to continue the intended level of improvements, maintenance and activities. The DSP and their board shall have the authority to adjust budget allocations between the categories by no more than ten percent (10%) of the total budget per year. Any change will be approved by the DSP 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 five percent (5%) per year. In any given year, if the assessment rate increase is less than the authorized 5%, the unused portion of the allowable increase may be carried forward and added to the maximum allowable increase in subsequent years. Increases will be determined by the DSP and will vary each year. The projections below illustrate the maximum annual five percent (5%) increase for all budget items.
4. Funds may only be spent on improvements, maintenance, and activities provided in the benefit zone from which the funds were derived. Budgets for each zone can be moved between categories, but overall zone budgets cannot be moved between zones.
5. Each budget category includes all costs related to providing that improvement, maintenance, or activity. For example, the maintenance budget includes the cost of staff time dedicated to overseeing and implementing the maintenance program. Staff time dedicated purely to administrative tasks is allocated to the administration portion of the budget. The costs of individual staff members may be allocated to multiple budget categories. The staff levels necessary to provide the DSPBID services will be determined by the DSP on an as-needed basis.

D. Assessment Budget

The total improvement, maintenance and activity budget for 2026 that is funded by property assessments is \$5,920,808.91. In addition to the assessment revenue, the programs will be supplemented by non-assessment funds. The total of non-assessment funds, and the determination of special and general benefit, is included in the Engineer’s Report provided in Section VIII. The total of assessment and non-assessment funds is provided in Appendix 5. Below is an illustration of the estimated total assessment budget allocations for each budget category for the initial year of the ten (10) year-life of the DSPBID. Non-assessment funds may be shifted between budget categories as needed by the Board of the DSP. These improvements, maintenance, and activities and allocations will also apply in subsequent years.



E. Zone Budgets

Funds may only be spent on improvements, maintenance and activities provided in the zone from which the funds were derived. The budget for each zone in the initial year is below.

Service Category	A	B	C	D	E	F	G	Outside Funds	Total Budget
Maintenance	\$487,333.01	\$549,646.79	\$0.00	\$12,888.37	\$160,895.35	\$239,211.94	\$6,602.06	\$65,779.70	\$1,522,357.22
Safety	\$462,602.68	\$500,129.06	\$277,299.75	\$228,024.99	\$167,040.66	\$212,318.29	\$23,401.95	\$90,919.36	\$1,961,736.74
Environmental Management	\$50,915.39	\$39,614.18	\$69,324.94	\$181,428.58	\$17,318.60	\$17,693.19	\$2,416.83	\$17,348.70	\$396,060.41
Economic Development	\$209,480.46	\$283,901.65	\$68,327.45	\$402,513.68	\$119,554.18	\$119,605.97	\$16,623.04	\$45,156.64	\$1,265,163.07
Administration	\$244,393.87	\$277,299.28	\$83,788.41	\$166,557.39	\$93,855.62	\$118,898.24	\$9,903.09	\$44,262.43	\$1,038,958.33
Total	\$1,454,725.41	\$1,650,590.96	\$498,740.55	\$991,413.01	\$558,664.41	\$707,727.63	\$58,946.97	\$263,466.84	\$6,184,275.77

F. Annual Maximum Assessment Budget

The assessment budget below assumes the maximum annual increase of five percent (5%) is enacted and that there are no changes to the parcel data. While the district operates on a calendar-year basis (January 1 – December 30), assessments are collected in accordance with the fiscal year (July 1-June 30).

Calendar Year/Fiscal Year (FY)	Total
2026/FY25-26	\$5,920,808.91
2027/FY26-27	\$6,216,849.36
2028/FY27-28	\$6,527,691.82
2029/FY28-29	\$6,854,076.41
2030/FY29-30	\$7,196,780.24
2031/FY30-31	\$7,556,619.25
2032/FY31-32	\$7,934,450.21
2033/FY32-33	\$8,331,172.72
2034/FY33-34	\$8,747,731.36
2035/FY34-35	\$9,185,117.92
Total	\$74,471,298.19

VI. ASSESSMENT RATE

A. Assessment Formula

The DSPBID’s parcel assessments will be imposed solely on property-based parcels and in accordance with the provisions of Article XIIIID of the California Constitution (Proposition 218). The DSPBID’s parcel assessments are not business-based assessments and therefore are not subject to the requirements of Proposition 26. The assessment rate (cost to the parcel) is based on parcel size, building size, benefit zone, parcel type and property tax-exemption status. Entertainment and sports complexes will be assessed the standard rate for the applicable zone based on building footprint, rather than building square footage. The assessment methodology has been created to ensure that the assessment paid by each parcel is commensurate with the benefit received, as described in Section VIII.

The initial annual assessment rate to each parcel is shown in the table below. Assessment rates may be subject to an increase of no more than five percent (5%) per year, as shown in Appendix 1. In any given year, if the assessment rate increase is less than the authorized 5%, the unused portion of the allowable increase may be carried forward and added to the maximum allowable increase in subsequent years.

Benefit Zone	Initial Parcel Assessment Rate (\$/sq ft/yr)	Initial Building Assessment Rate (\$/sq ft/yr)
A – The Kay	\$0.290	\$0.145
Tax Exempt	\$0.145	\$0.073
B – Civic Center	\$0.260	\$0.130
Tax Exempt	\$0.130	\$0.065
C – Old Sacramento	\$0.300	\$0.150
Tax Exempt	\$0.150	\$0.075
D – Capitol Mall	\$0.110	\$0.055
Tax Exempt	\$0.055	\$0.028
E – Entertainment	\$0.200	\$0.100
Tax Exempt	\$0.100	\$0.050
Interior	\$0.154	\$0.077
F – Theater	\$0.250	\$0.125
Tax Exempt	\$0.125	\$0.063
G - Railyards	\$0.150	\$0.075
Tax Exempt	\$0.075	\$0.038

B. Changes in Zoning, Building Square Footage, or Parcel Size

If the zoning, property use, ownership, building square footage, size, or property tax-exempt status of a parcel within the DSPBID boundary changes during the term of the DSPBID, the assessment amount may be modified according to the assessment methodology detailed in this Plan that is applicable to the parcel. These changes may be a result of land adjustments including but not limited to lot splits, consolidations, right away setbacks, new construction, or changes in zoning or property use.

C. Assessment Ballot and Public Notice

During the hearing process, an Assessment Ballot and a Public Notice will be sent to owners of each parcel in the DSPBID. The Assessment Ballot provides an estimated assessment. The final individual assessment for any particular parcel may change, up or down, if the parcel size, building size, or benefit zone differ from those found on the Assessment Notice. A list of parcels to be included in the DSPBID is provided within Appendix 4.

D. Time and Manner for Collecting Assessments

As provided by State Law, the DSPBID assessment will appear as a separate line item on annual property tax bills prepared by the County of Sacramento. 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 Sacramento shall distribute funds collected to the City of Sacramento, which shall forward them to the DSP. Existing laws for enforcement and appeal of property taxes, including overdue charges and interest, apply to the DSPBID assessments.

E. Bonds

Bonds shall not be issued.

VII. GOVERNANCE

A. Owners' Association

The City Council, through adoption of this Management District Plan, has the right, pursuant to Streets and Highways Code §36651, to identify the body that shall implement the proposed program, which shall be the Owners' Association of the DSPBID as defined in Streets and Highways Code §36612. The City Council has determined that DSP shall continue to serve as the Owners' Association for the DSPBID. The Board of Directors of DSP and its staff are charged with the day-to-day operations of the DSPBID.

A majority of the Board of Directors of the DSP must be parcel owners, or their authorized representatives, paying the assessment. In addition, the Board of Directors must represent a variety of interests within the DSPBID and respond to the needs of all properties within the DSPBID.

The Board of Directors shall act in the best interests of all of the properties within the DSPBID. The diverse representation described above ensures that the interests of all of the properties in the DSPBID shall be fairly represented.

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 DSP 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 DSP 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 DSPBID 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.

VIII. ENGINEER'S REPORT

The DSPBID's parcel assessments will be imposed solely on property-based parcels and in accordance with the provisions of Article XIII D of the California Constitution (Proposition 218). The DSPBID's parcel assessments are not business-based assessments and therefore are not subject to the requirements of Proposition 26. Proposition 218 provides that "only special benefits are assessable,"¹ and requires the City to "separate the general benefits from the special benefits conferred on a parcel."² 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."³ Conversely, a general benefit is "conferred on real property located in the district or to the public at large."⁴ 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."⁵

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

A. Separation of General and Special Benefits

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

1. General Benefits

Proposition 218 provides that, for all assessments imposed, there must be a separation and accounting of general and special benefits. Special benefits are conferred directly and only upon assessed parcels. A general benefit may be conferred on the general public, assessed parcels or non-assessed parcels. Existing City and other public services, which are available to every person and parcel, everywhere within the City, are an example of services that only provide a general benefit. Although the DSPBID's boundaries have been narrowly drawn and programs have been carefully designed to provide special benefits, it is acknowledged that there will be incidental general benefits as a result of the DSPBID's improvements, maintenance, and activities.

The California Constitution mandates that "only special benefits are assessable, and an agency shall separate the general benefits from the special benefits."⁶ "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."⁷ The first step that must be undertaken to separate general and special benefits provided by the DSPBID's improvements, maintenance, and activities is to identify and quantify the general benefits. This method of computing the value of general benefit involves a

¹ Cal. Const., art. XIII D, §4(a)

² Cal. Const., art. XIII D, §4(a)

³ Id., §2(i)

⁴ Cal. Const., art. XIII D §2(i)

⁵ Cal. Const., art. XIII D, §4(a)

⁶ Cal. Const., art. XIII D §4(a)

⁷ Golden Hill v. San Diego

composite of three distinct types of general benefit — general benefit to assessed parcels within the DSPBID, general benefit to the public at large, and general benefit to non-assessed parcels within and surrounding the DSPBID.

a. General Benefit to the Public-at-Large and Assessed Parcels

Although the DSPBID’s improvements, maintenance and activities are narrowly designed and carefully implemented to specially benefit only the assessed parcels, they will generate an incidental general benefit to the public-at-large and assessed parcels within the DSPBID. To account for the general benefit received by the public at large and assessed parcels, a percentage of the total DSPBID budget has been calculated to pay for these costs.

i. General Benefit to the Public-at-Large

Intercept surveys conducted in other districts show that approximately 97.64% of pedestrian traffic within the DSPBID boundaries is engaged in business at assessed parcels, while the remaining approximately 2.36% is simply passing through and not engaging in business at the assessed parcels⁸ (Downtown Pomona found 1%, Downtown Burbank found 1%, and North Park, San Diego found 2.4%.) Out of an abundance of caution, this Engineer used 2.7%. The 2.7% of traffic passing through does not have any connection to the assessed parcels, and therefore improvements, maintenance, and activities of the DSPBID that benefit these individuals do 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 improvements, maintenance, and activities being provided in the DSPBID. Therefore, it is estimated that 2.7% of the benefit created by the DSPBID’s improvements, maintenance, and activities is general benefit provided to the public-at-large. To ensure that the DSPBID assessment dollars do not fund general benefits to the public-at-large, that portion of the cost of improvements, maintenance, and activities will be paid for with funds not obtained through assessments. Using the 2.7% figure, based on the initial renewal term year improvement, maintenance, and activities budget, the value of this general benefit to the public-at-large is \$166,975.45 ($\$6,184,275.77 \times 0.027$).

ii. General Benefit to Assessed Parcels

Although DSPBID improvements, maintenance, and activities have been directed at assessed parcels to a degree and level proportionate to their assessment rate, in an abundance of caution, this report accounts for the potential general benefits received by assessed parcels. General benefits to assessed parcels includes incidental benefits to parcels that are paying a lower rate, but incidentally, receive a slightly higher level of benefit because they are abutted by parcels paying a higher rate for an increased level of services. In the opinion of this Engineer, the assessed parcels shall receive 0.30% of general benefit. Three City districts that renewed or were formed recently found general benefit to the assessed parcels in the amount of 0.10% (Stockton Blvd. PBID which renewed in 2019, Franklin Blvd. PBID which renewed in 2020, and the 16th Street (PBID formed in 2020). Out of an abundance of caution, this Engineer used 0.30% as the general benefit to assessed parcels in the DSPBID. The 0.30% of the budget for each service category will be paid for by funds not obtained through assessments to pay for general benefits to assessed parcels. This portion of the budget totals \$18,552.83 ($\$6,184,275.77 \times 0.003$).

b. General Benefit to Non-Assessed Parcels

General benefit occurs when a service or improvement, while specifically designed to benefit assessed parcels, incidentally provides benefit to nearby non-assessed parcels. For example, if a district funds regular street cleaning and beautification efforts along commercial corridors, the assessed parcels

⁸ Surveys conducted in: Downtown Pomona (2018); Downtown Burbank (October 2017); and North Park, San Diego (January 2015)

directly benefit through enhanced cleanliness and aesthetics that improve business appeal and property values. However, non-assessed parcels, such as residentially zoned properties located within or outside, but adjacent to the district boundaries, may also experience a cleaner and more attractive environment. While they do not receive the targeted special benefit, the improved surroundings contribute to a more pleasant neighborhood, reduced litter, and a heightened perception of safety, which are general benefits.

In quantifying these general benefits, the Engineer has determined benefit factors to account for the proportion of DSPBID services that extend beyond assessed parcels. For instance, non-assessed parcels inside the DSPBID boundaries receive a general benefit because they are surrounded by assessed properties that are receiving special benefits. Similarly, parcels outside, but adjacent to the DSPBID boundaries, may experience some spillover benefits from the improvements, maintenance, and activities. The calculation of general benefit to non-assessed parcels can be found in part e of this section under “calculations.”

Although they are only provided directly to the assessed parcels, the DSPBID’s improvements, maintenance and activities may also confer general benefits upon non-assessed parcels within and surrounding the DSPBID. Non-assessed parcels within the DSPBID would be parcels zoned exclusively for residential use. According to Streets and Highways Code section 36632(c) of the Property and Business Improvement District Law of 1994, “Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and services funded through these assessments, and shall not be subject to any assessment pursuant to this part.” Although parcels zoned for residential or agricultural use do not receive special benefit, they are still considered to receive general benefits. A California Court of Appeal has stated that “services specifically intended for assessed parcels concomitantly confer collateral general benefits to surrounding properties.”⁹ It is reasonable to conclude that the improvements, maintenance and activities within the DSPBID will have an incidental impact on non-assessed parcels surrounding or within the DSPBID boundaries. A California Court of Appeal has also 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.”¹⁰ Those derivative and indirect impacts are considered general benefits and will be quantified and separated. In this Engineer’s opinion, because services are provided only within the DSPBID and on its perimeter, parcels separated from the DSPBID by at least one intervening parcel will not receive spillover benefits.

After defining the general and special benefits to assessed parcels within the DSPBID, the general benefit to the public-at-large within the DSPBID, and general benefit to non-assessed parcels within and surrounding the DSPBID, the table below determines how the DSPBID budget will be distributed into each category.

The total DSPBID activity budget for improvements, maintenance, and activities for the initial renewal year of its ten (10) year renewed operation is \$6,184,275.77. After reducing the improvements, maintenance, and activities budget by the general benefit to the public-at-large and assessed parcels (\$263,466.86), the remaining benefit to parcels is \$5,920,808.91. The general benefit to the public-at-large and the general benefit to assessed parcels has been proportionally allocated to the DSPBID’s improvements, maintenance, and activity categories as shown in the following table.

