



THE CITY OF SAN DIEGO

Report to the City Council

DATE ISSUED: January 23, 2017 REPORT NO: 17-009

ATTENTION: Council President and Members of the City Council

SUBJECT: Formation of an Enhanced Infrastructure Financing District (EIFD) to Provide Funding for Otay Mesa Public Infrastructure

REFERENCE: Infrastructure Committee Report No. 16-107, dated November 23, 2016

REQUESTED ACTIONS:

Approve a resolution of intention to form a proposed Otay Mesa Enhanced Infrastructure Financing District (Otay Mesa EIFD).

Approve a resolution establishing the Otay Mesa EIFD Public Financing Authority (PFA) as the governing board of the proposed Otay Mesa EIFD, and providing the process for appointments to the PFA.

STAFF RECOMMENDATION:

Approve the requested actions.

SUMMARY:

I. BACKGROUND

This Companion Staff Report should be read in conjunction with Report to City Council No. 16-107 (attached to this staff report as **Attachment 1**) on the Formation of an Enhanced Infrastructure Financing District (“EIFD”) to Provide Funding for Otay Mesa Public Infrastructure, which was docketed for the Infrastructure Committee Meeting of December 7, 2016. Supplementing Report No. 16-107, additional information is provided on: (i) the resolution of intention (ii) appointments to the PFA, and (iii) fiscal impacts of the proposed EIFD, including updated property tax increment revenue projections, caps to the maximum tax increment revenue and bond authorization for the proposed EIFD, and estimated district formation and election costs.

II. DISCUSSION

The requested actions constitute the initial proceedings to form the proposed Otay Mesa EIFD, establish the PFA, and provide the process for PFA member appointments. Through the requested actions, City Council will state its intention to form the proposed Otay Mesa EIFD, establish the PFA, and provide the process for PFA member appointments.

Resolution of Intention

In accordance with EIFD law, the City Council, as the legislative body initiating proceedings to form an EIFD in its boundaries, must pass a Resolution of Intention (“ROI”) proposing establishment of the Otay Mesa EIFD and describing the following:

- **The boundaries of the proposed Otay Mesa EIFD**– The Otay Mesa EIFD boundaries include the entire Otay Mesa Community Plan Area. A map showing the boundaries is included with the docket material for the item.
- **The types of public facilities and development proposed to be financed by the Otay Mesa EIFD**– The ROI states that the Otay Mesa EIFD is intended to fund any of the unfunded projects listed in the Otay Mesa Public Facilities Financing Plan (PFFP). The PFFP project list is attached to Report No. 16-107.
- **The need for the Otay Mesa EIFD and the goals to be achieved** – The Otay Mesa EIFD is necessary to promote economic development and support the provision of needed public infrastructure identified in the Otay Mesa PFFP. As described in Report No. 16-107, the PFFP contains an estimated \$510 million funding gap, and the Otay Mesa EIFD can make a meaningful contribution to addressing the gap, thereby assisting with implementation of approved plans.
- **The tax increment revenue from the City that may be used to finance the Otay Mesa EIFD**– All City property tax increment revenue generated within the Otay Mesa EIFD boundary, subject to Charter section 77.1 (Proposition H), above the base year may be allocated to the Otay Mesa EIFD.
- **The time and place for a public hearing on the proposed Otay Mesa EIFD to be conducted by the Public Financing Authority** – The public hearing is set for 10:00 a.m. on July 24, 2017 in the City Council Chambers. July 24 is also the targeted date for the Public Financing Authority to form the Otay Mesa EIFD. This allows sufficient time for all antecedent formation steps to occur.

Public Financing Authority and Appointments Process

Under EIFD law, the PFA is the governing board of the Otay Mesa EIFD. Also pursuant to EIFD law, the PFA’s membership includes three City Councilmembers and two public members whose appointments are to be approved by City Council. Through the requested actions, City Council would create the PFA, establish the criteria for PFA public members, and direct the City Clerk to advertise the public member vacancies. Under the proposed criteria set forth in the resolution establishing the PFA, public members must have knowledge, experience, or an educational background in real property development or finance, and have a stakeholder interest in the Otay Mesa community, such as residency,

land ownership, and/or ownership or operation of a business that owns or leases property in the Otay Mesa area.

Following approval of the resolution establishing the PFA, the following steps will be taken: The City Clerk's Office will advertise the public member PFA vacancies and the Mayor's Office will issue a memo to City Council announcing the opening of public member positions and requesting one nominee for each opening from each Councilmember. The Mayor's Office will then receive the completed applications and nominations, and issue a memorandum to City Council containing the list of public member applicants, and recommending two public members and three City Councilmembers to serve on the PFA. The City Council will then either approve the Mayor's recommendations or nominate alternative public members from the list of applicants, and/or Councilmembers. Under the targeted formation time-line reflected in Report No. 16-107, City Council would appoint the PFA members in April 2017.

III. FISCAL CONSIDERATIONS

A draft Infrastructure Financing Plan (IFP) prepared by Keyser Marston & Associates (KMA) for the Otay Mesa EIFD is included in the docketed materials. The PFA is ultimately responsible for preparation and final adoption of an IFP for the Otay Mesa EIFD, and the draft IFP is a proposal that will be provided for the PFA to consider. At a later date, and prior to final approval of an IFP for the Otay Mesa EIFD by the PFA, the City Council will have an opportunity to review and approve the IFP, as an affected taxing entity of the Otay Mesa EIFD. Future City Council approval of the IFP is required under the EIFD law for allocation of City property tax revenues to the Otay Mesa EIFD.

Updates to the fiscal information provided in Report No. 16-107, provided below, include tax increment revenue projection updates, caps to the maximum tax increment revenue and bond authorization for the proposed EIFD contained in the draft IFP, and district formation and election cost information.

Preliminary Projected Tax Increment Updates

Based on information from the County of San Diego (County) and the State Board of Equalization (BOE) obtained after issuance of Report No. 16-107, while the district is expected to be formed by Fiscal Year 2018, it is now assumed that property tax increment ("TI") revenue will start flowing to the Otay Mesa EIFD in Fiscal Year 2019, instead of Fiscal Year 2018, due to deadlines for filing the Otay Mesa EIFD boundaries with the County and BOE to allocate TI to the district. A County Administration fee of 2% is also now assumed. The updated preliminary analysis conducted by KMA, as reflected in the draft IFP, projects the Otay Mesa EIFD could generate approximately \$670,000 in TI commencing Fiscal Year 2019, growing to \$42 million by Fiscal Year 2062, for a gross total of \$967 million over the projected life of the Otay Mesa EIFD. These figures are net of Charter section 77.1 (Proposition H) revenue and are based on development assumptions derived from information in the PFFP or obtained from City Development Services Department, SANDAG, broker data/interviews, and other third party data sources accessed by KMA. Actual TI revenues are subject to changes in the types and timing of development and the real estate market.

As shown in the draft IFP, it is proposed that the Otay Mesa EIFD receive 100% of the City’s TI revenue, subject to Charter section 77.1, with a total limit of \$1.1 billion during its life, which reflects a level of 15% above total projected TI. Any TI revenue collected beyond this limit would flow back to the City’s General Fund. Property tax revenue generated up to the taxable valuation of the base year tax roll will continue to flow to the City’s General Fund (approximately \$6.8 million annually).

While the Otay Mesa area would benefit from a new dedicated revenue source for infrastructure improvements, formation of the Otay Mesa EIFD would result in a reallocation of property tax TI revenue from the City General Fund. Once the Otay Mesa EIFD terminates, TI revenue would no longer be allocated to the Otay Mesa EIFD and will flow back into the City’s General Fund.

Preliminary Bonded Indebtedness

Following formation of the Otay Mesa EIFD, and the start of the collection of TI funds, the PFA could issue bonds to finance projects, after a successful election with at least 55% approval of registered voters voting in the election. Based on preliminary TI revenue projections, the total amount of bond funds that could be generated is \$172 million, with net bond proceeds of \$155 million available for PFFP projects, assuming six series of bonds issued between Fiscal Year 2021 and Fiscal Year 2037, timed according to TI’s capacity to support debt service, as detailed in the table below.

