

2024-2033



DOWNTOWN LANCASTER PROPERTY AND BUSINESS IMPROVEMENT DISTRICT MANAGEMENT DISTRICT PLAN & ENGINEER'S REPORT

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

September 16, 2022

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I. OVERVIEW

Developed by a growing coalition of property owners, the renewed Downtown Lancaster Property and Business Improvement District (District) 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, increased occupancies, and specifically increased property values. As required by state law, property owners have created this Management District Plan (Plan) to renew the District.

Location: The District generally includes parcels fronting W. Lancaster Boulevard, bounded by 10th Street West in the west, Jackman Street in the north, Sierra Highway in the east, and Milling Street in the south. The District also includes parcels bounded by W. Lancaster Boulevard in the north, W. Milling Street in the south, Sierra Highway in the east, and Fern Avenue in the west. Certain adjacent parcels in the Downtown Lancaster area have also been included in the District boundary, as shown on the map in Section III.

Purpose: The purpose of the District is to provide activities, maintenance, and improvements which constitute and convey a special benefit to assessed parcels. The District will provide clean and safe, marketing and promotions, and related advocacy and administration programs directly and only to assessed parcels within its boundaries.

Budget: The District annual assessment budget for the initial year of its ten (10) year operation is anticipated to be \$334,978.46. The annual assessment budget may be subject to an increase in assessment rates of no more than three percent (3%) per year. The assessment funds will be supplemented by non-assessment funds, so that the total budget for the initial year is estimated at \$342,775.22. The amount of non-assessment funds is the minimum amount necessary to pay for the general benefit provided by District programs. Further detail on the separation of special and general benefit is provided in Section VIII.

Cost: The assessment rate (cost to the parcel owner) is based on benefit zone, parcel size, building size, and parcel type. Single family residential parcels and public easements on private parcels will not be assessed. The initial annual rate to each parcel is shown in the table below. Assessment rates may be subject to an increase of no more than three percent (3%) per year.

	ZONE 1		ZONE 2	
Parcel Type	Parcel Size (sq. ft.)	Building Size (sq. ft.)	Parcel Size (sq. ft.)	Building Size (sq. ft.)
Commercial	\$0.085	\$0.165	\$0.045	\$0.095
Apartment Complex	\$0.0425	\$0.0825	\$0.0225	\$0.0475

Renewal: District renewal requires submittal of petitions from property owners representing more than fifty percent (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 District.

Duration: The District will have a ten (10) year life, beginning January 1, 2024, through December 31, 2033. Near the end of the term, the petition, ballot, and City Council hearing process must be repeated for the District to again be renewed.

Management: The BLVD Association (Association) will continue to serve as the Owners' Association for the District. The Owners' Association is charged with managing funds in accordance with this Plan and must submit an annual report to the City.

II. BACKGROUND

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

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

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

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

The District 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. Key provisions of the law include:

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

The service area includes approximately 234 assessed properties with 97 property owners and 3 non-assessed parcels. The District boundary is illustrated by the map below. A larger map is available on request by calling (916)437-4300 or (800)999-7781. A larger map is provided in Appendix 6.



IV. SERVICE PLAN & BUDGET

A. Improvements and Activities

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

1. Clean & Safe

The clean and safe program will work to make the District a cleaner, safer area. The goal of this program will be to make the district a more desirable place to live and shop, which will specially benefit assessed parcels by increasing their tenancy rates and commerce.

The clean portion of the program may include:

- Sidewalk cleaning;
- Litter removal;
- Graffiti removal;
- Installation of trash receptacles;
- Removal of stickers and other items affixed to public works in the area;
- Landscape maintenance and clean-up;
- Roaming clean-up patrols; and
- Similar services designed to maintain a clean, attractive environment.

The safe portion of the program may include:

- Security patrols;
- District ambassadors who act as guides to district patrons;
- Coordination with public safety personnel including the Los Angeles County Sheriff's Department and City of Lancaster Public Safety staff;
- Educating property owners and tenants on ways to increase safety; and
- Similar services designed to increase safety at assessed parcels.

2. Marketing & Promotions

A marketing and promotions program will be undertaken to increase awareness of The BLVD as a shopping, dining, entertainment, cultural, and living destination. Services may include:

- Marketing materials;
- Print, internet, radio, and television advertising;
- Website development and maintenance;
- Hosted Special events and/or event sponsorships;
- Partnerships with local businesses and other promotional activities;
- Promotional maps; and
- Banners and Signage

3. Advocacy & Administration

The administration portion of the budget will be utilized for administrative costs associated with provide the activities and improvements. Those costs may include rent, telephone charges, legal fees, accounting fees, postage, administrative staff, insurance, and other general office expenses. Advocacy activities will

include working with potential business tenants, developers, banks, and government agencies to attract new businesses to the BLVD.

4. Contingency/Reserve

The budget includes a prudent fiscal reserve. Changes in data, lower than anticipated collections, higher than expected program costs, and other issues may change the revenue and expenses. In order to buffer the organization for unexpected changes in revenue, and/or allow the District to fund other overhead or renewal costs, the reserve is included as a budget item. Should contingency funds remain at the expiration of the district, and property owners wish to renew the district, the remaining funds may be used for the costs of renewal.

B. Annual Assessment Budget

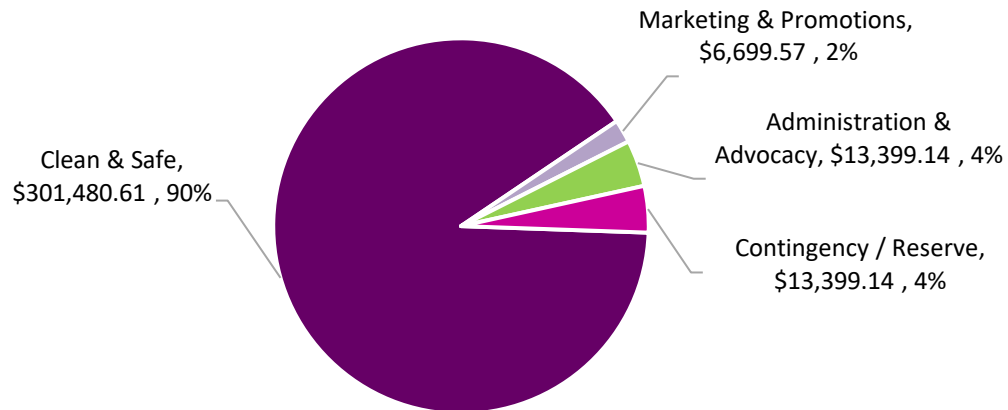
A projected ten (10) year assessment budget for the District is provided below. The overall assessment budget shall remain consistent with this Plan. In the event of a legal challenge, assessment funds may be used to defend the District. The annual assessment budget is based on the following assumptions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

1. The cost of providing improvements and activities may vary depending upon the market cost for those improvements and activities. Expenditures may require adjustment up or down to continue the intended level of improvements and activities. The Association's Board shall annually have the ability to re-allocate up to fifteen percent (15%) of the budget allocation by line item within the budgeted categories. Any change will be approved by the Association's Board and submitted with the Annual Report.
2. Funds not spent in any given year may be rolled over to the next year.
3. The assessment rate may be subject to annual increases that will not exceed three percent (3%) per year. Increases will be determined by the Association's Board and will vary each year. The projections below illustrate the maximum annual three percent (3%) increase for all budget items.
4. Each budget category includes all costs related to providing that service. For example, the clean and safe budget includes the cost of staff time dedicated to overseeing and implementing the clean and safe program. Staff time dedicated purely to administrative tasks is allocated to the advocacy and administration portion of the budget. The costs of an individual staff member may be allocated to multiple budget categories. The staffing levels necessary to provide the District services will be determined by the Association's Board on an as-needed basis.

C. Service Budget

The total improvement, maintenance, and activity budget for the first year of renewal that is funded by property assessments is \$334,978.46. 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 and Appendix 4. An illustration of the estimated total budget allocations for each budget category for the ten (10) year life of the District is shown on the following page. The allocation of the assessment funds is governed by Section E below. Non-assessment funds may be shifted between budget categories as needed by the Association's Board.

Initial Year Assessment Budget - \$334,978.46



D. 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 the first year of operation, broken down by zone, is below. The improvements and activities to be provided in each zone are shown in Appendix 5.