⁹ *Beutz v. Riverside* (2010) 184 Cal.App.4th 1516
¹⁰ *Tiburon v. Bonander* (2009) 180 Cal.App.4th 1057, 1077

<u>Category</u>	<u>Total</u>	<u>General Benefit to Public-at-Large</u>	<u>General Benefit to Assessed Parcels</u>	<u>Remaining Benefit to Parcels</u>
Maintenance	\$1,522,357.22	\$45,670.72	\$20,167.51	\$1,456,518.99
Safety	\$1,961,736.74	\$58,852.10	\$25,988.21	\$1,876,896.43
Environmental Management	\$396,060.41	\$11,881.81	\$5,246.83	\$378,931.77
Economic Development	\$1,265,163.07	\$37,954.89	\$13,442.35	\$1,213,765.83
Administration	\$1,038,958.33	\$31,168.75	\$13,093.68	\$994,695.90
Total	\$6,184,275.77	\$185,528.27	\$77,938.58	\$5,920,808.92

The remaining benefit, or service cost, to parcels has been distributed to both assessed and non-assessed parcels using the following methodology. First, in order to determine the general benefit to non-assessed parcels, the Engineer assigned each parcel group a benefit factor, determined the appropriate parcel characteristic to use in the calculation, and multiplied the benefit factor by the benefit characteristic to determine the benefit units attributable to each parcel group. The Engineer then apportioned the remaining improvements, maintenance, and services cost (service cost minus general benefit to the public-at-large) in accordance with the benefit units derived by each parcel group.

c. Benefit Factors

All parcels within the DSPBID and outside, but adjacent to the DSPBID boundaries have been assigned a benefit factor to mathematically represent the proportional special and general benefit and quantify the value of each. The determination of benefit factors for each type of activity follows.

i. Direct Improvements, Maintenance, and Activities

The improvements, maintenance, and activities (those that are physically provided via a person or people working throughout the DSPBID) to be provided by the DSPBID generate three types of special benefits:

- *Service* – The primary special benefit provided by the DSPBID’s physical improvements, maintenance, and activities is the actual service. That is, the actual cleanliness, safety, and beautification created by safety and maintenance personnel and environmental management projects. The maintenance program provides benefits related to graffiti removal, pressure washing, or litter removal services (above and beyond what the City provides) that are directly provided to assessed parcel owners across all zones, with the exception of Zone C (Old Sacramento). Safety services are provided to assessed parcel owners across all zones and include on-street safety teams, nuisance abatement programs including a Community Prosecutor, and the formation of safety coalitions with training and communications. Additionally, the DSPBID offers intelligence-based public safety tools, homeless outreach and assistance, and conduct public space audits. The environmental management program provides benefits related to landscaping projects, enhanced lighting installations, blight removal, public art and mural installations, and other activations that are directly provided to assessed parcel owners across all zones.

- *Presence* – The DSPBID’s physical improvements, maintenance, and activities also provide the special benefit of an individual’s presence on the assessed parcel as the improvements, maintenance, and activities are provided, which can have a deterrent effect and creates a positive impression that the area is well-maintained and safe. The “Disneyland effect” is the benefit the parcels receive from the observation that parcels are being maintained. There are studies which link the perception of cleanliness to a perception of increased security. An increased perception of security within the DSPBID fosters a sense of safety among visitors, encouraging more frequent visits and boosting overall foot traffic. The visible presence of the DSPBID’s dedicated maintenance and safety teams enhances both the perception and reality of a well-maintained, safe, and inviting public space, providing direct benefits to assessed parcels. The maintenance team regularly patrols the DSPBID, addressing cleanliness and upkeep needs by removing litter, pressure washing sidewalks adjacent to properties, and removing graffiti, all contributing to an attractive environment for property owners, tenants, and visitors. In addition, the safety team provides services that support the usability and appeal of assessed parcels, patrolling high-traffic areas to address safety concerns and engage in preventative actions. The DSPBID’s environmental management program furthers this commitment by incorporating landscaping, public art installations, and enhanced lighting, which collectively beautify the space and foster a welcoming atmosphere. These improvements, maintenance, and activities are supplemented by clear signage and distinctive markers that promote awareness of the DSPBID’s efforts.
- *Proximity* – The DSPBID’s physical improvements, maintenance, and activities also provide the special benefit of being in proximity to a cleaner, safer and more beautified parcel. Assessed parcels within the DSPBID receive the special benefit of being within a unified boundary of cleaner, safer, and more beautified parcels. Neighboring parcels enjoy the spillover benefits of being in proximity to increased safety, cleanliness, and beautification. The further away you are from the DSPBID, the less spillover benefit you will receive. Maintenance services within the DSPBID benefit the assessed parcels by providing a cleaner environment for the parcel itself as well as the surrounding areas, i.e. sidewalks and streets. Safety services within the DSPBID benefit the assessed parcels by providing safer streets and sidewalks to access assessed parcels. Environmental management programs within the DSPBID benefit assessed parcels with efforts to support safety and encourage customer traffic while beautifying the DSPBID, community, and enhancing the quality of life.

The majority of the special benefit received by the assessed parcels is the result of the DSPBID’s direct services; onsite presence and proximity are lesser benefits. It is this Engineer’s estimation that seventy-five percent (75%) of the special benefit from the DSPBID’s physical improvements, maintenance, and activities is the service, while the presence and proximity benefits each account for twelve and one-half percent (12.5% presence, 12.5% proximity) of the special benefit. Assessed parcels will receive all three benefits; non-assessed parcels within and outside, but adjacent to the DSPBID boundaries will not be directly serviced and therefore only receive the general benefit of proximity.

ii. Universal Improvements, Maintenance, and Activities

Some of the DSPBID’s improvements, maintenance, and activities, such as economic development, are distinct in that they are not provided to a targeted area within the DSPBID, rather they are provided via internet, TV, radio, and other forms of media and targeted at an audience inside and outside the DSPBID in an effort to bring the audience and attract employees, customers, and residents

into the DSPBID. These improvements, maintenance, and activities are called “universal improvements, maintenance, and activities” and provide two types of special benefits:

- Direct Exposure – The primary special benefit provided by the DSPBID’s universal improvements, maintenance, and activities is exposure. The universal improvements, maintenance, and activities increase awareness of the DSPBID as a commercial and residential destination.
- Incidental Exposure – The DSPBID’s universal improvements, maintenance, and activities will also have a special benefit of incidental exposure, such as word-of-mouth exposure, that results from the direct exposure and increases awareness of the DSPBID as a commercial and residential destination. Because improvements, maintenance, and activities such as economic development are intended to increase awareness, any additional, incidental exposure created as a direct result by the DSPBID improvements, maintenance, and activities is an intended, special benefit to assessed parcels. Additionally, because non-assessed parcels are not included nor intended to receive benefits from any universal improvements, maintenance, and activities of economic development, any incidental exposure they receive is a general benefit.

The majority of the benefit from these economic development improvements, maintenance, and activities is the direct exposure; the incidental exposure is a lesser benefit. It is this Engineer’s estimation that ninety percent (90%) of the special benefit from the economic development universal improvements, maintenance, and activities is direct exposure, while ten percent (10%) is incidental exposure. Assessed parcels will receive both as special benefits; non-assessed parcels within and outside, but adjacent to the DSPBID boundaries will not be directly targeted, however will receive the spillover benefit of incidental exposure.

iii. Factors Determined

Based on the foregoing analysis, all assessed parcels within the DSPBID specially benefit from the DSPBID’s improvements, maintenance, and activities and have been assigned a benefit factor of 1.0 (standard benefit).

In this context, standard benefit refers to the full proportional special benefit that assessed parcels receive from the DSPBID’s improvements, maintenance, and activities, as determined by the Engineer’s analysis. This benefit is measured by a benefit factor of 1.0, indicating that assessed parcels are the primary recipients of the improvements, maintenance, and activities provided. The benefit factor of 1.0 reflects that these parcels specially benefit from the DSPBID’s improvements in a manner commensurate with their assessment.

By contrast, non-assessed parcels receive only a portion of the general benefits, primarily in the form of indirect or spillover effects. Because these general benefits are secondary to the special benefit provided to assessed parcels, non-assessed parcels are assigned reduced benefit factors. Specifically, non-assessed parcels will benefit from 10% of the economic development universal services and 12.5% of the direct improvements, maintenance, and activities; therefore, non-assessed parcels have been assigned benefit factors of 0.10 and 0.125, respectively. The maintenance budget category contains direct improvements, maintenance, and activities; out of an abundance of caution, the Engineer used the higher 0.125 benefit factor to quantify the general benefit to non-assessed parcels.

d. Non-Assessed Benefit Characteristics

There are two types of parcels that are not assessed: those within the DSPBID and those outside, but immediately adjacent to the DSPBID boundaries. Because they generally benefit in a differing manner, distinct parcel characteristics are used to quantify the general benefit to each type.

- *Inside* – Non-assessed parcels inside of the DSPBID are surrounded by parcels that are assessed and receiving full special benefits; they will, therefore, receive the general benefit of proximity. These parcels are impacted on more than one side by the DSPBID’s improvements, maintenance, and activities and improvements, maintenance, and activities are provided all around them. Because these parcels are surrounded by specially benefitted parcels, it is appropriate that parcel square footage be used to measure the general benefit they receive.
- *Adjacent* – Adjacent parcels are those that are outside the DSPBID, but immediately adjacent to the DSPBID boundaries. To be immediately adjacent to the DSPBID boundaries means to be immediately adjacent to or directly across the street from specially benefitted parcels within the DSPBID, and accessible from specially benefitted parcels. These parcels generally benefit differently than those inside the DSPBID, because these parcels are adjacent to, rather than surrounded by, specially benefitted parcels. Square footage is not an appropriate measure of benefit to these parcels. Because the parcels are not surrounded by serviced parcels, a long, shallow parcel with the same square footage as a deep, narrow parcel will receive a different level of general benefit. Likewise, two parcels with the same depth but a different width outside, but adjacent to the DSPBID boundaries will benefit differently. To account for this difference, it is appropriate that parcel linear frontage be used to measure the general benefit the parcels adjacent to the DSPBID boundaries receive.

e. Calculations

To quantify and separate the general benefit to non-assessed parcels, the following calculations were undertaken for each budget category.

1. The total activity budget for each category was determined by costs of services that will be provided by the DSPBID to the assessed property owners. The amount of general benefit to the public-at-large and assessed parcels was subtracted from the category budget.
2. Because all assessed parcels within the DSPBID specially benefit from the DSPBID’s improvements, maintenance, and activities, assessed parcels were assigned a benefit factor of 1.0. Similarly, non-assessed parcels have been assigned benefit factors based on the portion of the benefit they will receive. Each activity was assigned a benefit factor based on the type of improvements, maintenance, and activities to be provided by that category. The benefit factor applicable to each activity was multiplied by the parcel square footage or linear frontage of assessed and non-assessed parcels, to determine the number of benefit units received by each parcel group. This approach ensures that the general benefit to non-assessed parcels is proportionally tied to the special benefits received by assessed parcels, reflecting the indirect and derivative impacts of the DSPBID's improvements, maintenance, and activities.
3. For each activity category, the benefit units for all parcel groups were summed, and the percentage of benefit units attributable to each parcel group was calculated.
4. The total remaining improvement, maintenance, and activity budget, less the amount already determined to be general benefit to the public-at-large and assessed parcels, was allocated to general and special benefit categories for each parcel

group using the calculated benefit percent and applicable benefit characteristic methodology.

5. The special and general benefit resulting from the administrative portion of the budget was determined based on the proportional allocation of benefits derived from improvements, maintenance, and activities from the administrative budget category. The administration budget of the PBID benefits property owners by covering essential administrative functions such as accounting, human resources, insurance, governance, office leases, and other operational improvements, maintenance, and activities necessary to effectively manage the district and support the delivery of special benefit programs to assessed properties within the DSPBID.

Maintenance, Safety, and Environmental Management

Maintenance services will be provided directly to assessed parcels in all zones except for Zone C (Old Sacramento) as Zone C already receives an enhanced level of maintenance services by the local government. For all other Zones, maintenance services will be provided to assessed parcels via a dedicated maintenance team that will patrol and service the DSPBID according to schedules that are periodically evaluated to ensure that parcels' needs are being met in the most effective and efficient manner possible. Safety services will be provided to assessed parcels via on-street safety teams that will patrol Zones A, B, C, E, and F, while on-call safety services will be available for Zones D and G. The environmental management program services will be provided to assessed parcels in all zones via the deployment of landscaping projects, lighting installations, blight removal, and public art and mural installations.

Because the maintenance, safety, and environmental management programs are provided along streets and alleys, rather than to the entire parcel, linear street frontage is an appropriate measure of the general benefit the safety and maintenance services provide to parcels.

Within all zones that receive maintenance, safety, and environmental management services as described above, maintenance, safety, and environmental management services will be provided along both sides of each street, with parcels along each side receiving 50% of the benefit provided by the service. Although not every parcel in the DSPBID directly faces a serviced street, all of the assessed parcels will benefit from the services being provided as those serviced streets are the only method of ingress and egress to the assessed parcels.

Along the perimeters of all zones that receive maintenance, safety, and environmental management services as described above, maintenance, safety, and environmental management services will only be provided to the side of the street that abuts the assessed parcels. It is, however, reasonable to conclude that parcels abutting the non-serviced side of the street will receive spillover benefits from the opposite side of the street being serviced.

The table below calculates the amount of benefit provided to parcels by the maintenance, safety, and environmental maintenance services programs and separates that benefit value between special benefits provided to assessed parcels and general benefits indirectly received by adjacent parcels outside the DSPBID and non-assessed parcels.

Maintenance services are not provided in Zone C (Old Sacramento), thus there is no benefit to parcels within or surrounding Zone C (Old Sacramento).

The remaining budget for maintenance, safety, and environmental management, minus the amount of general benefit to the public-at-large and assessed parcels, is \$3,763,749.75. The calculations below determine the amount of general benefit to assessed and non-assessed parcels within all zones except

for the zone prescribed above, respectively. The benefit percentages are determined by adding both the assessed and non-assessed benefit units together, then dividing the benefit units for the assessed (or non-assessed) by the total of the benefit units. This is the percentage of assessed (or non-assessed) benefits.

<u>Parcel Type</u>	<u>Square Footage</u>	<u>Benefit Factor</u>	<u>Benefit Units</u>	<u>Benefit Percent</u>	<u>Remaining Budget</u>	
Assessed	12,037,319	1	12,037,319.00	99.893%	X \$3,763,749.75	= \$3,759,719.13
Non-assessed	103,237	0.125	12,904.63	0.1070%	X \$3,763,749.75	= \$4,030.61

The maintenance, safety and environmental management budget, minus the amount of general benefit to the public at large, assessed parcels, and non-assessed parcels within the DSPBID, is \$3,759,719.13. The calculations below determine the amount of general benefit to parcels adjacent to the DSPBID but outside the DSPBID. The benefit percentages are determined by adding both the inside and adjacent benefit units together, then dividing the benefit units for the assessed (or non-assessed) by the total of the benefit units. This is the percentage of assessed (or non-assessed) benefits.

<u>Parcel Type</u>	<u>Linear Frontage</u>	<u>Benefit Factor</u>	<u>Benefit Units</u>	<u>Benefit Percent</u>	<u>Benefit Value</u>	
Inside	119,655	1.000	119,655.00	98.740%	X \$3,759,719.13	= \$3,712,347.19
Adjacent	12,215	0.125	1,526.88	1.260%	X \$3,759,719.13	= \$47,371.95

Therefore, the allocation of the maintenance, safety, and environmental management budget is as follows:

General Benefit – Public at Large	\$104,764.17
General Benefit – Assessed Parcels	\$11,640.46
General Benefit – Non-Assessed Inside Parcels	\$4,030.61
General Benefit –Adjacent Parcels	\$47,371.95
Special Benefit	\$3,712,347.19
Total	\$3,880,154.38

Economic Development

Unlike maintenance, safety, and environmental management, economic development services are not provided via physical patrols within the DSPBID. Rather, the economic development program is directed at improving occupancy rates and rents on assessed parcels. Although the programs will only feature assessed parcels and the buildings thereon, it is reasonable to conclude that there will be a minor, derivative and indirect benefit to parcels adjacent to but outside the DSPBID. Because these services are highly focused, and are not physically provided along streets, it is our estimation

that the adjacent parcels will receive a general benefit equal to ten percent (10%) of the standard benefit. Based on this estimation, adjacent parcels would have a benefit factor of 0.10 (1.00 x 10%).

