

Berkson Associates

Urban Economics
Policy Forensics & Forecasting
Planning & Policy Analysis

REPORT

PRELIMINARY COMPREHENSIVE FISCAL ANALYSIS (PCFA)

THE CITY OF LA JOLLA

Prepared by BERKSON ASSOCIATES
for The Association for the City of La Jolla

January 17, 2024 (rev'd 1/24/2025)

[This page intentionally left blank]

Table of Contents

1. THE PROPOSED CITY OF LA JOLLA 1
Objectives of Incorporation 2
City of La Jolla Financial Feasibility 3
Summary of City of La Jolla Revenue Assumptions 6
Summary of City of La Jolla Expenditure Assumptions 6
Next Steps 10
Legislation to Address State Funding to New Cities 11

2. CITY OF LA JOLLA PUBLIC SERVICES 12
Current and Future Municipal Service Providers 12
Transition Period 12
Management & Administrative Services 14
City Council 14
City Manager 15
Administrative Services and Finance 15
City Attorney 15
City Clerk 15
Other Programs and Commissions 16
General Services 16
Community Development 17
Planning 17
Current Planning Services Provided by the City of San Diego 18
Development Services and Code Enforcement 19
Current Development Services Provided by the City of San Diego 19
Economic Development 20
Current Economic Development Services Provided by the City of San Diego 20
Library 22

Fire-Rescue 22
City of La Jolla Services 22
Current Fire Protection Services Provided by the City of San Diego Fire Department 24
Current Lifeguard Services Provided by the City of San Diego Fire Department 24
Annexation to San Diego County Fire District (San Diego County Fire) 25
Formation of a City of La Jolla Fire and Lifeguard Department 25
Parks and Recreation 26
Current Parks and Recreation Services Provided by the City of San Diego 26
Torrey Pines Golf Course 27
Police 27
Current Police Services Provided by the City of San Diego 28
Crime Rates in La Jolla 28
Police Response Times in La Jolla 29
Formation of a City of La Jolla Police Department 29
Animal Control Services 30
Public Works 31
Public Utilities and Enterprises 31
Sewer Utility 31
Current Sewer Utility Services Provided by the City of San Diego 32
Water Utility 32
Current Water Utility Services Provided by the City of San Diego 33
Refuse Disposal 34
Current Refuse Disposal Services Provided by the City of San Diego 34
Roads 35
Stormwater 36
Commissions and Citywide Programs 36
Other Services and Agencies 37
Cultural Affairs 37
Regional Agencies 37
Other Programs 37

3. CITY OF LA JOLLA BUDGET 39
Revenues 40
Property Tax 40
Property Tax in lieu of Vehicle License Fees (PTVLF) 41
Sales Tax 42
Transient Occupancy Tax (TOT) 43
Tourism Marketing District (TMD) 44
Licenses & Permits 44
Fines, Forfeitures, and Penalties 45
Revenue from Money and Property 45
Charges for Current Services 45
Franchises 46
Real Property Transfer Taxes 47
Interest and Dividends 47
Other Revenues 47
Transfers In 48
Expenditures 48
Pension Liabilities 48
Contingency and Reserves 49
Revenue Neutrality Payments 49
Repayment for Transition Year Services 50

4. IMPACTS ON EXISTING AGENCIES 52
Impacts on the City of San Diego 52

5. NEXT STEPS 53
LAFCO Review 54

APPENDIX 1 LA JOLLA BOUNDARIES & ESTIMATED LAND AREA & POPULATION 56

City of La Jolla Boundary 56

Appendix Table 1A La Jolla Estimated Land Area and Population 57

APPENDIX 2 PRELIMINARY INCORPORATION SCHEDULE 58

APPENDIX 3 CITY OF LA JOLLA BUDGET FORECAST 61

[This page intentionally left blank]

1. THE PROPOSED CITY OF LA JOLLA

OVERVIEW OF LA JOLLA

This Preliminary Comprehensive Fiscal Analysis (PCFA) provides an evaluation of the financial feasibility of the proposed City of La Jolla's services and revenues compared to expenditures. This financial evaluation is required by the Local Agency Formation Commission (LAFCO) as part of an application to LAFCO to initiate the incorporation process.

Figure 1 shows the proposed City of La Jolla boundary spanning about 14 square miles and home to nearly 40,000 residents.

The boundary borders UC San Diego and the City of San Diego, and the City of Del Mar along La Jolla's northern boundary. The City falls largely in the 92037 zip code.

Item	La Jolla	City of San Diego	La Jolla as a % of San Diego
Population	38,277	1,368,395	2.8%
Registered Voters	23,050	794,643	2.9%
Employment (Jobs)	18,700	822,407	2.3%
Land Area (sq.mi.)	14.3	325	4.4%
Assessed Value (bill.)	$25.4	$350.0	7.3%
Roads (centerline mi.)	151	3,045	5.0%

Figure 1 Proposed Boundary of City of La Jolla



As shown in **Figure 1**, the proposed City of La Jolla boundary follows the natural topography of La Jolla and major arterials including the I-5 freeway bounding La Jolla, preserving the integrity of existing La Jolla neighborhoods. The main campus of UC San Diego is excluded. **Appendix 1** includes additional information about the boundary and estimated population. LAFCO will review the proposed boundary upon receipt of an incorporation application and may evaluate boundary and service alternatives.

OBJECTIVES OF INCORPORATION

A new City of La Jolla would benefit the City of San Diego in a number of ways:

- Reduce the scope and scale of City of San Diego responsibilities and costs, and increase focus on the balance of the City
- Increase regional economic benefits by maintaining and improving La Jolla's attractiveness as a visitor destination
- Eliminate La Jolla liabilities from the City of San Diego's financial statements including deferred maintenance, infrastructure maintenance and replacement, and a portion of unfunded pension and other liabilities
- Relieve San Diego residents of paying for certain services and infrastructure (e.g., sewer and water) in La Jolla that may be more costly, and which effectively would reduce rates for other San Diego residents

Incorporation of a new city provides a number of benefits to the residents of La Jolla:

- Local control of land use planning and approval
- La Jolla elected council members will determine the use of locally generated revenues for La Jolla service and infrastructure needs and priorities
- Management and coordination of public services to improve maintenance of beaches, natural resources, and infrastructure serving La Jolla and San Diego
- Increase access to local officials and improve accountability for local services and infrastructure. La Jolla residents will be represented by five elected council members; currently one San Diego councilmember represents La Jolla and other parts of San Diego with a total population nearly four times La Jolla

The benefits of incorporation require a financially sustainable City of La Jolla, strong and engaged local leadership, and a positive collaborative relationship between the City of La Jolla and the City of San Diego. The City of La Jolla will inherit a share of the City of San Diego's obligations, debts, and liabilities including deferred maintenance costs for infrastructure and facilities and will be responsible for payments to the City of San Diego to assure the incorporation causes no adverse impacts.

CITY OF LA JOLLA FINANCIAL FEASIBILITY

As shown in **Table 1a** and further detailed in **Appendix 3**, annual revenues exceed expenditures and provide a contingency before revenue neutrality payments to the City of San Diego. The analysis is based on La Jolla's formation as a "General Law" city and follows statutes in State law the determine various aspects of city governance, revenues and expenditures. No new city in California formed in the past forty years or more have been formed as a charter city due to the additional cost, complexity and generally reduced flexibility; a city charter prescribes and tailors city governance in ways that may differ from State statutes (for example, transfer taxes can be increased by a charter, but are fixed for General Law cities) however changing the charter requires voter approval.