Budget Category	Zone 1	Zone 2
Clean & Safe	\$164,343.99	\$137,136.63
Marketing & Promotions	\$3,652.09	\$3,047.48
Administration & Advocacy	\$7,304.18	\$6,094.96
Contingency / Reserve	\$7,304.18	\$6,094.96
Total	\$182,604.44	\$152,374.03

E. Annual Maximum Budget

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

Year	Clean & Safe	Marketing & Promotions	Admin. & Advocacy	Contingency / Reserve	Total
%	90%	2%	4%	4%	100%
2024	\$301,480.61	\$6,699.57	\$13,399.14	\$13,399.14	\$334,978.46
2025	\$310,525.02	\$6,900.56	\$13,801.11	\$13,801.11	\$345,027.80
2026	\$319,840.77	\$7,107.57	\$14,215.15	\$14,215.15	\$355,378.64
2027	\$329,436.00	\$7,320.80	\$14,641.60	\$14,641.60	\$366,040.00
2028	\$339,319.08	\$7,540.42	\$15,080.85	\$15,080.85	\$377,021.20
2029	\$349,498.65	\$7,766.64	\$15,533.27	\$15,533.27	\$388,331.83
2030	\$359,983.61	\$7,999.64	\$15,999.27	\$15,999.27	\$399,981.79
2031	\$370,783.12	\$8,239.62	\$16,479.25	\$16,479.25	\$411,981.24
2032	\$381,906.61	\$8,486.81	\$16,973.63	\$16,973.63	\$424,340.68
2033	\$393,363.81	\$8,741.42	\$17,482.84	\$17,482.84	\$437,070.91
Total	\$3,456,137.28	\$76,803.05	\$153,606.11	\$153,606.11	\$3,840,152.55

V. CONTINUATION OF CITY SERVICES

A. City Base Levels of Service Policy

Throughout the process of renewing the District, stakeholders and property owners have voiced concerns that the City of Lancaster maintains existing services at verifiable “baseline” service levels. The intention of the District is to provide supplemental services, above and beyond those provided by the City, which will constitute and provide a special benefit to assessed parcels. Maintaining a standard level of City services inside and outside the District helps to ensure the District’s services provided constitute a special benefit.

A formal base level of service policy will ensure that existing City services are enhanced, not replaced, by the continued District services. The baseline level of services is those services which are currently provided by the City to all commercial districts throughout the City, including within the District boundaries. The City may not reduce those services because the District is renewed, they may only be reduced as part of a broader adjustment to City services. For instance, if the City currently provides street sweeping twice a year throughout the City limits, it can reduce the frequency to once a year throughout the City, but cannot reduce the frequency to once a year only with the District.

B. Existing Services

The City currently provides services within the District boundaries. During the District’s ten (10) year term, these services may only be reduced as part of a broader service reduction affecting parcels inside and outside of the District.

VI. ASSESSMENT RATE

A. Assessment Formula

Individual assessed parcels shall be assessed an assessment rate according to each assessed parcel's proportionate special benefit derived from the services provided to each assessed parcel, as shown in the table below.

	ZONE 1		ZONE 2	
Parcel Type	Parcel Size (sq. ft.)	Building Size (sq. ft.)	Parcel Size (sq. ft.)	Building Size (sq. ft.)
Commercial	\$0.085	\$0.165	\$0.045	\$0.095
Apartment Complex	\$0.0425	\$0.0825	\$0.0225	\$0.0475

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

If the zoning, ownership, building square footage, or size of a parcel within the District boundary changes during the term of the District 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, etc.), new construction, new ownership, or changes in zoning.

C. Assessment Notice

During the hearing process, an Assessment Ballot will be sent to owners of each parcel in the District. The Assessment Ballot provides an estimated assessment. The final individual assessment for any particular parcel may change, up or down, if the parcel square footage or type differ from those used to calculate the amount shown on the notice, which can be found in Appendix 3.

D. Time and Manner for Collecting Assessments

As provided by State Law, the District assessment will appear as a separate line item on annual property tax bills prepared by the County of Los Angeles. Alternatively, the District assessment may be collected by the City of Lancaster if needed. Property tax bills are generally distributed in the fall, and payment is expected by lump sum or installment. The County of Los Angeles or the City of Lancaster shall distribute funds collected to the Owners' Association. Existing laws for enforcement and appeal of property taxes, including penalties and interest, apply to the District assessments.

E. Bonds

Bonds shall not be issued.

VII. GOVERNANCE

A. Owners' Association

The District shall continue to be governed by the BLVD Association, with oversight from the Lancaster City Council. The BLVD Association shall serve as the Owners' Association described in the Streets and Highways Code §36651. The Board of Directors of the Association and its staff are charged with the day-to-day operations of the District.

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

The Board of Directors shall act in the best interests of all of the properties within the District. The diverse representation described above ensures that the interests of all of the properties in the District shall be fairly represented. The City Council or Board of Directors reserves the right to amend or modify the composition of the Board by a separate resolution without amending this Management District Plan.

B. Brown Act & Public Records Act Compliance

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

C. Annual Report

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

1. Any proposed changes in the boundaries of the District 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 District's parcel assessments will be imposed in accordance with the provisions of Article XIID of the California Constitution. Article XIID provides that "only special benefits are assessable,"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 and activities, quantified the general benefit accruing to the public-at-large and non-assessed parcels adjacent to and within the District, and separated that amount from the special benefit accruing to the assessed parcels. Then, the Engineer determined the proportional special benefit derived by each parcel and allocated the special benefit value of the improvements 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 and activities, and the associated costs and assessments within the District, were reviewed, identified, and allocated based on special and general benefits pursuant to Article XIID of the California Constitution. The assessment has been apportioned based on the proportional special benefits conferred to the assessed parcels located within the District boundaries as determined below.

1. General Benefits

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

The California Constitution mandates that "only special benefits are assessable, and an agency shall separate the general benefits from the special benefits."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 District's activities and improvements is to identify and quantify the general benefits. There are two bodies who can receive general benefits: the public-at-large within the District, and non-assessed parcels within and surrounding the District.

¹ Cal. Const., art. XIII D, §4(a)

² Cal. Const., art. XIII D, §4(a)

³ Id., §2(f)

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 Neighborhood Association v. City of San Diego* (2011) 199 Cal.App.4th 416

a. General Benefit to the Public-at-Large

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

Intercept surveys conducted in similar districts have found that approximately 98.6% of pedestrian traffic within the district boundaries is engaged in business on assessed parcels, while the remaining approximately 1.4% is simply passing through and not engaging in business on the assessed parcels¹¹. To ensure that the assessment dollars do not fund general benefits to the public-at-large, that portion of the cost of services will be paid for with funds not obtained through assessments. Out of an abundance of caution, the 1.4% figure was rounded to 2% for the purposes of this Engineers Report. The 2% of traffic passing through does not have any connection to the assessed parcels, and therefore does not represent a special benefit to the assessed parcels. The 2% will, however, receive a derivative and indirect general benefit as a result of the activities and improvements being provided in the DLPBID. Therefore, it is estimated that 2% of the benefit created by the DLPBID’s services is general benefit provided to the public-at-large. To ensure that the assessment dollars do not fund general benefits to the public-at-large, that portion of the cost of activities and improvements will be paid for with funds not obtained through assessments. Using the 2% figure, based on the initial year activity and improvement budget, the value of this general benefit to the public-at-large is \$6,8550.50 (\$342,775.22*0.02).

b. General Benefit to Non-Assessed Parcels

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

⁸ Streets and Highways Code section 36601(h)(2)

⁹ Ibid

¹⁰ Streets and Highways Code Section 36622(k)(2)

¹¹ Surveys conducted in: North Park, San Diego (January 2015); Downtown Burbank (October 2017); Downtown Pomona (April 2018); and Sunrise MarketPlace, Citrus Heights (December 2019)

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

¹³ Beutz v. Riverside (2010) 184 Cal.App.4th 1516

indicated that “the value of any incidental or collateral effects that arise from the improvements, maintenance, or activities of a property-based district and that benefit property or persons not assessed shall *not* be deducted from the entirety of the cost of any special benefit,”¹⁴ the California Court of Appeals has noted that “the characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement...or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement.”¹⁵ Those derivative and indirect impacts are considered general benefits and will be quantified and separated.

