

ENGINEER'S REPORT

Annexation No. 86: CITY OF SAN JACINTO LANDSCAPING, LIGHTING AND PARK DISTRICT NO. 2

Preliminary Date: October 15, 2009

Confirmed Date: November 5, 2009

INTRODUCTION

Pursuant to the order of the City Council of the City of San Jacinto, this report is prepared in compliance with the requirements of Article 4, Chapter 1, Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code of the State of California.

This report presents the engineering analysis for Annexation No. 86 to the district known as LANDSCAPING, LIGHTING AND PARK DISTRICT NO. 2 in the CITY OF SAN JACINTO (hereinafter referred to as "District").

This District, by special benefit assessments, provides funding for the installation, operation, maintenance and servicing of street lights and traffic signals; the installation, maintenance and servicing of landscaped areas (parkways, medians, open space, detention/retention basins, etc.); the installation, operation, maintenance and servicing of municipal parks; the installation, operation, maintenance and servicing of drainage facilities; and graffiti removal from horizontal and vertical surfaces which are appurtenant to the above items; all of which are located in public rights-of-way or easements in the District.

Reference is hereby made to the:

ENGINEER'S REPORT
Formation of
CITY OF SAN JACINTO
LANDSCAPING, LIGHTING AND PARK DISTRICT NO. 2
Fiscal Year 2002-2003,

that was confirmed on April 4, 2002, and is hereinafter referred to as the "Master Engineer's Report," which is hereby incorporated herein as though set forth in full.

BOUNDARIES OF DISTRICT

The proposed boundary of Annexation No. 86 to the District is completely within the City Limits of the City of San Jacinto and is shown on the Boundary Map (attached hereto as Exhibit "A" and incorporated herein by reference and on file in the office of the City Clerk at the San Jacinto City Hall). Exhibit "A" serves as the Assessment Diagram for Zone 86 of the

District and a copy of said Exhibit "A" may be found in the Appendix to this Report. The boundary includes the parcels of land that are located in the vicinity of street lighting, landscaping, drainage and/or park improvements that were, or soon will be, installed as a condition of approval of a land development project; the operation and maintenance of which will be funded by this assessment district. All parcels of real property included within the District

are described in detail on maps on file in the Riverside County Assessor's office or by a tract and parcel number legal description.

Zones

The 1972 Act provides for areas within a district to be classified into different zones. Annexation No. 86 to Landscaping, Lighting and Park District No. 2 is comprised of one zone. The costs of the installation, operation, maintenance and servicing of the various improvements and facilities within this zone, will be separately determined, and incidental costs will be prorated and added to determine the total cost. This zone is comprised of Parcel Map 35888-1 and -2 (C.U.P. No. 1-08) (Sanderson Retail Center) and is designated as Zone 86. Future annexations will be assigned Zone designations e.g. Zone 87, Zone 88, Zone 88A, Zone 89, etc., as appropriate.

IMPROVEMENTS

The authorized facilities and items of servicing and maintenance are described in the "Master Engineer's Report." Said description is included within this report by reference. A copy of said "Master Engineer's Report" is on file in the Office of the City Clerk of the City of San Jacinto and may be reviewed, or a copy obtained, at City Hall during normal business hours.

Zone 86 Improvements

The improvements included in Zone 86 to be installed, operated, serviced, and maintained are street lighting and traffic signals; parkway landscaping; and storm drains (catch basins and pipe in public right-of-way or easement). Also included is the servicing and maintenance required for graffiti removal.

Plans and Specifications

The plans and specifications showing and describing the general nature, location and extent of the improvements to be operated and maintained within Annexation No. 86 are on file in the office of the City Clerk and are incorporated herein by reference.

FINANCIAL ANALYSIS

The estimated annual cost requirements for Zone 86, for the improvements described in the "Improvements" section of this report, are summarized in Exhibit "B," attached hereto and incorporated herein by reference, in the Appendix to this report. Estimated costs are shown for each improvement or facility, and for incidental costs to be funded by the District.

Notes:

- 1. Incidental Costs are prorated in proportion to the respective servicing and maintenance costs in each Zone (or sub-zone). Future annexations will be treated in a similar manner.

