



# TOWN OF APPLE VALLEY

## TOWN COUNCIL STAFF REPORT

**To:** Honorable Mayor and Town Council      **Date:** August 8, 2017

**From:** Orlando Acevedo, Assistant Director  
Economic Development and Housing      **Item No:** 11

**Subject:** PUBLIC HEARING ON PROPOSED RENEWAL AND BOUNDARY  
MODIFICATION OF APPLE VALLEY VILLAGE PROPERTY AND  
BUSINESS IMPROVEMENT DISTRICT AND LEVY OF ASSESSMENTS

**T.M. Approval:** \_\_\_\_\_      **Budgeted Item:**  Yes  No  N/A

### RECOMMENDED ACTION:

That the Town Council:

1. Open the public hearing and receive any outstanding ballots.
2. Close the public hearing.
3. Recess to allow the Town Clerk's Office to tabulate the ballots.
4. If a weighted majority of the ballots are in support of the renewal of the district, adopt Resolution 2017-28 renewing and modifying the boundaries of the PBID and levying assessments in the PBID for property tax years 2017-18 through 2021-22.

### SUMMARY:

The Town Council adopted a Resolution of Intention on June 13, 2017, to renew and modify the boundaries of the PBID and levy and collect assessments therein, and to hold a public hearing on August 8, 2017. The resolution was adopted pursuant to the requirements of Section 36600 et. seq. of the California Streets and Highways code, also known as the PBID Law of 1994. Thereafter, also pursuant to PBID law, the Town Clerk's Office mailed a ballot and informational packet to the property owners within the proposed renewed PBID boundaries. The packet requested property owners to sign and return the ballot (with either a "Yes" or "No" vote) before the closing of this August 8<sup>th</sup> public hearing.

As a property owner of nine (9) parcels within the PBID, the Town Council on July 25, 2017 voted "Yes" on their respective ballot, which will be included in the vote tabulation that occurs immediately following the closing of this public hearing.

During this evening's public hearing, the Town Council will receive public testimony on the renewal of the PBID and the proposed assessments and receive any outstanding

ballots. At the conclusion of the public hearing, the Town Clerk will open and count the ballots received. For the PBID to be renewed, a weighted majority of ballots received must be in favor of the renewal. If a weighted majority of the vote supports the renewal, the Town Council may renew and modify the boundaries of the PBID by adopting a Resolution of Renewal (attached). If a weighted majority of the ballots are in opposition, the Town Council will take no further action and the PBID will begin its dissolution process.

PBID assessments are collected by the County with the property tax billing. The first assessment installment of the renewal period will be due to the County by December 10, 2017 and the second by April 10, 2018. The first-year assessments collected by the County will be transferred back to the Town in January and May 2018 for remittance, as applicable, to the PBID Association to carry out their programs and services for the upcoming year.

The proposed five-year Management District Plan and first year FY2017-18 Budget (attached) includes the following objectives and activities of the PBID Association:

- First year assessment rates remain the same as they have for the past five years and to allow up to a five-percent annual assessment rate increase, subject to Board approval;
- Continue supplemental sheriff services including patrolling, business visits and seminars;
- Enhance marketing and promotional efforts, including print, mail, digital and social media, and events including the Apple Valley Parade and street fair(s);
- Complete/maintain capital improvement projects including streets, Highway 18 landscaped median and drainage, vehicular parking and pedestrian access, signage and banners, and participate in project coordination of Town's recent grant award by CalTrans for a Corridor Enhancement Program;
- Continue special projects and programs including the storefront and property rehabilitation rebate program (ARGP) and other special projects as appropriate;
- Administer operational and professional services including staff, legal and accounting.

## **BACKGROUND**

PBIDs have been used successfully in over 200 commercial districts throughout California to increase sales, attract new tenants, increase occupancies, and stabilize property values. Since 2007, the Apple Valley Village has experienced similar positive results. In that time, the PBID has funded or assisted in the funding of several notable projects, including the Highway 18 median landscape project, enhanced public safety services, installation of streetlamp banners, kiosk business directory signs, a storefront and property rehabilitation rebate program, a periodic newsletter, a direct mail ad campaign, and additional marketing and advertising activities, street fairs, and the return of the Apple Valley Parade.

Accordingly, staff recommends adoption of the form motion.

**FISCAL IMPACT:**

Although there is no direct financial impact associated with the recommended action, there will be a financial impact in the form of assessments levied on nine (9) Town owned properties within the PBID which amounts to \$5,376.57 for FY 2017-18. This represents 2.65% of the total PBID assessment to be levied.

**ATTACHMENTS:**

1. Resolution Renewing and Modifying the Boundary of the Apple Valley Village PBID
2. Management District Plan, including Boundary Map and Assessment Roll

**Attachment 1**

Resolution of the Town of Apple Valley  
Renewing and Modifying the Boundary of the Apple Valley Village PBID

**RESOLUTION NO. 2017-28**

**A RESOLUTION OF THE TOWN OF APPLE VALLEY TO RENEW AND MODIFY THE BOUNDARIES OF THE APPLE VALLEY VILLAGE PROPERTY AND BUSINESS IMPROVEMENT DISTRICT AND TO LEVY AND COLLECT ASSESSMENTS WITHIN SUCH DISTRICT PURSUANT TO THE PROPERTY AND BUSINESS IMPROVEMENT DISTRICT LAW OF 1994, PART 7 OF DIVISION 18 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE**

**WHEREAS**, pursuant to the Property and Business Improvement District Law of 1994, California Streets and Highways Code Sections 36600 et seq (the "Act"), the Town Council adopted Resolution No. 2017-15, dated June 13, 2017, entitled "A Resolution of the Town Council of the Town of Apple Valley Stating its Intention to Renew and Modify the Boundaries of the Apple Valley Village Property and Business Improvement District and to Levy and Collect Assessments Within Such District Pursuant to the Property and Business Improvement District Law of 1994, Part 7 of Division 18 of the California Streets and Highways Code and Appointing a Time and Place for Hearing Objections Thereto." Such resolution, among other things, adopted the Management District Plan on file in the office of the Town Clerk; and

**WHEREAS**, the Town caused notice of a public hearing concerning the proposed renewal of the Apple Valley Village Property and Business Improvement District and the proposed levy of assessments within such District to be duly mailed, as required by law, to the record owner of each parcel proposed to be assessed within the renewed District.

**WHEREAS**, a public hearing concerning the proposed renewal and boundary modification of the District for a five (5) year period and the proposed levy of assessments within such District was held on August 8, 2017 at the hour of 6:30 pm in the Town Council Chambers at 14995 Dale Evans Parkway, Apple Valley, California 92307.

**WHEREAS**, at the public hearing, staff presented to the Town Council the Management District Plan which is now on file in the office of the Town Clerk.

**WHEREAS**, at the public hearing, the testimony of all interested persons for or against the renewal of the District, the levy of assessments within such District, and the type or types of improvements and activities to be funded with the revenues from the assessments was heard and considered, and a full, fair and complete hearing was held.

**WHEREAS**, the Town Council heard and considered all objections or protests to the proposed assessments and tabulated the assessment ballots submitted, and not withdrawn, in support of or opposition to the proposed assessments. The Town Council hereby finds that a majority protest does not exist as defined in Section 4(e) of Article XIII D of the California Constitution and Section 53753 of the California Government Code. All objections or protests, both written and oral, are hereby duly overruled.

**WHEREAS**, the public interest, convenience and necessity require the proposed renewal and boundary modification of the Apple Valley Village Property and Business Improvement District.

**WHEREAS**, in the opinion of the Town Council, the property within the Apple Valley Village Property and Business Improvement District will be benefited by the improvements and activities to be funded by the assessments, and no assessment has been imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel; now therefore let it be

**NOW BE IT RESOLVED**, that the Town Council of the Town of Apple Valley declares as follows:

Section 1. Renewal of District. Pursuant to the Act, the Apple Valley Village Property and Business Improvement District (the "Village PBID") is hereby renewed and the Management District Plan is hereby approved.

Section 2. Description of District. The boundaries of the proposed renewed and modified District generally includes all parcels fronting along Highway 18 between just west of Navajo to just east of Central and surrounding commercial properties generally between Esaws on the north and Ottawa on the south.

Section 3. Amount of Assessment.

(a) Except where funds are otherwise available, an assessment will be levied annually to pay for all the improvements and activities to be provided within the Village PBID, commencing with property tax year 2017-18 and ending with property tax year 2021-22. For purposes of levying and collecting assessments within the Village PBID, a property tax year shall commence on each July 1st and end on the following June 30th.

(b) The total amount of the proposed assessment to be levied and collected for fiscal year 2017-18 is projected to be \$203,167 based on the assessment rates described in the Management Plan, which assessment rates shall continue for each of the following four fiscal years. Assessment rates may be increased each year upon approval of the Village PBID Association Board of Directors but not to exceed 5% from the previous year's assessment rates. Parcel assessments may also increase where new building construction occurs on parcels within the District which exceeds the current building area.

(c) The method and basis of levying the assessment is set forth in the Management District Plan on file in the office of the Town Clerk.

Section 4. Fund. There is created a special fund designated as the "Apple Valley Village PBID Fund" into which all revenue derived from assessments levied pursuant to this Resolution shall be placed, and such funds shall be used only for the purposes

specified in this Resolution. This fund shall be subject to an annual independent audit of financial statements.

Section 5. Use of Revenues. District revenues shall be used to continue to provide and manage supplemental services and improvements within the Village area, including supplemental security services, marketing and promotions, additional streetscape beautification and image enhancements, other business related special projects and programs and District management and operations. The above improvements and activities will be funded by the levy of the assessments. The revenue from the levy of the assessments within the Village PBID shall not be used to provide improvements or activities outside the Village PBID or for any purpose other than the purposes specified in Resolution No. 2017-28 of the Town Council.

Section 6. Contract Services. The Town shall contract, as applicable, with the Apple Valley Village Property and Business Improvement District Association (“Association”), a non-profit entity comprised of property and business owners within the Village PBID to administer, where applicable, activities described in Section 5 above. The Association shall, as applicable, hold funds in trust for purposes related to the contract and may be required to, at no expense to the Town, provide an annual independent report of audited financial statements by a certified public accountant of these funds. The report may be funded from assessment proceeds as part of the general administration of the Village PBID. At all times the Town shall reserve full rights of accounting of this fund. Furthermore, the Association shall be responsible, at minimum, with advising the Town on the prioritization and implementation of PBID funded activities and improvements.

Section 7. Amendments. Properties within the Village PBID renewed by this Resolution shall be subject to any amendments to the Act.

Section 8. Recordation of Notice and Diagram. The Town Clerk or a designee is hereby authorized and directed to record a notice and an assessment diagram pursuant to Section 36627 of the California Streets and Highways Code following adoption of this Resolution.

Section 9. Levy of Assessment. The adoption of this Resolution and recordation of the notice and assessment diagram pursuant to Section 36627 of the California Streets and Highways Code constitutes the levy of an assessment in each of the fiscal years referred to in the Management District Plan. Each year, the County Auditor of the County of San Bernardino shall enter on the County Assessment Roll opposite each lot or parcel of land the amount of the assessment and such assessment shall then be collected at the same time and in the same manner as the County taxes are collected.

Section 10. Baseline Services. To ensure that assessment revenues from the Village PBID are used to enhance the current level of services provided by the Town within the Village PBID, the Town Council hereby adopts the baseline levels of service as currently provided throughout the Village PBID; provided, however, that in the event of a significant downturn in Town revenues, the Town Council may reduce the level of Town

public services, including within the Village PBID.

Section 10. Bonds. No bonds shall be issued in conjunction with the renewal of the District.

**APPROVED** and **ADOPTED** by the Town Council of the Town of Apple Valley this 8th day of August 2017.

**APPROVED:**

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Scott Nassif, Mayor

**ATTEST:**

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La Vonda M-Pearson



**Attachment 2**

Management District Plan  
Including Boundary Map and Assessment Roll

# **APPLE VALLEY VILLAGE**

## **PROPERTY & BUSINESS IMPROVEMENT DISTRICT**

### **RENEWAL MANAGEMENT DISTRICT PLAN**

*Formed in 2007- Renewed in 2012 - Being Renewed for 5 Years Pursuant to California Streets and Highways Code Section 36600 et seq. - Property Business Improvement District Act of 1994, as amended*

#### ***PRESENTED BY:***

**THE APPLE VALLEY VILLAGE PBID ASSOCIATION**

**WITH ASSISTANCE FROM  
EDWARD HENNING & ASSOCIATES**

**SEPTEMBER 2016**

v1.3

# MANAGEMENT DISTRICT PLAN

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**1.0 APPLE VALLEY VILLAGE PBID - MANAGEMENT DISTRICT PLAN SUMMARY**

The Apple Valley Village PBID is a property-based Business Improvement District that was established by a consortium of business and property owners within the Apple Valley Village business area for a five year term in 2007, renewed in 2012 for a five year term and is now being renewed again for a five year period. The purpose of this district is to continue to provide and manage supplemental services and improvements for this important business center, including supplemental security services, marketing and promotions, streetscape beautification/image enhancements, other business related special projects and programs and District management/operations.

The renewed District Year 1 (2018) assessment budget is \$203,167.

The renewed PBID will enable the District property owners, working as a unit, to continue to fund needed property and business related improvement programs and projects above what can be provided by the Town of Apple Valley on a regular basis. PBIDs such as the one being renewed have been successfully set up and renewed in over 200 business districts throughout California

**Name:** The name of the PBID is the Apple Valley Village Property & Business Improvement District (Apple Valley Village PBID).

**Location:** Centered along Highway 18 between just west of Navajo to just east of Central generally including all commercial properties north to Esaws and south to Ottawa.

**Zones:** There are two benefit zones within the renewed PBID - Zone A includes all parcels with Hwy 18, Yucca Loma, Navajo and Central n/o Hwy 18 frontages. Zone B includes all other parcels in District

Zone A has higher levels of PBID activity, visibility and vehicle traffic and, thus, receives higher levels of special benefit than Zone B and has higher associated program costs and corresponding assessment rates.

**Services:** Supplemental security, marketing and promotions, streetscape beautification improvements/image enhancements, other special projects/programs and District

management/operations in order to maintain a safe, competitive and high-quality business environment.

**Finance:** Benefit assessment of 318 parcels. No bonds shall be issued to fund Apple Valley Village PBID programs.

**Budget:** The District assessment budget for renewed Year 1 (2017-18) is projected at \$203,167. The budget allocations may be adjusted to reflect changing costs and priorities. The proposed Year 1 general budget categories and allocations are as follows:

1. Security - \$30,000
2. Marketing - \$100,000
3. Streetscape beautification - \$22,000
4. Special Projects - \*
5. Management/Operations/Contingency - \$51,167

\* The Special Projects component may be supplemented by PBID assessment capital reserve funds throughout the five year PBID term.

It is noted that the Assessment Engineer has determined that general benefits equate to 1% of the total adjusted PBID program costs of \$205,219 or \$2,052. General benefit costs shall be derived from non-assessment revenue sources such as grants, program income, volunteer credits, interest, memberships and other sources.

It is further noted that phased capital improvement projects such as Highway 18 frontage road drainage and other pavement improvements within the Village PBID are proposed that could expend an average of \$200,000 per year drawn down from PBID capital reserve funds.

**Benefits:** “General Benefit” is defined as: “A benefit to properties in the area and in the surrounding community or benefit to the public in general resulting from the improvement, activity, or service to be provided by the assessment levied”. “Special Benefit” as defined by the California State Constitution means a distinct benefit over and above general benefits conferred on real property located in the PBID or to the public at large.

**Formula:** There are two benefit zones: Zone A and Zone B. Other than as described within for approved supplemental project assessments, all other assessment rates will have a 5% maximum annual increase cap. Year 1 property assessment rates per parcel in each zone are:

ZONE A (Parcels with Hwy 18, Yucca Loma, Navajo and Central n/o Hwy 18 frontages)

- A. \$0.00325 per square foot of land, plus
- B. \$0.12 per square foot of building, plus
- C. \$1.50 per linear foot of Hwy 18, Yucca Loma, Navajo, and/or Central street frontage.
- D. \$0.66 per linear foot of all other street frontages

ZONE B (All other parcels in District)

- A. \$0.0013 per square foot of land, plus
- B. \$0.048 per square foot of building, plus
- C. \$0.66 per linear foot of street frontage

There are two benefit zones in the Apple Valley Village PBID. (A map showing the PBID boundaries and each benefit zone is shown on Appendix 2 attached to this Plan). Parcels with residential uses shall not be assessed for building areas with residential uses.