Proposed EIFD – Projected Net Bond Proceeds			
Fiscal Year	Year	Term (Years)	Net Bond Proceeds (in thousands)
2021	4	30	\$13,000
2024	7	30	\$38,000
2027	10	30	\$25,000
2030	13	25	\$27,000
2034	17	20	\$28,000
2037	20	20	\$24,000
Total EIFD Net Bond Proceeds			\$155,000

The bond issuance estimates assume debt service coverage ratios of 150%, with excess TI revenue in each year available for pay-as-you-go funding. This excess funding is estimated to total \$616 million, and, in conjunction with anticipated net bond proceeds of \$155 million, \$771 million of gross funds could be generated for Otay Mesa EIFD projects. A \$198 million bond limit over the term of the Otay Mesa EIFD is reflected in the draft IFP, which is 15% above the projected bonded indebtedness.

Preliminary EIFD Funding Projections in Current Dollars

In current dollars, over the life of the proposed Otay Mesa EIFD, approximately \$83 million in bond proceeds and \$119 million in pay-as-you-go funding could be generated through the Otay Mesa EIFD, for a total of approximately \$202 million, in current dollars. This would provide a meaningful contribution toward closing the \$510 million PFFP funding gap (in 2014 dollars).

EIFD Formation and Election Costs

Existing staff resources from various departments, including Debt Management, the Planning Department, the City Attorney's Office, and the City Clerk's Office, are conducting district formation activities. Certain non-General Fund staff work, and various external costs are being paid from the Debt Management Department's Fiscal Year 2017 Budget, or are expected to be included in the department's Fiscal Year 2018 Proposed Budget. These costs total \$270,000 and include economic/fiscal consultant costs, costs in connection with required public outreach, costs for the County Registrar of Voters (ROV) to conduct a mailed ballot election, state required map and legal description creation, and state and County recording fees. In Fiscal Year 2017, approximately \$110,000 is expected to be expended by year end (budgeted at \$150,000). A budget request of \$160,000 is anticipated for Fiscal Year 2018, attributable primarily to the County ROV cost to conduct the mailed ballot election.

The EIFD law provides that 10% of tax increment generated in the first two years after district formation may be allocated to formation planning and information dissemination. Based on preliminary discussions with the County and the BOE, TI allocations to the district would not begin until 2019. Instead of the district, the City is expected to receive Fiscal Year 2018 TI revenue projected to total \$328,000. These funds would be available to pay for formation expenses in Fiscal Year 2018. Further, up to 10% of the TI revenue flowing to the district in FY 2019 (estimated \$67,000) can be programmed to reimburse the City for remaining formation expenses.

IV. CITY STRATEGIC PLAN GOAL(S)/OBJECTIVE(S):

Goal 2: Work in partnership with all of our communities to achieve safe and livable neighborhoods

Objective 3: Invest in infrastructure

Goal 3: Create and sustain a resilient and economically prosperous City

Objective 1: Create dynamic neighborhoods that incorporate mobility, connectivity, and sustainability

V. PREVIOUS COUNCIL and/or COMMITTEE ACTION

This item was heard by the Infrastructure Committee on December 7, 2016, and forwarded to City Council with a request to the City Attorney's Office to provide information regarding any known pending legal issues regarding formation of EIFDs in the State of California.

Eligible projects that would receive funding through the proposed Otay Mesa EIFD are included in the Otay Mesa PFFP, which was approved and subsequently amended by City Council on March 25, 2014 and July 16, 2015, respectively, following community input (Resolution Nos. 308811 and 309815).

VI. COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS

There are a number of steps in the Otay Mesa EIFD formation process that require public outreach and participation. Under the EIFD law, City Council must direct the City Clerk to

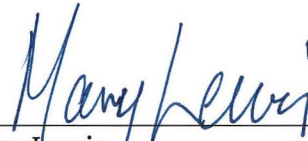
mail a copy of the ROI to each landowner within the Otay Mesa EIFD, each affected taxing entity, and the PFA. The requested actions include this step, which will constitute the first public outreach. Subsequent mailings will include the draft IFP and required CEQA document, and Notice of Public Hearing. Stakeholders will have the opportunity to voice their opinion to the PFA at the Public Hearing. Additionally, the issuance of bonds by the Otay Mesa EIFD in the future will involve an election process following all outreach required by the applicable elections law.

VII. KEY STAKEHOLDERS AND PROJECTED IMPACTS

Landowners, businesses, and residents in the proposed Otay Mesa EIFD will receive the benefit of improved infrastructure in their community. This infrastructure is expected to help improve property values and transportation in the Otay Mesa community, providing an economic benefit without increasing taxes or fees.



Lakshmi Kommi
Debt Management Director



Mary Lewis
Chief Financial Officer



Tom Tomlinson
Assistant Director, Planning Department



David Graham
Deputy Chief Operating Officer
Neighborhood Services

Attachment:

Attachment 1: Report No. 16-107 to Infrastructure Committee dated November 23, 2016



THE CITY OF SAN DIEGO

Report to the City Council

DATE ISSUED: November 23, 2016 REPORT NO: 16-107

ATTENTION: Infrastructure Committee
Agenda of December 7, 2016

SUBJECT: Formation of an Enhanced Infrastructure Financing District ("EIFD") to
Provide Funding for Otay Mesa Public Infrastructure

REFERENCE: Otay Mesa Community Plan Update, Process 5 (Report No. 14-002),
dated March 3, 2014

REQUESTED ACTION:

Forward to City Council the proposed formation of the Otay Mesa Enhanced Infrastructure Financing District, a separate and distinct governmental entity, to provide supplemental funding to projects identified in the Otay Mesa Public Facilities Financing Plan. The City Council will be requested to approve a resolution of intention to form the district and establish a Public Financing Authority as governing body of the proposed district.

STAFF RECOMMENDATION:

Forward the item to City Council for consideration and approval.

SUMMARY:

I. BACKGROUND

California Senate Bill 628, effective January 1, 2015, and California Assembly Bill 313, effective January 1, 2016, authorized the formation of an Enhanced Infrastructure Financing District ("EIFD"), which is intended to succeed the former Redevelopment financing mechanism and provide more flexibility than Infrastructure Financing Districts ("IFDs"). An EIFD is a governmental entity, separate and distinct from the city or county that establishes it, governed by a Public Financing Authority ("PFA"). EIFDs can aid local government entities in funding public capital facilities, or other specified projects of communitywide significance, primarily by capturing tax increment revenue ("TI") generated within the district. Each district can exist for up to 45 years commencing from the first successful bond issue election.

While no other cities in California have yet created an EIFD, many are currently in the process, including the City of Los Angeles, the City of West Sacramento, and the City of Yucaipa. The City of West Sacramento and the City of Yucaipa have made the most progress, with adoption of resolutions of intention to form a district and actions to create a PFA. West

Sacramento’s proposed district is broadly intended for infrastructure projects and is intended to be solely City-funded, while Yucaipa’s proposed district will provide funding for certain public facilities and infrastructure supporting a mixed use development and is intended to have other taxing entities participate.

The primary source of revenue available to an EIFD, like a Redevelopment project area, is TI. Essentially, the added improvements gained through EIFD funding would conceptually support future development and result in increased property values, which would generate increased property tax revenues from the base year (established from the most recent equalized tax roll prior to district formation). The increased revenue can then be leveraged for additional improvements through the issuance of bonds (subject to approval by 55% of registered voters within the district), and/or applied to fund improvements on a “pay-as-you-go” basis from the date of formation. Currently, cities in the County of San Diego receive 18.8% of the 1% property tax levy, with variation among specific tax rate areas (TRAs), including 16 within the proposed Otay Mesa EIFD boundaries where the City receives a range of 13.4% to 22.7%, including the Vehicle License Fee (VLF) off-set allocations (also referred to as Property Tax In Lieu of VLF) paid from the Educational Revenue Augmentation Fund (ERAF).

