

DATE ISSUED: November 21, 2002 REPORT NO. 02-283

ATTENTION: Land Use and Housing Committee
Agenda of November 27, 2002

SUBJECT: Scripps Miramar Ranch Public Facilities Financing Plan and Facilities
Benefit Assessment

REFERENCE: "Scripps Miramar Ranch Public Facilities Financing Plan and Facilities
Benefit Assessment, Fiscal Year 2003," October 2002 Draft

SUMMARY

Issues – Should the Council: 1) adopt the Scripps Miramar Ranch 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 Assessments (FBA) in Scripps Miramar Ranch; 3) adopt a Resolution of Designation; and 4) approve the setting of Development Impact Fees (DIF) consistent with the FBA in Scripps Miramar Ranch?

Manager's Recommendation – Adopt the four resolutions.

Planning Commission Recommendation – None.

Community Planning Group Recommendation – The Scripps Ranch Planning Group will vote on the draft Scripps Miramar Ranch Public Facilities Financing Plan on November 7, 2002. The Land Use and Housing Committee will be apprised of the planning group's vote prior to the LU&H meeting.

Environmental Impact – None by this action.

Fiscal Impact – Approval of this Public Facilities Financing Plan and Facilities Benefit Assessment will continue to assure the provision of required public facilities.

Code Enforcement Impact – None by this action.

Business Impact Statement – The Facilities Benefit Assessments in Scripps Miramar

Ranch are being increased by the anticipated rate of inflation only, and should therefore have minimal business or economic impact.

BACKGROUND

Council Policy 600-36 calls for an annual review of all existing Facilities Benefit Assessments. This review will serve as the basis for the FY 2003 Capital Improvement Program as it pertains to programming projects funded by Facilities Benefit Assessments (FBA), Development Impact Fees (DIF), and Special Park Fees (SPF) in the Scripps Miramar Ranch community planning area over the next eight years. The last review of the Scripps Miramar Ranch Public Facilities Financing Plan and Facilities Benefit Assessment was an amendment to the FY 1996 Plan approved by Council Resolution R-290759 on September 29, 1998. This Public Facilities Financing Plan and Facilities Benefit Assessment revises and updates the FY 1998 amended plan.

DISCUSSION

The community of Scripps Miramar Ranch is over 90% built-out. This Public Facilities Financing Plan details those few remaining public facilities that will be needed through the ultimate build-out of the Scripps Miramar Ranch area, which is presently estimated to occur in 2010. The goal of the FBA is to ensure that funds will be available in sufficient amounts to provide those community facilities when needed.

The proposed Scripps Miramar Ranch Public Facilities Financing Plan for FY 2003 identifies a total remaining project need estimated at \$238,620,163, which includes \$227,769,366 worth of Water Department funded projects which impact the Scripps Miramar Ranch community. Park projects totaling \$4,939,479 are funded by the Scripps Ranch Special Park Fees. Of the remaining \$5,911,318 worth of projects, \$3,329,200 comes from other sources such as developers and other communities. The balance of \$2,582,118, or 1.1%, is FBA funded.

The following significant changes have occurred since the last plan update:

1. Significant build-out has occurred in the community since the FY 1998 Financing Plan Amendment was prepared. The estimated number of single-family units left to build has dropped from 511 to 103, and the estimated number of industrial acres left to develop has dropped from 170.5 to 52.39.
2. Five new projects have been added to the plan. Two of them (34-86 & 34-87) are Water Department projects not involving FBA funds. Another two, ballfield lighting at Scripps Ranch Community Park (34-50) and a comfort station at Lakeview Neighborhood Park (34-29) are new park projects funded with Scripps Miramar Ranch Special Park Fees. The fifth new project is a median on Mira Mesa Boulevard (34-2B), which will be FBA funded.
3. The Ahrens Field Improvements project (34-24), which had no costs associated with it in the previous plan, has been projected as a seven-acre neighborhood park at a total of

\$3,350,000. Development of this park is contingent upon the future land use decisions of the San Diego Unified School District, the owner of the site. This project would be funded out of the Scripps Miramar Ranch Special Park Fees.

4. The Community Park project (34-27), which was in the FY 1998 amended plan has been deleted. This project called for a community park to be built on the site now occupied by Scripps Ranch High School. The Scripps Ranch Community Park serves as the community park for both Scripps Miramar Ranch and Miramar Ranch North.

The proposed Scripps Miramar Ranch FBA assessments for FY 2003 are as follows:

Single-family dwelling unit	\$4,198
Multi-family dwelling unit	\$2,939
Commercial Acre	\$82,878
Industrial Acre	\$49,962
Institutional Acre	\$28,592

These assessments are 4% higher than the FY 2002 assessments currently in effect.

Council has previously directed (R-286254, August 15, 1995) that the Facilities Benefit Assessment rates are appropriate Development Impact Fees for all properties in Scripps Miramar Ranch that have never been assessed or otherwise agreed to pay Facilities Benefit Assessments. Therefore, it is recommended that the above proposed Fiscal Year 2003 Facilities Benefit Assessments also be adopted as Development Impact Fees for Scripps Miramar Ranch.

The proposed Facilities Benefit Assessment is based on current costs of facilities to be funded under this program, increased by an inflation factor of 4% 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 needed.

The Facilities Benefit Assessment will be collected at the building permit issuance stage of development and deposited into a special interest earning fund for Scripps Miramar Ranch. The Council receives an annual 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 Capital Improvement Program budget.

The proposed Resolution of Intention will set a date for a public hearing on the Facilities Benefit Assessment. Prior to the public meeting, mailed notice will be given 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. A letter advising of today's meeting was mailed to all property owners as shown on the last assessment roll, or otherwise known to staff.

ALTERNATIVES

Do not approve the proposed Public Facilities Financing Plan and Facilities Benefit Assessment or the setting of Development Impact Fees. This is not recommended because the new assessments will ensure that new development contributes its proportional share for facilities identified in the Community Plan. In the absence of these fees, alternative 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/AA

Attachment: Draft FY 2003 Scripps Miramar Ranch Public Facilities Financing Plan,
October 2002

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.