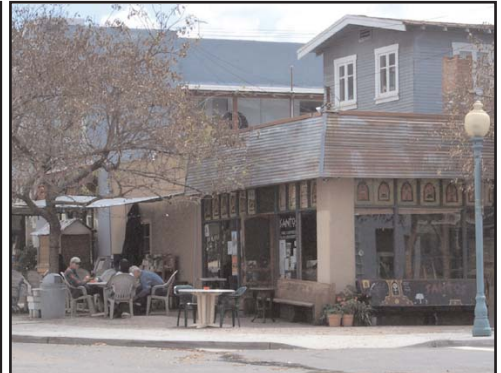


Golden Hill

Public Facilities Financing Plan
Fiscal Year 2005



THE CITY OF SAN DIEGO

July 2004

Planning Department
Facilities Financing

(R-2004-1145)

RESOLUTION NUMBER R- 299553

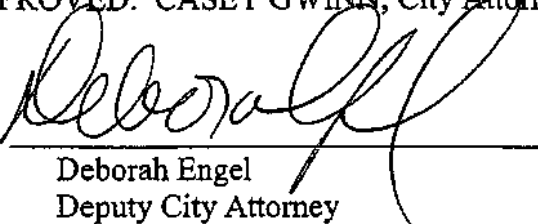
ADOPTED ON AUG 10 2004

RESOLUTION OF THE COUNCIL OF THE CITY OF SAN
DIEGO APPROVING THE 2005 GOLDEN HILL PUBLIC
FACILITIES FINANCING PLAN.

BE IT RESOLVED, by the Council of the City of San Diego, that it approves the
document titled "Golden Hill Public Facilities Financing Plan, Fiscal Year 2005," a copy of
which is on file in the office of the City Clerk as Document No. RR- 299553

APPROVED: CASEY GWINN, City Attorney

By


Deborah Engel
Deputy City Attorney

DE:als
06/02/04
Or.Dept:Plan.
R-2004-1145
R-2004-1146 (comp.)

Mayor

Dick Murphy

City Council

Scott Peters, Council District 1
Michael Zucchet, Council District 2
Toni Atkins, Deputy Mayor, Council District 3
Charles Lewis, Council District 4

Brian Maienschein, Council District 5
Donna Frye, Council District 6
Jim Madaffer, Council District 7
Ralph Inzunza, Council District 8

City Attorney's Office

Casey Gwinn, City Attorney
Deborah Engel-Brodie, Deputy City Attorney

Planning Department

S. Gail Goldberg, AICP, Planning Director
Keith Greer, Deputy Director, Planning
Charlene M. Gabriel, Facilities Financing Manager
Pam Bernasconi, Supervising Project Manager
Vicki Burgess, Project Manager
Gloria Hensley, Principal Engineering Aide