METHOD OF APPORTIONMENT

The net amount to be assessed upon lands within the District in accordance with this report is apportioned by a formula and method which fairly distributes the total assessments among all

assessable lots or parcels in proportion to the estimated special benefit to be received by each lot or parcel from the improvements. Said method is described in the "Master Engineer's Report" and is included within this report by reference. A copy of said "Master Engineer's Report" is on file in the Office of the City Clerk of the City of San Jacinto and may be reviewed, or a copy obtained, at City Hall during normal business hours.

ASSESSMENT FORMULA

The basic formula used to calculate the amount allocated to each lot or parcel within the District for each type of improvement or facility is described in the "Master Engineer's Report." Said formula, including but not limited to, the table entitled "ASSESSMENT FORMULA USING ASSESSMENT UNIT (AU) METHOD," and subsections entitled Special Benefit Analysis, Street Classification and corresponding General Benefit (%), and Assessment of Public Property is included within this report by reference.

LIMITATION ON INCREASE OF ANNUAL ASSESSMENT

The City Council intends to increase assessments, on an annual basis when necessary, in accordance with the Consumer Price Index for all Urban Consumers for the Los Angeles-Anaheim-Riverside area, published by the United States Department of Labor, Bureau of Labor Statistics; provided however, that any such annual increase shall not exceed seven and one-half percent (7.5%). The current Southern California telephone number for the Consumer Price Index (CPI) Hotline is (310) 235-6884.

ASSESSMENT SPREAD

The individual Zone 86 assessments, tabulated by Assessor's Parcel Number or other form of identification, are shown on the Assessment Spread on file in the Office of the City Clerk of the City of San Jacinto and attached hereto as Exhibit "C." The total cost of the improvements

described in the "Improvements" section of the report for Annexation No. 86 for Fiscal Year 2010-2011 is estimated to be \$22,696.76. The maximum annual assessment for each of three parcels for the 2010-2011 fiscal year is therefore:

Parcel Map 35888-1: Lot 1	\$9,468.19	Parcel Map 35888-2: Lot 1	\$7,453.67
		Lot 2	\$5,774.92

Annexation No. 86 is the first phase of a larger commercial project. When future parcels are added to this project, this assessment district annexation will be recalculated with the included parcels, which will generally cause some of the improvement assessments in earlier phases to be reduced. The mechanism to account for any reduced assessments will be determined when new parcels are added to the project.



GFB-FRIEDRICH & ASSOC., INC.
JOHN A. FRIEDRICH, P.E.

Date: _____

APPENDIX

EXHIBITS

Exhibit "A" – Boundary Map

Exhibit "B" – Cost Estimate

Exhibit "C" – Assessment Spread

EXHIBIT "A"
BOUNDARY MAP
LANDSCAPING, LIGHTING AND
PARK DISTRICT NO. 2
ANNEXATION NO. 86

for the
CITY OF SAN JACINTO
FISCAL YEAR 2010-2011

ZONE 86



VICINITY MAP
N.T.S.

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF SAN JACINTO, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, THIS ____ DAY OF ____ 20__

