



Engineer's Report

Fiscal Year 2026-2027

City of Rialto

Landscape Maintenance District No. 1

Prepared For



June 2026



webbmfinance.com

Table of Contents

Sections

Section i.	Engineer's Statement	i
Section 1.	Plans and Specifications	1
Section 2.	Cost Estimates	11
Section 3.	Method of Apportionment	17
Section 4.	Assessment Roll	27
Section 5.	Assessment Diagram	28

Tables

Table i-1.	Summary of Assessments	iii
Table 2-1.	Residential Budget	11
Table 2-2.	Non-Residential Budget	12

Appendices

Appendix A	Assessment Roll	A-1
Appendix B	Assessment Diagram	B-1

i. Engineer's Statement

AGENCY: CITY OF RIALTO
PROJECT: LANDSCAPE MAINTENANCE DISTRICT NO. 1
TO: CITY COUNCIL
CITY OF RIALTO
STATE OF CALIFORNIA

Report Pursuant to "Landscaping and Lighting Act of 1972"

Pursuant to direction from the City Council (the "City Council") of the City of Rialto (the "City"), State of California, submitted herewith is the Engineer's Report for Landscape Maintenance District No. 1 (the "Report"), consisting of the following parts, pursuant to the provisions of Division 15, Part 2 of the Streets and Highways Code of the State of California, being the "Landscaping Act of 1972" (the "1972 Act"), as amended, commencing with Section 22500, and which is in accordance with Resolution No. 8507 adopted by the City of Rialto City Council, Riverside County, California ordering the preparation of the Report for Landscape Maintenance District No. 1 ("LMD No. 1"). This Report is applicable for the ensuing 12-month period, being the Fiscal Year commencing July 1, 2026, to June 30, 2027.

SECTION 1 **PLANS AND SPECIFICATION** of the improvements to be maintained and-or improved for Fiscal Year 2026-2027. The plans and specifications show and describe the existing improvements and are sufficient in showing and describing the general nature, location, and extent of the improvements.

SECTION 2 A **COST ESTIMATE** of the improvements to be maintained and-or improved for the mentioned Fiscal Year.

SECTION 3 The **METHOD OF APPORTIONMENT** showing the proportionate amount of the assessment to be charged in proportion to the benefits to be received by each lot or parcel within the exterior boundaries as shown in Appendix B.

SECTION 4 An **ASSESSMENT ROLL** showing the proportionate amount of the assessment to be charged in proportion to the benefits to be received by each lot or parcel within the boundaries as shown on the below-referenced Diagram.

SECTION 5 An **ASSESSMENT DIAGRAM** of the District. Said Diagrams shall show the exterior boundaries of the District and the boundaries of any zones within the District. Reference is made to the San Bernardino County (the "County") Assessor's Maps for a detailed description of the lines and dimensions of any lots or parcels. The lines and dimensions of each lot shall conform to those shown on the County Assessor's Maps for the Fiscal Year to which the Report applies.

i. Engineer's Statement

I, Matthew E. Webb, a Professional Civil Engineer (employed at Albert A. Webb Associates and retained through an agreement between Webb Municipal Finance, LLC and my employer), acting on behalf of the City of Rialto, pursuant to the Act do hereby assess and apportion the total amount of the costs and expenses upon the parcels of land within Landscape Maintenance District No. 1 liable therefore and benefited thereby, in proportion to the estimated benefits that each parcel receives, respectively, from said maintenance, works of improvement, and appurtenances.

Executed this _____ day of _____ 2026.



ALBERT A. WEBB ASSOCIATES

MATTHEW E. WEBB
PROFESSIONAL CIVIL ENGINEER NO. 37385
ENGINEER OF WORK
ON BEHALF OF THE CITY OF RIALTO
STATE OF CALIFORNIA

Final approval, confirmation and levy of the annual assessment and all matters in the Engineer's Report were made on the _____ day of _____ 2026, by adoption of Resolution No. _____ by City Council.

CITY CLERK
CITY OF RIALTO
STATE OF CALIFORNIA

A copy of the Assessment Roll and Engineer's Report was filed in the City Clerk's Office on the _____ day of _____, 2026.

CITY CLERK
CITY OF RIALTO
STATE OF CALIFORNIA

i. Engineer’s Statement

WHEREAS, on May 26, 2026, the City Council, under the 1972 Act, adopted its Resolution Initiating Proceedings for the Levy and Collection of Assessments and the Preparation of an Engineer’s Report for LMD No. 1;

Whereas, the Resolution of Intention directed Webb Municipal Finance, LLC to prepare and file a report presenting plans and specifications describing the general nature, location, and extent of the improvements to be maintained, an estimate of the costs of the maintenance, operations, and servicing of the improvements for LMD No. 1 for the referenced Fiscal Year, a diagram for LMD No. 1 showing the area and properties to be assessed, and an assessment of the estimated costs of the maintenance, operations, and servicing the improvements, assessing the net amount upon all assessable lots and-or parcels within LMD No. 1 in proportion to the special benefit received;

NOW THEREFORE, the following assessment is made to cover the portion of the estimated cost of maintenance, operation, and servicing of said improvements to be paid by the assessable real property within LMD No. 1 in proportion to the special benefit received:

Table i-1
Summary of Assessments

Residential

Zone	Total Assessment	Assessment Rate per EBU
1	\$104,539.20	\$58.00
2	\$370,753.40	\$58.00

Commercial

Zone	Annexation	Total Assessment	Assessment Rate per EBU
3	6	\$2,500.02	\$2.58
3	26	\$4,500.00	\$1,500.00
3	45	\$9,000.00	\$1,500.00
3	64	\$1,422.43	\$215.52
3	73 & 105	\$8,442.48	\$10.48
3	75	\$3,499.92	\$291.66
3	79	\$720.00	\$240.00
3	92	\$2,250.00	\$1,125.00
3	99	\$1,600.00	\$1,600.00
3	100	\$10,749.31	\$52.08
3	112	\$8,000.01	\$2,666.66
3	113	\$5,099.99	\$2,090.16
3	117	\$8,503.83	\$9.34

1. Plans and Specifications

Overview

In 1977, the City of Rialto, under the provisions of the Landscape and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code (hereafter referred to as the “1972 Act”) established and has subsequently annexed properties to the assessment district designated as Rialto Landscape Maintenance District No. 1. The annual assessments to be levied on properties within the District provide a funding source for the continued operation and maintenance of local landscape improvements installed in connection with the development of properties within the District. Each fiscal year, the City establishes the District’s assessments based on an estimate of the costs to maintain, operate and service the landscape improvements and based upon available revenues including fund balances, City contributions and assessment limits. The costs of the improvements and the proposed annual assessments budgeted and assessed against properties within the District may include: the estimated expenditures for regular annual maintenance and repairs; incidental expenditures related to the operation and administration of the District; deficits or surpluses from prior years; revenues from other sources; and the collection of adequate funds for operational reserves or periodic expenditures including installments collected for long-term improvement projects. Each parcel is assessed proportionately for only those improvements, services and expenses for which the parcel will receive special benefit.

The original District established included parcels of land within the residential subdivision identified as Tract 9823. The District was formed to provide for the ongoing maintenance and operation of the landscaping installed in connection with the development of these properties. After the formation of the original District, the City annexed additional properties (territories of land) to the District and established assessments for those annexation territories that would fund the ongoing maintenance and operation of the landscape improvements associated with the development of those properties. A summary listing of the annexations and the associated subdivisions are provided in the Assessment Roll section of this Report.

Beginning Fiscal Year 2009-2010, the developments, subdivisions and properties therein that comprise the District have been grouped into zones of benefit (Zones and Sub-Zones) based on the improvements and services associated with those parcels. Each Zone reflects the various types of improvements and services to be provided by the District and the type of property development associated with those improvements. The net annual cost to provide the improvements for each Zone are allocated to the benefiting properties within that Zone using a weighted method of apportionment that calculates the proportional benefit and assessment for each parcel as compared to other properties that benefit from the Zone improvements and services.

The word “parcel,” for the purposes of this Report, refers to an individual property assigned its own Assessor’s Parcel Number (“APN”) by the County Assessor’s Office. The County Auditor/Controller uses APNs and specific Fund Numbers to identify properties to be assessed on the tax roll for the special benefit assessments.

While the budgets outlined in this Report reflect the estimated costs necessary to fully and adequately provide for the maintenance and operation of the improvements within the District, many of these estimated costs and associated services cannot be funded by the current assessment revenues and contributions from the City. To fully fund the improvements, it will be necessary to increase assessment revenues which will require the support of the property owners for new or increased assessments through a ballot proceeding conducted under the provisions of the California Constitution Article XIII D. Although such proceedings are not being conducted this fiscal year and the proposed District assessments for Fiscal Year 2026-2027 are not being increased over the assessments levied in the prior fiscal year, such assessment increases may be considered in the future due to the rising costs associated with the District improvements.