The economic development budget, minus the amount of general benefit to the public-at-large and assessed parcels, is \$1,227,208.18. The calculations below determine the amount of general benefit to non-assessed parcels within the DSPBID. The benefit percentages are determined by adding both the assessed and non-assessed benefit units together, then dividing the benefit units for the assessed (or non-assessed) by the total of the benefit units. This is the percentage of assessed (or non-assessed) benefits.

<u>Parcel Type</u>	<u>Square Footage</u>	<u>Benefit Factor</u>	<u>Benefit Units</u>	<u>Benefit Percent</u>	<u>Remaining Budget</u>	
Assessed	12,037,319	1.00	12,037,319.00	99.914%	X \$1,227,208.18	= \$1,226,156.57
Non-assessed	103,237	0.10	10,323.70	0.086%	X \$1,227,208.18	= \$1,051.60

The economic development budget, minus the amount of general benefit to the public, assessed parcels, and non-assessed parcels within the DSPBID, is \$1,226,156.57. The calculations below determine the amount of general benefit to parcels adjacent to but outside the DSPBID. The benefit percentages are determined by adding both the inside and adjacent benefit units together, then dividing the benefit units for the assessed (or non-assessed) by the total of the benefit units. This is the percentage of assessed (or non-assessed) benefits.

<u>Parcel Type</u>	<u>Linear Frontage</u>	<u>Benefit Factor</u>	<u>Benefit Units</u>	<u>Benefit Percent</u>	<u>Benefit Value</u>	
Non-Assessed Inside	119,655	1.000	119,655.00	98.989%	X \$1,226,156.57	= \$1,213,765.83
Adjacent	1,221.5	0.10	1,221.5	1.011%	X \$1,226,156.57	= \$12,390.75

Therefore, the allocation of the economic development budget is as follows:

General Benefit – Public At Large	\$34,159.40
General Benefit – Assessed Parcels	\$3,795.49
General Benefit – Non-Assessed Inside Parcels	\$1,051.60
General Benefit – Adjacent Parcels	\$12,390.75
Special Benefit	\$1,213,765.83
Total	\$1,265,163.07

Administration

The administration budget line items relate to the improvements, maintenance and activities provided. These costs have been allocated proportionally based on the special and general benefit provided by each category.

	<u>Special Benefit to Parcels</u>	<u>General Benefit to Parcels</u>
Maintenance	\$1,456,518.99	\$20,167.51
Safety	\$1,876,896.42	\$25,988.21
Environmental Management	\$378,931.77	\$5,246.83
Economic Development	\$1,213,765.83	\$13,442.35
Activity Totals	\$4,926,113.01	\$64,844.91
Percent	0.98701	0.01299
Administration	\$994,695.90	\$13,093.68
Total Parcel Benefits	\$5,920,808.91	\$77,938.59

Total Benefits

Based on the foregoing calculations, the total benefits to assessed parcels, non-assessed parcels, and the general public are:

	<u>General Benefit to Assessed Parcels</u>	<u>Special Benefit to Assessed Parcels</u>	<u>General Benefit to Non-Assessed Parcels</u>	<u>General Benefit to Public</u>	<u>Total</u>
Maintenance	\$4,567.07	\$1,456,518.99	\$20,167.51	\$41,103.64	\$1,522,357.21
Safety	\$5,885.21	\$1,876,896.42	\$25,988.21	\$52,966.89	\$1,961,736.73
Environmental Management	\$1,188.18	\$378,931.77	\$5,246.83	\$10,693.63	\$396,060.41
Economic Development	\$3,795.49	\$1,213,765.83	\$13,442.35	\$34,159.40	\$1,265,163.07
Administration	\$3,116.87	\$994,695.90	\$13,093.68	\$28,051.87	\$1,038,958.32
Total	\$18,552.82	\$5,920,808.91	\$77,938.58	\$166,975.43	\$6,184,275.74

f. Non-Assessment Funding

The programs funded by the DSPBID 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 DSPBID’s improvements, maintenance, and activities, \$263,466.83. These non-assessment funds will be used to pay for the general benefit provided by the DSPBID’s improvements, maintenance, and activities, 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.”¹¹

2. Special Benefits

The improvements, maintenance, and activities, to be provided by the DSPBID, 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.”¹² Further, “no assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel.”¹³ Special benefit “includes incidental or collateral effects that arise from the maintenance or activities of property-based districts even if those incidental or collateral effects benefit property or persons not assessed.”¹⁴

To determine the total special benefit value to be conveyed to the assessed parcels, we deduct the general benefit value (\$263,466.83) from the total value of the improvements, maintenance, and activities (\$6,184,275.74). The remaining \$5,920,808.91 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 improvements, maintenance, and activities. 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.”¹⁵

<u>Service Provided</u>	<u>Total Benefit Value</u>	<u>General Benefit to Assessed Parcels</u>	<u>General Benefit Value to Public</u>	<u>General Benefit Value to Non-Assessed</u>	<u>Special Benefit to Assessed Parcels (Total Assessment)</u>
Maintenance	\$1,522,357.21	\$4,567.07	\$41,103.64	\$20,167.51	\$1,456,518.99
Safety	\$1,961,736.73	\$5,885.21	\$52,966.89	\$25,988.21	\$1,876,896.42
Environmental Management	\$396,060.41	\$1,188.18	\$10,693.63	\$5,246.83	\$378,931.77
Economic Development	\$1,265,163.07	\$3,795.49	\$34,159.40	\$13,442.35	\$1,213,765.83
Administration	\$1,038,958.32	\$3,116.87	\$28,051.87	\$13,093.68	\$994,695.90
Total	\$6,184,275.74	\$18,552.82	\$166,975.43	\$77,938.58	\$5,920,808.91

¹¹ Streets and Highways Code section 36632(a)

¹² Cal. Const., art XIII D §4(a)

¹³ Ibid

¹⁴ Streets and Highways Code section 36615.5

¹⁵ Tiburon 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 size, building size, benefit zone, parcel type and property tax-exemption status. 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.

a. Determination of Assessment Rates

Parcel size is an appropriate assessment basis and measure of benefit “because not all parcels in the district are identical in size...some will receive more special benefit than others,”¹⁶ thus parcel size relates to the quantity of services and resultant benefit to be provided. 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. Building square footage is the size of any buildings on 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 DSPBID. The larger a parcel and the building thereon, the more services and benefit the parcel will receive.

The cost of providing services is primarily dependent upon the parcel size; building size plays a lesser role because services such as maintenance, safety, and beautification, are focused on the parcel's frontage and immediate surroundings rather than the building's interior. Additionally, services like street cleaning, lighting, and patrols are influenced by the parcel's linear frontage, which determines accessibility and public interface. Larger parcels inherently require more resources to deliver these services, making parcel size a stronger determinant of service costs than building size. Based on historical service provisions, it is our estimation that the ratio is approximately 2:1. Thus, the assessment rate applied to parcel size is twice that applied to building size.

To determine the assessment rates, the special benefit value was divided by the total assessable parcel and building square footage per zone, as shown in the tables below.

Parcel Group	Initial Parcel Size Budget	Parcel Square Footage	Initial Parcel Assessment Rate (\$/sqft/yr)
Zone A Standard	\$387,737.25 ÷	1,337,025 =	\$0.290
Zone A Tax-Exempt	\$7,175.33 ÷	49,485 =	\$0.145
Zone B Standard	\$777,532.08 ÷	2,990,508 =	\$0.260
Zone B Tax Exempt	\$14,253.72 ÷	109,644 =	\$0.130
Zone C Standard	\$270,206.70 ÷	900,689 =	\$0.300
Zone C Tax Exempt	\$0.00 ÷	1 =	\$0.000
Zone D Standard	\$452,152.69 ÷	4,110,479 =	\$0.110
Zone D Tax Exempt	\$0.00 ÷	1 =	\$0.000
Zone E Standard	\$189,458.60 ÷	947,293 =	\$0.200
Zone E Tax Exempt	\$960.00 ÷	9,600 =	\$0.100
Zone E Interior	\$24,710.07 ÷	160,455 =	\$0.154
Zone F Standard	\$248,704.75 ÷	994,819 =	\$0.250
Zone F Tax Exempt	\$1,198.00 ÷	9,584 =	\$0.125
Zone G Railyards	\$45,933.75 ÷	306,225 =	\$0.150
Zone G Tax Exempt	\$8,363.48 ÷	111,513 =	\$0.075

¹⁶ *Dahms v. Downtown Pomona* (2009) 173 Cal.App.4th 1201

Parcel Group	Initial Building Size Budget	Building Square Footage	Initial Building Assessment Rate (\$/sqft/yr)
Zone A Standard	\$1,049,478.68 ÷	7,237,784 =	\$0.145
Zone A Tax-Exempt	\$10,334.15 ÷	142,540 =	\$0.073
Zone B Standard	\$835,559.92 ÷	6,427,384 =	\$0.130
Zone B Tax Exempt	\$23,245.24 ÷	357,619 =	\$0.065
Zone C Standard	\$228,533.85 ÷	1,523,559 =	\$0.150
Zone C Tax Exempt	\$0.00 ÷	1 =	\$0.000
Zone D Standard	\$539,260.32 ÷	9,804,733 =	\$0.055
Zone D Tax Exempt	\$0.00 ÷	1 =	\$0.000
Zone E Standard	\$293,772.80 ÷	2,937,728 =	\$0.100
Zone E Tax Exempt	\$2,700.00 ÷	54,000 =	\$0.050
Zone E Interior	\$47,062.94 ÷	611,207 =	\$0.077
Zone F Standard	\$457,406.88 ÷	3,659,255 =	\$0.125
Zone F Tax Exempt	\$418.00 ÷	6,688 =	\$0.063
Zone G Railyards	\$0.00 ÷	1 =	\$0.000
Zone G Tax Exempt	\$4,649.74 ÷	123,933 =	\$0.038

b. Summary of Assessment Rates

Therefore, the annual assessment cost to parcels is as shown below. All assessment rates may be subject to an increase of no more than five (5%) 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.

Benefit Zone	Initial Parcel Assessment Rate (\$/sq ft/yr)	Initial Building Assessment Rate (\$/sq ft/yr)
A – The Kay	\$0.290	\$0.145
Tax Exempt	\$0.145	\$0.073
B – Civic Center	\$0.260	\$0.130
Tax Exempt	\$0.130	\$0.065
C – Old Sacramento	\$0.300	\$0.150
Tax Exempt	\$0.150	\$0.075
D – Capitol Mall	\$0.110	\$0.055
Tax Exempt	\$0.055	\$0.028
E – Entertainment	\$0.200	\$0.100
Tax Exempt	\$0.100	\$0.050
Interior	\$0.154	\$0.077
F – Theater	\$0.250	\$0.125
Tax Exempt	\$0.125	\$0.063
G - Railyards	\$0.150	\$0.075
Tax Exempt	\$0.075	\$0.038

Sample assessment calculations are shown in Appendix 4.

c. Parcel Types

1. Tax-Exempt Parcels

Because they do not have a commercial component, private parcels that are property tax-exempt, as shown on the County Assessor's records, will be assessed at a rate equal to one-half (50%) of the standard rate for their respective benefit zones. These parcels will benefit in that they will be cleaner and safer, but they benefit to a lesser degree than parcels occupied by for-profit businesses. It is the Engineer's estimation that 50% is a reasonable representation of the differing degree of benefit between taxable and tax-exempt.

2. Condominium Parcels

Condominium parcels are not considered exclusively zoned for residential purposes, and will benefit from services; therefore, they will be assessed. Condominium parcels will specially benefit in that they will be cleaner, safer, promoted to potential tenants, and more easily accessible and attractive to both current and future tenants. Each individual condominium is assessed its individual building square footage as shown on the County Assessor's records, plus its proportional share of the parcel square footage as determined by its proportional share of the total building square footage.

3. Entertainment and Sports Complex Parcels

Due to their unique building size and nature, entertainment and sports complex parcels will be assessed the appropriate benefit zone standard rate based on building footprint, rather than total building square footage. Building footprint is the square footage of the ground floor of the building. The assessment methodology has been created to ensure that the assessment paid by each parcel is commensurate with the benefit received.

4. Zone E Interior Parcels

Due to the unique nature of the Entertainment Zone, streets within the zone will not be serviced. Interior parcels are those parcels that only have frontage along the interior streets (6th Street, Merchant Street, 5th Street, or 4th Street). The level of services to be provided to Zone E Interior parcels is equivalent to that provided in Zone G, which also does not receive any on-street or regularly deployed programming. Thus, interior parcels will be assessed a lower rate commensurate with the benefit received. The removal of on-street and regularly deployed programming reduces the total Zone E budget by 23%. As a result, 77% of the Zone E budget remains, reflecting the services still being provided to Zone E Interior parcels. Since the assessment rate is directly tied to the service budget, the assessment rate for Zone E Interior parcels is reduced by 23% to ensure it aligns proportionally with the benefit received.

5. Changes in Data

It is the intent of this Plan and Engineer's Report that each parcel included in the DSPBID can be clearly identified. Every effort has been made to ensure that all parcels included in the DSPBID 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 zoning, property use, ownership, building square footage, size, or property tax-exempt status of a parcel changes during the term of this DSPBID, the assessment calculation may be modified accordingly.

C. Assessment Notice

During the hearing process, an Assessment Notice will be sent to owners of each parcel in the DSPBID. The Assessment Notice provides an estimated assessment. The final individual assessment

for any particular parcel may change, up or down, if the parcel size or zoning differ from those found on the Assessment Notice. A list of parcels to be included in the DSPBID is provided within Appendix 4.

D. Time and Manner for Collecting Assessments

As provided by Property and Business Improvement District Law of 1994, Streets and Highways Code section 36600 et seq, the DSPBID assessment will appear as a separate line item on annual property tax bills prepared by the County of Sacramento. 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 Sacramento shall distribute funds collected to the City of Sacramento, which will then forward funds to the Owners' Association. Existing laws for enforcement and appeal of property taxes, including penalties and interest, apply to the assessments.

E. Bonds

Bonds will not be issued to finance services as a part of this DSPBID.

F. Engineer's Certification

I hereby certify, to the best of my knowledge and experience, that each of the identified benefiting parcels located within the Downtown Sacramento 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 assessed parcel, as described in this Engineer's Report.

Preparation of the Engineer's Report for the Downtown Sacramento Property and Business Improvement District was completed by:



Ross Peabody, R.C.E. #51090
State of California
[NAME]

February 7, 2025
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 4), and the Boundary Map (Appendix 3). Reproduction and distribution of only Section VIII of this Management District Plan violates the intent of this stamp and signature.

APPENDIX 1 – MAXIMUM ANNUAL ASSESSMENT RATES

The table below illustrates the maximum annual assessment rate with the assumption that the rates will be increased annually by five percent (5%) with approval of the DSP Board. The maximum rates listed are a required disclosure and not the anticipated course of action.

