COUNTY OF SAN DIEGO

LAND USE AGENDA ITEM

DATE: **September 14, 2022** **09**

TO: Board of Supervisors

SUBJECT

RECEIVE THE SAN DIEGO RIVER PARK FUNDING FEASIBILITY ANALYSIS PROJECT STATUS REVIEW AND OPTIONS ASSESSMENT AND PROVIDE DIRECTION ON OPTIONS (DISTRICTS: ALL)

OVERVIEW

The San Diego River stretches 52 miles, from the headwaters in the Cuyamaca Mountains near Julian, to its mouth at the Pacific Ocean in Ocean Beach in the city of San Diego. It flows through multiple climates and habitats such as woodland, chaparral and scrub winding from the coast to the desert, through valleys and mountains. It is also biologically diverse, with numerous habitat types and endangered species. It passes through the unincorporated area of San Diego County, Cleveland National Forest, Capitan Grande Reservation, through the unincorporated community of Lakeside and near the City of El Cajon, in addition to flowing through the cities of Santee and San Diego.

The San Diego County (County) Department of Parks and Recreation (DPR), in addition to the other jurisdictions along the San Diego River and partner organizations, have been involved in ongoing regional efforts to preserve and enhance open space along the river, named the San Diego River Park, and to create a contiguous trail that would provide residents and visitors an opportunity to connect with this unique resource. Some opportunities and benefits include additional recreational amenities, increasing connectivity, habitat conservation and restoration of the area. This vision of a contiguous trail system along the full length of the San Diego River, called the San Diego River Park (SDRP) Trail, has been in place for over 20 years and was first documented in the SDRP Conceptual Plan (June 2002) which was funded by the San Diego River Park Foundation and the State of California Coastal Conservancy.

Implementing this vision is a goal of the San Diego River Conservancy. The San Diego River Conservancy is a State agency overseen by a Governing Board that consists of 17 members from State and local organizations and includes Supervisor Joel Anderson representing the County. It was established in 2002 to preserve, restore, and enhance the San Diego River and the surrounding area. There have also been additional partners who are key collaborators on this effort, including

the County, the San Diego River Park Foundation, the City of San Diego, the City of Santee, and the Lakeside River Park Conservancy.

While the San Diego River Park Conceptual Plan set the foundation for the SDRP Trail, there have been other planning documents that identify the SDRP Trail as a key regional trail, including the County Trails Master Plan (2005) by the County of San Diego, San Diego River Park Master Plan (2013) by the City of San Diego, and the San Diego River Recreational Trail Plan (revised 2020) by the San Diego River Conservancy. All of the planning efforts have been a result of decades of feedback and input from stakeholders, including residents, landowners, wildlife agencies, environmental groups, Tribal groups, and local agencies.

Once fully developed, the SDRP would preserve and enhance open space along the San Diego River and provide residents and visitors an opportunity to access a unified, interconnected system of recreational amenities including parks and community facilities, a contiguous trail system stretching along both sides of the full 52 miles of the river, and open spaces. Currently, about 40% of the trail, approximately 50 miles, is already developed and open to the public. Once completed, the SDRP Trail is anticipated to be up to 130 miles in total length. The SDRP would enhance the biodiversity in the region by improving water quality and river health, expanding and conserving wildlife habitat. Implementation of the SDRP is also aligned with multiple County sustainability initiatives such as the County's Climate Action Plan and Regional Decarbonization Framework to ensure alignment with the County's sustainability goal by increasing trail connectivity and conservation of preserved lands.

A new focus was brought to the SDRP project in March 2021 when County Supervisor Nathan Fletcher convened a Task Force to identify priorities for future projects along the San Diego River and opportunities to implement those priorities, including the development of the SDRP and the SDRP Trail. The Task Force consisted of Supervisor Nathan Fletcher, representatives from the City of San Diego, the San Diego River Park Foundation, the San Diego River Conservancy, the Regional Task Force on the Homeless, and the Kumeyaay Diegueño Land Conservancy. The Task Force identified multiple priorities that include the Riverwalk trail alignment between the Mission Valley YMCA and Riverwalk Development in the Mission Valley community in the City of San Diego and connecting trails in the unincorporated areas of the county. One barrier to the implementation of the SDRP and the SDRP Trail identified by the Task Force is that there is no dedicated funding source to implement the full vision. Until now, each jurisdiction has only funded portions of trails as funding becomes available.

On November 3, 2021 (6), the Board of Supervisors (Board) allocated $500,000 and directed DPR to lead the effort to conduct an analysis of potential long-term funding mechanisms for the SDRP and to return to the Board with options and a recommendation for Board consideration. In response to this direction by the Board, The County selected a consultant to conduct a Funding Feasibility Analysis (Analysis). The Analysis evaluated the costs to complete the SDRP Trail, identified and evaluated funding options based on unfunded current and future needs, identified the types, magnitude, and distribution of benefits from the SDRP Trail, and conducted outreach with stakeholders and interested parties. The consultant's assessment was based on the costs and associated funding necessary to complete the full SDRP Trail, from the Pacific Ocean to the

headwaters, along with the involved jurisdictions that would need to work together in order to implement. This includes priority sections of the SDRP Trail identified by the Task Force and also all other uncompleted sections.

The Analysis outlines seven potential options for funding mechanisms for the completion of the SDRP Trail that the Board could choose to pursue. The strengths and drawbacks of each option are summarized in the background section and detailed in the Analysis (Attachment B). They include three main categories or types of funding mechanisms: 1) new taxes, 2) the creation of an Enhanced Infrastructure Financing District (EIFD), and 3) debt financing options. The Board could also direct staff to utilize the current capital improvement process to secure County General Fund funding for the County-owned portions of the SDRP over time through a "pay-as-you-go" option as General Fund balance is available. Or, the Board could take no further action other than to receive the Analysis.

Each of these options has different pros and cons, as well as timeframes to implement. New taxes would require voter approval. A new sales tax with dedicated funding for the SDRP would require a countywide two-thirds majority vote and the next regularly scheduled election is not until June 2024. On the other hand, an EIFD does not require countywide voter approval, can fund the acquisitions and construction of trail segments, and could begin to be put in place within one to two years. An EIFD has a set geographical boundary, established by a local agency, to reserve future tax growth for a specified purpose. However, an EIFD cannot fund operating costs of the SDRP and has limited maintenance capabilities.

In order to cover ongoing and long-term maintenance costs, the County would need to collaborate with other jurisdictions to determine how best to fund those costs. For instance, a Joint Powers Agreement (JPA) could be created to share the ongoing cost and fund those costs through existing revenue sources, such as General Purpose Revenue. Additionally, the County and partnering jurisdictions could create a Community Facilities District (CFD) or other maintenance district that contribute funding toward these ongoing costs. CFDs or other maintenance districts are formed when property owners within a geographic area agree to impose a tax and pay for public financing to fund infrastructure improvements or services, such as streets, water, sewage and drainage, electricity, infrastructure, schools, parks, and police protection within the boundaries of that geographic area. These districts could be managed by a JPA to help define the role and implementation of ongoing operations and maintenance between the jurisdictions. Staff would work with partnering jurisdictions to determine the best approach and return back to the Board to begin the process of a vote by the impacted parcels.

In order to proceed to the next steps, the Board must direct staff to move forward with the chosen funding mechanism and utilize the existing San Diego River Park Master Plan and other planning documents to develop an implementation plan that includes the list of all potential SDRP projects with prioritization, anticipated costs, and implementation timeline. In addition, as a key next step, staff would need to work with other jurisdictions, including the City of San Diego and City of Santee, to formalize their participation in the implementation plan, as participation from other jurisdictions will be necessary to complete the full length of the SDRP. If staff are directed to move forward with one of the funding mechanisms presented, staff would work with the other

participating jurisdictions to determine how projects would move forward and any appropriate cost share that would be required.

Today's request is for the Board to receive the Analysis and provide direction on the options identified in the Analysis. Depending on the options directed, this request will result in an estimated one-time implementation cost ranging from $325,000 to $1,025,000. Staff recommendation is to work collaboratively with other willing jurisdictions, including the City of San Diego and the City of Santee, to pursue the formation of an EIFD to complete the full length of the SDRP, and combine this with maintenance district such as a CFD, managed by a JPA with the City of San Diego and/or City of Santee to fund the ongoing operations and maintenance of the facilities once constructed. Staff will return to the Board with information based on Board direction and identify a funding source as necessary.

If the Board supports staff recommendations and directs staff to pursue an EIFD under Option B, staff would first seek a resolution from the San Diego City Council in support of partnering with the County to proceed with EIFD formation prior to moving forward with this process. Once a commitment from the City is confirmed, staff would initiate procurement for a consultant who specializes in EIFD formation. Procurement would take approximately six months. Once the consultant is selected, staff and the consultant would begin meeting with staff in the City of San Diego to develop the plan for how to form the PFA as required by EIFD law.