Unlike Redevelopment, other affected taxing entities are not required to forgo their TI for the district; participation is voluntary. Each tax sharing entity that chooses to join an EIFD has the option to allocate up to 100% of its portion of TI to the district. Under the EIFD law, school districts are precluded from participation. The table below shows the allocation of the 1% property tax levy for two TRAs in the Otay Mesa Community Plan area reflecting the City’s lowest and highest shares of the tax.

**Allocation of 1% Property Tax Revenue
Sample Otay Mesa Planning Area TRAs
(Low and High Range for City Share)**

Agency	Low	High
City of San Diego⁽¹⁾	13.4%	22.7%
County of San Diego	13.1%	15.5%
County Water Authority (CWA)	0.3%	0.1%
Otay Water District	1.2%	0.0%
Regional Occupation Centers	0.5%	0.5%
Sub-Total	28.5%	38.8%
Educational Revenue Augmentation Fund (ERAF)⁽²⁾	5.4%	8.3%
Schools	66.1%	52.9%
Total	100.0%	100.0%

⁽¹⁾ Includes VLF off-set allocation of 5.8% paid from ERAF.

⁽²⁾ ERAF reflected as net of 5.8% VLF off-set allocated to City (see footnote 1).

Source: County of San Diego Auditor & Controller

EIFD funding sources can be combined with other revenue streams, such as Facilities Benefit Assessments (FBAs) and Developer Impact Fees (DIFs).

II. DISCUSSION

Proposed Otay Mesa EIFD

The Otay Mesa Community Planning Area is a developing area of the City with approximately 9,300 acres. Land use designations in Otay Mesa include residential, commercial, industrial, open space, parks, and institutional. The area is bounded by the Otay River Valley and the City of Chula Vista on the north, the International Border on the south, Interstate 805 on the west, and the County of San Diego on the east. Otay Mesa contains the most significant remaining area of undeveloped land in the City with industrial zoning. It is envisioned as a major employment center, and has an important economic role in the region due to activities generated at the Otay Mesa Port of Entry and base-sector industries, such as transportation logistics, warehousing, manufacturing and service firms. Otay Mesa is also envisioned to include two new residential village areas, known as the Central Village and the Southwest Village, which are expected to drive much of the future residential growth. The Specific Plan for the Central Village, currently under development and expected to be finalized in 2017, envisions a community of 229.2 acres with up to 4,485 residential dwelling units, parks, open space, a school, and up to 139,700 square feet of commercial development.

Otay Mesa is also the home of the newly established Cross Border Facility, which now provides the San Diego region with direct access to Tijuana's General Abelardo L. Rodriguez International Airport. Lastly, Otay Mesa is the location of San Diego's Brown Field Municipal Airport, a site of extraordinary development potential as a business hub. In summary, the development potential associated with the Cross Border Facility, Brown Field, the prime industrial lands, and the planned residential village areas make Otay Mesa the City's prime location for establishing an EIFD.

After considering community input, City Council approved the updated Otay Mesa Community Plan and the Otay Mesa Public Facilities Financing Plan and Facilities Benefit Assessment, Fiscal Year 2014 ("PFFP") on March 25, 2014. The PFFP, which was subsequently amended via City Council action on July 16, 2015, details the specific public infrastructure projects and funding necessary to support the Community Plan and the contemplated future development. The majority of project costs in the PFFP are to be funded through Facilities Benefit Assessments and Developer Impact Fees (together, "DIFs"); however, after accounting for DIFs, the PFFP reflects a funding gap of approximately \$510 million between identified sources and the total plan costs of \$1.2 billion (in 2014 dollars). The gap stems from new growth in the community occurring prior to the PFFP update, precluding some public infrastructure costs from being incorporated into the DIF, since costs attributable to existing development cannot be charged to new development.

As noted below, while an EIFD is not expected to close the entire PFFP funding gap, it can be used as an effective tool to address a meaningful portion of the gap, and thereby assist with implementation of existing approved plans. To maximize the amount of EIFD revenue that could be generated to close the PFFP financing gap, it is proposed (1) the district boundary comprise the entire Otay Mesa Community Plan area and (2) 100% of the City's TI (net of Proposition H) generated within the boundary be allocated to the EIFD.

EIFD Projects/Otay Mesa Public Facilities Financing Plan (PFFP)

A significant portion (approximately 75%) of the infrastructure costs identified in the Otay Mesa PFFP are associated with transportation projects. The remainder is divided among parks, police facilities, fire facilities, libraries, and water/sewer projects. A breakdown of the project categories and funding costs, as set forth in the Otay Mesa PFFP, is provided in the following table.

Otay Mesa PFFP Project Categories

Project Category⁽¹⁾	Estimated Cost⁽²⁾	% of Total
Transportation	\$936,885,000	75%
Parks	\$222,438,000	18%
Police	\$19,400,000	2%
Fire	\$16,900,000	1%
Library	\$21,000,000	2%
Water/Sewer	\$30,915,000	2%
Total	\$1,247,538,000	100%

⁽¹⁾ Project funding years range from 2014 through 2062

⁽²⁾ In 2014 dollars

Source: Otay Mesa PFFP, 2014

The estimated timing of funding (i.e., DIF, private, and other public agency) reflected in the PFFP ranges from 2014 through 2062. A copy of the Otay Mesa Project Summary contained in the Otay Mesa PFFP, which includes additional project detail, is provided under Attachment 1.

It is anticipated that EIFD funds would be applied to specific PFFP projects as needed and in accordance with the capital improvement program established for the Otay Mesa PFFP identified projects. The EIFD funds could be used to accelerate the timing of construction for individual projects, which are currently programed to receive DIF funds that have a long collection horizon of up to 50 years, and also facilitate economic development through the accelerated provision of the needed infrastructure. With the additional funds generated through the EIFD, projects of high community interest such as parks and La Media Road improvements could potentially be among the projects accelerated. Prospectively, it is envisioned that, similar to DIF funds, Public Works would incorporate the EIFD revenue into the planning and timing of Otay Mesa PFFP capital improvements following the City’s capital budget process which is subject to City Council input and approval.

Proposition H Impact

A legal analysis on the impact of Proposition H (Charter Amendment Regarding Creation of an Infrastructure Fund) on EIFDs is contained in a City Attorney’s Office issued memorandum titled “Impact of Proposition H on Formation of Enhanced Infrastructure Financing Districts and Community Revitalization and Investment Authorities and Negotiation of Economic Development Incentive Agreements,” dated September 12, 2016. The City Attorney’s Office concluded that EIFDs formed after July 1, 2017 would be subject to Proposition H, meaning that 50% of property tax increment generated over the five year

period specified in Proposition H (Fiscal Year 2018 to Fiscal Year 2022) would not be available for the EIFD. Formation of the Otay Mesa EIFD is expected to be completed in the first quarter of Fiscal Year 2018. As such, the proposed district would be subject to Proposition H, resulting in the district receiving 50% of TI in Fiscal Years 2018 through 2022.

Preliminary Projected Tax Increment and Bonded Indebtedness

Keyser Marston & Associates (“KMA”) was selected by the City through a competitive process as an economic/fiscal consultant to assist with the planning and establishment of an EIFD within the Otay Mesa Community Plan Area. KMA is currently working on IFDs and EIFDs with several other California municipalities, including San Francisco, Riverside and Indio. Services provided by KMA include feasibility analysis and assistance with development of the Infrastructure Financing Plan (“IFP”), which is required by the EIFD law and includes a description of the district boundaries, the eligible projects, the plan for financing identified improvements, and the fiscal impact. Development of the IFP is currently in process, and a draft IFP will be included with the first City Council action on the proposed EIFD (the resolution of intention to form the district and establish the PFA).

Based on preliminary analysis conducted by KMA, it is estimated that the Otay Mesa EIFD could generate approximately \$328,000 in gross TI in year 1 (assumed as Fiscal Year 2018) following formation, growing to approximately \$42 million by year 45 of the district (assumed as Fiscal Year 2062). These figures are net of Proposition H revenue in the affected fiscal years (Fiscal Years 2018 through 2022). This TI cash flow can supplement existing Otay Mesa DIF revenues through pay-as-you-go project funding and support debt service for bonds issued to finance project construction.