Maximum Annual Parcel Size Assessment Rate

ZONE	A	B	C	D	E	F	G
2026	\$0.290	\$0.260	\$0.300	\$0.110	\$0.200	\$0.250	\$0.150
2027	\$0.305	\$0.273	\$0.315	\$0.116	\$0.210	\$0.263	\$0.158
2028	\$0.320	\$0.287	\$0.331	\$0.121	\$0.221	\$0.276	\$0.165
2029	\$0.336	\$0.301	\$0.347	\$0.127	\$0.232	\$0.289	\$0.174
2030	\$0.352	\$0.316	\$0.365	\$0.134	\$0.243	\$0.304	\$0.182
2031	\$0.370	\$0.332	\$0.383	\$0.140	\$0.255	\$0.319	\$0.191
2032	\$0.389	\$0.348	\$0.402	\$0.147	\$0.268	\$0.335	\$0.201
2033	\$0.408	\$0.366	\$0.422	\$0.155	\$0.281	\$0.352	\$0.211
2034	\$0.428	\$0.384	\$0.443	\$0.163	\$0.295	\$0.369	\$0.222
2035	\$0.450	\$0.403	\$0.465	\$0.171	\$0.310	\$0.388	\$0.233

Maximum Annual Building Size Assessment Rate

ZONE	A	B	C	D	E	F	G
2026	\$0.145	\$0.130	\$0.150	\$0.055	\$0.100	\$0.125	\$0.075
2027	\$0.152	\$0.137	\$0.158	\$0.058	\$0.105	\$0.131	\$0.079
2028	\$0.160	\$0.143	\$0.165	\$0.061	\$0.110	\$0.138	\$0.083
2029	\$0.168	\$0.150	\$0.174	\$0.064	\$0.116	\$0.145	\$0.087
2030	\$0.176	\$0.158	\$0.182	\$0.067	\$0.122	\$0.152	\$0.091
2031	\$0.185	\$0.166	\$0.191	\$0.070	\$0.128	\$0.160	\$0.096
2032	\$0.194	\$0.174	\$0.201	\$0.074	\$0.134	\$0.168	\$0.101
2033	\$0.204	\$0.183	\$0.211	\$0.077	\$0.141	\$0.176	\$0.106
2034	\$0.214	\$0.192	\$0.222	\$0.081	\$0.148	\$0.185	\$0.111
2035	\$0.225	\$0.202	\$0.233	\$0.085	\$0.155	\$0.194	\$0.116

APPENDIX 2 – PBID LAW

*** THIS DOCUMENT IS CURRENT THROUGH THE 2023 EXTRA SESSION CH 1, 2023 REGULAR
SESSION CH. 890***
(ALL 2023 LEGISLATION)

STREETS AND HIGHWAYS CODE DIVISION 18. PARKING PART 7. PROPERTY AND BUSINESS IMPROVEMENT DISTRICT LAW OF 1994

CHAPTER 1. General Provisions

ARTICLE 1. Declarations

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 a specific benefit upon the businesses in a business district are not taxes for the general benefit of a city, even if property, businesses, 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. “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 real property or specific benefits upon assessed businesses 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 district.
- (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 (Division 10 (commencing with Section 7920.000) 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" [Effective January 1, 2023]

(a) "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.

(b) "Special benefit" also includes, for purposes of a property-based district, a particular and distinct benefit provided directly to each assessed parcel within the district. Merely because parcels throughout an assessment district share the same special benefits does not make the benefits general.

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. Alternate method of financing certain improvements and activities; Effect on other provisions

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. 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 proceedings; 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 estimated 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 their 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.

(3) In a property-based district, properties throughout the district may share the same special benefits. In a district with boundaries that define which parcels are to receive improvements, maintenance, or activities over and above those services provided by the city, the improvements, maintenance, or activities themselves may constitute a special benefit. The city may impose assessments that are less than the proportional special benefit conferred, but shall not impose

assessments that exceed the reasonable costs of the proportional special benefit conferred. Because one or more parcels pay less than the special benefit conferred does not necessarily mean that other parcels are assessed more than the reasonable cost of their special benefit.

- (l) 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.
- (m) 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. Notwithstanding the foregoing, improvements and activities that must be provided outside the district boundaries to create a special or specific benefit to the assessed parcels or businesses may be provided, but shall be limited to marketing or signage pointing to 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.

36627. Notice and assessment diagram

Following adoption of the resolution establishing district assessments on properties pursuant to Section 36625, 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. Time and manner of collection of assessments; 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 an action or proceeding unless the action or proceeding is commenced within 30 days after the resolution levying the assessment is adopted pursuant to Section 36625. An 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; Adoption of the 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.

36638. Assessment as government improvised fee on Civ C § 1770 transaction [Operative July 1, 2024]

- (a) A business assessment pursuant to this part is a fee imposed by a government on the transaction for purposes of paragraph (29) of subdivision (a) of Section 1770 of the Civil Code.
- (b) This section shall become operative on July 1, 2024.

CHAPTER 3.5 Financing

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. 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. 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. 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 assesseees 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 district 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.

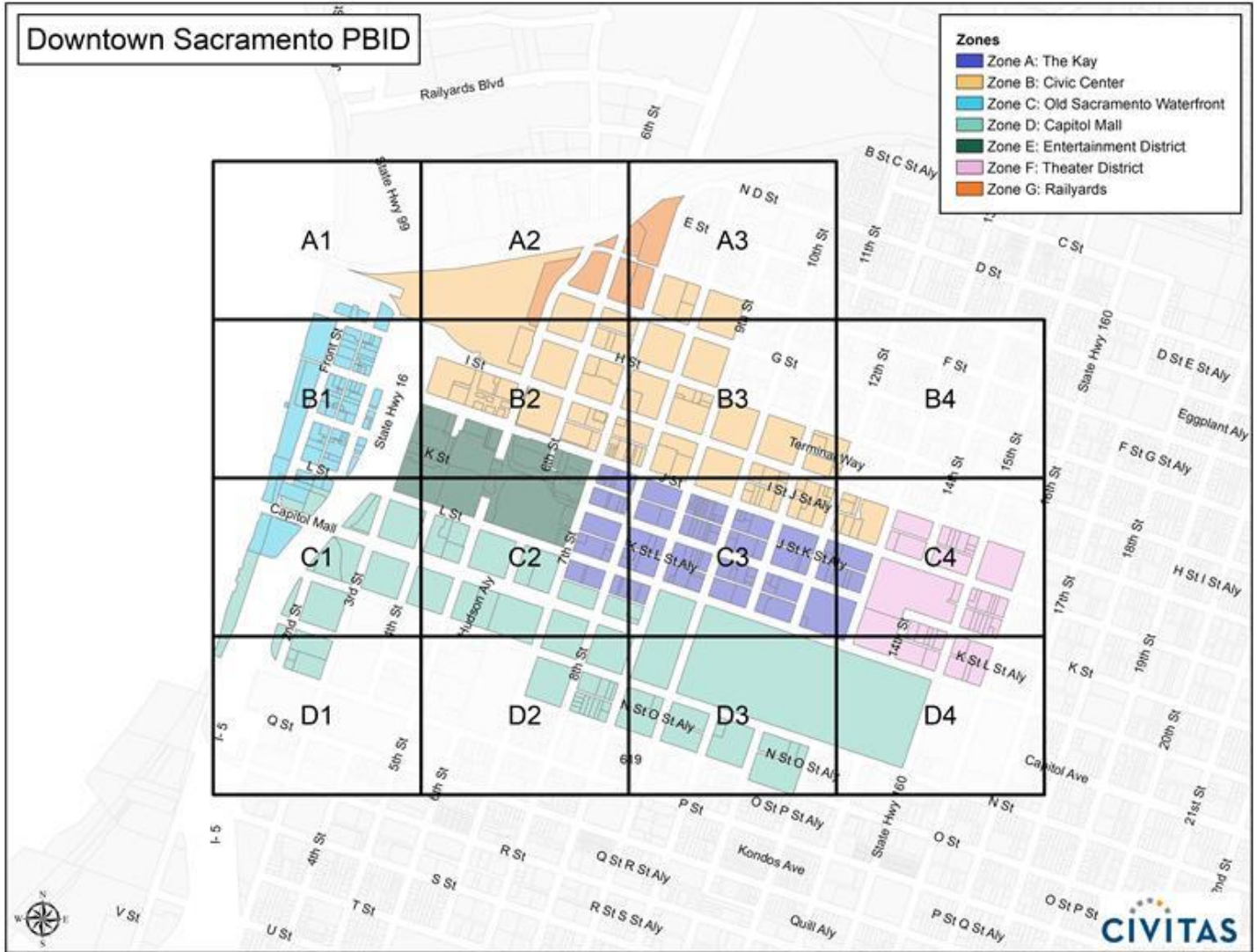
(b) The city council shall adopt a resolution of intention to disestablish the district prior to the public hearing required by this section. The resolution shall state the reason for the disestablishment, shall state the time and place of the public hearing, and shall contain a proposal to dispose of 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.

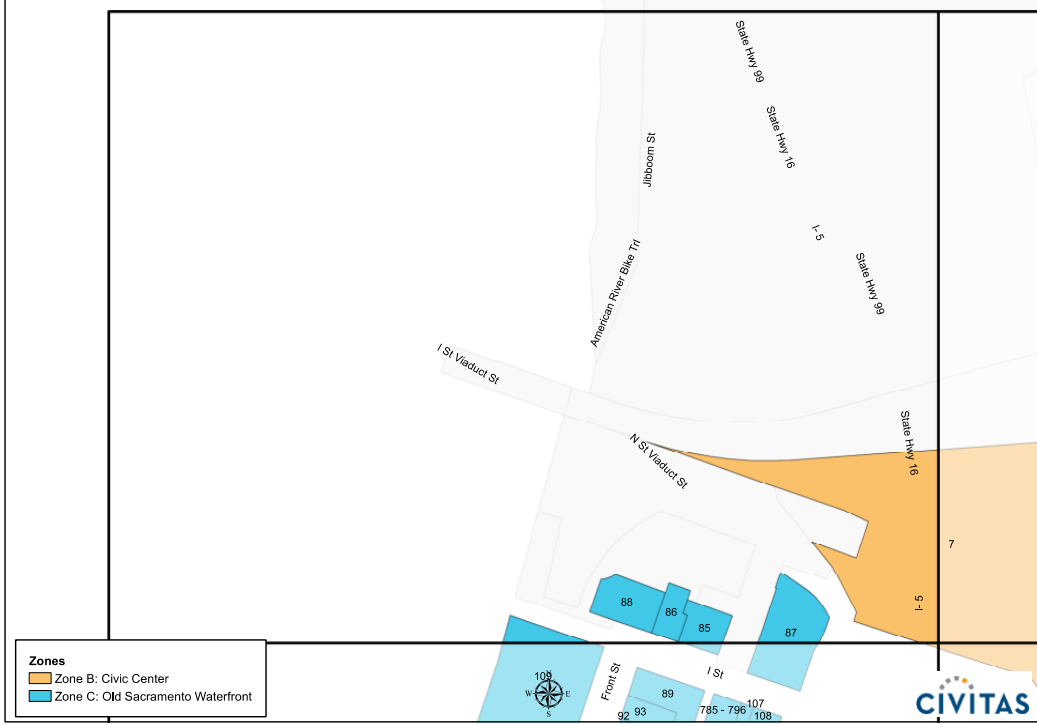
36671. Refund of remaining revenues upon disestablishment or expiration without renewal of district; Calculation of refund; Use of outstanding revenue collected after disestablishment of district

(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.

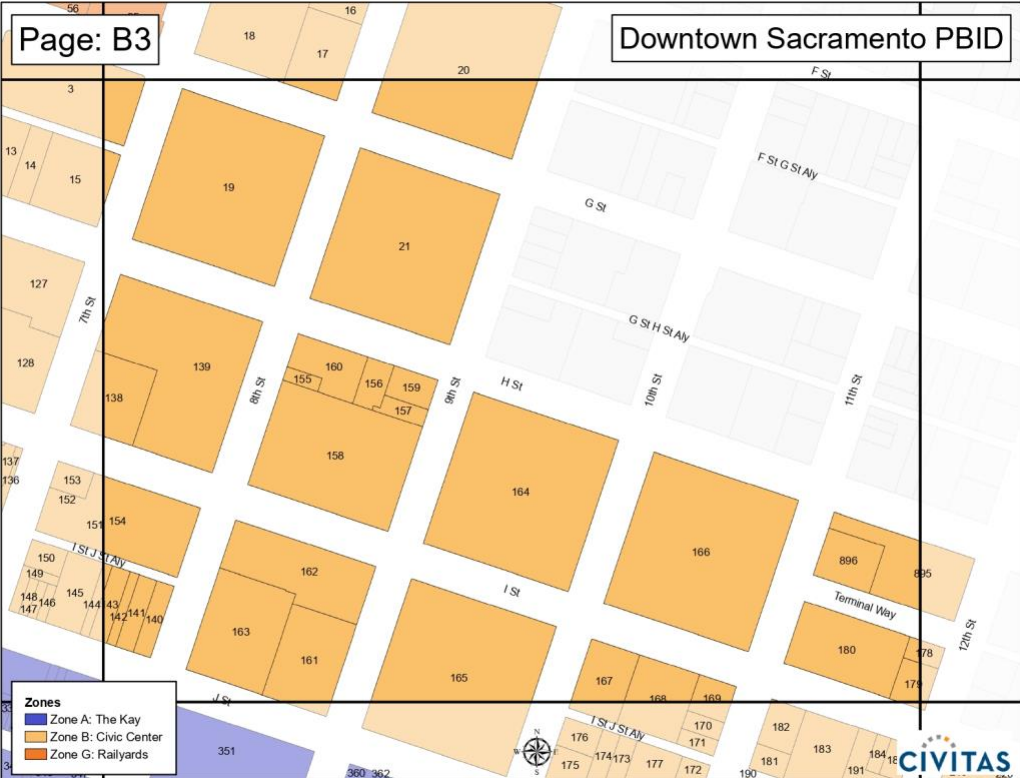
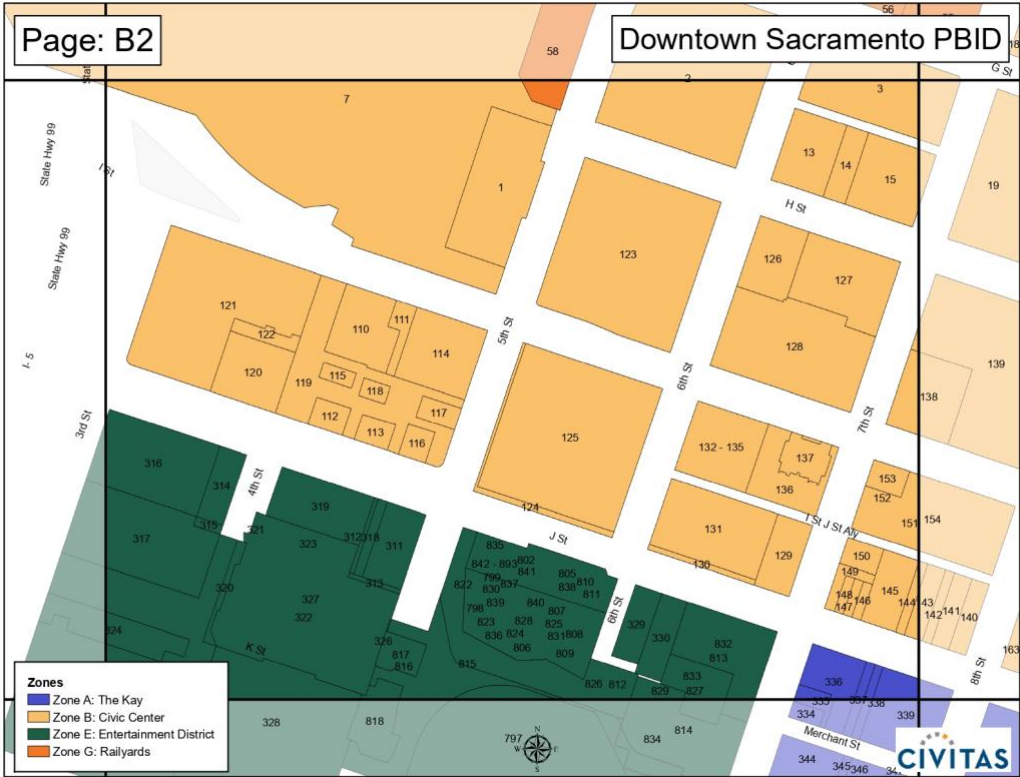
(b) If the disestablishment occurs before an assessment is levied for the fiscal year, the method and basis that was used to calculate the assessments levied in the immediate prior fiscal year shall be used to calculate the amount of any refund.

