

CITY OF NEWPORT BEACH
PROPOSED ASSESSMENT DISTRICT NO. 118-2
UTILITY UNDERGROUNDING ASSESSMENT DISTRICT
NON-BINDING PETITION FOR SPECIAL ASSESSMENT PROCEEDINGS

TO THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH:

1. This petition is submitted to you pursuant to Sections 2804, 5896.5 and 5896.6 of the California Streets and Highways Code to request that the City Council initiate and conduct special assessment proceedings pursuant to the Municipal Improvement Act of 1913 (Sections 10000 and following, Streets and Highways Code) (the "1913 Act") to proceed with the process to establish an assessment district, to be known as the "Assessment District No. 118-2" (the "Assessment District"), for the purpose of financing a project for the undergrounding of existing overhead utility facilities within the Assessment District (the "Project"), as follows:

a. relocation of existing electricity, telephone and cable television facilities from their present above-ground locations to locations underground, including the removal of existing utility poles and overhead wires and the associated trenching and road, alleyway and/or sidewalk improvements necessary or convenient to accommodate such relocation.

2. We, the undersigned, are the owners of one or more of the parcels of property located within the boundary shown on the exhibit map attached hereto as Exhibit 1, all of which property is situated within the City of Newport Beach (the "City").

3. We have been advised that the present best estimate of the cost and expense of the Project and bond financing and therefore the total amount to be assessed to the parcels in this Assessment District is approximately **\$30,033,000 (estimated average cost of 49,900 for each of the 602 parcels included in Assessment District No. 118-2)**. We are aware that this amount is currently just an estimate and is subject to modification (increase or decrease) during the course of the legal proceedings. We are also aware that these costs do NOT include the costs of connecting the structures on our property to the newly underground facilities, which costs will vary from parcel to parcel, and can range from \$0 to \$10,000, and will be an additional cost to each property owner, which will not be financed through the Assessment District.

4. We acknowledge that the boundaries of the Assessment District are preliminary and subject to change based on the final assessment engineering.

5. We acknowledge that this petition simply affirms our desire for the District formation process to proceed and that signing it creates no financial or other obligation attributable to me or my property.

6. In the event that after a binding vote of Property owners representing more than 50% of the area, the City Council certifies this petition and Assessment District 118-2 is ultimately established, we acknowledge that:

a. The cost of the Project will be charged to the parcels in the Assessment District in proportion to benefit your parcel receives from the Project, as determined by the City's assessment engineer following a public hearing and only if property owners representing a majority of the proposed assessment have voted in favor of the proposed assessment.

b. A report will be prepared and filed on the Project and the Assessment District, including a detailed cost estimate and a proposed allocation among the benefited parcels of the portion of the costs representing special benefit on the basis of proportionality to the estimated special benefit to each parcel, and that you will conduct a public hearing on the report and will conduct the assessment ballot procedure required by Article XIID of the California Constitution;

c. The cost of engineering, legal and other incidental and financing costs will be included in the amounts being assessed against the property in the Assessment District, and that the cost of connecting our structure to the newly undergrounded facilities will not be included in the assessment.

d. If assessments are levied and recorded as requested by this petition, we will have 30 days following the recording of assessments to pay our assessment in cash, at a discount and without interest; that, upon expiration of the 30-day cash payment period, you will take the required steps to authorize and sell limited obligation improvement bonds under the Improvement Bond Act of 1915 (Section 8500 and following, Streets and Highways Code) in the amount of the unpaid assessments; that if we do not pre-pay our assessment in cash, it will become payable over a period of years, with interest and annual administrative costs added; and that the determination respecting the period of years and the interest rate or rates to be established by the bond sale;