In this Engineer’s opinion, because activities and improvements are provided only within the District and on its perimeter, parcels separated from the District by either at least one intervening parcel or an impassable physical barrier such as a wall, railroad track, freeway, or ditch will not receive spill over benefits. Parcels separated from the District will not benefit because they are physically removed from the actual location of activities and improvements provided, and do not face serviced parcels. Therefore, this analysis considers non-assessed parcels within the District’s boundaries and surrounding parcels that are immediately adjacent to and accessible from the District’s boundaries.

The total District activity and improvement budget for the first year is \$342,775.22. After reducing the activity and improvement budget by the general benefit to the public-at-large (\$6,855.50), the remaining benefit to parcels is \$335,919.72. This benefit has been distributed to both assessed and non-assessed parcels using the following methodology. The general benefit to the public-at-large has been proportionally allocated to the District’s activity and improvement categories as shown in the following table.

Category	Benefit to Parcels	Benefit to Public-at-Large	Total
Clean & Safe	\$302,331.45	\$6,170.03	\$308,501.48
Marketing & Promotions	\$6,714.69	\$137.03	\$6,851.72
Advocacy & Administration; Contingency / Reserve	\$26,873.58	\$548.44	\$27,422.02
TOTAL	\$335,919.72	\$6,855.50	\$342,775.22

To determine the general benefit to parcels, the Engineer assigned each parcel group a benefit factor, determined the appropriate parcel characteristic to use in the calculation, multiplied the benefit factor by the benefit characteristic to determine the benefit units attributable to each parcel group, and apportioned the remaining service cost (service cost minus general benefit to the public) in accordance with the benefit units derived by each parcel group.

i. Benefit Factors

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

Tangible Activities

The tangible activities (those that are physically provided via a person or people working throughout the district) to be provided by the District generate three types of special benefits:

¹⁴ Streets and Highways Code section 36622(k)(2)

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

- *Service* – The primary special benefit provided by the District’s physical activities is the actual service.
- *Presence* – The District’s physical activities also provide the special benefit of an individual’s presence on the assessed parcel as the 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.
- *Proximity* – The District’s physical activities also provide the special benefit of being in proximity to a cleaner, safer parcel. Neighboring parcels enjoy the spillover benefits of being adjacent to increased safety and cleanliness.

The majority of the benefit received by the parcels is the results of the district’s 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 District’s physical 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 adjacent to the District will not be directly serviced and therefore only receive the general benefit of proximity.

Intangible Activities

Some of the District’s activities, such as marketing, are distinct in that they are not provided to a targeted area within the District, rather they are provided via Internet, radio, and other forms of media and targeted at an audience outside the District in an effort to bring the audience into the District. These activities provide two types of special benefits:

- *Direct Exposure* – The primary special benefit provided by the District’s intangible activities is exposure. The intangible activities increase awareness of the District as a commercial and business destination and lead to increased patronage.
- *Incidental Exposure* – The District’s intangible activities will also have a secondary special benefit of incidental exposure, such as word-of-mouth exposure, that results from the direct exposure and increases awareness of the District as a commercial and business destination.

The majority of the benefit from these 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 intangible activities is direct exposure, while ten percent (10%) is incidental exposure. Assessed parcels will receive both as special benefits; non-assessed parcels within and adjacent to the District will not be directly marketed and therefore only receive the general benefit of incidental exposure.

Factors Determined

Based on the foregoing analysis, all assessed parcels within the District specially benefit from the District’s activities and improvements, and have been assigned a benefit factor of 1.0. Parcels that are not assessed have been assigned benefit factors based on the portion of the benefit they will receive, as described above. The non-assessed parcels will benefit from 12.5% of the tangible activities and 10% of the intangible activities; therefore they have been assigned benefit factors of 0.125 and 0.10, respectively.

ii. Non-Assessed Benefit Characteristics

There are two types of parcels that are not assessed; those within the District and those immediately adjacent to and accessible from the District. 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 District are surrounded by parcels that are assessed and receiving the full special benefits; they will, therefore, receive the general benefits of proximity and indirect exposure. These parcels are impacted on more than one side by the District's activities, marketing has a direct impact all around them, 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 immediately adjacent to or directly across the street from specially benefitted parcels, and accessible from specially benefitted parcels. These parcels generally benefit differently than those inside the district, 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 adjacent to serviced parcels will benefit differently. To account for this difference, it is appropriate that parcel linear frontage be used to measure the general benefit the adjacent parcels receive.

iii. Calculations

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

1. The total service budget for each category was determined and the amount of general benefit to the public-at-large was subtracted from the category budget.
2. The benefit factor applicable to each activity or improvement 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.
3. 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 activity and improvement budget, less the amount already determined to be general benefit to the public-at-large, 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 and contingency portions of the budget were determined based on the proportional allocation of benefits derived from activities and improvements.

Clean & Safe

The clean and safe budget, minus the amount of general benefit to the public-at-large, is \$302,331.45. The calculations below determine the amount of general benefit to non-assessed parcels within the district. The clean and safe budget category contains tangible activities; the Engineer used the 0.125 benefit factor to quantify the general benefit.

Parcel Type	Square Footage	Benefit Factor	Benefit Units	Benefit Percent	Remaining Budget	
Assessed	3,341,201	X 1.000	=3,341,201.00	99.89%	X \$302,331.45	= \$302,008.82
Non-Assessed	28,555	X 0.125	=3,569.38	1.10%	X \$302,331.45	= \$322.63

The clean and safe budget, minus the amount of general benefit to the public and non-assessed parcels within the district, is \$ 302,008.82. The calculations below determine the amount of general benefit to parcels adjacent to the District.

Parcel Type	Linear Frontage	Benefit Factor	Benefit Units	Benefit Percent	Remaining Budget	
Inside	41,309	X 1.000	= 41,309.00	99.825 %	X \$302,008.82	= \$301,480.61
Adjacent	579	X 0.125	= 72.38	.175%	X \$302,008.82	= \$ 528.21

Therefore, the allocation of the clean and safe budget is as follows:

General Benefit – Public-At-Large	\$6,170.03
General Benefit – Inside Parcels	\$322.63
General Benefit – Adjacent Parcels	\$528.21
Special Benefit	\$301,480.61
Total	\$308,501.48

Marketing & Promotions

The marketing and promotions budget, minus the amount of general benefit to the public-at-large, is \$6,714.69. The calculations below determine the amount of general benefit to non-assessed parcels within the district. The marketing and promotions budget category contains intangible activities; the Engineer used the 0.10 benefit factor to quantify the general benefit.

Parcel Type	Square Footage	Benefit Factor	Benefit Units	Benefit Percent	Remaining Budget	
Assessed	3,341,201	X 1.000	= 3,341,201.00	99.915 %	X \$6,714.69	= \$6,708.96
Non-Assessed	28,555	X 0.100	= 2,855.00	.085%	X \$6,714.69	= \$5.73

The marketing and events budget, minus the amount of general benefit to the public and non-assessed parcels within the district, is \$6,708.96. The calculations below determine the amount of general benefit to parcels adjacent to the District.

Parcel Type	Linear Frontage	Benefit Factor	Benefit Units	Benefit Percent	Remaining Budget	
Inside	41,309	X 1.000	= 41,309.00	99.86%	X \$6,708.96	= \$6,699.57
Adjacent	579	X 0.100	= 57.90	.14%	X \$6,708.96	= \$9.39

Therefore, the allocation of the marketing and events budget is as follows:

General Benefit – Public-At-Large	\$137.03
General Benefit – Inside Parcels	\$9.39
General Benefit – Adjacent Parcels	\$5.73
Special Benefit	\$6,699.57
Total	\$6,851.72

Administration & Advocacy; Contingency / Reserve

The administration and advocacy and contingency / reserve budget lines items relate to the activities and improvements provided. These costs have been allocated proportionally based on the special and general benefit provided by each category.