Plans and Specifications

ZONES OF BENEFIT:

For Fiscal Year 2026-2027, the parcels, lots, subdivisions, and developments within the District are identified and grouped into one of three zones of benefit referred to as “Zones”. Each Zone reflects the landscape improvements

1. Plans and Specifications

associated with the development of properties in that Zone, in order to fairly and equitably apportion the net cost of providing those improvements to the properties that receive special benefits from the service and activities associated with those improvements. Most of the parcels in the District are identified as single-family residential properties within various residential developments. These residential developments have been grouped into two different Zones based on whether the landscaped areas associated with those developments include tree maintenance services or not. All other developments within the District are grouped into Zone 3. Within this Zone, each development is treated as a Sub-zone (each development is assessed for its specific improvements). By establishing and utilizing a Zone structure, similar properties with similar types of improvements will be assessed a proportional amount for the services and activities provided by the District. The following is a brief description of the District Zones:

ZONE 1 includes the parcels within residential subdivisions that the District provides for the maintenance, operation and servicing of:

- Streetscape landscaping (parkways and medians) located on the perimeter or entryway of a residential subdivision that was installed in connection with the development of the properties within that particular residential subdivision; and/or
- Streetscape landscaping (parkways and medians) installed as part of another nearby residential development, which are either a continuation of the landscaping associated with all developments in the area or the improvements are located on a street that is considered the primary entryway to the development.

ZONE 2 includes the parcels within residential subdivisions that the District provides for the maintenance, operation and servicing of:

- Streetscape landscaping (parkways and medians) located on the perimeter or entryway of a residential subdivision that was installed in connection with the development of the properties within that particular residential subdivision; and/or
- Streetscape landscaping (parkways and medians) installed as part of another nearby residential development, which are either a continuation of the landscaping associated with all developments in the area or the improvements are located on a street that is considered the primary entryway to the development; and
- Trees located in the landscaped areas described above.

Note: The landscape improvements within both Zone 1 and Zone 2 include the maintenance and servicing of the landscaping (turf, shrubs or both), but the landscaped areas associated with Zone 2 also have the additional benefit and cost of tree services within those landscaped areas.

ZONE 3 includes parcels that are generally considered non-single-family residential properties including, but not limited to non-residential properties (commercial developments) and multi-family residential properties (apartments), collectively referred to in this Report as “non-residential” developments. Within this Zone, the District provides for the maintenance, operation and servicing of:

- Parkway landscaping on the perimeter of the development within the public right-of-way or easement (face of curb to property line), that was installed in connection with the development of the properties within that particular development; and/or
- Median-island landscaping near or adjacent to the development that was installed as part of developing the properties within that particular development.

1. Plans and Specifications

Note: Unlike Zone 1 and Zone 2, the type of property development, overall location of the improvements and extent of the improvements, may vary significantly between each development. Therefore, each development is currently budgeted and assessed separately to the parcels that comprise each of those developments.

DESCRIPTION OF PROPERTIES WITHIN THE DISTRICT

The following table provides a summary list of the tracts, subdivisions, and developments within the District (Developments), their corresponding “Zone” designation, and “Reference” (notation) which identifies the particular annexation maps on file for those developments.

Zone	Reference	Tract Number
1	Annexation No. 4	Tract 8251
1	Annexation No. 16	Tract 10159
1	Annexation No. 23	Tract 10160
1	Annexation No. 40	Tract 9931
1	Annexation No. 68	Tract 13319
1	Annexation No. 80	Tracts 13775, 13776, 13777, 13778, 13779, 13780, 14127, 14128, 14129, 14163, 14164, 14165, 14166, 14167, 14169, 14170, 14171, 14172, 14173, 14174, 14175, 14176, 14177, 14178, 14179, 14180, 14267, 14268, 14269, 14270, 14272, 14273, 14298, 14357, 14358, 14359, 14360 and 14395
1	Annexation No. 83	Tract 13176
1	Annexation No. 84	Tract 14450
1	Annexation No. 85	Tract 13871
1	Annexation No. 116	Tract 15821
1	Annexation No. 119	Tract 16069, lots 1-23
2	Original District No. 1	Tract 9823
2	Annexation No. 1	Tract 9821
2	Annexation No. 2	Tracts 9562, 9851 and 9866
2	Annexation No. 3	Tract 9725
2	Annexation No. 5	Tract 9832
2	Annexation No. 7	Tracts 9768 and 9769
2	Annexation No. 8	Tracts 9952 and 6443
2	Annexation No. 9	Tract 10372
2	Annexation No. 10	Tract 9867
2	Annexation No. 15	Tracts 10252, 10253, 10254, and 10255
2	Annexation No. 17	Tract 9860
2	Annexation No. 18	Tracts 9493, 9688 and 10173
2	Annexation No. 19	Tract 10283
2	Annexation No. 20	Tract 10223
2	Annexation No. 21	Tracts 9896, 9897, 9898, 9899 and 10040
2	Annexation No. 22	Tract 10387
2	Annexation No. 24	Tracts 9804, 9805, 9806 and 11472
2	Annexation No. 25	Tracts 9945 and 9946
2	Annexation No. 28	Tract 11337
2	Annexation No. 29	Tracts 12179, 12180 and 12181
2	Annexation No. 30	Tracts 7431, 10512 and 11570
2	Annexation No. 31	Tracts 11653 and 12328
2	Annexation No. 32	Tracts 12125, 12126 and 12178

1. Plans and Specifications

Zone	Reference	Tract Number
2	Annexation No. 33	Tracts 10403, 10428, 10484, 11780, and 12513
2	Annexation No. 34	Tracts 12327, 12326, 12325, 9149, 9148, 9147, 9146 and 8612
2	Annexation No. 35	Tract 11264
2	Annexation No. 36	Tract 12611
2	Annexation No. 37	Tract 12606
2	Annexation No. 38	Tract 11607
2	Annexation No. 39	Tracts 11539, 12697, 12842 and 12843
2	Annexation No. 41	Tract 9990
2	Annexation No. 42	Tract 11432
2	Annexation No. 43	Tracts 10219 and 10230
2	Annexation No. 44	Tracts 12907, 12542, and 12543
2	Annexation No. 46	Tracts 12931 and 12932
2	Annexation No. 47	Tracts 12718 and 12977
2	Annexation No. 48	Tracts 13096, 13097, 13098, 13099 and 12975
2	Annexation No. 49	Tract 12755
2	Annexation No. 50	Tract 13113
2	Annexation No. 51	Tracts 9721 and 10190
2	Annexation No. 52	Tracts 9768, 10219, 12175, 12983, 13053, 13073, 13074, 13075, 13156, 13157 and 13158
2	Annexation No. 53	Tract 13178
2	Annexation No. 54	Tracts 12926 and 13189
2	Annexation No. 55	Tract 12514
2	Annexation No. 56	Tracts 12973 and 12864
2	Annexation No. 57	Tract 13385
2	Annexation No. 58	Tract 13378
2	Annexation No. 59	Tract 13368
2	Annexation No. 60	Tract 13345
2	Annexation No. 61	Tract 12141
2	Annexation No. 62	Tract 13482
2	Annexation No. 63	Tracts 13545 and 13189
2	Annexation No. 65	Tract 11600
2	Annexation No. 66	Tract 13323
2	Annexation No. 67	Tract 13430
2	Annexation No. 69	Tracts 9949 and 13464
2	Annexation No. 70	Tract 13626
2	Annexation No. 71	Tract 9912
2	Annexation No. 72	Tract 11470
2	Annexation No. 74	Tracts 13625 and 13607
2	Annexation No. 76	Tract 12992
2	Annexation No. 77	Tract 13578
2	Annexation No. 78	Tracts 9934, 13373, 13522 and 14347
2	Annexation No. 81	Tract 13702
2	Annexation No. 82	Tract 13204
2	Annexation No. 86	Tract 13502
2	Annexation No. 87	Tract 14364
2	Annexation No. 88	Tract 14080

1. Plans and Specifications

Zone	Reference	Tract Number
2	Annexation No. 91	Tracts 14089 and 14377
2	Annexation No. 93	Tract 14422
2	Annexation No. 95	Tract 14363
2	Annexation No. 96	Tract 13797
2	Annexation No. 97	Tract 14375
2	Annexation No. 101	Tract 14115
2	Annexation No. 102	Tract 10215
2	Annexation No. 103	Tract 14500
2	Annexation No. 106	Tract 6780 lots 1, 2, 3 and 32
2	Annexation No. 107	Tract 14081
2	Annexation No. 109	Tract 13855
2	Annexation No. 110	Tract 15628
2	Annexation No. 111	Tract 15637
2	Annexation No. 115	Tracts 15508, 15745 and 15746
2	Annexation No. 118	Tract 15941 lots 1-50
3	Annexation No. 6	Parcel Map 4193
3	Annexation No. 26	Tract 10991
3	Annexation No. 45	PPD 824
3	Annexation No. 64	Parcel Map 5595
3	Annexation No. 73	PPD 1077
3	Annexation No. 75	PPD 1138
3	Annexation No. 79	Parcel Map 12165
3	Annexation No. 90	Parcel Map 11701 (RAMROD)
3	Annexation No. 92	PPD 1395
3	Annexation No. 99	PPD 1432
3	Annexation No. 100	Tracts 5630, 5958 and 8180
3	Annexation No. 105	PPD 1486
3	Annexation No. 108	PPD 1508
3	Annexation No. 112	PPD 1464
3	Annexation No. 113	PPD 1542
3	Annexation No. 114	PPD 1579
3	Annexation No. 117	PPD 1605 and PPD 1608

