



THE CITY OF SAN DIEGO **MANAGER'S REPORT**

SUMMARY

Issue(s) – Should the Council: 1) Approve a North University City Public Facilities Financing Plan (PFFP) for Fiscal Year 2003; 2) Adopt a Resolution of Intention to designate an area of benefit for a Facilities Benefit Assessment (FBA) in the North University City portion of the University City Community Planning Area; and 3) Adopt a Resolution of Designation?

Manager's Recommendation – Adopt the three resolutions.

Community Planning Group Recommendation – On April 9, 2002, the University City Community Planning Group (UCPG) voted to approve the draft North University City Public Facilities Financing Plan and Facilities Benefit Assessment, Fiscal Year 2003.

Fiscal Impact – Adoption of this revised Public Facilities Financing Plan and Facilities Benefit Assessment will continue to provide a funding source for the public facilities identified in the North University City Community Plan.

BACKGROUND

Council Policy 600-36 calls for an annual review of all existing Facilities Benefit Assessments (FBA). This is the annual review and will serve as the basis for the Capital Improvement Program as it pertains to programming FBA funds in North University City over the next seven year period.

DISCUSSION

The Public Facilities Financing Plan details the public facilities that will be needed through the ultimate development of the North University City area, which is presently estimated to be the year 2009. Since North University City is a partially developed community, many of the community facilities and infrastructure are already in place. The remaining needed facilities are in the park, transportation and library categories. This Public Facilities Financing Plan and Facilities Benefit Assessment revises and updates the Fiscal Year 2001 Plan.

Since the adoption of the current Financing Plan in September 2000, there have been significant changes to a number of the projects. These are outlined as follows:

Project NUC-3, Genesee Avenue – I-5 to Regents Road. This project provides for the widening of Genesee Avenue. Increased land acquisition costs necessitate a revised project cost estimate.

Project NUC-24, Genesee Avenue – Widen I-5 Overcrossing. The scope of the project has increased. This project has also been delayed to allow for the completion of a SANDAG corridor study.

NUC-29, 29A – Nobel Athletic Area, Park and Library. These projects have been combined and the scope of the entire project has increased.

NUC-33, Judicial Drive – Golden Haven Drive to Eastgate Mall. This project has also increased in scope, increasing the cost of the project.

NUC-G, Genesee Avenue – I-5 to Eastgate Mall. This project has been increased due to an update of the cost estimate originally estimated in 1998.

A proposal to add one new project is also included in this update. The University City Planning Group, in conjunction with the Doyle Recreation Council and the City’s Park and Recreation Department, is requesting improvements to Doyle Community Park (NUC-51). These improvements include expanding the tot lot and picnic areas, adding a swing set and ball wall play area and an additional comfort station.

The proposed FBA is based on current estimated costs of facilities to be funded under this program, increased by an inflation factor of 4% to the year of construction, as supported by the San Diego Consumer Price Index and the Los Angeles/San Diego Construction Cost Index. 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 insure that sufficient funds will be available to construct community facilities as the community develops.

The Proposed Public Facilities Financing Plan and Facilities Benefit Assessment identifies a remaining total estimated project cost of \$147,004,145. Of this amount, \$16,158,080 or 11% will be provided by subdividers, \$5,475,450 or 4% will be funded by City sources, and \$125,370,615 or 85% will be provided by facilities benefit assessments collected at the time of building permit issuance.

The increases listed above necessitate a revision both in the project cost and the rate of assessment, resulting in a proposed increase of 27% in the FBA assessment over the FY 2002 rate.

The proposed assessments for Fiscal Year 2003 in North University City are as follows:

Single Family Dwelling Unit	\$ 10,723
Multi-Family Dwelling Unit	\$ 7,506
Average Daily Trip (ADT)	\$ 723

<u>Use</u>	<u>Proposed Development</u>
Residential	1,338 Dwelling Units
Commercial/Industrial	68,309 ADTs

The FBA will be collected when building permits are issued. Funds are deposited into a special interest-earning account for North University City. Annually, the Council receives a status report on the program and authorizes the appropriation of funds for construction of facilities which are programmed for the next fiscal year in the annual Capital Improvements Budget.

The proposed Resolution of Intention will set a date for a public hearing on the Facilities Benefit Assessment. Prior to the public hearing, mailed notices will be sent to all property owners within the proposed area of designation of the date of the hearing and their right to file a protest with the City Clerk prior to the start of the hearing. 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.

ALTERNATIVE

1. Do not approve the proposed North University City Public Facilities Financing Plan and Facilities Benefit Assessment. This is not recommended because the proposed fees will insure that new development contributes its proportional share for new facilities identified in the University 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
Planning Director

Approved: P. Lamont Ewell
Assistant City Manager

GOLDBERG/JLC

Attachment: 1. Draft FY 03 North University Public Facilities Financing Plan

Note: The attachment is not available in electronic format. A copy of the attachment is available for review in the office of the City Clerk.