	Special Benefit to Parcels	General Benefit to Parcels
Clean & Safe	\$301,480.61	\$850.84
Marketing & Promotions	\$6,699.57	\$15.12
Activity Totals	\$308,180.18	\$865.96
Percent	99.72%	0.28%
Advocacy & Administration; Contingency / Reserve	\$26,798.28	\$75.30
Total Parcel Benefits	\$334,978.46	\$941.26

iv. Total Benefits

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

	Special	Parcel General	Public	Total
Clean & Safe	\$301,480.61	\$850.84	\$6,170.03	\$308,501.48
Marketing & Promotions	\$6,699.57	\$15.12	\$137.03	\$6,851.72
Advocacy & Administration; Contingency / Reserve	\$26,798.28	\$75.30	\$548.44	\$27,422.02
Total	\$334,978.46	\$941.26	\$6,855.50	\$342,775.22

c. Non-Assessment Funding

The programs funded by the District receive additional non-assessment funding in the form of grants, corporate sponsorships, event income, city general fund contributions, and other miscellaneous funds. These funding sources are anticipated to equal or exceed the amount of general benefit conferred annually by the District's activities and improvements, \$7,796.76. These non-assessment funds will

be used to pay for the general benefit provided by the District's activities and improvements, ensuring that parcel assessments will only be used to provide special benefits and "any additional costs of providing general benefits [are] not included in the amounts assessed."¹⁶

1. Special Benefit

The activities and improvements to be provided by the District constitute and convey special benefits directly to the assessed parcels. Assessment law requires that "the proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the property related service being provided."¹⁷ Further, "no assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."¹⁸ 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."¹⁹

To determine the total special benefit value to be conveyed to the assessed parcels, we deduct the general benefit value (\$7,796.76) from the total value of the activities and improvements (\$342,775.22). The remaining \$334,978.46 is considered the special benefit to assessed parcels (the "Total Assessment"). The Total Assessment represents the total value of the special benefit to be provided by the activities and improvements. The Total Assessment has been proportionally divided among the assessed parcels so that no assessment exceeds the reasonable cost of the proportional special benefit conferred on a parcel. The assessment rate has been designed to ensure that "properties that receive the same proportionate special benefit pay the same assessment."²⁰

Service Provided	Total Benefit Value	General Benefit Value to Public	Benefit Value to Parcels (Special & General)	Special Benefit to Assessed Parcels
Clean & Safe	\$308,501.48	\$6,170.03	\$302,331.45	\$301,480.61
Marketing & Promotions	\$6,851.72	\$15.12	\$6,714.69	\$6,699.57
Advocacy & Administration	\$13,711.01	\$37.65	\$13,436.79	\$13,399.14
Contingency/Reserve	\$13,711.01	\$37.65	\$13,436.79	\$13,399.14
TOTAL	\$342,775.22	\$941.26	\$335,919.72	\$334,978.46

2. Assessment Methodology

1. Base Formula

Each parcel will be assessed based on proportional special benefits received. The variables used for the annual assessment formula are parcel type, parcel size, building size, and benefit zone. These variables are both 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.

¹⁶ Streets and Highways Code section 36632(a)

¹⁷ Cal. Const., art XIII D §4(a)

¹⁸ Ibid

¹⁹ Streets and Highways Code section 36615.5

²⁰ *Tiburon v. Bonander* (2009) 180 Cal.App.4th 1057

Determination of Assessment Rates

“Because not all parcels in the district are identical in size...some will receive more special benefit than others.”²¹ 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 size is the size of the building(s) on a parcel, measured in square feet. Size is an appropriate measure of proportional special benefit because it relates directly to the quantity of services provided to the parcel, the highest and best use of a parcel, and reflects the long-term value implications of the District. The larger a parcel or building, the more services and benefit the parcel will receive.

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

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

Parcel Type

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

Parcel Size and Building Size

The District’s services will benefit each assessed parcel as a whole. The service budget which, in this Engineer’s estimation, represents special benefits to the parcels, has been allocated based on parcel size and building size.

Parcel Type	Initial Parcel Size Budget	Parcel Square Footage	Initial Parcel Assessment Rate (\$/sqft/yr)
Zone 1 Commercial	\$81,514.15 ÷	958,990 =	\$0.085
Zone 1 Apartment Complex	\$995.35 ÷	23,420 =	\$0.0425
Zone 2 Commercial	\$100,906.56 ÷	2,242,368 =	\$0.045
Zone 2 Apartment Complex	\$2,2619.52 ÷	116,423 =	\$0.0225

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

Parcel Type	Initial Building Size Budget	Building Square Footage	Initial Building Assessment Rate (\$/sqft/yr)
Zone 1 Commercial	\$96,783.39 ÷	586,566 =	\$0.165
Zone 1 Apartment Complex	\$3,311.55 ÷	40,140 =	\$0.0825
Zone 2 Commercial	\$39,473.07 ÷	415,506 =	\$0.095
Zone 2 Apartment Complex	\$9374.89 ÷	197,336 =	\$0.0475

Summary of Assessment Rates

Therefore, for the initial year, the maximum annual assessment rates to parcels are as shown below and in Appendix 1. Maximum annual assessment rates may be subject to an increase of no more than three (3%) percent per year as shown in Appendix 1.

	ZONE 1		ZONE 2	
Parcel Type	Parcel Size (sq. ft.)	Building Size (sq. ft.)	Parcel Size (sq. ft.)	Building Size (sq. ft.)
Commercial	\$0.085	\$0.165	\$0.045	\$0.095
Apartment Complex	\$0.0425	\$0.0825	\$0.0225	\$0.0475

Sample assessment calculations are shown in Appendix 3.

2. Commercial Parcels

Commercial parcels will receive and benefit from all District services (Clean & Safe, Marketing & Promotions, and Advocacy & Administration), services, which are aimed to attract and increase customers and visitors to assessed parcels. These parcels have a commercial component because their owners aim to benefit from tenant rents, increased customers, or increased use by visitors. The primary purpose of the District is to provide property owner services which generate special benefits to parcels with commercial uses, and will therefore be assessed the full rate.

3. Apartment Complex Parcels

Apartment complex parcels will receive, and benefit from, all of the District's services. Clean and safe programs will make these parcels more attractive and secure, and help attract and retain quality tenants. Marketing and promotions programs will raise awareness of Downtown, and thus the apartments, as a great place to live, also helping to attract and retain tenants. Because these parcels are not commercial in nature, they will not benefit to the same degree as parcels with commercial uses. Because of this, they will be assessed fifty percent (50%) of the standard assessment rate for their zones, which is commensurate with the benefit they receive.

4. Non-Assessed Parcels

There are three (3) parcels within the District that will not be assessed. These parcels are neither commercial or apartment complex parcels and will not specially benefit from or directly receive the District's activities and improvements. These parcels are accounted for in the analysis of general benefit provided to non-assessed parcels within the District. These parcels have the following uses:

- **Parcels with Low-Density Residential Uses:** The state legislature has determined that "properties zoned exclusively for residential use...are conclusively presumed not to benefit from the improvements and services funded through these assessments, and shall not be subject to any

assessment.”²² The activities and improvements to be provided are designed to specially benefit commercial and apartment complex parcels via increased commerce, occupancy, and lease rates. None of these benefits apply to low-density residential parcels, which will not be serviced or benefit from the District’s activities. Residential parcels are those parcels with four family units or less, residential common areas, residential vacant lots, residential planned unit developments, and residential condominiums. There is one (1) residential parcels within the District that will not be assessed.

- **Private Parcels with Public Easements:** Public easements on private parcels will not be assessed, because the portion of the parcel covered by the easement is not used by the payor of the assessment, who will not receive special benefits from the services if they were provided on the easement portion of that parcel. There is one (1) private parcel with public easements in the District. Consistent with the benefit derived from District activities and improvements, the public easement portion of the parcel will not be assessed and the remaining portion of the parcel will be assessed at the applicable rate. The assessment for each parcel was determined based upon the portion of the parcel attributable to each parcel category. The public easement portion of private parcels was identified through County parcel data. There is one (1) private parcel with public easements within the District that will not be assessed for the public easement portion of the parcel.
- **Federal Government Parcels:** The primary purpose of the District is to benefit parcels with commercial uses. Because of their non-commercial nature, parcels owned by the United States Government do not derive benefit from the improvements and activities to be provided. These parcels will not receive a special benefit from the proposed services, and therefore will not directly receive services or be assessed. There is one (1) Federal government parcel within the District that will not be assessed.