DESCRIPTION OF IMPROVEMENTS AND SERVICES

The landscape improvements for the District may include, but are not limited to, various streetscape landscaping, including parkways and medians, as well as public landscaped areas within or adjacent to the properties within a particular development. These landscape improvements may include turf, ground cover, plants, shrubs, trees, irrigation and drainage systems, and associated appurtenant facilities located within the various easements, rights-of-way or public properties that comprise the landscaped areas including, but not limited to, sidewalks, curbs, fencing and monuments. Generally, the work to be performed consists of the annual maintenance costs for landscaping improvements that include, but are not limited to, labor, materials, equipment, electrical, water and incidental expenses. The following outlines the location and extent of the landscape improvements associated with the properties and developments of the various Zones within the District which are more particularly described by maps which are on file in the Engineering Division of the Department of Public Works entitled "Landscape Maintenance District No. 1" (Annexations 1 through 119), and by reference are made part of this Report.

1. Plans and Specifications

ZONE 1 LANDSCAPE IMPROVEMENTS: The various developments and improvements for Zone 1 are listed below and include right-of-way and landscaping easements along.

- the Cedar Avenue frontage of Tract 8251, (Annexation No. 4);
- the Cedar Avenue frontage of Tract 10159, (Annexation No. 16);
- the Cedar Avenue frontage of Tract 10160, (Annexation No. 23);
- the Willow Avenue and Walnut Avenue frontages of Tract 9931, (Annexation No. 40);
- the Lilac Avenue frontage of Tract 13319, (Annexation No. 68);
- the frontages of Riverside Avenue, Alder Avenue, Casa Grande Drive, Palmetto Avenue, Terra Vista Drive and Live Oak Avenue for Tracts 13775, 13776, 13777, 13778, 13779, 13780, 14127, 14128, 14129, 14163, 14164, 14165, 14166, 14167, 14169, 14170, 14171, 14172, 14173, 14174, 14175, 14176, 14177, 14178, 14179, 14180, 14267, 14268, 14269, 14270, 14272, 14273, 14298, 14357, 14358, 14359, 14360, and 14395, (Annexation No. 80);
- the Cedar Avenue and Merrill Avenue frontages of Tract 13176, (Annexation No. 83);
- the Sycamore Avenue and Acacia Avenue frontages of Tract 14450, (Annexation No. 84);
- the Ayala Drive frontage of Tract 13871, (Annexation No. 85);
- the Bloomington Avenue, Cactus Avenue and San Bernardino Avenue frontages of Tract 15821, (Annexation No. 116);
- the frontage of Tract 16069, lots 1-23, (Annexation No. 119).

ZONE 2 LANDSCAPE IMPROVEMENTS: The various developments and improvements for Zone 2 are listed below and include right-of-way and landscaping easements along:

- the Cedar Avenue frontage of Tract 9823, (Original development establishing Landscape Maintenance District No. 1);
- the Ayala Avenue frontage of Tract 9821, (Annexation No. 1);
- the Baseline Road frontage of Tract 9562, 9851 and 9866 (Annexation No. 2);
- the Ayala Avenue frontage of Tract 9725, (Annexation No. 3);
- the Cedar Avenue frontage of Tract 9832, (Annexation No. 5);
- the Cactus Avenue and Riverside Avenue frontages of Tracts 9768 and 9769, (Annexation No. 7);
- the Cactus Avenue frontage of Tracts 9952 and 6443, (Annexation No. 8);
- the Randall and Cedar Avenue frontages of Tract 10372, (Annexation No. 9);
- the Cedar Avenue frontage of Tract 9867, (Annexation No. 10);
- the Cedar Avenue and Baseline Road frontages of Tracts 10252, 10253, 10254 and 10255, (Annexation No. 15);
- the Riverside Avenue frontage of Tract 9860, (Annexation No. 17);
- the Cactus and Merrill Avenue frontages of Tracts 9493, 9688, and 10173, (Annexation No. 18);
- the Randall Avenue frontage of Tract 10283, (Annexation No. 19);
- the Randall Avenue frontage of Tract 10223, (Annexation No. 20);

1. Plans and Specifications

- the Cedar Avenue and Baseline Road frontages of Tracts 9896, 9897, 9898, 9899, and 10040, (Annexation No. 21);
- the Bloomington Avenue frontage of Tract 10387, (Annexation No. 22);
- the Cactus Avenue and Merrill Avenue frontages of Tracts 9804, 9805, 9806, and 11472, (Annexation No. 24);
- the Riverside Avenue frontage of Tracts 9945 and 9946, (Annexation No. 25);
- the Baseline Road, Eucalyptus Avenue and Pepper Avenue frontages of Tract 11337, (Annexation No. 28);
- the Cedar Avenue, Etiwanda Avenue and Larch Avenue frontages of Tracts 12179, 12180, and 12181, (Annexation No. 29);
- the Cactus Avenue, Cedar Avenue and Lilac Avenue frontages of Tracts 7431, 10512, and 11570, (Annexation No. 30);
- the San Bernardino Avenue, Teakwood Avenue and Granada Street frontages of Tracts 11653 and 12328, (Annexation No. 31);
- the Cedar Avenue frontage of Tracts 12125, 12126, and 12178, (Annexation No. 32);
- the Cactus Avenue and Randall Avenue frontages of Tracts 10403, 10428, 10484, 11780, and 12513, (Annexation No. 33);
- the Riverside Avenue frontage of Tracts 12327, 12326, 12325, 9149, 9148, 9147, 9146, and 8612, (Annexation No. 34);
- the Cactus Avenue frontage of Tract 11264, (Annexation No. 35);
- the Cactus Avenue and Riverside Avenue frontages of Tract 12611, (Annexation No. 36);
- the Randall Avenue and Cedar Avenue frontages of Tract 12606, (Annexation No. 37);
- the Randall Avenue frontage of Tract 11607, (Annexation No. 38);
- the Randall Avenue, Willow Avenue, Bloomington Avenue and Lilac Avenue frontages of Tracts 11539, 12697, 12842 and 12843, (Annexation No. 39);
- the Randall Avenue frontage of Tract 9990, (Annexation No. 41);
- the Cactus Avenue and San Bernardino Avenue frontages of Tract 11432, (Annexation No. 42);
- the Cactus Avenue and Riverside Avenue frontages of Tracts 10219 and 10230, (Annexation No. 43);
- the Merrill Avenue and Cedar Avenue frontages of Tracts 12907, 12542, and 12543, (Annexation No. 44);
- the Linden Avenue frontage of Tracts 12931 and 12932, (Annexation No. 46);
- the Cactus Avenue frontage of Tracts 12718 and 12977, (Annexation No. 47);
- the Cedar Avenue, Bohnert Avenue, and Ayala Avenue frontages of Tracts 13096, 13097, 13098, 13099, and 12975, (Annexation No. 48);
- the Randall Avenue frontage of Tract 12755, (Annexation No. 49);
- the San Bernardino Avenue and Cedar Avenue frontages of Tract 13113, (Annexation No. 50);
- the Riverside Avenue frontages of Tracts 9721 and 10190, (Annexation No. 51);