It is noted that future grading and paving improvement projects have been identified for Del Mar Road and John Glenn Road between Highway 18 and Powhatan Road. Design details, public easements, implementation schedules, additional funding sources and supplemental assessment methodology for parcels with direct street frontage or indirect ingress/egress to these proposed improvements are being developed but will not be finalized for Year 1 (2017-18) of the renewed PBID term. When these project details are finalized, a supplemental petition and Proposition 218 ballot procedure will be conducted for owners of those parcels receiving special benefits from the proposed improvements within an overlay Benefit Zone "C", and subject to proportionate supplemental parcel assessments to fund a portion of these improvement projects as determined by the PBID Assessment Engineer.

**Cap:** Other than as described above for approved supplemental project assessments, all other assessment increases are capped at a maximum of 5% per year, subject to approval by the Property Owner Association (Apple Valley Village PBID Association) Board of Directors.

**Renewal:** PBID renewal is a two-step process. First, petitions signed by PBID property owners representing at least 50% of the total assessment to be levied must be secured. Second, property owners will be sent a ballot to vote on the PBID renewal. Returned ballots in support of the PBID renewal must outweigh those in opposition based on the amount of assessment to be levied. It is noted that the same two-step process will be used for approval of supplemental assessments for those parcels specially benefitting from future street improvement projects.

**Duration:** The renewed PBID will have a term of five (5) years. After these five years, the petition and balloting process must be repeated in order to renew the PBID and levy assessments again at that time. Per State PBID Law, future renewal terms may extend up to 10 years each time.

## II. PBID BOUNDARIES

### Setting and Boundary Description

The Apple Valley Village PBID is located in the original historic business center of Apple Valley. The PBID encompasses all properties along the Highway 18 corridor roughly bounded by Navajo Rd. on the west, Central Rd. on the east, Esaws Rd. on the north and Ottawa Rd. on the south. Based on information provided by the San Bernardino County Assessor's Office and field reviews, there are 318 parcels within the proposed renewed PBID. Of these, 316 are identified by this Assessment Engineer as assessable. (Please see discussion on Page 20 of the attached Engineer's Report regarding the rationale for the two non-assessed parcels within the PBID). It is noted that the PBID boundaries are being modified slightly by adding 4 new parcels on the west side of Central Avenue south of Highway 18 and 1 new parcel just north of Ottawa Road on the east side of Osage Court.

All properties within this PBID will receive proportionate special benefit from district programs and improvements within a two benefit zones: Zone A includes all properties fronting on Highway 18, Navajo Road and Central Road (north of Hwy 18) and Zone B includes all other properties within the District. A future third overlay benefit zone, Zone C, will be considered at some point in the future for the funding of proposed street pavement projects. A map showing the PBID boundaries is shown on Appendix A attached hereto. This area is the center of commerce in the original Apple Valley Town site. The PBID is generally surrounded by residential neighborhoods on the west, north and south and scattered vacant land and businesses on the east.

**Benefit Zones:** There are two benefit zones in the Apple Valley Village PBID.

- **Zone A** includes all properties fronting on Highway 18, Navajo Road and Central Road (north of Hwy 18). PBID activity and vehicle traffic is highest in Zone A, as these corridors provide the most direct access and visibility to the Village area. As a result, Zone A parcels will receive a higher level of special benefit from PBID funded activities and improvements and are assessed at a higher proportionate rate than Zone B to offset higher proportionate program level and improvement costs.
- **Zone B** includes all of the remaining parcels within the Apple Valley Village PBID boundaries. PBID activity and vehicle traffic is lower in Zone B, as these grid oriented streets provide only secondary access and visibility to the Village area. As a result, Zone B parcels will receive a lower level of special benefit from PBID funded activities and improvements and are assessed at a lower proportionate rate than Zone A to offset lower proportionate program level and improvement costs.



- **Zone C** (future overlay zone) will include all parcels with direct street frontage on or indirect ingress/egress to John Glenn Road and Del Mar Road between Highway 18 and Powhatan Road. Zone C parcels will receive direct proportionate special benefit from proposed street grading and paving improvement projects within these limits and will be assessed according to a methodology and proportionate amount as determined by the PBID Assessment Engineer.

### **PBID Boundary Rationale**

**Northern Boundary:** The northern boundary of the Apple Valley Village PBID was determined by zoning and land uses where parcels located to the north of the northern PBID are zoned and/or developed solely residential with residential land uses while those south of the northern boundary are zoned commercial. State of California Streets and Highways Code Section 36632(c) conclusively presumes that properties zoned solely residential do not benefit from the improvements and service funded through PBID assessments, cannot be assessed and, thus, these single use neighborhoods are not included in the Apple Valley Village PBID.

**Eastern Boundary:** The parcels located to the east of the eastern PBID boundaries are a combination of scattered businesses and vacant land along the south side of Highway 18 and solely residential zoning and land uses southeast of this strip. There has been very little interest expressed by property owners and businesses east of Central to be included in either Village activities or the Village PBID and, thus, are not included in the PBID. Further, regarding the residential areas east of Central and for the reason stated above, are not included within the Apple Valley Village PBID.

**Southern Boundary:** The southern boundary of the Apple Valley Village PBID was determined by zoning and land uses where properties located to the south of the southern PBID boundary are zoned and/or developed solely residential with residential land uses while those north of the southern boundary are zoned commercial. For the reason stated above, these single use residential neighborhoods are not included in the Apple Valley Village PBID.

**Western Boundary:** The western boundary of the Apple Valley Village PBID was determined by zoning and land uses where properties located to the west of the western PBID boundary are zoned and/or

developed solely residential with residential land uses while those east of the western boundary are zoned commercial. For the reason stated above, these single use residential neighborhoods are not included in the Apple Valley Village PBID.

A list of all parcels included in the proposed Apple Valley Village PBID is shown as Appendix 1, attached to this Plan with their respective San Bernardino County assessor parcel number. The boundary of the proposed Apple Valley Village PBID and benefit zones are shown on the map of the proposed renewed Apple Valley Village PBID attached as Appendix 2 to this Plan.

All identified parcels within the above-described boundaries shall be assessed to fund supplemental special benefit programs, services and improvements as outlined in this Plan and in the Assessment Engineer's Report. All PBID funded services, programs and improvements provided within the above described boundaries shall confer special benefit to identified assessed parcels inside the PBID boundaries and none will be provided outside of the PBID. Each assessed parcel within the Apple Valley Village PBID will proportionately specially benefit from the PBID funded supplemental security, marketing and promotions, streetscape beautification improvements and image enhancements, other special projects/programs and management/operations/contingency/reserve. These services, programs and improvements are intended to improve commerce, employment, rents and occupancy rates and investment return of parcels and businesses within the Apple Valley Village PBID by reducing crime, improving the Village aesthetics and professionally marketing goods and services available within the PBID, all considered necessary in a competitive properly managed business district. All PBID funded services programs and improvements are considered supplemental, above normal base level services provided by the Town of Apple Valley and are only provided for the special benefit of assessed parcels within the boundaries of the Apple Valley Village PBID.

### **III. Proposed 5 Year PBID Work Plan and Budget**

#### **Overview**

The Programs and activities to be funded by the Apple Valley Village PBID include supplemental security, marketing and promotions, streetscape beautification improvements/image enhancements, other special projects/programs and District management/operations/contingency/reserve. The property uses within the boundaries of the PBID that will receive special benefits from PBID funded programs, services and improvements are primarily a mix of retail, service, office and light industrial. PBID funded activities are

primarily designed to provide special benefits as described below to identified assessed parcels within the boundaries of the PBID.

Assessed parcels are conferred proportionate special benefits from all PBID funded programs, services and improvements which are intended to attract more customers, users, visitors, employees, tenants and investors. For these parcels, PBID programs, services and improvements are designed to increase business volumes, sales transactions, occupancies, rental income and return on investments. These programs, services and improvements are designed to improve commerce, security and aesthetic appeal for patrons, visitors and employees of these parcels within the Apple Valley Village PBID by reducing crime, improving Village aesthetics and professionally marketing the array of goods and services available within the PBID, all considered necessary in a competitive properly managed business district.

These benefits are particular and distinct to each and every identified and assessed parcel within the Apple Valley Village PBID and are not provided to non-assessed parcels outside of the PBID. These programs, services and improvements will only be provided to each individual assessed parcel within the PBID boundaries and, in turn, confer proportionate "special benefits" to each assessed parcel.

In the case of the Apple Valley Village PBID, the very nature of the purpose of this PBID is to fund supplemental programs, services and improvements to assessed parcels within the PBID boundaries above and beyond what is being currently funded either via normal tax supported methods or other funding sources. The Town of Apple Valley does not provide these programs and services. All benefits derived from the assessments to be levied on assessed parcels within the PBID are for services, programs and improvements directly benefiting each individual assessed parcel within the PBID. No PBID funded services, activities or programs will be provided outside of the PBID boundaries.

The projected program special benefit cost allocation of the PBID assessment revenues for the 5 year PBID term assuming a 5% maximum annual assessment rate increase is shown in the Table on page 12 of this Plan.

#### **WORK PLAN DETAILS**

The proposed Apple Valley Village PBID work plan is described in more detail as follows:

### **Security Services**

The Security Services component includes deploying a periodic dedicated San Bernardino County Sheriff Patrol service via Sheriff vehicle throughout the PBID with varying schedules day/night/weekends checking for/reporting on – crime, graffiti, vandalism and suspicious activities. The patrol also makes pedestrian checks and traffic stops within the Village PBID as well as makes business contacts and assesses business location security. The Sheriff provides regular written and oral reports to the PBID Association and disseminates special security and crime related alerts.

The security services component is designed to specially benefit each identified and assessed parcel and land use within the Apple Valley Village PBID. This element is designed to establish and keep the Village a safe place to visit, work, transact business, shop and dine. Security services are designed to attract more customers, clients, employees, tenants and investors which potentially would increase business volumes, sales transactions, occupancies, rental income and return on investments. Security services will be provided only within the PBID boundaries and for the special benefit of identified and assessed parcels and land uses within the Apple Valley Village PBID.

### **Marketing & Promotions**

The marketing and promotions component could include but is not limited to: newsletters, website and social media management, development and distribution of promotional materials, seasonal decorations, special events, media advertising and other programs that will promote the array of goods and services available within the Apple Valley Village PBID.

This component is designed to specially benefit and improve the marketability of assessed parcels within the Apple Valley Village PBID. This element is designed to attract more customers, clients, visitors, employees, tenants and investors which potentially would increase business volumes, sales transactions, occupancies, rental income and return on investments. Marketing programs will only be provided for identified and assessed parcels located within the PBID boundaries.

### **Streetscape Beautification and Image Enhancements**

The Streetscape Beautification and Image Enhancements category includes specialized maintenance of PBID funded improvements and funding of physical amenities and beautification projects for the special benefit of each identified and assessed parcel within the Apple Valley Village PBID. Maintenance includes

regular upkeep and irrigation for the PBID funded center median island improvements along Highway 18 as well as placement, rotation and upkeep of seasonal pole banners along Highway 18 and placement of business directory signs also located along Highway 18. Types of physical amenities and beautification projects include: seasonal pole banners; business directory signs and landscape replacement along the Highway 18 center median island; a private property aesthetic and rehabilitation grant program (ARGP) and, other streetscape related improvements, as approved by the Apple Valley Village Board of Directors.

This component is designed to specially benefit and improve the aesthetic appeal of each identified and assessed parcel within the PBID and attract more customers, clients, visitors, employees, tenants, and investors which potentially would increase business volumes, sales transactions, occupancies, rental income and return on investments. Streetscape Beautification improvements will only be provided for identified and assessed parcels and their businesses and occupants located within the PBID boundaries.

#### **Special Projects**

The Special Projects component includes phased future capital improvement projects funded from PBID capital reserves which might include but are not limited to: Highway 18 and Outer Highway 18 storm water drainage improvements (culverts, channels, catch basins, street and gutter regrading and realignment); street grading/pavement/re-pavement; installation of Village theme streetscape elements such as signage, lighting, displays and landscaping; property acquisition for PBID related purposes; and, other projects as approved by the PBID Association Board of Directors. As was done in the past with the Highway 18 center median island landscaping and beautification project, outside matching private and public grant funds will be sought to maximize the value of PBID assessment dollars. Because the timing of gaining approval and receipt of such outside funds is a variable, the exact implementation and phasing of Special Projects will vary and be dependent on outside factors. Special Projects will be funded from PBID assessment reserves.

This component is designed to specially benefit and improve the aesthetic appeal and functionality of each identified and assessed parcel within the PBID and attract more customers, clients, visitors, employees, tenants, and investors which potentially would increase business volumes, sales transactions, occupancies, rental income and return on investments. Special Projects will only be provided for identified and assessed parcels and their businesses and occupants located within the PBID boundaries.

**Management/Operations/Contingency/Reserve**

Included in the Management/Operations/Contingency/Reserve component are the costs for PBID management, consultants, accounting, legal, bank charges, annual report and Directors and Officers and General Liability insurance and other office and operation expenses. This component also includes County collection fees, allowance for delinquent assessment payments and other variable and unforeseen expenses related to each program element. This program element also includes assessment reserves being held for future capital improvement projects. A portion of PBID assessment funds remaining in the last two years of the proposed PBID renewal term may be used to develop the Management District Plan, Engineer’s Report and related renewal costs for the following renewal term.

This component is key to the proper expenditure of PBID assessment funds and the administration of PBID programs and activities. This component exists only for the purposes of the PBID and will only be provided for matters specially benefitting each individual assessed parcel within the Apple Valley Village PBID.

In summary, all PBID funded services, programs and improvements described above confer special benefits to identified assessed parcels inside the PBID boundaries and none will be provided outside of the PBID. Each identified and assessed parcel within the Apple Valley Village PBID will proportionately specially benefit from the PBID funded supplemental security, marketing and promotions, streetscape beautification improvements and image enhancements, other special projects/programs and management/operations/contingency/reserve. These services, programs and improvements are intended to improve commerce, employment, rents, occupancy rates and investment return of parcels and businesses within the Apple Valley Village PBID by reducing crime, improving Village aesthetics and professionally marketing goods, services and spaces available within the PBID, all considered necessary in a competitive properly managed business district. All PBID funded services programs and improvements are considered supplemental, above normal base level services provided by the Town of Apple Valley and are only provided for the special benefit of assessed parcels within the boundaries of the Apple Valley Village PBID.

**PROGRAM & ACTIVITY BUDGET**

Each identified parcel within the Apple Valley Village PBID will be assessed the full amount of the proportionate special benefit conferred upon it based on the level of PBID funded services provided within each benefit zone. The projected program special benefit cost allocation for the Year 1 (2018) of the renewed Apple Valley Village PBID is shown in the following Table:

**Year 1 (2018) Projected PBID Special Benefit Costs**  
**(Assessment Revenue Only)**

DESCRIPTION	Year 1	%
1. Security	\$30,000	15%
2. Marketing	\$100,000	49%
3. Streetscape, Beautification & Image Enhancements	\$22,000	11%
4. Special Projects	\$0 *	
5. Management/Operations/Contingency	<u>\$51,167</u>	<u>25%</u>
Total	\$203,167	100%

\*It is noted that the Special Projects component may be supplemented by PBID assessment capital reserve funds throughout the five year PBID term.

