

Torrey Pines

Impact Fee Study
Fiscal Year 2017



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Planning Department
Facilities Financing

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FIGURE 1 TORREY PINES COMMUNITY	F-1
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This information will be made available in alternative formats upon request. To request an Impact Fee Study in an alternative format, call the Planning Department Facilities Financing Program, at (619) 533-3670. To view this document online, visit the City of San Diego website at: <http://www.sandiego.gov/facilitiesfinancing/index.shtml>

Figure 1 Torrey Pines Community



Chapter 1: Introduction

Authority

The General Plan for the City of San Diego was updated on March 10, 2008 by Resolution No. 303473; and new guidelines included the division of the City into two planning designations: Proposition A Lands and Urbanized Lands. Urbanized areas include the developing communities, the central portion of San Diego as well as the remaining older section of the City. The Torrey Pines Community is designated as an Urbanized Lands area.

Policy PF-A-3 (Public Facilities, Services and Safety Element) of the City of San Diego General Plan calls for the City to maintain an effective facilities financing program to ensure that impact of new development is mitigated through appropriate fees identified in Impact Fee Studies; to ensure new development pays its proportional fair-share of public facilities costs; to ensure DIFs are updated frequently and evaluated periodically to ensure impact fee studies are representative of current project costs and facility needs; and to include in the studies a variety of facilities to effectively and efficiently meet the needs of diverse communities.

Previous, Current and Future Updates

This Fiscal Year (FY) 2017 Torrey Pines Impact Fee Study (Study) supersedes the FY 2005 Torrey Pines Public Facilities Financing Plan (adopted by Resolution No. R-300556). This document is an update that reflects changes in the rate and amount of anticipated development, and changes in Development Impact Fee contributions to Capital Improvement Projects (CIP). The City Council may amend this Impact Fee Study in the future to add, delete, substitute or modify a particular anticipated project to take into consideration unforeseen circumstances.

Purpose and Scope of Report

The Torrey Pines Community totals approximately 2,680 acres. The area is generally bound by the City of Del Mar and the Pacific Ocean to the west, the University Community to the south, the City of Solana Beach to the north and I-5 to the east.

The Torrey Pines Community Plan (Community Plan) is a comprehensive policy guide for the physical development of the community. This Impact Fee Study (Study) identifies public facilities anticipated over the next 13 years when full community development is expected. This Study is not a financing plan; rather it is an analysis of the cost of future developments' impact on facilities necessary to serve the community, and establishes a Development Impact Fee Schedule for new development.

This study identifies the estimated costs associated with the acquisition, design, and construction of community-serving infrastructure projects for the Torrey Pines community. The portion of those costs that are used to calculate the Torrey Pines DIF is referred to as the DIF-basis. For most projects included in this study, 100% of project costs are included in the DIF-basis. However, in certain instances some costs are excluded from the DIF-basis. Examples include instances where project costs are shared by multiple communities, when known funding sources other than DIF have been identified, or where limitations have been placed on costs that are included in the DIF-basis due to policy considerations such as generic parkland acquisition of unidentified sites.

Development Forecast and Analysis

The Torrey Pines Community has approximately 3,049 residential units and 7,125 residents. The Community Plan anticipates full community development in FY 2030, with an estimated 3,108 residential units, and 7,506 residents. SANDAG estimates that the Torrey Pines Community will generate a total of 161,794 average daily trips (ADTs).

Chapter 2: Existing Public Facilities and Future Needs

Mobility Facilities

The Torrey Pines Community is served by a mobility network of automobile as well as bicycle and pedestrian circulation systems. Mobility projects analyzed in this Study include street and road improvements, local mobility improvements, storm drain improvements, alternative mobility modalities, and accessibility compliance projects.

Park and Recreation Facilities

The City of San Diego General Plan (General Plan) Park Guidelines include 2.8 acres of usable parkland per 1,000 residents as a baseline for the provision of parks, and an eligibility criteria for population-based park equivalencies which allow community park acreage credit for recreational facilities that are within or adjacent to residential development, as well as various other non-traditional park types. Park and Recreation projects analyzed in this Study include new parkland and facilities, expanded use of existing facilities and parkland, and recreational improvements to Open Space areas.

Fire-Rescue Facilities

The Torrey Pines Community is served by Fire Station No. 41, located at 4914 Carroll Canyon Road and Fire Station No. 24, located at 13077 Hartfield Avenue. The Fire-Rescue Department does not recommend additional fire facilities. The Torrey Pines Community Planning Board recommends a Rapid Response Squad be created.

Police and Library Facilities

Police facilities serving the Torrey Pines Community include the Northern Division substation located on Eastgate Mall, and the Northwestern substation in Carmel Valley. Library facilities serving the Torrey Pines Community include the Carmel Valley and City of Del Mar Libraries. No police or library facility projects are included in this Study.

