

(R-83-1326)

RESOLUTION NUMBER R- 258118

Adopted on MAR 21 1983

A RESOLUTION AMENDING COUNCIL POLICY NO. 800-3  
REGARDING ASSESSMENT DISTRICT PROCEEDINGS

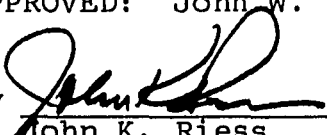
BE IT RESOLVED, by the Council of The City of San Diego as follows:

That Council Policy No. 800-3 entitled "Assessment District Proceedings" be and is hereby amended as set forth in the Council Policy filed in the Office of the City Clerk as Document No. RR- 258118.

BE IT FURTHER RESOLVED, that the City Clerk is hereby instructed to add the aforesaid to the Council Policy Manual.

BE IT FURTHER RESOLVED, that Resolution No. R-212106 adopted November 27, 1974, regarding Council Policy 800-2 be and the same is hereby rescinded.

APPROVED: John W. Witt, City Attorney

By   
John K. Riess  
Deputy City Attorney

JKR:smm  
3/1/83  
Or.Dept:T&LU  
Form=r.estcp

CITY OF SAN DIEGO, CALIFORNIA

COUNCIL POLICY

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Adopted by Resolution No. 169956 3/15/62  
Amended by Resolution No. 212106 11/27/74  
Rescinded by Resolution No. 258118 3/21/83

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## CITY OF SAN DIEGO, CALIFORNIA

## COUNCIL POLICY

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BACKGROUND

An important method for financing public acquisitions and improvements is the use of special assessment district proceedings. Such special districts may be formed under provisions of State law (primarily 1911 Act and 1913 Act improvement districts) or under provisions of the City's own procedural ordinances.

PURPOSE

To outline a uniform policy for assessment projects in the City of San Diego covering the initiation of proceedings, information to property owners, requirements for implementing assessment district projects, determination of assessments, and the granting of waivers.

POLICYA. Initiation of Proceedings

It is the policy of the City of San Diego that assessment proceedings be initiated one of two ways:

1. The City Council may initiate the assessment proceedings for the following improvements:
  - a. Streets and alleys, water and sewer facilities, park improvements and other public facilities, and open space acquisition when requested by property owner petition representing 67% of the land area subject to assessment.
  - b. Underground utility conversion projects when requested by property owner petition representing 75% of the land area subject to assessment.
2. If a petition contains less than the requisite necessary percentage of the signatures of property owners, assessment proceedings may be initiated by the City Council upon recommendation by the City Manager that the public interest, safety or welfare require that the proceedings be initiated. The City Manager's recommendation will be supported by a description of the nature and scope of work, the extent of the district to be assessed, allocation of costs, and the proposed method of assessment and coordination efforts with the property owners.

Valid property owner petitions will be docketed for Council action no later than sixty (60) days from the date the petition is submitted to the City.

DOCUMENT NO. RR-258113FILED MAR 21 1983OFFICE OF THE CITY CLERK  
SAN DIEGO, CALIFORNIA

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B. Information to Property Owners

It is the policy of the City to inform each property owner by mail of the nature and scope of the proposed project, his/her estimated financial obligation under the proposed district, and the right to protest at the various hearings. Dissemination of this information shall be the responsibility of the City Manager. Generally, the dissemination of information will consist of the following:

1. During circulation of the petition, Staff shall be available for any community or neighborhood meetings at the request of the property owners.
2. When a scheduled Capital Improvement Project involves joint City and property owner financing and the project is to be Council initiated in accordance with Section A, 2 of this policy, the Manager shall explain the project to all owners proposed to be assessed.
3. Following the acceptance of a property owner petition or Council initiation of a project, the Manager will, by mail, advise all property owners that are subject to an assessment and briefly explain the project and the proposed schedule for the proceedings.
4. When a major change is identified in the design, scope of work, or estimate of cost, the Manager will take appropriate steps to notify the affected property owners of the change, and the circumstances of the change.
5. Prior to the hearing on the Resolution of Intention, each property owner will be advised by mail of the pending hearings and the estimated assessment for each property.
6. If bids for the construction contract are opened after the hearing has been concluded, the Manager will, prior to the award of the contract, notify by mail all property owners whose assessments would be increased by 10% or more over the estimate presented at the hearing.