LAFCO will prepare a more Comprehensive Fiscal Analysis (CFA) after it receives an application for incorporation. LAFCO must find that the proposed city "is expected to receive revenues sufficient to provide public services and facilities and a reasonable reserve during the three fiscal years following incorporation."[1] The CFA will refine the estimates contained in this PCFA and results may change from those shown. Future budget conditions and other factors also will influence actual results.

Results are in constant 2023 dollars to illustrate real changes over time. **Table 1b** converts the projections into future nominal dollars by overlaying inflation; inflation increases revenues, expenditures, and the net difference, but does not change the finding of feasibility.

Chapter 4 describes the preliminary revenue neutrality estimate in greater detail.

[1] Gov. Code Sec. 56720(e)

Table 1a Summary of City of La Jolla Budget Forecast (constant 2023 dollars)

Item	Transition Yr FY2026-27	FY2027-28	FY2028-29
REVENUES			
Property Tax	$43,992,000	$44,330,000	$44,671,000
Sales Tax	4,384,000	4,384,000	4,384,000
Transient Occupancy Tax	24,971,000	25,695,000	26,440,000
Revenue: Money & Property	0	0	0
Charges for Current Services	3,877,000	3,885,000	3,892,000
Franchise Fees	2,690,000	2,695,000	2,700,000
Other Revenues	3,885,000	3,902,000	3,919,000
Total Revenues	**$83,799,000**	**$84,891,000**	**$86,006,000**
EXPENDITURES			
Management & Admin.	$8,465,000	$8,278,000	$8,491,000
Police	18,126,000	18,126,000	18,126,000
Animal Control	380,000	380,000	380,000
Fire	15,983,000	15,983,000	15,983,000
Lifeguard	12,229,000	12,229,000	12,229,000
Community Development	2,543,000	2,543,000	2,543,000
Public Works	7,556,000	7,556,000	7,556,000
Library	1,019,000	1,019,000	1,019,000
Parks and Recreation	3,785,000	3,785,000	3,785,000
Economic Development	479,000	480,000	481,000
General Services	281,000	281,000	281,000
Other OH/Admin.	3,190,000	3,181,000	3,191,000
Other (cultural grants)	781,000	781,000	781,000
Total Expenditures	**$74,817,000**	**$74,622,000**	**$74,846,000**
ANNUAL NET	**$8,982,000**	**$10,269,000**	**$11,160,000**
(less) Revenue Neutrality	**($8,529,000)**	*tbd*	*tbd*
NET	**$453,000**		

Note: totals may not match Table B-4a due to rounding. *1/29/24*

The La Jolla budget strives to "right size" local services to fit the needs, interests and issues of La Jolla residents and businesses, while maintaining and improving current service levels. The City of La Jolla can take advantage of certain "efficiencies of scale" through contracts with other service providers and be in a position to focus its resources on issues of direct concern to La Jolla. Over time the City of La Jolla may choose to transition to other providers or create City departments if they demonstrate cost efficiencies and improved service effectiveness.

Table 1b Summary of City of La Jolla Budget Forecast (nominal dollars)

Item	Transition Yr FY2026-27	FY2027-28	FY2028-29
REVENUES			
Property Tax	$48,071,000	$49,894,000	$51,786,000
Sales Tax	$4,791,000	$4,934,000	$5,082,000
Transient Occupancy Tax	$27,286,000	$28,920,000	$30,651,000
Other Revenues	$11,421,000	$11,798,000	$12,185,000
Total Revenues	**$91,569,000**	**$95,546,000**	**$99,704,000**
EXPENDITURES			
Management & Admin.	$9,250,000	$9,317,000	$9,843,000
Police	$19,807,000	$20,401,000	$21,013,000
Animal Control	$415,000	$428,000	$441,000
Fire	$17,465,000	$17,989,000	$18,529,000
Lifeguard	$13,363,000	$13,764,000	$14,177,000
Community Development	$2,779,000	$2,862,000	$2,948,000
Public Works	$8,257,000	$8,504,000	$8,759,000
Library	$1,113,000	$1,147,000	$1,181,000
Parks and Recreation	$4,136,000	$4,260,000	$4,388,000
Other Expenditures	$5,169,000	$5,315,000	$5,488,000
Total Expenditures	**$81,754,000**	**$83,987,000**	**$86,767,000**
ANNUAL NET	**$9,815,000**	**$11,559,000**	**$12,937,000**
(less) Revenue Neutrality	**($9,320,000)**	*tbd*	*tbd*
NET	**$495,000**		
Includes inflation/year at	3.0%		*1/29/24*

The budget forecast is based on information provided by the City of San Diego, input from La Jolla community members, and a review of revenues, services and budgets of other cities. The PCFA focuses on operating revenues and expenditures; capital costs for the maintenance, repair upgrade and expansion of infrastructure and facilities are not included in this PCFA except as noted in the report.

Other upfront and startup costs including hiring, office space improvements, software, equipment and facilities for the new City, and costs for the transition from San Diego and creation of service contracts are not estimated. These costs could be funded through a combination of City of La Jolla reserves accumulated during the Transition Year, interim San Diego loans to be repaid over time, and possible phasing of costs over multiple years. Impacts on San Diego will be refined during LAFCO's CFA process.

Budget forecasts are preliminary and will change as economic conditions change; outcomes depend on decisions by LAFCO, the City of San Diego, and the future La Jolla City Council. After receiving an application for incorporation, LAFCO will prepare a more detailed Comprehensive Fiscal Analysis (CFA) that will inform and refine the budget forecasts. The outcome of negotiations between the City of San Diego and La Jolla community representatives during the CFA process are likely to change the revenue neutrality amount and timing shown in **Table 1a** and **Table 1b** and will establish terms of any payments or other conditions that may be required.

Summary of City of La Jolla Revenue Assumptions

The PCFA estimates potential annual revenues to the new City of La Jolla. **Table 1c** summarizes key assumptions which are explained in **Chapter 3** and further documented in **Appendix 3**. Certain assumptions are based on current City of San Diego revenues generated by La Jolla; other revenues are estimated based on City of San Diego averages per resident, or by formula applicable to particular revenues, for example property tax. Some revenue items, for example lease revenues from San Diego-owned property, will be subject to negotiation and LAFCO determinations.

Summary of City of La Jolla Expenditure Assumptions

The PCFA estimates potential annual expenditures by the new City of La Jolla. **Table 1c** summarizes key assumptions which are explained in **Chapter 2** and further documented in **Appendix 3**. Certain assumptions are based on current City of San Diego expenditures required for services to La Jolla as reported by the City of San Diego, for example police, fire and lifeguards.

Other expenditures are estimated based on City of San Diego averages per resident, or by reference to other cities. "Per capita" costs and other expenditures by budget item were reviewed and based on multiple reference cities' budgets, in addition to consideration of current costs and revenues in the City of San Diego budget.

The CFA to be prepared by LAFCO will evaluate budget items in greater detail and may modify the assumptions in the PCFA. Future economic and fiscal conditions, LAFCO determinations, City of San Diego budget and contracting decisions, and other factors will influence the forecasts. The actual City of La Jolla budget will differ from the estimates provided in this PCFA and in the future, updated CFA.

