

## **Bird Rock Maintenance Assessment District (MAD) Annual Meeting**

**Tuesday, 11/7/23, 6:30 pm at Bird Rock Elementary School Auditorium, 5375 La Jolla Hermosa Ave (enter through Gate 3)**

The annual meeting for assessed property owners in the Bird Rock Maintenance Assessment District (MAD) will be held on Tuesday November 7, 2023, for updates and review and acceptance of the proposed Fiscal Year 2025 (FY25) annual MAD budget (July 1, 2024, through June 30, 2025). The November 7, 2023, meeting allows time for adequate review, input, and revision of the proposed budget before submission to the MAD Division of the San Diego City Park and Recreation Department by mid-December and final submission by the mid-January deadline date. Following further evaluation and finalization, the MAD budget is submitted to and included in the City's annual budget review process which starts on or before February 1 and concludes with the June 2024 budget approval by the Mayor and City Council.

Understanding the background leading to the Bird Rock MAD formation is important. Prior to formation of the MAD and City re-design of La Jolla Blvd in the Bird Rock area, La Jolla Blvd was 4-5 lanes across with very high-speed traffic and numerous safety issues. After decades of concerns about traffic speed, pedestrian injuries and fatalities, and safety along La Jolla Blvd and the realization that La Jolla Blvd was a fast-moving, dangerous divider between the east and west portions of the Bird Rock neighborhood, discussions began in year 2000 about neighborhood "traffic calming." Topics included traffic management, vehicular speed reduction, pedestrian and vehicular safety, parking issues, neighborhood "walkability," quality of life, and lighting. The dialogs included ways to implement traffic calming, improve safety for pedestrians crossing La Jolla Blvd (4-5 lanes), enhance beautification, add landscaping and trees, maintain and promote growth of existing street trees, and improve parking along Bird Rock sections of La Jolla Blvd. without adversely impacting adjacent streets and residential areas. Many Bird Rock neighbors participated and spent numerous hours in research and discussions that resulted in an enormous improvement to Bird Rock. We are grateful to all those people.

In 2004, Bird Rock property owners and the 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 an official 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 assessment at \$90/year per single family property. The San Diego City Council certified the ballots and approved formation of the Bird Rock MAD in August 2005. The BRCC began successful negotiations with the City for a maintenance agreement and self-management of the Bird Rock MAD by BRCC.

The Bird Rock MAD encompasses the Bird Rock area bounded on the west by the Pacific Ocean; on the north by La Cañada Street; 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 of the traffic calming MAD area in 2008 and assumed maintenance responsibilities of phases two and three in May 2009, which encompassed the entire Bird Rock MAD area. 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 numerous other management tasks and 2) a City-approved, licensed landscape maintenance contractor for regular landscape and irrigation system maintenance, selected public right of way clean up and trash disposal, and additional services. Newer contracts have been approved and established with City-approved companies since the initial phase. The City reviews the Bird Rock MAD landscaping, irrigation, water usage, all City trees maintained by the Bird Rock MAD and contractual requirements as well as traffic calming, safety, line-of-sight, and maintenance issues during quarterly inspections.

The City is extremely focused on its Climate Action Plans and the required maintenance of City trees to promote health, growth, and canopy spread. The City has been very satisfied with the supervision, financial oversight, operations, and water saving efforts of the Bird Rock MAD. The BRCC MAD Advisory Committee independently inspects the MAD areas and reviews the landscaping and various MAD-associated environmental, safety, maintenance, irrigation, water conservation, and aesthetic issues. Suggestions for traffic calming, safety improvements, walkability, and beautification are considered. MAD landscaping improvements were approved in 2010 and continue to be implemented to increase traffic calming and safety. Plants that created safety problems or succumbed to pests, traffic emissions, or other causes have been 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 City's Capital Improvement Bird Rock Median LED Light Project on the La Jolla Blvd medians between Forward Street and Camino de la Costa was successfully completed at the end of 2012. The median lights provide mid-block lighting, enhance pedestrian and vehicular safety, create a better walking environment, and improve visibility of adjacent buildings and the roadway. The City-maintained cross-walk systems, street lights, and median lights are monitored, and problems are reported to the City. Similarly, problems noted with street signs, public rights of way, graffiti, potholes, Municipal Code violations, and related issues are also reported to the City.

The BRCCDC's separate MAD and BRCC financial accounts are independently audited at the end of each fiscal year. The annual, independent MAD account audit is required by the City. The audit for the recent fiscal year ending June 30 determined that the BRCCDC MAD account and regular 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 1320 assessment-paying property parcels within the 1476 parcel Bird Rock MAD Map Boundary for a total of 1,826.97 EBUs (Equivalent Benefit Units). 156 properties, mostly north of Camino de la Costa plus a few undeveloped parcels, do not pay a MAD assessment as part of their Country property tax.

The annual residential assessment rate was \$90 in Fiscal Year 2006 (FY2006), \$50 in FY2007, \$75 in FY2008, and \$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, 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 to a healthy reserve fund balance and was raised in FY2019 to \$95. The rate for FY2020 through FY 22 was

decreased to \$90. Due to cost increases and pandemic effects, the rate for FY 2023 and FY 2024 was set at \$100 for residences, below the maximum allowable rate. The rate for FY 25 is estimated to remain at \$100, also below estimated max allowable rate. The condominium rate will be proportionally lower at \$63. The typical commercial property rate should be \$405 and is dependent upon property size.

As mandated by state law, the reserve fund balance (excess funds) accumulate in a City-controlled, interest-bearing account. Those funds 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.