In order to carry out the PBID programs outlined in the previous section, a first year assessment budget of \$203,167 is proposed. Since the renewed PBID is planned for a 5 year term, projected program costs for future years (Years 2-5) are set at the inception of the PBID. While future inflationary and other program cost increases are unknown at this point, a built in maximum increase of 5% per annum is incorporated into the projected program costs and assessment rates for the five year PBID term. Carryovers, if any, may be reapportioned the following year for related programs, services and improvements. Detailed annual budgets will be prepared by the Apple Valley Village Board and included in an Annual Report for the Town Council's review and approval. It is noted that the allocations shown may be shifted between these major categories based on changing needs, program costs, demands and contract prices in each category's allocation throughout the five year PBID term. A 5 year projected Apple Valley Village PBID assessment budget is shown in the following Table:

**YEAR 1-5 PROJECED PBID ASSESSMENT BUDGET SUMMARY**  
**(Assumes 5% max rate increase per year)**

DESCRIPTION	Year 1	Year 2	Year 3	Year 4	Year 5	Total
1. Security	\$30,000	\$30,450	\$30,907	\$31,370	\$31,841	\$154,568
2. Marketing	\$100,000	\$101,500	\$103,023	\$104,568	\$106,136	\$515,227
3. Streetscape, Beautification & Image Enhancements	\$22,000	\$22,330	\$22,665	\$23,005	\$23,350	\$113,350
4. Special Projects	\$0 *	\$0 *	\$0 *	\$0 *	\$0 *	\$0 *
5. Management/Operations/Contingency	<u>\$51,167</u>	<u>\$51,935</u>	<u>\$52,714</u>	<u>\$53,504</u>	<u>\$54,307</u>	<u>\$263,626</u>
Total	\$203,167	\$206,215	\$209,308	\$212,447	\$215,634	\$1,046,772

\*It is noted that the Special Projects component may be supplemented by PBID assessment capital reserve funds throughout the five year PBID term.

The Assessment Engineer (see Engineer's Report) has found that the general benefits (i.e. benefits to the general public and surrounding parcels outside the PBID) of the proposed programs, services and improvements (i.e. supplemental security, marketing and promotions, streetscape beautification improvements/image enhancements, other special projects/programs and District management/operations/contingency/reserve), represent 1% of the total benefits generated and, in turn, 1% (\$2,052) of the total adjusted costs (\$205,219) of the PBID funded improvements, activities and services provided. Thus, 1% of the total PBID costs will need to be funded by non-assessment revenue sources such as grants, donations, program income, volunteer credits, etc.

The proposed Apple Valley Village PBID may increase the assessment for each individual parcel each year during the 5 year effective operating period, but in no event shall the assessment increase exceed 5% per year and must be approved by the Apple Valley Village Board of Directors, included in the Annual Report and adopted by the Town of Apple Valley Town Council. Any accrued interest and delinquent payments will be expended within the budgeted categories. The Apple Valley Village Board of the Directors ("Property Owner's Association of the Apple Valley Village PBID) shall determine the percentage increase to the annual assessment and the methodology employed to determine the amount of the increase. The Apple Valley Village PBID Association shall communicate the annual increase to the Town each year in which the PBID operates at a time determined in the Administration Contract held between Apple Valley Village PBID Association and the Town of Apple Valley. No bonds are to be issued in conjunction with the proposed renewed PBID.

It is recognized that market conditions may cause the cost of providing goods and services to fluctuate from year to year during the 5 year term of the proposed PBID. Accordingly, Apple Valley Village shall have the right to reallocate any budget line item within the budget categories based on such cost fluctuations subject to the review and approval by the Apple Valley Village PBID Board and included in the Annual Report that will be approved by the Apple Valley Town Council pursuant to Streets and Highways Code Section 36650. Any accrued interest or delinquent payments may be expended in any budget category.



Pursuant to Section 36671 of the Streets and Highways Code, any funds remaining after the fifth year of operation will be rolled over into the renewal budget or returned to stakeholders. PBID assessment funds may be used to pay for costs related to the following PBID renewal term. If the PBID is not renewed or terminated for any reason, unexpended funds will be returned to the property owners.

**Duration of Assessment Levy**

The effective operation period of the proposed Apple Valley Village PBID is January 1, 2018 through December 31, 2022. It is noted that the range of property tax years for levying the proposed PBID assessments is 2017-18 through 2021-22 running from July 1 through June 30 of each property tax fiscal year. At the conclusion of this term the PBID may be renewed again for a maximum of 10 years. If the proposed Apple Valley Village PBID is not renewed at the end of the proposed 5 year renewal term, PBID services will end on December 31, 2022 and assessment levying authority will end on June 30, 2022.

**Time and Manner of Collection of Assessments**

As provided by statute, the Apple Valley Village PBID assessments will be collected by the County of San Bernardino in the same manner as annual property taxes are collected and will appear as a separate line item on the property tax statement prepared by and issued by the County. It is intended that the Town of Apple Valley and the Apple Valley Village Property Owners Association will renew an agreement under which the Town will remit, where applicable, the assessment revenues to the Association for implementation of the Management Plan. Existing laws and policies addressing enforcement and/or appeal of property taxes shall also apply to PBID assessments.

**IV PROPOSED ASSESSMENT FORMULA**

The PBID programs and services described in this Management District Plan will be funded through benefit assessments against real property in the PBID and non-assessment revenues to fund the costs associated with general benefits conferred on the public at large and surrounding parcels outside of the PBID boundaries. The assessment formula has been developed by the Assessment Engineer to ensure that no parcel will be assessed an amount that exceeds the cost of the proportional special benefit that parcel derives from the programs, services and improvements to be funded by the proposed benefit assessments. The assessment rates are based on the anticipated benefit to be derived by each individual parcel within the boundary of the PBID.

Taking into account all identified specially benefiting parcels within the PBID and their respective assessable benefit units, cumulative quantities and assessment revenues by factor and zone are shown in the following Table:

**Year 1 –2017/18 Assessable Benefit Units and Projected Revenue**

UNIT	ZONE A QUANTITY	ZONE A REVENUE	ZONE B QUANTITY	ZONE B REVENUE	TOTAL QUANTITY	TOTAL REVENUE
Building Area (SF)	549,449	\$65,934	893,076	\$42,868	1,442,525	\$108,802
Land Area (SF)	6,813,405	\$22,144	10,219,819	\$13,286	17,033,224	\$35,429
Hwy 18 Street Frontage (LF)	16,672	\$25,008	0	\$0	16,672	\$25,008
All Other Street Frontage (LF)	8,156	<u>\$5,383</u>	43,251	<u>\$28,546</u>	51,407	<u>\$33,929</u>
		\$118,468		\$84,699		\$203,167

It has been determined by the Assessment Engineer (see Engineer’s Report attached to this Plan as Attachment 1) that the benefit assessment of each identified parcel within the PBID will be based on three factors - building area, land area and street frontage within two benefit zones. Assessments for parcels with residential uses shall not be assessed for residential building areas. Zone A assessments will be applied at 100% of the base unit rates and Zone B will be set at 40% of Zone A rates. For a more detailed explanation of the assessment methodology used to calculate the assessment rates, refer to the Assessment Engineer’s Report.

**APPLE VALLEY VILLAGE PBID ASSESSMENT FORMULA**

**[Assessment = Street Frontage Assmt + Land Area Assmt + Building Area Assmt]**

- Street Frontage Assmt = parcel street frontage x street frontage rate (from Table below)
- Land Area Assmt = land area x land area rate (from Table below)
- Building Area Assmt = building area x building area rate (from Table below)

**YEAR 1 (2017-18) ASSESSMENT RATES**

Zone A	YR 1 Rates
"A" Street Frontage Rate (\$/LF)	\$1.50000
"B" Street Frontage Rate (\$/LF)	\$0.66000
Land Area Rate (\$/SF)	\$0.00325
Bldg Area Rate (\$/SF)	\$0.12000

<b>Zone B</b>	<b>YR 1</b>
"B" Street Frontage Rate (\$/LF)	\$0.66000
Land Area Rate (\$/SF)	\$0.00130
Bldg Area Rate (\$/SF)	\$0.04800

Notes:

1. Building area assessments are based on gross exterior building area
2. Building areas for residential uses are not assessed.
3. Mixed use development building areas are assessed based on pro-rated ratios of land uses

Since the PBID is planned for a five year term, maximum assessments for future years (Years 2-5) must be set at the inception of the PBID. While future inflationary and other program cost increases are unknown at this point, a built in maximum increase of 5% per annum is incorporated into the projected program costs and, in turn, the resultant assessment rates for the five year life of the PBID. These figures are shown in the Table below. Assessment rates may not exceed those indicated below.

In addition, any annual budget surplus or deficit will be incorporated into the subsequent year's PBID budget. Within the constraints of the annual adjustment, annual assessments will be set to account for surpluses or deficits carried forward.

**Five Year Maximum Assessment Rates**  
(Includes a 5% max annual increase)

<b>Zone A</b>	<b>YR 1</b>	<b>YR 2</b>	<b>YR 3</b>	<b>YR 4</b>	<b>YR 5</b>
"A" Street Frontage Rate (\$/LF)	\$1.50000	\$1.57500	\$1.65375	\$1.73644	\$1.82326
"B" Street Frontage Rate (\$/LF)	\$0.66000	\$0.69300	\$0.72765	\$0.76403	\$0.80223
Land Area Rate (\$/SF)	\$0.00325	\$0.00341	\$0.00358	\$0.00376	\$0.00395
Bldg Area Rate (\$/SF)	\$0.12000	\$0.12600	\$0.13230	\$0.13892	\$0.14586
<b>Zone B</b>	<b>YR 1</b>	<b>YR 2</b>	<b>YR 3</b>	<b>YR 4</b>	<b>YR 5</b>
"B" Street Frontage Rate (\$/LF)	\$0.66000	\$0.69300	\$0.72765	\$0.76403	\$0.80223
Land Area Rate (\$/SF)	\$0.00130	\$0.00137	\$0.00143	\$0.00150	\$0.00158
Bldg Area Rate (\$/SF)	\$0.04800	\$0.05040	\$0.05292	\$0.05557	\$0.05834

SAMPLE CALCULATIONS:

Zone A - 18,000 sq ft parcel with a 10,119 sq ft building and 80 ft of Hwy 18 street frontage

$$= 18,000 \text{ sq ft land} \times \$0.00325/\text{sq ft} + 10,119 \text{ sq ft bldg} \times \$0.12/\text{sq ft} + 80 \text{ LF frontage} \times \$1.50/\text{LF}$$

$$\begin{aligned}
&= \$58.50 + \$1,214.28 + \$120.00 &= \$1,390.78 \text{ per year} \\
& &= \$ 115.90 \text{ per month} \\
& &= \$ 3.86 \text{ per day} \\
& &= 1.1 \text{ cent per sq ft bldg per month}
\end{aligned}$$

Same example as above but in Zone B

$$\begin{aligned}
&= 18,000 \text{ sq ft land} \times \$0.0013/\text{sq ft} + 10,119 \text{ sq ft bldg} \times \$0.048/\text{sq ft} + 80 \text{ LF frontage} \times \$0.66/\text{LF} \\
&= \$23.40 + \$485.71 + \$48.00 &= \$557.11 \text{ per year} \\
& &= \$ 46.42 \text{ per month} \\
& &= \$ 1.55 \text{ per day} \\
& &= \text{less than } 1/2 \text{ cent per sq ft bldg per month}
\end{aligned}$$

It is noted that future grading and paving improvement projects have been identified for Del Mar Road and John Glenn Road between Highway 18 and Powhatan Road. Design details, public easements, implementation schedules, additional funding sources and supplemental assessment methodology for parcels with direct street frontage or indirect ingress/egress to these proposed improvements are being developed but will not be finalized for Year 1 (2017-18) of the renewed PBID term. When these project details are finalized, a supplemental petition and Proposition 218 ballot procedure will be conducted for owners of those parcels receiving special benefits from the proposed improvements within an overlay Benefit Zone “C”, and subject to proportionate supplemental parcel assessments to fund a portion of these improvement projects as determined by the PBID Assessment Engineer.

**Future Development**

Other than future maximum rates and the assessment methodology delineated in this Report, per State Law (Government Code Section 53750), future assessments may increase for any given parcel if such an increase is attributable to events other than an increased rate or revised methodology, such as a change in the density, intensity, or nature of the use of land. Any change in assessment formula methodology or rates other than as stipulated in this Report would require a new Proposition 218 ballot procedure in order to approve any such changes.

The complete Yr 1 – 2018 assessment roll of all parcels to be assessed by this PBID is included in this Plan as Appendix I.

## **V. PUBLICLY OWNED PARCELS**

The State Constitution - Article 13D (Proposition 218) states that government owned properties are not exempt from benefit assessments, unless there is clear and convincing evidence showing that they receive no special benefit from the programs and services to be funded by the proposed benefit assessments. There is no clear and convincing evidence that publicly owned parcels, except as delineated below, do not proportionately specially benefit from PBID funded programs, services and improvements. Thus, 13 parcels owned by the Town of Apple Valley, the Apple Valley Fire District, the Mojave Water Agency and the County School Board will be assessed at this applicable assessment rates similar to privately owned parcels within the PBID.

Relative to the US Post Office on federal owned land on Highway 18, the US Attorney General has opined that all federal properties are exempt from local taxes and assessments pursuant to the Supremacy Clause of the US Constitution. Thus, this parcel will not be assessed nor will PBID funded services be provided for the special benefit of this parcel.

Relative to the Frontier/Verizon owned public utility parcel and facility on Navajo Road, this parcel contains a building which houses public utility based electronic telephonic switching equipment, similar in function to utility transmission and conveyance infrastructure located along, over and beneath public rights of ways and utility easements and, thus, will not be assessed nor will PBID funded services be provided for the special benefit of this parcel.

## **VI. PBID DISTRICT GOVERNANCE**

The Apple Valley Village PBID Property Owners Association (“Association”) will continue to be the agency responsible for the ongoing day-to-day management and administration of the Apple Valley Village PBID. The Association is a non-profit corporation formed by property owners located in the Apple Valley Village PBID. The Association may choose to contract with a third party entity such as the Town of Apple Valley to carry out certain District improvements and services. The Association may also contract with professional service entities in conjunction with the planning and implementation of PBID programs and services as well as the next PBID renewal in five years.

The annual programs, budgets and assessments for the Apple Valley Village PBID shall be determined by the Association, which shall also serve as the PBID “property owners association” referenced in State PBID

Law. This Board shall be responsible for the general oversight of the District including approval of the annual work programs and budgets, monitoring performance, and ensuring compliance with appropriate rules and regulations, including a PBID management agreement with the Town of Apple Valley. This Board shall generally meet on a monthly basis. When related to PBID matters, such meetings shall be subject to the State of California “Brown Act” open meeting requirements. Records of this Association pertaining to PBID related matters shall be available for public review as stipulated by State Law. Pursuant to State law, the Association Board shall file, for approval by the Town Council, an annual report for the upcoming year for which assessments shall be levied. Upon PBID renewal, the Town Council and the Association shall execute a contract, as applicable, for the performance and delivery of the stipulated program services over the life of the PBID.

**VII. PROPOSED RULES AND REGULATION APPLIED TO THE DISTRICT**

There are no specific rules or regulations applied to this PBID other than as described in the Governance section above.

**VIII. OTHER ITEMS**

1. No **bonds** will be issued for any PBID projects in conjunction with this PBID renewal.
2. The **PBID renewal** is a two-step process. First, petitions signed by PBID property owners representing at least 50% of the total assessment to be levied must be secured. Second, property owners will be sent a ballot to vote on the PBID renewal. Returned ballots in support of the PBID renewal must outweigh those in opposition based on the amount of assessment to be levied. It is noted that the same two-step process will be used for approval of supplemental assessments for those parcels specially benefitting from future street improvement projects.