Based on preliminary TI projections, the total amount of construction proceeds that could be generated for projects through bonding is estimated to be approximately \$158 million, assuming six series of bonds issued between Fiscal Years 2021 and Fiscal Year 2037, timed according to TI’s capacity to support debt service. The bond issuance estimates assume debt service coverage ratios of 150%, with excess TI in each year available for pay-as-you-go funding. This excess funding is estimated to total \$629 million, and, in conjunction with construction bond proceeds of \$158 million, \$787 million of gross funds could be generated for EIFD projects.

In current dollars, approximately \$81 million in bond proceeds and \$107 million in pay-as-you-go funding could be generated through the EIFD, for a total of approximately \$188 million in 2016 dollars. This would provide a significant contribution toward closing the \$510 million (in 2014 dollars) PFFP gap described above. These preliminary numbers are based on development assumptions contained in the PFFP, City Development Services, SANDAG, broker data/interviews, and other third party data sources accessed by KMA. Actual TI revenue streams are subject to changes in the types and timing of development, and the real estate market.

Initial Steps to Form EIFD

In consultation with the City Attorney’s office, acting as EIFD formation counsel, and based on state law (Government Code commencing with Section 53398.50) the initial proceedings to form the Otay Mesa EIFD include City Council approval of a resolution: (1) stating the City Council’s intention to form the EIFD (the Resolution of Intention, or ROI); (2) creating the Public Financing Authority; and (3) establishing the criteria for the PFA’s public members,

and directing the City Clerk to notice the vacancies. These initial steps, including the ROI, provide the framework for forming the district and constitute the start of the public notification process.

a. Resolution of Intention to Form the District (ROI)

The City Council ROI action would:

- Designate the boundaries of the proposed district
- Identify the types of public facilities and development proposed to be financed by the district
- State the need for the district and the goals to be achieved
- Identify the tax increment from the City that may be used for the district
- Set a time and place for a public hearing on the proposed EIFD to be conducted by Public Financing Authority
- Direct the City Clerk to mail the ROI to each landowner within the district, each affected taxing entity, and the PFA
- Accept and file a draft IFP

b. Public Financing Authority (PFA) Creation

Along with approval of the ROI, City Council must create the PFA. As described above, the PFA is the governing body for the EIFD. The PFA membership consists of three members of City Council and two members of the public. Under the EIFD law, the City Council is responsible for naming the City Councilmembers and public members to the PFA. The PFA, as a local public agency, is subject to the Ralph M. Brown Act and will be authorized and directed to adopt rules, regulations, and procedures pursuant to those and other applicable laws as the PFA deems necessary to perform its functions.

c. Public Member Criteria and Direction to Notice Vacancies

The City Council will establish the application criteria for public members to be named to the PFA, and direct the City Clerk to notice the public member vacancies. It is anticipated the proposed criteria may include that public members have knowledge, experience, or an educational background in development or finance, and have a stakeholder interest in the Otay Mesa community, such as residency, land ownership, and/or ownership of a business that owns or leases property in the Otay Mesa area.

Public Financing Authority Role and Process

Once City Council creates the PFA and selects its members, the PFA becomes the governing board of the EIFD, responsible for administering the district. At its first meeting, the PFA will approve an initial organizational resolution and direct the City Engineer or designee to prepare/finalize the IFP.

The PFA must ensure the IFP is made available for public inspection and direct the distribution of the IFP, along with any reports required by CEQA pertaining to the proposed public facilities, to each landowner in the district, the legislative body of each affected taxing entity, and the Planning Commission. (The City Council, as a participating affected taxing entity, must then review the IFP and approve it by resolution.)

No sooner than 60 days after the IFP has been mailed to each affected taxing entity, the PFA conducts a noticed public hearing on the EIFD (the date and time having been set by City Council at the time of the ROI), during which it considers any oral and written objections. PFA will have the opportunity to amend the IFP as necessary (but only to eliminate or reduce the size and cost of the proposed facilities, the amount of proposed debt, or the portion, amount, or duration of committed TI), based on input from City Council. The PFA may then pass a resolution to adopt the IFP and form the EIFD.

Following formation of the EIFD, the PFA could initiate proceedings to issue bonds by passing a resolution of intention to issue bonds and calling for an election. Currently, there are approximately 7,100 registered voters within the district. After a successful election with at least 55% approval, PFA can adopt a resolution to issue bonds, thereby allowing the financing of Otay Mesa PFFP projects with bonds.

EIFD Key Steps and Targeted Legislative Timeline

The following provides a timeline of the key steps involved in forming the proposed Otay Mesa EIFD:

<u>Targeted Date</u>	<u>Action</u>	<u>Responsible Party</u>
• Early Feb. 2017	Pass ROI to form EIFD and establish PFA	City Council
• Feb.–Mar. 2017	Notice and review applications for PFA public membership	City Clerk
• April 2017	City Council approval of PFA membership	City Council
• May 2017	Inaugural meeting of the PFA. Direction to create/finalize IFP, and mail IFP along with any required CEQA Reports	PFA
• June 2017	Adopt resolution approving the IFP	City Council
• July 2017	Public hearing, followed by resolution to adopt IFP and form district	PFA
• TBD	Resolution of intention to issue bonds	PFA
• TBD	Mailed ballot election on bond issuance	City Clerk/ Registrar of Voters
• TBD	If 55% voter approval, resolution to issue bonds	PFA

III. CITY STRATEGIC PLAN GOAL(S)/OBJECTIVE(S):

Goal 2: Work in partnership with all of our communities to achieve safe and livable neighborhoods

Objective 3: Invest in infrastructure

Goal 3: Create and sustain a resilient and economically prosperous City

Objective 1: Create dynamic neighborhoods that incorporate mobility, connectivity, and sustainability

IV. FISCAL CONSIDERATIONS

As described above, preliminarily, it is projected that \$188 million in current dollars could be generated through a combination of bond proceeds and pay-as-you-go funding over the 45 year term of the proposed EIFD, to help fund the Otay Mesa PFFP funding gap identified above (\$510 million in 2014 dollars). Supplementing DIFs and other PFFP funding sources with EIFD revenues would help pay for core public infrastructure needed to support Otay Mesa growth. While the Otay Mesa area would benefit from the infrastructure improvements, the formation of the EIFD would result in a reallocation of TI (i.e., the City's share of taxes levied on property within the district boundaries on that portion of the taxable valuation over and above the taxable valuation of the base year property tax roll) from the General Fund to pay for the Otay Mesa infrastructure improvements. It is anticipated that incremental TI from future development will be approximately \$328,000 in year 1 (assumed as Fiscal Year 2018) increasing to approximately \$42 million by year 45 of the district (assumed as Fiscal Year 2062). These TI projections are based on various assumptions made on future growth and residential, commercial, and industrial development in the area. Once the EIFD has terminated, the property tax increment revenue allocated to the EIFD will flow back into the City General Fund. The property tax generated up to the taxable valuation of the base year tax roll will continue to flow to the City General Fund.

Infrastructure Financing Plan

As described above, the IFP must include a financing plan, which is currently under development. The draft IFP will be included in the materials docketed for City Council consideration pertaining to the City Council ROI and PFA establishment actions.

V. PREVIOUS COUNCIL and/or COMMITTEE ACTION

Eligible projects that would receive funding through the proposed EIFD are included in the Otay Mesa PFFP, which was approved and subsequently amended by City Council on March 25, 2014 and July 16, 2015, respectively, following community input (Resolution Nos. 308811 and 309815).

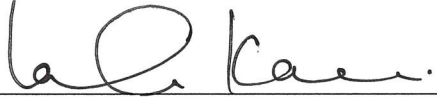
VI. COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS

There are a number of steps in district formation that require public outreach and participation. Outreach will occur in the mailings pertaining to the ROI, the draft IFP and required CEQA reports, and Notice of Public Hearing. Stakeholders will have the opportunity to voice their opinion to the PFA at the Public Hearing. Additionally, the issuance of bonds

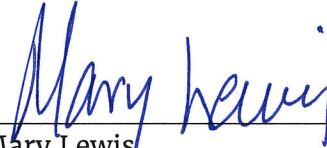
will involve an election process following all outreach required by the applicable elections law.