Table 1c Summary of City of La Jolla Budget Revenue Assumptions

City of La Jolla Revenue Item
Property Tax Share and amount of property taxes from La Jolla that would otherwise go to City of San Diego. Share is 17.1% of basic property tax (1% of assessed value).
Sales Tax Share and amount of sales taxes from La Jolla that would otherwise go to City of San Diego. Share is 1% of taxable sales (including internet sales).
Transient Occupancy Tax (TOT, or Hotel Taxes) Share and amount of hotel taxes from La Jolla that would otherwise go to City of San Diego. Existing combined rate of 10.5% to La Jolla General Fund; additional Tourism Marketing District 2% rate to continue dedicated to same purposes.
Licenses & Permits, **Fines, Forfeitures, & Penalties** Based on San Diego average per resident times La Jolla population.
Revenue from Money & Property No net revenue to City of La Jolla from Torrey Pines Golf Course or City of San Diego-owned properties (to be negotiated).
Revenue from Federal & Other Agencies No ongoing operating revenue assumed. La Jolla may apply for and receive one-time grants.
Charges for Current Services Based on San Diego average per resident times La Jolla population. Excludes airport and Port services, Hazmat, and TOT reimbursements.
Transfers In Not estimated - includes one-time revenues and TOT already included in other categories.
Other Revenue Based on San Diego average per resident times La Jolla population.
Franchise Fees Based on San Diego average per resident times La Jolla population.
Real Property Transfer Tax Transfer Tax paid upon sale of property estimated as % of property tax comparable to current City of San Diego average.
Interest and Dividends Investment earning estimated as % of revenue comparable to current City of San Diego average.
Road-Related Revenues Based on San Diego average per resident times La Jolla population.

Table 1d Summary of City of La Jolla Budget Expenditure Assumptions

City of La Jolla Revenue Item	
City Council	Based on San Diego average per resident times La Jolla population; comparable to reference cities (e.g., Encinitas, Coronado $520k-$590k).
City Manager & Administration	Based on Encinitas avg. per resident times La Jolla population; approximately 5 positions & $200,000 budget for services.
City Attorney	Contract based on Coronado average per resident times La Jolla population; also comparable to Encinitas $1 million.
City Clerk	Based on Encinitas average per resident times La Jolla population; also comparable to Coronado $415,000.
City Finance	Based on Encinitas average per resident times La Jolla population; also comparable to Coronado $1.9 mill. approximately 11 positions plus $300,000 budget for contracts and services.
Administration (Human Resource, IT, Risk Management)	Based on Encinitas avg. per resident times La Jolla population; comparable to Coronado $2.8 mill. Approx. 6 positions.
Police	La Jolla contract with San Diego based on City of San Diego's estimated current costs of service to La Jolla.
Animal Control	Cost based on City of San Diego's estimated current costs of service to La Jolla.
Fire and Lifeguard	La Jolla contract with San Diego based on City of San Diego's estimated current costs of service to La Jolla.
Community Development (Planning, Dev. Services, Code Enforcement)	La Jolla departments' cost and staffing based on City of San Diego's estimated current costs of service to La Jolla. Approximately 7 planning positions, 6 code enforcement; development services 100% fee funded.
Public Works (Transporation/Roads, Environmental Services, Stormwater)	La Jolla departments' cost and staffing based on City of San Diego's estimated current costs of service to La Jolla. Approximately 19 positions.
Library	La Jolla departments' cost and staffing based on City of San Diego's estimated current costs of service to La Jolla.
Parks and Recreation	La Jolla departments' cost and staffing based on City of San Diego's estimated current costs of service to La Jolla.
Economic Development	Based on San Diego average per resident times La Jolla population; approximately 1-2 positions.
General Services (facility maintenance)	La Jolla departments' cost and staffing based on City of San Diego's estimated current costs of service to La Jolla.
Other Costs (Non-dept'l)	Insurance based on 3.5% of expenditures (Encinitas); rent of 16,100 sq.ft. office space (107 positions, 150 sq.ft. each) $4/sq.ft./month.
Other Programs	Cultural Affairs cost based on City of San Diego's estimated current costs of service to La Jolla (funded by TOT).

Infrastructure, Public Facilities and Property

The City of La Jolla will inherit infrastructure, public facilities and property[2] from the City of San Diego and will be responsible for operations, maintenance and asset replacement. The focus of this PCFA is annual operating revenues and expenditures, although asset and liability issues are noted.

As indicated in this report, certain City of San Diego public safety buildings (police, fire, communications) are located within the proposed City of La Jolla boundaries and will be transferred to the City of La Jolla but will continue to serve San Diego through mutual aid or other cooperative agreements. No capital costs are included in the PCFA budget for the City of La Jolla for the transfer of public facilities and infrastructure from the City of San Diego. The new city will assume responsibility for any debt or other liabilities directly attributable to transferred facilities.

Other recreation and community facilities primarily serving La Jolla residents and located within its proposed boundaries will be transferred to and become the responsibility of the City of La Jolla. The transfer and disposition of Torrey Pines golf course and other public facilities and property will be determined during the LAFCO review process and negotiations with the City of San Diego; the PCFA budget does not include Torrey Pines Golf Course revenues in the La Jolla budget. Fees currently paid by La Jolla and San Diego residents and tee-times scheduling policies for public golf courses are not projected to change as a result of incorporation.

Other revenue-generating properties owned by the City of San Diego which are not necessary for the provision of public services would be subject to negotiation, particularly if transfer of those properties and related revenues causes an adverse financial impact on the City of San Diego and its residents.[3]

Sewer and water infrastructure represents a substantial investment, requires significant operation and maintenance costs, and will be very difficult to divide between the two cities; ongoing contractual operation by the City of San Diego provides a viable option but could incur management costs and increased rates to La Jolla residents if costs of serving La Jolla are more costly than San Diego and if contract operation requires a separate rate structure.

La Jolla's beaches contribute to San Diego's visitor draw and to its economic vitality but require significant operating costs for lifeguard and related marine services in addition to beach and facility maintenance and improvement. Collaboration with the City of San Diego through service contracts for continuing San Diego services would continue current efficiencies of scale while providing local management and policy direction.

---

[2] See Attachments 1 and 19 to City of San Diego Response to Data Request, 2023-06-30.

[3] See Attachment 19 to City of San Diego Response to Data Request, 2023-06-30 for a list of City of San Diego properties generating lease revenue. The CFA will review and revise this list based on boundaries, future leases and revenues, and any changes to the list of properties and other leases.

Impacts on Other Agencies

This PCFA provides a preliminary evaluation of potential adverse fiscal impacts on the City of San Diego. LAFCO's review of the incorporation application will determine the magnitude of impacts and required mitigation. LAFCO will facilitate negotiations between proponents for the City of La Jolla and representatives for the City of San Diego to determine revenue neutrality terms.

California State codes require that an incorporation "should result in a similar exchange of both revenue and responsibility for service delivery among the county, the proposed city, and other subject agencies"[4] in this case primarily the City of San Diego. Adverse fiscal impacts on an agency typically are mitigated by a "revenue neutrality agreement" that could require the City of La Jolla to make payments to the City of San Diego to mitigate financial impacts. Terms may take various forms and could include sharing of certain revenues and responsibilities.

The PCFA does not address one-time startup costs of services and infrastructure transition which may incur an impact on the City of La Jolla and the City of San Diego. As previously noted, these costs could be funded through a combination of City of La Jolla reserves accumulated during the Transition Year, interim San Diego loans to be repaid over time, and possible phasing of costs over multiple years. Impacts on San Diego will be refined during LAFCO's CFA process and negotiations between La Jolla proponents and the City of San Diego as facilitated by LAFCO.

Next Steps

Following completion of the PCFA, public outreach and fundraising, incorporation proponents will prepare and submit an application to LAFCO. LAFCO will review the application and prepare a CFA.[5] The CFA will be a more detailed version of this PCFA and will consider a number of topics in greater detail, including but not limited to:

- Owned/leased properties and related costs and revenues
- Responsibility for unfunded pension liabilities and other debt
- Contracting of services
- Impacts on public utilities
- Revenue neutrality and impacts on City of San Diego

Following public hearings and LAFCO determinations, LAFCO will pass a resolution requiring the County to call for an election if LAFCO determines that the incorporation proposal meets legal requirements for financial feasibility and revenue neutrality. Terms and Conditions approved by LAFCO would specify

---

[4] Gov. Code Sec. 56815.