**IX. IMPLEMENTATION TIME TABLE**

The renewed PBID is expected to begin operation by January 2018. In order to meet this goal, the following procedural timeline is proposed:

<u>Date</u>	<u>Action/Task</u>
March-Aug 2016	• Develop PBID Management District Plan
Sep 2016	• Initiate petition drive
Sep '16 - June '17	• Collect petitions signed by property owners
June 2017	• Submit majority support petitions to Town along with final Management Plan
June 13, 2017	• Town Council adopts Resolution of Intention to renew the PBID
June 2017	• Town sends notice of PBID public hearing and a ballot to property owners within PBID
Aug 8, 2017	• Town Council conducts hearing (ballots due by this date)
Aug 8, 2017	• Providing no majority ballot protest is filed at the hearing, Council approves Resolution of Renewal for the PBID
Aug 2017	• Assessment roll submitted to SB County Assessor
Dec 10/Apr 10 (due)	• Assessments billed and collected by SB County with property taxes
1st Qtr '18	• Revenues remitted to Apple Valley Village per contract with Town
(5yrs)	• PBID Association carries out renewed PBID programs and services

APPENDIX 1

YR 1 – 2017/18 ASSESSMENT ROLL

APN	2017/18 YR 1 PBID ASSMT
0439-022-66-0000	\$13,417.00
3087-301-41-0000	\$1,395.34
3087-301-42-0000	\$84.63
3087-301-43-0000	\$601.36
3087-301-44-0000	\$387.83
3087-301-45-0000	\$10,840.02
3087-301-46-0000	\$1,518.88
3087-301-52-0000	\$1,604.69
3087-341-01-0000	\$491.52
3087-341-02-0000	\$377.50
3087-341-03-0000	\$1,392.78
3087-341-04-0000	\$825.32
3087-341-05-0000	\$389.59
3087-341-06-0000	\$8.13
3087-341-07-0000	\$16.25
3087-341-08-0000	\$0.00
3087-341-09-0000	\$159.61
3087-341-10-0000	\$933.29
3087-341-11-0000	\$529.25
3087-341-12-0000	\$478.46
3087-341-13-0000	\$302.59
3087-341-16-0000	\$2.86
3087-341-17-0000	\$26.00
3087-341-19-0000	\$508.83
3087-341-20-0000	\$895.13
3087-341-21-0000	\$571.43
3087-341-22-0000	\$600.55
3087-341-23-0000	\$202.19
3087-341-24-0000	\$287.61
3087-341-25-0000	\$1,001.64
3087-341-30-0000	\$1,727.43
3087-341-31-0000	\$1,451.45
3087-341-32-0000	\$529.76
3087-341-39-0000	\$526.76
3087-341-40-0000	\$208.47
3087-341-41-0000	\$571.73
3087-341-43-0000	\$1,743.03
3087-342-01-0000	\$603.98
3087-342-02-0000	\$550.25
3087-342-03-0000	\$526.66
3087-342-06-0000	\$668.96
3087-342-07-0000	\$916.30
3087-342-08-0000	\$1,099.57
3087-342-11-0000	\$3,278.64
3087-342-12-0000	\$136.42
3087-342-13-0000	\$7.80

3087-342-14-0000	\$42.90
3087-342-15-0000	\$18.85
3087-342-16-0000	\$2.60
3087-342-17-0000	\$42.90
3087-342-18-0000	\$54.51
3087-342-19-0000	\$57.12
3087-342-20-0000	\$16.32
3087-342-21-0000	\$685.20
3087-342-22-0000	\$406.47
3087-342-23-0000	\$4.94
3087-342-24-0000	\$413.44
3087-342-25-0000	\$1,160.59
3087-342-26-0000	\$398.83
3087-342-27-0000	\$875.04
3087-342-28-0000	\$605.42
3087-342-29-0000	\$704.70
3087-342-30-0000	\$347.10
3087-342-31-0000	\$277.78
3087-342-32-0000	\$276.17
3087-342-33-0000	\$466.85
3087-342-34-0000	\$9,823.69
3087-342-35-0000	\$345.95
3087-342-36-0000	\$363.71
3087-342-37-0000	\$929.12
3087-342-38-0000	\$4,059.95
3087-342-39-0000	\$729.43
3087-342-40-0000	\$855.58
3087-342-41-0000	\$275.64
3087-342-42-0000	\$1,019.46
3087-342-43-0000	\$1,759.86
3087-342-44-0000	\$506.41
3087-342-45-0000	\$634.59
3087-342-46-0000	\$646.50
3087-342-47-0000	\$1,169.03
3087-351-01-0000	\$365.60
3087-351-02-0000	\$118.01
3087-351-03-0000	\$241.98
3087-351-04-0000	\$241.98
3087-351-05-0000	\$488.48
3087-351-07-0000	\$484.52
3087-351-11-0000	\$483.38
3087-351-13-0000	\$141.00
3087-351-15-0000	\$171.19
3087-351-16-0000	\$171.19
3087-351-30-0000	\$483.03
3087-351-31-0000	\$783.00
3087-351-32-0000	\$105.00
3087-351-33-0000	\$585.00

3087-351-34-0000	\$595.50
3087-351-35-0000	\$115.50
3087-351-36-0000	\$115.50
3087-351-37-0000	\$144.11
3087-351-38-0000	\$105.00
3087-351-39-0000	\$105.00
3087-351-40-0000	\$114.07
3087-351-41-0000	\$114.07
3087-351-42-0000	\$402.07
3087-351-43-0000	\$690.07
3087-351-44-0000	\$690.07
3087-351-45-0000	\$741.33
3087-351-46-0000	\$581.30
3087-351-47-0000	\$388.15
3087-351-48-0000	\$101.84
3087-351-49-0000	\$101.84
3087-351-50-0000	\$291.99
3087-351-52-0000	\$770.52
3087-381-02-0000	\$740.06
3087-381-03-0000	\$419.73
3087-381-04-0000	\$1,712.97
3087-381-06-0000	\$495.38
3087-381-07-0000	\$136.50
3087-381-08-0000	\$78.25
3087-381-09-0000	\$78.25
3087-381-10-0000	\$224.16
3087-381-11-0000	\$767.37
3087-381-12-0000	\$385.28
3087-381-15-0000	\$747.28
3087-381-16-0000	\$263.89
3087-381-17-0000	\$408.15
3087-381-18-0000	\$427.65
3087-381-19-0000	\$587.90
3087-381-20-0000	\$35.09
3087-381-21-0000	\$564.96
3087-381-22-0000	\$274.10
3087-381-23-0000	\$364.47
3087-381-25-0000	\$239.72
3087-382-01-0000	\$1,178.66
3087-382-02-0000	\$1,972.77
3087-382-03-0000	\$553.89
3087-382-04-0000	\$700.01
3087-382-05-0000	\$995.12
3087-382-06-0000	\$143.75
3087-382-07-0000	\$143.75
3087-382-08-0000	\$2,516.67
3087-382-09-0000	\$515.05
3087-382-10-0000	\$815.73



3087-382-11-0000	\$142.65
3087-382-12-0000	\$772.03
3087-382-13-0000	\$161.25
3087-382-14-0000	\$573.19
3087-382-15-0000	\$1,287.14
3087-382-16-0000	\$158.81
3087-382-17-0000	\$161.25
3087-382-18-0000	\$158.92
3087-382-19-0000	\$455.96
3087-382-20-0000	\$101.72
3087-382-21-0000	\$101.72
3087-382-22-0000	\$101.72
3087-382-23-0000	\$101.72
3087-382-24-0000	\$101.72
3087-382-25-0000	\$101.72
3087-382-26-0000	\$101.72
3087-382-27-0000	\$101.72
3087-382-28-0000	\$925.52
3087-382-29-0000	\$302.74
3087-382-30-0000	\$101.85
3087-382-31-0000	\$575.61
3087-382-32-0000	\$575.61
3087-382-33-0000	\$553.39
3087-382-34-0000	\$101.85
3087-382-35-0000	\$101.85
3087-382-36-0000	\$101.85
3087-382-37-0000	\$161.85
3087-382-38-0000	\$105.00
3087-391-01-0000	\$2,164.52
3087-391-02-0000	\$42.90
3087-391-03-0000	\$776.35
3087-391-04-0000	\$1,229.72
3087-391-05-0000	\$1,056.15
3087-391-06-0000	\$276.25
3087-391-09-0000	\$376.50
3087-391-10-0000	\$753.00
3087-391-11-0000	\$777.00
3087-391-12-0000	\$303.00
3087-391-13-0000	\$349.80
3087-391-14-0000	\$105.00
3087-391-15-0000	\$105.00
3087-391-16-0000	\$585.00
3087-391-17-0000	\$303.00
3087-391-18-0000	\$364.82
3087-391-19-0000	\$364.89
3087-391-20-0000	\$529.47
3087-391-21-0000	\$739.74
3087-391-22-0000	\$986.72
3087-391-23-0000	\$115.36
3087-391-24-0000	\$115.50
3087-391-25-0000	\$115.50
3087-391-26-0000	\$115.50
3087-391-27-0000	\$115.50
3087-391-28-0000	\$115.50
3087-391-29-0000	\$230.88

3087-391-30-0000	\$2,595.34
3087-392-05-0000	\$498.89
3087-392-06-0000	\$1,074.00
3087-392-07-0000	\$115.50
3087-392-08-0000	\$303.00
3087-392-09-0000	\$105.00
3087-392-12-0000	\$284.83
3087-392-13-0000	\$102.01
3087-392-14-0000	\$523.88
3087-392-15-0000	\$115.50
3087-392-16-0000	\$115.50
3087-392-19-0000	\$674.70
3087-392-20-0000	\$102.01
3087-392-21-0000	\$102.01
3087-392-22-0000	\$284.83
3087-392-23-0000	\$115.50
3087-392-24-0000	\$115.50
3087-392-25-0000	\$115.50
3087-392-26-0000	\$115.50
3087-392-27-0000	\$576.68
3087-392-28-0000	\$899.10
3087-392-29-0000	\$634.20
3087-392-30-0000	\$115.50
3087-392-31-0000	\$115.50
3087-392-32-0000	\$115.50
3087-392-33-0000	\$115.50
3087-392-34-0000	\$115.50
3087-392-35-0000	\$348.82
3087-392-36-0000	\$112.54
3087-392-37-0000	\$112.54
3087-392-38-0000	\$1,230.90
3087-392-39-0000	\$1,210.19
3087-811-02-0000	\$59.82
3087-811-03-0000	\$59.82
3087-811-04-0000	\$59.82
3087-811-05-0000	\$69.96
3087-811-06-0000	\$69.96
3087-811-07-0000	\$69.96
3087-811-08-0000	\$94.79
3087-811-09-0000	\$94.79
3087-811-10-0000	\$94.79
3087-811-11-0000	\$94.79
3087-811-12-0000	\$94.79
3087-811-13-0000	\$94.79
3087-811-14-0000	\$94.79
3087-811-15-0000	\$94.79
3087-811-16-0000	\$94.79
3087-811-17-0000	\$94.79
3087-811-18-0000	\$94.79
3087-811-19-0000	\$94.79
3087-811-20-0000	\$94.79
3087-811-21-0000	\$94.79
3112-561-13-0000	\$912.34
3112-561-25-0000	\$383.72
3112-561-26-0000	\$2,421.77

3112-563-11-0000	\$3,066.31
3112-563-12-0000	\$185.63
3112-563-13-0000	\$185.63
3112-563-14-0000	\$584.75
3112-563-15-0000	\$569.63
3112-563-16-0000	\$633.19
3112-563-17-0000	\$423.59
3112-563-18-0000	\$185.63
3112-563-19-0000	\$521.63
3112-563-20-0000	\$185.63
3112-563-21-0000	\$853.07
3112-563-22-0000	\$821.63
3112-563-23-0000	\$605.63
3112-563-24-0000	\$321.98
3112-651-23-0000	\$3,300.30
3112-651-24-0000	\$3,884.17
3112-651-25-0000	\$513.06
3112-651-26-0000	\$493.50
3112-651-27-0000	\$143.75
3112-651-28-0000	\$540.01
3112-653-01-0000	\$623.00
3112-653-02-0000	\$509.63
3112-653-03-0000	\$713.63
3112-653-04-0000	\$366.83
3112-653-05-0000	\$473.15
3112-653-06-0000	\$421.07
3112-653-07-0000	\$500.99
3112-653-08-0000	\$425.63
3112-653-09-0000	\$701.39
3112-653-10-0000	\$605.63
3112-653-11-0000	\$185.63
3112-653-12-0000	\$1,987.65
3112-721-01-0000	\$1,289.31
3112-721-02-0000	\$335.55
3112-721-03-0000	\$105.00
3112-721-04-0000	\$105.00
3112-721-05-0000	\$344.87
3112-721-06-0000	\$105.00
3112-721-07-0000	\$736.33
3112-721-08-0000	\$825.00
3112-721-09-0000	\$105.00
3112-721-10-0000	\$436.50
3112-721-11-0000	\$105.00
3112-721-12-0000	\$105.00
3112-721-13-0000	\$736.33
3112-731-01-0000	\$595.36
3112-731-02-0000	\$115.36
3112-731-03-0000	\$115.36
3112-731-04-0000	\$585.00
3112-731-05-0000	\$585.00
3112-731-06-0000	\$136.50
3112-731-07-0000	\$2,723.47
3112-731-08-0000	\$895.93
3112-731-12-0000	\$370.84
3112-731-13-0000	\$370.84

3112-731-15-0000	\$402.76
3112-731-16-0000	\$122.14
3112-731-17-0000	\$163.43
3112-731-18-0000	\$2,056.62

3112-731-19-0000	\$594.15
3112-731-21-0000	\$983.32
3112-731-22-0000	\$1,324.13
3112-731-23-0000	\$5,010.87

3112-731-24-0000	\$1,344.10
3112-731-25-0000	\$780.73

# APPENDIX 2

## AVV PBID BOUNDARY MAP

NOTE: MAP IS A  
SEPARATE DOCUMENT

**ATTACHMENT 1**

**APPLE VALLEY VILLAGE**

**PROPERTY & BUSINESS  
IMPROVEMENT DISTRICT  
RENEWAL**

**DISTRICT  
ASSESSMENT ENGINEER'S  
REPORT**

*Formed in 2007 - Renewed in 2012 - Being Renewed Again for 5 Years Pursuant to California Streets and Highways  
Code Section 36600 et seq. - Property Business Improvement District Act of 1994, as amended*

*Prepared by  
Edward V. Henning  
California Registered Professional Engineer # 26549  
Edward Henning & Associates*

*September 2016*

v1.3

APPLE VALLEY VILLAGE PBID RENEWAL – ASSESSMENT ENGINEER’S REPORT

**DISTRICT ASSESSMENT ENGINEER’S REPORT**

To Whom It May Concern:

I hereby certify to the best of my professional knowledge and experience that each of the identified benefiting assessed properties located within the proposed Apple Valley Village Property & Business Improvement District ("AVV PBID") being renewed for a five (5) year term will receive a special benefit over and above the benefits conferred on the public at large and that the amount of the proposed assessment is proportional to, and no greater than the benefits conferred on each respective property.

*Prepared by Edward V. Henning, California Registered Professional Engineer # 26549*



RPE #26549 September 26, 2016

Edward V. Henning

Date

*(NOT VALID WITHOUT SIGNATURE AND CERTIFICATION SEAL HERE)*

**Introduction**

This report serves as the “detailed engineer’s report” required by Section 4(b) of Article XIID of the California Constitution (Proposition 218) to support the benefit property assessments proposed to be levied within the proposed AVV PBID in the Town of Apple Valley, California being renewed for a five (5) year term. The discussion and analysis contained within this Report constitutes the required “nexus” of rationale between assessment amounts levied and special benefits derived by real properties within the proposed renewed AVV PBID.

APPLE VALLEY VILLAGE PBID RENEWAL – ASSESSMENT ENGINEER’S REPORT

**Background**

The AVV PBID is a property-based benefit assessment type district being renewed for a five (5) year term pursuant to Section 36600 et seq. of the California Streets and Highways Code (as amended), also known as the Property and Business Improvement District Law of 1994 (the “Act”). Due to the benefit assessment nature of assessments levied within a property and business improvement district (“PBID”), district program costs are to be distributed amongst all identified benefiting properties based on the proportional amount of special program benefit each property is expected to derive from the assessments levied. Within the Act, frequent references are made to the concept of proportionate “benefit” received from PBID programs and activities versus amount of assessment paid. Only those properties expected to derive special benefits from PBID funded programs and activities may be assessed and only in an amount proportionate to the relative special benefits expected to be received.

**Supplemental Article XIID Section 4(b) California Constitution**  
**Proposition 218 Procedures and Requirements**

Proposition 218, approved by the voters of California in November of 1996, adds a supplemental array of procedures and requirements to be carried out prior to levying a property-based assessment like the AVV PBID. These requirements are in addition to requirements imposed by State and local assessment enabling laws. These requirements were “chapered” into law as Article XIID Section 4(b) of the California Constitution.

Since Article XIID provisions will affect all subsequent calculations to be made in the final assessment formula for the AVV PBID, these supplemental requirements will be taken into account. The key provisions of Article XIID along with a description of how the AVV PBID complies with each of these provisions are delineated below.