Once under contract, the consultant would assist in the formation of the Public Financing Authority that would then be responsible for developing the Infrastructure Financing Plan (IFP) and determine the district boundaries. The process to develop the PFA and form the EIFD would take approximately 18 months from the time a funding source is identified, at which point staff would return to the Board to approve the formation of the EIFD, and any partnering jurisdictions would also adopt a resolution of intent to form.

Once the EIFD is established, it could take 1-3 years before it generates enough revenue to start the process to issue bonds. While bonding through an EIFD would not require voter approval, the process could still take an additional year before funding is in place.

While developing the EIFD, staff would also work to develop a maintenance district to cover the ongoing costs for operating and maintenance of the SDRP. That process would include returning to the board for approval of a voter ballot of impacted parcels to gain approval of the maintenance district.

RECOMMENDATION(S)
CHIEF ADMINISTRATIVE OFFICER

1. Find that the proposed activity is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15061(b)(3) and 15262 of the State CEQA Guidelines.

2. Receive the consultant's report on the San Diego River Park Funding Feasibility Analysis (Attachment B, on file with the Clerk of the Board).

3. Direct staff to develop one or more of the following funding mechanisms to be used for San Diego River Park (SDRP) improvements and ongoing restoration, operations, and maintenance. The options are categorized by different types of funding mechanisms. The Board could direct staff to pursue multiple options in one category or combine options from different categories.

   A. Pursue new revenue options through a new tax or assessment districts
      1. Pursue the formation of a special district or Joint Powers Authority to fund Ongoing Operations and Maintenance (**Staff Recommendation)**
      2. Increased Sales Tax
      3. Increased Transient Occupancy Tax

   B. Pursue the formation of an Enhanced Infrastructure Financing District (**Staff Recommendation)**

   C. Pursue Other Financing Mechanisms
      1. Pursue Certificates of Participation
      2. Pursue General Obligation Bonds

   D. Prioritize Funding for the SDRP with existing General Fund revenue sources through the existing Capital Improvement Needs Assessment process.

4. Authorize the Director of Department of Purchasing and Contracting to advertise and award contracts and take any action authorized by Section 401 et seq. of the Administrative Code, with respect to contracting for the formation of a funding mechanism for the SDRP.

5. Designate the Director, Department of Parks and Recreation, or designee, as the County Officer responsible for administering the contracts, in accordance with Board Policy.

6. If the Board approves staff recommendation, direct staff to first seek a resolution of support from the City of San Diego to partner with the County on the formation of an EIFD and if the commitment is secured, then return to the Board within 18 months as of when funding is identified, with the required steps to form the EIFD.

EQUITY IMPACT STATEMENT

The San Diego River is the most populous watershed in the region and is home to more than 500,000 residents. Currently, public access is restricted to only certain stretches of the SDRP that are owned by public agencies and non-profits. The SDRP Trail will increase regional connectivity from the mountains near Julian to the Pacific Ocean, expanding recreational opportunities for all San Diego residents and visitors. Investment in the SDRP will have a positive impact on all residents and visitors and will ensure the continuation of accessible recreational and educational experiences while providing alternative means of transportation throughout the region. This action works toward expanding access to this valuable ecological asset to all residents.

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FISCAL IMPACT
Funds for this request are not included in the Fiscal Year (FY) 2022-23 Operational Plan in the Department of Parks and Recreation (DPR). Depending on which option the Board selects, there are various fiscal impacts per recommendation as outlined in Attachment C (SDRP Estimates). Depending on the options directed, this request will result in an estimated one-time implementation cost ranging from $325,000 to $1,025,000, beginning in FY 2022-23 (not including election costs if directed or additional planning and coordination costs). Funding for the implementation costs will need to be identified by the department and the project will proceed once funding is identified. DPR will monitor its budget and return to the Board with information identifying a funding source as necessary. At this time, there is no impact to net General Fund costs, and there will be no additional staff years.

If the option to pursue Certificates of Participation is selected, annual lease payments related to the Certificates of Participation may utilize future General Purpose Revenue, if another funding source is not identified.

If the option to pursue creation of an Enhanced Infrastructure Financing District (EIFD) is selected, this option would redirect future property tax increment, which is the County's General Purpose revenue funding source. While the baseline amount of GPR funding would still come to the County to be allocated in the Operational Plan, any increases in property tax for the properties within the EIFD's district that would normally come to the County's General Fund would be redirected to the EIFD. The amount will be determined when creation of an EIFD returns to the Board as part of the Infrastructure Financing Plan.

If the options selected by the Board include a requirement for voter approval or costs associated with debt financing, staff will return to the Board to appropriate funding for the additional costs and obtain necessary approvals for those processes. Additional costs will be pursued in future Operational Plans as funding and projects are identified.

BUSINESS IMPACT STATEMENT
N/A

ADVISORY BOARD STATEMENT
N/A

BACKGROUND
The San Diego River watershed is the most populous watershed in the region and is home to more than 500,000 residents. The San Diego River watershed is biologically diverse, with numerous habitat types and endangered species, such as the arroyo toad and least Bell's vireo. The San Diego River stretches 52 miles within the San Diego River Watershed, from the headwaters in the Cuyamaca Mountains near the unincorporated community of Julian, to its mouth at the Pacific Ocean in Ocean Beach in the city of San Diego. It flows through multiple climates and habitats such as woodland, chaparral and scrub winding from the coast to the desert, through valleys and mountains. It passes through the unincorporated area of San Diego County, Cleveland National

Forest, Capitan Grande Reservation, through the unincorporated community of Lakeside and near the city of El Cajon, in addition to the cities of Santee and San Diego.
The County Department of Parks and Recreation (DPR), in addition to the other jurisdictions along the San Diego River and partner organizations, have been involved in ongoing regional efforts to preserve and enhance open space along the River, named the SDRP, and to create a contiguous trail that would provide residents and visitors an opportunity to connect with this unique resource. This vision of a contiguous trail system along the full length of the San Diego River, called the SDRP Trail, has been in place for over 20 years and was first documented in the San Diego River Park Conceptual Plan (June 2002).

Implementing this vision is a goal of the San Diego River Conservancy. The San Diego River Conservancy is a State agency overseen by a Governing Board that consists of 17 members from State and local organizations and includes Supervisor Joel Anderson representing the County. Established in 2002, the San Diego River Conservancy strives to preserve, restore, and enhance the San Diego River and the surrounding area. Additional partners and key collaborators on this effort include the County, San Diego River Park Foundation, the City of San Diego and the City of Santee. While the SDRP Conceptual Plan set the foundation for the SDRP Trail, there have been other planning documents that identify the SDRP Trail as a key regional trail, including the County of San Diego's County Trails Master Plan (2005), the City of San Diego's San Diego River Park Master Plan (2013), and the San Diego River Conservancy's San Diego River Recreational Trail Plan (revised 2020).

The existing sections of the SDRP Trail connect to different parks in the city and unincorporated areas, including Mission Trails Regional Park, Lake Murray Park, Louis A. Stelzer County Park, and Lake Jennings. The SDRP Trail, once completed, would provide residents and visitors an opportunity to extend connection to DPR parks and trail systems throughout the San Diego River Watershed, including the Lakeside Baseball Park, Cactus County Park, El Capitan County Preserve, El Monte County Park, Lindo Lake County Park, Santa Ysabel County Preserves, Kumeyaay Valley County Park, and the regional Trans County Trail.

Implementation of the SDRP Trail vision is aligned with multiple County sustainability initiatives and further supports the County's sustainability goals by increasing trail connectivity and conservation of preserved lands. The SDRP would enhance the biodiversity in the region by improving water quality and river health, and expanding and conserving wildlife habitat. Implementation of the SDRP includes several strategies and measures from the County's 2018 Climate Action Plan (CAP), including Measure T-1.1 "Acquire Open Space Conservation Land" to reduce vehicle miles travelled, Measure T-2.1 "Improve Roadway Segments as Multi-Modal" and Measure T-2.2 "Reduce Emissions from New Nonresidential Development Vehicle Miles Traveled" to shift to alternative modes of transportation, and Measure A-2.1 to "Increase Residential Tree Planting" and Measure A-2.2 "Increase Tree Planting" to increase carbon sequestration through habitat restoration. The SDRP also contributes to climate adaptation strategies identified in the CAP, including preparation for temperature extremes, wildfire risk, flood risk, and sea level rise.

Completing the SDRP trail is aligned with the County's Regional Decarbonization Framework (RDF) that seeks to achieve net zero carbon emissions for the region. Strategies to achieve this goal include preventing land use changes from natural and working lands to developed lands. Furthermore, the RDF finds that habitat restoration and active land management practices can increase the greenhouse gas sequestration and carbon storage capacity of natural and working lands, so restoration and land management activities associated with trail creation (e.g., planting native plants along the trail, removing invasive plant species, etc.) would be aligned with regional decarbonization goals. Specific assessment of the consistency and benefits to RDF and CAP would be further analyzed during implementation of the SDRP trail during project level analysis.