[5] Gov. Code Sec. 56800.

additional requirements applicable to the city incorporation. The detachment and incorporation must be approved by a majority of voters in the proposed city boundary and by a majority of voters in the City of San Diego unless this requirement is changed by State legislation.[6] "Next Steps" are further discussed in **Chapter 5** and a preliminary working schedule is shown in **Appendix 2**.

Legislation to Address State Funding to New Cities

In 2011 the State legislature eliminated, as part of a State budget re-structuring, Property Tax In Lieu of Vehicle License Fees (PTVLF) to new cities.[7] This revenue, in the form of property tax which grows as assessed value grows, continues to be allocated to existing cities as compensation for the loss of Vehicle License Fee revenue previously distributed by the State.

Subsequent legislation fixed the adverse impacts of this change on then-recently formed new cities in Riverside County, but future new cities continue to face reduced revenues that largely eliminate prospects for financial feasibility absent significant new revenues.

No new cities have been formed in California over the past two decades other than new cities in Riverside County that received a legislative fix and were granted PTVLF. Receipt of PTVLF would considerably improve the financial prospects of the City of La Jolla and increase funding available to help repair aging infrastructure and to address issues of affordable housing and homelessness, and potential one-time costs and other impacts on the City of San Diego.

The City of San Diego will not experience a loss of PTVLF because State law excludes from the PTVLF allocation formula the assessed value change in the first year following a boundary change.[8] In subsequent years the increase in PTVLF to the City of San Diego also should be not be significantly affected; the lower San Diego assessed value will grow less, however the smaller growth compared to a lower total base assessed value should result in a similar percent growth rate.

As recently as 2019, bills have been introduced to remedy the loss of revenues to new cities, but none have passed to-date.[9] The League of California cities may consider advocating for legislation in future legislative sessions;[10] political support from communities considering incorporation will improve chances of bill passage. Incorporation proponents should engage with other communities pursuing cityhood to push for legislation to remedy funding discrepancies adversely affecting future new cities.

---

6 Gov. Code Sec. 57119.

7 SB 89 (2011) excluded new cities from the statutory formula that allocates revenues based on the 2004 VLF-property tax swap.

8 Revenue and Tax Code Sec. 97.70(c)(1)(C)(ii)(II)

9 AB 818 (Cooley) 2019-20 failed to emerge from committee.

10 R. Berkson correspondence.

2. CITY OF LA JOLLA PUBLIC SERVICES

The City of La Jolla will be responsible for municipal public services and facilities beginning on the City's "Effective Date" as specified by LAFCO in its Terms and Conditions.

CURRENT AND FUTURE MUNICIPAL SERVICE PROVIDERS

Table 2 summarizes current and potential future service providers. No changes will occur to services currently provided by the County of San Diego or agencies other than the City of San Diego; for example, public schools will not be affected by incorporation. The City of La Jolla will participate as a member of various regional bodies.

The City of San Diego will continue to provide services during the Transition Period immediately following incorporation. The City of La Jolla may continue San Diego contracts or contract with other agencies and service providers or may create new City departments.

The PCFA budget forecasts major service costs such as police, fire and lifeguards assuming ongoing contract services and costs consistent with current City of San Diego costs for La Jolla in order to maintain current levels of service with the least disruption and cost. However, other service options may offer opportunities to reduce costs in the long-run and improve the effectiveness of service delivery. Options are identified in the PCFA that will be further investigated as the incorporation process moves forward. Decisions by LAFCO, the City of San Diego, and the future La Jolla City Council will determine the provision of services.

TRANSITION PERIOD

State law allows for a "Transition Period" for the remainder of the new city's initial fiscal year.[11] During this period the prior jurisdiction, in this case the City of San Diego, continues to provide public services. This Transition Period allows time for the new City to hire staff and lease office space, organize departments, and enter into contracts for ongoing services. The Transition Period enables the new City to build operating reserves by accumulating tax revenues during the year while the City of San Diego continues to provide services. These reserves may be required to fund start-up and transition costs.

If requested, the new City will be required to repay the City of San Diego over time for Transition Period services unless other arrangements are negotiated between the two cities. Because of the timing of the incorporation, the City of San Diego may receive revenues during the transition that, in the future, will accrue directly to the City of La Jolla. Revenues retained by the City of San Diego should be credited against transition year service costs in LAFCO's Terms and Conditions.

---

[11] GC 57384

Table 2 Summary of Potential City of La Jolla Service Providers

Service	Current Service Providers City of San Diego/Other	Post-Incorporation City of La Jolla
Management, Administrative & General Services	The City of San Diego's 9-member City Council and City staff manage all municipal services. One council member (District 1) represents La Jolla residents. La Jolla population is about 25.6% of District 1's total population.	La Jolla's 5-member City Council will be elected by La Jolla residents to direct municipal services, facilities and City staff, and determine priorities. Municipal services may be provided by La Jolla City departments or contracts with other public or private entities.
Development Services	City of San Diego	City of La Jolla
Economic Development	City of San Diego	City of La Jolla
Library	City of San Diego	City of La Jolla
Fire-Rescue	City of San Diego	Options include: 1) Contract w/City of San Diego 2) Annexation to San Diego County Fire 3) City of La Jolla Fire Dept. (possible sharing of services w/other small agencies
Parks and Recreation	City of San Diego	City of La Jolla
Planning	City of San Diego	City of La Jolla
Police	City of San Diego	Options include: 1) Contract w/City of San Diego 2) City of La Jolla Police Dept.
Animal Control Services	City of San Diego	Options include: 1) San Diego County Animal Control 2) Humane Society of San Diego
Public Utilities and Enterprises	City of San Diego: Waste Disposal (Residential: City) Sewer Water	City Env'l Services/waste franchise Sewer/Water options include: 1) Contract w/City of San Diego 2) City of La Jolla Departments
Roads	City of San Diego	City of La Jolla
Stormwater	City of San Diego	City of La Jolla

MANAGEMENT & ADMINISTRATIVE SERVICES

The City of La Jolla will be run by a professional staff under the direction of the City Manager and City Council.

The PCFA budget for the City of La Jolla estimates annual costs to be $8.6 million for management and administrative services replacing those provided by the City of San Diego including the city council, city manager, administrative services and finance, audit services, city attorney, and city clerk. The estimate is based on existing San Diego services and other reference cities.[12]

Being a much smaller city compared to San Diego, the La Jolla budget does not include many departments shown in the City of San Diego budget; rather, services of San Diego departments such as Performance & Analytics will be the responsibility of the City Manager's Office or the Finance Department. Similarly, the functions and objectives of other San Diego programs and commissions on topics such as homelessness, sustainability, ethics and others (see "Other Programs and Commissions" below) will continue but on a scale consistent with the size of the City of La Jolla.

The City of La Jolla will require office space to accommodate City staff including counter areas for public information and interaction, and for City Council meetings. The PCFA budget includes costs for space rental; the actual amount and type of space will depend on the number of City employees and specific facility requirements, space options available at the time, and decisions to be made by the La Jolla City Council.

City Council

New cities typically are governed by five city council members elected at large. The proponents of the new City, in preparing an application to LAFCO, may consider a larger council. The incorporation ballot measure, if approved by LAFCO, will include a question about whether the new City should elect its council members by district in future elections. The newly elected council members will have authority immediately to enact policies, adopt ordinances and enter into contracts. The City Council will hire key staff, notably the city manager. The La Jolla City Council cost of $600,000 is based on reference cities (e.g., Encinitas, Coronado) and is consistent with a City of San Diego "per capita" amount.