(Note: All section references below pertain to Article XIII of the California Constitution):

**Finding 1. From Section 4(a): “Identify all parcels which will have a special benefit conferred upon them and upon which an assessment will be imposed”**

**Setting and Boundary Description**

The Apple Valley Village PBID is located in the original historic business center of Apple Valley. The PBID encompasses all properties along the Highway 18 corridor roughly bounded by Navajo Rd. on the west, Central Rd. on the east, Esaws Rd. on the north and Ottawa Rd. on the south. Based on information provided by the San Bernardino County Assessor’s Office and field reviews, there are 318

APPLE VALLEY VILLAGE PBID RENEWAL – ASSESSMENT ENGINEER’S REPORT

parcels within the proposed renewed PBID. Of these, 316 are identified by this Assessment Engineer as assessable. (Please see discussion on page 20 of this Report regarding the rationale for the two non-assessed parcels within the PBID). It is noted that the PBID boundaries are being modified slightly by adding 4 new parcels on the west side of Central Avenue south of Highway 18 and 1 new parcel just north of Ottawa Road on the east side of Osage Court.

All identified assessed parcels within this PBID will receive proportionate special benefit from district programs and improvements within two benefit zones: Zone A includes all properties fronting on Highway 18, Navajo Road and Central Road (north of Hwy 18) and Zone B includes all other properties within the District. A future third overlay benefit zone, Zone C, will be considered at some point in the future for the funding of proposed street pavement projects. A map showing the PBID boundaries is shown on Appendix A attached hereto. This area is the center of commerce in the original Apple Valley Town site. The PBID is generally surrounded by residential neighborhoods on the west, north and south and scattered vacant land and businesses on the east.

**Benefit Zones:** There are two benefit zones in the Apple Valley Village PBID.

- **Zone A** includes all properties fronting on Highway 18, Navajo Road and Central Road (north of Hwy 18). PBID activity and vehicle traffic is highest in Zone A, as these corridors provide the most direct access and visibility to the Village area. As a result, Zone A parcels will receive a higher level of special benefit from PBID funded activities and improvements and are assessed at a higher proportionate rate than Zone B to offset higher proportionate program level and improvement costs.
- **Zone B** includes all of the remaining parcels within the Apple Valley Village PBID boundaries. PBID activity and vehicle traffic is lower in Zone B, as these grid oriented streets provide only secondary access and visibility to the Village area. As a result, Zone B parcels will receive a lower level of special benefit from PBID funded activities and improvements and are assessed at a lower proportionate rate than Zone A to offset lower proportionate program level and improvement costs.
- **Zone C** (future overlay zone) will include all parcels with direct street frontage on or indirect ingress/egress to John Glenn Road and Del Mar Road between Highway 18 and Powhatan Road. Zone C parcels will receive direct proportionate special benefit from proposed street

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grading and paving improvement projects within these limits and will be assessed according to a methodology and proportionate amount as determined by the PBID Assessment Engineer.

**PBID Boundary Rationale**

**Northern Boundary:** The northern boundary of the Apple Valley Village PBID was determined by zoning and land uses where parcels located to the north of the northern PBID are zoned and/or developed solely residential with residential land uses while those south of the northern boundary are zoned commercial. State of California Streets and Highways Code Section 36632(c) conclusively presumes that properties zoned solely residential do not benefit from the improvements and service funded through PBID assessments, cannot be assessed and, thus, these single use neighborhoods are not included in the Apple Valley Village PBID.

**Eastern Boundary:** The parcels located to the east of the eastern PBID boundaries are a combination of scattered businesses and vacant land along the south side of Highway 18 and solely residential zoning and land uses southeast of this strip. There has been very little interest expressed by property owners and businesses east of Central to be included in either Village activities or the Village PBID and, thus, are not included in the PBID. Further, regarding the residential areas east of Central and for the reason stated above, are not included within the Apple Valley Village PBID.

**Southern Boundary:** The southern boundary of the Apple Valley Village PBID was determined by zoning and land uses where properties located to the south of the southern PBID boundary are zoned and/or developed solely residential with residential land uses while those north of the southern boundary are zoned commercial. For the reason stated above, these single use residential neighborhoods are not included in the Apple Valley Village PBID.

**Western Boundary:** The western boundary of the Apple Valley Village PBID was determined by zoning and land uses where properties located to the west of the western PBID boundary are zoned and/or developed solely residential with residential land uses while those east of the western boundary are zoned commercial. For the reason stated above, these single use residential neighborhoods are not included in the Apple Valley Village PBID.



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A list of all parcels included in the proposed Apple Valley Village PBID is shown as Appendix 1, attached to this Report with their respective San Bernardino County assessor parcel number. The boundary of the proposed Apple Valley Village PBID and benefit zones are shown on the map of the proposed renewed Apple Valley Village PBID attached as Appendix 2 to this Report.

All identified parcels within the above-described boundaries shall be assessed to fund supplemental special benefit programs, services and improvements as outlined in this Plan and in the Assessment Engineer’s Report. All PBID funded services, programs and improvements provided within the above described boundaries shall confer special benefit to identified assessed parcels inside the PBID boundaries and none will be provided outside of the PBID. Each assessed parcel within the Apple Valley Village PBID will proportionately specially benefit from the PBID funded supplemental security, marketing and promotions, streetscape beautification improvements and image enhancements, other special projects/programs and management/operations/contingency/reserve. These services, programs and improvements are intended to improve commerce, employment, rents and occupancy rates and investment return of parcels and businesses within the Apple Valley Village PBID by reducing crime, improving the Village aesthetics and professionally marketing goods and services available within the PBID, all considered necessary in a competitive properly managed business district. All PBID funded services programs and improvements are considered supplemental, above normal base level services provided by the Town of Apple Valley and are only provided for the special benefit of assessed parcels within the boundaries of the Apple Valley Village PBID.

**Finding 2. From Section 4(a): “Separate general benefits (if any) from the special benefits conferred on parcel(s). Only special benefits are assessable. “**

**QUANTITATIVE BENEFIT ANALYSIS**

As stipulated in Article XIIIID Section 4(b) of the California Constitution, assessment district programs and activities confer a combination of general and special benefits to properties, but the only program benefits that can be assessed are those that provide special benefit to the assessed properties. For the purposes of this analysis, a “general benefit” is hereby defined as: “A benefit to properties in the area and in the surrounding community or benefit to the public in general resulting from the improvement, activity, or service to be provided by the assessment levied”. “Special benefit” as defined by the California State Constitution means a distinct benefit over and above general benefits conferred on real

**APPLE VALLEY VILLAGE PBID RENEWAL – ASSESSMENT ENGINEER’S REPORT**

property located in the district or to the public at large.

The property uses within the boundaries of the PBID that will receive special benefits from PBID funded programs and services are currently a mix of retail, service, office and light industrial. Two parcels within the AVV PBID, the US Post Office on Highway 18 and the Frontier/Verizon Facility on Navajo Avenue shall not be assessed for reasons described in more detail on page 19 of this Report. While these two parcels are included within the AVV PBID, no PBID funded services or programs will be provided for the direct special benefit of these parcels. For all other identified assessed parcels within the PBID, services, programs and improvements provided and funded by the PBID are primarily designed to provide proportionate special benefits to these assessed parcels as described below and the array of land uses within the boundaries of the AVV PBID.

The proposed PBID programs, improvements and services and Year 1 – 2018 budget allocation are as follows:

**Year 1 – 2018 District Special Benefit Cost Allocations (Assessment Revenue Only)**

DESCRIPTION	Year 1	%
1. Security	\$30,000	15%
2. Marketing	\$100,000	49%
3. Streetscape, Beautification & Image Enhancements	\$22,000	11%
4. Special Projects	\$0 *	
5. Management/Operations/Contingency	<u>\$51,167</u>	<u>25%</u>
Total	\$203,167	100%

\*It is noted that the Special Projects component may be supplemented by PBID assessment capital reserve funds throughout the five year PBID term.

Assessed commercial and industrial parcels are conferred proportionate special benefits from all PBID funded programs, services and improvements which are intended to attract more customers, users, visitors, employees, tenants and investors. For these parcels, PBID programs, services and improvements are designed to increase business volumes, sales transactions, commercial occupancies, commercial rental income and return on investments. These programs, services and improvements are designed to improve commerce, security and aesthetic appeal for patrons, visitors and employees of these parcels within the AVV PBID by reducing crime and professionally marketing the array of goods

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and services available within the PBID, all considered necessary in a competitive properly managed business district.

Assessed publicly owned parcels and facilities within the PBID, each of these parcels specially benefit from PBID funded programs services and improvements. The special benefits include safer facility perimeters for their employees, visitors, vendors and other users of these public locations and facilities. Publicly owned parcels and facilities will be included in all maps, directories and District advertisements and web displays and are active components of the Apple Valley Village identity and fabric.

These benefits are particular and distinct to each and every identified and assessed parcel within the AVV PBID and are not provided to non-assessed parcels outside of the AVV PBID. These programs, services and improvements will only be provided to each individual assessed parcel within the PBID boundaries and, in turn, confer proportionate "special benefits" to each assessed parcel.

In the case of the AVV PBID, the very nature of the purpose of this AVV PBID is to fund supplemental programs, services and improvements to assessed parcels within the PBID boundaries above and beyond what is being currently funded either via normal tax supported methods or other funding sources. The Town of Apple Valley does not provide these specialized supplemental programs and services. All benefits derived from the assessments to be levied on assessed parcels within the PBID are for services, programs and improvements directly benefiting each individual assessed parcel within the PBID. No PBID funded services, activities or programs will be provided outside of the PBID boundaries.

While every attempt is made to provide PBID services and programs to confer benefits only to those identified assessed parcels within the PBID, the California State Constitution was amended via Proposition 218 to stipulate that general benefits exist, either by design or unintentional, in all assessment districts and that a portion of the program costs must be considered attributable to general benefits and assigned a value. General benefits cannot be funded by assessment revenues. General benefits might be conferred on parcels within the AVV PBID, or "spillover" onto parcels surrounding the AVV PBID, or to the public at large who might be passing through the AVV PBID with no intention of transacting business within the AVV PBID or interest in the AVV PBID itself.

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Empirical assessment engineering analysis throughout California has found that general benefits within a given business improvement district tend to range from less than 1% to 4% of the total adjusted costs. There are three methods that have been used by this Engineer for determining general and special benefit values within assessment districts:

- (1) The parcel by parcel allocation method
- (2) The program/activity line item allocation method, and
- (3) The composite district overlay determinant method.

A majority of PBIDs in California for which this Assessment Engineer has provided assessment engineering services since the enactment of Proposition 218, (Article XIII D Section 4(b) of the California Constitution) have used Method #3, the composite district overlay determinant method which will be used for the AVV PBID. This method of computing the value of general benefit involves a composite of three distinct types of general benefit – general benefit to assessed parcels within the AVV PBID, general benefit to the public at large within the AVV PBID and general benefit to parcels outside the AVV PBID.

General Benefit – Assessed Parcels within the AVV PBID

PBID funded programs are narrowly designed and carefully implemented to specially benefit the assessed AVV PBID parcels and are only provided for the special benefit to each and every assessed parcel within the AVV PBID. It is the opinion of this Engineer, based on over 30 years of professional assessment engineering experience, that 100% of benefits conferred on the 316 assessed parcels within the AVV PBID are distinct and special and that there are 0% general benefits conferred on these parcels. This is because the PBID funded programs and services are specially geared to the unique needs of each assessed parcel within the PBID and are directed specially only to these assessed parcels within the PBID. This concept is further reinforced by the proportionality of special benefits conferred on each assessed parcel within the AVV PBID as determined by the special benefit assessment formula as it is applied to the unique and varying property characteristics unique to each assessed parcel. It is noted that the two non-assessed parcels within the PBID are included in the “spillover” general benefit discussion below.

General Benefit - Public At Large

While the AVV PBID funded programs are narrowly designed and carefully implemented to specially

**APPLE VALLEY VILLAGE PBID RENEWAL – ASSESSMENT ENGINEER’S REPORT**

benefit the assessed AVV PBID parcels and are only provided for the special benefit to each and every assessed parcel within the AVV PBID, these PBID funded programs may also provide an incidental general benefit to the public at large within the AVV PBID. Assessment Engineering experience in California has found that generally over 95% of people moving about within PBID boundaries are engaged in activities related to assessed parcels and businesses contained on them within the AVV PBID, while the public at large “just passing through” is typically 5% or less. It is the opinion of this Engineer that the programs that may provide immediate general benefits to the public at large are security and beautification improvements (Year 1 budget of \$52,000 – 26% of total budget). Based on experience curves and the nature of the proposed AVV PBID funded programs and over 30 years of assessment engineering experience, it is the opinion of this Engineer that a conservative general benefit factor of 0.05 (5%) of PBID funded special benefit program costs that might provide an immediate general benefit to the public at large will be applied to these applicable program costs in order to compute the dollar and percent value of general benefits to the public at large. The dollar value of this general benefit type equates to \$676 as delineated in the following Table:

	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>
<b>Program Element</b>	<b>Dollar Allocation</b>	<b>% Allocation of Special Benefit Cost</b>	<b>General Benefit Factor</b>	<b>General Benefit Percent (B x C)</b>	<b>General Benefit Value (D x A)</b>
At Large General Benefit Programs	\$52,000	26.00%	0.05	1.3%	\$676

General Benefits – Outside Parcels

While District programs and services will not be provided directly to parcels outside the AVV PBID boundaries, it is reasonable to conclude that AVV PBID services may confer an indirect general benefit on parcels adjacent to the AVV PBID boundaries. An inventory of the AVV PBID boundaries finds that the District is surrounded by 43 commercial/industrial zoned parcels with commercial/industrial uses located across streets on the perimeter of the AVV PBID. Also, there are 2 parcels included within the AVV PBID, but non-assessed for reasons discussed on page \_\_\_\_ of this Report. In addition, there are 96 non-commercial/industrial parcels located adjacent or across streets on the perimeter of the AVV PBID.

The 139 parcels directly outside the AVV PBID boundaries and the 2 non-assessed parcels within the AVV PBID can reasonably be assumed to receive some indirect general benefit as a result of PBID funded programs, services and improvements. Based on over 30 years of assessment engineering

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experience, it is the opinion of this Engineer that a benefit factor of 1.0 be attributed to the 316 assessed parcels within the AVV PBID, a benefit factor of 0.01 be attributed to general benefits conferred on the 43 commercial/industrial parcels and uses located across the street from assessed parcels and the 2 non-assessed parcels within the AVV PBID and, a benefit factor of 0.001 be attributed to general benefits conferred on the 96 non-commercial/industrial parcels and uses located across the street from assessed parcels within the AVV PBID. The cumulative dollar value of this general benefit type equates to \$351 (\$62 + \$289) as delineated in the following Table:

<b>Parcel Type</b>	<b>Quantity</b>	<b>Benefit Factor</b>	<b>Benefit Units</b>	<b>Benefit Percent</b>	<b>Benefit Value</b>
Assessed Parcels within AVV PBID	316	1.00	316.0	99.8275%	\$203,167
Commercial parcels outside of AVV PBID*	45	0.1	4.5	0.1421%	\$62
Non-commercial use parcels outside of AVV PBID	96	0.01	0.96	0.0304%	\$289
TOTAL			321.46	100.00%	\$203,518

*\*Includes 2 non-assessed parcels within the AVV PBID*

**Composite General Benefit**

Based on the general benefit values delineated in the three sections above, the total value of general benefits conferred on assessed parcels within the AVV PBID, the public at large and parcels outside the AVV PBID equates to \$1,027 (\$676 + \$351) or 0.51%. For the purposes of this benefit analysis, the total projected general benefit factor will be conservatively rounded up to 1% (\$2,052). This leaves a value of 99% assigned to special benefit related costs. The general benefit value of \$2,052 when added to the special benefit value of \$203,167 (Year 1 – 2017-18 assessments) equates to a total Year 1 – 2018 adjusted program cost of \$205,219. Remaining costs that are attributed to general benefits, will need to be derived from other sources such as grants, donations, credits, sponsors and program income.