1. Plans and Specifications

- the Cactus Avenue, Riverside Avenue and Ayala Drive frontages of Tracts 9768, 10219, 12175, 12983, 13053, 13073, 13074, 13075, 13156, 13157, and 13158, (Annexation No. 52);
- the Cedar Avenue frontage of Tract 13178, (Annexation No. 53);
- the Bloomington Avenue and Randall Avenue frontages of Tracts 12926 and 13189, (Annexation No. 54);
- the Cedar Avenue frontage of Tract 12514, (Annexation No. 55);
- the Spruce Avenue and Cactus Avenue frontages of Tracts 12973 and 12864, (Annexation No. 56);
- the Ayala Drive frontage of Tract 13385, (Annexation No. 57);
- the San Bernardino Avenue and Idyllwild Avenue frontages of Tract 13378, (Annexation No. 58);
- the Cactus Avenue frontage of Tract 13368, (Annexation No. 59);
- the Ayala Drive frontage of Tract 13345, (Annexation No. 60);
- the Linden Avenue frontage of Tract 12141, (Annexation No. 61);
- the Baseline Road and Linden Avenue frontages of Tract 13482, (Annexation No. 62);
- the Lilac Avenue frontage of Tract 13545 and 13189, (Annexation No. 63);
- the Cactus Avenue frontage of Tract 11600, (Annexation No. 65);
- the Linden Avenue frontage of Tract 13323, (Annexation No. 66);
- the Cactus Avenue frontage of Tract 13430, (Annexation No. 67);
- the Pepper Avenue frontage of Tracts 9949 and 13464, (Annexation No. 69);
- the Pepper Avenue frontage of Tract 13626, (Annexation No. 70);
- the Randall Avenue frontage of Tract 9912, (Annexation No. 71);
- the Riverside Avenue and Linden Avenue frontages of Tract 11470, (Annexation No. 72);
- the Merrill Avenue and Larch Avenue frontages of Tract 13625 and 13607, (Annexation No. 74);
- the Pepper Avenue frontage of Tract 12992, (Annexation No. 76);
- the Riverside Avenue frontage of Tract 13578, (Annexation No. 77);
- the Baseline Road frontage of Tracts 9934, 13373, 13522, and 14347, (Annexation No. 78);
- the Cactus Avenue frontage of Tract 13702, (Annexation No. 81);
- the Cactus Avenue frontage of Tract 13204, (Annexation No. 82);
- the Linden Avenue frontage of Tract 13502, (Annexation No. 86);
- the Casa Grande Drive frontage of Tract 14364, (Annexation No. 87);
- the Casa Grande Drive and Linden Avenue frontages of Tract 14080, (Annexation No. 88);
- the Walnut Avenue and Eucalyptus Avenue frontages of Tracts 14089 and 14377, (Annexation No. 91);
- the Linden Avenue, Lacewood Avenue, and Wildflower Street frontages of Tract 14422, (Annexation No. 93);
- the Alder Avenue, Riverside Avenue and Buena Vista Avenue frontages of Tract 14363, (Annexation No. 95);

1. Plans and Specifications

- the Spruce Avenue frontage of Tract 13797, (Annexation No. 96);
- the San Bernardino Avenue frontage of Tract 14375, (Annexation No. 97);
- the Linden Avenue frontage of Tract 14115, (Annexation No. 101);
- the Sycamore Avenue frontage of Tract 10215, (Annexation No. 102);
- the Terra Vista Drive frontage of Tract 14500, (Annexation No. 103);
- the Riverside Avenue frontage adjacent to lots 1, 2, 3, and 32 of Tract 6780, (Annexation No. 106);
- the Riverside Avenue frontage of Tract 14081, (Annexation No. 107);
- the Riverside Avenue and Alder Avenue frontage of Tract 13855, (Annexation No. 109);
- the Easton Street frontage of Tract 15628, (Annexation No. 110);
- the San Bernardino Avenue frontage of Tract 15637, (Annexation No. 111);
- the Riverside Avenue frontage of Tracts 15508, 15745 and 15746, (Annexation No. 115);
- the frontage of Tract 15941, lots 1-50, (Annexation No. 118).

ZONE 3 LANDSCAPE IMPROVEMENTS: The various developments and improvements for Zone 3 are listed below and include the right-of-way and landscaping easements along:

- the Baseline Avenue frontage of Parcel Map 4193, (Annexation No. 6);
- the Bloomington Avenue frontage of Tract 10991, (Annexation No. 26);
- the Riverside Avenue, Baseline Road and Sycamore Avenue frontages of PPD 824, (Annexation No. 45);
- the Cactus Avenue and Merrill Avenue frontages of Parcel Map 5595, (Annexation No. 64);
- the Riverside Avenue and Santa Ana Avenue frontages of PPD 1077, (Annexation No. 73);
- the Casmalia Avenue frontage of PPD 1138, (Annexation No. 75);
- the Riverside Avenue frontage of Parcel Map 12165, (Annexation No. 79);
- the Terrace Road frontage of Parcel Map 11701, (Annexation No. 90). The improvements associated with this development are currently being maintained by the property owner and the parcel is not assessed for LMD1;
- the Valley Boulevard frontage of PPD 1395, (Annexation No. 92);
- the Valley Boulevard and Riverside Avenue frontage of PPD 1432, (Annexation No. 99);
- that portion of Jackson Street between Lilac Avenue and Willow Avenue as well as the cul-de-sac east of Willow Avenue associated with Tracts 5630, 5958, and 8180, (Annexation No. 100);
- the Riverside Avenue frontage of PPD 1486, (Annexation No. 105);
- the Valley Boulevard frontage of PPD 1508, (Annexation No. 108). The improvements associated with this development are currently being maintained by the property owner and the parcel is not assessed for LMD1;
- the Bloomington Avenue frontage of PPD 1464, (Annexation No. 112);
- the Valley Boulevard frontage of PPD 1542, (Annexation No. 113);

1. Plans and Specifications

- the Valley Boulevard frontage of PPD 1579, (Annexation No. 114). The improvements associated with this development are currently being maintained by the property owner and the parcel is not assessed for LMD1;
- the frontages of PPD 1605 and PPD 1608, and the landscaped median island on Riverside Avenue and Valley Boulevard, (Annexation No. 117).

The location of each Tract, PPD, and Parcel Map is duly indicated on the "City of Rialto Landscape Maintenance District No. 1" map on file in the office of the City Engineer, and a representative diagram of said map is attached as "Appendix B Assessment Diagram" of this Report.

2. Cost Estimates

District Budgets

The following budgets outline the estimated costs to properly maintain and service the various landscape improvements described in this Report (fully funded services and activities). In most cases, the costs to properly service and maintain the improvements cannot be fully funded by the existing assessment revenues. With insufficient reserve contributions to offset the estimated costs in Zone 3, there is a deficit of approximately \$200,487. Many of the desired services and activities, particularly those associated with repairs, tree maintenance, replacements and rehabilitation will need to be reduced, postponed or eliminated until such time that assessment revenues can be increased. City staff will ultimately determine which services and activities shall be eliminated or reduced to keep the actual costs and expenditures for Fiscal Year 2026-2027 within the current available revenues, the revenue shortfalls are expected to increase over the years as a result of inflation.

Table 2-1
Residential Budget

Budget Item	Zone 1 Single Family Residential (No Trees) (Multiple Annexations)	Zone 2 Single Family Residential (With Trees) (Multiple Annexations)	Total Single Family Residential
DIRECT COSTS			
Landscape Maintenance	\$41,188.18	\$146,053.06	\$187,241.25
Landscape Utilities (Water/Electricity)	\$57,193.21	\$202,806.79	\$260,000.00
Landscape Repairs and/or Tree Maintenance	\$0.00	\$0.00	\$0.00
Subtotal Direct Costs	\$98,381.39	\$348,859.86	\$447,241.25
ADMINISTRATION COSTS			
City Administration Allocation	\$2,976.14	\$10,553.36	\$13,529.50
Professional Fees for Admin	\$0.00	\$0.00	\$0.00
Subtotal Administration Costs	\$2,976.14	\$10,553.36	\$13,529.50
Total Direct and Admin Costs	\$101,357.53	\$359,413.22	\$460,770.75
COLLECTION/(CREDIT) APPLIED TO LEVY			
Reserve Fund Collection (Transfer)	\$3,181.67	\$11,340.18	\$14,521.85
Subtotal Collection/(Credit) Applied to Levy	\$3,181.67	\$11,340.18	\$14,521.85
Balance to Levy	\$104,539.20	\$370,753.40	\$475,292.60
DISTRICT STATISTICS			
Total Number of Parcels	1,773	6,279	8,052
Total Parcels Assessed	1,768	6,278	8,046
Total Equivalent Benefit Units (EBU)	1,802.40	6,392.30	8,194.70
Proposed Levy per EBU	\$58.00	\$58.00	
Maximum Rate per EBU - FY 2026-27	\$58.00	\$58.00	
Prior Year Applied Assessment Rate - FY 2025-26	\$58.00	\$58.00	
Prior Year Maximum Assessment Rate - FY 2025-26	\$58.00	\$58.00	