C. Assessment Districts and Methods of Assessment

The State Assessment Acts require that the costs of the improvement or acquisition be apportioned to the lands in the district in proportion to the benefits received. In establishing benefit and apportioning costs, certain general guidelines may be used to assure conformity between similar districts and between similarly benefited properties within a district. These guidelines apply to the areas of benefit, allocation of costs and apportionment of assessments.

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1. Areas of Benefit

The area of benefit is delineated by the District's boundaries and includes properties which benefit from the improvement or acquisition. Among the typical areas of benefit encountered are the following:

- a. Local Streets: The area of benefit normally includes properties which front on the proposed improvement or are located within an area approximately one-half block distance on either side of the improvement.
- b. Major Street or Arterial Projects: The area of benefit normally includes all properties which front on the proposed improvement and extends to approximately one-half the distance to the next parallel major or arterial street but may be modified by such topographical features as canyons.
- c. Utilities (Water, Sewer, Electrical, Telephone, etc.): The area of benefit normally includes all properties which are to be ultimately served from the facility.
- d. Population-Based Parks (Neighborhood or Community Park Facilities): The area of benefit coincides with the Park Service District boundaries.
- e. Open Space (Park Reserve): The area of benefit as normally established includes all properties to be benefited by the open space acquisition, with consideration of proximity, visibility, access, and topography.

2. Allocation of Costsa. City Contributions

Certain public improvements or acquisition provide a local benefit, a community benefit, and a general City benefit. In those instances where funding is available, the City Council may elect to provide a portion of the project funding attributable to a general City benefit which exceeds the special local or community benefit. Examples of such general City benefit are traffic signals that benefit an area much larger and less defined than the proposed district or off-site improvements that are included in the project at the convenience of the City but which do not especially benefit properties in the district. Such allocation of City funding is set forth in the following other Council Policies.

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- (1) Street Improvements 200-1
- (2) Water and Sewer 400-6 and 400-7
- (3) Parks 700-7
- (4) Open Space (Park Reserve) 700-31
- (5) Storm Drains 800-4

b. Assessments Against City Owned Land

Assessments districts often include within their boundaries parcels of land owned by the City. Such City-owned land may be the site of existing or proposed public facilities, such as libraries, fire stations, or parks or may be undeveloped awaiting either improvement or sale. In each instance, the measure of benefit that would accrue to the City-owned parcels is to be critically evaluated in light of the City's ability to pay, as well as fairness to the other properties in the district. Whenever City-owned property is included within the boundaries of an assessment district, the docket supporting information provided to Council at the Resolution of Intention shall describe the City-owned land, its present and proposed uses, and what share of project costs, if any, that have been assigned to the City.

3. Apportionment of Assessments

The method used for measuring benefit should consider measurable factors which describe and reflect the physical features of the property, including the area of the parcel, frontage on the improvement, proximity to the improvement, and ability to gain access to the improvements.

Appropriate adjustments to the basic method for measuring benefit should be employed to reflect unique situations such as double frontage lots, corner lots, or irregularly shaped parcels. The following are typical methods used for the apportionment of costs for various types of improvements:

- a. Local Streets and Utilities (including pavement, curb, sidewalk, water and sewer facilities, streetlights, local drainage facilities and rights-of-way): These costs are normally apportioned on the basis of frontage, area, or a combination thereof.