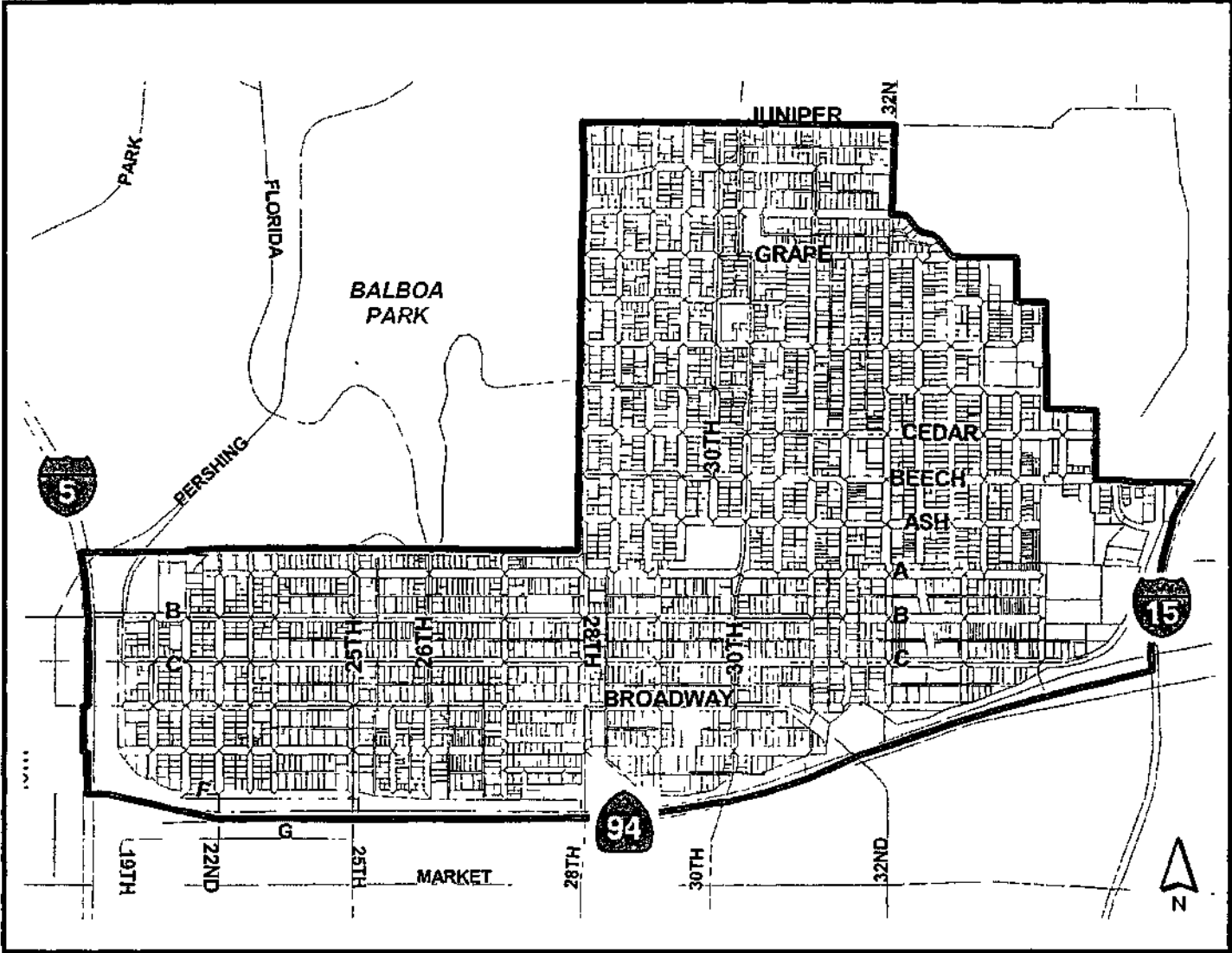
Greater Golden Hill Planning Committee

Steven Stratman, Chair
Chris Blatt
Paul Broadway
Laurie Burgett
Carole Caffey
Dave Caldwell
Beverly Davis
Tim Doyle
Scott Glazebrook
Marc Kratzschmar
Diane Langley
Rob Leach
Brad Lenahan
John McWilliams
Bonnie Poppe
Patricia Shields

This page is intentionally left blank.

FIGURE 1

GOLDEN HILL



COMMUNITY BOUNDARY

**CITY OF SAN DIEGO, COUNTY OF SAN DIEGO,
AND STATE OF CALIFORNIA**

This page is intentionally left blank.