A breakdown of projected special and general benefit costs by benefit zone for Year 1 is shown in the following Table:

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**Projected Special – General Benefit Costs for Year 1 - 2018**

<b>Service</b>	<b>YR 1 - 2018 Assessment Costs</b>	<b>YR 1 - 2018 Non- Assessment Costs</b>	<b>YR 1 - 2018 Total Costs</b>	<b>% of Total</b>
1. Security	\$30,000	\$303	\$30,303	15%
2. Marketing	\$100,000	\$1,010	\$101,010	49%
3. Streetscape, Beautification & Image Enhancements	\$22,000	\$222	\$22,222	11%
4. Special Projects	\$0	\$0	\$0	0%
5. Management/Operations/Contingency	<u>\$51,167</u>	<u>\$517</u>	<u>\$51,684</u>	<u>25%</u>
Total	\$203,167	\$2,052	\$205,219	100%

**PBID WORK PLAN**

**Overview**

The Programs and activities to be funded by the Apple Valley Village PBID include supplemental security, marketing and promotions, streetscape beautification improvements/image enhancements, other special projects/programs and District management/operations/contingency/reserve. The property uses within the boundaries of the PBID that will receive special benefits from PBID funded programs, services and improvements are primarily a mix of retail, service, office and light industrial. PBID funded activities are primarily designed to provide special benefits as described below to identified assessed parcels within the boundaries of the PBID.

Assessed commercial and industrial parcels are conferred proportionate special benefits from all PBID funded programs, services and improvements which are intended to attract more customers, users, visitors, employees, tenants and investors. For these parcels, PBID programs, services and improvements are designed to increase business volumes, sales transactions, commercial occupancies, commercial rental income and return on investments. These programs, services and improvements are designed to improve commerce, security and aesthetic appeal for patrons, visitors and employees of these parcels within the AVV PBID by reducing crime and professionally marketing the array of goods and services available within the PBID, all considered necessary in a competitive properly managed business district.

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Assessed publicly owned parcels and facilities within the PBID, each of these parcels specially benefit from PBID funded programs services and improvements. The special benefits include safer facility perimeters for their employees, visitors, vendors and other users of these public locations and facilities. Publicly owned parcels and facilities will be included in all maps, directories and District advertisements and web displays and are active components of the Apple Valley Village identity and fabric.

These benefits are particular and distinct to each and every identified and assessed parcel within the AVV PBID and are not provided to non-assessed parcels outside of the PBID. These programs, services and improvements will only be provided to each individual assessed parcel within the PBID boundaries and, in turn, confer proportionate "special benefits" to each assessed parcel.

In the case of the AVV PBID, the very nature of the purpose of this PBID is to fund supplemental programs, services and improvements to assessed parcels within the PBID boundaries above and beyond what is being currently funded either via normal tax supported methods or other funding sources. The Town of Apple Valley does not provide these specialized supplemental programs and services. All benefits derived from the assessments to be levied on assessed parcels within the PBID are unique and special and for services, programs and improvements directly benefiting each individual assessed parcel within the PBID. No PBID funded services, activities or programs will be provided outside of the PBID boundaries.

The projected program special benefit cost allocation of the PBID assessment revenues for the 5 year PBID term assuming a 5% maximum annual assessment rate increase is shown in the Table on page 17 of this Report.

**WORK PLAN DETAILS**

The proposed AVV PBID work plan is described in more detail as follows:

**Security Services**

The Security Services component includes deploying a periodic dedicated San Bernardino County Sheriff Patrol service via Sheriff vehicle throughout the PBID with varying schedules day/night/weekends checking for/reporting on – crime, graffiti, vandalism and suspicious activities.



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The patrol also makes pedestrian checks and traffic stops within the Village PBID as well as makes business contacts and assesses business location security. The Sheriff provides regular written and oral reports to the PBID Association and disseminates special security and crime related alerts.

The security services component is designed to specially benefit each identified and assessed parcel and land use within the Apple Valley Village PBID. This element is designed to establish and keep the Village a safe place to visit, work, transact business, shop and dine. Security services are designed to attract more customers, clients, employees, tenants and investors which potentially would increase business volumes, sales transactions, occupancies, rental income and return on investments. Security services will be provided only within the PBID boundaries and for the special benefit of identified and assessed parcels and land uses within the Apple Valley Village PBID.

**Marketing & Promotions**

The marketing and promotions component could include but is not limited to: newsletters, website and social media management, development and distribution of promotional materials, seasonal decorations, special events, media advertising and other programs that will promote the array of goods and services available within the Apple Valley Village PBID.

This component is designed to specially benefit and improve the marketability of assessed parcels within the Apple Valley Village PBID. This element is designed to attract more customers, clients, visitors, employees, tenants and investors which potentially would increase business volumes, sales transactions, occupancies, rental income and return on investments. Marketing programs will only be provided for identified and assessed parcels located within the PBID boundaries.

**Streetscape Beautification and Image Enhancements**

The Streetscape Beautification and Image Enhancements category includes specialized maintenance of PBID funded improvements and funding of physical amenities and beautification projects for the special benefit of each identified and assessed parcel within the Apple Valley Village PBID. Maintenance includes regular upkeep and irrigation for the PBID funded center median island improvements along Highway 18 as well as placement, rotation and upkeep of seasonal pole banners along Highway 18 and placement of business directory signs also located along Highway 18. Types of physical amenities and beautification projects include: seasonal pole banners; business directory signs

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and landscape replacement along the Highway 18 center median island; a private property aesthetic and rehabilitation grant program (ARGP) and, other streetscape related improvements, as approved by the Apple Valley Village Board of Directors.

This component is designed to specially benefit and improve the aesthetic appeal of each identified and assessed parcel within the PBID and attract more customers, clients, visitors, employees, tenants, and investors which potentially would increase business volumes, sales transactions, occupancies, rental income and return on investments. Streetscape Beautification improvements will only be provided for identified and assessed parcels and their businesses and occupants located within the PBID boundaries.

**Special Projects**

The Special Projects component includes phased future capital improvement projects funded from PBID capital reserves which might include but are not limited to: Highway 18 and Outer Highway 18 storm water drainage improvements (culverts, channels, catch basins, street and gutter regrading and realignment); street grading/pavement/re-pavement; installation of Village theme streetscape elements such as signage, lighting, displays and landscaping; property acquisition for PBID related purposes; and, other projects as approved by the PBID Association Board of Directors. As was done in the past with the Highway 18 center median island landscaping and beautification project, outside matching private and public grant funds will be sought to maximize the value of PBID assessment dollars. Because the timing of gaining approval and receipt of such outside funds is a variable, the exact implementation and phasing of Special Projects will vary and be dependent on outside factors. Special Projects will be funded from PBID assessment reserves.

This component is designed to specially benefit and improve the aesthetic appeal and functionality of each identified and assessed parcel within the PBID and attract more customers, clients, visitors, employees, tenants, and investors which potentially would increase business volumes, sales transactions, occupancies, rental income and return on investments. Special Projects will only be provided for identified and assessed parcels and their businesses and occupants located within the PBID boundaries.

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**Management/Operations/Contingency/Reserve**

Included in the Management/Operations/Contingency/Reserve component are the costs for PBID management, consultants, accounting, legal, bank charges, annual report and Directors and Officers and General Liability insurance and other office and operation expenses. This component also includes County collection fees, allowance for delinquent assessment payments and other variable and unforeseen expenses related to each program element. This program element also includes assessment reserves being held for future capital improvement projects. A portion of PBID assessment funds remaining in the last two years of the proposed PBID renewal term may be used to develop the Management District Plan, Engineer’s Report and related renewal costs for the following renewal term.

This component is key to the proper expenditure of PBID assessment funds and the administration of PBID programs and activities. This component exists only for the purposes of the PBID and will only be provided for matters specially benefitting each individual assessed parcel within the Apple Valley Village PBID.

It is noted that future grading and paving improvement projects have been identified for Del Mar Road and John Glenn Road between Highway 18 and Powhatan Road. Design details, public easements, implementation schedules, additional funding sources and supplemental assessment methodology for parcels with direct street frontage or indirect ingress/egress to these proposed improvements are being developed but will not be finalized for Year 1 (2017-18) of the renewed PBID term. When these project details are finalized, a supplemental petition and Proposition 218 ballot procedure will be conducted for owners of those parcels receiving special benefits from the proposed improvements within an overlay Benefit Zone “C”, and subject to proportionate supplemental parcel assessments to fund a portion of these improvement projects as determined by the PBID Assessment Engineer.

In summary, all PBID funded services, programs and improvements described above confer special benefits to identified assessed parcels inside the PBID boundaries and none will be provided outside of the PBID. Each identified and assessed parcel within the Apple Valley Village PBID will proportionately specially benefit from the PBID funded supplemental security, marketing and promotions, streetscape beautification improvements and image enhancements, other special projects/programs and management/operations/contingency/reserve. These services, programs and improvements are intended to improve commerce, employment, rents, occupancy rates and investment return of parcels and businesses within the Apple Valley Village PBID by reducing crime, improving

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Village aesthetics and professionally marketing goods, services and spaces available within the PBID, all considered necessary in a competitive properly managed business district. All PBID funded services programs and improvements are considered supplemental, above normal base level services provided by the Town of Apple Valley and are only provided for the special benefit of assessed parcels within the boundaries of the Apple Valley Village PBID.

**PROGRAM & ACTIVITY BUDGET**

Each identified parcel within the AVV PBID will be assessed the full amount of the proportionate special benefit conferred upon it based on the level of PBID funded services provided within each benefit zone. The projected program special benefit assessment budget for the Year 1 (2018) of the renewed AVV PBID is shown in the following Table:

**Year 1 (2018) Projected PBID Budget**  
**(Assessment Revenue Only)**

DESCRIPTION	Year 1	%
1. Security	\$30,000	15%
2. Marketing	\$100,000	49%
3. Streetscape, Beautification & Image Enhancements	\$22,000	11%
4. Special Projects	\$0 *	
5. Management/Operations/Contingency	<u>\$51,167</u>	<u>25%</u>
Total	\$203,167	100%

\*It is noted that the Special Projects component may be supplemented by PBID assessment capital reserve funds throughout the five year PBID term.

In order to carry out the PBID programs outlined in the previous section, a first year assessment budget of \$203,167 is proposed. Since the renewed PBID is planned for a 5 year term, projected program costs for future years (Years 2-5) are set at the inception of the PBID. While future inflationary and other program cost increases are unknown at this point, a built in maximum increase of 5% per annum is incorporated into the projected program costs and assessment rates for the five year PBID term. Carryovers, if any, may be reapportioned the following year for related programs, services and improvements. Detailed annual budgets will be prepared by the Apple Valley Village Board and included in an Annual Report for the Town Council’s review and approval. It is noted that the allocations shown may be shifted between these major categories based on changing needs, program

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costs, demands and contract prices in each category’s allocation throughout the five year PBID term. A 5 year projected Apple Valley Village PBID assessment budget is shown in the following Table:

**YEAR 1-5 PROJECED PBID BUDGET SUMMARY**  
(Assumes 5% max rate increase per year)

DESCRIPTION	Year 1	Year 2	Year 3	Year 4	Year 5	Total
1. Security	\$30,000	\$30,450	\$30,907	\$31,370	\$31,841	\$154,568
2. Marketing	\$100,000	\$101,500	\$103,023	\$104,568	\$106,136	\$515,227
3. Streetscape, Beautification & Image Enhancements	\$22,000	\$22,330	\$22,665	\$23,005	\$23,350	\$113,350
4. Special Projects	\$0 *	\$0 *	\$0 *	\$0 *	\$0 *	\$0 *
5. Management/Operations/Contingency	<u>\$51,167</u>	<u>\$51,935</u>	<u>\$52,714</u>	<u>\$53,504</u>	<u>\$54,307</u>	<u>\$263,626</u>
Total	\$203,167	\$206,215	\$209,308	\$212,447	\$215,634	\$1,046,772

\*It is noted that the Special Projects component may be supplemented by PBID assessment capital reserve funds throughout the five year PBID term.

This Assessment Engineer has found that the general benefits (i.e. benefits to the general public and surrounding parcels outside the PBID) of the proposed programs, services and improvements (i.e. supplemental security, marketing and promotions, streetscape beautification improvements/image enhancements, other special projects/programs and District management/operations/contingency/reserve), represent 1% of the total benefits generated and, in turn, 1% (\$2,052) of the total adjusted costs (\$205,219) of the PBID funded improvements, activities and services provided. Thus, 1% of the total adjusted PBID costs will need to be funded by non-assessment revenue sources such as grants, donations, program income, volunteer credits, etc.

The proposed Apple Valley Village PBID may increase the assessment for each individual parcel each year during the 5 year effective operating period, but in no event shall the assessment increase exceed 5% per year and must be approved by the Apple Valley Village Board of Directors, included in the Annual Report and adopted by the Town of Apple Valley Town Council. Any accrued interest and delinquent payments will be expended within the budgeted categories. The Apple Valley Village Board of the Directors (“Property Owner’s Association of the Apple Valley Village PBID) shall determine the percentage increase to the annual assessment and the methodology employed to determine the amount of the increase. The Apple Valley Village PBID Association shall communicate the annual

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increase to the Town each year in which the PBID operates at a time determined in the Administration Contract held between Apple Valley Village PBID Association and the Town of Apple Valley. No bonds are to be issued in conjunction with the proposed renewed PBID.

It is recognized that market conditions may cause the cost of providing goods and services to fluctuate from year to year during the 5 year term of the proposed PBID. Accordingly, Apple Valley Village shall have the right to reallocate any budget line item within the budget categories based on such cost fluctuations subject to the review and approval by the Apple Valley Village PBID Board and included in the Annual Report that will be approved by the Apple Valley Town Council pursuant to Streets and Highways Code Section 36650. Any accrued interest or delinquent payments may be expended in any budget category.

Pursuant to Section 36671 of the Streets and Highways Code, any funds remaining after the fifth year of operation will be rolled over into the renewal budget or returned to stakeholders. PBID assessment funds may be used to pay for costs related to the following PBID renewal term. If the PBID is not renewed or terminated for any reason, unexpended funds will be returned to the property owners.

**Finding 3. From Section 4(a): “(Determine) the proportionate special benefit derived by each parcel in relationship to the entirety of the.....cost of public improvement(s) or the maintenance and operation expenses.....or the cost of the property related service being provided.**

Each identified parcel within the district will be assessed based on property characteristics unique only to that parcel. Based on the specific needs and corresponding nature of the program activities to be funded by the proposed AVV PBID (i.e. supplemental security, marketing and promotions, streetscape beautification improvements/image enhancements, other special projects/programs and District management/operations/contingency/reserve) it is the opinion of this Assessment Engineer that the assessment factors on which to base assessment rates relate directly to the proportionate amount of building area, land area and street frontage within two benefit zones. Parcels with residential uses shall not be assessed for the residential building areas.

The calculated assessment rates are applied to the actual measured parameters of each parcel and thereby are proportional to each and every other identified parcel within the district as a whole. Larger parcels and/or ones with larger building areas and/or having Highway 18 street frontages are expected

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to be conferred a higher degree of proportionate special benefit from PBID funded services and programs than smaller land and/or building areas and/or other street frontages and thus, are assigned a greater proportionate degree of assessment program and service costs. The proportionality is further achieved by setting targeted formula component weights for the respective parcel by parcel identified property attributes.

The proportionate special benefit cost for each parcel has been calculated based on proportionate formula components and is listed as an attachment to the Management District Plan and this Report. The individual percentages (i.e. proportionate relationship to the total special benefit related program and activity costs) is computed by dividing the individual parcel assessment by the total special benefit program costs.

**Finding 4. From Section 4(a): “No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel.”**

Not only are the proposed program costs reasonable due to the benefit of group purchasing and contracting which would be possible through the proposed AVV PBID, they are also considerably less than other options considered by the AVV PBID Board. The calculated assessment amounts for each parcel within the PBID directly relate to the level of service and conferred special benefit on each parcel based on the respective building area, land area and street frontage of each parcel within two benefit zones. Parcels with residential uses shall not be assessed for the residential building areas.

**Finding 5. From Section 4(a): “Parcels.....that are owned or used by any (public) agency shall not be exempt from assessment.....”**

The State Constitution - Article 13D (Proposition 218) states that government owned properties are not exempt from benefit assessments, unless there is clear and convincing evidence showing that they receive no special benefit from the programs and services to be funded by the proposed benefit assessments. There is no clear and convincing evidence that publicly owned parcels, except as delineated below, do not proportionately specially benefit from PBID funded programs, services and improvements. Thus, 13 parcels owned by the Town of Apple Valley, the Apple Valley Fire District, the Mojave Water Agency and the County School Board will be assessed at this applicable assessment rates similar to privately owned parcels within the PBID.