5. Changes in Data

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

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

Categorization Appeals

The category determined for each parcel is shown in Appendix 4. The use for each parcel is established at formation and may be updated upon each renewal. If a parcel owner believes their parcel has been mis-classified or has changed, they may appeal in writing to the City of Lancaster for re-consideration. Appeals must be received by the City no later than June 1 of each year. Appeals must include the parcel number, current classification, requested classification, and the evidence upon which the appeal is based (for instance if a parcel is occupied by a retail store, but classified as commercial, a current photo of the retail store showing the building number). Appeals will not provide retroactive reductions. Appeals should be made to:

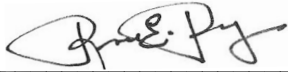
The BLVD Association
44933 Fern Avenue
Lancaster, CA 93534

²² Streets and Highways Code § 36632(c)

3. Engineer's Certification

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

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



Ross Peabody
State of California

September 16, 2022

Date



This Engineer's Report is intended to be distributed as part of the Management District Plan in its entirety, including the Assessment Calculation Table (Appendix 3) and the Boundary Map. 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 illustrate the maximum annual assessment rates with the assumption that the rates will be increased annually by three percent (3%). The maximum rates listed are a required disclosure and not the anticipated course of action.

		Zone 1		Zone 2	
Year	Parcel Type	Parcel Size (sq. ft.)	Building Size (sq. ft.)	Parcel Size (sq. ft.)	Building Size (sq. ft.)
2024	Commercial	\$0.0850	\$0.1650	\$0.0450	\$0.0950
	Apartment	\$0.0425	\$0.0825	\$0.0225	\$0.0475
2025	Commercial	\$0.0876	\$0.1700	\$0.0464	\$0.0979
	Apartment	\$0.0438	\$0.0850	\$0.0232	\$0.0489
2026	Commercial	\$0.0902	\$0.1750	\$0.0477	\$0.1008
	Apartment	\$0.0451	\$0.0875	\$0.0239	\$0.0504
2027	Commercial	\$0.0929	\$0.1803	\$0.0492	\$0.1038
	Apartment	\$0.0464	\$0.0901	\$0.0246	\$0.0519
2028	Commercial	\$0.0957	\$0.1857	\$0.0506	\$0.1069
	Apartment	\$0.0478	\$0.0929	\$0.0253	\$0.0535
2029	Commercial	\$0.0985	\$0.1913	\$0.0522	\$0.1101
	Apartment	\$0.0493	\$0.0956	\$0.0261	\$0.0551
2030	Commercial	\$0.1015	\$0.1970	\$0.0537	\$0.1134
	Apartment	\$0.0507	\$0.0985	\$0.0269	\$0.0567
2031	Commercial	\$0.1045	\$0.2029	\$0.0553	\$0.1168
	Apartment	\$0.0523	\$0.1015	\$0.0277	\$0.0584
2032	Commercial	\$0.1077	\$0.2090	\$0.0570	\$0.1203
	Apartment	\$0.0538	\$0.1045	\$0.0285	\$0.0602
2033	Commercial	\$0.1109	\$0.2153	\$0.0587	\$0.1240
	Apartment	\$0.0555	\$0.1076	\$0.0294	\$0.0620

APPENDIX 2 – PBID LAW

*** THIS DOCUMENT IS CURRENT THROUGH THE 2022 SUPPLEMENT ***
(ALL 2021 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”

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

36616. “Tenant”

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

ARTICLE 3. Prior Law

36617. 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 maximum cost thereof. If the improvements, maintenance, and activities proposed for each year of operation are the same, a description of the first year's proposed improvements, maintenance, and activities and a statement that the same improvements, maintenance, and activities are proposed for subsequent years shall satisfy the requirements of this subdivision.

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

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

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

(h) The specific number of years in which assessments will be levied. In a new district, the maximum number of years shall be five. Upon renewal, a district shall have a term not to exceed 10 years.

Notwithstanding these limitations, a district created pursuant to this part to finance capital improvements with bonds may levy assessments until the maximum maturity of the bonds. The management district plan may set forth specific increases in assessments for each year of operation of the district.

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

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

(k)

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

(2) In a property-based district, the proportionate special benefit derived by each identified parcel shall be determined exclusively in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the activities. An assessment shall not be imposed on any parcel that exceeds the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are assessable, and a property-based district shall separate the general benefits, if any, from the special benefits conferred on a parcel. Parcels within a property-based district that are owned or used by any city, public agency, the State of California, or the United States shall not be exempt from assessment unless the governmental entity can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit. The value of any incidental, secondary, or collateral effects that arise from the improvements, maintenance, or activities of a property-based district and that benefit property or persons not assessed shall not be deducted from the entirety of the cost of any special benefit or affect the proportionate special benefit derived by each identified parcel.

(l) In a property-based district, the total amount of all special benefits to be conferred upon the properties located within the property-based district.

(m) In a property-based district, the total amount of general benefits, if any.

(n) In a property-based district, a detailed engineer's report prepared by a registered professional engineer certified by the State of California supporting all assessments contemplated by the management district plan.

(o) Any other item or matter required to be incorporated therein by the city council.

36623. Procedure to levy assessment

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

36624. Changes to proposed assessments

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

36625. Resolution of formation

- (a) If the city council, following the public hearing, decides to establish a proposed property and business improvement district, the city council shall adopt a resolution of formation that shall include, but is not limited to, all of the following:
- (1) A brief description of the proposed improvements, maintenance, and activities, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property, businesses, or both within the district, a statement on whether bonds will be issued, and a description of the exterior boundaries of the proposed district, which may be made by reference to any plan or map that is on file with the clerk. The descriptions and statements need not be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements, maintenance, and activities and the location and extent of the proposed district.
 - (2) The number, date of adoption, and title of the resolution of intention.
 - (3) The time and place where the public hearing was held concerning the establishment of the district.
 - (4) A determination regarding any protests received. The city shall not establish the district or levy assessments if a majority protest was received.
 - (5) A statement that the properties, businesses, or properties and businesses in the district established by the resolution shall be subject to any amendments to this part.

- (6) A statement that the improvements, maintenance, and activities to be conferred on businesses and properties in the district will be funded by the levy of the assessments. The revenue from the levy of assessments within a district shall not be used to provide improvements, maintenance, or activities outside the district or for any purpose other than the purposes specified in the resolution of intention, as modified by the city council at the hearing concerning establishment of the district. 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 resolution of intention

- (a) Upon the written request of the owners' association, the city council may modify the management district plan after conducting one public hearing on the proposed modifications. The city council may modify the improvements and activities to be funded with the revenue derived from the levy of the assessments by adopting a resolution determining to make the modifications after holding a public hearing on the proposed modifications. If the modification includes the levy of a new or increased assessment, the city council shall comply with Section 36623. Notice of all other public hearings pursuant to this section shall comply with both of the following:
 - (1) The resolution of intention shall be published in a newspaper of general circulation in the city once at least seven days before the public hearing.
 - (2) A complete copy of the resolution of intention shall be mailed by first class mail, at least 10 days before the public hearing, to each business owner or property owner affected by the proposed modification.
- (b) The city council shall adopt a resolution of intention which states the proposed modification prior to the public hearing required by this section. The public hearing shall be held not more than 90 days after the adoption of the resolution of intention.

36637. Reflection of modification in notices recorded and maps

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

CHAPTER 3.5. Financing

36640. 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 – PARCEL ASSESSMENT CALCULATIONS