Larger cities, including the City of San Diego, engage the services of an independent budget analyst; the City of La Jolla could contract for the services of an outside auditor for an annual review of financial reports and may utilize independent consultants as needed for special projects.

---

[12] See Appendix Tables B-4 and supporting tables.

City Manager

The City Manager will implement the policies of the City Council and oversee all city operations. These functions currently are handled in the City of San Diego by the Office of the Mayor, and by the Chief Operating Officer (COO). The La Jolla City Manager cost of $900,000 is based on reference cities (e.g., Encinitas).

Various other City of San Diego services, for examples those listed below, may be continued by the City of La Jolla and integrated into the City Manager's office or other departments.

- Office of Boards and Commissions
- Office of Race & Equity
- Communications
- Performance and Analytics
- Office of Emergency Services
- Government Affairs
- Homelessness Strategies & Solutions

Administrative Services and Finance

The Administrative Services and Finance Departments will manage the City of La Jolla's operations, finances, and related matters. The estimated costs totaling $2.7 million for Finance, Human Resources, Information Technology, and Risk Management are consistent with reference cities (i.e., Encinitas and Coronado). The Department's functions will include tasks handled currently by multiple City of San Diego departments listed below.

- City Auditor
- Department of Finance
- Debt Management
- Information technology
- Risk Management
- Compliance
- City Treasurer
- Office of the Chief Financial Officer
- Economic Development
- Purchasing and Contracting
- Human Resources
- Real Estate Management

City Attorney

The City Attorney will advise on all legal matters of the City. Typically, small (and new) cities contract with a private legal firm for services. Legal services will be important during the transition period and in the years immediately following as the new City of La Jolla continues to establish departments, services and contracts, and creates new plans, programs and policies. The $1.2 million estimated costs are consistent with reference cities (i.e., Encinitas and Coronado) but may vary by year and workload.

City Clerk

The new City requires a City Clerk to handle public records, publishing of meeting records and notices, recording meeting minutes, and other city clerical matters including elections. The $500,000 estimated costs are consistent with reference cities (i.e., Encinitas and Coronado).

Other Programs and Commissions

The City of La Jolla's City Council will decide on the continuation or expansion of current San Diego Citywide programs and services. Because of the new city's smaller size, some of these functions may be integrated into other departments and are not shown explicitly in the PCFA budget for the new City of La Jolla.

Examples of current City of San Diego programs and commissions include:

- Homelessness
- Sustainability and Mobility
- Performance and Analytics
- Ethics Commission
- Civil Service Commission
- Government Affairs
- Smart and Sustainable Communities
- Audit committee
- Commission on Police Practices

GENERAL SERVICES

The new City will maintain city facilities and equipment transferred from the City of San Diego. In addition to facilities transferred from the City of San Diego, the new city may require additional space to accommodate City of La Jolla administrative and other services.

The PCFA budget for the new City of La Jolla estimates facility maintenance costs to be $280,000 annually based on information from the City of San Diego; this represents "...mostly reactionary repairs rather than preventive maintenance"[13] indicating that facility conditions and maintenance could be improved by the City of La Jolla to the extent that funding is available.

During the Transition Period the City of San Diego General Services Department will continue to maintain La Jolla city buildings, facilities and fleet until the La Jolla City Council and City staff decide upon and develop a long-term arrangement. Options for future general services include 1) continued City of San Diego contract services; 2) formation of a City of La Jolla General Services department, or the equivalent under another department such as Public Works.

Existing City of San Diego Facilities Services and Fleet Operations

As described on the City of San Diego's website[14] the Facilities Services Division "...provides day-to-day maintenance and repair, modernization, and improvement services including, emergency repairs, deferred maintenance, and tenant improvements to more than 1,600 citywide facilities. Approximately

---

[13] City of San Diego Response to Data Request, 2023-06-30, 2.04 General Services.

[14] Department of General Services website accessed 2022-10-11 at https://www.sandiego.gov/general-services/divisions/facilities-services

81 facilities are located within the proposed new City of La Jolla boundaries and ten of those facilities serve both la Jolla and areas outside the boundaries.[15]

As noted above, not all preventative maintenance has been conducted by the City of San Diego due to budgetary constraints. Deferred maintenance work includes re-roofing, replacing heating, ventilating and air conditioning systems, electrical repairs and conducting structural repairs. The last facilities condition assessment of City-occupied facilities indicated $2.6 million of capital backlog and $100,000 of maintenance backlog for facilities in the La Jolla Community Plan area.[16] More current costs, where available, are noted in the following sections for each department.

Community Development

The PCFA budget forecast for the City of La Jolla consolidates planning, code enforcement and development services described below into a Community Development Department, an organization common among smaller cities; the following sections further described these City of La Jolla services. The City of San Diego separates these functions into multiple departments. The following sections summarize City of La Jolla functions within its Community Development Department.

Planning

The new City of La Jolla will take over responsibility for land use planning, policy and implementation from San Diego. The new City will create its own General Plan after initially adopting applicable sections of the City of San Diego's General Plan, community plans, and zoning as an interim step; future changes would need to be certified by the California Coastal Commission. Permits under review and previously approved permits would shift to the new City during the Transition Period.[17]

The PCFA budget for planning is included in Community Development; the budget for the City of La Jolla projects annual planning costs to be $1.6 million (before deducting fees and charges) for continuation of current services similar to those currently provided by the City of San Diego, including an estimated seven full-time equivalent positions.[18]

---

[15] City of San Diego Response to Data Request, 2023-06-30, 2.01 General Services. See also Attachment 1 to Response for list of facilities.

[16] City of San Diego Facilities Condition Assessment Interim Report for General Fund Facilities FY2015; see Attachment 2 to City of San Diego Response to Data Request, 2023-06-30, 2.06 General Services.

[17] ibid, City of San Diego Response to Data Request, 2023-06-30, 2.47 Planning Services – Additional Concerns.

[18] ibid, City of San Diego Response to Data Request, 2023-06-30, 2.44 Planning Services.

Current Planning Services Provided by the City of San Diego

The City of San Diego's Planning Department is structured into three divisions: Community Planning & Housing, Environmental Policy & Public Spaces, and Financial & Administrative Services.

The Community Planning and Housing Policy Division is responsible for amending and updating the City's General Plan and Community Plans. The Division updates and amends the Land Development Code and is responsible for developing policies and regulations that streamline and incentivize the production of housing and it prepares housing data reports. The Division provides support to community planning groups including the La Jolla Community Planning Group and the La Jolla Shores Planned District Advisory Board.[19]

The Environmental and Public Space Division is responsible for developing policies and regulations that further the City's climate, open space conservation, and environmental justice goals. The Division oversees the City's long-range park planning and manages the implementation and monitoring of the City's Multiple Species Conservation Program. In addition to managing the City's Development Impact Fee Program, the Division is also responsible for long-range infrastructure planning. Additionally, the Division conducts reviews of all City actions under the California Environmental Quality Act (CEQA) and oversees the City's historic preservation planning efforts.[20]

The La Jolla Community Plan,[21] which encompasses the majority of La Jolla excluding UC San Diego, "...currently has a total of 15,300 homes. The SANDAG Regional Forecast (Series 14) has forecasted that the La Jolla Community Plan Area will have a total of 16,800 homes by 2035 and 17,000 homes by 2050."[22] The 2035 forecast represents an approximate average of 125 new homes annually. The area has over 18,700 jobs forecasted to grow to 26,200 jobs by 2035.[23] This rate of job growth equates to about 100,000 square feet of job-generating uses annually.[24] For the purpose of the PCFA budget forecast a more conservative net annual increase of 30 homes (all types)[25] and 50,000 square feet of job-generating uses (e.g., retail, office, and light industrial).