In March 2021, County Supervisor Nathan Fletcher convened a Task Force to identify priorities for future projects along the San Diego River and opportunities to implement those priorities, including the development of the SDRP and the SDRP Trail. The Task Force consisted of members from the County, the City of San Diego, the San Diego River Park Foundation, the San Diego River Conservancy, the Regional Task Force on the Homeless, and the Kumeyaay Diegueño Land Conservancy. The Task Force identified multiple priorities, examples include the Riverwalk trail alignment between the Mission Valley YMCA and Riverwalk Development, the YMCA West Valley Bridge Crossing, and the River Run trail gap connection between Qualcomm Way and San Diego State University West, which are all in the Mission Valley community in the City of San Diego, and connecting trails in the unincorporated areas of the county. One barrier in implementation of the SDRP vision and the SDRP Trail identified by the Task Force was that there is no dedicated funding source.

On November 3, 2021 (6), the Board allocated $500,000 and directed DPR to lead the effort to conduct an analysis of potential long-term funding mechanisms for the SDRP and to return to the Board with options and a recommendation for Board consideration.

The County selected the consultant to conduct a Funding Feasibility Analysis (Analysis). The Analysis evaluated the costs to complete the SDRP Trail, identified and evaluated funding options based on unfunded current and future needs, identified the types, magnitude, and distribution of benefits from the SDRP Trail, and conducted outreach with stakeholders and interested parties. The consultant's assessment was based on the costs and associated funding necessary to complete the full SDRP Trail, from the Pacific Ocean to the headwaters. This includes Task Force priority sections along with all other uncompleted sections.

San Diego River Park Trail Mileage

The SDRP Trail is anticipated to be up to 130 miles when complete. There are approximately 49.9 miles of trail already developed and open to the public and an additional 5.1 miles of trail that are under development on private land, that once completed, will provide a total of 55 miles of trails for public use. There are an estimated 75 miles of trails remaining to be constructed to complete the SDRP Trail. Multiple entities, including the County, will need to contribute resources to complete the SDRP Trail (Table 1). The 75 miles of needed trail transverse multiple landowners, with 46.5 miles on public lands, and although there are 33.6 miles on private land, only 28.5 miles on private land would need to be covered by the funding mechanism, as 5.1 miles of trail on private land are already under development. The 28.5 miles of the trail connections on private land would

require the County and its partners to wait until the land is developed, donated, acquired, or an easement is obtained to build the SDRP Trail. If the Board directs staff to pursue an option or options for a dedicated funding mechanism, DPR and partners can complete the estimated 75 miles of trail required to complete the SDRP trail. In lieu of dedicated funding, DPR and partners will continue to seek funding opportunities and pursue projects only when funding is available.

Table 1. Trail Mileage by Ownership Type

	SDRP Trail Needs	Existing Trail Miles	Total Trail Miles
PRIVATE LAND TOTAL	**33.6**	**17.6**	**51.2**
PUBLIC LAND TOTAL	**46.5**	**32.3**	**78.8**
County of San Diego	4.5	3.7	8.2
City of San Diego	7.3	6.1	13.4
City of Santee	1.3	2.5	3.8
Multi-Jurisdictional Ownership	3	-	3.0
Other Public	15.4	20	35.4
U.S. Forest Service	14.9	-	14.9
TOTAL TRAIL LENGTH	**80.1**	**49.9**	**130.0**
Trail on Private Land Development	(5.1)		
TOTAL REMAINING TRAIL TO BE FUNDED	**75.0**	-	**75.0**

Source: Created by ECONorthwest with data from the San Diego River Conservancy and San Diego County Assessor.

The SDRP Trail crosses multiple jurisdictions, including the Cities of San Diego, Santee, and El Cajon, and the unincorporated County (Table 2; Figure 1-5). The majority of completed trail miles are located west of the El Capitan Reservoir and Alpine (Figure 1). Additional trail segments have been proposed from El Capitan Reservoir eastward to the unincorporated community of Julian.

Table 2. Trail Mileage Within Jurisdictional Boundaries

Jurisdiction	SDRP Trail Needs	Existing Trail Miles	Total Trail Miles
City of San Diego	19.5	22.4	41.9
City of Santee	5.8	11.5	17.3
City of El Cajon	.4	7.6	8.0
Unincorporated County of San Diego	49.3	8.5	57.8
TOTAL	**75.0**	**50.0**	**125.0**

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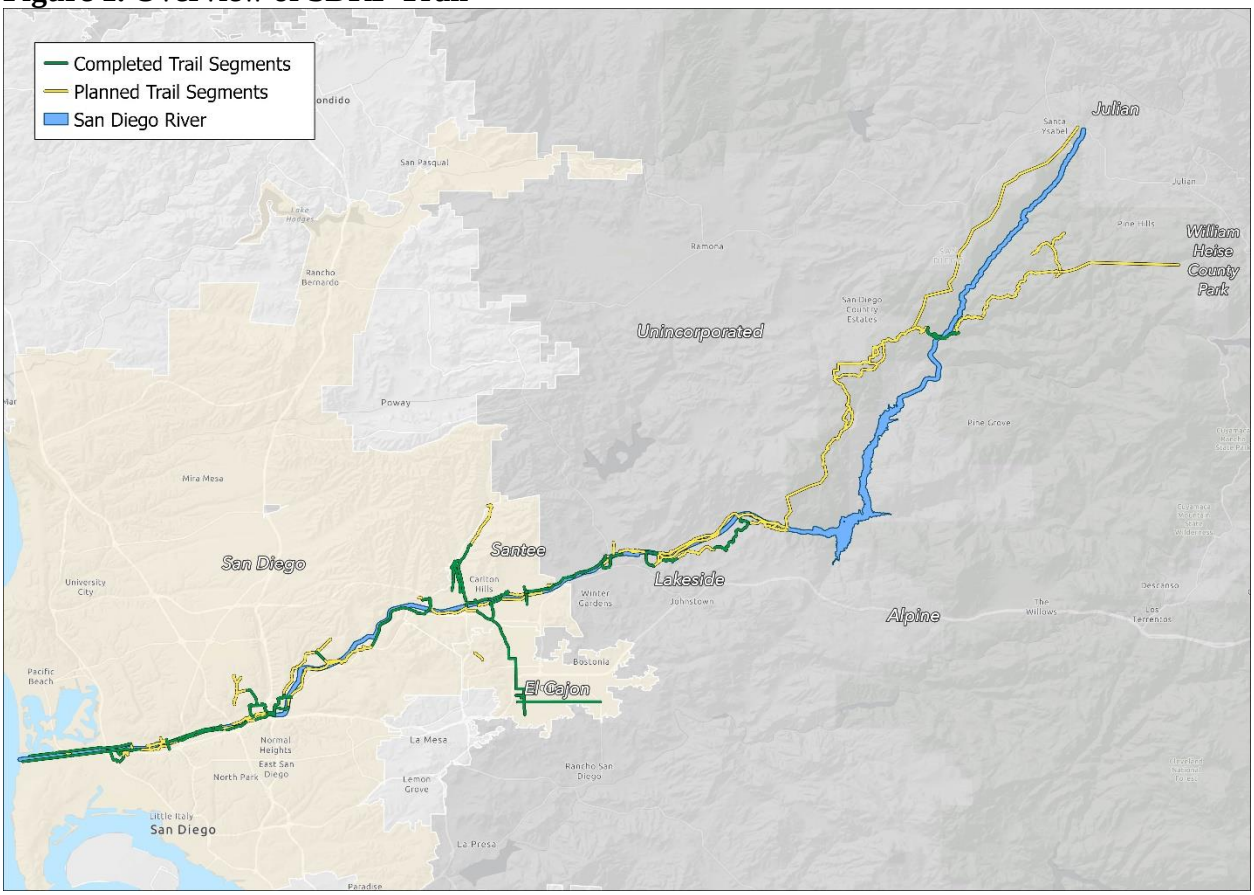
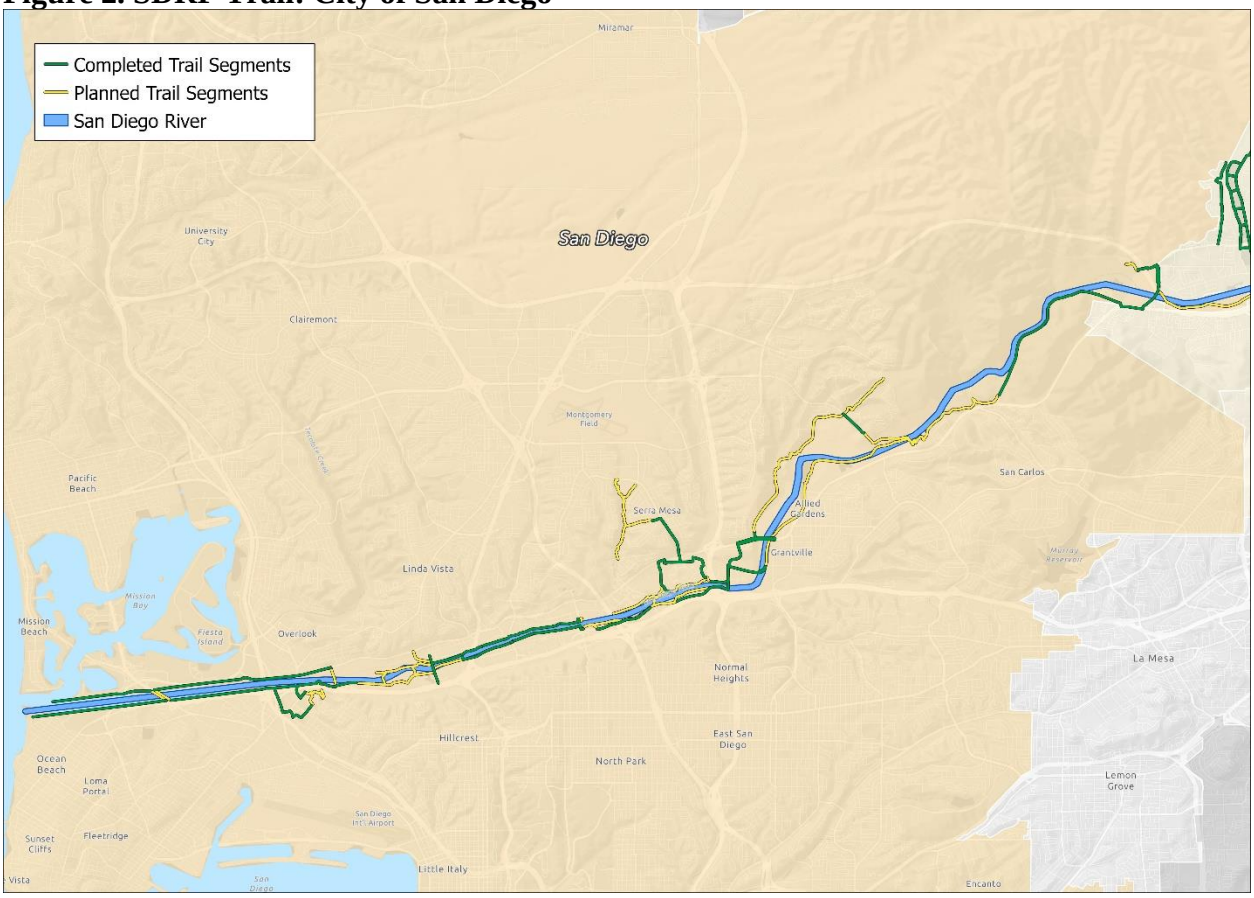
Figure 1. Overview of SDRP Trail



