



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

DATE ISSUED: February 13, 2008 REPORT NO: 08-010

ATTENTION: Committee on Land Use and Housing  
Agenda of February 20, 2008

SUBJECT: Sabre Springs Public Facilities Financing Plan

REFERENCE: Sabre Springs Public Facilities Financing Plan – FY 2009

REQUESTED ACTION:

1) Approve the Sabre Springs Public Facilities Financing Plan – Fiscal Year 2009; 2) Adopt a Resolution of Intention to designate an area of benefit for a Facilities Benefit Assessment (FBA) in Sabre Springs; 3) Adopt a Resolution of Designation for the FBA in Sabre Springs; and 4) Approve the setting of Development Impact Fees (DIF) consistent with the FBA in Sabre Springs for those developments which have never been assessed or otherwise agreed to pay an FBA.

STAFF RECOMMENDATION:

Approve the Sabre Springs Public Facilities Financing Plan - Fiscal Year 2009; rescind the existing Facilities Benefit Assessments (FBA) and Development Impact Fees (DIF) and establish new FBA and DIF for Sabre Springs.

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 (CIP) as it pertains to programming FBA funds in Sabre Springs over the next year. The last review of the Sabre Springs Public Facilities Financing Plan and Facilities Benefit Assessment was approved by Council on October 8, 1996, by Resolution R-287907. This Public Facilities Financing Plan and Facilities Benefit Assessment is a revision and update to the Fiscal Year 1997 plan.

The proposed financing plan details the public facilities that will be needed through the ultimate development of Sabre Springs and for the projected population at full community development. The community of Sabre Springs is almost entirely developed, with one remaining undeveloped parcel. There is also only one remaining public facilities project, a Class I bicycle path. The estimated cost of this project is \$1,600,000, with FBA funding of \$1,100,000 (69%) and SANDAG funding of \$500,000 (31%). The development of the remaining parcel, and the completion of the bicycle project, are both anticipated in FY 2009.

The goal of the FBA is to ensure that funds will be available in sufficient amounts to provide community facilities when needed. The proposed assessments for FY 2009 are as follows:

LAND USE	CURRENT ASSESSMENT	PROPOSED ASSESSMENT
SINGLE FAMILY UNITS	\$3,965	\$4,243
MULTI-FAMILY UNITS	\$2,776	\$2,970
COMMERCIAL (per 1,000 sq ft)	\$693	\$741
INDUSTRIAL (per 1,000 sq ft)	\$350	\$375

The proposed assessment for Fiscal Year 2009 is based on estimated costs of facilities to be funded by this program, and represents a 7% increase over the current assessment. The inflation factor of 7% is also applied to the current project cost estimates for Fiscal Year 2010, while a factor of 5% is used for Fiscal Years 2011 and beyond. The interest rate applied to the cash on hand in the FBA fund is 3% for Fiscal Years 2009 and 2010, and 4% for Fiscal Years 2011 and beyond.

Council has previously directed that the same assessment rates are appropriate DIFs for all properties in Sabre Springs that have never been assessed or otherwise agreed to pay Facilities Benefit Assessments. Therefore, it is recommended that the above proposed Fiscal Year 2009 Assessments also be adopted as DIF for Sabre Springs (see Attachment 2).

The FBA will be collected at the building permit issuance stage of development and deposited into a special, interest earning account for Sabre Springs. 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 and time for a public hearing on the FBA. Prior to the public hearing, a mailed notice will be given to all affected property owners within the proposed area of designation. The notice will contain the date of the hearing and inform property owners of their right to file a protest with the City Clerk prior to the close 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.

**FISCAL CONSIDERATIONS:**

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

**PREVIOUS COUNCIL and/or COMMITTEE ACTION:**

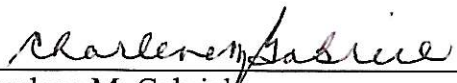
None.


**COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:**

On January 16, 2008, the Sabre Springs Planning Group voted (8-0) to support the proposed Sabre Springs Public Facilities Financing Plan - Fiscal Year 2009.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

All property owners with remaining new development are listed on the Sabre Springs Public Facilities Financing Plan - Fiscal Year 2009 Assessment Roll, beginning on page 73. These property owners will be mailed a notice of the public hearing and copy of the financing plan. The owners will have liens placed upon their property and will be required to pay Facilities Benefit Assessments (FBA) upon any building permit issuance when developing their property. Any redevelopment that increases the intensity of existing uses may be subject to an impact fee per Attachment 2.

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

  
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William Anderson, FAICP  
Deputy Chief Operating Officer: Executive  
Director  
City Planning and Development

CMG/AMA

- Attachments:    1. Sabre Springs Public Facilities Financing Plan - Fiscal Year 2009  
                      2. Development Impact Fee Analysis

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.