

DATE ISSUED: May 18, 2005

REPORT NO. 05-118

ATTENTION: Committee on Land Use and Housing
Agenda of May 25, 2005

SUBJECT: Torrey Pines Public Facilities Financing Plan

REFERENCE: Torrey Pines Public Facilities Financing Plan Fiscal Year 2005

SUMMARY

Issues: Should the Council: 1) approve a Public Facilities Financing Plan for FY 2005 for the Torrey Pines Community; 2) rescind the existing Development Impact Fees; and 3) approve the establishment of new development impact fees for all property within the Torrey Pines Community?

Manager's Recommendation: Approve the Torrey Pines Public Facilities Financing Plan – June 2005, rescind the existing Development Impact Fees and establish new Development Impact Fees for the Torrey Pines Community.

Planning Committee's Recommendations: On January 13, 2005, the Torrey Pines Community Planning Board voted 9-3-1 in favor of the Financing Plan.

Environmental Impact: None.

Fiscal Impact: Adoption of this financing plan will continue to provide new development's share of funding for the required public facilities.

BACKGROUND

Development Impact Fees (DIF) were established in 1987 by the City Council to mitigate the impact of new development in urbanized communities. Fees were based on the facility needs of each community. This plan updates the existing Public Facilities Financing Plan adopted on January 10, 1995.

DISCUSSION

Public Facilities Financing Plan

The draft Torrey Pines Public Facilities Financing Plan describes the public facilities that will be needed for the Torrey Pines Community as it develops according to the Community Plan. Since Torrey Pines is an urbanized community, most of the community facilities and infrastructure are already in place. A majority of the remaining needed facilities are in the categories of transportation and park improvements.

The proposed fees reflect the current costs of the facilities identified in the Torrey Pines Community Plan and are necessary to maintain existing levels of service in the community. A summary of the proposed impact fees for Torrey Pines is as follows:

<u>Residential Units</u>		
Transportation	\$2291	per unit
Park & Recreation	6889	per unit
Library	0	per unit
Fire	0	per unit
TOTAL FEE	\$9180	per unit
<u>Commercial and Industrial</u>		
Transportation	\$327	per trip
Fire	\$0	per 1,000 square feet

The total impact fee for residential development will increase from \$3474 to \$9180 per dwelling unit, primarily due to the adjusted needs and costs for park and recreation facilities. The estimated cost for transportation facilities has decreased from \$30,905,100 to \$29,998,447. An increase in the transportation fee from \$319 to \$327 per trip reflects administrative costs associated with plan reviews, impact fee collection and with financing plan preparation. The estimated cost for park facilities increased from \$845,000 to \$19,672,000, resulting in a fee increase from \$279 to \$6,889. This increase is a more accurate reflection of acreage requirements and costs to meet population based park needs within the community.

Projected cost for all projects is \$90,266,447. Eligible projects in the amount of \$49,670,447 will serve as the basis for the development impact fees, which will be collected at the time building permits are issued. Since these costs are for projects which will benefit both the existing community and future development, costs will be shared and new development is only expected to provide their pro-rata share for DIF eligible projects. Those portions of project costs not funded by new development through impact fees will need to be identified by future City Council actions in conjunction with the adoption of Annual Capital Improvements Program Budgets.

ALTERNATIVE

Do not approve the proposed Financing Plan and Development Impact Fee Schedule. This is not recommended because the new fees will ensure that new development continues to contribute its fair 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
Planning Director

Approved: Patricia T. Frazier
Deputy City Manager

GOLDBERG/CMG/VLB

Attachment: 1. Draft Torrey Pines Facilities Financing Plan - June 2005

Note: Due to the size of the attachment, only a limited distribution was made. A copy is available for review in the office of the City Clerk.