VII. KEY STAKEHOLDERS AND PROJECTED IMPACTS

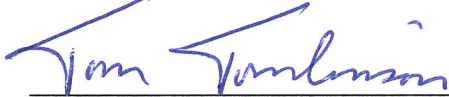
Landowners, businesses, and residents in the district will receive the benefit of improved infrastructure in their community. This infrastructure is expected to help improve property values and transportation in the Otay Mesa community, providing an economic benefit without increasing taxes or fees.



Lakshmi Kommi
Debt Management Director



Mary Lewis
Chief Financial Officer



Tom Tomlinson
Assistant Director, Planning Department



David Graham
Deputy Chief Operating Officer
Neighborhood Services

Attachment:

Otay Mesa Project Summary-Table 6 of Otay Mesa PFFP

**Attachment 1:
Otay Mesa Project Summary – Table 6 of Otay Mesa PFFP**

FY 2014 Otay Mesa Public Facilities Financing Plan

Table 6 Otay Mesa Project Summary

PAGE	PROJECT NO.	DESCRIPTION	SEE FOOTNOTE	FUNDING	ESTIMATED	FUNDING SOURCE						
				YEAR(S)	COST (2014)	FBA-OM	DIF-0M	FBA-(W)	FBA-(E)	PDIF-(W)	PDIF-(E)	OTHER
		TRANSPORTATION PROJECTS:										
32	OM T-1	PALM AVENUE/I-805 INTERCHANGE		2014, 2028, 2029	\$41,374,000	\$33,005,337	\$0	\$2,800,092	\$4,568,571	\$0	\$0	\$1,000,000
34	OM T-2	OCEAN VIEW HILLS PARKWAY	*	2014	\$17,948,173	\$0	\$0	\$4,916,974	\$7,067,664	\$1,604,993	\$3,818,542	\$540,000
36	OM T-3.1	DENNERY ROAD - (Black Coral Way to Topsail Drive)	*	2017	\$825,000	\$825,000	\$0	\$0	\$0	\$0	\$0	\$0
38	OM T-3.2	DENNERY ROAD - (Topsail Drive to Avenida De Las Vistas)		2034, 2035	\$5,700,000	\$5,700,000	\$0	\$0	\$0	\$0	\$0	\$0
40	OM T-3.3	DENNERY ROAD - (Triple Pipe Crossing)	*	2018	\$750,000	\$750,000	\$0	\$0	\$0	\$0	\$0	\$0
42	OM T-4.1	DEL SOL BOULEVARD (west boundary of elementary school to Surfpoint Way)	*	2014, 2018	\$5,357,000	\$483,598	\$0	\$4,873,402	\$0	\$0	\$0	\$0
44	OM T-4.2	DEL SOL BOULEVARD (Riviera Point Street to west boundary of elementary school)		2020	\$3,700,000	\$3,700,000	\$0	\$0	\$0	\$0	\$0	\$0
46	OM T-6.1	STREET 'A' (Ocean View Hills Parkway to Otay Mesa Road)	*	2023, 2024	\$4,000,000	\$3,120,000	\$0	\$0	\$0	\$0	\$0	\$880,000
48	OM T-6.2	STREET 'A' (Overpass from Otay Mesa Road to Airway Road)		2023, 2024, 2025	\$22,300,000	\$17,394,000	\$0	\$0	\$0	\$0	\$0	\$4,906,000
50	OM T-7	OLD OTAY MESA ROAD (Hawken Drive to California Terrace Subdivision)	*	2014	\$8,500,000	\$0	\$0	\$4,954,000	\$0	\$546,000	\$0	\$3,000,000
52	OM T-8	BEYER BOULEVARD (Enright Drive to Caliente Avenue)		2022, 2023	\$20,500,000	\$15,990,000	\$0	\$0	\$0	\$0	\$0	\$4,510,000
54	OM T-9.1	OTAY MESA ROAD (Street "A" to Caliente Avenue)		2035	\$2,200,000	\$1,716,000	\$0	\$0	\$0	\$0	\$0	\$484,000
56	OM T-9.2	OTAY MESA ROAD (Caliente Avenue to Heritage Road)		2036	\$4,400,000	\$3,432,000	\$0	\$0	\$0	\$0	\$0	\$968,000
58	OM T-9.3	OTAY MESA ROAD (Heritage Road to Cactus Road)		2036, 2038	\$2,400,000	\$1,872,000	\$0	\$0	\$0	\$0	\$0	\$528,000
60	OM T-9.4	OTAY MESA ROAD (Cactus Road to Britannia Boulevard)		2036, 2038	\$2,400,000	\$1,872,000	\$0	\$0	\$0	\$0	\$0	\$528,000
62	OM T-9.5	OTAY MESA ROAD (Britannia Boulevard to Gales Boulevard)		2038	\$920,000	\$717,600	\$0	\$0	\$0	\$0	\$0	\$202,400
64	OM T-9.6	OTAY MESA ROAD (Gales Boulevard to St. Andrews)		2038	\$960,000	\$748,800	\$0	\$0	\$0	\$0	\$0	\$211,200
66	OM T-9.7	OTAY MESA ROAD (St. Andrews to Otay Center Road)		2038	\$1,400,000	\$1,092,000	\$0	\$0	\$0	\$0	\$0	\$308,000
68	OM T-9.8	OTAY MESA ROAD (Otay Center Road to La Media Road)		2038	\$1,100,000	\$858,000	\$0	\$0	\$0	\$0	\$0	\$242,000
70	OM T-9.9	OTAY MESA ROAD (La Media Road to Piper Ranch Road)		2039	\$3,100,000	\$2,418,000	\$0	\$0	\$0	\$0	\$0	\$682,000
72	OM T-9.10	OTAY MESA ROAD (Piper Ranch Road to Harvest Road)		2039	\$3,900,000	\$1,521,000	\$0	\$0	\$0	\$0	\$0	\$2,379,000
74	OM T-9.11	OTAY MESA ROAD (Harvest Road to Sanyo Road)		2039	\$3,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$3,500,000
76	OM T-9.12	OTAY MESA ROAD (Sanyo Road to city limits)		2039	\$3,700,000	\$0	\$0	\$0	\$0	\$0	\$0	\$3,700,000
78	OM T-10.1	AIRWAY ROAD (Old Otay Mesa Road to Caliente Avenue)		2047	\$300,000	\$0	\$0	\$0	\$0	\$0	\$0	\$300,000
80	OM T-10.2	AIRWAY ROAD (Caliente Avenue to Heritage Road)		2043-2054	\$76,200,000	\$76,200,000	\$0	\$0	\$0	\$0	\$0	\$0
82	OM T-10.3	AIRWAY ROAD (Heritage Road to Cactus Road)		2035, 2036	\$20,800,000	\$16,224,000	\$0	\$0	\$0	\$0	\$0	\$4,576,000
84	OM T-10.4	AIRWAY ROAD (Cactus Road to Britannia Boulevard)		2023, 2024	\$17,400,000	\$13,572,000	\$0	\$0	\$0	\$0	\$0	\$3,828,000
86	OM T-10.5	AIRWAY ROAD (Britannia Boulevard to west of La Media Road)		2018, 2020	\$6,900,000	\$5,382,000	\$0	\$0	\$0	\$0	\$0	\$1,518,000
88	OM T-10.6	AIRWAY ROAD (La Media Road to Avenida Costa Azul)		2019	\$6,900,000	\$5,382,000	\$0	\$0	\$0	\$0	\$0	\$1,518,000
90	OM T-10.7	AIRWAY ROAD (Avenida Costa Azul to Avenida De la Fuente N.)		2021	\$4,200,000	\$3,276,000	\$0	\$0	\$0	\$0	\$0	\$924,000
92	OM T-10.8	AIRWAY ROAD (Avenida De la Fuente N. to Harvest Road)		2021, 2022	\$5,400,000	\$4,212,000	\$0	\$0	\$0	\$0	\$0	\$1,188,000
94	OM T-10.9	AIRWAY ROAD (Harvest Road to Sanyo Road)		2035	\$3,500,000	\$2,730,000	\$0	\$0	\$0	\$0	\$0	\$770,000
96	OM T-10.10	AIRWAY ROAD (Sanyo Road to Paseo de las Americas)		2035	\$870,000	\$0	\$0	\$0	\$0	\$0	\$0	\$870,000
98	OM T-10.11	AIRWAY ROAD (Paseo de las Americas to Enrico Fermi)		2035	\$3,800,000	\$0	\$0	\$0	\$0	\$0	\$0	\$3,800,000
100	OM T-11.1	CALIENTE AVENUE (Otay Mesa Road to Proposed SR 905 Overpass)		2026	\$500,000	\$390,000	\$0	\$0	\$0	\$0	\$0	\$110,000
102	OM T-11.2	CALIENTE AVENUE (SR 905 Overpass)		2026	\$50,000	\$39,000	\$0	\$0	\$0	\$0	\$0	\$11,000
104	OM T-11.3	CALIENTE AVENUE (SR 905 Overpass to Airway Road)		2026	\$500,000	\$390,000	\$0	\$0	\$0	\$0	\$0	\$110,000
106	OM T-11.4	CALIENTE AVENUE (Airway Road to current dead end)		2025, 2026	\$1,700,000	\$1,326,000	\$0	\$0	\$0	\$0	\$0	\$374,000
108	OM T-11.5	CALIENTE AVENUE (current dead end to Beyer Boulevard)		2026, 2027	\$4,800,000	\$3,744,000	\$0	\$0	\$0	\$0	\$0	\$1,056,000
110	OM T-11.6	CALIENTE AVENUE (Beyer Boulevard to Siempre Viva Road)		2026	\$2,100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$2,100,000
112	OM T-12	EXPOSITION WAY/VISTA SANTO DOMINGO		2026	\$1,350,000	\$0	\$0	\$0	\$0	\$0	\$0	\$1,350,000
114	OM T-13.1	CORPORATE CENTER DRIVE (Progressive Avenue to Otay Mesa Road)		2027	\$3,925,000	\$0	\$0	\$0	\$0	\$0	\$0	\$3,925,000
116	OM T-13.2	CORPORATE CENTER DRIVE (Otay Mesa Road to SR 905)		2027	\$2,050,000	\$0	\$0	\$0	\$0	\$0	\$0	\$2,050,000
118	OM T-14	INNOVATIVE DRIVE (Corporate Center Drive to Otay Mesa Road)		2027	\$2,650,000	\$0	\$0	\$0	\$0	\$0	\$0	\$2,650,000
120	OM T-15.1	DATSUN STREET (Innovative Drive to existing Otay Valley Road)		2033	\$3,600,000	\$0	\$0	\$0	\$0	\$0	\$0	\$3,600,000