Map Key	AIN	ASSESSED LOT SIZE	ASSESSED BLDG SIZE	ZONE	LOT ASMT	BLDG ASMT	ASSESSMENT	TYPE
1	3121002001	7,457	3,500	2	\$335.57	\$332.50	\$668.07	COM
2	3121002004	6,968	2,400	2	\$313.56	\$228.00	\$541.56	COM
3	3121002027	6,967	2,046	2	\$313.52	\$194.37	\$507.89	COM
4	3121002031	13,944	4,200	2	\$627.48	\$399.00	\$1,026.48	COM
5	3121002034	20,931	9,224	2	\$941.90	\$876.28	\$1,818.18	COM
6	3121002035	15,314	6,000	2	\$689.13	\$570.00	\$1,259.13	COM
7	3121002038	13,935	614	2	\$627.08	\$58.33	\$685.41	COM
8	3121002039	12,394	3,055	2	\$557.73	\$290.23	\$847.96	COM
9	3121003002	22,369	12,800	2	\$1,006.61	\$1,216.00	\$2,222.61	COM
10	3121003003	7,461	0	2	\$335.75	\$0.00	\$335.75	COM
11	3121003004	7,463	1,377	2	\$335.84	\$130.82	\$466.65	COM
12	3121003005	7,467	6,000	2	\$336.02	\$570.00	\$906.02	COM
13	3121003006	7,465	3,077	2	\$335.93	\$292.32	\$628.24	COM
14	3121003007	14,922	2,058	2	\$671.49	\$195.51	\$867.00	COM
15	3121003016	19,726	13,602	2	\$887.67	\$1,292.19	\$2,179.86	COM
16	3121003017	17,299	8,000	2	\$778.46	\$760.00	\$1,538.46	COM
17	3121003900	8,760	4,434	2	\$394.20	\$421.23	\$815.43	COM
18	3122016006	11,977	1,706	2	\$0.00	\$0.00	\$0.00	RES
19	3122016018	14,510	4,100	2	\$652.95	\$389.50	\$1,042.45	COM
20	3122016038	20,590	1,713	2	\$926.55	\$162.74	\$1,089.29	COM
21	3133002802	87,046	2,900	2	\$3,917.07	\$275.50	\$4,192.57	COM
22	3133002803	43,589	750	2	\$1,961.51	\$71.25	\$2,032.76	COM
23	3133002900	86,900	0	2	\$3,910.50	\$0.00	\$3,910.50	COM
24	3133003001	15,039	6,978	1	\$1,278.32	\$1,151.37	\$2,429.69	COM
25	3133003023	10,633	0	2	\$478.49	\$0.00	\$478.49	COM
26	3133003024	11,185	0	2	\$503.33	\$0.00	\$503.33	COM
27	3133003025	21,603	5,128	1	\$1,836.26	\$846.12	\$2,682.38	COM
28	3133003027	7,477	4,050	1	\$635.55	\$668.25	\$1,303.80	COM
29	3133003028	5,008	0	2	\$225.36	\$0.00	\$225.36	COM
30	3133003029	9,913	0	2	\$446.09	\$0.00	\$446.09	COM
31	3133003032	42,487	21,596	1	\$3,611.40	\$3,563.34	\$7,174.74	COM
32	3133003034	15,996	6,694	1	\$1,359.66	\$1,104.51	\$2,464.17	COM
33	3133003038	59,511	76,093	1	\$5,058.44	\$12,555.35	\$17,613.78	COM
34	3133003900	19,633	0	2	\$883.49	\$0.00	\$883.49	COM
35	3133003901	75,844	62,396	2	\$3,412.98	\$5,927.62	\$9,340.60	COM

36	3133004001	18,755	7,560	1	\$1,594.18	\$1,247.40	\$2,841.58	COM
37	3133004012	7,008	2,870	1	\$595.68	\$473.55	\$1,069.23	COM
38	3133004021	29,432	2,695	2	\$1,324.44	\$256.03	\$1,580.47	COM
39	3133004023	12,709	2,700	2	\$571.91	\$256.50	\$828.41	COM
40	3133004026	15,658	4,404	2	\$704.61	\$418.38	\$1,122.99	COM
41	3133004027	11,619	2,971	1	\$987.62	\$490.22	\$1,477.83	COM
42	3133005016	7,110	1,534	2	\$319.95	\$145.73	\$465.68	COM
43	3133005021	9,975	894	2	\$448.88	\$84.93	\$533.81	COM
44	3133005024	8,448	3,510	1	\$718.08	\$579.15	\$1,297.23	COM
45	3133005026	7,994	0	2	\$359.73	\$0.00	\$359.73	COM
46	3133005027	8,485	910	2	\$381.83	\$86.45	\$468.28	COM
47	3133005030	7,557	1,310	2	\$340.07	\$124.45	\$464.52	COM
48	3133005031	8,927	928	2	\$401.72	\$88.16	\$489.88	COM
49	3133005032	17,292	1,104	1	\$1,469.82	\$182.16	\$1,651.98	COM
50	3133005033	14,324	1,699	1	\$1,217.54	\$280.34	\$1,497.88	COM
51	3133007005	4,140	1,619	1	\$351.90	\$267.14	\$619.04	COM
52	3133007006	4,250	1,115	1	\$361.25	\$183.98	\$545.23	COM
53	3133007007	4,300	3,750	1	\$365.50	\$618.75	\$984.25	COM
54	3133007008	4,300	3,638	1	\$365.50	\$600.27	\$965.77	COM
55	3133007009	4,300	3,750	1	\$365.50	\$618.75	\$984.25	COM
56	3133007010	4,558	3,900	1	\$387.43	\$643.50	\$1,030.93	COM
57	3133009006	8,500	7,500	1	\$722.50	\$1,237.50	\$1,960.00	COM
58	3133009007	4,590	3,650	1	\$390.15	\$602.25	\$992.40	COM
59	3133009008	4,250	3,650	1	\$361.25	\$602.25	\$963.50	COM
60	3133009012	8,340	7,818	1	\$708.90	\$1,289.97	\$1,998.87	COM
61	3133024017	35,285	13,392	2	\$793.91	\$636.12	\$1,430.03	APART
62	3133024018	12,845	49,994	2	\$289.01	\$2,374.72	\$2,663.73	APART
63	3133024019	15,918	17,856	2	\$358.16	\$848.16	\$1,206.32	APART
64	3133024020	5,141	5,400	2	\$115.67	\$256.50	\$372.17	APART
65	3133024021	23,795	65,320	2	\$535.39	\$3,102.70	\$3,638.09	APART
66	3133024022	909	0	2	\$20.45	\$0.00	\$20.45	APART
67	3133024024	25,425	31,454	1	\$2,161.13	\$5,189.91	\$7,351.04	COM
68	3133024025	10,950	1,460	1	\$930.75	\$240.90	\$1,171.65	COM
69	3133024026	19,541	13,104	1	\$1,660.99	\$2,162.16	\$3,823.15	COM
70	3133024907	24,266	0	2	\$1,091.97	\$0.00	\$1,091.97	COM
71	3133024908	4,976	0	2	\$111.96	\$0.00	\$111.96	APART
72	3133025016	14,219	4,008	2	\$639.86	\$380.76	\$1,020.62	COM
73	3133025017	31,535	17,580	2	\$1,419.08	\$1,670.10	\$3,089.18	COM
74	3133025019	10,484	3,729	1	\$891.14	\$615.29	\$1,506.43	COM
75	3133025020	11,890	21,565	1	\$1,010.65	\$3,558.23	\$4,568.88	COM
76	3133025900	9,709	0	2	\$436.91	\$0.00	\$436.91	COM