2. Cost Estimates

Table 2-2
Non-Residential Budget

Budget Item	Zone 3 PM 4193 (Annexation 6)	Zone 3 TR 10991 (Annexation 26)	Zone 3 PPD 824 (Annexation 45)
DIRECT COSTS			
Landscape Maintenance	\$6,161.29	\$10,929.04	\$29,397.47
Landscape Utilities (Water/Electricity)	\$8,555.47	\$15,175.88	\$40,820.82
Landscape Repairs and/or Tree Maintenance	\$0.00	\$0.00	\$0.00
Subtotal Direct Costs	\$14,716.76	\$26,104.92	\$70,218.29
ADMINISTRATION COSTS			
City Administration Allocation	\$445.20	\$789.70	\$2,124.17
Professional Fees for Admin	\$0.00	\$0.00	\$0.00
Reserve Fund Collection/(Transfer)	\$0.00	\$0.00	\$0.00
Subtotal Administration Costs	\$445.20	\$789.70	\$2,124.17
Total Direct and Admin Costs	\$15,161.96	\$26,894.62	\$72,342.46
COLLECTION/(CREDIT) APPLIED TO LEVY			
Reserve Fund Collection (Transfer)	(\$12,661.94)	(\$22,394.62)	(\$63,342.46)
Deficit			
Subtotal Collection/(Credit) Applied to Levy	(\$12,661.94)	(\$22,394.62)	(\$63,342.46)
Balance to Levy	\$2,500.02	\$4,500.00	\$9,000.00
DISTRICT STATISTICS			
Total Number of Parcels	2	4	6
Total Parcels Assessed	2	3	6
Total Equivalent Benefit Units (EBU)	969.00	3.00	6.00
Proposed Levy per EBU	\$2.58	\$1,500.00	\$1,500.00
Maximum Rate per EBU - FY2026-27	\$2.58	\$1,500.00	\$1,500.00
Prior Year Applied Assessment Rate - FY2025-26	\$2.58	\$1,500.00	\$1,500.00
Prior Year Maximum Assessment Rate - FY2025-26	\$2.58	\$1,500.00	\$1,500.00

2. Cost Estimates

Non-Residential Budget

Budget Item	Zone 3 PM 5595 (Annexation 64)	Zone 3 PPD 1077 & 1486 (Annexation 73 & 105)	Zone 3 PPD 1138 (Annexation 75)
DIRECT COSTS			
Landscape Maintenance	\$6,681.94	\$36,269.44	\$11,384.80
Landscape Utilities (Water/Electricity)	\$9,278.43	\$50,363.13	\$15,808.74
Landscape Repairs and/or Tree Maintenance	\$0.00	\$0.00	\$0.00
Subtotal Direct Costs	\$15,960.38	\$86,632.58	\$27,193.54
ADMINISTRATION COSTS			
City Administration Allocation	\$482.82	\$2,620.72	\$822.63
Professional Fees for Admin	\$0.00	\$0.00	\$0.00
Reserve Fund Collection/(Transfer)	\$0.00	\$0.00	\$0.00
Subtotal Administration Costs	\$482.82	\$2,620.72	\$822.63
Total Direct and Admin Costs	\$16,443.20	\$89,253.30	\$28,016.17
COLLECTION/(CREDIT) APPLIED TO LEVY			
Reserve Fund Collection (Transfer)	(\$15,020.76)	(\$80,810.82)	(\$24,516.25)
Deficit			
Subtotal Collection/(Credit) Applied to Levy	(\$15,020.76)	(\$80,810.82)	(\$24,516.25)
Balance to Levy	\$1,422.43	\$8,442.48	\$3,499.92
DISTRICT STATISTICS			
Total Number of Parcels	11	2	10
Total Parcels Assessed	6	2	10
Total Equivalent Benefit Units (EBU)	6.60	805.58	12.00
Proposed Levy per EBU	\$215.52	\$10.48	\$291.66
Maximum Rate per EBU - FY2026-27	\$215.52	\$10.48	\$291.66
Prior Year Applied Assessment Rate - FY2025-26	\$215.52	\$10.48	\$291.66
Prior Year Maximum Assessment Rate - FY2025-26	\$215.52	\$10.48	\$291.66

2. Cost Estimates

Non-Residential Budget

Budget Item	Zone 3 PM 12165 (Annexation 79)	Zone 3 PPD 1395 (Annexation 92)	Zone 3 PPD 1432 (Annexation 99)
DIRECT COSTS			
Landscape Maintenance	\$4,101.87	\$3,476.16	\$13,280.46
Landscape Utilities (Water/Electricity)	\$5,695.79	\$4,826.94	\$18,441.02
Landscape Repairs and/or Tree Maintenance	\$0.00	\$0.00	\$0.00
Subtotal Direct Costs	\$9,797.66	\$8,303.10	\$31,721.48
ADMINISTRATION COSTS			
City Administration Allocation	\$296.39	\$251.18	\$959.61
Professional Fees for Admin	\$0.00	\$0.00	\$0.00
Reserve Fund Collection/(Transfer)	\$0.00	\$0.00	\$0.00
Subtotal Administration Costs	\$296.39	\$251.18	\$959.61
Total Direct and Admin Costs	\$10,094.05	\$8,554.28	\$32,681.09
COLLECTION/(CREDIT) APPLIED TO LEVY			
Reserve Fund Collection (Transfer)	(\$9,374.05)	(\$6,304.28)	(\$31,081.09)
Deficit			
Subtotal Collection/(Credit) Applied to Levy	(\$9,374.05)	(\$6,304.28)	(\$31,081.09)
Balance to Levy	\$720.00	\$2,250.00	\$1,600.00
DISTRICT STATISTICS			
Total Number of Parcels	3	2	1
Total Parcels Assessed	3	2	1
Total Equivalent Benefit Units (EBU)	3.00	2.00	1.00
Proposed Levy per EBU	\$240.00	\$1,125.00	\$1,600.00
Maximum Rate per EBU - FY2026-27	\$240.00	\$1,125.00	\$1,600.00
Prior Year Applied Assessment Rate - FY2025-26	\$240.00	\$1,125.00	\$1,600.00
Prior Year Maximum Assessment Rate - FY2025-26	\$240.00	\$1,125.00	\$1,600.00

2. Cost Estimates

Non-Residential Budget

Budget Item	Zone 3 TR 5630 & 8180 (Annexation 100)	Zone 3 PPD 1464 (Annexation 112)	Zone 3 PPD 1542 (Annexation 113)
DIRECT COSTS			
Landscape Maintenance	\$21,357.50	\$23,189.83	\$7,879.29
Landscape Utilities (Water/Electricity)	\$29,656.66	\$32,201.00	\$10,941.04
Landscape Repairs and/or Tree Maintenance	\$0.00	\$0.00	\$0.00
Subtotal Direct Costs	\$51,014.16	\$55,390.83	\$18,820.33
ADMINISTRATION COSTS			
City Administration Allocation	\$1,543.23	\$1,675.63	\$569.33
Professional Fees for Admin	\$0.00	\$0.00	\$0.00
Reserve Fund Collection/(Transfer)	\$0.00	\$0.00	\$0.00
Subtotal Administration Costs	\$1,543.23	\$1,675.63	\$569.33
Total Direct and Admin Costs	\$52,557.39	\$57,066.46	\$19,389.66
COLLECTION/(CREDIT) APPLIED TO LEVY			
Reserve Fund Collection (Transfer)	(\$41,808.08)	(\$49,066.45)	(\$14,289.67)
Deficit			
Subtotal Collection/(Credit) Applied to Levy	(\$41,808.08)	(\$49,066.45)	(\$14,289.67)
Balance to Levy	\$10,749.31	\$8,000.01	\$5,099.99
DISTRICT STATISTICS			
Total Number of Parcels	82	3	3
Total Parcels Assessed	78	3	3
Total Equivalent Benefit Units (EBU)	206.40	3.00	2.44
Proposed Levy per EBU	\$52.08	\$2,666.66	\$2,090.16
Maximum Rate per EBU - FY2026-27	\$52.08	\$2,666.67	\$2,090.16
Prior Year Applied Assessment Rate - FY2025-26	\$52.08	\$2,666.67	\$2,090.16
Prior Year Maximum Assessment Rate - FY2025-26	\$52.08	\$2,666.67	\$2,090.16

2. Cost Estimates

Non-Residential Budget

Budget Item	Zone 3 PPD 1605 & 1608 (Annexation 117)	Total Non-Residential Budget
DIRECT COSTS		
Landscape Maintenance	\$13,132.14	\$187,241.24
Landscape Utilities (Water/Electricity)	\$18,235.07	\$260,000.00
Landscape Repairs and/or Tree Maintenance	\$0.00	\$0.00
Subtotal Direct Costs	\$31,367.21	\$447,241.24
ADMINISTRATION COSTS		
City Administration Allocation	\$948.89	\$13,529.50
Professional Fees for Admin	\$0.00	\$0.00
Reserve Fund Collection/(Transfer)	\$0.00	\$0.00
Subtotal Administration Costs	\$948.89	\$13,529.50
Total Direct and Admin Costs	\$32,316.10	\$460,770.74
COLLECTION/(CREDIT) APPLIED TO LEVY		
Reserve Fund Collection (Transfer)	(\$23,812.28)	(\$394,482.75)
Deficit		\$0.00
Subtotal Collection/(Credit) Applied to Levy	(\$23,812.28)	(\$394,482.75)
Balance to Levy	\$8,503.83	\$66,287.99
DISTRICT STATISTICS		
Total Number of Parcels	4	133
Total Parcels Assessed	4	123
Total Equivalent Benefit Units (EBU)	909.50	2,929.52
Proposed Levy per EBU	\$9.34	
Maximum Rate per EBU - FY2026-27	\$9.35	
Prior Year Applied Assessment Rate - FY2025-26	\$9.35	
Prior Year Maximum Assessment Rate - FY2025-26	\$9.35	

3. Method of Apportionment

Proposition 218 Compliance

On November 5, 1996, California voters approved Proposition 218, entitled “Right to Vote on Taxes Act,” which added Article XIII D to the California Constitution. While its title refers only to taxes, Proposition 218 establishes new procedural requirements for the formation and administration of assessment districts. Proposition 218 also requires that with certain specified exception, which are described below, all existing assessment districts must be ratified by the property owners within the District using the new procedures.