---

19 Description from the City of San Diego Response to Data Request, 2023-06-30, 2.44 Planning Services.

20 City of San Diego Response to Data Request, 2023-06-30, 2.44 Planning Services.

21 La Jolla Community Plan and Local Coastal Program Land Use Plan, August 2014.

22 City of San Diego Response to Data Request, 2023-06-30, 2.42 Planning Services.

23 City of San Diego Response to Data Request, 2023-06-30, 2.42 Planning Services reference to La Jolla Community Plan, jobs in 2016 and SANDAG Regional Forecast (Series 14).

24 Total jobs derived from SANDAG projected increase of 8,000 jobs by 2035 (assumes 250 sq.ft. per job) to produce 100,000 sf.

25 Data provided by the City of San Diego (Response to Follow-up Request, 9/8/2023) indicates an annual average of approximately 40 permits for new homes & an average of about 9 demo's for a net increase of 31 homes.

The City of San Diego Housing Commission oversees the Federal Housing Choice Voucher Program (also referred to as "Section 8 vouchers"). The City of La Jolla will need to arrange with another agency, e.g., the Housing Authority of the County of San Diego (HACSD) to establish its own program.

The new City will consult with SANDAG and the California Department of Housing and Community Development (HCD) to identify housing needs in La Jolla and its share of Regional Housing Needs Assessment (RHNA) and develop a Housing Plan that will meet the housing needs through a combination of appropriate zoning and other planning measures.

Development Services and Code Enforcement

Within its Community Development Department, the City of La Jolla will provide plan review, electronic permitting, inspection and code enforcement services for private and public development projects. Similar to the City of San Diego, the new city will be responsible for implementing new laws and addressing market trends, including outdoor dining and gathering spaces, small business assistance, cannabis business regulations, telecommunications facilities, urban planning and review, accessory dwelling units, historic preservation, and new housing initiatives.[26]

The PCFA budget for the new City of La Jolla projects annual code enforcement costs to be $936,000 for code enforcement staffing similar to the level provided by the City of San Diego. The City of La Jolla's other Development Services will be funded through fees and charges and should be fully self-supporting similar to the current City of San Diego's Development Services Department, which is an Enterprise Fund.[27]

Current Development Services Provided by the City of San Diego

The Development Services Department provides plan review, permit, inspection and building and land use code enforcement services for private and public development projects and building permits. An estimated 37 full-time equivalent staff processed 4,000 permits of various types (e.g., building, grading, right of way, etc.) in the most recent year for which data is available at a value of approximately $81 million.[28] The Development Services Department manages the development process and conducts environmental reviews of all development projects. The Development Services Department also provides support to the Planning Commission, Hearing Officer, and Historic Resources Board.[29]

In addition to six code enforcement staff (zoning investigators, building investigators, short term vacation rental, street vending), development services staff serving La Jolla include two hearing officers

---

[26] City of San Diego Proposed Budget Fiscal Year 2023, pg. 169.

[27] City of San Diego Proposed Budget Fiscal Year 2023, pg. 169.

[28] City of San Diego Response to Data Request, 2023-06-30, 2.08 Development Services.

[29] ibid, City of San Diego Response to Data Request, 2023-06-30, 2.44 Planning Services.

(noticing, admin support); eight land review staff (Planning, Environmental, Historic, Landscape); five project managers; seven engineers (civil, traffic, and geology); eight building review staff (Structural, Electrical, Mechanical, plumbing, combined, Fire, Hazmat); seven inspection staff (structural, combination, electrical, mechanical, life safety).[30]

ECONOMIC DEVELOPMENT

The new City of La Jolla will continue to build upon the City of San Diego's economic development efforts. Currently the City of San Diego's economic development programs seek "...revenue enhancement and community revitalization, retaining and expanding existing companies, attracting new companies, supporting entrepreneurs, making San Diego competitive in emerging markets, revitalizing and investing in established business districts, and creating opportunities for disadvantaged communities and vulnerable populations."[31] A new city could focus efforts on local economic development and improvement of specific areas, for example, Bird Rock and La Jolla Shores.

The PCFA budget includes approximately $490,000 annually to fund the services of one to two staff plus related expenses to manage economic development activities including oversight of the Business Improvement District and Maintenance Assessment Districts.

The new City will adopt and continue to collect the two percent Tourist Marketing District (TMD) tax on hotel room revenues. These revenues are not included in the La Jolla budget forecast because they would continue to be restricted to marketing activities. These revenues are described in **Chapter 3**.

The City of San Diego has established districts that collect assessments to fund improvements over and above City service levels and report their assessments and budgets annually consistent with City policies.[32] The La Jolla Business Improvement District (BID) and Maintenance Assessment Districts (MADs) will continue to collect assessments for services and improvements within each district. The districts, summarized below, would be managed by the City of La Jolla. The Genesee Avenue & North Torrey Pines Road MAD overlaps La Jolla and San Diego; LAFCO would determine the disposition of this MAD.

Current Economic Development Services Provided by the City of San Diego

Specific economic development programs within La Jolla, as described by the City of San Diego, include the following BIDs and MADs that seek to enhance business areas and neighboring communities.

---

30 City of San Diego Response to Data Request, 2023-06-30, 2.10 Development Services Staff.

31 City of San Diego Proposed Budget Fiscal Year 2023, pg. 189.

32 Pursuant to §65.0220 of the "San Diego Maintenance Assessment District Procedural Ordinance" (being Division 2, Article 5, Chapter 6 of the San Diego Municipal Code) and City of San Diego Council Resolution No. R-310618 passed on July 22, 2016.

La Jolla Business Improvement District (BID) – The La Jolla BID collects annual assessments of $200,000. The funds are budgeted for administrative and marketing purposes in consultation with the La Jolla Village Merchants Association. This BID will not be affected by city incorporation; the City of La Jolla will be responsible for managing the assessments.

La Jolla Maintenance Assessment District (MAD) – The La Jolla MAD, located within the Village Area of La Jolla, was formed by resolution of the City of San Diego in 2016 and is largely funded by assessment paid by benefitting properties within the MAD. The District was formed to pay for certain improvements and activities including but not limited to, ongoing maintenance, operation and servicing of landscaping, sidewalk power washing, trash collection removal and trash can liner replacement, graffiti removal and other improvements or appurtenant facilities located within the public rights-of-ways and dedicated easements located within the District. The improvements and activities are designed to beautify the area and to help generate additional commerce within the District.[33]

The La Jolla-based nonprofit, Enhance La Jolla, manages the MAD with authority to use assessments to enhance City provided services including landscape maintenance, street and sidewalk cleaning, litter and graffiti abatement, plus additional trash collection. Enhance La Jolla also funds, through private donations, capital improvement projects in public spaces such as trash can upgrades, installation of benches, signage and park improvements, public art and tree canopies on main thoroughfares. Projected assessment revenue in FY2023-24 totals $532,563 which supplements other sources and an existing fund balance to pay for $702,357 of expenditures.[34]

The City of San Diego, as one of the property owners in the La Jolla MAD, pays assessments. To the extent that City of San Diego property transfers to the new City of La Jolla, the new City will be responsible for these assessments.