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b. Major Streets and Arterials: Abutting properties should receive an allocation of costs similar to that for an equivalent local street. Costs not absorbed by the abutting properties should be uniformly distributed to the balance of benefiting properties on the basis of area or other measurable factors, such as proximity and accessibility or a combination thereof.

c. Population-Based Park Improvements, Open Space (Park Reserve) Acquisition and Underground Conversions: Apportionment of the assessments for these types of improvements is based on a property unit method of spread with zones of benefit related to proximity and/or topographic features of the parcels. Property unit is generally expressed in terms of equivalent dwelling units.

D. Waiver of Right to Protest Establishment of an Assessment District

Section 62.0207 of the San Diego Municipal Code provides that public improvements incidental to a building or structure may be deferred if it is determined that the improvements are of such limited scope that they would be more reasonably provided when combined with adjacent development. Deferral of improvements is conditioned on the applicant's execution of a waiver of his/her rights to protest the future formation of an assessment district. Waivers should be considered only in extraordinary circumstances and only after the application for deferral has been critically evaluated in light of the public's need for the improvements, the nature of the development and its potential impact on existing facilities, the level of development activity in the area, the continuity with existing facilities that the improvement would provide, and the relative burden on the owner in relation to the value of the development.

E. Improvements to Cover an Entire Block

\*It is the policy of the City Council that Assessment District projects shall cover at least one entire block and several blocks if possible.

F. Project Timetable

It shall be the responsibility of City staff to implement assessment district projects in a timely manner in order to retain the active support of the petitioners and to minimize the affects of inflation on project costs. No more than twelve months shall be consumed between Council acceptance of the petition and completion of the right-of-way acquisition and design phase nor more than 18 months between petition acceptance and the public hearing. At the end of each fiscal year, staff shall provide Council with a status report on assessment district activity, including compliance with this section of the policy.

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G. Incidental Costs

It is the policy of the City of San Diego that the incidental costs, which include engineering, advertising, printing, clerical service, inspection, attorney's fees, etc., be recovered and apportioned to the entire district in proportion to the assessments for the work. Incidental costs will be computed according to the following schedule:

<u>1. Construction Contract Costs</u>	<u>Total Incidental Costs</u>
\$ 10,000	\$ 5,000
25,000	9,000
50,000	16,000
100,000	30,000
200,000	56,000
300,000	76,000
400,000	92,000
500,000	106,000
1,000,000	186,000

2. Maintenance Projects

(no construction or acquisition)      8% of project costs for administration

The incidental costs may be increased from the schedule shown in order to cover special services or costs not normally incurred, such as right-of-way acquisition, and fees for consulting attorneys, engineers or appraisers.

In the case of acquisition projects (park reserve or open space) the incidental costs shall consist of the actual cost incurred in bringing the project to the public hearing plus an estimate of costs to be incurred following the public hearing such as the service of bonds by the Treasurer's Office and expense incurred in acquisition.

\* Extracted from Council Policy 800-2

NOTE: Council Policy 800-2 is deleted by the implementation of this policy.

Adopted by Resolution No. 183351 4-6-1965  
 Amended by Resolution No. 185734 12-14-1965  
 Amended by Resolution No. 188027 8-9-1966  
 Amended by Resolution No. 193345 4-4-1968  
 Amended by Resolution No. 212402 1-9-1975  
 Amended by Resolution No. 258118 3-21-1983

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MAR 21 1983

Passed and adopted by the Council of The City of San Diego on .....  
by the following vote:

Councilmen	Yeas	Nays	Not Present	Ineligible	
Bill Mitchell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Bill Cleator	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
District 3	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Vacant
William Jones	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Ed Struiksma	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Mike Gotch	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Dick Murphy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Uvaldo Martinez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Mayor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Vacant

AUTHENTICATED BY:

BILL CLEATOR

Deputy Mayor of The City of San Diego, California.

CHARLES G. ABDELNOUR

City Clerk of The City of San Diego, California.

By *Barbara Berridge* Deputy.

(Seal)

Office of the City Clerk, San Diego, California

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