Some of these exceptions include:

1. Any assessments imposed exclusively to finance the capital cost or maintenance and operation expenses for streets.
2. Any assessments levied pursuant to a petition signed by the persons owning all of the parcels subject to the assessment at the time the assessment was initially imposed.

However, even if assessments are initially exempt from Proposition 218, if the assessments are increased in the future, the City will need to comply with the provisions of Proposition 218 for that portion of the increased assessment formula (e.g., CPI increase).

Proposition 218 does not define the term “streets,” however, based on the opinions of the public agency officials, attorneys, assessment engineers, and Senate Bill 919, it has been determined that streets include all public improvements located within the street rights-of-way. This would include median and parkway landscaping, traffic signals, safety lighting, and street lighting.

Proposition 218 defines “assessment” as “any levy or charge upon real property by an agency for a special benefit conferred upon the real property.” Cal. Const., art. XIII D, §2(b). A special assessment, sometimes called a “benefit assessment,” is a charge generally levied upon parcels of real property to pay for benefits the parcels receive from local improvements. Special assessments are levied according to statutory authority granted by the Legislature or, in some instances, local charters. Distinguishing among taxes, fees, and assessments can be difficult and often depends on the context in which the distinction is made. For example, taxes, assessments, and property-related fees all may be imposed on property. The key feature that distinguishes an assessment from a tax, fee, or charge is the existence of a special benefit to real property. Without identifying a special benefit, there can be no assessment.

Distinguishing General and Special Benefit

Proposition 218 added a set of procedures and requirements, which a local government must follow to levy an assessment. In addition to notice, hearing, and assessment ballot proceedings, Proposition 218 provides that “only special benefits are assessable” and requires a local government to “separate the general benefits from the special benefits conferred on a parcel.”

By its nature, most public improvements financed through an assessment district contain an element of public benefit. The test is: does there exist, with relation to the improvement, a special benefit to the property assessed? The law requires that portion of the cost of the improvement, which benefits the public generally to be separated from that portion of the cost of the improvement, which specially benefits assessed properties. Proposition 218 provides the following definition of “special benefit”:

“Special benefit” means a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large. General enhancement of property value does not constitute “special benefit”.

The actual assessment and the amount of the assessment for the Fiscal Year 2026-2027 apportioned to each parcel as shown on the latest equalized roll at the County Assessor’s office are listed in Appendix A of this Report. The description of each lot or parcel is part of the records of the County Assessor of the County of Riverside and such records are, by reference, made part of this Report.

3. Method of Apportionment

Improvements Authorized by the 1972 Act

As applicable or may be applicable to this proposed District, the 1972 Act defines improvements to mean one or any combination of the following:

- The installation or planting of landscaping.
- The installation or construction of statuary, fountains, and other ornamental structures and facilities.
- The installation or construction of public lighting facilities.
- The installation or construction of any facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance or servicing thereof, including, but not limited to, grading, clearing, removal of debris, the installation or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities.
- The maintenance or servicing, or both, of any of the foregoing.
- The acquisition of any existing improvement otherwise authorized pursuant to this section.

Incidental expenses associated with the improvements including, but not limited to:

- The cost of preparation of the report, including plans, specifications, estimates, diagram, and assessment;
- The costs of printing, advertising, and the publishing, posting and mailing of notices;
- Compensation payable to the County for collection of assessments;
- Compensation of any engineer or attorney employed to render services;
- Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements;
- Any expenses incidental to the issuance of bonds or notes pursuant to Section 22662.5.
- Costs associated with any elections held for the approval of a new or increased assessment.

The 1972 Act defines "Maintain" or "maintenance" to mean furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement, including:

- Repair, removal, or replacement of all or any part of any improvement.
- Providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury.
- The removal of trimmings, rubbish, debris, and other solid waste.
- The cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti.

Method of Apportionment

The 1972 Act permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements which include the construction, maintenance, and servicing of public lights, landscaping and appurtenant facilities. The 1972 Act further requires that the cost of these improvements be levied according to benefit rather than assessed value:

“The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.”

The formula used for calculating assessments in this District reflects the composition of the parcels, and the improvements and services provided in order to fairly apportion the costs based on estimated benefit to each parcel.

BENEFIT ANALYSIS

Each of the proposed improvements, services, activities, associated costs and assessments have been carefully reviewed, identified and allocated based on benefit pursuant to the provisions of the 1972 Act. The improvements associated with this District have been identified as necessary, required and/or desired for the orderly

3. Method of Apportionment

development of the properties within the District to their full potential, consistent with the proposed development plans and applicable portions of the City's General Plan. As such, these improvements would be necessary and required of individual property owners for the development of such properties and the ongoing operation, servicing and maintenance of these improvements would be the financial obligation of those properties. Therefore, the improvements and the annual costs of ensuring the maintenance and operation of the improvements are considered a direct and special benefit to the properties.

Although the improvements provided by the District are located within public easements and right-of-way, and the improvements are visible to the public at large, it has been determined that the construction and installation of the improvements were only necessary for the development of properties within the District and were not required nor necessarily desired by any properties or developments outside the District boundaries. Furthermore, similar improvements and services associated with other developments within the City of Rialto are provided and either funded by similar assessment districts or maintained privately by individual property owners or associations. Some of the developments within this District are maintained privately by individual property owners or similar associations and accordingly, are not being assessed by this District. Therefore, it has been determined that public access or use of the improvements by others is incidental and there is no measurable general benefit to properties outside the District or to the public at large and the improvements provided by the District are entirely a special benefit to the developments and properties therein that required the construction and installation of such improvements.

The method of apportionment (method of assessment) developed for this District is based on the premise that each of the properties to be assessed receives benefit from the improvements and services directly associated with the development of that property. The desirability and aesthetic of the properties are enhanced by the presence of well-maintained landscaping in close proximity to those properties. The determination of benefit for each lot, parcel, subdivision and/or development within the District is based on the following benefit nexus:

- The purpose of the landscaping is to provide an aesthetic impression for the parcels within each development directly associated with the various District improvements and services.
- The maintained landscaping benefits each property in such developments.
- Single-family residential developments benefit equally from the various landscaped improvements in their area whether those improvements were installed by that particular development or by an adjacent residential development. Therefore, each development will share the combined costs of the improvements associated with their neighborhood and Zone.
- The residential lots which are not adjacent to the landscaped area benefit by the uniform maintenance and appearance of the improvements associated with their development and each parcel not directly adjacent to the landscaped area benefits equally. Residential properties which are adjacent to the landscaped area are assigned a 10% surcharge to recognize their proximity to the improvements and to support the greater benefit they receive.
- Each non-single-family residential development is assessed and benefits from the landscaped improvements that were constructed and installed in connection with the development of their property. Therefore, the parcels within each of these developments will share in the costs of those improvements.

ASSESSMENT METHODOLOGY

The method of apportionment for this District calculates the receipt of special benefit from the respective improvements based on the land use of the parcels within the District. The special benefit received by each lot or parcel is equated to the overall land use of the parcels benefiting from the improvements provided based on each parcel's individual land use as compared to other properties within the District and this comparison is reliant upon

3. Method of Apportionment

the special benefit received from the specific type of improvements and services provided or planned within each respective Zone or Sub-zone of the District.

To assess benefits equitably, it is necessary to relate each property's proportional special benefits to the special benefits of all other properties that benefit from the improvements and services provided by the District. The Equivalent Benefit Unit ("EBU") method of assessment apportionment uses a basic unit (base value) of assessment that is common to all properties benefiting from the improvements and services provided and assigns a weighted value to each parcel assessed based on an assessment formula that equates the property's specific development status, type of development (land use), and size of the property, as compared to the base value. The EBU method of apportioning special benefits is typically seen as an appropriate and equitable assessment methodology for districts formed under the 1972 Act, as the benefit to each parcel from the improvements are apportioned as a function of land use type, size and development, or other common factors such as front footage along the improvements.