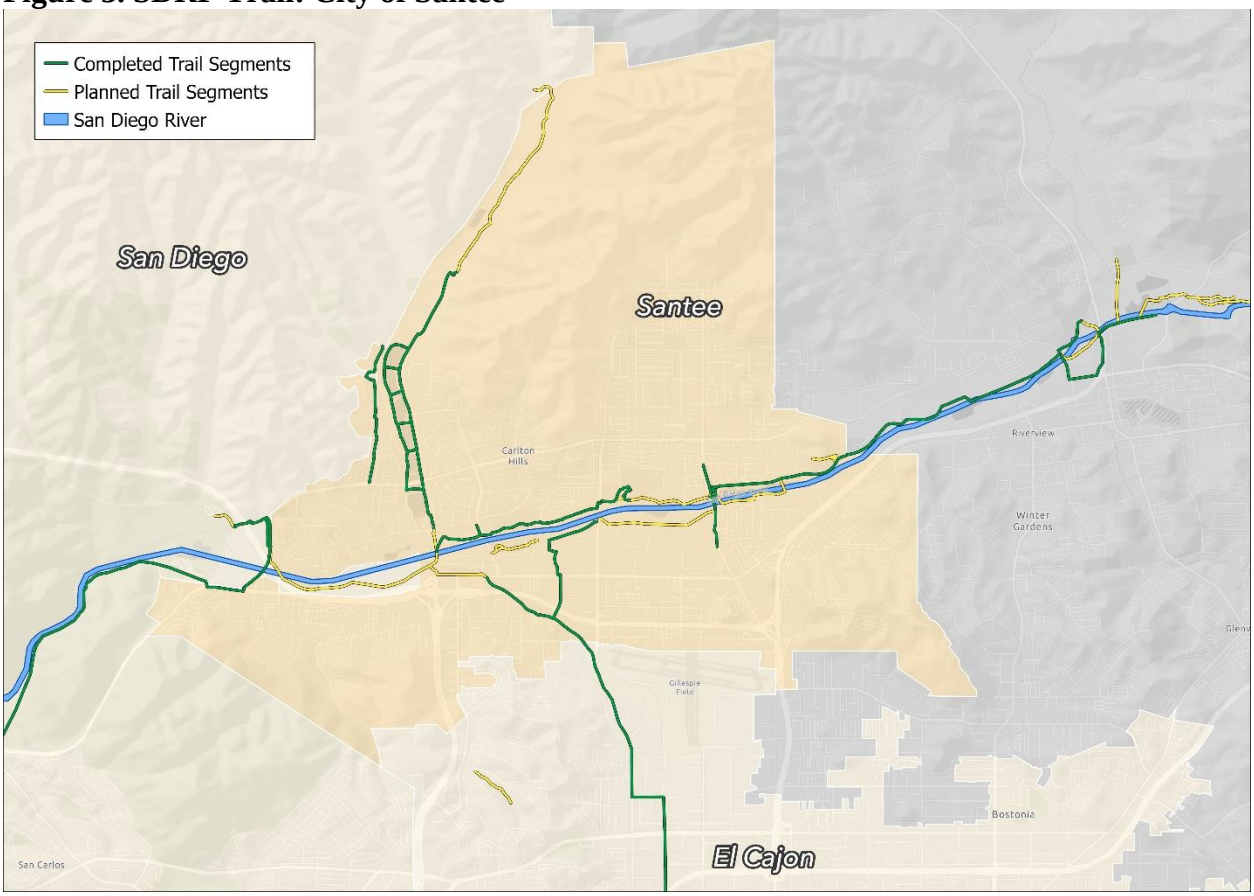
Approximately 42 miles of the SDRP Trail lie within the jurisdictional boundaries of the City of San Diego (Figure 2). Over 22 miles are currently complete while approximately 20 miles of trails are needed.

Figure 2. SDRP Trail: City of San Diego



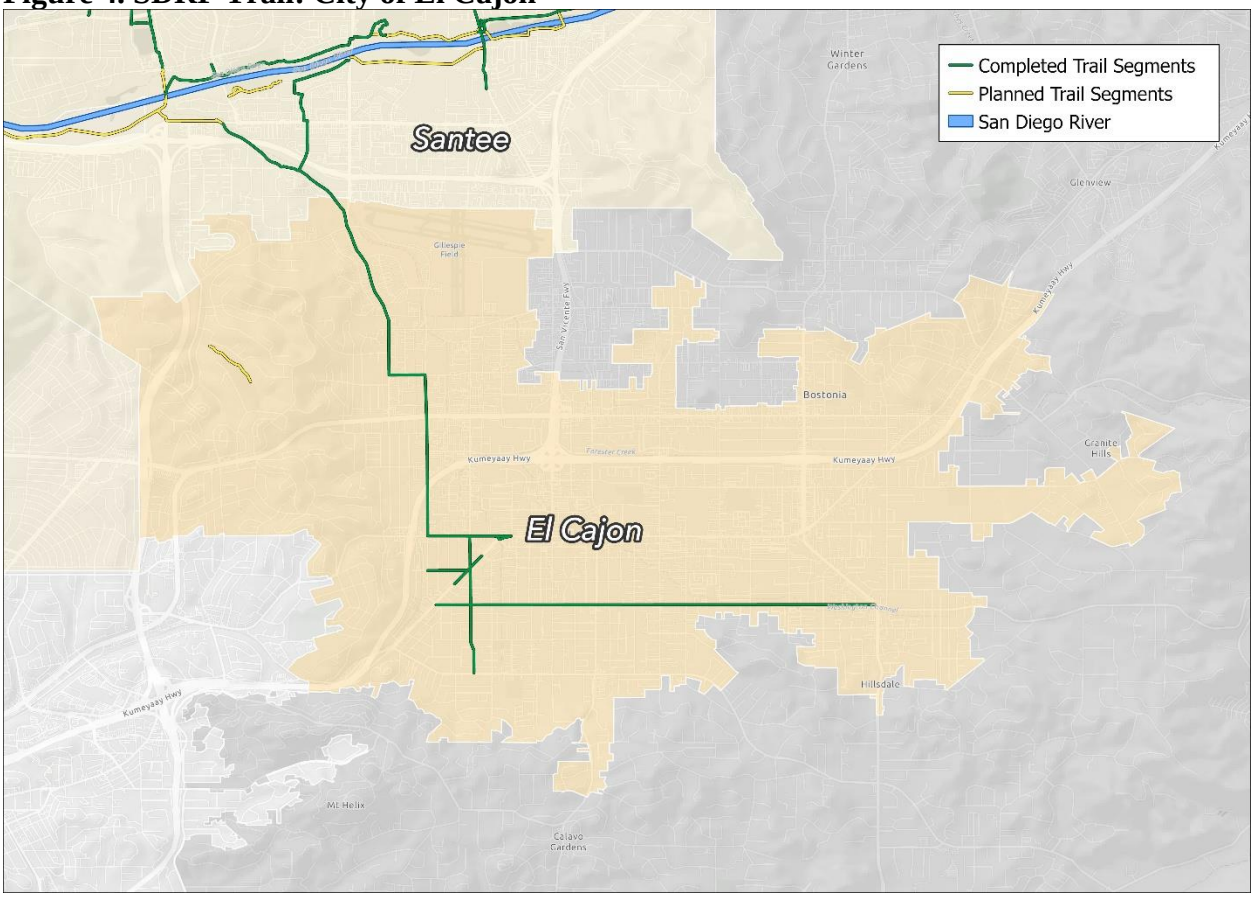
Approximately 17 miles of the SDRP Trail lie within the jurisdictional of the City of Santee (Figure 3). Over 11 miles are currently complete while approximately 6 miles of the trail are needed.

