

City of San Diego
City Planning & Community
Investment Department

Community Orientation Workshop

May 17, 2008



City of San Diego

City Planning & Community
Investment Department

Facilities Financing
Division



Financing Strategy – CPCI Department Priority

- Develop detailed financing strategies to address the provision of public facilities, and identify practical financing mechanisms and reasonable methods for providing public facilities.



Facilities Financing

Public Facilities Financing Plans

Facilities Benefit
Assessment

Development
Impact Fee

Regional Transportation Congestion
Improvements Program (RTCIP)



What We Do

- Facilities Financing manages the formulation, collection, and administration of Facilities Benefit Assessments (FBA), Development Impact Fees (DIF) and the Regional Transportation Congestion Improvements Program (RTCIP).
- These funds are used to finance public facilities in community plan areas throughout the City.



Background

- Passage of Proposition 13 in 1978 - Limited property tax revenues
- FBA Ordinance passed in 1980
- State law allowing for DIF passed in 1987
- Both DIF & FBA are based on concept of development paying its "fair share"
- Passage of Proposition "A" 2004 - RTCIP



Facilities Benefit Assessment (FBA)

- City of San Diego Ordinance O-15318, approved August 1980
- Planned Urbanized Communities
- Primarily new development
- Properties have recorded liens
- Usually fund 100% of projects
- FBA paid at building permit issuance
- Funds expended over buildout of community



FBA Communities

- Black Mountain Ranch
- Carmel Valley
- Mira Mesa
- North University City
- Otay Mesa
- Rancho Penasquitos
- Scripps Miramar Ranch



Development Impact Fee (DIF)

- State of California Government Code 66000
- Urbanized Communities
- Primarily infill development
- No liens
- Pays small portion of projects - "Fair Share"
- DIF paid at building permit issuance
- Funds collected must be expended within 5 years
- Rough Proportionality
- "Nexus" Determination



Communities that Collect DIF & RTCIP

- Barrio Logan
- Clairemont Mesa
- Kearny Mesa
- La Jolla
- Linda Vista
- Mission Beach
- Mission Valley
- Ocean Beach
- Pacific Beach
- Rancho Bernardo
- San Ysidro
- Serra Mesa
- Skyline/Paradise Hills
- Southeastern S.D.
- Tierrasanta
- Torrey Pines
- Uptown



Regional Transportation Congestion Improvement Program (RTCIP)

- Proposition "A" passage in 2004
- April 2008 City Council approved
- Urbanized Areas
- Residential Development only
- Pays fair share of regional arterial system
- On-site affordable housing is exempt
- Fees paid upon building permit issuance
- Effective July 1, 2008



Public Facility Financing Plans

- Implementation document for Community Plans
- Each plan includes:
 - Capital Improvement Projects
 - Financing Strategy
 - Schedule of Proposed Fees
 - Cash Flow Analysis (FBAs only)
 - Assessment Roll of Liens (FBAs only)



Public Facilities Financing Plan Development Process

- Collect project information from City departments
- Perform analysis, determine proposed fee
- Prepare draft plans for review
- Present to Community Planning Group
- Present to Land Use & Housing Committee
- Present to City Council for final approval



Public Facility Qualification

- Must be in Community Plan
- Must be attributable to new development
- “Bricks and Mortar”
- No maintenance
- No operations



**Transportation
Facilities**

**Police/Fire
Stations**

**Recreation
Facilities**

Libraries



PFFP Approval Process

- **DIF Council approval**
 - One Council appearance
 - Subject to Mayor's veto
 - New rates in effect 60 days following approval
- **FBA Council approval**
 - Two Council appearances
 - Subject to Mayor's veto
 - New rates in effect immediately upon Mayor's Approval.



Average Annual DIF and FBA Revenue (5 Years)



\$5,500,000/year

FY 08: \$1,178 (S. Univ. City)
\$11,621 (Mission Valley)
per dwelling unit



\$33,000,000/year

FY 08: \$3,965 (Sabre Springs)
\$91,799 (Torrey Highlands)
per single family unit



Judicial Drive Undercrossing



Streets & Traffic Signals



Carmel Valley Community Park



Mission Valley Library



Black Mountain Ranch Fire Station 46



Otay Mesa Library



Nobel Athletic Area & Library



Malcolm X Library



Thank you for attending our
presentation.

Any questions?



Facilities Financing Website

<http://www.sandiego.gov/planning/facilitiesfinancing/index.shtml>