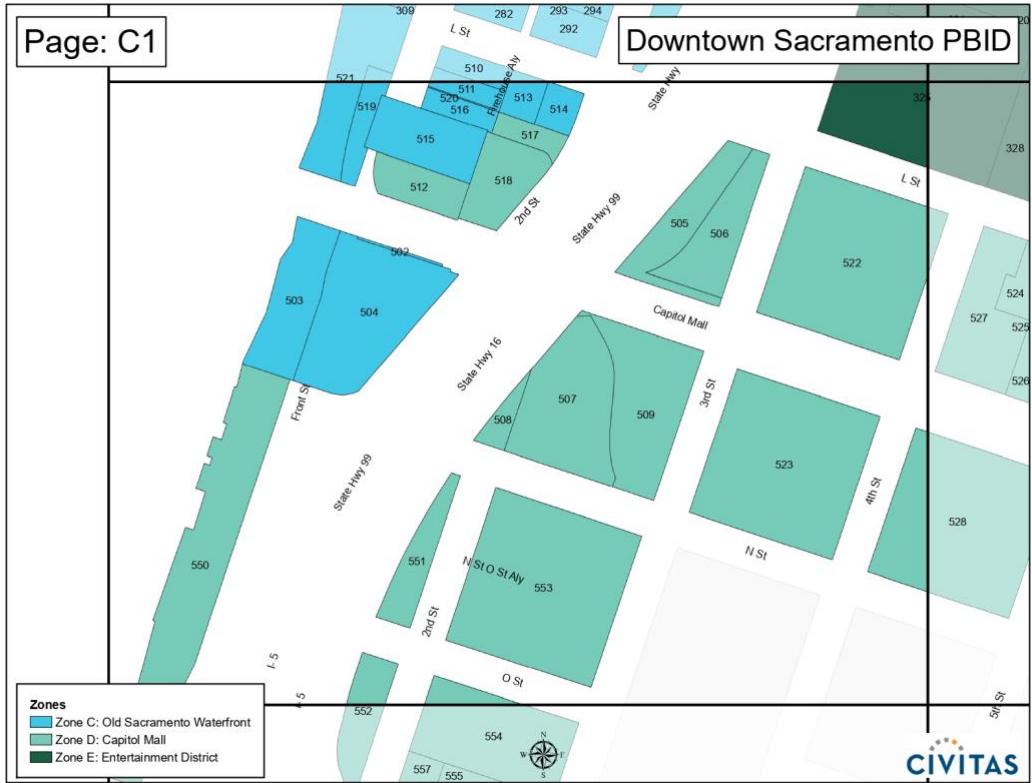
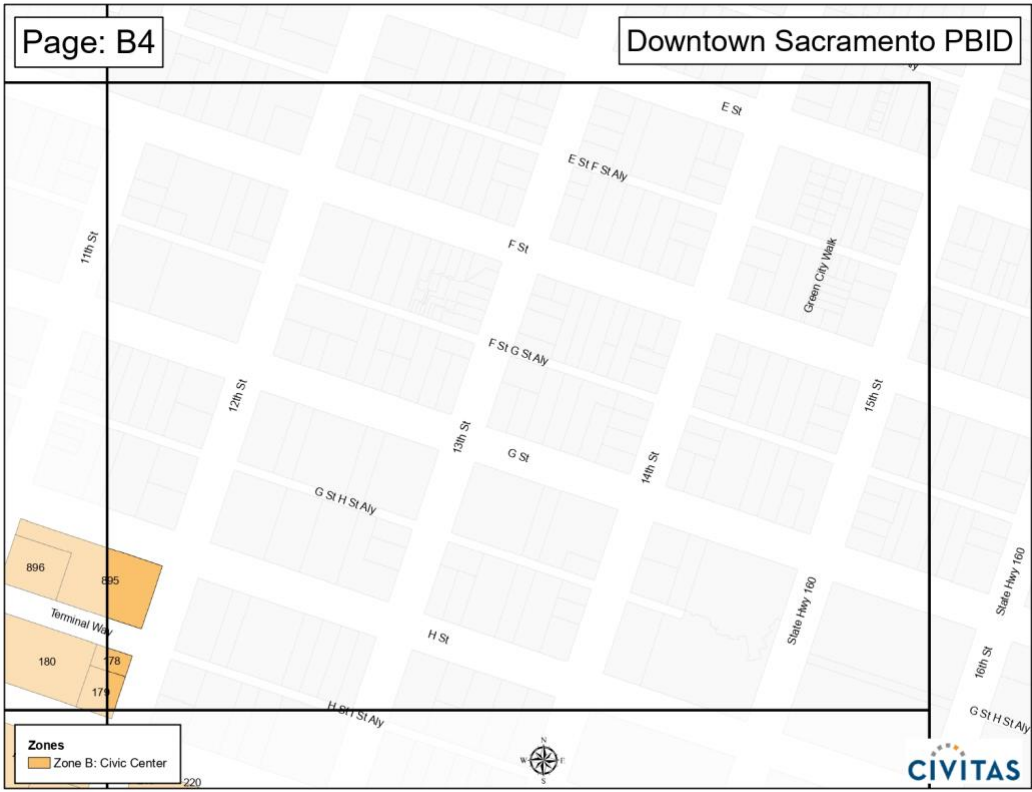
APPENDIX 3 – MAP BOOK

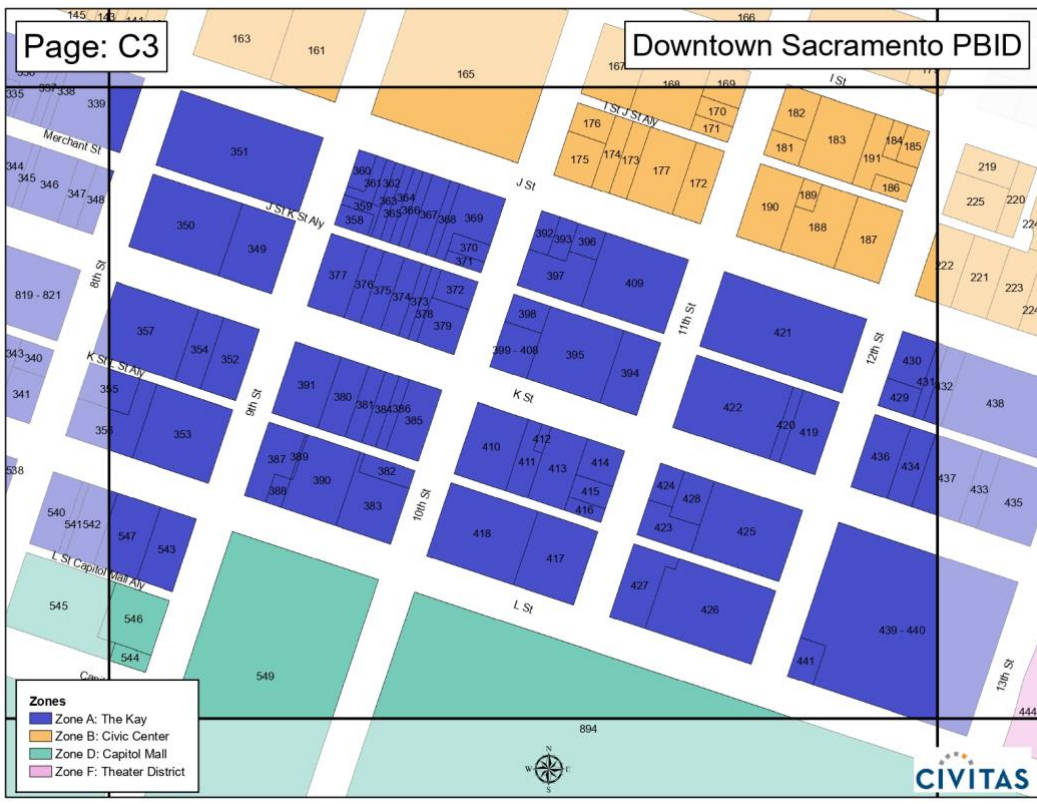
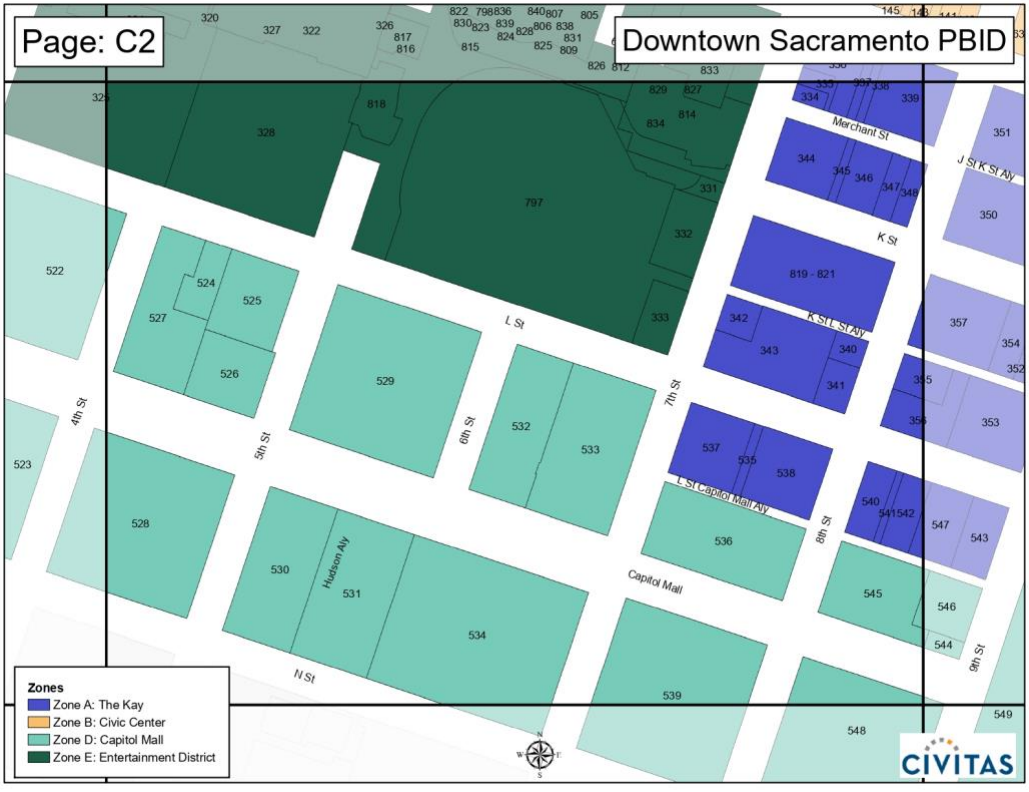


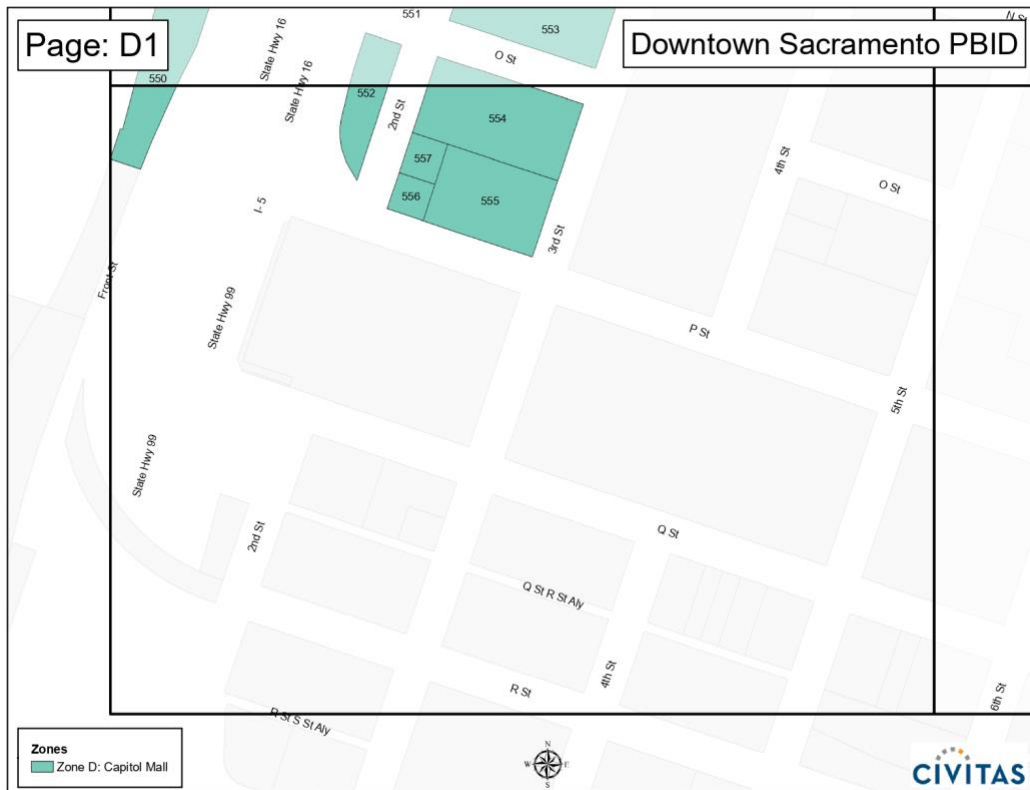
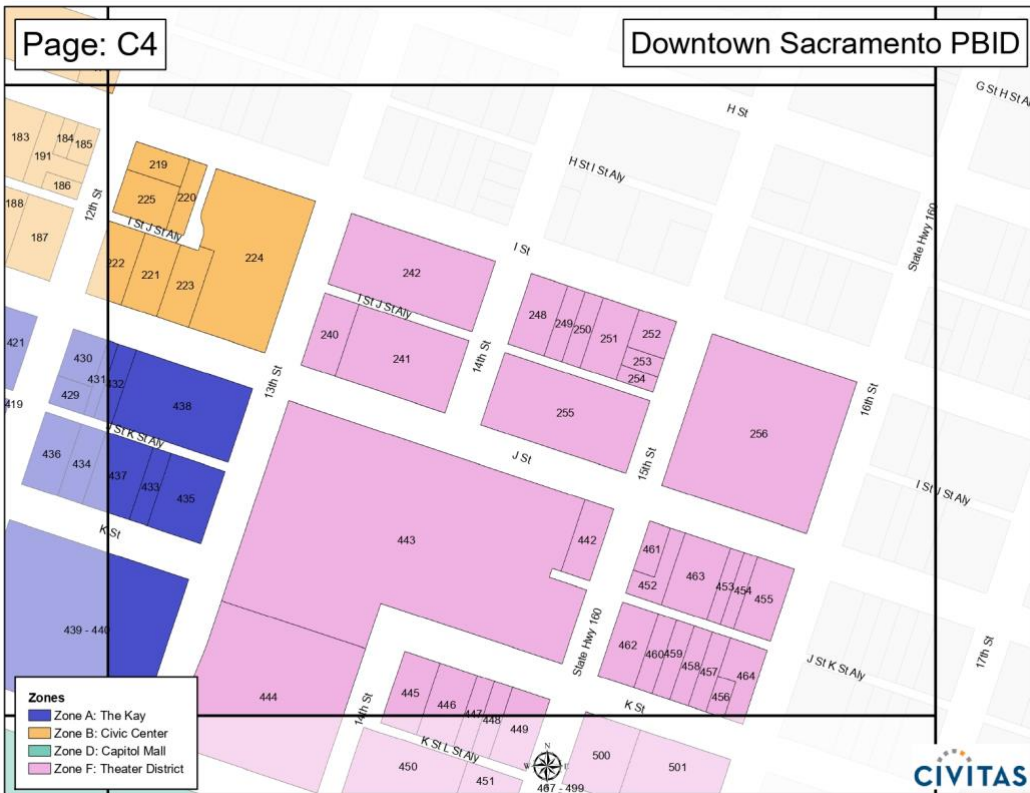




