

DATE ISSUED: September 13, 2000

REPORT NO. 00-183

ATTENTION: Land Use & Housing Committee
Agenda of September 20, 2000

SUBJECT: Mira Mesa Public Facilities Financing Plan and Facilities Benefit
Assessment - Fiscal Year 2001

REFERENCE: "Mira Mesa Public Facilities Financing Plan and Facilities Benefit
Assessment" - August, 2000

SUMMARY

Issue: 1) Should the Council approve a Public Facilities Financing Plan for FY 2001 for the Mira Mesa Community; 2) adopt a Resolution of Intention to designate an area of benefit for a Facilities Benefit Assessment (FBA) in the Mira Mesa Community Planning Area; 3) adopt a Resolution of Designation; and 4) approve the setting of Development Impact Fees (DIF) consistent with the FBA in the Mira Mesa Community.

Manager's Recommendation: Approve the Mira Mesa Public Facilities Financing Plan - August, 2000; the Resolution of Intention for Designation of an area of benefit in Mira Mesa; the Resolution of Designation; and Development Impact Fees for development in Mira Mesa that has not paid an FBA.

Other Recommendations: The Mira Mesa Planning Group has reviewed the Financing Plan and approved the plan at their meeting of June 19, 2000.

Environmental Impact: None by this action.

Fiscal Impact: Adoption of this Financing Plan and Facilities Benefit Assessment will continue to provide a funding source for the required public facilities.

Business Impact Statement: The assessments in the Mira Mesa Community have been increased only by the anticipated rate of inflation and should therefore have little unanticipated economic impact on businesses.

BACKGROUND

Council Policy 600-36 calls for an annual review of all existing Facilities Benefit Assessments. The proposed FY 2001 Financing Plan incorporates the annual review and will serve as the basis for the FY 2001 Capital Improvement Program as it pertains to programming FBA funds in the Mira Mesa Community through FY 2017. The most recent review of the Mira Mesa Public Facilities Financing Plan and FBA was approved by Council on September 14, 1999 by Resolution R-292166. This Public Facilities Financing Plan and Facilities Benefit Assessment revises and updates the FY 2000 plan.

DISCUSSION

The Public Facilities Financing Plan details the public facilities that will be needed through the ultimate development of the Mira Mesa Community which is presently estimated to be by the year 2017. Mira Mesa is a partially developed community with a portion of the community facilities and infrastructure already in place. The remaining needed facilities are in the transportation, fire and park categories. Changes from the current Financing Plan include the addition of four traffic signals, the addition of a project to bring six neighborhood parks into compliance with ADA standards and requirements, and the delay of two park projects for one year due to environmental and design issues. Changes are detailed on Pages 1 and 2 of the proposed Facilities Financing Plan.

The revised Financing Plan identifies a total project need of \$179,242,754. Of this amount \$83,029,645 or 46 percent will be provided by subdividers, \$21,319,398 or 12 percent will come from other sources including City, CALTRANS, Metropolitan Transit Development Board (MTDB), Federal Surface Transportation Program (FSTP) or previously collected park fees. The remaining \$74,893,711 or 42 percent will be provided by assessments to be collected at the building permit stage under the FBA process.

The proposed assessments for Mira Mesa in Fiscal Year 2001 are:

Single Family Dwelling Unit	\$ 10,320
Multi-Family Dwelling Unit	7,224
Commercial Acre	63,881
Industrial Acre I2	22,394
“ I4	24,355
“ I5	19,402
“ I6	29,309

Council has previously directed that assessments are appropriate development impact fees for all properties in the Mira Mesa Community that have never been assessed or otherwise agreed to pay Facilities Benefits Assessments. Therefore, it is recommended that Development Impact Fees (DIF) be established for property that has not already been assessed an FBA and that the fee schedule for the DIF be the same as the FBA schedule.

The proposed Facilities Benefit Assessment (FBA) is based on current costs of facilities to be funded under this program, increased by an inflation factor of 4 percent to the year of construction. The costs of the facilities are then apportioned equitably among the undeveloped parcels within the Area of Benefit. The objective of the FBA program is to ensure that funds will be available in sufficient amounts to construct community facilities when scheduled. The FBA will be collected at the building permit issuance stage of development and deposited into a special interest earning account for Mira Mesa.

The proposed Resolution of Intention will set a date for a public hearing on the Facilities Benefit Assessment. Prior to the public hearing, mailed notice will be given to all property owners within the proposed area of designation indicating the date of the hearing and their right to file a protest with the City Clerk. Notice will also be given by publication of the Resolution of Intention in the City's official newspaper. Unless overruled by a four-fifths vote of the Council, written protests by owners of more than one-half of the area of the property proposed to be included within the Area of Benefit shall cause the proceedings to be abandoned.

ALTERNATIVES

Do not approve the proposed Financing Plan and Facilities Benefit Assessment and Development Impact Fee Schedule. This is not recommended because the new fees will ensure that new development contributes its proportional share for facilities identified in the Community Plan. In the absence of these fees, alternative funding sources would have to be identified to fund new development's share of the identified facilities.

Respectfully submitted,

.....
S. Gail Goldberg, AICP.....
City Planner

.....
Approved: George Loveland
Assistant City Manager

GOLDBERG/GM

Attachment: Draft FY 2001 Mira Mesa Public Facilities Financing Plan - August 2000

Note: Attachment not available in electronic format. A copy is available for review in the Office of the City Clerk.