Figure 3. SDRP Trail: City of Santee



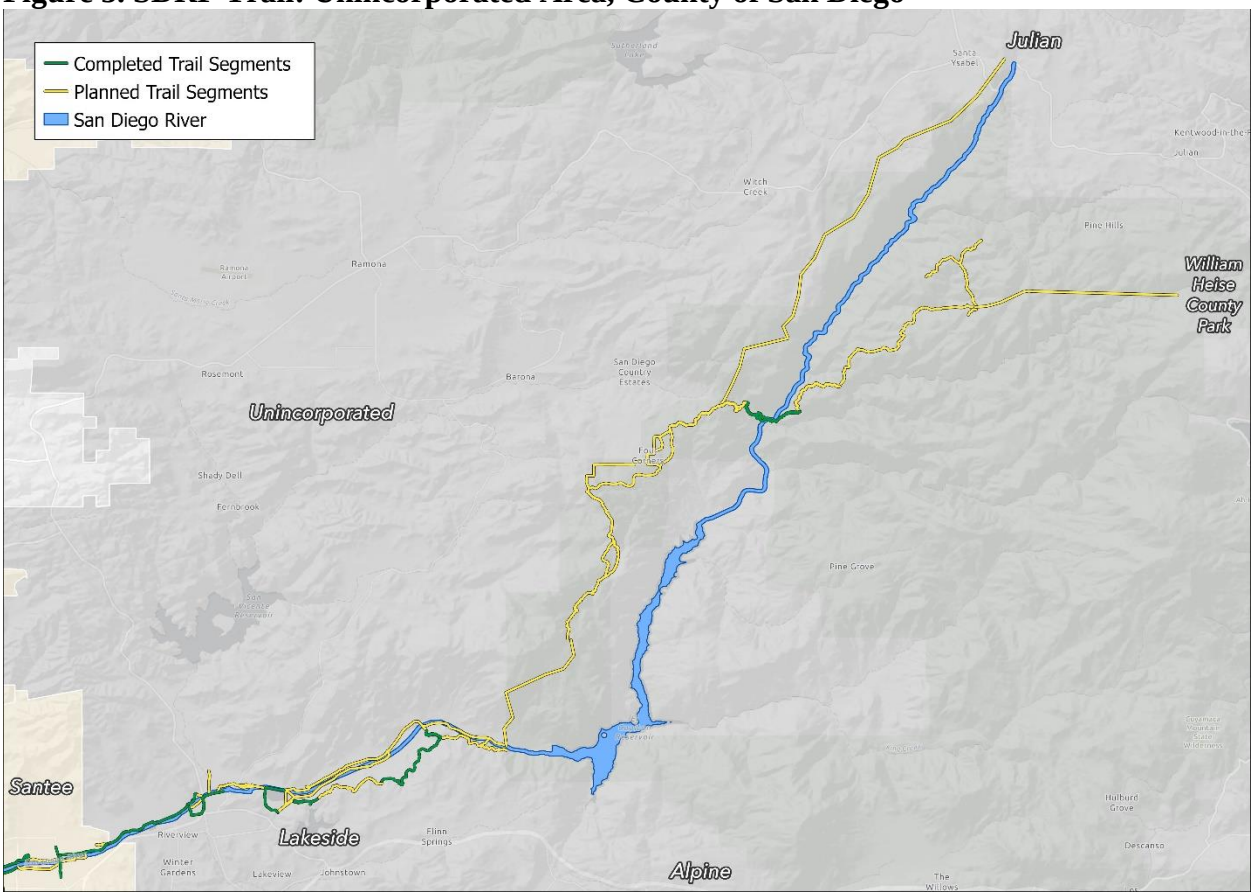
Approximately 8 miles of the SDRP Trail lie within the boundaries of the City of El Cajon (Figure 4). Approximately 8 miles are completed and just under half a mile are needed. The City of El Cajon is characterized by "Other Public" in Table 1.

Figure 4. SDRP Trail: City of El Cajon



Approximately 58 miles of the SDRP Trail lie within the unincorporated of the San Diego County (Figure 5). Over 8 miles are complete while nearly 50 miles are needed.

Figure 5. SDRP Trail: Unincorporated Area, County of San Diego



Outreach and Public Engagement

The County has been involved with the SDRP, stakeholders and advocates for decades. Per Board direction in November 2021, County staff have engaged with over 30 stakeholder groups, such as businesses, recreational user groups, nonprofits, federal, regional, and local governments. The stakeholder and public engagement was guided by two objectives: 1) To collect data, studies, and plans from stakeholder organizations and agencies to inform the Analysis; and 2) to inform all interested parties about the Analysis and provide opportunities to provide input and feedback.

Outreach efforts included multiple social media promotions about the Analysis and how to be involved, a project website, flyer distribution, a community planning group (CPG) presentation to the Lakeside CPG as they are the primary CPG in the unincorporated area that interfaces most with the SDRP Trail, stakeholder interviews, two public workshops, a survey, and a presentation to the Task Force. Nearly 1,000 interested members of the public signed up to receive notices about the Analysis. There were opportunities for the public to give input regarding the Analysis during stakeholder interviews, public meetings, individual outreach and through a survey to

engage stakeholders on their familiarity with and support for potential funding options to complete the SDRP.

The County collaborated with partners to extend the reach of the survey and received over 800 responses. For example, the Mission Trails Regional Park Foundation sent the survey to 13,000 constituents and promoted it on social media. The San Diego Mountain Biking Association, a recreational trail user and advocacy group, shared the survey with their members.

A range of survey responses were received representing the diversity of viewpoints in the community. The results indicate that once the Board decides on the direction of the SDRP, the implementation of an educational component regarding the project scope and funding mechanisms will be necessary in the next steps.

During public outreach and engagement for the Analysis, stakeholder feedback was generally supportive of the Analysis and the completion of SDRP after learning more about the different funding mechanisms and considering the funding needs and tradeoffs associated with mechanisms. Some of the key themes that emerged from stakeholder feedback included:

- Continue to use federal and state grant opportunities,
- Continue to seek/use investments by private development,
- Address challenges related to coordination across jurisdictions,
- Recognize the range of public funding priorities in the region; and achieve other objectives of the County like CAP/RDF opportunities provided by the SDRP
- Leverage the benefits of the SDRP that may capture new revenue streams (e.g., increase of property value), and direct that revenue towards SDRP funding, and
- Seek equitable investments and funding systems

Additional engagement was conducted with the cities of San Diego and Santee. These cities will continue to play important roles in developing and maintaining a complete SDRP because portions of the San Diego River and existing trail segments are located within each of their jurisdictional boundaries. They both have also made significant investments to acquire land and access, build and maintain trails, including through coordination with private developers on private land. Both cities have elected officials and staff who have expressed support for completing the SDRP, whether it is through the planning and coordination process or partnering through a funding mechanism. Continued and increased coordination and communication with staff and leadership for both cities will play a critical role in the success of a completed SDRP.

Estimated Costs to Complete the San Diego River Park

The Analysis included examining the estimated future costs of implementing and managing the SDRP Trail. In many sections of the river corridor, the trail would be built along both sides of the San Diego River. Costs are described in terms of costs for design, environmental review, and construction of new trail segments; costs for acquisitions of trail easements or property in fee title (for privately owned property); and costs for ongoing maintenance and operations once the trail segments are constructed. All costs are specific to public entities.

The costs below represent estimates to complete the remaining 75-mile SDRP Trail vision, and costs will be shared among participating agencies. There are some areas that have not yet gone through a planning and design process and will require route and trail characteristic planning as well as coordination with landowners before they can proceed, though all mileage is accounted for in the costs below. The range in miles is variable depending on the extent of private development.