PAGE	PROJECT NO.	DESCRIPTION	SEE FOOTNOTE	FUNDING		ESTIMATED		-----FUNDING SOURCE-----					
				YEAR(S)	COST	FBA-OM	DIF-0M	FBA-(W)	FBA-(E)	PDIF-(W)	PDIF-(E)	OTHER	
													(2014)
122	OM T-15.2	DATSUN STREET (existing Otay Valley Road to existing Heritage Road)		2033	\$2,800,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,800,000
124	OM T-16.2	HERITAGE ROAD/OTAY VALLEY ROAD (Main Street to city limits)		2017, 2027	\$53,700,000	\$1,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$52,700,000
126	OM T-16.3	HERITAGE ROAD/OTAY VALLEY ROAD (city limits to Avenida de las Vistas)		2025	\$6,900,000	\$0	\$6,900,000	\$0	\$0	\$0	\$0	\$0	\$0
128	OM T-16.4	HERITAGE ROAD/OTAY VALLEY ROAD (Avenida de las Vistas to Datsun Street)		2025, 2027	\$10,300,000	\$5,854,000	\$2,180,000	\$0	\$0	\$0	\$0	\$0	\$2,266,000
130	OM T-16.5	HERITAGE ROAD/OTAY VALLEY ROAD (Datsun Street to Otay Mesa Road)		2030	\$6,200,000	\$4,836,000	\$0	\$0	\$0	\$0	\$0	\$0	\$1,364,000
132	OM T-16.6	HERITAGE ROAD/OTAY VALLEY ROAD (Otay Mesa Road to SR 905 Interchange)		2029, 2030, 2031	\$5,800,000	\$4,524,000	\$0	\$0	\$0	\$0	\$0	\$0	\$1,276,000
134	OM T-16.7	HERITAGE ROAD/OTAY VALLEY ROAD (SR 905 Interchange ramps)		2030, 2031	\$21,700,000	\$13,539,000	\$8,161,000	\$0	\$0	\$0	\$0	\$0	\$0
136	OM T-16.8	HERITAGE ROAD/OTAY VALLEY ROAD (SR 905 Interchange to current dead end)		2032	\$540,000	\$421,200	\$0	\$0	\$0	\$0	\$0	\$0	\$118,800
138	OM T-16.9	HERITAGE ROAD/OTAY VALLEY ROAD (current dead end to Airway Road)		2032, 2033, 2034	\$19,800,000	\$19,800,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
140	OM T-16.10	HERITAGE ROAD/OTAY VALLEY ROAD (bridge to Airway Road)		2032, 2033, 2034	\$24,200,000	\$24,200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
142	OM T-17.1	AVIATOR ROAD (Heritage Road to La Media Road - widening portion only)		2022	\$15,600,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,600,000
144	OM T-17.2	AVIATOR ROAD (Heritage Road to La Media Road - new extension portion only)		2022	\$19,300,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$19,300,000
146	OM T-18.1	CACTUS ROAD (Otay Mesa Road to SR 905)		2040	\$700,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$700,000
148	OM T-18.2	CACTUS ROAD (SR 905 Overpass)		2039-2042	\$35,200,000	\$27,456,000	\$0	\$0	\$0	\$0	\$0	\$0	\$7,744,000
150	OM T-18.3	CACTUS ROAD (SR 905 to Airway Road)		2046	\$4,200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,200,000
152	OM T-18.4	CACTUS ROAD (Airway Road to Siempre Viva)		2046	\$10,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,500,000
154	OM T-19.1	SIEMPRE VIVA ROAD (Cactus Road to Britannia Boulevard)		2037	\$8,300,000	\$6,474,000	\$0	\$0	\$0	\$0	\$0	\$0	\$1,826,000
156	OM T-19.2	SIEMPRE VIVA ROAD (Britannia Boulevard to La Media Road)		2018, 2019	\$12,900,000	\$10,062,000	\$0	\$0	\$0	\$0	\$0	\$0	\$2,838,000
158	OM T-19.3	SIEMPRE VIVA ROAD (La Media Road to Harvest Road)		2018	\$4,100,000	\$3,198,000	\$0	\$0	\$0	\$0	\$0	\$0	\$902,000
160	OM T-19.4	SIEMPRE VIVA ROAD (Harvest Road to Otay Center Road)		2037	\$1,500,000	\$1,170,000	\$0	\$0	\$0	\$0	\$0	\$0	\$330,000
162	OM T-19.5	SIEMPRE VIVA ROAD (Otay Center Road to Paseo de las Americas)		2038	\$1,400,000	\$1,092,000	\$0	\$0	\$0	\$0	\$0	\$0	\$308,000
164	OM T-19.6	SIEMPRE VIVA ROAD (Paseo de las Americas to Michael Faraday Drive)		2038	\$110,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$110,000
166	OM T-20.1	CONTINENTAL STREET (Otay Mesa Road to Camino Maquiladora)		2024	\$1,425,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,425,000
168	OM T-20.2	CONTINENTAL STREET (Airway Road to SR-905)		2024	\$3,050,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,050,000
170	OM T-21.1	BRITANNIA BOULEVARD (Otay Mesa Road to SR 905)		2022	\$400,000	\$0	\$312,000	\$0	\$0	\$0	\$0	\$0	\$88,000
172	OM T-21.2	BRITANNIA BOULEVARD (SR 905 to Airway Road)		2022	\$600,000	\$0	\$468,000	\$0	\$0	\$0	\$0	\$0	\$132,000
174	OM T-21.3	BRITANNIA BOULEVARD (Airway Road to Siempre Viva Road)		2020	\$8,600,000	\$0	\$6,708,000	\$0	\$0	\$0	\$0	\$0	\$1,892,000
176	OM T-21.4	BRITANNIA BOULEVARD (Siempre Viva Road to Britannia Court)		2021	\$6,400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,400,000
178	OM T-22	SOUTHBOUND TRUCK ROUTE		2014, 2015	\$21,842,856	\$0	\$0	\$0	\$1,205,000	\$0	\$200,000	\$0	\$20,437,856
180	OM T-23	OTAY MESA CENTER ROAD (Otay Mesa Road to St. Andrews Avenue)		2022	\$1,125,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,125,000
182	OM T-24	SAINT ANDREWS AVENUE (Otay Mesa Center Road to La Media Road)		2022	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$500,000
184	OM T-25.1	LA MEDIA ROAD (Lonestar Road to Otay Mesa Road)		2034	\$10,300,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,300,000
186	OM T-25.2	LA MEDIA ROAD (Otay Mesa Road to SR 905 Interchange)		2022	\$2,400,000	\$0	\$1,872,000	\$0	\$0	\$0	\$0	\$0	\$528,000
188	OM T-25.3	LA MEDIA ROAD (SR 905 Interchange to Airway Road)		2015, 2016, 2017	\$17,600,000	\$13,728,000	\$0	\$0	\$0	\$0	\$0	\$0	\$3,872,000
190	OM T-25.4	LA MEDIA ROAD (Airway Road to Siempre Viva Road)		2014-2017	\$15,600,000	\$3,459,310	\$3,310,000	\$0	\$5,193,690	\$0	\$1,063,000	\$0	\$2,574,000
192	OM T-26.1	LONE STAR ROAD (Ramps for Southbound SR 125 and Northbound SR 125 at La Media)		2037	\$12,600,000	\$3,538,080	\$0	\$0	\$0	\$0	\$0	\$0	\$9,061,920
194	OM T-26.2	LONE STAR ROAD (Overpass)		2037, 2038	\$42,400,000	\$11,905,920	\$0	\$0	\$0	\$0	\$0	\$0	\$30,494,080
196	OM T-26.3	LONE STAR ROAD (Overpass to Harvest Road)		2038	\$14,200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$14,200,000
198	OM T-27.1	PIPER RANCH ROAD (Lone Star to SR 125 Overpass)		2040	\$9,800,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,800,000
200	OM T-27.2	PIPER RANCH ROAD (SR 125 Overpass)		2040	\$29,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$29,500,000
202	OM T-27.3	PIPER RANCH ROAD (SR 125 Overpass to Otay Mesa Road)		2040	\$10,600,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,600,000
204	OM T-28	AVENIDA COSTA AZUL (Otay Mesa Road to SR 905)		2039	\$5,350,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,350,000
206	OM T-29.1	HARVEST ROAD (Airway Road to Otay Center Drive)		2025	\$1,300,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,300,000
208	OM T-29.2	HARVEST ROAD (Otay Center Drive to Siempre Viva)		2025	\$4,800,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,800,000
210	OM T-30	OTAY CENTER DRIVE (Harvest Road to Siempre Viva Road)		2025	\$650,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$650,000
212	OM T-31.1	SANYO/HEINRICH HERTZ DRIVE (Otay Mesa Road to Airway Road)		2030	\$8,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,500,000
214	OM T-31.2	SANYO/HEINRICH HERTZ DRIVE (Airway Road to Paseo de las Americas)		2030	\$83,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$83,000
216	OM T-32	PASEO DE LAS AMERICAS (Airway Road to Heinrich Hertz Drive)		2030	\$1,775,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,775,000
218	OM T-33	MICHAEL FARADAY (Siempre Viva Road to Marconi Drive)		2030	\$350,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$350,000
220	OM T-34	MARCONI DRIVE (Paseo de las Americas to Enrico Fermi Drive)		2030	\$975,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$975,000
222	OM T-35	TRAFFIC SIGNALS (53 locations)		2016-2048	\$18,004,773	\$9,427,080	\$0	\$0	\$0	\$0	\$0	\$88,773	\$8,488,920
226	OM T-36	SR-125/SR-905 CONNECTORS		2025	\$83,300,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$83,300,000