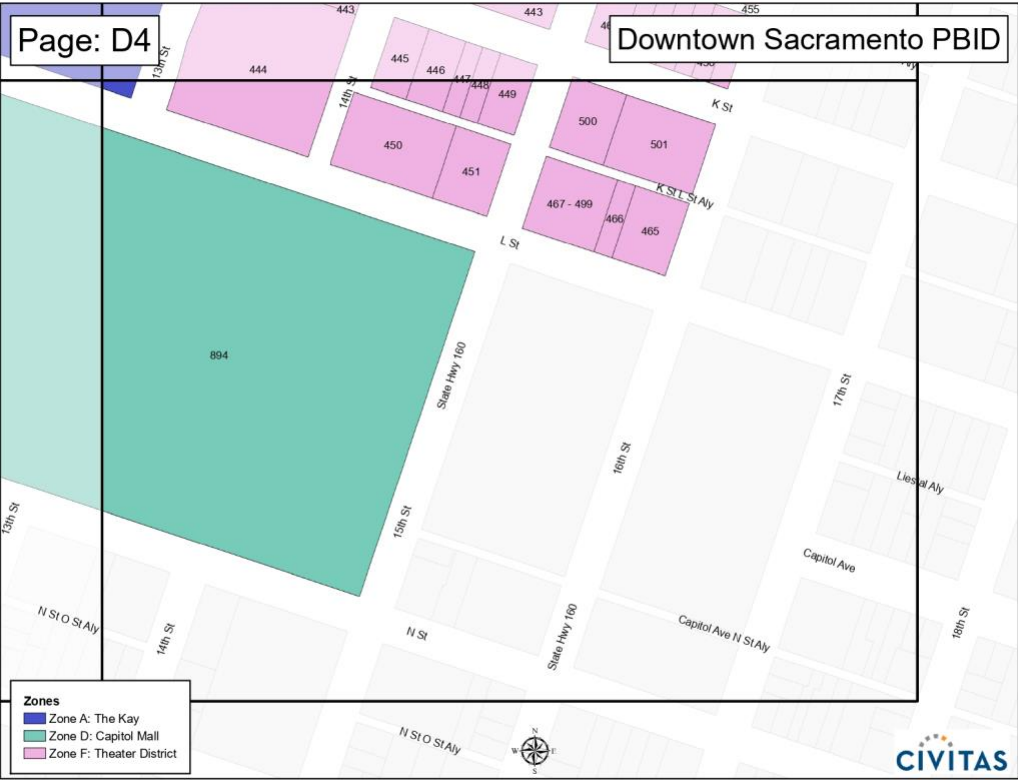












APPENDIX 4 – PARCEL ASSESSMENT CALCULATIONS

Map Key	Assessor's Parcel Number (APN)	Zone	Parcel Size (sq. ft.)	Building Size (sq. ft.)	Total Initial Annual Assessment	Exemption*
1	002-0010-042-0000	B	39,237	25,600	\$13,529.62	
2	002-0010-060-0000	B	108,464	540,000	\$98,400.64	
3	002-0010-062-0000	B	50,965	0	\$13,250.90	
7	002-0010-071-0000	B	763,171	61,981	\$206,481.99	
9	002-0010-077-0000	G	111,513	123,993	\$13,013.21	
13	002-0141-006-0000	B	19,166	21,600	\$7,791.16	
14	002-0141-008-0000	B	8,276	0	\$2,151.76	
15	002-0141-009-0000	B	24,089	99,264	\$9,583.73	TE
16	002-0142-009-0000	B	19,333	14,400	\$6,898.58	
17	002-0142-014-0000	B	20,400	88,651	\$16,828.63	
18	002-0142-015-0000	B	67,954	60,068	\$25,476.88	
19	002-0143-017-0000	B	108,900	0	\$28,314.00	
20	002-0144-001-0000	B	108,900	0	\$28,314.00	
21	002-0145-026-0000	B	108,900	470,000	\$89,414.00	
53	002-0290-001-0000	G	35,414	0	\$5,312.10	
54	002-0290-002-0000	G	9,453	0	\$1,417.95	
55	002-0290-003-0000	G	54,885	0	\$8,232.75	
56	002-0290-004-0000	G	54,885	0	\$8,232.75	
57	002-0290-005-0000	G	71,874	0	\$10,781.10	
58	002-0290-006-0000	G	79,714	0	\$11,957.10	
85	006-0011-003-0000	C	7,949	13,484	\$4,407.30	
86	006-0011-004-0000	C	5,848	0	\$1,754.40	
87	006-0011-005-0000	C	23,740	40,000	\$13,122.00	
88	006-0011-010-0000	C	11,217	10,000	\$4,865.10	
89	006-0012-001-0000	C	10,890	0	\$3,267.00	
90	006-0012-014-0000	C	13,068	7,688	\$5,073.60	
91	006-0012-015-0000	C	12,632	1,101	\$3,954.75	
92	006-0012-016-0000	C	8,276	0	\$2,482.80	
93	006-0012-017-0000	C	8,276	0	\$2,482.80	
94	006-0012-020-0001	C	0	0	\$0.00	
95	006-0012-020-0002	C	1,428	0	\$428.40	
96	006-0012-021-0000	C	4,978	9,862	\$2,972.70	
97	006-0012-022-0000	C	9,082	29,929	\$7,213.95	
98	006-0012-023-0000	C	4,043	9,911	\$2,699.55	
99	006-0012-024-0000	C	5,338	11,369	\$3,306.75	

100	006-0012-025-0000	C	1,742	0	\$522.60	
101	006-0012-028-0000	C	5,350	17,591	\$4,243.65	
102	006-0012-029-0000	C	2,838	0	\$851.40	
103	006-0012-030-0000	C	1,475	4,425	\$1,106.25	
104	006-0012-031-0000	C	2,525	15,324	\$3,056.10	
105	006-0012-034-0001	C	387	0	\$116.10	
106	006-0012-034-0002	C	387	0	\$116.10	
107	006-0012-036-0000	C	1,931	7,195	\$1,658.55	
108	006-0012-037-0000	C	5,522	7,143	\$2,728.05	
109	006-0015-001-0000	C	74,488	14,255	\$24,484.65	
110	006-0024-032-0000	B	21,356	16,320	\$3,837.08	TE
111	006-0024-033-0000	B	3,485	0	\$453.05	TE
112	006-0024-034-0000	B	4,680	12,562	\$2,849.86	
113	006-0024-035-0000	B	4,332	12,996	\$2,815.80	
114	006-0024-040-0000	B	25,700	67,621	\$7,736.37	TE
115	006-0024-044-0000	B	2,614	2,736	\$517.66	TE
116	006-0024-045-0000	B	3,900	15,000	\$2,964.00	
117	006-0024-047-0000	B	3,920	10,350	\$2,364.70	
118	006-0024-049-0000	B	2,614	4,800	\$1,303.64	
119	006-0024-050-0000	B	43,996	0	\$11,438.96	
120	006-0024-052-0000	B	20,400	153,288	\$12,615.72	TE
121	006-0024-053-0000	B	81,022	41,719	\$26,489.19	
122	006-0024-054-0000	B	4,820	0	\$1,253.20	
123	006-0025-013-0000	B	103,237	740,521	\$0.00	
124	006-0026-019-0000	B	7,130	0	\$1,853.80	
125	006-0026-021-0000	B	101,495	388,460	\$76,888.50	
126	006-0031-005-0000	B	17,564	47,510	\$10,742.94	
127	006-0031-007-0000	B	32,887	0	\$8,550.62	
128	006-0031-008-0000	B	58,370	45,600	\$21,104.20	
129	006-0032-012-0000	B	12,800	43,978	\$9,045.14	
130	006-0032-027-0000	B	3,049	0	\$792.74	
131	006-0032-028-0000	B	35,831	39,063	\$14,394.25	
132	006-0032-029-0001	B	6,447	48,276	\$7,952.10	
133	006-0032-029-0002	B	6,447	23,300	\$4,705.22	
134	006-0032-029-0003	B	6,447	0	\$1,676.22	
135	006-0032-029-0004	B	6,447	48,276	\$7,952.10	
136	006-0032-031-0000	B	25,801	0	\$6,708.26	
137	006-0032-032-0000	B	8,192	60,000	\$9,929.92	

138	006-0033-013-0000	B	23,958	365,100	\$53,692.08	
139	006-0033-016-0000	B	84,942	219,895	\$50,671.27	
140	006-0034-008-0000	B	6,400	12,800	\$3,328.00	
141	006-0034-009-0000	B	6,400	19,200	\$4,160.00	
142	006-0034-010-0000	B	3,200	12,800	\$2,496.00	
143	006-0034-011-0000	B	6,400	10,800	\$3,068.00	
144	006-0034-012-0000	B	3,200	6,840	\$1,721.20	
145	006-0034-013-0000	B	12,800	20,000	\$5,928.00	
146	006-0034-014-0000	B	1,600	3,200	\$832.00	
147	006-0034-015-0000	B	1,600	3,200	\$832.00	
148	006-0034-016-0000	B	1,600	3,200	\$832.00	
149	006-0034-017-0000	B	3,200	6,400	\$1,664.00	
150	006-0034-018-0000	B	4,800	10,869	\$2,660.97	
151	006-0034-020-0000	B	38,333	75,509	\$19,782.75	
152	006-0034-021-0000	B	13,460	100,465	\$16,560.05	
153	006-0034-022-0000	B	0	0	\$0.00	
154	006-0034-023-0000	B	0	0	\$0.00	
155	006-0035-001-0000	B	2,400	3,492	\$1,077.96	
156	006-0035-005-0000	B	5,900	10,580	\$2,909.40	
157	006-0035-009-0000	B	4,350	0	\$1,131.00	
158	006-0035-010-0000	B	0	0	\$0.00	
159	006-0035-011-0000	B	7,350	21,620	\$4,721.60	
160	006-0035-012-0000	B	15,200	39,856	\$9,133.28	
161	006-0036-031-0000	B	30,840	509,131	\$74,205.43	
162	006-0036-037-0000	B	39,735	165,962	\$31,906.16	
163	006-0036-038-0000	B	39,050	165,540	\$31,673.20	
164	006-0041-013-0000	B	108,900	303,000	\$67,704.00	
165	006-0042-001-0000	B	108,900	1,000	\$28,444.00	
166	006-0043-003-0000	B	108,900	950,000	\$151,814.00	
167	006-0044-001-0000	B	16,800	397,355	\$56,024.15	
168	006-0044-002-0000	B	21,600	0	\$5,616.00	
169	006-0044-003-0000	B	6,400	0	\$1,664.00	
170	006-0044-004-0000	B	3,200	0	\$832.00	
171	006-0044-005-0000	B	3,200	0	\$832.00	
172	006-0044-006-0000	B	9,600	54,720	\$9,609.60	
173	006-0044-009-0000	B	6,400	0	\$1,664.00	
174	006-0044-010-0000	B	6,534	0	\$1,698.84	
175	006-0044-011-0000	B	8,000	30,180	\$6,003.40	

176	006-0044-012-0000	B	4,800	33,600	\$5,616.00	
177	006-0044-013-0000	B	16,000	48,000	\$10,400.00	
178	006-0046-001-0000	B	3,734	648	\$1,055.08	
179	006-0046-007-0000	B	7,405	6,737	\$2,801.11	
180	006-0046-008-0000	B	33,854	0	\$8,802.04	
181	006-0047-001-0000	B	0	2,624	\$0.00	
182	006-0047-002-0000	B	8,000	0	\$2,080.00	
183	006-0047-003-0000	B	19,200	27,940	\$8,624.20	
184	006-0047-005-0000	B	2,400	4,800	\$1,248.00	
185	006-0047-006-0000	B	3,920	11,760	\$2,548.00	
186	006-0047-008-0000	B	3,049	13,124	\$2,498.86	
187	006-0047-009-0000	B	16,000	63,458	\$12,409.54	
188	006-0047-010-0000	B	15,600	0	\$4,056.00	
189	006-0047-011-0000	B	2,400	7,200	\$1,560.00	
190	006-0047-012-0000	B	16,000	80,000	\$14,560.00	
191	006-0047-013-0000	B	9,600	0	\$2,496.00	
219	006-0052-003-0000	B	7,200	2,600	\$2,210.00	
220	006-0052-004-0000	B	6,400	4,900	\$2,301.00	
221	006-0052-018-0000	B	12,800	12,800	\$4,992.00	
222	006-0052-019-0000	B	12,800	38,400	\$8,320.00	
223	006-0052-020-0000	B	12,197	0	\$3,171.22	
224	006-0052-021-0000	B	65,340	372,000	\$65,348.40	
225	006-0052-022-0000	B	12,000	18,390	\$2,755.35	TE
240	006-0054-024-0000	F	12,701	84,812	\$13,776.75	
241	006-0054-025-0000	F	38,686	589,250	\$83,327.75	
242	006-0054-026-0000	F	51,401	560,661	\$82,932.88	
248	006-0056-001-0000	F	12,800	0	\$3,200.00	
249	006-0056-002-0000	F	6,400	0	\$1,600.00	
250	006-0056-003-0000	F	6,400	0	\$1,600.00	
251	006-0056-004-0000	F	12,800	0	\$3,200.00	
252	006-0056-005-0000	F	6,400	5,929	\$2,341.13	
253	006-0056-006-0000	F	3,200	3,200	\$1,200.00	
254	006-0056-007-0000	F	3,200	3,200	\$1,200.00	
255	006-0056-014-0000	F	51,401	477,189	\$72,498.88	
256	006-0062-001-0000	F	108,900	127,522	\$43,165.25	
257	006-0071-021-0000	C	207	0	\$62.10	
258	006-0071-022-0000	C	3,485	10,320	\$2,593.50	
259	006-0071-024-0000	C	694	0	\$208.20	

260	006-0071-025-0000	C	8,357	12,800	\$4,427.10	
261	006-0071-026-0000	C	436	0	\$130.80	
262	006-0071-027-0000	C	3,922	8,163	\$2,401.05	
263	006-0071-032-0000	C	5,504	13,140	\$3,622.20	
264	006-0071-033-0000	C	4,009	14,620	\$3,395.70	
265	006-0071-034-0000	C	4,773	11,257	\$3,120.45	
266	006-0071-035-0000	C	8,662	19,123	\$5,467.05	
267	006-0071-038-0000	C	5,727	9,974	\$3,214.20	
268	006-0071-039-0000	C	1,742	0	\$522.60	
269	006-0071-041-0000	C	5,846	12,240	\$3,589.80	
270	006-0071-043-0000	C	5,370	15,128	\$3,880.20	
271	006-0071-045-0000	C	2,727	7,020	\$1,871.10	
272	006-0071-048-0000	C	2,761	0	\$828.30	
273	006-0071-049-0000	C	2,558	0	\$767.40	
274	006-0071-051-0000	C	805	0	\$241.50	
275	006-0071-052-0000	C	1,132	0	\$339.60	
276	006-0071-053-0000	C	11,408	45,000	\$10,172.40	
277	006-0071-054-0000	C	757	0	\$227.10	
278	006-0071-055-0000	C	6,685	24,075	\$5,616.75	
279	006-0071-056-0000	C	6,635	21,502	\$5,215.80	
280	006-0071-057-0000	C	9,465	23,143	\$6,310.95	
281	006-0072-024-0000	C	9,102	27,000	\$6,780.60	
282	006-0072-025-0000	C	19,705	0	\$5,911.50	
283	006-0072-030-0000	C	1,210	0	\$363.00	
284	006-0072-031-0000	C	755	0	\$226.50	
285	006-0072-032-0000	C	1,482	3,053	\$902.55	
286	006-0072-033-0000	C	2,330	7,891	\$1,882.65	
287	006-0072-034-0000	C	1,972	6,685	\$1,594.35	
288	006-0072-035-0000	C	1,394	3,590	\$956.70	
289	006-0072-036-0000	C	16,270	21,574	\$8,117.10	
290	006-0072-039-0000	C	7,304	17,472	\$4,812.00	
291	006-0072-040-0000	C	2,178	0	\$653.40	
292	006-0072-043-0000	C	12,663	36,260	\$9,237.90	
293	006-0072-044-0000	C	1,700	0	\$510.00	
294	006-0072-045-0000	C	4,695	15,308	\$3,704.70	
295	006-0072-048-0000	C	6,229	23,212	\$5,350.50	
296	006-0072-049-0000	C	13,044	30,940	\$8,554.20	
299	006-0073-041-0000	C	1,401	3,600	\$960.30	