77	3133025901	7,900	0	2	\$355.50	\$0.00	\$355.50	COM
78	3133025902	35,936	0	2	\$1,617.12	\$0.00	\$1,617.12	COM
79	3133025903	10,843	41,950	1	\$921.66	\$6,921.75	\$7,843.41	COM
80	3133025904	10,505	0	1	\$892.93	\$0.00	\$892.93	COM
81	3133025906	8,528	4,350	1	\$724.88	\$717.75	\$1,442.63	COM
82	3133025907	3,489	1,400	1	\$296.57	\$231.00	\$527.57	COM
83	3133026001	6,476	6,997	1	\$550.46	\$1,154.51	\$1,704.97	COM
84	3133026005	11,301	6,480	1	\$960.59	\$1,069.20	\$2,029.79	COM
85	3133026024	5,565	3,300	1	\$473.03	\$544.50	\$1,017.53	COM
86	3133026025	5,551	3,150	1	\$471.84	\$519.75	\$991.59	COM
87	3133026026	5,563	3,195	1	\$472.86	\$527.18	\$1,000.03	COM
88	3133026039	13,845	7,992	1	\$1,176.83	\$1,318.68	\$2,495.51	COM
89	3133026041	5,610	2,556	1	\$476.85	\$421.74	\$898.59	COM
90	3133026042	38,482	16,128	2	\$1,731.69	\$1,532.16	\$3,263.85	COM
91	3133026044	11,061	7,433	1	\$940.19	\$1,226.45	\$2,166.63	COM
92	3133026048	22,743	9,900	1	\$1,933.16	\$1,633.50	\$3,566.66	COM
93	3133026800	47,910	32,763	2	\$2,155.95	\$3,112.49	\$5,268.44	COM
94	3133026801	48,303	0	2	\$2,173.64	\$0.00	\$2,173.64	COM
95	3133026904	17,084	0	2	\$768.78	\$0.00	\$768.78	COM
96	3133026905	6,011	0	2	\$270.50	\$0.00	\$270.50	COM
97	3134005900	8,819	0	2	\$396.86	\$0.00	\$396.86	COM
98	3134005901	18,423	0	2	\$829.04	\$0.00	\$829.04	COM
99	3134005907	8,857	0	2	\$398.57	\$0.00	\$398.57	COM
100	3134005908	599	0	2	\$26.96	\$0.00	\$26.96	COM
101	3134005916	48,088	0	2	\$2,163.96	\$0.00	\$2,163.96	COM
102	3134005918	5,640	0	2	\$253.80	\$0.00	\$253.80	COM
103	3134005920	377	0	2	\$16.97	\$0.00	\$16.97	COM
104	3134009025	8,544	0	2	\$384.48	\$0.00	\$384.48	COM
105	3134009028	7,474	0	2	\$336.33	\$0.00	\$336.33	COM
106	3134009031	19,101	21,271	1	\$1,623.59	\$3,509.72	\$5,133.30	COM
107	3134009032	24,534	42,052	1	\$1,090.08	\$3,626.96	\$4,717.05	MIXED
108	3134009033	17,554	45,404	2	\$394.97	\$2,156.69	\$2,551.66	APART
109	3134009036	17,635	16,424	1	\$1,498.98	\$2,709.96	\$4,208.94	COM
110	3134009901	8,782	0	2	\$395.19	\$0.00	\$395.19	COM
111	3134009902	5,680	0	2	\$255.60	\$0.00	\$255.60	COM
112	3134009907	5,711	0	2	\$257.00	\$0.00	\$257.00	COM
113	3134009908	8,626	0	2	\$388.17	\$0.00	\$388.17	COM
114	3134009909	8,749	0	2	\$393.71	\$0.00	\$393.71	COM
115	3134009910	5,685	0	2	\$255.83	\$0.00	\$255.83	COM
116	3134009911	11,008	0	2	\$495.36	\$0.00	\$495.36	COM
117	3134009912	11,007	0	2	\$495.32	\$0.00	\$495.32	COM

118	3134009915	17,558	5,015	2	\$790.11	\$476.43	\$1,266.54	COM
119	3134010919	182,724	48,721	1	\$15,531.54	\$8,038.97	\$23,570.51	COM
120	3134011001	7,314	7,591	1	\$621.69	\$1,252.52	\$1,874.21	COM
121	3134011002	9,385	7,497	1	\$797.73	\$1,237.01	\$2,034.73	COM
122	3134011003	0	0	1	\$0.00	\$0.00	\$0.00	EASE
123	3134011901	16,578	0	1	\$0.00	\$0.00	\$0.00	FED
124	3134011912	8,388	3,076	1	\$712.98	\$507.54	\$1,220.52	COM
125	3134012901	633	0	2	\$28.49	\$0.00	\$28.49	COM
126	3134012902	4,152	0	1	\$352.92	\$0.00	\$352.92	COM
127	3134012903	8,851	0	2	\$398.30	\$0.00	\$398.30	COM
128	3134012904	8,839	0	2	\$397.76	\$0.00	\$397.76	COM
129	3134012905	8,802	0	2	\$396.09	\$0.00	\$396.09	COM
130	3134012906	7,321	0	1	\$622.29	\$0.00	\$622.29	COM
131	3134012908	4,400	0	2	\$198.00	\$0.00	\$198.00	COM
132	3134012909	8,839	0	2	\$397.76	\$0.00	\$397.76	COM
133	3134012910	5,215	0	1	\$443.28	\$0.00	\$443.28	COM
134	3134012911	16,920	1,000	2	\$761.40	\$95.00	\$856.40	COM
135	3134012912	8,106	0	2	\$364.77	\$0.00	\$364.77	COM
136	3134012913	51,529	0	2	\$2,318.81	\$0.00	\$2,318.81	COM
137	3134012914	17,697	0	2	\$796.37	\$0.00	\$796.37	COM
138	3134012915	1,197	0	2	\$53.87	\$0.00	\$53.87	COM
139	3134012916	8,854	0	2	\$398.43	\$0.00	\$398.43	COM
140	3134012917	8,101	3,797	2	\$364.55	\$360.72	\$725.26	COM
141	3134012918	9,609	0	2	\$432.41	\$0.00	\$432.41	COM
142	3134012919	3,546	1,008	2	\$159.57	\$95.76	\$255.33	COM
143	3134012920	7,758	0	1	\$659.43	\$0.00	\$659.43	COM
144	3134012921	594	0	2	\$26.73	\$0.00	\$26.73	COM
145	3134012922	540	0	2	\$24.30	\$0.00	\$24.30	COM
146	3134012923	637	0	2	\$28.67	\$0.00	\$28.67	COM
147	3134012924	472	0	2	\$21.24	\$0.00	\$21.24	COM
148	3134012925	1,021	0	2	\$45.95	\$0.00	\$45.95	COM
149	3134012926	1,680	0	1	\$142.80	\$0.00	\$142.80	COM
150	3134012927	7,548	0	1	\$641.58	\$0.00	\$641.58	COM
151	3134012928	504	0	1	\$42.84	\$0.00	\$42.84	COM
152	3134013008	10,971	5,840	2	\$493.70	\$554.80	\$1,048.50	COM
153	3134013010	13,126	12,341	1	\$1,115.71	\$2,036.27	\$3,151.98	COM
154	3134013012	3,923	2,080	1	\$333.46	\$343.20	\$676.66	COM
155	3134013015	9,901	4,000	1	\$841.59	\$660.00	\$1,501.59	COM
156	3134013016	7,829	10,092	1	\$665.47	\$1,665.18	\$2,330.65	COM
157	3134013020	2,460	2,052	1	\$209.10	\$338.58	\$547.68	COM
158	3134013021	4,923	2,000	1	\$418.46	\$330.00	\$748.46	COM

159	3134013900	8,862	0	2	\$398.79	\$0.00	\$398.79	COM
160	3134013901	8,870	0	2	\$399.15	\$0.00	\$399.15	COM
161	3134013902	8,872	0	2	\$399.24	\$0.00	\$399.24	COM
162	3134013903	11,451	0	2	\$515.30	\$0.00	\$515.30	COM
163	3134013904	9,853	0	2	\$443.39	\$0.00	\$443.39	COM
164	3134013905	5,303	0	2	\$238.64	\$0.00	\$238.64	COM
165	3134013906	8,853	0	2	\$398.39	\$0.00	\$398.39	COM
166	3134013907	8,829	0	2	\$397.31	\$0.00	\$397.31	COM
167	3134013908	8,828	0	2	\$397.26	\$0.00	\$397.26	COM
168	3134013910	44,118	22,880	2	\$1,985.31	\$2,173.60	\$4,158.91	COM
169	3134014001	18,876	9,436	2	\$849.42	\$896.42	\$1,745.84	COM
170	3134014003	9,435	1,920	2	\$424.58	\$182.40	\$606.98	COM
171	3134014004	9,433	2,224	2	\$424.49	\$211.28	\$635.77	COM
172	3134014005	9,431	3,528	2	\$424.40	\$335.16	\$759.56	COM
173	3134014006	2,780	864	2	\$125.10	\$82.08	\$207.18	COM
174	3134014007	9,431	3,352	2	\$424.40	\$318.44	\$742.84	COM
175	3134014008	7,073	2,438	2	\$318.29	\$231.61	\$549.90	COM
176	3134014009	2,360	432	2	\$106.20	\$41.04	\$147.24	COM
177	3134014017	7,700	4,000	1	\$654.50	\$660.00	\$1,314.50	COM
178	3134014018	7,700	6,516	1	\$654.50	\$1,075.14	\$1,729.64	COM
179	3134014025	3,080	0	1	\$261.80	\$0.00	\$261.80	COM
180	3134014026	10,019	2,478	2	\$450.86	\$235.41	\$686.27	COM
181	3134014027	7,654	4,480	1	\$650.59	\$739.20	\$1,389.79	COM
182	3134014029	13,515	10,038	1	\$1,148.78	\$1,656.27	\$2,805.05	COM
183	3134014030	18,876	1,332	2	\$849.42	\$126.54	\$975.96	COM
184	3134014907	9,871	0	2	\$444.20	\$0.00	\$444.20	COM
185	3134014911	4,949	2,294	2	\$222.71	\$217.93	\$440.64	COM
186	3134014919	5,877	0	2	\$264.47	\$0.00	\$264.47	COM
187	3134014920	9,435	2,200	2	\$424.58	\$209.00	\$633.58	COM
188	3134014921	9,964	7,040	1	\$846.94	\$1,161.60	\$2,008.54	COM
189	3134015006	4,550	3,824	1	\$386.75	\$630.96	\$1,017.71	COM
190	3134015007	5,291	3,000	1	\$449.74	\$495.00	\$944.74	COM
191	3134015008	5,270	2,500	1	\$447.95	\$412.50	\$860.45	COM
192	3134015009	7,078	4,500	1	\$601.63	\$742.50	\$1,344.13	COM
193	3134015010	8,850	2,584	2	\$398.25	\$245.48	\$643.73	COM
194	3134015013	8,830	3,076	2	\$397.35	\$292.22	\$689.57	COM
195	3134015017	5,000	4,400	1	\$425.00	\$726.00	\$1,151.00	COM
196	3134015019	8,846	0	2	\$398.07	\$0.00	\$398.07	COM
197	3134015020	8,837	0	2	\$397.67	\$0.00	\$397.67	COM
198	3134015021	19,432	9,446	2	\$874.44	\$897.37	\$1,771.81	COM
199	3134015901	8,874	0	2	\$399.33	\$0.00	\$399.33	COM

