

OTAY MESA ENHANCED INFRASTRUCTURE FINANCING
DISTRICT PUBLIC FINANCING AUTHORITY
RESOLUTION NUMBER OMPFA-_____

RESOLUTION OF THE OTAY MESA ENHANCED
INFRASTRUCTURE FINANCING DISTRICT PUBLIC FINANCING
AUTHORITY ADOPTING AN INFRASTRUCTURE FINANCING
PLAN FOR AND ESTABLISHING THE OTAY MESA ENHANCED
INFRASTRUCTURE FINANCING DISTRICT AND TAKING
CERTAIN RELATED ACTIONS.

WHEREAS, the California Legislature enacted California Government Code (Code) sections 53398.50 through 53398.88 (EIFD Law) authorizing cities and counties to establish enhanced infrastructure financing districts and use specified property tax increment revenue generated within such districts to finance certain infrastructure and community benefit projects; and

WHEREAS, in enacting the EIFD Law, the California Legislature found and determined that with the dissolution of redevelopment agencies, public benefits will accrue, if local agencies finance public infrastructure and community benefit projects authorized under the EIFD Law; and

WHEREAS, the Council of the City of San Diego (Council) adopted Resolution R-310937, effective February 13, 2017, as amended by Council Resolution R-310971, effective March 15, 2017, determining that it will be beneficial to the City of San Diego (City) to establish, and stating the Council's intent to establish, the Otay Mesa Enhanced Infrastructure Financing District (District) with boundaries coterminous with the Otay Mesa Community Planning Area (Territory) identified in the Otay Mesa Community Plan adopted by the Council

in Resolution R-308810, effective March 25, 2014, and amended by the Council in Resolution R-309773, effective June 11, 2015; and

WHEREAS, the Council adopted Resolution R-310938, effective February 13, 2017, establishing the Otay Mesa Enhanced Infrastructure Financing District Public Financing Authority (Authority) to act as the governing board of the District; and

WHEREAS, the Council also directed the Authority to prepare an infrastructure financing plan (IFP) for the District in accordance with the EIFD Law; and

WHEREAS, the Authority designated and directed the City Debt Management Director to prepare an IFP for the District in accordance with the EIFD Law; and

WHEREAS, the City Debt Management Director prepared an IFP for the District; and

WHEREAS, the Council approved the IFP in Resolution R-311204 effective June 30, 2017; and

WHEREAS, the IFP is consistent with the City's General Plan and the Otay Mesa Community Plan; and

WHEREAS, the IFP includes a map of the District boundaries in Exhibit II-1 and Exhibit A and a legal description of the District boundaries in Exhibit A; and

WHEREAS, the District boundaries represent all or a portion of the Territory designated by the Council in Resolution R-310937 stating the Council's intent to establish the District; and

WHEREAS, the IFP contains a description of the public facilities and other forms of development or financial assistance proposed in the District, including those to be provided by the private sector, those to be provided by governmental entities without assistance from the District, those public improvements and facilities to be financed with assistance from the

District, and those to be provided jointly, with the proposed location, timing, and costs of the development and financial assistance; and

WHEREAS, the IFP provides that from the date of establishment of the District through June 30, 2022, fifty percent of City property tax increment revenue generated from properties within the District (including ad valorem property tax revenue annually allocated to the City pursuant to California Revenue and Taxation Code section 97.70 and corresponding to the increase in assessed valuation of taxable property located within the District) is allocated to the District, consistent with City Charter section 77.1; and

WHEREAS, the IFP provides that on and after July 1, 2022, until expiration or termination of the District, one hundred percent of City property tax increment revenue generated from properties within the District (including ad valorem property tax revenue annually allocated to the City pursuant to California Revenue and Taxation Code section 97.70 and corresponding to the increase in assessed valuation of taxable property located within the District) is allocated to the District; and

WHEREAS, by specifying these percentages of City property tax increment revenue to be allocated to the District, the IFP specifies the maximum portion of the incremental property tax revenue of the City to be allocated to the District for each year during which the District will receive incremental property tax revenue of the City; and

WHEREAS, the IFP projects the amount of incremental property tax revenues expected to be received by the District in each year during which the District will receive incremental property tax revenues, including an estimate of the amount of such tax revenues attributable to each affected taxing entity allocating incremental property tax revenue to the District for each year; and

WHEREAS, the IFP contains a limit on the total number of dollars of taxes that may be allocated to the District; and

WHEREAS, the IFP contains a plan for financing the public facilities to be assisted by the District, including a detailed description of any intention to incur debt; and

WHEREAS, the IFP sets the date on which the District will cease to exist and all tax allocation to the District will end as 45 years after the effective date of this Resolution establishing the District; and

WHEREAS, the IFP analyzes the costs to the City of providing facilities and services to the area of the District while the area is being developed and after the area is developed; and