The costs are also presented in a range for two reasons. The first is to reflect that some trail miles on private lands could be developed by public entities. The second is that both the low and high-cost estimates used vary by trail type. The ranges are large because the miles of trails that could be constructed by public entities vary from a minimum of only trail segments on public land to a maximum of all unbuilt trail segments on both private and public land. All cost data is in 2022 dollars, the real value of the costs may be higher for expenditures in the future due to inflationary factors.

These estimates do not include costs for parks or larger open space restoration beyond what is required for the trail. If parks projects were to be included, cost estima tes for the design, environmental, and construction for new parks is an average of $900,000 per acre. Restoration projects can range from $75,000 to $350,000 per acre, which includes restoration efforts, management, and monitoring. These projects and costs will be further developed and determined as part of the next steps of any financing mechanism the Board directs staff to pursue.

The range of costs primarily focused on constructing trails for the SDRP include the following:

- **Estimated cost range for trail construction:** $72 million to $180 million, depending on the type of trail cost per mile,
- **Estimated cost range for acquisitions/easements:** $199 million to $488 million,
- **Total Estimated Cost for Implementation:** $271 million to $668 million, and
- **Estimated cost range for trail operations and maintenance:** $0.5 million to $1.3 million annually.

There are many varieties of trail types anticipated for the completion of the SDRP Trail, as described in Table 3. Each trail type has an estimated cost per mile for trail development and operations and maintenance, as described in Table 4.

Table 3. Types of Trail

Trail Type	Description
Class I Multi-use Path	Paved more than 8 feet wide.
Multi-use Path	Unpaved and more than 4 feet wide.
Hike/Bike Trail	Unpaved and less than 4 feet wide.
Multi-use Trail	Unpaved and less than 4 feet wide.
Bridges	Paved

Table 4. Estimated Per Mile Trail Development and Operation & Maintenance Costs

	Total Development Cost Per Mile		Annual Operation & Maintenance Cost Per Mile	
Trail Type	**Lower Range**	**Upper Range**	**Lower Range**	**Upper Range**
Class I Multi-use Path	$4,000,000	$9,000,000	$40,000	$90,000
Multi-use Path	$400,000	$700,000	$2,000	$3,000
Hike/Bike Trail	$170,000	$700,000	$1,000	$2,000
Multi-use Trail	$170,000	$700,000	$1,000	$2,000
Bridges	$10,100,000	$25,300,000	$40,000	$90,000

Options for SDRP Funding Mechanisms and Staff Recommendations

The Analysis identified four options that could potentially fund the SDRP: (A) Pursue new revenue options through a new tax; (B) Pursue an Enhanced Infrastructure Financing District (EIFD); (C) Pursue other financing mechanisms such as General Obligation Bonds; and/or (D) Prioritize funding with existing County funding sources. These are each discussed in further detail below. Survey results show that most of the respondents are not familiar with funding mechanisms specific to the SDRP, but some have general familiarity with certain options such as the transit occupancy tax and community facilities districts.

Attachment B compares the benefits and costs associated with each of the various options in further detail.

Summary of Options and Recommendations

The table below summarizes each option. The options are not mutually exclusive, and all could be pursued as sources of funding for the SDRP. No single option can sufficiently cover all costs associated with the SDRP, as such it will likely be necessary to combine certain options to fully fund the SDRP. If any option is selected by the Board, staff would return to the Board within 18 months to present the next steps in the process.

Table 5. Comparative Table of Options

Options	Approval Process to Implement	Pay-As-You-Go or Financed	Implementation Timeline	Estimated Implementation Costs[2]	What the Funding Source Cannot Cover	Revenue Potential[3]
Option A1. Special District(s)	2/3 Voter Approval	Either	2-4 years	$525,000	Areas beyond the district	$0.5-1.3 million annually
Option A2. Sales Tax	2/3 Voter Approval	Either	3-5 years	$1,025,000	None	$300 million annually
Option A3. Transient Occupancy Tax	2/3 Voter Approval	Either	3-5 years	$1,025,000	None	$5 million annually

Options	Approval Process to Implement	Pay-As-You-Go or Financed	Implementation Timeline	Estimated Implementation Costs[2]	What the Funding Source Cannot Cover	Revenue Potential[3]
Option B. Enhanced Infrastructure Financing District	BOS Approval	Either (Financing typical in early years)	2.5-5 years	$1,025,000	Any operations, maintenance for existing trail segments, some staff time	$380-$750 million
Option C1. Certificates of Participation	BOS Approval	Financed	1-2 years	$325,000	Ongoing operations and maintenance	County discretion
Option C2. General Obligation Bond	2/3 Voter Approval	Financed	2-4 years	$325,000	Ongoing operations and some maintenance	$10 million annually
Option D. CINA/Op Plan	BOS Policy	Pay-As-You-Go	Less than 1 Year	$0	None	County discretion

[1] All Options could be a partnership with other jurisdictions including the City of San Diego, City of Santee, U.S. Forest Service, and/or any other public, private, or non-profit organization that the County would like to partner with to either collect funds and/or work to distribute funds to complete the SDRP. Partnerships could be formalized through a Joint Powers Authority (JPA), Public Finance Authority (for EIFD), or other collaborative process.

[2] Implementation costs do not include election or financing costs.

[3] Revenue potential based on several factors detailed in the full Analysis.

Option A. Pursue New Revenue Options Through a New Tax

Under Option A, the County would pursue new revenues for the SDRP through a new revenue source in the form of a new tax. All new taxes require voter approval. The type of voter approval varies depending on the type of tax being approved. Tax revenues are collected by the County of San Diego Treasurer-Tax Collector. The tax options would all require a county-wide vote except for the formation of a Community Facilities District (CFD).

There are three primary options for new taxes which are described below. They include: a special tax district in the form of a CFD (Option A1), sales tax (Option A2), and transient occupancy tax (Option A3). If directed to pursue one of these options, staff would bring back bonding options for the Board to consider.

Option A1. Pursue A Special District (District) ***(Staff Recommendation)***

Under Option A1, the County could pursue the formation of a Community Facilities District (CFD) or maintenance district to fund the creation and/or operations and maintenance of new trail segments. CFDs or other types of maintenance districts are formed when property owners within a geographic area agree to impose a tax and pay for public financing to fund infrastructure improvements or services, such as streets, water, sewage and drainage, electricity, infrastructure, schools, parks, and police protection withing the boundaries of that geographic area. These Districts may be initiated by a sponsoring local government agency, confirmed by a two-thirds vote of the registered voters in the district being created.

The revenues collected by Districts can be used with great flexibility for a wide variety of services and facilities as determined by the formation process. Districts can be used to pay off bonds financed against the revenues generated, for pay-as-you-go investments, or fund ongoing maintenance and administration costs. If the Board decided to bond against a District's revenues, the funding to do improvements could be made upfront. If bonds were not issued, the County could wait for the District to build enough revenue to fund the projects one at a time. Additionally, if a different option were used to fund the improvements to the SDRP, a District could still be formed for the sole purpose of funding ongoing operations and maintenance.

The County and another partnering jurisdiction such as the City of San Diego could create a District that contribute funding toward these ongoing costs. The District could be managed by a Joint Powers Authority (JPA) to help define the role and implementation of ongoing operations and maintenance among the jurisdictions. A JPA is an entity that can be formed with two or more public authorities, such as local governments, to combine efforts and share responsibility over common goals that are mutually beneficial for their residents. The JPA would define the roles and responsibilities of each participating agency. The participation of other jurisdictions in a JPA would be brought back to the Board for approval as part of the District formation process. The JPA would also require approval by the other participating jurisdictions.

Staff would work with partnering jurisdictions to determine the best approach and to secure a resolution of support from those jurisdictions to proceed with the County in partnership on this process, and then return back to the Board to begin the process of formation for a District. The District boundary would be dependent on the properties that are included, and the formation of a District would require vote of impacted parcels. If the District fails to gain voter approval, the County and partnering jurisdictions could form a JPA as a stand-alone agreement to cover ongoing costs with existing funding sources like General Purpose revenue rather than through a new tax. Implementing a new District will take approximately $525,000 in consultant costs and could be ready for voter approval within a year of the Board and other participating jurisdictions approving the formation. If the Board chooses to issue bonds under this option, the bond issuance could take another 1-3 years. More information about the District options can be found in Chapter 5 in section 5.2.3.1 of the Analysis.

Option A2. Sales Tax Increase

Under Option A2 the County would pursue a sales tax increase to create new revenues for the SDRP. The sales tax would be a dedicated funding source that would require a county-wide two-thirds supermajority voter approval to implement. If the County pursued a half-cent sales tax, and voters approved, it could generate approximately $300 million a year in revenue.