Bird Rock Maintenance Assessment District (MAD) – The Bird Rock MAD, managed by the City of San Diego Parks and Recreation Department and advised by the Bird Rock Community Council, collects annual assessments of approximately $240,000 to fund maintenance of landscaped and hardscaped improvements and streetscape features including (but not limited to) sidewalks, curbs and gutters.[35] The level of maintenance represents a "special benefit" over and above City of San Diego service levels.

Genesee Avenue & North Torrey Pines Road Maintenance Assessment District (MAD) – This MAD includes portions of the proposed La Jolla boundaries and overlaps the UCSD north campus area. The MAD collected $280,000 in assessments for landscape services and maintenance.

---

[33] Description of La Jolla MAD from La Jolla Maintenance Assessment District, Annual Report for Fiscal Year 2024, June 2023.

[34] ibid, La Jolla MAD Annual Report, June 2023, Exh. B.

[35] Annual Report for Fiscal Year 2024, Bird Rock Maintenance Assessment District.

LIBRARY

The new City of La Jolla will be responsible for the City of San Diego's La Jolla/Rilford branch library,[36] currently staffed by 14 part- and full-time librarians, library assistants, and interns with a book circulation of 131,972.[37]

The PCFA budget for the new City of La Jolla projects annual costs of $1,019,000 for City General Fund library costs (before considering fees and charges). Additional facilities and services would continue to be funded by various grants, donations and trust funds which provide nearly an additional $1 million annually. Funding will be needed to replace the current City of San Diego's floating collection which would continue to circulate in City of San Diego libraries.

Further legal analysis may be necessary to confirm whether prior gifts, e.g., a $3.2 million gift from the estate of Jane Cameron in 2005 to the La Jolla branch library, should remain with the City of San Diego or be transferred to the City of La Jolla.[38] According to news reports at the time, Cameron's will stated that the bequest "...may be used for the expansion of the La Jolla branch of the San Diego Public Library, for the improvement of the existing library building or for the improvement or maintenance of the collection at the La Jolla branch."[39]

The City of San Diego indicates that the library has accrued approximately $45,000 of deferred maintenance and has other priority needs for various furnishings and fixtures of $84,000. No capital improvements are programmed but a Library Master Plan that is being developed may identify additional needs.[40]

FIRE-RESCUE

City of La Jolla Services

During the new City's Transition Period the City of San Diego Fire Department will continue to serve La Jolla until the La Jolla City Council and City staff decide upon and develop a longer-term arrangement with a service provider or form a new City fire department.

The PCFA budget for the new City of La Jolla projects annual costs of $16.0 million for continuation of City of San Diego Fire-Rescue services (not including lifeguards discussed below) from three stations within the proposed La Jolla boundaries on a contract basis. The contract cost is equal to current San

---

[36] The La Jolla branch library is located at 7555 Draper Avenue.

[37] City of San Diego Response to Data Request, 2023-06-30, 2.16 Library staffing.

[38] City of San Diego Response to Data Request, 2023-06-30, 2.20 Library.

[39] "Riford Library Gets $3 Million Gift", La Jolla Light, April 26, 2005.

[40] City of San Diego Response to Data Request, 2023-06-30, 2.18 Library.

Diego cost estimates per station for three stations.[41] For reference, the City of Poway's annual fire protection budget is $15.3 million for its own city department that consists of three stations, a total of 58 FTE, and three personnel on each fire engine and truck.[42] The City of Coronado's fire services budget totals $8.7 million (excluding $1.7 million for its lifeguard costs).[43]

The La Jolla costs include the emergency operations personnel and non-personnel costs for each station plus a share of all other City of San Diego Fire-Rescue costs (except lifeguard and community risk reduction) for administration, communications/dispatch, and special operations (bomb squad, hazmat, etc.). The actual contract cost could differ from the $16.0 million estimate which is based on average costs per station depending on the contract cost methodology.

In addition, the new City budget includes a contract with the City of San Diego for lifeguard services at current costs of $12.2 million.

Costs for Emergency Medical Services transport are largely funded through service charges that offset costs. The City of San Diego is transitioning to an "Alliance Model" and La Jolla costs post-transition cannot be determined at this time.[44] The city took over staffing, dispatch, deployment, billing and other crucial ambulance decisions on Oct. 1 from Falck USA which only transports patients under the new model. The change is anticipated to improve City of San Diego revenues and response times.[45]

A fourth fire station, Station #52, is under construction at 10281 N. Torrey Pines Road outside of City of La Jolla boundaries. The station will primarily serve calls generated by UCSD. The station has been funded with contributions from UC San Diego because of the station's proximity to the campus and the need for increased services and response to a growing campus. No costs are included in the new City budget for acquisition or operation of this fourth station.

Options for future fire services include 1) continued City of San Diego contract services dependent upon agreement between the two cities, as shown in the PCFA budget for the new City; 2) formation of a City of La Jolla fire department, optionally sharing management and administrative services with other small agencies and sharing dispatch services upon joining the North County Dispatch JPA, through an agreement with neighboring cities (i.e., Del Mar, Encinitas, Solana Beach, and Rancho Santa Fe FPD); 3) annexation to San Diego County Fire District (San Diego County Fire).

---

[41] City of San Diego Response to Data Request, 2023-06-30, 2.24 Fire-Rescue.

[42] June 13, 2023, City Council Agenda Item #9, City of Poway Proposed Fiscal Year 2023-24 Operating Budget, June 13, 2023, Attachment A.

[43] Proposed Budget Fiscal Year 2022-23, City of Coronado.

[44] City of San Diego Response Sept. 8, 2023, to Follow-up Data Request.

[45] "City's ambulance service improves, San Diego officials are unsure of any financial gain so far" David Garrick, San Diego Union Tribune 11/16/23.

Current Fire Protection Services Provided by the City of San Diego Fire Department

The City of San Diego owns and operates 51 fire stations[46] staffed by 949 uniformed Fire Department personnel and 246 civilian personnel.[47] Within the City, the Fire Department responded to 158,373 total incidents in 2020; La Jolla stations responded to 3,311 as summarized below. None of the La Jolla stations met the City response time standards; the City's adopted Fire-Rescue response time policy recommends that the first-due fire unit should arrive within 7:30 minutes/seconds of fire dispatch receiving the 9-1-1 call 90% of the time.[48] The new City of La Jolla could establish improved standards depending on related costs, financial resources and priorities.

La Jolla Station	Address	Apparatus	Incidents[49]	90% Time[50]
Station #9	7870 La Jolla Parkway	Engine 9	1,368	09:23
Station #13	809 Nautilus Street	Engine 13	1,197	08:52
Station #16	2110 Via Casa Alta	Engine 16	766	10:08
Total Incidents			3,311	

The City of San Diego identifies planned improvements of $2 million for fire stations in La Jolla, other long-term capital costs totaling $5.5 million, and deferred maintenance of $190,000.[51]

Current Lifeguard Services Provided by the City of San Diego Fire Department

The City of San Diego Fire Department provides Lifeguard Services to all beach areas, employing 98 permanent uniformed Lifeguard personnel at nine permanent lifeguard stations, and additional seasonal staff and stations. As described on the City's website, responsibilities of the Lifeguard Services Division include "water rescue, boat rescue, marine fire suppression up to three miles offshore, coastal cliff rescue, underwater search and recovery, swift water and flood search and rescue, and emergency medical response on and around beach, bay and ocean areas. San Diego Lifeguards also handle enforcement of city, state and federal laws and regulations, through prevention, citation and arrest. All full-time lifeguards are classified as peace officers and seasonal lifeguards are classified as public

---

[46] The City of San Diego recently broke ground on a new Station #52 that will primarily serve the UCSD area. See list of stations (including airport) at https://www.sandiego.gov/fire/about/firestations

[47] City of San Diego Fire Department website accessed 2022-11-21 at: https://www.sandiego.gov/fire/about.

