

**Bird Rock Maintenance Assessment District (MAD) Annual Meeting
Tuesday, November 5, 2019, 6:00 pm, following the Community Meeting
at the La Jolla Masonic Lodge, 5655 La Jolla Blvd, La Jolla, CA 92037**

Bird Rock Maintenance Assessment District (MAD)

The Bird Rock community began discussions in 2000 about neighborhood traffic calming (vehicular speed reduction), traffic management, parking issues, pedestrian and vehicular safety, neighborhood “walkability,” and lighting after decades of concerns about traffic speed and safety along La Jolla Blvd and the realization that La Jolla Blvd was a fast-moving divider between the east and west portions of the Bird Rock community. The dialogs included ways to implement traffic calming, improve safety for pedestrians crossing La Jolla Blvd (4+ lanes), enhance parking and beautification in Bird Rock, and improve the Bird Rock business district.

In 2004, the Bird Rock community and Bird Rock Community Council (BRCC) initiated formation of the Bird Rock Maintenance Assessment District for the purpose of assuming responsibility for maintenance of the public landscaping portion of the City-planned, traffic-calming improvements along La Jolla Blvd and nearby residential streets with the intent of becoming a self-managed MAD (versus City-managed). Self-managed MADs must be managed by stable community non-profit 501(c)(3) corporations. This effort culminated in March 2005 when more than 30% of the property owners signed a petition agreeing to formation of the district. In July 2005, property owners formally voted, via a ballot from the County Registrar of Voters, to approve formation of the MAD, to appoint the non-profit 501(c)(3) Bird Rock Community Development Corporation (BRCDC) dba BRCC as local managers, and to set the initial maximum assessment at \$90 per year per single family property. Upon certification of ballots by the San Diego City Council and approval to form the Bird Rock MAD in August 2005, the BRCC began successful negotiations with the City for a maintenance agreement and self/BRCC-management of the Bird Rock MAD.

The Bird Rock MAD encompasses the Bird Rock area bounded on the west by the Pacific Ocean or the east side of 5800 block of La Jolla Blvd; on the north by La Cañada Street or the 5800 block of Camino de la Costa; on the east by Folsom Drive, Bellevue Avenue, Linda Rosa Avenue, and La Jolla Mesa Drive; and on the south by Bellevue Place, Bird Rock Elementary School/Bird Rock Joint Use Park, the Park La Jolla property, and Wrelton Drive.

The BRCC took over landscape maintenance of phase one in 2008 and assumed maintenance responsibilities of phases two and three in May 2009. The MAD and BRCC Board selected and contracted with 1) an independent contractor to manage day-to-day MAD operations and perform bi-weekly inspections and other management tasks and 2) a City-approved, licensed landscape maintenance contractor for regular landscape and irrigation system maintenance and repair, selected public right of way clean up and trash disposal, and additional services.

The annual meeting of the Bird Rock Maintenance Assessment District (MAD) is for review and approval of the proposed annual budget for Fiscal Year 2021 (FY21) which runs from July 1, 2020, to June 30, 2021. The November meeting date allows time for adequate review, revision, and acceptance of the proposed budget which must be submitted to the City of San Diego's Park and Recreation Department MAD Division by a January deadline for inclusion in the City's annual budget process which starts February 1, includes further review and revision, and concludes with approval by the Mayor and City Council in June 2020.

The City reviews the Bird Rock MAD landscaping, irrigation, and related issues as well as traffic calming, safety, and line-of-sight issues during quarterly inspections. The City has been very satisfied with our operations, supervision, financial oversight, and water saving efforts. The BRCC Beautification Committee independently inspects the MAD areas and reviews the landscape palette and various MAD-associated environmental, safety, maintenance, irrigation,

water conservation, and aesthetic issues. Suggestions for beautification or walkability enhancements are considered. MAD landscaping improvements were approved in 2010 and continue to be implemented in phases to increase traffic calming and safety. Plants that created safety problems or succumbed to pests, traffic emissions, or other causes were replaced. These ongoing efforts result in safer conditions, better adherence to line-of-sight height limits, traffic calming, reduction of drive overs, adherence to mandated water restrictions and water conservation, decreased long-term maintenance, increased visual appeal, and conformance to the original community-chosen California coastal/ Mediterranean palette.

The Capital Improvement Bird Rock Median LED Light project on the La Jolla Blvd medians between Forward and Camino de la Costa was successfully completed by the City at the end of 2012. The median lights provide mid-block lighting, enhanced pedestrian and vehicular safety, a better walking environment, and improved visibility of adjacent businesses and buildings. Maintenance of the median lights, crosswalk lighting system, and streetlights are not duties of the MAD, however the BRCC monitors the crosswalk systems, streetlights, and median lights and reports problems. Similarly, problems noted with street signs, public rights of way, graffiti, potholes, and related issues are also reported to the City.

The BRCDC's MAD and BRCC financial accounts are independently audited at the end of each fiscal year. The MAD account audit is required by the City. The independent audit for the recent fiscal year ending June 30 determined that the BRCDC regular and MAD accounts are in great condition with proper operating procedures, financial controls, and operating reserves.

The Bird Rock MAD budget is funded by annual homeowner county property tax assessments, gas tax funds from the City, and offsetting payments from the City for services provided by the MAD which should have been provided by the City (General Benefit Offsets). Currently, there are 1274 assessment-paying property parcels within the 1429 parcel Bird Rock MAD Map Boundary for a total of 1,826.97 EBUs (Equal Benefit Units). 155 properties (mostly north of Camino de la Costa) do not pay a MAD assessment as part of their county property tax.

The annual residential assessment rate was \$90 in Fiscal Year 2006 (FY2006), \$50 in FY2007, \$75 in FY2008, \$79 in FY2009 when BRCC assumed full maintenance of the MAD. The rate dropped to \$25 in FY2010 when the MAD reserve fund maximum balance was reached. For FY2011, FY2012, FY2013, and FY2014, the assessment rate was \$78. To fund increasing MAD costs, normal expense increases, anticipated guard railing improvements, and the required reserve fund balance level, the assessment rate for FY2015 and FY2016 was increased to \$90 for residences. The rates for FY2017 and FY2018 were lowered to \$84 due a healthy reserve fund balance but needed to be raised for FY2019 to \$95 for residences. In FY 2020, the residential rate was decreased to \$90. The FY 2021 rate should remain at \$90 for residences, well below the \$191.89 estimated maximum amount allowed. The condominium rate will remain proportionally lower at \$63, and the typical commercial property rate should remain at \$450.

As mandated by state law, the reserve fund balance (excess funds) accumulate in an interest-bearing account and are reserved and protected for the Bird Rock MAD. The Bird Rock MAD is required by the City to maintain a reserve operating balance between 10% and 50% of annual operating expenses and maintains an emergency reserve as well.

The annual meeting is an opportunity for Bird Rock property owners to review the budget for the next fiscal year, ask questions, and offer comments. Your participation is welcome.