Table of Contents

GOLDEN HILL SUMMARY	1
GENERAL	1
DEVELOPMENT FORECAST AND ANALYSIS	1
PERIODIC REVISION	2
EXISTING PUBLIC FACILITIES AND FUTURE NEEDS	2
TRANSPORTATION.....	2
PARK AND RECREATION.....	2
LIBRARY	3
FIRE PROTECTION	3
POLICE PROTECTION	3
SUMMARY OF PUBLIC FACILITIES NEEDS	3
GOLDEN HILL – PUBLIC FACILITIES FINANCING PLAN.....	4
FINANCING STRATEGY	4
GENERAL ASSUMPTIONS AND CONDITIONS	8
DEVELOPMENT IMPACT FEE DETERMINATION.....	8
BACKGROUND.....	8
DISTRIBUTION OF PROJECT COSTS AND FEE DETERMINATION.....	8
TRANSPORTATION.....	9
PARK AND RECREATION.....	9
LIBRARY	10
FIRE FACILITIES	10
DEVELOPMENT IMPACT FEE SCHEDULE.....	11
GOLDEN HILL PLANNING COMMITTEE PRIORITY LIST.....	12
GOLDEN HILL RECREATION COUNCIL PRIORITY LIST.....	13
GOLDEN HILL FACILITIES SUMMARY-TABLE 1.....	14
TRANSPORTATION.....	15
PARK AND RECREATION.....	22
FIRE.....	24

This page is intentionally left blank.

Golden Hill Summary

General

The PROGRESS GUIDE AND GENERAL PLAN for the City of San Diego recommends division of the City into planning areas which are designated as Urbanized, Planned Urbanizing and Future Urbanizing areas. Urbanized areas include the central portion of San Diego as well as the remaining older sections of the City. Planned Urbanizing areas consist of newly developing communities. Future Urbanizing areas include land which is primarily undeveloped.

The Golden Hill community planning area is an Urbanized area. This document is the first Public Facilities Financing Plan which sets forth the major public facilities needs in the areas of transportation (streets, traffic signals, etc.), libraries, park and recreation facilities, and fire stations.

This plan supersedes the previously approved Community Facilities Summary List. The facilities listed in this Financing Plan will be needed over the next approximately twenty five years when the ultimate build-out of the community is anticipated. The Golden Hill Public Facilities Financing Plan is a guide for future development within the community and serves to determine the public facility needs reflected in this document. The City Council has previously adopted a Development Impact Fee to help mitigate the cost of the public facilities necessitated by development in the community. The Development Impact Fees for residential development were adopted on August 4, 1987, by Resolution #R-269019, and commercial/industrial Development Impact Fees were adopted on September 14, 1987, by Resolution #R-269274.

Development Forecast and Analysis

The Golden Hill Community Plan is a comprehensive policy guide for the physical development of the community. The Golden Hill Community is generally bound on the north by the community of Greater North Park, on the east by the community of Southeastern San Diego, on the south by the community of Southeastern San Diego, and on the west by the community of Centre City, and Balboa Park.

The Golden Hill Community, totaling approximately 441 acres, is developing in accordance with the Golden Hill Community Plan, adopted in April 1988. Currently, the Golden Hill community contains approximately 2,817 single family detached units, 4,545 multiple family dwelling units, and 7 mobile homes, with a total population of approximately 18,368.

An analysis of present and projected development, and using the community plan as a guide indicates that, by the year 2030 approximately 1,119 additional residential dwelling units will be constructed.

Periodic Revision

To ensure that this program maintains its viability, this plan may be periodically revised to include, but not necessarily limited to, City Council changes (amendments) to the Community Plan.

Existing Public Facilities and Future Needs

Transportation

Golden Hill is served by a transportation network which consists of automobile and public transportation systems, a bicycle system, and a pedestrian circulation system. Provision of adequate transportation facilities has been a continuing process of providing those facilities to support the needs of future development.

Transportation improvements in Golden Hill are dictated by traffic volume. Improvements will be funded through a combination of Development Impact Fees (DIF), grants and other funding sources yet to be determined.

Park and Recreation

The Golden Hill community is currently served by one community park, the Golden Hill Community Park, three neighborhood parks, Grape St. Picnic Area, Golden Hill Recreation Center, and the 28th St. and Cedar St. Area.

Based on the City of San Diego Progress Guide and General Plan guidelines for population-based park acreage, with an estimated population of 18,368, park acreage is deficient.