CITY CLERK

FILED IN THE OFFICE OF THE COUNTY AUDITOR, COUNTY RIVERSIDE, STATE OF CALIFORNIA, THIS ____ DAY OF ____ 20__

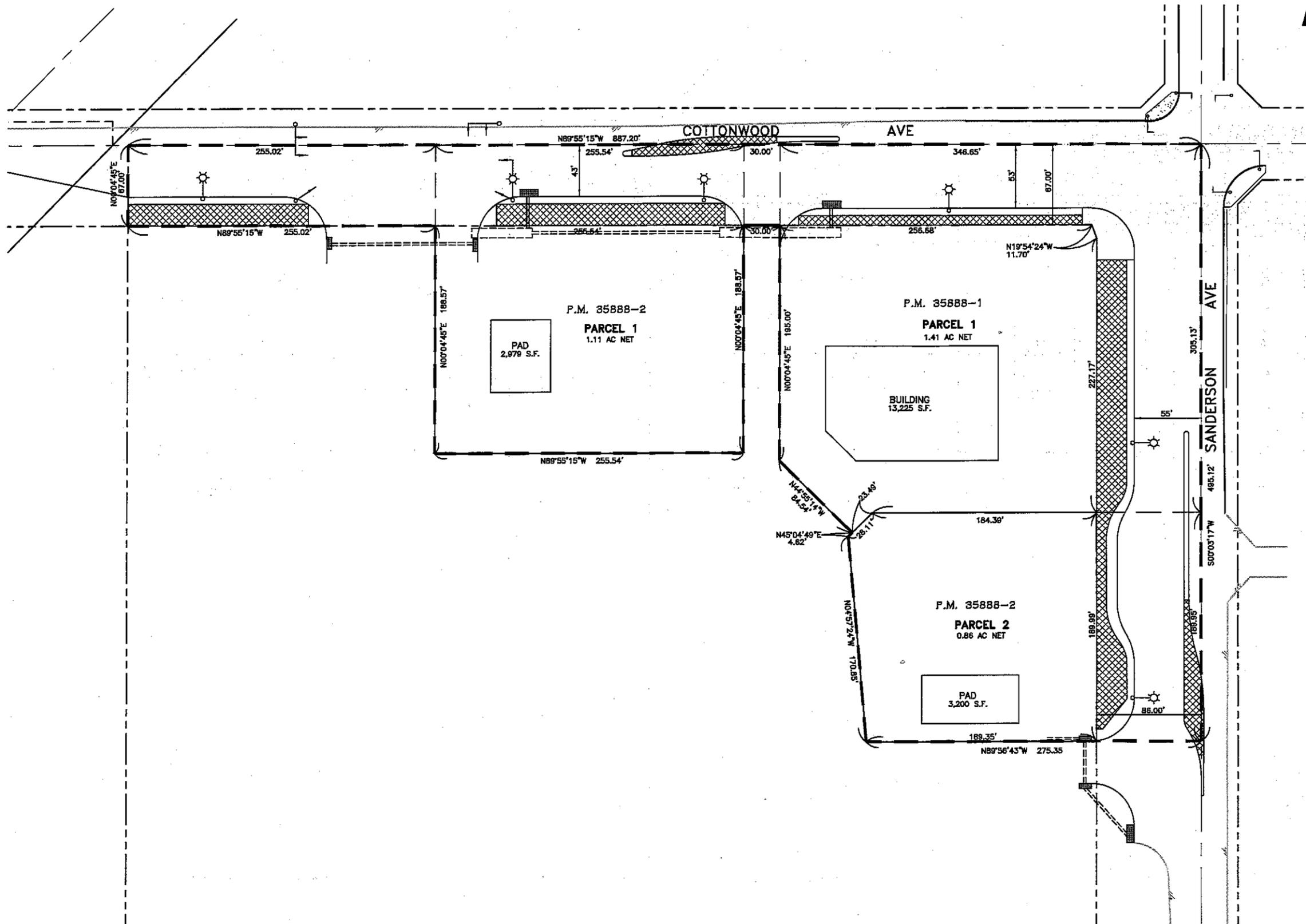
CITY CLERK

THE ASSESSMENT NUMBER FOR EACH LOT OR PARCEL WITHIN THE DISTRICT IS THE ASSESSOR'S PARCEL NUMBER AS ASSIGNED BY THE COUNTY OF RIVERSIDE ASSESSOR'S OFFICE.

THE LINES AND DIMENSIONS FOR EACH LOT OR PARCEL OF LAND WITHIN THE DISTRICT ARE SHOWN ON THE ASSESSOR'S PARCEL MAPS ON FILE IN THE OFFICE OF THE RIVERSIDE COUNTY ASSESSOR.

LEGEND

- STREET LIGHT
- INDICATES LANDSCAPING
- ASSESSMENT DISTRICT BOUNDARY
- CATCH BASIN
- STORM DRAIN
- ONSITE PRIVATE STORM DRAIN
- TRAFFIC SIGNAL



