

DATE ISSUED: October 24, 2007

REPORT NO: 07-167



ATTENTION: Council President and City Council
Docket of Oct. 30, 2007

SUBJECT: San Ysidro Public Facilities Financing Plan
THE CITY OF SAN DIEGO

REFERENCE: San Ysidro Public Facilities Financing Plan - Fiscal Year 2008

REPORT TO THE CITY COUNCIL

REQUESTED ACTION:

- 1) Approve a Public Facilities Financing Plan for FY 2008 for the San Ysidro Community;
- 2) Rescind the existing Development Impact Fees; and 3) Approve the establishment of new Development Impact Fees for all property within the San Ysidro Community and the urbanized portion of the Tijuana River Valley Community Planning Area.

STAFF RECOMMENDATION:

Approve the San Ysidro Public Facilities Financing Plan—FY 2008, rescind the existing Development Impact Fees and establish new Development Impact Fees for the San Ysidro Community and the urbanized portion of the Tijuana River Valley Community Planning Area.

SUMMARY:

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 San Ysidro Public Facilities Financing Plan last updated and adopted November 1991 (R-279054).

The draft FY 2008 San Ysidro Public Facilities Financing Plan describes the public facilities that will be needed for the San Ysidro Community as it develops according to the existing Community Plan. San Ysidro is an urbanized community; most of the community facilities and infrastructure are already in place. The remaining needed facilities are in the categories of transportation, park improvements, library and fire. The proposed fees reflect the current costs of the facilities identified in the San Ysidro Community Plan and are necessary to maintain existing levels of service in the community. A summary of the proposed impact fees for San Ysidro is as follows:

<u>Residential Units</u>		<u>Commercial and Industrial</u>	
Transportation	\$2,453 per unit	Transportation	\$350 per trip
Park & Recreation	\$4,684 per unit	Fire	\$23 per 1,000 SF
Library	\$1,867 per unit		of gross bldg area
Fire	\$ 23 per unit		
TOTAL FEE	\$9,027 per unit		

The total impact fee for residential development will increase from \$3,486 to \$9,027 per dwelling unit, primarily due to the adjusted needs and increased costs for transportation and park and recreation facilities. The estimated cost for eligible transportation facilities has increased from \$6,254,700 to \$73,178,519. An increase in the transportation fee from \$483 to \$2,453 per residential unit reflects project costs and administrative costs associated with plan reviews, impact fee collection and with financing plan preparation. The estimated cost for park facilities increased from \$2,197,708 to \$36,878,200, resulting in a fee increase from \$2,427 to \$4,684. This increase is a more accurate reflection of acreage requirements and costs to meet population based park needs within the community. A library fee of \$1,867 per residential unit has been added to cover the community's share of a new San Ysidro Branch Library. The estimated cost is \$14,700,000. The estimated cost for fire facilities in the San Ysidro Community is \$600,000. The fire fee is \$23/1000 square feet.

Projected cost for all projects is \$183,117,760. Eligible project costs in the amount of \$125,356,719 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 identified facilities.

FISCAL CONSIDERATIONS:

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

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

The San Ysidro Public Facilities Financing Plan is scheduled for the Land Use & Housing Committee meeting on September 19, 2007.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

On August 21, 2007, the San Ysidro Community Planning Group unanimously approved the draft San Ysidro Public Facilities Financing Plan with a vote of 12-0-0.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

Developers of new projects on vacant sites will be subject to a higher impact fee than currently exists.

Charlene M. Gabriel
Facilities Financing Manager
City Planning & Community Investment

William Anderson, FAICP
Deputy Chief Operating Officer
Land Use & Economic Development

ANDERSON/ELL

Attachment: [1. Draft San Ysidro Facilities Financing Plan-August 2007](#)

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.