



THE CITY OF SAN DIEGO  
**REPORT TO THE CITY COUNCIL**

DATE ISSUED: August 3, 2006

REPORT NO. 06-116

ATTENTION: Land Use and Housing Committee  
Agenda of August 9, 2006

SUBJECT: Mira Mesa Public Facilities Financing Plan, Fiscal Year 2007

REQUESTED ACTION:

Should the Council: 1) Approve the Mira Mesa Public Facilities Financing Plan (PFFP) for Fiscal Year 2007; 2) Adopt a Resolution of Intention to designate an area of benefit for a Facilities Benefit Assessment (FBA) in Mira Mesa; 3) Adopt a Resolution of Designation; and 4) Approve the setting of Development Impact Fees (DIF) consistent with the FBA in Mira Mesa for those developments which have never been assessed or otherwise agreed to pay an FBA?

STAFF RECOMMENDATION:

Approve the Mira Mesa Public Facilities Financing Plan, Fiscal Year 2007; rescind the existing Facilities Benefit Assessments and Development Impact Fees and establish new Facilities Benefit Assessment and Development Impact Fees for Mira Mesa.

SUMMARY:

Council Policy 600-36 calls for an annual review of all existing Facilities Benefit Assessments. This is the annual review and will serve as the basis for the Capital Improvement Program as it pertains to programming FBA funds in Mira Mesa over the next fifteen year period. The most recent review of the Mira Mesa Public Facilities Financing Plan and Facilities Benefit Assessment was approved by Council on December 7, 2004, by Resolution R-299990. This Public Facilities Financing Plan and Facilities Benefit Assessment are a revision and update to the Fiscal Year 2005 plan.

The proposed Public Facilities Financing Plan details the public facilities that will be needed through the ultimate development of Mira Mesa. 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 and park categories. Changes from the current Financing Plan include: increasing the assessment rates a total of sixty-two percent due to increases in actual construction costs being experienced throughout the City and anticipated

annual inflation, and advancing and/or delaying various projects in the plan due to changes in project priorities. Changes are detailed on Pages 21 and 22 of the proposed Facilities Financing Plan.

The revised Financing Plan for development in Mira Mesa identifies total remaining project needs estimated at \$270,274,605. The funding sources for these projects are broken down as follows:

<b>AMOUNT</b>	<b>FUNDING SOURCE</b>	<b>PERCENTAGE of TOTAL</b>
\$101,635,919	Assessments (FBA)	37.6%
\$109,307,005	Developer/Subdivider	40.4%
\$59,331,681	Other	22.0%

The proposed assessments for Fiscal Year 2007 are as follows:

<b>LAND USE</b>	<b>CURRENT ASSESSMENT</b>	<b>PROPOSED ASSESSMENT per UNIT/ACRE in FY 2007 DOLLARS</b>
SINGLE FAMILY UNITS	\$15,171	<b>\$24,577</b>
MULTI-FAMILY UNITS	\$10,619	<b>\$17,204</b>
COMMERCIAL ACRE	\$93,905	<b>\$152,132</b>
INDUSTRIAL ACRE (I2)	\$32,919	<b>\$53,332</b>
INDUSTRIAL ACRE (I4)	\$35,801	<b>\$58,002</b>
INDUSTRIAL ACRE (I5)	\$28,521	<b>\$46,205</b>
INDUSTRIAL ACRE (I6)	\$43,085	<b>\$69,799</b>

Council has previously directed that the same assessment rates are appropriate Development Impact Fees for all properties in Mira Mesa that have never been assessed or otherwise agreed to pay Facilities Benefit Assessments. Therefore, it is recommended that the above proposed Fiscal Year 2007 Assessments also be adopted as Development Impact Fees for Mira Mesa (see Attachment 2). The Facilities Benefit Assessment will be collected at the building permit issuance stage of development and deposited into a special, interest earning account for Mira Mesa. 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 Capital Improvements Program 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 notice will be given to all affected 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.

FISCAL CONSIDERATION:

Adoption of this revised Public Facilities Financing Plan will continue to provide a funding source for the public facilities identified in Mira Mesa.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

None.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

The Mira Mesa Planning Group, at their meeting of June 19, 2006, reviewed the financing plan and assessments and unanimously recommended approval.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

All property owners with remaining new development are listed on the Mira Mesa Public Facilities Financing Plan, Fiscal Year 2007 Assessment Roll, starting on page A-3 and will have received notice and a copy of this document in the mail. These property owners will have liens placed on their property and will be required to pay Facilities Benefit Assessments upon any building permit issuance when developing their property. Any redevelopment which increases the intensity of existing uses may be subject to an impact fee per Attachment 2.

Respectfully submitted,

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William Anderson, FAICP  
City Planning & Community  
Investment Director

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James T. Waring  
Deputy Chief of Land Use and  
Economic Development

WARING/ANDERSON/FVJ

Attachments: 1. Mira Mesa Public Facilities Financing Plan, Fiscal Year 2007 – **unavailable on the web.**  
2. [Development Impact Fee Analysis](#)

Note: Due to the size of the attachment, only a limited distribution was made. These attachments are available on the City's website and a copy is available in the Office of the City Clerk.

## ATTACHMENT 2