Calculation of Assessments for Zone 1 and Zone 2

Zone 1 and Zone 2 are comprised entirely of residential developments. For these two Zones, the interior single-family residential parcels are assigned 1.0 EBU (the base value of benefit for calculating the assessments). The parcels within these developments that are adjacent to the improvements have been assigned a 10% surcharge, or 1.10 EBU, to recognize their proximity to the improvements and to support the greater benefit they receive. The following formula is used to calculate each parcel's proportional benefit:

Interior Parcel = 1.00 EBU

Exterior Parcel (Adjacent to the Landscaping) = 1.10 EBUs

For each of these two Zones, the total number of Equivalent Benefit Units (EBUs) for the fiscal year equals the sum of all individual EBUs applied to parcels in that Zone. An assessment amount per EBU (Rate) for the improvements is established by taking the total cost of the improvements to be levied (Balance to Levy) and dividing that amount by the total number of EBUs in that Zone. This Rate is then applied back to each parcel's individual EBU to determine the parcel's proportionate benefit and assessment obligation for the improvements.

Total Balance to Levy (for the Zone)/ Total EBU (for the Zone) = Levy per EBU

Levy per EBU x Parcel EBU = Parcel Levy Amount

Calculation of Assessments for Zone 3

Zone 3 is comprised of developments that are primarily non-residential properties (commercial, industrial, institutional, etc.), but may also incorporate developments that include multi-family residential properties, or mixed-use developments that may include any combination of non-residential properties, multi-family residential properties and/or single-family residential parcels. For these individual developments (annexations to the District), the apportionment of costs between the individual parcels was established when the properties were annexed to the District and based on the property development factors at that time. In most cases, the allocation of costs to each parcel is based on a per-parcel apportionment, utilizing the best representation of each parcel's benefit compared to the other parcels in the overall development (i.e., proportional acreage, proportional units, and front footage). While these various developments (annexations) have all been grouped into Zone 3, the cost to provide the improvements and the allocation of those costs to the properties within those developments are each budgeted separately. The following outlines the apportionment of costs associated with each of the developments included in Zone 3:

Multi-Family Residential Developments

Three of the Zone 3 developments include multi-family residential properties (parcels that include multiple residential units), designated as annexation numbers 6, 26, and 100. Unlike the single-family residential

3. Method of Apportionment

developments previously discussed, these developments each have unique characteristics. The following outlines the cost allocation (apportionment) to the parcels within each of these developments.

Parcel Map 4193 (Annexation No. 6)

The development identified as Parcel Map 4193 (Annexation No. 6) consists of two parcels with different property owners, one commercial strip mall and one large apartment complex with a total of 6,760 square feet of landscaping. The improvement costs are allocated based upon each parcel’s approximate frontage to the landscaped area (front footage apportionment), which is represented by the allocations shown in the following table.

Parcel	Tract	EBU	% Allocation
0127-301-23-0000	PM4193	840.00	86.69%
0127-301-24-0000	PM4193	129.00	13.31%
Totals		969.00	100.00%

Tract 10991 (Annexation No. 26)

The development identified as Tract 10991 (Annexation number 26) is a single apartment complex comprised of three parcels. The improvement costs are divided equally amongst the parcels (per parcel charge), which is represented by the allocations shown in the following table.

Parcel	Tract	EBU	% Allocation
0132-011-37-0000	10991	1.00	33.33%
0132-011-40-0000	10991	1.00	33.33%
0132-381-05-0000	10991	1.00	33.33%
Totals		3.00	100.00%

Tracts 5630, 5958 and 8180 (Annexation No. 100)

The developments identified as Tracts 5630, 5958, and 8180 (Annexation No. 100) are comprised of mixed residential, ranging from single condominium units to a 30-unit apartment complex. The improvement costs are allocated based on the number of residential units on each parcel with a 10% surcharge applied to those parcels adjacent to the improvements to recognize their proximity to the improvements and to support the greater benefit they receive, which is represented by the allocations shown in the following table.

Parcel	Tract	EBU	% Allocation
0127-301-01-0000	5958	4.40	2.13%
0127-301-02-0000	5958	4.40	2.13%
0127-301-03-0000	5958	4.40	2.13%
0127-301-04-0000	5958	4.40	2.13%
0127-301-05-0000	5958	4.40	2.13%
0127-301-06-0000	5958	4.40	2.13%
0127-301-07-0000	5958	4.40	2.13%
0127-301-08-0000	5958	4.40	2.13%
0127-302-11-0000	5958	4.40	2.13%
0127-302-12-0000	5958	4.40	2.13%
0127-302-13-0000	5958	4.40	2.13%
0127-302-14-0000	5958	4.40	2.13%
0127-302-15-0000	5958	4.40	2.13%
0127-302-16-0000	5958	4.40	2.13%
0127-302-17-0000	5958	4.40	2.13%
0127-302-18-0000	5958	4.40	2.13%

3. Method of Apportionment

Parcel	Tract	EBU	% Allocation
0127-311-01-0000	5630	4.00	1.94%
0127-311-02-0000	5630	4.00	1.94%
0127-311-03-0000	5630	4.00	1.94%
0127-311-04-0000	5630	4.00	1.94%
0127-311-05-0000	5630	4.00	1.94%
0127-311-06-0000	5630	4.00	1.94%
0127-311-07-0000	5630	4.00	1.94%
0127-311-11-0000	5630	4.00	1.94%
0127-311-12-0000	5630	4.00	1.94%
0127-311-13-0000	5630	8.00	3.88%
0127-311-14-0000	5630	4.00	1.94%
0127-311-20-0000	5630	33.00	15.99%
0127-611-02-0000	8180	1.10	0.53%
0127-611-03-0000	8180	1.10	0.53%
0127-611-04-0000	8180	1.10	0.53%
0127-611-05-0000	8180	1.10	0.53%
0127-611-06-0000	8180	1.10	0.53%
0127-611-07-0000	8180	1.10	0.53%
0127-611-08-0000	8180	1.10	0.53%
0127-611-10-0000	8180	1.10	0.53%
0127-611-11-0000	8180	1.10	0.53%
0127-611-12-0000	8180	1.10	0.53%
0127-611-13-0000	8180	1.10	0.53%
0127-611-14-0000	8180	1.10	0.53%
0127-611-15-0000	8180	1.10	0.53%
0127-611-16-0000	8180	1.10	0.53%
0127-611-18-0000	8180	1.10	0.53%
0127-611-19-0000	8180	1.10	0.53%
0127-611-20-0000	8180	1.10	0.53%
0127-611-21-0000	8180	1.10	0.53%
0127-611-22-0000	8180	1.10	0.53%
0127-611-23-0000	8180	1.10	0.53%
0127-611-24-0000	8180	1.10	0.53%
0127-611-26-0000	8180	1.10	0.53%
0127-611-27-0000	8180	1.10	0.53%
0127-611-28-0000	8180	1.10	0.53%
0127-611-29-0000	8180	1.10	0.53%
0127-612-01-0000	8180	1.10	0.53%
0127-612-02-0000	8180	1.10	0.53%
0127-612-03-0000	8180	1.10	0.53%
0127-612-04-0000	8180	1.10	0.53%
0127-612-06-0000	8180	1.10	0.53%
0127-612-07-0000	8180	1.10	0.53%
0127-612-08-0000	8180	1.10	0.53%
0127-612-09-0000	8180	1.10	0.53%
0127-612-10-0000	8180	1.10	0.53%
0127-612-11-0000	8180	1.10	0.53%
0127-612-12-0000	8180	1.10	0.53%
0127-612-14-0000	8180	1.10	0.53%
0127-612-15-0000	8180	1.10	0.53%

3. Method of Apportionment

Parcel	Tract	EBU	% Allocation
0127-612-16-0000	8180	1.10	0.53%
0127-612-17-0000	8180	1.10	0.53%
0127-612-18-0000	8180	1.10	0.53%
0127-612-19-0000	8180	1.10	0.53%
0127-612-20-0000	8180	1.10	0.53%
0127-612-22-0000	8180	1.10	0.53%
0127-612-23-0000	8180	1.10	0.53%
0127-612-24-0000	8180	1.10	0.53%
0127-612-25-0000	8180	1.10	0.53%
0127-612-26-0000	8180	1.10	0.53%
0127-612-27-0000	8180	1.10	0.53%
0127-612-28-0000	8180	1.10	0.53%
Totals		206.40	100.00%

Commercial Properties

The remaining fourteen (14) developments/annexations (three of which are not assessed) consist of commercial and/or industrial developments. These developments and the parcels therein, include LMD 1 Annexation Nos. 45, 64, 73, 75, 79, 90, 92, 99, 105, 108, 112, 113, 114 and 117. Each development/annexation is currently budgeted and assessed separately (with the exception of Annexation Nos. 73 and 105, which share improvements). The following outlines the cost allocation (apportionment) to the parcels within each of these developments.