As additional dwelling units are constructed, the resulting residents will require park or park-like facilities to serve them. In order to help satisfy the park acreage deficiency, the mutually-beneficial development of joint-use facilities with the San Diego Unified School District is encouraged. The Park and Recreation Department and the San Diego Unified School District have recently negotiated a Memorandum of Understanding (MOU) related to the development and maintenance of joint-use facilities which recommends joint-use areas contain two (2) useable acres to accommodate turf in a configuration acceptable for multi-sports use. Joint use areas less than two (2) acres in size will require a higher level of maintenance and/or other measures to ensure durability of the facility.

Library

The Golden Hill area is served by the Central Library and the North Park Branch Library which are located outside of the community planning area.

Fire Protection

Fire protection for the Golden Hill area is provided by Station No. 11, located at 945 25th Street.

Police Protection

The Golden Hill community is served by the San Diego Police Department's Central Division, located at 2501 Imperial Avenue. In addition the area is served by the Golden Hill Store Front located at 2469 Broadway.

Summary of Public Facilities Needs

Table 1 summarizes the facility needs of the Golden Hill community. Table 1 reflects both long range needs and those reflected in the current Council adopted Capital Improvements Program (CIP). These projects are more fully described in Appendix A, pages 14 to 23.

The needs listed in Table 1 are subject to annual revisions in conjunction with Council adoption of the Annual Capital Improvement's Program budget. Depending on priorities and availability of resources, substantial changes from year to year are possible.

Golden Hill – Public Facilities Financing Plan

Financing Strategy

The City of San Diego has a variety of potential funding sources for financing public facilities which will be provided in part by developers as part of the subdivision process. Potential other methods for financing public facilities are listed below:

- A. DEVELOPMENT IMPACT FEES (DIF)
- B. SPECIAL PARK FEE (SPF)
- C. TRANSNET, GAS TAX
- D. ASSESSMENT DISTRICTS
- E. LANDSCAPING AND LIGHTING ACTS
- F. GENERAL OBLIGATION BOND ISSUES
- G. CERTIFICATES OF PARTICIPATION (COP)
- H. LEASE REVENUE BONDS
- I. BUSINESS LICENSE TAX REVENUE*
- J. CAPITAL OUTLAY (LEASE REVENUE)
- K. COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
- L. FRANCHISE FEE REVENUE*
- M. LOCAL TRANSPORTATION FUND
- N. MOTOR VEHICLE LICENSE FEE (MVLFF) REVENUE*
- O. PARKING VIOLATION REVENUE*
- P. PARKING METER REVENUE*
- Q. PARK SERVICE DISTRICT FEES (PSD)
- R. PROPERTY TAX REVENUE*
- S. TRANSIENT OCCUPANCY TAX (TOT)*
- T. ANNUAL ALLOCATIONS
- U. PRIVATE CONTRIBUTIONS
- V. UTILITY USERS TAX
- W. SPECIAL TAXES FOR FIRE AND POLICE PROTECTION
- X. SPECIAL TAXES FOR PUBLIC LIBRARIES
- Y. PARK AND PLAYGROUND ACT OF 1909
- Z. GRANTS

*These funds are currently allocated for general City operations, but may be used for capital improvements.

- A. **DEVELOPMENT IMPACT FEES (DIF)** - Development Impact Fees are a method whereby the impact of new development upon the infrastructure is assessed, and, a fee system developed and imposed on developers to mitigate the impact of new development. DIF cannot be used for existing development's share. Impact fees are collected at the time of building permit issuance. Funds collected are deposited in a special interest bearing account and can only be used for identified facilities serving the community in which they were collected. As sufficient funds are collected, the City proceeds with a construction program. Use of impact fees is one of the financing methods recommended for Greater Golden Hill.

- B. **SPECIAL PARK FEE (SPF)** - Special Park Fees are a method whereby the impact of residential development upon the Park and Recreation infrastructure is assessed, and a fee system developed and imposed on developers to mitigate the impact of development. Special Park Fees are collected at the time of building permit issuance. Funds collected are deposited in a special interest bearing account and can only be used for identified Park and Recreation facilities serving the community in which they were collected. As sufficient funds are collected, the City proceeds with a Park and Recreation capital improvement.