300	006-0073-045-0000	C	1,372	4,680	\$1,113.60	
301	006-0073-047-0000	C	4,263	11,380	\$2,985.90	
302	006-0073-048-0000	C	3,903	9,540	\$2,601.90	
303	006-0073-049-0000	C	1,795	0	\$538.50	
304	006-0074-032-0000	C	6,237	13,270	\$3,861.60	
305	006-0074-035-0000	C	5,488	21,316	\$4,843.80	
306	006-0074-037-0000	C	3,528	11,124	\$2,727.00	
307	006-0074-038-0000	C	1,856	0	\$556.80	
308	006-0075-002-0000	C	1,742	44,350	\$7,175.10	
309	006-0075-003-0000	C	81,022	5,500	\$25,131.60	
310	006-0075-004-0000	C	49,658	14,350	\$17,049.90	
311	006-0087-043-0000	E	13,600	113,000	\$14,020.00	
312	006-0087-044-0000	E	1,777	0	\$355.40	
313	006-0087-045-0000	E	1,103	0	\$169.86	E(i)
314	006-0087-047-0000	E	9,652	62,000	\$8,130.40	
315	006-0087-048-0000	E	1,203	0	\$185.26	E(i)
316	006-0087-049-0000	E	42,045	0	\$8,409.00	
317	006-0087-050-0000	E	49,223	209,200	\$30,764.60	
318	006-0087-052-0000	E	3,400	0	\$680.00	
319	006-0087-054-0000	E	23,218	0	\$4,643.60	
320	006-0087-055-0000	E	3,396	0	\$522.98	E(i)
321	006-0087-057-0002	E	1,547	1,547	\$357.36	E(i)
322	006-0087-063-0002	E	80,586	80,586	\$18,615.37	E(i)
323	006-0087-064-0002	E	12,950	12,950	\$2,991.45	E(i)
324	006-0087-068-0000	E	18,841	6,000	\$3,363.51	E(i)
325	006-0087-069-0000	E	158,123	453,814	\$77,006.00	
326	006-0087-070-0000	E	215	0	\$33.11	E(i)
327	006-0087-071-0000	E	0	145,904	\$11,234.61	E(i)
328	006-0087-075-0000	E	118,048	444,264	\$68,036.00	
329	006-0091-001-0000	E	9,600	54,000	\$3,660.00	TE
330	006-0091-020-0000	E	8,276	0	\$1,655.20	
331	006-0091-031-0003	E	2,610	0	\$522.00	
332	006-0091-036-0000	E	18,737	85,500	\$12,297.40	
333	006-0091-038-0000	E	11,282	111,782	\$13,434.60	
334	006-0094-001-0000	A	2,614	5,800	\$1,599.06	
335	006-0094-002-0000	A	3,298	10,650	\$2,500.67	
336	006-0094-003-0000	A	13,484	78,792	\$15,335.20	
337	006-0094-004-0000	A	3,200	0	\$928.00	

338	006-0094-005-0000	A	3,241	3,200	\$1,403.89	
339	006-0094-009-0000	A	25,559	137,209	\$27,307.42	
340	006-0096-011-0000	A	4,320	0	\$1,252.80	
341	006-0096-012-0000	A	7,405	44,450	\$8,592.70	
342	006-0096-016-0000	A	6,534	0	\$1,894.86	
343	006-0096-017-0000	A	33,280	28,550	\$13,790.95	
344	006-0096-020-0000	A	19,602	0	\$5,684.58	
345	006-0096-021-0000	A	2,614	0	\$758.06	
346	006-0096-022-0000	A	11,480	53,000	\$11,014.20	
347	006-0096-023-0000	A	5,635	11,200	\$3,258.15	
348	006-0096-024-0000	A	5,565	22,400	\$4,861.85	
349	006-0097-012-0000	A	19,680	68,000	\$15,567.20	
350	006-0097-013-0000	A	31,520	579,783	\$93,209.34	
351	006-0097-015-0000	A	51,836	387,332	\$71,195.58	
352	006-0098-010-0000	A	12,800	64,000	\$12,992.00	
353	006-0098-020-0000	A	27,200	49,065	\$15,002.43	
354	006-0098-025-0000	A	9,583	58,000	\$11,189.07	
355	006-0098-026-0000	A	8,821	24,039	\$6,043.75	
356	006-0098-028-0000	A	15,246	28,480	\$8,550.94	
357	006-0098-029-0000	A	28,967	0	\$8,400.43	
358	006-0101-001-0000	A	2,808	5,616	\$1,628.64	
359	006-0101-002-0000	A	1,992	5,664	\$1,398.96	
360	006-0101-003-0000	A	2,960	12,500	\$2,670.90	
361	006-0101-004-0000	A	3,073	9,120	\$2,213.57	
362	006-0101-005-0000	A	2,000	4,000	\$1,160.00	
363	006-0101-006-0000	A	3,194	3,200	\$1,390.26	
364	006-0101-007-0000	A	3,235	6,400	\$1,866.15	
365	006-0101-008-0000	A	3,200	2,500	\$1,290.50	
366	006-0101-009-0000	A	3,200	6,400	\$1,856.00	
367	006-0101-010-0000	A	6,400	15,200	\$4,060.00	
368	006-0101-011-0000	A	3,200	10,840	\$2,499.80	
369	006-0101-012-0000	A	11,200	126,104	\$21,533.08	
370	006-0101-013-0000	A	3,080	9,240	\$2,233.00	
371	006-0101-014-0000	A	1,720	6,655	\$1,463.78	
372	006-0101-015-0000	A	4,930	14,400	\$3,517.70	
373	006-0101-017-0000	A	3,200	3,960	\$1,502.20	
374	006-0101-018-0000	A	6,400	7,426	\$2,932.77	
375	006-0101-019-0000	A	7,040	10,114	\$3,508.13	

376	006-0101-020-0000	A	5,760	44,800	\$8,166.40	
377	006-0101-021-0000	A	12,800	50,833	\$11,082.79	
378	006-0101-023-0000	A	3,090	9,315	\$2,246.78	
379	006-0101-024-0000	A	8,158	34,000	\$7,295.82	
380	006-0102-003-0000	A	9,600	36,254	\$8,040.83	
381	006-0102-004-0000	A	4,800	9,600	\$2,784.00	
382	006-0102-006-0000	A	4,400	31,000	\$5,771.00	
383	006-0102-007-0000	A	14,800	171,926	\$29,221.27	
384	006-0102-012-0000	A	4,800	9,600	\$2,784.00	
385	006-0102-014-0000	A	11,200	38,400	\$8,816.00	
386	006-0102-015-0000	A	4,800	4,800	\$2,088.00	
387	006-0102-016-0000	A	10,700	78,400	\$7,235.50	TE
388	006-0102-017-0000	A	2,100	0	\$609.00	
389	006-0102-018-0000	A	500	0	\$72.50	TE
390	006-0102-019-0000	A	18,700	272,898	\$44,993.21	
391	006-0102-020-0000	A	16,000	127,818	\$23,173.61	
392	006-0103-002-0000	A	3,240	9,640	\$2,337.40	
393	006-0103-003-0000	A	3,266	9,696	\$2,353.06	
394	006-0103-010-0000	A	12,800	37,035	\$9,082.08	
395	006-0103-011-0000	A	25,600	37,532	\$12,866.14	
396	006-0103-019-0000	A	3,525	10,602	\$2,559.54	
397	006-0103-020-0000	A	12,554	31,464	\$8,202.94	
398	006-0103-021-0000	A	4,800	24,321	\$4,918.55	
399	006-0103-022-0001	A	0	7,840	\$1,136.80	
400	006-0103-022-0002	A	1,240	1,240	\$539.40	
401	006-0103-022-0003	A	6,600	6,600	\$2,871.00	
402	006-0103-022-0004	A	0	7,840	\$1,136.80	
403	006-0103-022-0005	A	0	7,840	\$1,136.80	
404	006-0103-022-0006	A	0	7,840	\$1,136.80	
405	006-0103-022-0007	A	0	7,840	\$1,136.80	
406	006-0103-022-0008	A	0	5,005	\$725.73	
407	006-0103-022-0009	A	175	0	\$50.75	
408	006-0103-022-0010	A	0	2,326	\$337.27	
409	006-0103-023-0000	A	28,800	188,168	\$35,636.36	
410	006-0104-001-0000	A	16,960	50,880	\$12,296.00	
411	006-0104-002-0000	A	7,401	24,703	\$5,728.23	
412	006-0104-003-0000	A	1,344	4,032	\$974.40	
413	006-0104-004-0000	A	12,800	25,600	\$7,424.00	

414	006-0104-005-0000	A	6,400	23,542	\$5,269.59	
415	006-0104-006-0000	A	3,920	19,600	\$3,978.80	
416	006-0104-007-0000	A	2,400	3,240	\$1,165.80	
417	006-0104-008-0000	A	20,800	379,882	\$61,114.89	
418	006-0104-009-0000	A	30,492	12,949	\$10,720.29	
419	006-0105-009-0000	A	12,800	56,000	\$11,832.00	
420	006-0105-010-0000	A	3,485	11,000	\$1,302.83	TE
421	006-0105-013-0000	A	51,401	239,904	\$49,692.37	
422	006-0105-014-0000	A	34,800	53,140	\$8,898.65	TE
423	006-0106-001-0000	A	8,277	24,600	\$5,967.33	
424	006-0106-002-0000	A	4,000	21,259	\$4,242.56	
425	006-0106-004-0000	A	32,000	178,780	\$35,203.10	
426	006-0106-005-0000	A	37,900	198,195	\$39,729.28	
427	006-0106-006-0000	A	13,300	97,800	\$18,038.00	
428	006-0106-009-0000	A	7,064	13,000	\$3,933.56	
429	006-0111-001-0000	A	4,637	4,620	\$2,014.63	
430	006-0111-002-0000	A	7,750	23,100	\$5,597.00	
431	006-0111-003-0000	A	3,485	10,455	\$2,526.63	
432	006-0111-004-0000	A	6,480	120,238	\$19,313.71	
433	006-0111-010-0000	A	6,400	6,274	\$2,765.73	
434	006-0111-013-0000	A	8,800	0	\$2,552.00	
435	006-0111-015-0000	A	19,200	535,914	\$83,275.53	
436	006-0111-016-0000	A	12,800	241,966	\$38,797.07	
437	006-0111-017-0000	A	16,800	24,622	\$8,442.19	
438	006-0111-018-0000	A	41,520	410,420	\$71,551.70	
439	006-0112-022-0001	A	131,116	538,979	\$116,175.60	
440	006-0112-022-0003	A	0	95,859	\$13,899.56	
441	006-0112-023-0000	A	5,208	0	\$1,510.32	
442	006-0115-021-0000	F	9,584	6,688	\$1,616.00	TE
443	006-0115-025-0000	F	267,022	506,699	\$130,092.88	
444	006-0115-026-0000	F	100,623	211,699	\$51,618.13	
445	006-0116-001-0000	F	12,994	51,040	\$9,628.50	
446	006-0116-002-0000	F	12,888	67,960	\$11,717.00	
447	006-0116-003-0000	F	6,365	0	\$1,591.25	
448	006-0116-004-0000	F	6,400	0	\$1,600.00	
449	006-0116-005-0000	F	12,632	0	\$3,158.00	
450	006-0116-013-0000	F	37,418	256,700	\$41,442.00	
451	006-0116-014-0000	F	19,200	12,800	\$6,400.00	

452	006-0121-001-0000	F	8,210	7,000	\$2,927.50	
453	006-0121-006-0000	F	4,800	0	\$1,200.00	
454	006-0121-007-0000	F	4,800	0	\$1,200.00	
455	006-0121-008-0000	F	12,800	40,544	\$8,268.00	
456	006-0121-011-0000	F	3,200	0	\$800.00	
457	006-0121-012-0000	F	6,400	148,389	\$20,148.63	
458	006-0121-013-0000	F	6,400	0	\$1,600.00	
459	006-0121-014-0000	F	6,400	0	\$1,600.00	
460	006-0121-015-0000	F	6,400	0	\$1,600.00	
461	006-0121-018-0000	F	4,792	21,213	\$3,849.63	
462	006-0121-019-0000	F	12,800	0	\$3,200.00	
463	006-0121-020-0000	F	16,000	31,968	\$7,996.00	
464	006-0121-021-0000	F	9,583	30,000	\$6,145.75	
465	006-0122-006-0000	F	19,200	26,390	\$8,098.75	
466	006-0122-007-0000	F	6,400	12,800	\$3,200.00	
467	006-0122-010-0001	F	134	1,230	\$187.25	
468	006-0122-010-0002	F	152	1,389	\$211.63	
469	006-0122-010-0003	F	82	749	\$114.13	
470	006-0122-010-0004	F	159	1,451	\$221.13	
471	006-0122-010-0005	F	126	1,155	\$175.88	
472	006-0122-010-0006	F	148	1,359	\$206.88	
473	006-0122-010-0007	F	122	1,114	\$169.75	
474	006-0122-010-0008	F	75	683	\$104.13	
475	006-0122-010-0009	F	110	1,004	\$153.00	
476	006-0122-010-0010	F	142	1,296	\$197.50	
477	006-0122-010-0011	F	134	1,230	\$187.25	
478	006-0122-010-0012	F	152	1,389	\$211.63	
479	006-0122-010-0013	F	82	749	\$114.13	
480	006-0122-010-0014	F	159	1,451	\$221.13	
481	006-0122-010-0015	F	126	1,155	\$175.88	
482	006-0122-010-0016	F	148	1,359	\$206.88	
483	006-0122-010-0017	F	122	1,114	\$169.75	
484	006-0122-010-0018	F	75	683	\$104.13	
485	006-0122-010-0019	F	110	1,004	\$153.00	
486	006-0122-010-0020	F	142	1,296	\$197.50	
487	006-0122-010-0021	F	134	1,230	\$187.25	
488	006-0122-010-0022	F	152	1,389	\$211.63	
489	006-0122-010-0023	F	82	749	\$114.13	