WHEREAS, the IFP analyzes the taxes, fees, charges, and other revenues expected to be received by the City as a result of expected development in the area of the District; and

WHEREAS, the IFP addresses the projected fiscal impact of the District and the associated development upon the affected taxing entities that are not allocating incremental property tax revenue to the District; and

WHEREAS, no removal or destruction of dwelling units within the District is anticipated in implementation of the IFP, but to the extent that in the future any dwelling units within the District are proposed to be removed or destroyed in the course of public works construction within the area of the District or private development within the area of the District that is subject to a written agreement with the District or financed in whole or in part by the District, the IFP contains a plan providing for replacement of those units and relocation of affected persons consistent with the requirements of Code section 53398.56; and

WHEREAS, the IFP sets forth the goals the District proposes to achieve for the projects financed; and

WHEREAS, consistent with the California Environmental Quality Act (CEQA), the environmental impacts related to development projects identified in the IFP have been evaluated in the Otay Mesa Community Plan Environmental Impact Report (Project No. 30330 / 304032 SCH No. 2004651076) (PEIR) previously certified by the Council; and

WHEREAS, the PEIR is the most recent and comprehensive environmental document pertaining to the development projects identified in the IFP and is a Program Environmental Impact Report prepared in accordance with Title 14 California Code of Regulations section 15168; and

WHEREAS, City Planning Department staff prepared a 15162 Consistency Evaluation for adoption of the IFP, dated April 11, 2017 (Consistency Evaluation), in accordance with CEQA, Title 14 California Code of Regulations sections 15168 and 15162, and related State of California and local CEQA implementation guidelines. A copy of the Consistency Evaluation is included in the docket materials accompanying this Resolution and is incorporated into this Resolution by this reference; and

WHEREAS, the Consistency Evaluation concludes that the environmental impacts of the IFP are adequately addressed in the PEIR, none of the conditions listed in Title 14 California Code of Regulations section 15162(a) exist, and no further environmental documentation is required under CEQA for adoption of the IFP; and

WHEREAS, the City Debt Management Director sent the IFP and Consistency Evaluation to each owner of land within the District, each affected taxing entity of the District, the San Diego Planning Commission, the Council, and the Authority; and

WHEREAS, both the IFP and Consistency Evaluation were also made available for public inspection on the Authority's website and at the Office of the City Clerk; and

WHEREAS, the City Debt Management Director consulted with each affected taxing entity of the District in completing the IFP by responding to inquiries from affected taxing entities of the District and meeting with representatives of such affected taxing entities, if requested. Any and all revisions to the IFP suggested by affected taxing entities of the District have been considered by the Authority and incorporated into the IFP as deemed appropriate, in the discretion of the Authority; and

WHEREAS, the Authority conducted a public hearing regarding the IFP on July 24, 2017, in the Council Chambers located in the City Administration Building at 202 "C" Street, 12th Floor, San Diego, California 92101. The public hearing was held more than 60 days after the IFP was sent to each affected taxing entity of the District. In addition to the notice given to landowners and affected taxing entities of the District pursuant to Code sections 53398.60 and 53398.61, the Authority gave notice of the public hearing, in accordance with Code section 53398.66, by publication not less than once a week for four successive weeks in the San Diego Daily Transcript, a newspaper of general circulation published in the City; NOW, THEREFORE,

BE IT RESOLVED, by the Otay Mesa Enhanced Infrastructure Financing District Public Financing Authority, as follows:

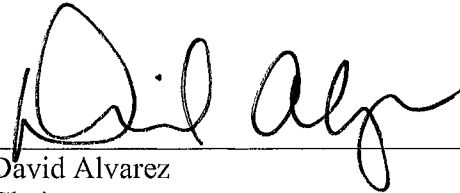
1. Objections. Any and all oral and written objections to the adoption of the IFP or establishment of the District that were presented to the Authority at or before the public hearing have been considered and any and all such objections are overruled.
2. IFP Adoption. The IFP for the District, in substantially the form included in the docket materials accompanying this Resolution, is adopted.
3. IFP Effectiveness. The IFP shall take effect on the effective date of this Resolution.

4. District Establishment. The District is established on the effective date of this Resolution.

5. Costs. The District is authorized to expend up to 10 percent of any accrued tax increment revenue allocated to the District in the first two years after the effective date of this Resolution establishing the District on planning and dissemination of information to the residents within the District about the IFP and planned activities to be financed by the District.

6. Severability. If any provision of this Resolution shall be held or deemed to be, or shall in fact be, contrary to applicable law, the remaining provisions of this Resolution shall remain in full force and effect and shall not be affected or invalidated in any way.

PASSED AND ADOPTED by the Otay Mesa Enhanced Infrastructure Financing District Public Financing Authority at a duly noticed special meeting held on July 24, 2017.



David Alvarez
Chair