

**CITY COUNCIL OF THE CITY OF SAN DIEGO
SUPPLEMENTAL DOCKET NUMBER 1
FOR THE REGULAR MEETING OF
MONDAY, NOVEMBER 24, 2003**

ADOPTION AGENDA, DISCUSSION, HEARINGS
NOTICE HEARING:

ITEM-S400: Cost Reimbursement District Agreement Between Torrey Pines Homebuilding Co., LLC and the City of San Diego (Arroyo Sorrento Road Cost Reimbursement District No. 4097).

(Continued from the meetings of October 21, 2003, Item 331 and November 17, 2003, Item 203; last continued at Councilmember Peters' request, for further review.)

Matter of considering the establishment of a reimbursement district for the financing of certain public improvements within the City, otherwise known as the Arroyo Sorrento Road Cost Reimbursement District No. 4097.

All properties within the described boundaries of the Cost Reimbursement District may be assessed with a lien to pay a fair share portion of the cost of providing such facilities. If, within a 20 year period from the date of forming this district, either a final map is filed, or a building permit is issued for improvements which will ultimately utilize the cost reimbursement district improvements, or if a building permit is issued for improvements valued in excess of \$20,000, the lien would become due and payable. Permits for improvements that are for replacement of existing single-family residences, modifications or additions to existing single family residential structures (such as gazebos, swimming pools, tennis courts, or room additions) shall not be subject to payment of lien. The boundaries of the district are more particularly described by Plat No. 4097, which is on file in the Office of the City Clerk.

All persons desiring to testify with respect to: the necessity of said public improvements, the cost of said public improvements, the benefitted area or amount of the costs eligible to be recovered, may appear and be heard at this hearing.

(Cost Reimbursement District No. 4097 Agreement. Carmel Valley Community Plan Area. District-1.)

NOTE: Hearing open. No testimony taken on 11/17/2003.

NOTICE HEARING: (Continued)

ITEM-S400: (Continued)

CITY MANAGER'S RECOMMENDATION:

Adopt the following resolution:

(R-2004-224)

Adoption of a Resolution of Lien of the Council of the City of San Diego approving the Cost Reimbursement Agreement with Torrey Pines Home Building Co., LLC, Plat Number 4097, the Engineer's Report, and the expenditure of \$15,000 for City administrative costs, all relating to the establishment of the Arroyo Sorrento Road Cost Reimbursement District.

SUPPORTING INFORMATION:

Background

In June of 2000, Torrey Pines Homebuilding Co., LLC, submitted an application requesting that the City initiate proceedings for the formation of the Arroyo Sorrento Road Cost Reimbursement District (CRD). The public improvements for which the developer is seeking reimbursement include surface improvements and underground utility construction for Arroyo Sorrento Road, the main access road serving Neighborhoods 8A and 8B of the Carmel Valley Community Plan. Vesting Tentative Map No. 96-7573 required Torrey Pines Homebuilding Co., LLC, to construct Arroyo Sorrento Road as part of their Torrey Pines Estates Subdivision in Carmel Valley Neighborhood 8A.

On September 18, 2000, the City Council authorized the execution of a District Formation Cost Agreement with Torrey Pines Homebuilding Co., LLC. Also on September 18, 2000, the City entered into an agreement with William A. Steen & Associates to perform engineering consultant services for the Cost Reimbursement District. Torrey Pines Homebuilding Co., LLC, is seeking partial reimbursement from owners of other properties in Neighborhood 8B which receive benefit from the road improvements. One of the consultant engineer's responsibilities was to determine the improvement costs eligible for reimbursement, and the method of spreading those costs to the benefitting property owners. The total estimated cost of the improvements is \$1,375,571.02. The consultant engineer has determined that Torrey Pines Homebuilding Co., LLC, is responsible for \$801,701.75, or approximately 58.3%. The remaining \$573,869.27, or 41.7%, will be spread as liens amongst the benefitting properties, payable upon development of their property.

ADOPTION AGENDA, DISCUSSION, HEARINGS (Continued)

NOTICE HEARING: (Continued)

ITEM-S400: (Continued)

FISCAL IMPACT:

None. The developer has advanced an additional \$15,000 for City administrative expenses. A total of \$55,500 has been previously authorized for the payment of Engineering Consultant services (\$35,500) and City administrative services (\$20,000).

Aud. Cert. 2400273.

Ewell/Goldberg/AMA

NOTE: This activity is a financing measure and is exempt from the California Environmental Quality Act pursuant to State CEQA guidelines section 15061(b)(3).