RESOLUTION NO. 201216 NOV 1 0 1	970
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BE IT RESOLVED, by the Council of The City of San Diego, as follows:

That Council Policy No. 400-7 regarding Financing of Water and Sewer Facilities in Undeveloped Areas be, and it is hereby established as set forth in the form of Council Policy filed in the office of the City Clerk as Document No. 733977

BE IT FURTHER RESOLVED, that the City Clerk be, and he is hereby instructed to add the aforesaid to the Council Policy Manual.

APPROVED: JOHN W. WITT, City Attorney

By C. M. Fitzpatrick. Chief Deputy

CMF:v1 10-30-70 (Revised)

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	City of San Die	go, California		
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SUBJECT		NUMBER	DATE	PAGE
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BACKGROUND

several different methods have been used from time to time for financing water and sewer facilities to serve undeveloped lands within the City. One method has required the City's water utility funds to be used for initial construction, with reimbursement by subsequent developers (the so-called Area Charge method). Another method has required the first developer in an area to construct the necessary water and sewer facilities for the entire area, oversizing as required to serve subsequently developed lands; the first developer may then be reimbursed by subsequent developers to the extent of the oversizing. Several combinations of these two examples have been used. For larger areas and for multi-purpose projects the 1911 or 1913 Act Assessment District has been used. A Utility Improvement District concept is available for large special cases, under Ordinance No. 10214.

PURPOSE

It is in the City's interest to provide for an equitable formula whereby water and sewer facilities serving undeveloped lands may be paid for entirely by developers of such lands; and whereby the developer constructing oversized or off-site water and sewer facilities may be reimbursed by those subsequently benefitting from any portion of such facilities.

POLICY

- 1. Application for a reimbursement agreement may be made by a developer who is required to construct at his expense an oversized or off-site water and/or sewer facility which can be utilized by subsequent developers.
- 2. Reimbursement agreements tendered under this Policy shall take into account the various factors involved in the development area, in accordance with appropriate Administrative Regulations promulgated by the City Manager.
- 3. The above-mentioned Administrative Regulations shall contain the following elements:
 - a. A definition of areas to be covered and their relationship to surrounding areas already developed and yet to be developed.
 - b. The relationship between area-wide facilities and facilities which are of direct service to individual lots.
 - c. The method by which the cost of facilities shall be equitably spread between the applicant and subsequent developers.

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- 4. Reimbursement agreements shall be effective for a maximum of 20 years. After the end of this period, charges will continue to be collected but the funds so collected will be deposited in the appropriate Water Utilities Revenue Fund.
- 5. Reimbursement charges shall be increased by an interest charge as established and modified from time to time by the City Council.

NOV 13 1970
FILED THE CITY CLERK
SAN DIEGO, CALIFORNIA

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201216:

Passed and adopted by the Council of The City of San Diego on by the following vote:			NOV 1 0 1970			
RECEIVED CITY CLERK'S OFFICE 1970 NOV -4 PR 12: 07 SAN DIEGO, CALIF.	Councilmen Helen Cobb Sam T. Loftin Henry L. Landt Leon L. Williams Floyd L. Morrow Bob Martinet Allen Hitch Mike Schaefer Mayor Frank Curran	Yeas Yeas	Nays	Excused	Absent	
	AUTHENTICA	TED BY:				
(Seal)	·		Mayor of Ti J City Clerk of	FRANK CURR he City of San Di OHN LOCKWO The City of San I	ego, California. OD Diego, California	

Office of the City Clerk, San Diego, California

Resolution 201216

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FORM CC-1276 (1.69)

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