Timing and Cost of Facilities

The types of public facilities which may be financed by Torrey Pines DIF funds are identified in the DIF Eligible Facilities Summary on page 5-6. DIF also funds administrative costs associated with the development, implementation and operation of the DIF program.

This Study includes an analysis of costs associated with the public facility projects by each of the sponsoring departments. The facilities projects included in this Study are subject to revision in conjunction with Council adoption of the Annual Capital Improvement Program (CIP) Budget.

Depending on priorities and availability of resources, substantial changes to individual projects are possible from year to year. The Torrey Pines Community is near full community development and future DIF funds collected will contribute only a small portion of the cost of the public facilities included in this Study. The remaining portion of costs will have to be provided through funding mechanisms other than DIF. The timing of projects is dependent both upon future development within the community (for DIF revenue) and the availability of alternate funding sources or strategies.

Chapter 3: Development Impact Fee Calculation

The DIF calculation methodology utilized in this study is described below. Other fee calculation methodologies exist, which could result in a higher DIF than the fee schedule presented in this Study. As part of future updates to this IFS, the City of San Diego will evaluate alternative methodologies for calculation of the DIF.

The amount of DIF imposed on new development is based on the extent or degree to which each type of development generates a demand for, or receives benefit from, the various existing public facilities. For each identified project/project type, the portion of the project cost that is eligible to receive DIF funding is determined and included in the DIF basis. The DIF eligible amounts are totaled by facility type, along with an 8% allowance to cover City administrative cost, to generate the DIF fee component. Apportioning the DIF eligible costs of each fee component to multiple land uses varies dependent upon the type of facility. The impact fee for each component is calculated separately and the component fees combined into one DIF Fee Schedule.

Mobility Component of DIF

Both residential and non-residential development generates demand for mobility facilities. Mobility facilities are dictated by traffic volume. Residential development impact fees are based on an Average Daily Trip (ADT) rate of 7 ADTs per residential unit. Non-residential development impact fees are based on gross building area (GBA) and the number of ADTs generated by the development. The ADT rate applied to each building permit fee calculation will be that as listed in the most current version of the San Diego Municipal Code, Land Development Code, Trip Generation Manual, Table 7 (Trip Generation Rates for Facilities Financing Purposes) on the date the fee is paid.

At full community development, the Torrey Pines community is anticipated to generate 161,794 ADTs. The FY 2017 DIF Basis for Mobility projects is \$11,382,476. This cost, plus 8% administrative cost and divided by 161,794 ADTs results in a DIF of \$76 per ADT and \$532 per dwelling unit.

Park and Recreation Component of DIF

Park and Recreation (P/R) facilities benefit residential development, and residential impact fees are based on an average cost per residential dwelling unit (unit). At full community development the community is anticipated to have 3,108 dwelling units. The FY 2017 DIF basis for P/R projects is \$28,203,000. This cost, plus 8% administrative cost and divided by 3,108 residential units results in a DIF of \$9,800 per dwelling unit.

DIF Fee Schedule

By combining all impact fee components, a DIF Fee Schedule is created. For residential development, the FY 2017 fee is \$10,332 per residential unit. For non-residential development the FY 2017 fee is \$76 per ADT. The actual dollar amount for an individual building permit will be based on the DIF Fee Schedule and Trip Generation Manual in effect on the date of building permit issuance. The DIF Fee Schedule is located below and on the inside back cover of this Study. The Torrey Pines Community DIF Fee Schedule:

FY 2017	Residential Development	Non-residential Development	
Facility Type	Per Dwelling Unit	Per 1,000sf	Per ADT
Mobility	\$532	\$0	\$76
Parks & Recreation	\$9,800	\$0	\$0
Total Fee	\$10,332	\$0	\$76

Annual Increase to DIF Fee Schedule

City Council Ordinance Number O-20100, passed October 11, 2011, amended Municipal Code provisions relating to the collection of public facilities fees and assessments. Specifically, Chapter 14, Article 2, Division 6 allows for automatic annual increases to the DIF Fee Schedule to occur every July 1st. For informational purposes, the table below shows the CCI for reporting year's 2012-2016, and the applied annual increase to the subsequent FY's DIF Fee Schedule.

Percent Annual Increase		
Reporting Year	CCI	Following Year's DIF Fee Schedule Increase
2012	10,284	2.48%
2013	10,284	0%
2014	10,732	4.35%
2015	10,995	2.46%
2016	11,158	1.48%

Collection and Expenditure of DIF

Collection of DIF is required at time of building permit issuance. At time of DIF calculation, with proof of type and amount of prior land use, and/or provision of demolition permit or demolition sheet within a permit submittal package, DIF credit for previous use (and/or demolished structures on the same parcel) may be applied towards the calculation of impact fees assessed on the new use and/or new building structure. If available, DIF revenue can be expended on projects identified in the Study up to the amount identified as the DIF basis for each project or project type. Expenditure of DIF revenue may not exceed the total amount identified without further City Council action.