Public Works Director City of San Rafael 1400 Fifth Avenue San Rafael, CA 94901-1943 Telephone: 415-485-3355

ASSESSMENT NOTICE

CITY OF SAN RAFAEL Pt. San Pedro Road Median Landscaping Assessment District

Name of Owner Street Address City and State and Zip Code Assessment No. _____ Assessor Parcel No. _____ Confirmed Capital Improvement Portion of Assessment: \$_____

NOTICE IS HEREBY GIVEN that:

Assessment Confirmed. On June 22, 2011, the City Council of the City of San Rafael adopted a resolution entitled "Resolution of the City Council of the City of San Rafael Adopting Engineer's Report, Confirming the Assessment and Ordering the Work and Acquisitions, Levying First Assessments and Directing Actions with Respect Thereto" confirming the formation of the City's Pt. San Pedro Road Median Landscaping Assessment District and confirming the levy of assessments on the property within the District, including your property. On June 22, 2011, an assessment to pay for those acquisitions and improvements was filed in the office of the City Public Works Director.

Your property's assessment consists of two components: a component to be levied annually for maintenance, which cannot be prepaid; and a component to be levied to pay (or finance) the cost of capital improvements, which can be prepaid. The capital improvement portion of your property's confirmed assessment is set forth above.

You now have two options: prepay the capital improvement portion of your assessment by sending a check to the City before July 22, 2011, or do nothing and allow this portion of your assessment to remain on your future property tax bills. These options are described further below.

Option A: Prepayment of Capital Improvement Portion of Assessment. If you wish to prepay the capital improvement portion of your assessment, you may do so by mailing a check made payable to the City of San Rafael in the amount of the "Confirmed Capital Improvement Portion of Assessment" set forth above, together with a copy of this Notice, to the City as follows:

City of San Rafael P.O. Box 151560 San Rafael, CA 94915-1560 ATTN: Janet Pendoley, Interim Finance Director

If you choose to prepay the capital improvement portion of your assessment now, your payment must be **received by July 22, 2011**. Prepayment is entirely optional. *Even if you choose to prepay the capital improvement portion of your assessment now, your property will continue to receive an annual assessment levy for the maintenance portion of the assessment, which cannot be prepaid, and will be levied in perpetuity.*

Option B: Do Nothing; Allow Assessment to be Financed by Bonds. If you choose not to prepay the capital improvements portion of your assessment, you should do nothing now, and this portion of your assessment will be financed by bonds and will appear on your annual property tax bills. The bonds will be issued under the Improvement Bond Act of 1915. During the term of the bonds, the assessments levied on your property will include a component representing your share of principal and interest on the bonds, in addition to the component to be levied for maintenance. Because the interest rate and final maturity of the bonds will not be known until the bonds are sold, the amount of your annual assessment payment cannot be determined now. However, it may not exceed the maximum amount set forth in the Engineer's Report for the District.

Additional Information. If you have questions about this Notice, please contact the City Public Works Director, Nader Mansourian, at the address and phone number given above.

Dated as of June 30, 2011

Public Works Director City of San Rafael