PAGE	PROJECT NO.	DESCRIPTION	SEE FOOTNOTE	FUNDING	ESTIMATED	FUNDING SOURCE							
				YEAR(S)	COST	FBA-OM	DIF-0M	FBA-(W)	FBA-(E)	PDIF-(W)	PDIF-(E)	OTHER	
					(2014)								
228	OM T-37	EMERALD CREST COURT; and INNOVATIVE DRIVE		2028, 2030	\$3,925,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,925,000
230	OM T-38	ALISA COURT; and HARVEST ROAD (South of Otay Mesa Road)		2028, 2030	\$2,750,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,750,000
		TOTAL TRANSPORTATION PROJECTS			\$936,884,802	\$395,766,925	\$29,911,000	\$17,544,468	\$18,034,925	\$2,150,993	\$5,170,315	\$468,306,176	
		PARK PROJECTS:											
234	OM P-2	DENNERY RANCH NEIGHBORHOOD PARK		2018-2023	\$15,100,000	\$15,098,097	\$0	\$1,904	\$0	\$0	\$0	\$0	
236	OM P-4.1	CESAR SOLIS COMMUNITY PARK	*	2014-2016	\$17,400,000	\$3,421,614	\$0	\$13,978,386	\$0	\$0	\$0	\$0	
238	OM P-4.2	CESAR SOLIS COMMUNITY PARK - RECREATION CENTER & SWIMMING POOL		2019, 2021	\$11,900,000	\$8,850,000	\$0	\$0	\$0	\$0	\$0	\$3,050,000	
240	OM P-5	RIVIERA DEL SOL NEIGHBORHOOD PARK		2014-2018	\$7,400,000	\$5,479,162	\$0	\$1,920,838	\$0	\$0	\$0	\$0	
242	OM P-6	HIDDEN TRAILS NEIGHBORHOOD PARK		2014-2018	\$5,450,000	\$4,316,804	\$0	\$1,133,196	\$0	\$0	\$0	\$0	
244	OM P-7.1	BEYER COMMUNITY PARK		2020, 2021	\$11,888,000	\$8,704,000	\$0	\$212,000	\$0	\$0	\$0	\$2,972,000	
246	OM P-7.2	BEYER COMMUNITY PARK RECREATION CENTER		2023, 2024	\$6,900,000	\$5,175,000	\$0	\$0	\$0	\$0	\$0	\$1,725,000	
248	OM P-8	SOUTHWEST VILLAGE NEIGHBORHOOD PARK (A)		2022, 2023	\$6,200,000	\$6,200,000	\$0	\$0	\$0	\$0	\$0	\$0	
250	OM P-9	SOUTHWEST VILLAGE NEIGHBORHOOD PARK (B)		2024, 2025	\$6,200,000	\$6,200,000	\$0	\$0	\$0	\$0	\$0	\$0	
252	OM P-10	SOUTHWEST VILLAGE NEIGHBORHOOD PARK C		2026, 2027	\$6,200,000	\$6,200,000	\$0	\$0	\$0	\$0	\$0	\$0	
254	OM P-11.1	GRAND PARK		2040-2043	\$49,800,000	\$49,800,000	\$0	\$0	\$0	\$0	\$0	\$0	
256	OM P-11.2	GRAND PARK RECREATION CENTER		2044	\$6,900,000	\$6,900,000	\$0	\$0	\$0	\$0	\$0	\$0	
258	OM P-11.3	GRAND PARK SWIMMING POOL		2044, 2045	\$5,000,000	\$5,000,000	\$0	\$0	\$0	\$0	\$0	\$0	
260	OM P-12	SOUTHWEST VILLAGE NEIGHBORHOOD PARK (D)		2028, 2029	\$6,200,000	\$6,200,000	\$0	\$0	\$0	\$0	\$0	\$0	
262	OM P-13	SOUTHWEST VILLAGE NEIGHBORHOOD PARK (E)		2030, 2031	\$6,200,000	\$6,200,000	\$0	\$0	\$0	\$0	\$0	\$0	
264	OM P-14	SOUTHWEST VILLAGE NEIGHBORHOOD PARK (F)		2032, 2033	\$6,200,000	\$6,200,000	\$0	\$0	\$0	\$0	\$0	\$0	
266	OM P-15	SOUTHWEST VILLAGE NEIGHBORHOOD PARK (G)		2034, 2035	\$6,200,000	\$6,200,000	\$0	\$0	\$0	\$0	\$0	\$0	
268	OM P-16	SOUTHWEST VILLAGE NEIGHBORHOOD PARK (H)		2036, 2037	\$6,200,000	\$6,200,000	\$0	\$0	\$0	\$0	\$0	\$0	
270	OM P-17	CENTRAL VILLAGE NEIGHBORHOOD PARK (I)		2039, 2040	\$6,400,000	\$6,400,000	\$0	\$0	\$0	\$0	\$0	\$0	
272	OM P-18	CENTRAL VILLAGE NEIGHBORHOOD PARK (J)		2045, 2046	\$6,000,000	\$6,000,000	\$0	\$0	\$0	\$0	\$0	\$0	
274	OM P-19	CENTRAL VILLAGE NEIGHBORHOOD PARK (K)		2047, 2048	\$6,000,000	\$6,000,000	\$0	\$0	\$0	\$0	\$0	\$0	
276	OM P-20	CENTRAL VILLAGE NEIGHBORHOOD PARK (L)		2049, 2050	\$6,000,000	\$6,000,000	\$0	\$0	\$0	\$0	\$0	\$0	
278	OM P-21	OTAY MESA HIKING AND BIKING TRAILS		2017-2048	\$10,700,000	\$7,918,000	\$0	\$0	\$0	\$0	\$0	\$2,782,000	
		TOTAL PARK PROJECTS			\$222,438,000	\$194,662,676	\$0	\$17,246,324	\$0	\$0	\$0	\$10,529,000	
		POLICE PROJECTS:											
282	OM PO-2	POLICE SUBSTATION		2044, 2045	\$19,400,000	\$19,400,000	\$0	\$0	\$0	\$0	\$0	\$0	
		TOTAL POLICE PROJECTS			\$19,400,000	\$19,400,000	\$0	\$0	\$0	\$0	\$0	\$0	
		FIRE PROJECTS:											
286	OM F-2	FIRE STATION NO. 49		2019, 2020	\$8,400,000	\$8,323,586	\$0	\$76,414	\$0	\$0	\$0	\$0	
288	OM F-3	FIRE STATION		2029, 2030	\$8,500,000	\$8,500,000	\$0	\$0	\$0	\$0	\$0	\$0	
		TOTAL FIRE PROJECTS			\$16,900,000	\$16,823,586	\$0	\$76,414	\$0	\$0	\$0	\$0	
		LIBRARY PROJECTS:											
292	OM L-2.1	BRANCH LIBRARY		2025, 2026, 2027	\$12,500,000	\$12,500,000	\$0	\$0	\$0	\$0	\$0	\$0	
294	OM L-2.2	LIBRARY EXPANSION		2048	\$8,500,000	\$8,500,000	\$0	\$0	\$0	\$0	\$0	\$0	
		TOTAL LIBRARY PROJECTS			\$21,000,000	\$21,000,000	\$0	\$0	\$0	\$0	\$0	\$0	
		WATER & SEWER PROJECTS:											
298	OM U-6	WATER SUPPLY LINE IN OTAY VALLEY ROAD			\$775,000	\$0	\$0	\$0	\$0	\$0	\$0	\$775,000	
300	OM U-7	OTAY MESA TRUNK SEWER - PHASE II			\$30,140,460	\$0	\$0	\$0	\$0	\$0	\$0	\$30,140,460	
		TOTAL WATER & SEWER PROJECTS			\$30,915,460	\$0	\$0	\$0	\$0	\$0	\$0	\$30,915,460	