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Relative to the US Post Office on federal owned land on Highway 18, the US Attorney General has opined that all federal properties are exempt from local taxes and assessments pursuant to the Supremacy Clause of the US Constitution. Thus, this parcel will not be assessed nor will PBID funded services be provided for the special benefit of this parcel.

Relative to the Frontier/Verizon owned public utility parcel and facility on Navajo Road, this parcel contains a building which houses public utility based electronic telephonic switching equipment, similar in function to utility transmission and conveyance infrastructure located along, over and beneath public rights of ways and utility easements and, thus, will not be assessed nor will PBID funded services be provided for the special benefit of this parcel.

**Finding 6. From Section 4(b): “All assessments must be supported by a detailed engineer’s report prepared by a registered professional engineer certified by the State of California”.**

This report serves as the “detailed engineer’s report” to support the benefit property assessments proposed to be levied within the proposed AVV PBID.

**Finding 7. From Section 4(c): “The amount of the proposed assessment for each parcel shall be calculated (along with) the total amount thereof chargeable to the entire district, the duration of such payments, the reason for such assessment and the basis upon which the amount of the proposed assessment was calculated.”**

The individual parcel assessments attributable to special property benefits are shown on Appendix 1 to the Management District Plan and this Report. The proposed District and resultant assessment payments will continue for 5 years and may be renewed again at that time. The reasons (purposes) for the proposed assessments are outlined in Finding 2 above as well as in the Management District Plan. The calculation basis of the proposed assessment is attributed to building area, land area and street frontage. Parcels with residential uses shall not be assessed for the residential building areas.

**Assessment Formula Methodology**

**Step 1. Select “Basic Benefit Unit(s)”**

Background - Assessment Formula Development

The method used to determine special benefits derived by each identified property within a PBID begins



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with the selection of a suitable and tangible basic benefit unit. For property related services, such as those proposed in the AVV PBID, the benefit unit may be measured in linear feet of street frontage or parcel size in square feet or building size in square feet or any combination of these factors. Factor quantities for each parcel are then measured or otherwise ascertained. From these figures, the amount of benefit units to be assigned to each property can be calculated. Special circumstances such as unique geography, land uses, development constraints etc. are carefully reviewed relative to specific programs and improvements to be funded by the PBID in order to determine any levels of different benefit that may apply on a parcel-by-parcel or categorical basis.

Based on the factors described above such as geography and nature of programs and activities proposed, an assessment formula is developed which is derived from a singular or composite basic benefit unit factor or factors. Within the assessment formula, different factors may be assigned different “weights” or percentage of values based on their relationship to programs/services to be funded.

Next, all program and activity costs, including incidental costs, District administration and ancillary program costs, are estimated. It is noted, as stipulated in Article XIID Section 4(b) of the California Constitution, and now required of all property based assessment Districts, indirect or general benefits costs may not be incorporated into the assessment formula and levied on the District properties; only direct or “special” benefits and costs may be considered. Indirect or general benefit costs, if any, must be identified and, if quantifiable, calculated and factored out of the assessment cost basis to produce a “net” cost figure. In addition, Article XIID Section 4(b) of the California Constitution also no longer automatically exempts publicly owned property from being assessed unless the respective public agency can provide clear and convincing evidence that their property does not specially benefit from the programs and services to be funded by the proposed special assessments. If special benefit is determined to be conferred upon such properties, they must be assessed in proportion to special benefits conferred in a manner similar to privately owned property assessments. (See Page 19 of this Report for discussion regarding publicly owned parcels within the AVV PBID).

From the estimated net program costs, the value of a basic benefit unit or “basic net unit cost” can be computed by dividing the total amount of estimated net program costs by the total number of benefit units. The amount of assessment for each parcel can be computed at this time by multiplying the Net Unit Cost times the number of Basic Benefit Units per parcel. This is known as “spreading the assessment” or the “assessment spread” in that all costs are allocated proportionally or “spread” amongst all benefitting properties within the PBID.

The method and basis of spreading program costs varies from one PBID to another based on local geographic conditions, types of programs and activities proposed, and size and development

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complexity of the district. PBIDs may require secondary benefit zones to be identified to allow for a tiered assessment formula for variable or “stepped-down” benefits derived.

AVV PBID Assessment Formula

Based on the specific needs and corresponding nature of the program activities to be funded by the proposed AVV PBID (i.e. supplemental security, marketing and promotions, streetscape beautification improvements/image enhancements, other special projects/programs and District management/operations/contingency/reserve) it is the opinion of this Assessment Engineer that the assessment factors on which to base assessment rates relate directly to the proportionate amount of building area, land area and street frontage within two benefit zones.

The “Basic Benefit Units” will be expressed as a combined function of gross building square footage (Benefit Unit “1”), land square footage (Benefit Unit “2”) and street frontage (Benefit Unit “3” for Highway 18 frontage and “Benefit Unit “4” for all other street frontages). Based on the shape of the proposed AVV PBID, as well as the nature of the District program elements, it is determined that all identified properties will gain a direct and proportionate degree of special benefit based on the respective amount of building area, land area and street frontage within two benefit zones. Zone B assessment rates shall be set at 40% of Zone A rates based of this Assessment Engineer’s projection of conferred special benefits on parcels within each benefit zone.

For the array of land uses within the PBID, the interactive application of building and land areas and street frontage quantities are a proven method of fairly and equitably spreading special benefit costs to these beneficiaries of PBID funded services, programs and improvements. Each of these factors directly relates to the degree of proportionate special benefit conferred on each assessed parcel from PBID funded activities. There are no parcels zoned solely residential or agricultural within the AVV PBID.

Building area is a direct measure of the static utilization of each parcel and its corresponding impact or draw on PBID funded activities. In the opinion of this Assessment Engineer, the targeted weight of this factor, building area, should generate approximately 50% of the total PBID revenue (53.55% when adjusted for current precise building area measurements and program costs and service levels with a split of 32.45 for Zone A and 21.1% Zone B).

Land area is a direct measure of the current and future development capacity of each parcel and its corresponding impact or draw on PBID funded activities. In the opinion of this Assessment Engineer, the targeted weight of this factor, land area, should generate approximately 20% of the total PBID revenue (17.44% when adjusted for precise parcel measurements and program costs and service levels with a split of 10.9 for Zone A and 6.54% for Zone B).

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Street Frontage is a direct measure of the current and future development capacity of each parcel and its corresponding impact or draw on PBID funded activities. Street frontage includes all public street frontages of a parcel. In the opinion of this Assessment Engineer, the targeted weight of this factor, street frontage, should generate approximately 30% of the total PBID revenue (29.01% when adjusted for precise parcel measurements and program costs and service levels with a split of 12.31% for Hwy 18 frontage and 16.7% for all other frontage).

**Special Assessment Circumstances**

1. Residential Uses

There are a few parcels within the AVV PBID that have legal non-conforming residential uses on them. State Law exempts parcels zoned “solely” residential or agricultural from being assessed. There are no parcels within the AVV PBID zoned solely residential or agricultural, all are zoned commercial and/or light industrial. It is the opinion of this Assessment Engineer that any parcel with legal residential uses shall not be assessed for the residential building portions of the parcel since these building areas do not specially benefit from PBID funded marketing programs. Such parcels do proportionately specially benefit from other PBID funded programs, services and improvements such as security, capital improvements and beautification projects and shall be assessed for non-residential building areas on these parcels as well as land area and street frontage at the benefit Zone rates in which they are located.

2. Commercial/Industrial Condos

- a. Building area assessed at full building area rate
- b. Land area assessed at full land area fee rate but pro-rated for each unit based on ratio of unit building area to total building area
- c. Frontage assessed at full frontage rate but pro-rated for each unit based on ratio of unit building area to total building area

3. Mixed-Use Properties

Mixed –Use Rental - Ground Floor Commercial and Upper Floor Residential

- a. Building area assessed at full rate for commercial area and exempt for residential area
- b. Land area assessed at full land area rate
- c. Frontage assessed at full frontage rate

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Mixed-Use Commercial Condos and Residential Condos

- a. Building area assessed at full rate for commercial area and exempt for residential building area
- b. Land area assessed at full land area rate (assessed on ground floor owners)
- c. Frontage assessed at full frontage rate (assessed on ground floor owners)

Other Special Criteria

- 4. Properties zoned solely for residential or agricultural use shall not be assessed.
  
- 5. Street frontage along Highway 18 shall be assessed at the full, 100%. All other street frontages shall be assessed at 40% of the full rate.

Future Development

Other than future maximum rates and the assessment methodology delineated in this Report, per State Law (Government Code Section 53750), future assessments may change for any given parcel if such a change is attributable to events other than an increased rate or revised methodology, such as a change in the density, intensity, or nature of the use of land or a subdivision, lot split, reversion to acreage etc. Any change in assessment formula methodology or assessment rates higher than as stipulated in this Report would require a new ballot procedure (Section 4(b) of Article XIIIID of the California Constitution - Proposition 218) in order to approve any such changes.

**Step 2. Quantify Total Basic Benefit Units**

Taking into account all identified specially benefiting parcels within the PBID and their respective assessable benefit units, cumulative quantities and assessment revenues by factor and zone are shown in the following Table:

**Year 1 –2017/18 Assessable Benefit Units and Projected Revenue**

UNIT	ZONE A QUANTITY	ZONE A REVENUE	ZONE B QUANTITY	ZONE B REVENUE	TOTAL QUANTITY	TOTAL REVENUE
Building Area (SF)	549,449	\$65,934	893,076	\$42,868	1,442,525	\$108,802
Land Area (SF)	6,813,405	\$22,144	10,219,819	\$13,286	17,033,224	\$35,429
Hwy 18 Street Frontage (LF)	16,672	\$25,008	0	\$0	16,672	\$25,008
All Other Street Frontage (LF)	8,156	<u>\$5,383</u>	43,251	<u>\$28,546</u>	51,407	<u>\$33,929</u>
		\$118,468		\$84,699		\$203,167

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**Step 3. Calculate Benefit Units for Each Property.**

The number of Benefit Units for each identified benefiting parcel within the proposed renewed AVV PBID was computed from data extracted from County Assessor records and maps. These data sources delineate current land uses, building areas, property areas and dimensions of record for each tax parcel. While it is understood that this data does not represent legal field survey measurements or detailed title search of recorded land subdivision maps or building records, it does provide an acceptable basis for the purpose of calculating property based assessments. All respective property data being used for assessment computations will be provided to each property owner in the PBID for their review. All known or reported discrepancies, errors or misinformation will be corrected.

**Step 4. Determine Assessment Formula**

In the opinion of this Engineer, the assessment formula for the proposed renewed AVV PBID is as follows:

$$\begin{aligned} \text{Assessment} &= \text{Building Area (Unit B) Sq Ft x Unit B-1 Rate, plus} \\ &\quad \text{Land Area (Unit L) Sq Ft x Unit L Rate, plus} \\ &\quad \text{Street Frontage (Unit F) Lin Ft x Unit R Rate} \end{aligned}$$

Assessment Formula Unit Rates

Using figures from the Assessable Benefit Units Table above, the assessment rates for each factor are calculated as follows:

**Zone A**

Building Area Rate (Unit 1-A)

$$(\$203,167 \times 32.45\%) / 549,449 \text{ assessable building units} = \$0.12/\text{sq ft building area}$$

Land Area Rate (Unit 2-A)

$$(\$203,167 \times 10.9\%) / 6,813,405 \text{ assessable land units} = \$0.00325/\text{sq ft land area}$$

Street Frontage Rate (Unit 3)

$$(\$203,167 \times 12.31\%) / 16,672 \text{ assessable frontage units} = \$1.50/\text{LF street frontage}$$

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**Zone B**

**Building Area Rate (Unit 1-B)**

$(\$203,167 \times 21.1\%) / 893,076$  assessable building units = \$0.048/sq ft building area

**Land Area Rate (Unit 2-B)**

$(\$203,167 \times 6.54\%) / 10,219,819$  assessable land units = \$0.0013/sq ft land area

**Street Frontage Rate (Unit 4)**

$(\$203,167 \times 16.7\%) / 43,251$  assessable frontage units = \$0.66/LF street frontage

**YEAR 1 –2017/18 ASSESSMENT RATE CHART**

<b>Zone A</b>	<b>YR 1 Rates</b>
"A" Street Frontage Rate (\$/LF)	\$1.50000
"B" Street Frontage Rate (\$/LF)	\$0.66000
Land Area Rate (\$/SF)	\$0.00325
Bldg Area Rate (\$/SF)	\$0.12000
<b>Zone B</b>	<b>YR 1</b>
"B" Street Frontage Rate (\$/LF)	\$0.66000
Land Area Rate (\$/SF)	\$0.00130
Bldg Area Rate (\$/SF)	\$0.04800

**SAMPLE CALCULATIONS:**

Zone A - 18,000 sq ft parcel with a 10,119 sq ft building and 80 ft of Hwy 18 street frontage

$= 18,000 \text{ sq ft land} \times \$0.00325/\text{sq ft} + 10,119 \text{ sq ft bldg} \times \$0.12/\text{sq ft} + 80 \text{ LF frontage} \times \$1.50/\text{LF}$   
 $= \$58.50 + \$1,214.28 + \$120.00 = \$1,390.78 \text{ per year}$   
 $= \$ 115.90 \text{ per month}$   
 $= \$ 3.86 \text{ per day}$   
 $= 1.1 \text{ cent per sq ft bldg per month}$

Same example as above but in Zone B

$= 18,000 \text{ sq ft land} \times \$0.0013/\text{sq ft} + 10,119 \text{ sq ft bldg} \times \$0.048/\text{sq ft} + 80 \text{ LF frontage} \times \$0.66/\text{LF}$   
 $= \$23.40 + \$485.71 + \$48.00 = \$557.11 \text{ per year}$   
 $= \$ 46.42 \text{ per month}$   
 $= \$ 1.55 \text{ per day}$   
 $= \text{less than } 1/2 \text{ cent per sq ft bldg per month}$

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It is noted that future grading and paving improvement projects have been identified for Del Mar Road and John Glenn Road between Highway 18 and Powhatan Road. Design details, public easements, implementation schedules, additional funding sources and supplemental assessment methodology for parcels with direct street frontage or indirect ingress/egress to these proposed improvements are being developed but will not be finalized for Year 1 (2017-18) of the renewed PBID term. When these project details are finalized, a supplemental petition and Proposition 218 ballot procedure will be conducted for owners of those parcels receiving special benefits from the proposed improvements within an overlay Benefit Zone “C”, and subject to proportionate supplemental parcel assessments to fund a portion of these improvement projects as determined by the PBID Assessment Engineer.

**Step 5. Estimate Total District Costs**

The total projected 5 year special benefit costs for 2018 – 2022 of the PBID are shown in the chart of page 18 of this Report assuming a maximum 5% increase per year.

**Step 6. Separate General Benefits from Special Benefits and Related Costs (Article XIID Section 4(b) of the California Constitution – Proposition 218)**

Total adjusted costs are estimated at \$205,219. General benefits are factored at 1% of total (see Finding 2 on page 10 of this Report) with special benefits factored at 99%. Article XIID Section 4(b) of the California Constitution limits the levy of property assessments to costs attributed to special benefits only. The 1% general benefit cost is computed to be \$2,052 with a resultant 99% special benefit limit computed at \$203,167. *This is the maximum amount of Year 1 revenue that can be derived from property assessments from the subject PBID.*

All program costs associated with general benefits will be derived from sources other than PBID assessments. Sample “other” revenue sources are shown in the following table:

**Special and General Benefit Revenue Sources**

Revenue Source	Revenue	% of Total
PBID Assessments	\$203,167	99.0%
Grants, donations, sponsors, program income, etc	\$2,052	1.0%
<b>TOTAL</b>	<b>\$205,219</b>	<b>100.0%</b>

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**Step 7. Calculate “Basic Unit Cost”**

With a YR 1 – 2018 assessment revenue portion of the budget set at \$203,167 (special benefit only), the Basic Unit Costs are shown above in Step 4. Since the PBID is being proposed for a 5 year term, maximum assessments for future years (2019-22) must be set at the inception of the proposed PBID. An annual inflationary assessment rate increase of up to 5% may be imposed for future year assessments on approval by the PBID Property Owner’s Association. The maximum assessment rates for the 5 year proposed PBID term are shown in the table below. The assessment rates listed constitute the maximum assessment rates that may be imposed for each year of the proposed PBID term.