PARCEL MAP 35888-1 & -2



CITY OF SAN JACINTO
LIGHTING, LANDSCAPING AND PARK DISTRICT NO. 2
Annexation No. 86
(Zone 86)
COST ESTIMATE

Item	Quantity	Unit	Unit Cost/ Month	Street Lights		Park Maintenance		Landscape Maintenance		Storm Drain Maint.		Graffiti Removal		TOTALS	
				Cost/Mo.	Cost/Yr.	Cost/Mo.	Cost/Yr.	Cost/Mo.	Cost/Yr.	Cost/Mo.	Cost/Yr.	Cost/Mo.	Cost/Yr.	Per Month	Per Year
Sanderson Retail Center - C.U.P. No. 1-08															
(P.M. 35888-1 and -2 Three Commercial Parcels)															
<u>Street Lights and Traffic Signals</u>															
Street Lights															
22,000 lumen (Sanderson Ave)	8	Ea.	\$14.08 /mo	\$112.64	\$1,351.68									\$112.64	\$1,351.68
Less General Benefit: \$14.08/Light x .5 Light =				(\$7.04)	(\$84.48)									(\$7.04)	(\$84.48)
Traffic Signals															
Intersection of Sanderson Ave and and Cottonwood Ave (upgraded signal)															
Maintenance Cost	1	L.S./Mo.	\$219.17	\$219.17	\$2,630.04									\$219.17	\$2,630.00
Energy Cost (\$55/Signal/Month)	1	L.S./Mo.	\$55.00	\$55.00	\$660.00									\$55.00	\$660.00
Less General Benefit (60% for "Pass-through" Traffic and 30% for the non-project segments surrounding the signal = 90%)				(\$49.50)	(\$594.00)									(\$49.50)	(\$594.00)
Cottonwood Ave 500 feet east of Sanderson Ave (new signal)															
Maintenance Cost	1	L.S./Mo.	\$219.17	\$219.17	\$2,630.04									\$219.17	\$2,630.00
Energy Cost (\$55/Signal/Month)	1	L.S./Mo.	\$55.00	\$55.00	\$660.00									\$55.00	\$660.00
Less General Benefit (70% for "Pass-through" Traffic and 30% for traffic entering the Sanderson Retail Center)				(\$191.92)	(\$2,303.03)									(\$191.92)	(\$2,303.03)
Note: Assessments for the future traffic signals shall not be collected until said signal is installed.															
<u>Landscape Maintenance</u>															
Parkways															
Sanderson Avenue (variable width)	7,672	S.F.	\$0.150 /yr					\$95.90	\$1,150.80					\$95.90	\$1,150.80
Cottonwood Avenue (variable widths)	7,974	S.F.	\$0.150 /yr					\$99.68	\$1,196.10					\$99.68	\$1,196.10
Medians															
Sanderson Avenue	1,320 x 1/2	S.F.	\$0.150 /yr					\$8.25	\$99.00					\$8.25	\$99.00
Cottonwood Avenue	1,080 x 1/2	S.F.	\$0.150 /yr					\$6.75	\$81.00					\$6.75	\$81.00
Irrigation Water	16,846	S.F.	\$0.258 /yr					\$362.19	\$4,346.27					\$362.19	\$4,346.27
<u>Drainage Facility Maintenance</u>															
Curb Inlets (Sanderson Ave & Cottonwood Ave)	3	L.S.	\$75 /mo							\$225.00	\$2,700.00			225.00	2,700.00
<u>Graffiti Removal</u>															
	1	L.S.	\$150 /mo									\$150.00	\$1,800.00	150.00	1,800.00
Subtotal, Maintenance and Servicing				\$412.52	\$4,950.25	\$0.00	\$0.00	\$572.76	\$6,873.17	\$225.00	\$2,700.00	\$150.00	\$1,800.00	\$1,360.29	\$16,323.42
Contingency (10%)				\$41.25	\$495.03	\$0.00	\$0.00	\$57.28	\$687.32	\$22.50	\$270.00	\$15.00	\$180.00	\$136.03	\$1,632.34
TOTAL, Maintenance and Servicing				\$453.77	\$5,445.28	\$0.00	\$0.00	\$630.04	\$7,560.48	\$247.50	\$2,970.00	\$165.00	\$1,980.00	\$1,496.31	\$17,955.76
<u>Incidental Costs</u>															
Assessment Engineer	1	L.S.	850 / yr	\$21.48	\$257.77	\$0.00	\$0.00	\$29.83	\$357.90	\$11.72	\$140.60	\$7.81	\$93.73	\$70.83	\$850.00
Legal Counsel	1	L.S.	0 / yr	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
City Administration	1	L.S.	800 / yr	\$20.22	\$242.61	\$0.00	\$0.00	\$28.07	\$336.85	\$11.03	\$132.33	\$7.35	\$88.22	\$66.67	\$800.00
City Inspection Costs	1	L.S.	900 / yr	\$22.74	\$272.93	\$0.00	\$0.00	\$31.58	\$378.96	\$12.41	\$148.87	\$8.27	\$99.24	\$75.00	\$900.00
NPDES Costs	1	L.S.	1100 / yr	\$27.80	\$333.59	\$0.00	\$0.00	\$38.60	\$463.17	\$15.16	\$181.95	\$10.11	\$121.30	\$91.67	\$1,100.00
County Collection Fees	1	L.S.	176 / yr	\$4.45	\$53.37	\$0.00	\$0.00	\$6.18	\$74.11	\$2.43	\$29.11	\$1.62	\$19.41	\$14.67	\$176.00
Miscellaneous	1	L.S.	290 / yr	\$7.33	\$87.95	\$0.00	\$0.00	\$10.18	\$122.11	\$4.00	\$47.97	\$2.66	\$31.98	\$24.17	\$290.00
Reserve Fund	1	L.S.	625 / yr	\$15.79	\$189.54	\$0.00	\$0.00	\$21.93	\$263.16	\$8.61	\$103.38	\$5.74	\$68.92	\$52.08	\$625.00
TOTAL, Incidental Costs			\$4,741 / yr	\$119.81	\$1,437.76	\$0.00	\$0.00	\$166.35	\$1,996.25	\$65.35	\$784.19	\$43.57	\$522.79	\$395.08	\$4,741.00
<u>Contributions to the District</u>															
Developer				0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL AMOUNT TO ASSESSMENT				\$573.59	\$6,883.04	\$0.00	\$0.00	\$796.39	\$9,556.74	\$312.85	\$3,754.19	\$208.57	\$2,502.79	\$1,891.40	\$22,696.76