To implement a sales tax increase, the Board would need to initiate a ballot measure for placement on a countywide ballot. If passed by voters, the County would then need to set up and administer the sales tax. Setting up a sales tax effort would take approximately $1,025,000 for consultants. Additionally, the cost associated with creating the ballot measure and placing it on the ballot for voter approval is between $2 million and $20 million depending on the type of election and when it occurs. The next opportunity to place a ballot measure on the ballot for a regularly scheduled election would be in June 2024. If the Board chose to call a standalone special election for this

ballot measure, it could be held earlier than 2024, but it would be much costlier than placing the item on the ballot for a regularly scheduled election. These costs could be reimbursed through the revenues from the sales tax, if it passes.

This option may be more suitable to be used for broad parks and recreation projects throughout the region than specifically for the completion of the SDRP. The voter approval requirement makes this option less certain as a funding source compared to options that do not require voter approval. More information about the Sales Tax option can be found in Chapter 5 in section 5.2.3.2 of the Analysis.

Option A3. Increased Transient Occupancy Tax (TOT)
Under Option A3, the County could pursue an increase to the existing Transient Occupancy Tax (TOT). TOT, also known as a hotel or lodging tax, is a tax on overnight lodging guests. An increase to the TOT would require a two-thirds supermajority voter approval. Similar to a sales tax, the voter approval requirement makes this option less certain and potentially a longer process for establishment as a funding source compared to options that do not require voter approval. This option represents a new revenue source. In Fiscal Year 2020-21, the TOT revenues for the County of San Diego were $5.39 million for the 8% tax rate for establishments located in the unincorporated areas of the County.

To implement an increased TOT, the Board would need to vote to initiate a ballot measure. Setting up a TOT tax effort would take approximately $1,025,000 for consultant costs. Additionally, the cost associated with creating the ballot measure is between $2 million and $20 million depending on the type of election (regular or special) and when it occurs. The next opportunity to place a ballot measure on the ballot for a regularly scheduled election would be in June 2024. The Board could opt to call a special election for this ballot measure earlier than June 2024, but it would be much costlier (up to $20 million). These costs could be reimbursed from the revenues of the TOT, if it passes. More information about the TOT option can be found in Chapter 5 in section 5.2.3.3 of the Analysis.

Option B. Pursue an Enhanced Infrastructure Financing District (EIFD) – Staff Recommendation
Under Option B, the County would pursue the creation of an EIFD. An EIFD is a type of tax increment financing (TIF) district that local governments can form to help fund economic development projects. An EIFD has a defined geographical boundary, established by a local agency or agencies, to reserve future tax growth for a specified purpose. The parcels included in that boundary are required to have a tangible connection to the work of the district, as detailed in the infrastructure funding plan. The larger the boundary of an EIFD, the greater the total property tax increment potentially captured. In the case of an EIFD for the SDRP, the boundary could include the entire length of the River, spanning multiple jurisdictions. In order to capture the tax increments generated for other jurisdictions, those jurisdictions would also have to support and commit the funding to the EIFD. This option is recommended by staff because of its revenue potential, long-term flexibility, avoidance of increases in taxes, predictability, and potential for pooling revenue from multiple jurisdictions.

EIFDs work by using the assessed value and corresponding property tax revenues at the time of formation as a base revenue level. Then, as revenues grow, a portion of the future growth from the designated project areas is diverted into a separate pool of money, which can be used to either pay for improvements directly or to pay back bonds issued against the anticipated increment from the EIFD. More than one jurisdiction can work together to form an EIFD. An EIFD will create a funding stream by diverting property tax growth, in an amount to be determined by the EFID, to be used specifically for the SDRP.

EIFDs can fund many types of projects, including parks and open space, wastewater/groundwater, civic infrastructure, brownfield remediation, and affordable housing/mixed-use developments. An EIFD cannot acquire or sell property, but it can fund the acquisition of property by a county, city, or another participating jurisdiction. EIFDs do not increase property tax rates, and they cannot divert property taxes from K-12 school districts, community college districts, and county offices of education.

Costs eligible for EIFD financing include construction, acquisition, and rehabilitation costs, as well as planning and design expenses. Ongoing operating costs cannot be funded by an EIFD. Once the EIFD has funded a project, it can cover the costs to maintain that project. The EIFD can be designed to cover the costs of constructing and maintaining the SDRP. Because operating costs are ineligible, additional complementary funding sources will be needed. Therefore, this option is best served by also identifying another mechanism, such as CFD or other maintenance district, to fund ongoing operations.

A JPA could also be considered to pay for ongoing operational costs, as there is interest from jurisdictional partners like the City of San Diego in forming a JPA with the County. A JPA is an entity that can be formed with two or more public authorities, such as local governments, to combine efforts and share responsibility over common goals that are mutually beneficial for their residents. The JPA would define the roles and responsibilities of each participating agency. The participation of other jurisdictions in a JPA would be brought back to the Board for approval as part of the EIFD formation process. The JPA would also require approval by the San Diego City Council as the other participating agency.

A consideration associated with EIFDs is the dedication of tax revenue that might otherwise have gone to the General Fund for each participating jurisdiction. The EIFD would divert some funding away from other programs. Participating entities will continue to receive base revenues for the General Fund in terms of tax revenue from the EIFD district area as of its inception. However, participating entities will contribute new incremental growth to the EIFD.

If directed by the Board to pursue this option, staff would work with other jurisdictions – namely the City of San Diego and potentially the City of Santee – to determine if they would like to voluntarily participate in the EIFD. If other jurisdictions choose to participate, the EIFD could be created to include the growth in tax revenue received by those jurisdictions as well as in the unincorporated area of the county. Creating an EIFD will likely take at least one year. A longer outreach process could provide more opportunity to craft the EIFD to best reflect community values, but it would delay revenue generation and potentially miss the opportunity to capture tax increment for any new developments completed before EIFD establishment. If the Board chooses

to issue revenue bonds with this option, it will take another year or two to issue the bond after the EIFD is established. Based on the costs to establish an EIFD in other locations, costs to establish an EIFD can be up to $1,025,000 for consultant costs. This could be outsourced to a consultant or municipal advisor or be handled by County staff. Up to 10% of the EIFD tax increment from the first two years can be used to reimburse formation costs.

After participation is decided, the Public Financing Authority (PFA) for the EIFD would need to be appointed. If the County is the only participating entity in the EIFD, the PFA governing the EIFD would be made up of five members of at least three elected officials from the Board and two local community members. More members could be appointed if the EIFD is multijurisdictional. From there, consultants would likely assist with creating the Infrastructure Financing Plan (IFP) for the district. The PFA oversees the creation of the district's IFP, which would specify the EIFD boundaries, tax increment contributions, and identified projects. After the draft IFP is created, there are requirements for distributing the draft IFP to property owners, affected taxing entities, the Board, City Council(s) for any other participating jurisdictions, and planning commissions with corresponding project-related CEQA documentation. There are then three public hearings that must be held to identify any protests to the formation of the EIFD. If 25-50% of the voting residents within the district provide a protest to the formation, it would force a vote among the entire district's landowners. If more than 50% of landowners protest the formation, it would terminate the EIFD proceedings. No EIFD has ever been protested to the 25% threshold or greater. EIFDs do not require voter approval for the creation or to issue debt.

The potential funds available from an EIFD are driven by the size of the district boundary. A larger district that includes more properties can generate and capture more potential revenue. As an example, if the EIFD was created to encompass all properties within 0.5 miles of the SDRP Trail from Ocean Beach in the City of San Diego to El Capitan Reservoir in the unincorporated area, at a 100% tax increment for County tax revenue, the EIFD cumulative revenue generation before expenses would be over $400 million over a 20-year period. More information about the EIFD option can be found in Chapter 5 in section 5.2.2 of the Analysis.

Option C. Pursue Other Financing Mechanisms

Under Option C, the County would pursue financing mechanisms other than those already identified. This option represents only financing sources that could be used to obtain funding to construct the SDRP now rather than pay-as-you-go as funding is available. To the extent that the funding and financing under this option allows for the SDRP to be completed sooner than it would have otherwise, which motivates increased property taxes, this option could be considered to generate new revenues. There are two types of funding and financing presented as options in this section: Certificates of Participation (COP) (Option C1) and General Obligation Bonds (Option C2).

Option C1. Pursue Selling Certificates of Participation (COPs)

Under Option C1, the County could consider selling COPs to finance part or all of the SDRP. COPs are a common tool of financing and have been used similar to bonds, which the County has used many times in the past to finance various capital projects. COPs are able to provide upfront funding for projects by bringing in funding from investors who will receive regularly scheduled payments in return for their investment. This would allow the County to fund projects and pay for

them over time. Although typically backed by specific lease revenue payments that would be used to pay back investors, COPs can be repaid through any revenue available to the County for this purpose. In practice, the sale and execution of COPs becomes a General Fund obligation that reduces the amount of General Purpose Revenue available for other projects until they are repaid in full.

COPs are a common financing mechanism for local government projects because they have lower barriers to implementation compared to a general obligation (GO) bond as shown in Option C2. The County has five series of COPs outstanding and one series of lease revenue bonds. The most recent series of COPs authorized and sold by the County was $49 million for the 2021 Youth Transition Campus. COPs could be combined with an EIFD to provide immediate funding while the EIFD tax increment grows and to fill any funding gaps before bonding against the EIFD is possible.