- C. **TRANSNET, GAS TAX**, and other programs such as a state-local partnership program may provide funds for community transportation projects. These funds will be allocated annually and may be used to fund a portion of the long-range capital need for future transportation improvements in Greater Golden Hill.

- D. **ASSESSMENT DISTRICTS** - Special assessment financing, using 1913/1915 Assessment Acts or a Mello-Roos District could be used as a supplementary or alternative method of financing some facilities. A Mello-Roos District requires a 2/3 approval vote for passage. Other assessment districts generally require the support of the majority of the community. If an assessment is subject to Proposition 218, it would require a 2/3 vote.

- E. **LANDSCAPING AND LIGHTING ACTS** - Funds may be used for parks, recreation, open space, installation/construction of planting and landscaping, street lighting facilities, and maintenance. These ballot measures require 2/3 voter approval for passage.

- F. **GENERAL OBLIGATION BOND ISSUES** - Cities, counties and school districts may issue these bonds to finance land acquisition and capital improvements. The bonds are repaid with the revenues from increased property taxes. Bond issuance require 2/3 voter approval for passage.

- G. **CERTIFICATES OF PARTICIPATION (COP)** - These funds may only be used for land acquisition and capital improvements. City Council approval is required and a funding source for Debt Service must be identified.
- H. **LEASE REVENUE BONDS** - These funds may only be used for capital improvements. City Council approval is required.
- I. **BUSINESS LICENSE TAX REVENUE** - These funds are currently allocated for general City operations; but, may be used for capital improvements. City Council approval is required.
- J. **CAPITAL OUTLAY (LEASE REVENUE)** - These funds are to be used for capital improvements. City Council approval is required.
- K. **COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)** - This is a Federal grant that is applied for annually. Applications are reviewed annually; City Council and HUD approval are required.
- L. **FRANCHISE FEE REVENUE** - The City collects franchise funds from San Diego Gas and Electric and cable companies for use of City right-of-way. These funds are currently allocated for general City operations; but may be used for capital improvements. City Council approval is required.
- M. **LOCAL TRANSPORTATION FUND** - These funds are applied for and are used only for bikeway projects. City Council and Federal approval are required.
- N. **MOTOR VEHICLE LICENSE FEE (MVLFF) REVENUE** - The State allocates a portion of vehicle license fee revenue to local governments. These funds are currently allocated for general City operations; but, may be used for capital projects. City Council approval is required.
- O. **PARKING VIOLATION REVENUE** - These funds are currently allocated for general City operations; but, may be used for capital improvements. City Council approval is required.
- P. **PARKING METER REVENUE** - These funds are currently allocated for general City operations; but, may be used for capital improvements. City Council approval is required.
- Q. **PARK SERVICE DISTRICT FEE (PSD)** - This fee is charged at the subdivision level and can only be used for parks and park improvements. City Council approval is required.

- R. **PROPERTY TAX REVENUE** - Property owners are taxed one percent of the assessed value of the property. The City receives approximately 17 percent of the one percent. These funds are currently allocated for general City operations; but, may be used for capital improvements. City Council approval is required.
- S. **TRANSIENT OCCUPANCY TAX (TOT)** - The City's hotel tax is 10.5 percent and is currently allocated to eligible (tourist related) organizations that request funding annually and to tourist related City activities; TOT may be used for capital improvements. City Council approval is required.
- T. **ANNUAL ALLOCATIONS** - In the years prior to the passage of Proposition 13, the City was able to respond to community facility needs by using a portion of sales tax revenue to support the Capital Improvements Program. This has not been possible for some time. However, if other revenues are increased, annual allocations could again be used to fund some capital facilities. This is a recommended method of funding some park and recreation facilities and transportation improvements. City Council approval is required.
- U. **PRIVATE CONTRIBUTIONS** - Any private donations received by the City for capital improvements. City Council approval is required.