490	006-0122-010-0024	F	159	1,451	\$221.13	
491	006-0122-010-0025	F	126	1,155	\$175.88	
492	006-0122-010-0026	F	148	1,359	\$206.88	
493	006-0122-010-0027	F	122	1,114	\$169.75	
494	006-0122-010-0028	F	75	683	\$104.13	
495	006-0122-010-0029	F	110	1,004	\$153.00	
496	006-0122-010-0030	F	142	1,296	\$197.50	
497	006-0122-010-0031	F	0	0	\$0.00	
498	006-0122-010-0032	F	0	0	\$0.00	
499	006-0122-010-0033	F	21,853	200,000	\$30,463.25	
500	006-0122-012-0000	F	19,200	50,000	\$11,050.00	
501	006-0122-013-0000	F	32,000	98,000	\$20,250.00	
502	006-0133-010-0000	C	1,057	0	\$317.10	
503	006-0133-021-0000	C	36,469	0	\$10,940.70	
504	006-0133-022-0000	C	67,518	240,000	\$56,255.40	
505	006-0134-038-0000	D	28,841	0	\$3,172.51	
506	006-0134-039-0000	D	22,978	0	\$2,527.58	
507	006-0135-028-0000	D	52,708	0	\$5,797.88	
508	006-0135-029-0000	D	7,969	0	\$876.59	
509	006-0135-030-0000	D	50,965	0	\$5,606.15	
510	006-0136-002-0000	C	6,730	17,761	\$4,683.15	
511	006-0136-003-0000	C	6,806	13,201	\$4,021.95	
512	006-0136-007-0000	D	12,841	332,452	\$19,697.37	
513	006-0136-008-0000	C	6,841	10,200	\$3,582.30	
514	006-0136-009-0000	C	7,405	10,200	\$3,751.50	
515	006-0136-019-0000	C	28,314	145,640	\$30,340.20	
516	006-0136-020-0000	C	8,712	0	\$2,613.60	
517	006-0136-021-0000	D	8,712	0	\$958.32	
518	006-0136-022-0000	D	24,157	0	\$2,657.27	
519	006-0136-023-0000	C	10,890	0	\$3,267.00	
520	006-0136-024-0000	C	436	0	\$130.80	
521	006-0136-025-0000	C	35,719	13,000	\$12,665.70	
522	006-0141-043-0000	D	104,108	0	\$11,451.88	
523	006-0142-038-0000	D	104,108	662,740	\$47,902.58	
524	006-0143-035-0000	D	11,200	11,200	\$1,848.00	
525	006-0143-038-0000	D	27,360	27,360	\$4,514.40	
526	006-0143-039-0000	D	23,360	105,031	\$8,346.31	
527	006-0143-040-0000	D	41,280	114,441	\$10,835.06	

528	006-0144-029-0000	D	104,108	991,429	\$65,980.48	
529	006-0145-025-0000	D	104,980	625,069	\$45,926.60	
530	006-0146-030-0000	D	48,787	762,483	\$47,303.14	
531	006-0146-031-0000	D	56,192	94,759	\$11,392.87	
532	006-0151-020-0000	D	38,972	241,635	\$17,576.85	
533	006-0151-021-0000	D	62,291	701,904	\$45,456.73	
534	006-0152-026-0000	D	0	0	\$0.00	
535	006-0153-005-0000	A	3,288	3,288	\$1,430.28	
536	006-0153-011-0000	D	51,836	163,350	\$14,686.21	
537	006-0153-012-0000	A	22,400	27,632	\$10,502.64	
538	006-0153-015-0000	A	25,558	271,980	\$46,848.92	
539	006-0154-001-0000	D	108,900	282,836	\$27,534.98	
540	006-0155-001-0000	A	9,600	48,000	\$9,744.00	
541	006-0155-002-0000	A	3,200	3,200	\$1,392.00	
542	006-0155-003-0000	A	9,600	19,200	\$5,568.00	
543	006-0155-007-0000	A	12,800	25,600	\$7,424.00	
544	006-0155-010-0000	D	3,049	0	\$335.39	
545	006-0155-011-0000	D	33,541	84,400	\$8,331.51	
546	006-0155-012-0000	D	14,400	45,389	\$4,080.40	
547	006-0155-013-0000	A	16,000	48,000	\$11,600.00	
548	006-0156-001-0000	D	108,900	479,300	\$38,340.50	
549	006-0161-001-0000	D	249,599	353,098	\$46,876.28	
550	006-0181-004-0000	D	89,298	0	\$9,822.78	
551	006-0182-022-0000	D	18,731	0	\$2,060.41	
552	006-0183-012-0000	D	30,620	0	\$3,368.20	
553	006-0184-023-0000	D	103,237	0	\$11,356.07	
554	006-0185-001-0000	D	51,401	146,231	\$13,696.82	
555	006-0185-002-0000	D	40,511	0	\$4,456.21	
556	006-0185-003-0000	D	8,702	0	\$957.22	
557	006-0185-004-0000	D	9,600	0	\$1,056.00	
559	006-0203-012-0000	D	108,900	68,798	\$15,762.89	
578	006-0205-002-0000	D	6,800	0	\$748.00	
579	006-0205-003-0000	D	6,800	0	\$748.00	
580	006-0205-004-0000	D	7,200	658,544	\$37,011.92	
581	006-0205-005-0000	D	6,534	0	\$718.74	
582	006-0205-006-0000	D	5,440	0	\$598.40	
583	006-0205-007-0000	D	8,160	0	\$897.60	
584	006-0205-008-0000	D	6,800	0	\$748.00	

585	006-0205-009-0000	D	6,800	0	\$748.00	
586	006-0205-010-0000	D	3,049	0	\$335.39	
587	006-0205-011-0000	D	3,049	0	\$335.39	
588	006-0205-012-0000	D	3,049	0	\$335.39	
589	006-0205-013-0000	D	4,000	0	\$440.00	
590	006-0205-014-0000	D	27,200	14,740	\$3,802.70	
591	006-0205-015-0000	D	13,600	0	\$1,496.00	
594	006-0211-001-0000	D	37,026	115,000	\$10,397.86	
595	006-0211-002-0000	D	14,375	24,794	\$2,944.92	
596	006-0211-003-0000	D	51,401	282,050	\$21,166.86	
618	006-0213-001-0000	D	51,401	237,000	\$18,689.11	
619	006-0213-002-0000	D	51,401	480,027	\$32,055.60	
625	006-0215-001-0000	D	12,632	31,650	\$3,130.27	
626	006-0215-002-0000	D	95,832	451,108	\$35,352.46	
671	006-0222-025-0000	D	97,139	507,245	\$38,583.77	
672	006-0222-026-0000	D	38,333	127,010	\$11,202.18	
673	006-0222-027-0000	D	12,632	23,910	\$2,704.57	
674	006-0222-028-0000	D	12,800	75,500	\$5,560.50	
785	006-0360-001-0001	C	615	1,067	\$344.55	
786	006-0360-001-0002	C	435	755	\$243.75	
787	006-0360-001-0003	C	260	450	\$145.50	
788	006-0360-001-0004	C	542	939	\$303.45	
789	006-0360-001-0005	C	243	421	\$136.05	
790	006-0360-001-0006	C	355	616	\$198.90	
791	006-0360-001-0007	C	543	941	\$304.05	
792	006-0360-001-0008	C	351	608	\$196.50	
793	006-0360-001-0009	C	244	423	\$136.65	
794	006-0360-001-0010	C	698	1,210	\$390.90	
795	006-0360-001-0011	C	531	921	\$297.45	
796	006-0360-001-0012	C	0	0	\$0.00	
797	006-0370-012-0000	E	245,678	818,754	\$131,011.00	
798	006-0370-022-0000	E	19,856	17,016	\$5,672.80	
799	006-0370-023-0000	E	1,692	1,566	\$381.15	E(i)
800	006-0370-024-0000	E	301	220	\$63.29	E(i)
801	006-0370-025-0000	E	430	390	\$96.25	E(i)
802	006-0370-026-0000	E	410	330	\$88.55	E(i)
803	006-0370-027-0000	E	164	147	\$36.58	E(i)
804	006-0370-028-0000	E	161	156	\$36.81	E(i)

805	006-0370-029-0000	E	30,456	14,998	\$7,591.00	
806	006-0370-030-0000	E	3,552	0	\$547.01	E(i)
807	006-0370-031-0000	E	6,629	6,537	\$1,524.22	E(i)
808	006-0370-032-0000	E	311	310	\$71.76	E(i)
809	006-0370-033-0000	E	5,334	4,771	\$1,188.80	E(i)
810	006-0370-034-0000	E	208	190	\$46.66	E(i)
811	006-0370-035-0000	E	298	241	\$64.45	E(i)
812	006-0370-036-0000	E	7,694	4,246	\$1,963.40	
813	006-0370-037-0000	E	39,957	54,450	\$13,436.40	
814	006-0370-042-0000	E	40,424	41,250	\$12,209.80	
815	006-0370-045-0000	E	103,237	0	\$20,647.40	
816	006-0370-046-0000	E	0	4,870	\$374.99	E(i)
817	006-0370-047-0000	E	6,942	8,040	\$1,688.15	E(i)
818	006-0370-048-0000	E	14,182	13,180	\$3,198.89	E(i)
819	006-0380-001-0001	A	51,200	65,979	\$24,414.96	
820	006-0380-001-0002	A	0	181,130	\$26,263.85	
821	006-0380-001-0003	A	0	0	\$0.00	
822	006-0390-001-0000	E	0	18,182	\$1,400.01	E(i)
823	006-0390-002-0000	E	0	17,595	\$1,354.82	E(i)
824	006-0390-003-0000	E	0	21,944	\$1,689.69	E(i)
825	006-0390-004-0000	E	0	21,782	\$1,677.21	E(i)
826	006-0390-005-0000	E	0	26,674	\$2,053.90	E(i)
827	006-0390-006-0000	E	0	88,427	\$8,842.70	
828	006-0400-001-0000	E	0	99,403	\$7,654.03	E(i)
829	006-0400-002-0000	E	0	88,427	\$6,808.88	E(i)
830	006-0410-001-0000	E	0	24,482	\$2,448.20	
831	006-0410-002-0000	E	0	25,403	\$2,540.30	
832	006-0410-003-0000	E	0	44,567	\$4,456.70	
833	006-0410-004-0000	E	0	13,879	\$1,068.68	E(i)
834	006-0410-005-0000	E	0	37,253	\$3,725.30	
835	006-0420-001-0000	E	0	2,511	\$251.10	
836	006-0420-002-0000	E	0	11,064	\$851.93	E(i)
837	006-0420-003-0000	E	0	4,322	\$332.79	E(i)
838	006-0420-004-0000	E	0	25,776	\$2,577.60	
839	006-0430-001-0000	E	0	44,472	\$4,447.20	
840	006-0440-001-0000	E	0	24,318	\$2,431.80	
841	006-0450-001-0000	E	0	123,690	\$12,369.00	
842	006-0460-001-0001	E	0	2,082	\$208.20	

843	006-0460-001-0002	E	0	797	\$79.70	
844	006-0460-001-0003	E	0	1,384	\$138.40	
845	006-0460-001-0004	E	0	1,440	\$144.00	
846	006-0460-001-0005	E	0	1,370	\$137.00	
847	006-0460-001-0006	E	0	1,277	\$127.70	
848	006-0460-001-0007	E	0	1,368	\$136.80	
849	006-0460-001-0008	E	0	789	\$78.90	
850	006-0460-001-0009	E	0	1,663	\$166.30	
851	006-0460-001-0010	E	0	0	\$0.00	
852	006-0460-001-0011	E	0	0	\$0.00	
853	006-0470-001-0001	E	0	2,069	\$206.90	
854	006-0470-001-0002	E	0	799	\$79.90	
855	006-0470-001-0003	E	0	1,508	\$150.80	
856	006-0470-001-0004	E	0	1,392	\$139.20	
857	006-0470-001-0005	E	0	1,503	\$150.30	
858	006-0470-001-0006	E	0	1,385	\$138.50	
859	006-0470-001-0007	E	0	936	\$93.60	
860	006-0470-001-0008	E	0	1,379	\$137.90	
861	006-0470-001-0011	E	0	0	\$0.00	
862	006-0470-001-0012	E	0	0	\$0.00	
863	006-0470-001-0013	E	0	2,506	\$250.60	
864	006-0480-001-0001	E	0	2,112	\$211.20	
865	006-0480-001-0002	E	0	798	\$79.80	
866	006-0480-001-0003	E	0	1,507	\$150.70	
867	006-0480-001-0004	E	0	1,392	\$139.20	
868	006-0480-001-0005	E	0	1,502	\$150.20	
869	006-0480-001-0006	E	0	1,379	\$137.90	
870	006-0480-001-0007	E	0	934	\$93.40	
871	006-0480-001-0008	E	0	1,379	\$137.90	
872	006-0480-001-0011	E	0	0	\$0.00	
873	006-0480-001-0012	E	0	0	\$0.00	
874	006-0480-001-0013	E	0	2,540	\$254.00	
875	006-0490-001-0001	E	0	2,117	\$211.70	
876	006-0490-001-0002	E	0	799	\$79.90	
877	006-0490-001-0003	E	0	1,516	\$151.60	
878	006-0490-001-0004	E	0	1,392	\$139.20	
879	006-0490-001-0005	E	0	1,502	\$150.20	
880	006-0490-001-0006	E	0	1,379	\$137.90	

881	006-0490-001-0007	E	0	934	\$93.40	
882	006-0490-001-0008	E	0	1,379	\$137.90	
883	006-0490-001-0011	E	0	0	\$0.00	
884	006-0490-001-0012	E	0	0	\$0.00	
885	006-0490-001-0013	E	0	2,545	\$254.50	
886	006-0500-001-0001	E	0	2,944	\$294.40	
887	006-0500-001-0002	E	0	1,760	\$176.00	
888	006-0500-001-0003	E	0	1,916	\$191.60	
889	006-0500-001-0004	E	0	2,125	\$212.50	
890	006-0500-001-0005	E	0	1,734	\$173.40	
891	006-0500-001-0006	E	0	3,323	\$332.30	
892	006-0500-001-0007	E	0	0	\$0.00	
893	006-0500-001-0008	E	0	0	\$0.00	
894	No APN	C	78,000	266,457	\$63,368.55	
894	006-0162-001-0000	D	1,559,884	482,250	\$198,110.99	
895	006-0045-002-0000	B	31,232	43,285	\$13,747.37	
896	006-0045-003-0000	B	13,568	9,228	\$4,727.32	
897	006-0073-050-0000	C	9,600	19,872	\$5,860.80	

* Further detail on parcel types and the assessment methodology is provided in Section VIII.

TE = Tax-Exempt

E(i) = Zone E Interior Parcels

APPENDIX 5 – TOTAL ESTIMATED COST OF IMPROVEMENTS, MAINTENANCE, AND ACTIVITIES

The estimated maximum cost of the line items below was developed based on the estimated costs of providing improvements, maintenance, and activities in the DSPBID. The costs below are estimated. The actual line-item costs will fluctuate. The table below shows combined expenditures from assessment and non-assessment funds. Assessment funds are governed by Section V. There is no limit on reallocation of non-assessment funds by the Owners' Association. The total maximum budget may exceed the maximum listed in this table if there are parcel changes that result in parcels being assessed at a higher rate due to a higher estimated benefit.

Year	Maintenance	Safety	Environmental Management	Economic Development	Administration	Total
2026	\$1,522,357.22	\$1,961,736.74	\$396,060.41	\$1,265,163.07	\$1,038,958.33	\$6,184,275.77
2027	\$1,598,475.08	\$2,059,823.58	\$415,863.44	\$1,328,421.22	\$1,090,906.25	\$6,493,489.57
2028	\$1,678,398.83	\$2,162,814.76	\$436,656.61	\$1,394,842.28	\$1,145,451.56	\$6,818,164.04
2029	\$1,762,318.78	\$2,270,955.49	\$458,489.44	\$1,464,584.40	\$1,202,724.14	\$7,159,072.25
2030	\$1,850,434.71	\$2,384,503.27	\$481,413.91	\$1,537,813.62	\$1,262,860.34	\$7,517,025.85
2031	\$1,942,956.45	\$2,503,728.43	\$505,484.61	\$1,614,704.30	\$1,326,003.36	\$7,892,877.15
2032	\$2,040,104.27	\$2,628,914.85	\$530,758.84	\$1,695,439.51	\$1,392,303.53	\$8,287,521.00
2033	\$2,142,109.49	\$2,760,360.60	\$557,296.78	\$1,780,211.49	\$1,461,918.71	\$8,701,897.07
2034	\$2,249,214.96	\$2,898,378.63	\$585,161.62	\$1,869,222.06	\$1,535,014.64	\$9,136,991.91
2035	\$2,361,675.71	\$3,043,297.56	\$614,419.70	\$1,962,683.17	\$1,611,765.37	\$9,593,841.51
Total	\$19,148,045.50	\$24,674,513.91	\$4,981,605.36	\$15,913,085.12	\$13,067,906.23	\$77,785,156.12