PAGE	PROJECT NO.	DESCRIPTION	SEE FOOTNOTE	FUNDING	ESTIMATED	FUNDING SOURCE						
				YEAR(S)	COST (2014)	FBA-OM	DIF-0M	FBA-(W)	FBA-(E)	PDIF-(W)	PDIF-(E)	OTHER
		DRAINAGE PROJECTS:										
		TOTAL DRAINAGE PROJECTS			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		AIRPORT PROJECTS:										
		TOTAL AIRPORT PROJECTS			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		TOTAL REMAINING PROJECTS			\$1,247,538,262	\$647,653,188	\$29,911,000	\$34,867,205	\$18,034,925	\$2,150,993	\$5,170,315	\$509,750,636
		COMPLETED/DELETED PROJECTS:										
304	OM T-5	STATE ROUTE 905	*	COMPLETED	\$429,187,500	\$0	\$0	\$1,667,250	\$2,720,250	\$0	\$800,000	\$424,000,000
306	OM T-16.1	HERITAGE ROAD (Central)	*	COMPLETED	\$3,967,958	\$0	\$0	\$1,360,006	\$1,507,952	\$275,000	\$825,000	\$0
308	OM T-19.7	SIEMPRE VIVA ROAD (Michael Faraday Drive to Enrico Fermi)	*	COMPLETED	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
310	OM P-1	OCEAN VIEW HILLS NEIGHBORHOOD PARK	*	COMPLETED	\$1,944,742	\$0	\$0	\$0	\$0	\$1,944,742	\$0	\$0
312	OM P-3	ROBINHOOD RIDGE NEIGHBORHOOD PARK	*	COMPLETED	\$3,767,236	\$0	\$0	\$3,767,236	\$0	\$0	\$0	\$0
314	OM PO-1	SOUTHERN AREA POLICE STATION	*	COMPLETED	\$1,207,000	\$0	\$0	\$0	\$0	\$0	\$1,207,000	\$0
316	OM F-1	FIRE STATION NO. 43	*	COMPLETED	\$2,650,000	\$0	\$0	\$0	\$0	\$0	\$2,650,000	\$0
318	OM L-1	OTAY MESA/NESTOR BRANCH LIBRARY (Exp'n)	*	COMPLETED	\$3,530,185	\$0	\$0	\$1,600,000	\$0	\$0	\$0	\$1,930,185
320	OM U-1	OTAY MESA RESERVOIR	*	DELETED	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
322	OM U-2	SOUTH SAN DIEGO PIPELINE NO. 2	*	COMPLETED	\$29,006,391	\$0	\$0	\$0	\$0	\$0	\$0	\$29,006,391
324	OM U-3	OCEAN VIEW HILLS PARKWAY PUMP STATION	*	COMPLETED	\$600,000	\$0	\$0	\$0	\$0	\$0	\$0	\$600,000
326	OM U-4	MODIFY EXISTING WATER PUMP STATION	*	COMPLETED	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$400,000
328	OM U-5	30" WATER SUPPLY PIPELINES IN RESIDENTIAL AREAS	*	COMPLETED	\$1,874,640	\$0	\$0	\$0	\$0	\$0	\$0	\$1,874,640
330	OM U-8	OTAY VALLEY TRUNK SEWER	*	DELETED	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
332	OM D-1	VELOCITY CONTROL/SPREADING BASIN STUDY	*	COMPLETED	\$156,255	\$0	\$0	\$0	\$0	\$0	\$0	\$156,255
334	OM A-1	BROWN FIELD - (Land Acquisition for Runway Zone)	*	DELETED	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	*	Projects Marked with asterick * are not included in the EIFD as the project has either started or completed construction, or has been deleted from the PFFP.										