**YR 1-5 Maximum Assessment Rates (assumes 5% maximum annual increase)**

<b>Zone A</b>	<b>YR 1</b>	<b>YR 2</b>	<b>YR 3</b>	<b>YR 4</b>	<b>YR 5</b>
"A" Street Frontage Rate (\$/LF)	\$1.50000	\$1.57500	\$1.65375	\$1.73644	\$1.82326
"B" Street Frontage Rate (\$/LF)	\$0.66000	\$0.69300	\$0.72765	\$0.76403	\$0.80223
Land Area Rate (\$/SF)	\$0.00325	\$0.00341	\$0.00358	\$0.00376	\$0.00395
Bldg Area Rate (\$/SF)	\$0.12000	\$0.12600	\$0.13230	\$0.13892	\$0.14586
<b>Zone B</b>	<b>YR 1</b>	<b>YR 2</b>	<b>YR 3</b>	<b>YR 4</b>	<b>YR 5</b>
"B" Street Frontage Rate (\$/LF)	\$0.66000	\$0.69300	\$0.72765	\$0.76403	\$0.80223
Land Area Rate (\$/SF)	\$0.00130	\$0.00137	\$0.00143	\$0.00150	\$0.00158
Bldg Area Rate (\$/SF)	\$0.04800	\$0.05040	\$0.05292	\$0.05557	\$0.05834

**Step 8. Spread the Assessments**

The resultant assessment spread calculation results for each parcel within the PBID are shown in the Management District Plan and were determined by applying the District assessment formula to each identified benefiting property.

**Miscellaneous District Provisions**

**Time and Manner of Collecting Assessments:**

Assessments for the AVV PBID Operations Year beginning January 1, 2018 and subsequent years through and including the Operations Year ending December 31, 2022 will be collected at the same time and in the same manner as ad valorem taxes paid to the County of San Bernardino. The District assessments shall appear as a separate line item on the property tax bills issued by the San Bernardino County Assessor. The Town of Apple Valley is authorized to collect any assessments not placed on the County tax rolls, or to place assessments, unpaid delinquent assessments, or penalties on the County tax rolls as appropriate to implement this Management District Plan. If necessary, a manual billing may be prepared by the Town of Apple Valley in lieu of the assessment’s inclusion on the Assessor’s



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property tax bills.

It is noted that the assessment levying authority of the proposed renewed AVV PBID coincides with the San Bernardino County property tax fiscal year which runs from July 1 to June 30<sup>th</sup>. For the proposed renewed AVV PBID, this will be July 1, 2017 to June 30, 2022.

**Bonds:**

No bonds are to be issued in conjunction with this proposed PBID.

**Duration**

As allowed by State PBID Law, the District will have a five year operational term from January 1, 2018 to December 31, 2022. The proposed renewed PBID operation is expected to begin services on January 1, 2018. If the District is not renewed, services will end on December 31, 2022.

# APPENDIX 1

## AVV PBID YR 1 – 2017/2018 ASSESSMENT ROLL

APN	2017/18 YR 1 PBID ASSMT				
0439-022-66-0000	\$13,417.00	3087-342-26-0000	\$398.83	3087-381-09-0000	\$78.25
3087-301-41-0000	\$1,395.34	3087-342-27-0000	\$875.04	3087-381-10-0000	\$224.16
3087-301-42-0000	\$84.63	3087-342-28-0000	\$605.42	3087-381-11-0000	\$767.37
3087-301-43-0000	\$601.36	3087-342-29-0000	\$704.70	3087-381-12-0000	\$385.28
3087-301-44-0000	\$387.83	3087-342-30-0000	\$347.10	3087-381-15-0000	\$747.28
3087-301-45-0000	\$10,840.02	3087-342-31-0000	\$277.78	3087-381-16-0000	\$263.89
3087-301-46-0000	\$1,518.88	3087-342-32-0000	\$276.17	3087-381-17-0000	\$408.15
3087-301-52-0000	\$1,604.69	3087-342-33-0000	\$466.85	3087-381-18-0000	\$427.65
3087-341-01-0000	\$491.52	3087-342-34-0000	\$9,823.69	3087-381-19-0000	\$587.90
3087-341-02-0000	\$377.50	3087-342-35-0000	\$345.95	3087-381-20-0000	\$35.09
3087-341-03-0000	\$1,392.78	3087-342-36-0000	\$363.71	3087-381-21-0000	\$564.96
3087-341-04-0000	\$825.32	3087-342-37-0000	\$929.12	3087-381-22-0000	\$274.10
3087-341-05-0000	\$389.59	3087-342-38-0000	\$4,059.95	3087-381-23-0000	\$364.47
3087-341-06-0000	\$8.13	3087-342-39-0000	\$729.43	3087-381-25-0000	\$239.72
3087-341-07-0000	\$16.25	3087-342-40-0000	\$855.58	3087-382-01-0000	\$1,178.66
3087-341-08-0000	\$0.00	3087-342-41-0000	\$275.64	3087-382-02-0000	\$1,972.77
3087-341-09-0000	\$159.61	3087-342-42-0000	\$1,019.46	3087-382-03-0000	\$553.89
3087-341-10-0000	\$933.29	3087-342-43-0000	\$1,759.86	3087-382-04-0000	\$700.01
3087-341-11-0000	\$529.25	3087-342-44-0000	\$506.41	3087-382-05-0000	\$995.12
3087-341-12-0000	\$478.46	3087-342-45-0000	\$634.59	3087-382-06-0000	\$143.75
3087-341-13-0000	\$302.59	3087-342-46-0000	\$646.50	3087-382-07-0000	\$143.75
3087-341-16-0000	\$2.86	3087-342-47-0000	\$1,169.03	3087-382-08-0000	\$2,516.67
3087-341-17-0000	\$26.00	3087-351-01-0000	\$365.60	3087-382-09-0000	\$515.05
3087-341-19-0000	\$508.83	3087-351-02-0000	\$118.01	3087-382-10-0000	\$815.73
3087-341-20-0000	\$895.13	3087-351-03-0000	\$241.98	3087-382-11-0000	\$142.65
3087-341-21-0000	\$571.43	3087-351-04-0000	\$241.98	3087-382-12-0000	\$772.03
3087-341-22-0000	\$600.55	3087-351-05-0000	\$488.48	3087-382-13-0000	\$161.25
3087-341-23-0000	\$202.19	3087-351-07-0000	\$484.52	3087-382-14-0000	\$573.19
3087-341-24-0000	\$287.61	3087-351-11-0000	\$483.38	3087-382-15-0000	\$1,287.14
3087-341-25-0000	\$1,001.64	3087-351-13-0000	\$141.00	3087-382-16-0000	\$158.81
3087-341-30-0000	\$1,727.43	3087-351-15-0000	\$171.19	3087-382-17-0000	\$161.25
3087-341-31-0000	\$1,451.45	3087-351-16-0000	\$171.19	3087-382-18-0000	\$158.92
3087-341-32-0000	\$529.76	3087-351-30-0000	\$483.03	3087-382-19-0000	\$455.96
3087-341-39-0000	\$526.76	3087-351-31-0000	\$783.00	3087-382-20-0000	\$101.72
3087-341-40-0000	\$208.47	3087-351-32-0000	\$105.00	3087-382-21-0000	\$101.72
3087-341-41-0000	\$571.73	3087-351-33-0000	\$585.00	3087-382-22-0000	\$101.72
3087-341-43-0000	\$1,743.03	3087-351-34-0000	\$595.50	3087-382-23-0000	\$101.72
3087-342-01-0000	\$603.98	3087-351-35-0000	\$115.50	3087-382-24-0000	\$101.72
3087-342-02-0000	\$550.25	3087-351-36-0000	\$115.50	3087-382-25-0000	\$101.72
3087-342-03-0000	\$526.66	3087-351-37-0000	\$144.11	3087-382-26-0000	\$101.72
3087-342-06-0000	\$668.96	3087-351-38-0000	\$105.00	3087-382-27-0000	\$101.72
3087-342-07-0000	\$916.30	3087-351-39-0000	\$105.00	3087-382-28-0000	\$925.52
3087-342-08-0000	\$1,099.57	3087-351-40-0000	\$114.07	3087-382-29-0000	\$302.74
3087-342-11-0000	\$3,278.64	3087-351-41-0000	\$114.07	3087-382-30-0000	\$101.85
3087-342-12-0000	\$136.42	3087-351-42-0000	\$402.07	3087-382-31-0000	\$575.61
3087-342-13-0000	\$7.80	3087-351-43-0000	\$690.07	3087-382-32-0000	\$575.61
3087-342-14-0000	\$42.90	3087-351-44-0000	\$690.07	3087-382-33-0000	\$553.39
3087-342-15-0000	\$18.85	3087-351-45-0000	\$741.33	3087-382-34-0000	\$101.85
3087-342-16-0000	\$2.60	3087-351-46-0000	\$581.30	3087-382-35-0000	\$101.85
3087-342-17-0000	\$42.90	3087-351-47-0000	\$388.15	3087-382-36-0000	\$101.85
3087-342-18-0000	\$54.51	3087-351-48-0000	\$101.84	3087-382-37-0000	\$161.85
3087-342-19-0000	\$57.12	3087-351-49-0000	\$101.84	3087-382-38-0000	\$105.00
3087-342-20-0000	\$16.32	3087-351-50-0000	\$291.99	3087-391-01-0000	\$2,164.52
3087-342-21-0000	\$685.20	3087-351-52-0000	\$770.52	3087-391-02-0000	\$42.90
3087-342-22-0000	\$406.47	3087-381-02-0000	\$740.06	3087-391-03-0000	\$776.35
3087-342-23-0000	\$4.94	3087-381-03-0000	\$419.73	3087-391-04-0000	\$1,229.72
3087-342-24-0000	\$413.44	3087-381-04-0000	\$1,712.97	3087-391-05-0000	\$1,056.15
3087-342-25-0000	\$1,160.59	3087-381-06-0000	\$495.38	3087-391-06-0000	\$276.25
		3087-381-07-0000	\$136.50	3087-391-09-0000	\$376.50
		3087-381-08-0000	\$78.25	3087-391-10-0000	\$753.00

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3087-391-11-0000	\$777.00	3087-392-36-0000	\$112.54	3112-653-01-0000	\$623.00
3087-391-12-0000	\$303.00	3087-392-37-0000	\$112.54	3112-653-02-0000	\$509.63
3087-391-13-0000	\$349.80	3087-392-38-0000	\$1,230.90	3112-653-03-0000	\$713.63
3087-391-14-0000	\$105.00	3087-392-39-0000	\$1,210.19	3112-653-04-0000	\$366.83
3087-391-15-0000	\$105.00	3087-811-02-0000	\$59.82	3112-653-05-0000	\$473.15
3087-391-16-0000	\$585.00	3087-811-03-0000	\$59.82	3112-653-06-0000	\$421.07
3087-391-17-0000	\$303.00	3087-811-04-0000	\$59.82	3112-653-07-0000	\$500.99
3087-391-18-0000	\$364.82	3087-811-05-0000	\$69.96	3112-653-08-0000	\$425.63
3087-391-19-0000	\$364.89	3087-811-06-0000	\$69.96	3112-653-09-0000	\$701.39
3087-391-20-0000	\$529.47	3087-811-07-0000	\$69.96	3112-653-10-0000	\$605.63
3087-391-21-0000	\$739.74	3087-811-08-0000	\$94.79	3112-653-11-0000	\$185.63
3087-391-22-0000	\$986.72	3087-811-09-0000	\$94.79	3112-653-12-0000	\$1,987.65
3087-391-23-0000	\$115.36	3087-811-10-0000	\$94.79	3112-721-01-0000	\$1,289.31
3087-391-24-0000	\$115.50	3087-811-11-0000	\$94.79	3112-721-02-0000	\$335.55
3087-391-25-0000	\$115.50	3087-811-12-0000	\$94.79	3112-721-03-0000	\$105.00
3087-391-26-0000	\$115.50	3087-811-13-0000	\$94.79	3112-721-04-0000	\$105.00
3087-391-27-0000	\$115.50	3087-811-14-0000	\$94.79	3112-721-05-0000	\$344.87
3087-391-28-0000	\$115.50	3087-811-15-0000	\$94.79	3112-721-06-0000	\$105.00
3087-391-29-0000	\$230.88	3087-811-16-0000	\$94.79	3112-721-07-0000	\$736.33
3087-391-30-0000	\$2,595.34	3087-811-17-0000	\$94.79	3112-721-08-0000	\$825.00
3087-392-05-0000	\$498.89	3087-811-18-0000	\$94.79	3112-721-09-0000	\$105.00
3087-392-06-0000	\$1,074.00	3087-811-19-0000	\$94.79	3112-721-10-0000	\$436.50
3087-392-07-0000	\$115.50	3087-811-20-0000	\$94.79	3112-721-11-0000	\$105.00
3087-392-08-0000	\$303.00	3087-811-21-0000	\$94.79	3112-721-12-0000	\$105.00
3087-392-09-0000	\$105.00	3112-561-13-0000	\$912.34	3112-721-13-0000	\$736.33
3087-392-12-0000	\$284.83	3112-561-25-0000	\$383.72	3112-731-01-0000	\$595.36
3087-392-13-0000	\$102.01	3112-561-26-0000	\$2,421.77	3112-731-02-0000	\$115.36
3087-392-14-0000	\$523.88	3112-563-11-0000	\$3,066.31	3112-731-03-0000	\$115.36
3087-392-15-0000	\$115.50	3112-563-12-0000	\$185.63	3112-731-04-0000	\$585.00
3087-392-16-0000	\$115.50	3112-563-13-0000	\$185.63	3112-731-05-0000	\$585.00
3087-392-19-0000	\$674.70	3112-563-14-0000	\$584.75	3112-731-06-0000	\$136.50
3087-392-20-0000	\$102.01	3112-563-15-0000	\$569.63	3112-731-07-0000	\$2,723.47
3087-392-21-0000	\$102.01	3112-563-16-0000	\$633.19	3112-731-08-0000	\$895.93
3087-392-22-0000	\$284.83	3112-563-17-0000	\$423.59	3112-731-12-0000	\$370.84
3087-392-23-0000	\$115.50	3112-563-18-0000	\$185.63	3112-731-13-0000	\$370.84
3087-392-24-0000	\$115.50	3112-563-19-0000	\$521.63	3112-731-15-0000	\$402.76
3087-392-25-0000	\$115.50	3112-563-20-0000	\$185.63	3112-731-16-0000	\$122.14
3087-392-26-0000	\$115.50	3112-563-21-0000	\$853.07	3112-731-17-0000	\$163.43
3087-392-27-0000	\$576.68	3112-563-22-0000	\$821.63	3112-731-18-0000	\$2,056.62
3087-392-28-0000	\$899.10	3112-563-23-0000	\$605.63	3112-731-19-0000	\$594.15
3087-392-29-0000	\$634.20	3112-563-24-0000	\$321.98	3112-731-21-0000	\$983.32
3087-392-30-0000	\$115.50	3112-651-23-0000	\$3,300.30	3112-731-22-0000	\$1,324.13
3087-392-31-0000	\$115.50	3112-651-24-0000	\$3,884.17	3112-731-23-0000	\$5,010.87
3087-392-32-0000	\$115.50	3112-651-25-0000	\$313.06	3112-731-24-0000	\$1,344.10
3087-392-33-0000	\$115.50	3112-651-26-0000	\$493.50	3112-731-25-0000	\$780.73
3087-392-34-0000	\$115.50	3112-651-27-0000	\$143.75		
3087-392-35-0000	\$348.82	3112-651-28-0000	\$540.01		

# APPENDIX 2

## AVV PBID BOUNDARY MAP

NOTE: MAP IS A  
SEPARATE DOCUMENT

# Proposed Assessment Diagram

Apple Valley Village  
Property and Business Improvement District No. 1  
Town of Apple Valley, County of San Bernardino, State of California