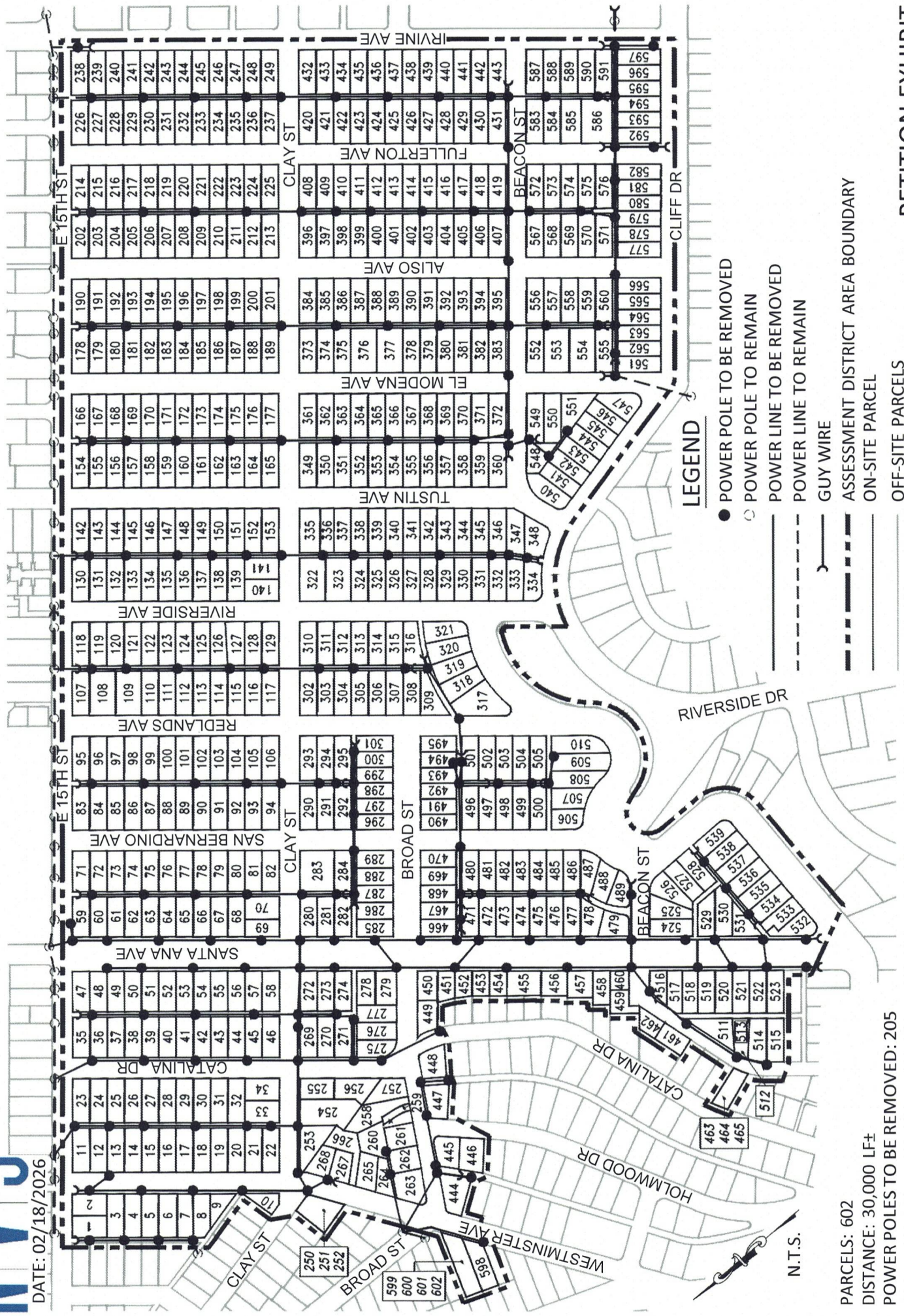
e. If assessments are levied, and if we do not pre-pay our assessments, annual installments of principal, interest and administrative costs will be collected on the property tax roll; that such installments will be subject to the same late charges and penalties as for property taxes if we do not pay such installments by the annual December 10 and April 10 deadlines; and that our parcel is subject to foreclosure (no notice of delinquency or grace period) if we do not pay by said annual deadlines; and

f. Pursuant to provisions of Article XIID of the California Constitution, protests to the proceedings will be counted solely upon the amount proposed to be assessed to the property for which a protest assessment ballot is submitted, as said proposed assessment amount is set forth in the engineer's report (which will NOT include the cost of undergrounding our individual service connection work on our parcel).

7. We waive investigation proceedings and all other provisions of Division 4, Streets and Highways Code, as provided in Section 2804 of that Code.

CITY OF NEWPORT BEACH

ASSESSMENT DISTRICT No. 118-2



PARCELS: 602

DISTANCE: 30,000 LF±

POWER POLES TO BE REMOVED: 205

OFF-SITE PARCELS

PETITION EXHIBIT

THE UNDERSIGNED HEREBY CERTIFY AND ACKNOWLEDGE THE FOLLOWING:

1. I AM THE OWNER OF THE PROPERTY IDENTIFIED BELOW.
2. I HAVE REVIEWED A MAP DEPICTING THE PROPOSED BOUNDARIES OF UNDERGROUND UTILITY ASSESSMENT DISTRICT NO. 118-2 AND UNDERSTAND THAT THE BOUNDARIES ARE SUBJECT TO CHANGE BASED ON FINAL ASSESSMENT ENGINEERING.
3. I UNDERSTAND THAT THE PROPOSED PROJECT CONSISTS OF THE RELOCATION OF EXISTING OVERHEAD UTILITY FACILITIES TO LOCATIONS UNDERGROUND.
4. I UNDERSTAND THAT THE ESTIMATED COST TO UNDERGROUND OVERHEAD UTILITES IS \$49,900 PER PARCEL AND IS SUBJECT TO CHANGE PRIOR TO ULTIMATE CONFIRMATION BY THE CITY COUNCIL.
5. I UNDERSTAND THAT SIGNING THIS PETITION CREATES NO FINANCIAL OR OBLIGATION ATTRIBUTABLE TO ME OR MY PROPERTY, AND THAT NO FINANCIAL OBLIGATION WILL ARISE UNLESS AND UNTIL AFTER A BINDING VOTE OF PROPERTY OWNERS REPRESENTING MORE THAN 50% OF THE ASSESSMENT AREA.
6. I UNDERSTAND THAT THERE IS ADDITIONAL INFORMATION ON THE PROJECT ON THE CITY'S WEBSITE: <http://newportbeachca.gov/ADstatus>. I UNDERSTAND THAT ANY PETITION SUBMITTED TO THE CITY WILL BE A PUBLIC RECORD AVAILABLE FOR INSPECTION.

STREET ADDRESS OF PROPERTY: _____

ASSESSOR'S PARCEL NO.: _____

OWNERS NAME (PRINTED): _____

OWNER'S SIGNATURE: _____

DATE OF SIGNATURE: _____

OWNER'S MAILING ADDRESS (IF DIFFERENT): _____

EMAIL: _____

PHONE: _____

PLEASE SEE THE ATTACHED BOUNDARY MAP