Potential methods for financing public facilities are described below:

- V. **UTILITY USERS TAX** - These funds may be used for any general City operation or capital improvement. These require 2/3 voter approval for passage.
- W. **SPECIAL TAXES FOR FIRE AND POLICE PROTECTION** - These funds may only be used for fire and police activities. These require 2/3 voter approval for passage.
- X. **SPECIAL TAXES FOR PUBLIC LIBRARIES** - These funds may only be used for libraries and library improvements. These require 2/3 voter approval for passage.
- Y. **PARK AND PLAYGROUND ACT OF 1909** - These funds may be used for parks, urban open-space land, playground, and library facilities. These require 2/3 voter approval for passage.
- Z. **GRANTS** - Grants are available and applied for from the federal government, state and other agencies.

General Assumptions and Conditions

In connection with the application of the following methods of financing, these general assumptions and conditions would apply:

1. Developers will be required to provide facilities normally provided within the subdivision process as a condition of subdivision approval, including but not limited to traffic signals.
2. Abutting property owners are responsible for frontage improvements such as sidewalks, curbs and gutters.
3. The DEVELOPMENT IMPACT FEE will be paid by the developer at the time of building permit issuance.
4. DEVELOPMENT IMPACT FEE funds collected will be placed in a separate interest bearing fund with interest earnings accumulated for use in the community planning area for identified facilities.

Development Impact Fee Determination

Background

In late 1987, staff developed and recommended impact fees for 28 urbanized communities. The City Council adopted the recommended fees, including those for the Golden Hill community planning area, to mitigate the impact of new development on public facilities. All undeveloped and underdeveloped parcels are subject to development impact fees. Monies collected are placed in City interest-accruing funds, to be used only for capital improvements serving the Golden Hill community.

The Golden Hill Community Plan area is almost fully developed. Since the community is near build out, the fees will provide only a small portion of the financing needed for the facilities. Thus, the majority of the required public improvements will have to be provided through special funding mechanisms other than DIF.

Distribution of Project Costs and Fee Determination

Development of the actual DIF to be imposed 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 example, all development generates vehicular traffic and thus, on an equitable basis, should share in the cost of transportation projects.

Development Impact Fees were determined for the various categories of needed public facilities on the basis of total amount of development at community plan build-out and on the basis of additional public facilities needed at community plan build-out. The impact fee base includes all project needs except those identified as subdivider funded. The fees also include an 8% charge to cover City administrative costs.

Transportation

There is a clear relationship between the use of transportation facilities and the generation of vehicular trips based upon land use. In the report “San Diego Traffic Generators,” authored by CALTRANS and SANDAG, the traffic generated by various classes of use is detailed. This report summarizes data collected at major regional traffic generators as well as neighborhood and local traffic generators in the San Diego area. Traffic counts taken at each facility are related to various characteristics of the facility such as size, type of use, number of employees, floor area, parking spaces, or number of persons. For impact fee purposes, multi-family residential development is assumed for Golden Hill (and all other urbanized communities). The residential portion of the impact fee reflects an average daily trip factor (ADT) of seven (7) as a basis for determining the impact fee. A considerable range has been found for traffic generation in non-residential developments depending on the character and use of the property. For non-residential development in the Golden Hill Community, average daily trips as generated by the projected facilities usage were used.

Using the approved land use intensity and trip generation rates, the total number of trips at community plan build-out is estimated to be 63,621. An analysis of the DIF eligible street improvements required at community build-out (estimated costs in FY 2005 dollars) totaling \$6,795,000 indicates that cost per average daily trip for transportation facilities, including administrative costs, is \$115 per trip and \$805 per dwelling unit. The fee per dwelling unit is calculated using the average daily trip rate factor of seven. These amounts will be paid by all future development.

Park and Recreation

Park and Recreation needs are based on population derived from the number of dwelling units in the community. The Park and Recreation Department has identified projects needed in the Golden Hill Community at build-out.

Allocating total park and recreation facility costs of \$55,788,000 to the residential development at build-out of 8488 units, results in an impact fee, including administrative costs, of \$7098 per unit.