COPs could also be used instead of an EIFD. Compared to an EIFD, a series of COPs could be issued sooner because as noted above, COPs are repaid by the General Fund while EIFD tax increment revenues would need to grow over time to be sufficient to pay debt service and to provide the necessary debt service coverage. As a result, the amount of money that can be generated through an EIFD and the timing of its receipt are uncertain, whereas a series of COPs would be sized sufficiently to fund a specified project amount. In this case, the County would have committed to pay annual payments on the COPs, regardless of actual tax increment revenues generated. COPS are typically smaller in scope, and would not be able to fund the entire SDRP Trail up front. They would be an incremental approach to achieving the vision of the SDRP Trail. These also would not provide the framework for interjurisdictional commitment an EIFD would to developing and funding the project. In either case the County is committing discretionary revenue to the SDRP project.

In order to sell a series of COPs, the Board would need to direct County staff to pursue a long-term financial obligation. Authorizing and obtaining financing from selling COPs could be achieved within 1-2 years. It would cost approximately $325,000 in consultant costs to prepare the list of projects that would be funded and determine the appropriate collateral for funding debt issuance, as well as other planning and outreach. The costs of annual COP payments would be paid over time and could range from $88.9 million to $872.6 million depending on the scope of the COPs. These costs would be brought back to the Board for consideration before staff would move forward with this option. Ongoing administrative costs would be paid through the County's existing process for administering COPs. More information about the COP option can be found in Chapter 5 in section 5.2.4.1 of the Analysis.

Option C2. Pursue General Obligation (GO) Bonds

Under Option C2, the County would seek financing for the SDRP through issuing GO bonds. GO bonds are backed by the credit and taxing power of the issuing jurisdiction rather than a specific revenue source. GO bonds are payable from taxes on real property within the public agency's jurisdiction. Once a GO bond is approved by the voters (two-thirds), the County can levy higher property taxes sufficient to pay debt service on those new bonds. This results in net new revenue for the County. Cost of issuance and election costs would be repaid through the new revenues if successfully approved by voters, as well as debt service. There would be no impact on the County's

General Purpose Revenue unless the measure fails to pass voter approval. The County does not have any outstanding GO bonds and has not historically issued this type of debt to fund capital projects.

GO bonds require the approval of two-thirds of voters through a countywide ballot measure. Before going to voters, GO bonds must be approved by the Board after recommendation by the Debt Advisory Committee. Because GO bonds have not been issued by the County and they require voter approval, they would be more challenging to implement compared to bonding against EIFD tax increments or using COPs.

To obtain financing through a GO bond, the Board would need to initiate a ballot measure. Setting up a GO bond would take approximately $325,000 in consultant costs. Additionally, the cost associated with creating the ballot measure is between $2 million and $20 million depending on the type of election and when it occurs. The next opportunity to place a ballot measure on the ballot for a regularly scheduled election would be in June 2024. These costs could be reimbursed through the revenues from the GO bond, if it passes. The debt service payments would vary depending on the size of the bond and terms of the debt. The timeline to have a ballot measure created and implemented is approximately 2 to 3 years for the vote, and another 1 year to secure the bond. More information about the GO Bond option can be found in Chapter 5 in section 5.2.4.2 of the Analysis.

Option D. Prioritize Funding for the San Diego River with Existing Funding Sources- Prioritize through the County's Capital Improvement Needs Assessment (CINA)/Commit Funding in the Annual Operational Plan

Under Option D, the Board could provide direction to seek funding for SDRP Projects on a "pay-as-you-go" basis through the County's current Capital Improvement Needs Assessment process to be evaluated next to other County Capital Needs. If SDRP projects are prioritized, they would be recommended for funding through a "pay-as-you-go" approach during the development of the annual Operational Plan. Under this option, the Board would identify projects in the SDRP that are located in the unincorporated area and prioritize them for funding through the CINA on an annual basis. While funding to support completion of the SDRP could be provided through the CINA/Operational Plan process, the funding would be dependent on the availability of General Fund balance year over year, and would be subject to prioritization against all other capital improvement projects countywide that would be funded by this revenue source. The timeline for this option would be directed by the Board. There are no new revenues or financing for the County associated with Option D. However, there would be new funding for the SDRP to the extent that it is funded through the County's annual Operational Plan process. More information about the CINA option can be found in Chapter 5 in section 5.1.1 of the Analysis.

Proposed Next Steps if the Board Directs the Staff Recommendations

If the Board supports staff recommendations and directs staff to pursue an EIFD under Option B, staff would first seek a resolution from the San Diego City Council in support of partnering with the County to proceed with EIFD formation prior to moving forward with this process. Once a commitment from the City is confirmed, staff would initiate procurement for a consultant who specializes in EIFD formation. Procurement would take approximately six months. Once the

consultant is selected, staff and the consultant would begin meeting with staff in the City of San Diego to develop the plan for how to form the PFA as required by EIFD law and outlined above.

The PFA would then be responsible for developing the IFP along with the consultant. Once the plan is finalized, the district boundaries would be determined. The process to develop the PFA and form the EIFD would take approximately 12-18 months, at which point staff would return to the Board to approve the formation of the EIFD. This process would require public hearings and could take an additional 12 months to accomplish, including legally establishing the EIFD and putting governance structures for the EIFD in place in coordination with any organizations that partner with us on this option. The IFP would contain specific costs and projects that the EIFD would fund and would be before the Board for consideration at this time. If the EIFD includes the City of San Diego, it will also require approval by the San Diego City Council.

Once the EIFD is established, it could take 1-3 years before it generates enough revenue to start the process to issue bonds. While bonding through an EIFD would not require voter approval, the process could still take an additional year before funding is in place. Staff would work concurrently with the bonding to solicit for any contracts needed for the procurement of consulting services. This would not require Board approval since the Board would have provided authority to the PFA in order to manage the EIFD.

While the PFA is developing the IFP, the County and consultant will utilize the existing San Diego River Park Master Plan and other planning documents to develop an implementation plan that includes the list of all potential SDRP projects with prioritization, anticipated costs, and implementation timeline. Implementation of the SDRP mission, including the development of trails and preservation of natural open spaces, supports sustainability in the region as a whole. Although the planning level effort has already occurred for the SDRP, consistency review against the existing planning effort and policies will occur during this time, including reviewing the plan for consistency with the County's General Plan, Multiple Species Conservation Program, the Climate Action Plan and the Regional Decarbonization Framework. As we pursue projects, the County will follow our standard process to ensure each project the County implements is aligned with the County's sustainability initiatives and goals and consistent with CEQA and all applicable local, state, and federal laws and regulations.

Staff also recommends the establishment of a CFD, maintenance district, or JPA under option A1 to fund the ongoing operations and maintenance costs. Staff would work with any partnering jurisdiction such as the City of San Diego concurrently during the EIFD formation to define the boundaries and scope of the District, and if a JPA will be used to help define the role and implementation of ongoing operations and maintenance between the jurisdictions participating. Staff would return to the Board to set the boundaries of the District and prepare for a vote of the impacted property owners. Staff will also return to get approval of a JPA, as necessary. The District or JPA would also require approval by the other participating agency or agencies. If voters did not approve the District, the operational and maintenance costs would need to be either taken from EIFD funds where allowable or a JPA agreement made to support the costs through other available General Purpose Revenues. Staff would bring these options back to the Board should a voter measure to form a District not pass.

SUBJECT: RECEIVE THE SAN DIEGO RIVER PARK FUNDING FEASIBILITY ANALYSIS PROJECT STATUS REVIEW AND OPTIONS ASSESSMENT AND PROVIDE DIRECTION ON OPTIONS (DISTRICTS: ALL)

ENVIRONMENTAL STATEMENT
Today's action to receive the San Diego River Park and Trail Funding Feasibility Analysis is exempt from CEQA pursuant to Sections 15061(b)(3) and 15262 of the State CEQA Guidelines. Section 15061(b)(3) is applicable because it can be seen with certainty that this action has no potential to cause a significant effect on the environment. Section 15262 is applicable because the report before the Board is a feasibility analysis for possible future actions that does not commit the County to any definitive course of action. Subsequent actions would be reviewed pursuant to CEQA and presented to the Board for consideration prior to implementation.

LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN
Today's proposed action to receive the San Diego River Park and Trail Funding Feasibility Analysis supports the Sustainability and Community Initiatives in the County of San Diego's 2022-2027 Strategic Plan by promoting natural resource management strategies that ensure environmental preservation and cultivate a natural environment for residents, visitors, and future generations to enjoy.

Respectfully submitted,

SARAH E. AGHASSI
Deputy Chief Administrative Officer

ATTACHMENT(S)
Attachment A – Analysis Report: Executive Summary
Attachment B – Consultant Report: SDRP Funding Feasibility Analysis
Attachment C – SDRP Implementation Cost Estimates
Attachment D – Action Sheet