200	3134015908	8,845	720	2	\$398.03	\$68.40	\$466.43	COM
201	3134015909	8,861	1,367	2	\$398.75	\$129.87	\$528.61	COM
202	3134015910	8,858	796	2	\$398.61	\$75.62	\$474.23	COM
203	3134015911	8,860	660	2	\$398.70	\$62.70	\$461.40	COM
204	3134015914	7,196	0	2	\$323.82	\$0.00	\$323.82	COM
205	3134015915	4,384	788	2	\$197.28	\$74.86	\$272.14	COM
206	3134015916	11,208	6,768	2	\$504.36	\$642.96	\$1,147.32	COM
207	3134015917	2,243	1,196	2	\$100.94	\$113.62	\$214.56	COM
208	3134015918	17,680	12,438	1	\$1,502.80	\$2,052.27	\$3,555.07	COM
209	3134016004	8,850	2,774	2	\$398.25	\$263.53	\$661.78	COM
210	3134016007	190	0	2	\$8.55	\$0.00	\$8.55	COM
211	3134016010	7,500	5,600	1	\$637.50	\$924.00	\$1,561.50	COM
212	3134016011	15,000	6,139	1	\$1,275.00	\$1,012.94	\$2,287.94	COM
213	3134016012	6,750	3,330	2	\$303.75	\$316.35	\$620.10	COM
214	3134016014	7,500	1,972	2	\$337.50	\$187.34	\$524.84	COM
215	3134016015	8,850	626	2	\$398.25	\$59.47	\$457.72	COM
216	3134016016	8,850	360	2	\$398.25	\$34.20	\$432.45	COM
217	3134016017	8,850	4,366	2	\$398.25	\$414.77	\$813.02	COM
218	3134016018	17,699	7,775	2	\$796.46	\$738.63	\$1,535.08	COM
219	3134016019	17,509	4,600	2	\$787.91	\$437.00	\$1,224.91	COM
220	3134016022	2,850	0	2	\$128.25	\$0.00	\$128.25	COM
221	3134016023	29,550	22,376	1	\$2,511.75	\$3,692.04	\$6,203.79	COM
222	3134016024	26,501	9,816	2	\$1,192.55	\$932.52	\$2,125.07	COM
223	3134016900	7,500	0	2	\$337.50	\$0.00	\$337.50	COM
224	3134017010	8,848	0	2	\$398.16	\$0.00	\$398.16	COM
225	3134017011	17,628	8,275	2	\$793.26	\$786.13	\$1,579.39	COM
226	3134019010	8,869	3,312	2	\$399.11	\$314.64	\$713.75	COM
227	3134019021	17,712	5,432	2	\$797.04	\$516.04	\$1,313.08	COM
228	3134020008	26,414	13,275	2	\$1,188.63	\$1,261.13	\$2,449.76	COM
229	3134020027	1,794	0	2	\$80.73	\$0.00	\$80.73	COM
230	3134020036	9,457	3,954	2	\$425.57	\$375.63	\$801.20	COM
231	3138001906	43,141	0	2	\$1,941.35	\$0.00	\$1,941.35	COM
232	3138001909	74,432	0	2	\$3,349.44	\$0.00	\$3,349.44	COM
233	3138001910	20,871	0	2	\$939.20	\$0.00	\$939.20	COM
234	3138019021	1,407	0	2	\$63.32	\$0.00	\$63.32	COM
235	3138019022	20,839	6,100	2	\$937.76	\$579.50	\$1,517.26	COM
236	3138019809	64,273	0	2	\$2,892.29	\$0.00	\$2,892.29	COM
237	3138019905	74,295	0	2	\$3,343.28	\$0.00	\$3,343.28	COM
Total							\$334,978.45	

Mixed Use Parcels								
Map Key	AIN	ASSESSED LOT SIZE	ASSESSED BLDG SIZE	ZONE	LOT ASMT	BLDG ASMT	ASSESSMENT	TYPE
107	3134009032	1,114	1,912	1	\$94.69	\$315.48	\$410.17	COM
107	3134009032	23,420	40,140	1	\$995.35	\$3,311.55	\$4,306.90	APART

APPENDIX 4 – TOTAL ESTIMATED MAXIMUM COST OF IMPROVEMENTS AND ACTIVITIES

The estimated maximum cost of the line items below was developed based on the estimated costs of providing services in the renewed District. The costs below are estimated, the actual line-item costs will fluctuate. The table below shows 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 parcel ownership changes result in parcels being assessed at a higher rate due to a higher estimated benefit.

Fiscal Year	Clean & Safe	Marketing and Promotions	Admin & Advocacy	Contingency	Total
2024	\$308,501.48	\$6,851.72	\$13,711.01	\$13,711.01	\$342,775.22
2025	\$317,756.52	\$7,057.27	\$14,122.34	\$14,122.34	\$353,058.47
2026	\$327,289.22	\$7,268.99	\$14,546.01	\$14,546.01	\$363,650.23
2027	\$337,107.90	\$7,487.06	\$14,982.39	\$14,982.39	\$374,559.74
2028	\$347,221.14	\$7,711.67	\$15,431.86	\$15,431.86	\$385,796.53
2029	\$357,637.77	\$7,943.02	\$15,894.82	\$15,894.82	\$397,370.43
2030	\$368,366.90	\$8,181.31	\$16,371.66	\$16,371.66	\$409,291.53
2031	\$379,417.91	\$8,426.75	\$16,862.81	\$16,862.81	\$421,570.28
2032	\$390,800.45	\$8,679.55	\$17,368.69	\$17,368.69	\$434,217.38
2033	\$402,524.46	\$8,939.94	\$17,889.75	\$17,889.75	\$447,243.90
Total	\$3,536,623.75	\$78,547.28	\$157,181.34	\$157,181.34	\$3,929,533.71

APPENDIX 5 – SERVICES BY ZONE

The table below illustrates the planned improvements and activities to be provided in each zone of the District. Improvements and activities to be provided in each zone may be adjusted as needed over the life of the District, as determined by the Association's Board.

Service Category	Zone 1	Zone 2
Clean & Safe <ul style="list-style-type: none"> • BLVD Ambassador Service • Sheriff/Public Safety Patrols • District Wide Maintenance & Beautification • Power Washing • Landscape Services • Lighting Improvements • Smart Trash Compactors 	✓ ✓ ✓ ✓ ✓ ✓ ✓	✓ ✓ ✓ ✓
Marketing & Promotions <i>(If applicable)</i> <ul style="list-style-type: none"> • Comprehensive Marketing Program • Cultural District Designation • City of Lancaster Application - BLVD Tab • Wi-Fi • Downtown Special Events 	✓ ✓ ✓ ✓ ✓	✓ ✓ ✓
Administration & Advocacy <ul style="list-style-type: none"> • Business Assistance Program • Leasing Support 	✓ ✓	✓
Contingency / Reserve	✓	✓

APPENDIX 6 – MAP