Assessment per Lot Varies
Refer to Exhibit "C"

- ▶ Annexation No. 86 is the first phase of a larger commercial project. When future parcels are added to this project, the assessment district will be recalculated with the included parcels, which will generally cause some of the improvement assessments in earlier phases to be reduced. The mechanism to account for any reduced assessments will be determined when new parcels are added to the project.
- ▶ The property owners of this development wish to finance and maintain certain of the items of maintenance shown above, as agreed to with the City of San Jacinto. The City will not levy annual assessments for any maintenance items financed by the property owners. Should any of the items of maintenance currently financed by the property owners not be maintained to the satisfaction of the City, the City will assume the maintenance of such items and levy the appropriate assessments to pay for them.
- ▶ The required median landscaping maintenance funding for this assessment district is assessed at one-half of the total landscaped area because properties on each side of the street receive one-half of the benefit.

CITY OF SAN JACINTO
LANDSCAPING, LIGHTING AND PARK DISTRICT NO. 2
Annexation No. 86
(Zone 86)

ASSESSMENT SPREAD

Parcel Identification (APN)	Property Owner Name	Proposed Land Use Code	Assessable Acreage (acres)	Asmt. Units (AU)	Street Lights	Park Maint.	Landscape Maint.	Storm Drain Maint.	Graffiti Removal	Dollars per AU (\$)	Assessment per Parcel (\$)
Sanderson Retail Center - C.U.P. No. 1-08 (P.M. 35888-1 and -2 Three Commercial Parcels)											
P.M. 35888-1, Parcel 1 432-270-023	Garfield Beach CVS, LLC	C1	1.41	4.23	\$2,871.33	\$0.00	\$3,986.69	\$1,566.10	\$1,044.07	\$2,238.34	\$9,468.18
P.M. 35888-2: Parcel 1 432-270-021	SRC, LP, KZ Holdings	C1	1.11	3.33	\$2,260.41	\$0.00	\$3,138.46	\$1,232.89	\$821.92	\$2,238.34	\$7,453.67
Parcel 2 432-270-022	SRC, LP, KZ Holdings	C1	0.86	2.58	\$1,751.31	\$0.00	\$2,431.60	\$955.21	\$636.81	\$2,238.34	\$5,774.92
P.M. 35888-1 and -2 Totals			3.38	10.14	\$6,883.04	\$0.00	\$9,556.74	\$3,754.19	\$2,502.79		\$22,696.76

Current Ownership: Garfield Beach CVS, LLC, a California Limited Liability Company
Address: 1 CVS Drive, Woonsocket, RI 08295
- and -
SRC, LP, a California LP, KZ Holdings
18818 Teller Avenue, Suite 100, Irvine, CA 92612

Developer: KZ Devco
Address: 18818 Teller Avenue, Suite 100
Irvine, CA 92612