Library

Library needs are based on population which is derived from the number of dwelling units estimated at build-out. Therefore, only residential developments are charged development impact fee for libraries.

There will be no Library fee as the community's needs are met by existing facilities.

Fire Facilities

The Fire Station portion of the impact fee relates to the cost of providing fire facilities to adequately provide fire protection services to both residential and non-residential development within the community. Residential impact fees are based on an average cost per dwelling unit. The average cost per 1,000 square feet of gross building area is used to determine fees for non-residential development.

The Fire Department has identified one (1) fire station serving the Golden Hill area. Fire Station #11 located at 945 25th Street was complete in 1997, however, new development still owes their fare share of its cost. Using the total amount of development, both residential and non-residential (approximately 9,228,520 square feet), the resulting impact fee is \$221 per residential dwelling unit and \$221 per thousand square feet of non-residential development.

Development Impact Fee Schedule

The resulting impact fees for the Golden Hill community planning area are as follows:

RESIDENTIAL PROPERTY					COMMERCIAL/INDUSTRIAL	
Transportation	Park & Rec	Library	Fire	Total per Residential Unit	Transportation	Fire
\$ Per Residential Unit					\$/Trip	\$/1000 sq. ft. of Gross Building Area (GBA)
\$805	\$7098	\$0	\$221	\$8124	\$115	\$221

This page is intentionally left blank.

Golden Hill Planning Committee Priority List

The following projects are a HIGH priority:

“Golden Hill is park land deficient. We need to make park land acquisition a high priority. The Central Operations Yard (20th & B) belongs to the Community of Golden Hill and at one time 17 acres were dedicated park land, this site should be converted to park land. This would satisfy some park needs in Golden Hill and would provide an attractive gateway to Balboa Park and Balboa Naval Hospital.”

The Pocket Park located at Felton and Cedar should be maintained by City Staff.

Remove the street widening projects that are currently listed in the Community Plan as well as the Financing Plan. Projects T-1, T-2, T-3 should be replaced with projects that provide traffic calming devices to those areas. This requires a Community Plan Update.

The following projects are a MEDIUM priority:

Replace all street lights with the acorn-style street lights.

Install new curbs and street gutters where necessary. Replace broken curbs, pedestrian ramps, and roadway. There are several areas in Golden Hill that have had “improvements” that left these items broken or shoddy.

The Following projects are a LOW priority:

The City should take over the duty of neighborhood street tree maintenance from the South Park Action Council.

This page is intentionally left blank.

Golden Hill Recreation Council Priority List

The following projects are a HIGH priority:

Construct new comfort station in Golden Hill Community Park.

Demolish old shuffleboard courts, construct new meeting facility with courtyard between existing clubhouse and new facility.

Modify and expand parking in Golden Hill Community Park. Improve parking safety and access along Golf Course Drive.

Install new irrigation booster pump for Recreation Center Fields.

Renovate the kitchen, craft room, and multipurpose rooms in the Recreation Center.

Recreation Center: remove the large hanging natural gas heaters. Install a modern and efficient air conditioning and heating system.

Increase usable park acreage in community for additional sports fields and passive use.

Install security lights along Russ Blvd. adjacent to Golden Hill Community Park.

The following projects are a MEDIUM priority:

Separate Recreation Center Parking from Golf Course Drive.

Demolish old Tot Lot and construct new Tot Lot.

Install new multipurpose sport lighting at Golden Hill Community Park.

Demolish old multi-purpose lighting and install new multipurpose lighting on the turf fields.

Install security cameras on the interior and exterior of Golden Hill Recreation Center.

Renovate irrigation system at Golden Hill Community Park.

Construct shaded picnic areas.

The following projects are a LOW priority:

Enclose patio behind Recreation Center and construct weight room in enclosed space.

Construct a skate park in the community.

Construct a swimming pool in the community.

Construct permanent outdoor stage/performance area in community.

This page is intentionally left blank.