PPD 824 (Annexation No. 45)

The development identified as PPD 824 (Annexation No. 45) is a commercial shopping center that is comprised of six (6) parcels. The improvement costs are allocated based upon each parcel's proportional benefit as determined when the development was annexed to the District. Each parcel has been assigned a percentage allocation with a corresponding weighted EBU that collectively totals the six parcels, which is represented by the allocations shown in the following table.

Parcel	Tract	EBU	% Allocation
0127-251-12-0000	PPD 824	2.16	36.00%
0127-251-13-0000	PPD 824	0.84	14.00%
0127-251-17-0000	PPD 824	0.30	5.00%
0127-251-18-0000	PPD 824	0.66	11.00%
0127-251-19-0000	PPD 824	0.90	15.00%
0127-251-20-0000	PPD 824	1.14	19.00%
Totals		6.00	100.00%

Parcel Map 5595 (Annexation No. 64)

The development identified as Parcel Map 5595 (Annexation No. 64) is comprised of eleven (11) parcels that are identified as industrial properties (distribution warehousing). The improvement costs are allocated on a per parcel basis with a 10% surcharge on those parcels adjacent to the improvements to recognize their proximity to the improvements and to support the greater benefit they receive, which is represented by the allocations shown in the following table.

3. Method of Apportionment

Parcel	Tract	EBU	% Allocation
0131-011-23-0000	PM 5595	1.10	9.48%
0131-011-24-0000	PM 5595	1.10	9.48%
0131-011-27-0000	PM 5595	1.10	9.48%
0131-011-28-0000	PM 5595	1.10	9.48%
0131-011-29-0000	PM 5595	1.00	8.62%
0131-011-30-0000	PM 5595	1.00	8.62%
0131-011-31-0000	PM 5595	1.00	8.62%
0131-011-32-0000	PM 5595	1.00	8.62%
0131-011-33-0000	PM 5595	1.00	8.62%
0131-011-34-0000	PM 5595	1.10	9.48%
0131-011-35-0000	PM 5595	1.10	9.48%
Totals		11.60	100.00%

PPD 1077 and PPD 1486 (Annexation No's. 73 and 105)

The developments identified as PPD 1077 and PPD 1486 (Annexation Nos. 73 and 105) are grouped together because they are industrial parcels that are adjacent to each other and share similar landscape improvements. The improvement costs are allocated based upon each parcel's approximate frontage to the landscaped area (front footage apportionment), which is represented by the allocations shown in the following table.

Parcel	Tract	EBU	% Allocation
0258-051-07-0000	PPD 1077	495.555	61.52%
0258-051-18-0000	PPD 1486	310.020	38.48%
Totals		805.575	100.00%

PPD 1138 (Annexation No. 75)

The development identified as PPD 1138 (Annexation No. 75) is a commercial shopping center, comprised of ten (10) parcels. The improvement costs are allocated based upon each parcel's proportional benefit as determined when the development was annexed to the District. Each parcel has been assigned a percentage allocation with a corresponding weighted EBU that collectively totals the twelve (12) EBUs, which is represented by the allocations shown in the following table.

Parcel	Tract	EBU	% Allocation
0264-371-01-0000	PPD 1138	1.00	8.33%
0264-371-02-0000	PPD 1138	1.00	8.33%
0264-371-03-0000	PPD 1138	1.00	8.33%
0264-371-04-0000	PPD 1138	1.00	8.33%
0264-371-05-0000	PPD 1138	1.00	8.33%
0264-371-06-0000	PPD 1138	1.00	8.33%
0264-391-01-0000	PPD 1138	1.00	8.33%
0264-391-05-0000	PPD 1138	1.00	8.33%
0264-391-08-0000	PPD 1138	2.00	16.67%
0264-391-09-0000	PPD 1138	2.00	16.67%
Totals		12.00	100.00%

3. Method of Apportionment

Parcel Map 12165 (Annexation No. 79)

The development identified as Parcel Map 12165 (Annexation No. 79) is a storage warehouse facility comprised of three (3) parcels. The improvement costs are divided equally amongst the parcels (per parcel charge), which is represented by the allocations shown in the following table.

Parcel	Tract	EBU	% Allocation
0258-131-34-0000	PM 12165	1.00	33.33%
0258-131-35-0000	PM 12165	1.00	33.33%
0258-131-36-0000	PM 12165	1.00	33.33%
Totals		3.00	100.00%

PPD 1395 (Annexation No. 92)

The development identified as PPD 1395 (Annexation No. 92) is a distribution warehouse facility (Frito Lay) comprised of two (2) parcels. The improvement costs are divided equally between the parcels (per parcel charge), which is represented by the allocations shown in the following table.

Parcel	Tract	EBU	% Allocation
0254-091-20-0000	PPD 1395	1.00	50.00%
0254-091-21-0000	PPD 1395	1.00	50.00%
Totals		2.00	100.00%

PPD 1432 (Annexation No. 99)

The development identified as PPD 1432 (Annexation No. 99) is a commercial retail store/shopping facility (Walmart) comprised of a single parcel. The improvement costs are allocated entirely to this single parcel (per parcel charge), which is represented by the allocations shown in the following table.

Parcel	Tract	EBU	% Allocation
0132-121-07-0000	PPD 1432	1.00	100.00%
Totals		1.00	100.00%

PPD 1464 (Annexation No. 112)

The development identified as PPD 1464 (Annexation No. 112) is a retail shopping center comprised of three (3) parcels. The improvement costs are allocated based upon each parcel's proportional benefit as determined when the development was annexed to the District. Each parcel has been assigned a percentage allocation with a corresponding weighted EBU that collectively totals the three (3) parcels, which is represented by the allocations shown in the following table.

Parcel	Tract	EBU	% Allocation
0128-241-07-0000	PPD 1464	0.60	20.00%
0128-241-08-0000	PPD 1464	0.90	30.00%
0128-241-25-0000	PPD 1464	1.50	50.00%
Totals		3.00	100.00%

PPD 1542 (Annexation No. 113)

The development identified as PPD 1542 (Annexation No. 113) is a restaurant (Hometown Buffet) and its parking lot, comprised of three (3) parcels. The improvement costs are allocated based upon each parcel's approximate acreage and frontage to the improvements which was established when the development was annexed to the District and is represented by the allocations shown in the following table.

3. Method of Apportionment

Parcel	Tract	EBU	% Allocation
0132-131-08-0000	PPD 1542	0.73	30.00%
0132-131-09-0000	PPD 1542	0.49	20.00%
0132-131-18-0000	PPD 1542	1.22	50.00%
Totals		2.44	100.00%

PPD 1605 and PPD 1608 (Annexation No. 117)

The developments identified as PPD 1605 and PPD 1608 (Annexation No. 117) are a retail shopping center comprised of four (4) parcels. The improvement costs are allocated based upon each parcel’s approximate frontage to the landscaped area (front footage apportionment), which is represented by the allocations shown in the following table.

Parcel	Tract	EBU	% Allocation
0132-121-08-0000	PPD 1605 & 1608	374.50	41.18%
0132-122-24-0000	PPD 1605 & 1608	80.25	8.82%
0132-122-25-0000	PPD 1605 & 1608	374.50	41.18%
0132-122-26-0000	PPD 1605 & 1608	80.25	8.82%
Totals		909.50	100.00%

Exempt Properties

Properties classified as Exempt Properties may include, but are not limited to, lots or parcels identified as public streets and other roadways (typically not assigned an APN by the County), dedicated public easements, rights-of-way, common areas, sliver parcels and bifurcated lots, or any other property that the City has determined cannot be developed, or any other property for which the City has been determined there is no definable special benefit from the improvements. These properties shall be assigned 0.00 EBU and accordingly, shall not be assessed.

Also exempt from the District assessments are the parcels identified by the following developments and annexation designations. These developments were originally annexed to the District anticipating that the City would assume responsibility for the maintenance of the related landscape improvements. However, the improvements were not turned over to the City for maintenance and are currently being privately maintained by the respective property owners. The parcels within these developments are currently exempt and shall not be assessed by the District.

Parcel	Tract	EBU	% Allocation
0269-232-10-0000	PM 11701	0.00	0.00%
0132-182-07-0000	PPD 1508	0.00	0.00%
0254-091-22-0000	PPD 1579	0.00	0.00%

4. Assessment Roll

Assessment Roll

Parcel identification for each lot or parcel within the District shall be the parcel as shown on the County Secured Roll for the year in which this Report is prepared and reflective of the Assessor's Parcel Maps. A listing of the proposed lots and parcels to be assessed within this District along with the assessment amounts are included in Appendix A.

5. Assessment Diagram

Assessment Diagram

The Diagram for the Rialto Landscape Maintenance District No. 1 indicating the boundaries of the District and the properties therein are included in Appendix B. The parcels within the District consist of all lots, parcels and subdivisions of land within these boundaries as described in this Report and shown on the County Assessor's parcel maps. The lines and dimensions shown on the County Assessor's parcel maps for the current year are incorporated herein by reference and made part of this Report.



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