[48] Standards of Response Cover Review, San Diego Fire-Rescue Department, Vol 1 of 3 – Executive Summary, Feb. 22, 2017, pg. 3.

[49] City of San Diego Response to Data Request, 2023-06-30, 2.22 San Diego Fire-Rescue Department Annual Unit Statistics Responses Calendar Year 2022. Includes responses to incidents both within and outside proposed La Jolla city boundary.

[50] ibid, San Diego Annual Unit Statistics 2022. Average time represents the response time for 90 percent of all incidents to incidents both within and outside proposed La Jolla city boundary.

[51] City of San Diego Response to Data Request, 2023-06-30, 2.25 Fire-Rescue.

officers, both with the power of arrest. Most enforcement activity, however, is related to local ordinances concerning beach and water use."[52]

The City of San Diego budgeted $27,565,000 for lifeguard services in FY2022-23; based on La Jolla lifeguard stations, staffing and other related expenses, estimated La Jolla costs total $12.2 million annually.[53] La Jolla beach visitation of about 7.5 million annually represents 40 percent of total San Diego crowd counts.[54] Two seasonal satellite lifeguard stations and four permanent lifeguard stations of the City's nine permanent stations serve La Jolla's beaches.

The City of San Diego identifies planned improvements of $500,000 for lifeguard facilities in La Jolla, other long-term capital costs totaling $7.3 million, and deferred maintenance of $700,000.[55]

Annexation to San Diego County Fire District (San Diego County Fire)

The new City of La Jolla could explore annexation to San Diego County Fire. San Diego County Fire (SDCF) was formed in 2008 to unify the administrative support, communications, and training of 15 rural fire agencies and extend "around the clock" protection to 1.5 million acres of the unincorporated county. SDCF delivers fire protection and emergency medical services to 42 communities through 35 fire stations and over 500 first responders.[56] SDCF currently does not provide contract services to any cities.

As noted above, currently San Diego County Fire serves unincorporated and largely rural areas. Stations are outside the City of San Diego and the nearest station appears to be over 30 miles distance.

Formation of a City of La Jolla Fire and Lifeguard Department

The City of La Jolla could fund the staffing, maintenance and operation of the three stations that are within its boundary. Management, administrative support and dispatch services could be contracted from other agencies as is currently done by other cities in the County.

In San Diego County, several small cities collaborate to obtain regional efficiencies. For example, the City of Del Mar just to the north of La Jolla has an agreement with other cities[57] to share management and administrative services provided by the City of Encinitas including day-to-day management of fire department operations, training, support services and fire prevention support. Battalion chiefs are

---

[52] See https://www.sandiego.gov/lifeguards/about/overview

[53] City of San Diego Response to Data Request, 2023-06-30, 2.28 Lifeguard Services.

[54] City of San Diego Response to Data Request, 2023-06-30, 2.29 Lifeguard Services.

[55] City of San Diego Response to Data Request, 2023-06-30, 2.25 Fire-Rescue (lifeguard facilities costs).

[56] San Diego County Fire Strategic Plan 2020-2025.

[57] The fire departments for the cities of Encinitas, Solana Beach and Del Mar along with the Rancho Santa Fe Fire Protection District signed a Joint-Fire Management Services Agreement.

shared among participating agencies. The North County Dispatch JPA provides fire and EMS dispatch for member agencies. Each fire protection agency also participates in mutual aid with nearby agencies.

Parks and Recreation

The new City of La Jolla's Parks and Recreation Department will maintain and operate parks and open space, recreational facilities, and recreational programs.

The PCFA budget for the new City of La Jolla projects annual costs estimated to be $3.8 million for continuation of current services similar to those currently provided by the City of San Diego.[58] The PCFA City of La Jolla budget does not include Torrey Pines Golf Course revenues.

Approximately four percent of costs are offset by shoreline park permits and recreation program revenues. The new city could consider additional sources of revenue such as corporate partnerships, facility naming rights, and a memorial wall along the coast. The City of San Diego recently established an Opportunity Fund and fees to support equitable programs in Communities of Concern; the removal of the La Jolla Community Center could affect the City of San Diego's programs.

Current Parks and Recreation Services Provided by the City of San Diego

Within La Jolla the City of San Diego operates and maintains six shoreline parks, two joint use parks in association with local schools, seven parks and fields, the La Jolla Community Park and Recreation Center, and the Torrey Pines golf course. The City also maintains 341 acres of open space, conducts brush management on 23 acres, maintains landscaped medians, oversees a Multiple Species Conservation Program (MSCP) and 269 acres of Multi-Habitat Planning Area (MHPA).[59]

The City of San Diego reports approximately $7.4 million of capital improvements to parks and recreation facilities in La Jolla in the pre-planning or planning stage and additional projects not yet at the stage to provide cost estimates; no timing for construction or completion of these improvements was identified.[60] Design and construction of a new clubhouse at Torrey Pines Golf Course is estimated at $59.9 million.

Additional improvements that would be privately funded are being considered, including La Jolla Recreation Center renovation, Cliffridge Park upgrades, skate park at Fay Avenue bike path, and Mt. Soledad restroom.

---

[58] See Appendix Tables B-4 and supporting tables (e.g., Appendix Table B1a.3).

[59] City of San Diego Response to Data Request, 2023-06-30, 2.34 Parks and Recreation (facilities).

[60] City of San Diego Response to Data Request, 2023-06-30, 2.36 Parks and Recreation (facilities).

Torrey Pines Golf Course

The Torrey Pines Golf Course generated a surplus of $9.3 million in FY23 that was used for capital and operations at Torrey Pines and the two other City of San Diego golf courses. The City of San Diego FY2023-24 Budget conservatively forecasts a decline in Torrey Pines net revenues from $9.3 million to $1.7 million annually based on historic averages. Recent years have seen a significant increase due to major tournaments and increased rounds of play.[61] The PCFA budget does not include Torrey Pines Golf Course revenues in the La Jolla budget. The transfer and disposition of Torrey Pines golf course and its revenues will be determined during the LAFCO review process and negotiations with the City of San Diego. Rates currently paid by La Jolla and San Diego residents and tee-times scheduling policies and procedures are not projected to change as a result of incorporation.

The City of San Diego reports that it is planning $59.9 million for the design and construction of a new clubhouse at the Torrey Pines Golf Course.[62]

POLICE

During the new City's Transition Period the City of San Diego police department will continue to serve La Jolla until the La Jolla City Council and staff decide upon and develop a more permanent arrangement for service provision.

The PCFA budget for the new City of La Jolla projects annual costs of $18.1 million for continuation of City of San Diego Police services under a contract at current service levels and costs.[63] This cost is about 3.1 percent of the Department's total citywide budget and equals approximately $470 per La Jolla resident. Additional costs may be incurred for start-up expenditures for equipment, vehicles and space within La Jolla to serve as a station.

Options for future police services include 1) continued City of San Diego contract services dependent upon agreement between the two cities; 2) formation of a City of La Jolla police department.

Contract services provided by a larger department such as the City of San Diego would be better able to provide ongoing training, equipment, backup, and opportunities for personnel advancement. An existing, larger department can offer a greater range of specialized services and potentially benefit from cost efficiencies due to economies of scale. A smaller city department would provide a greater degree of local control and accountability.

---

[61] City of San Diego Response 9/8/2023 to Follow-up Data Request.

[62] City of San Diego Response to Data Request, 2023-06-30, 2.36 Parks and Recreation (facilities).

[63] City of San Diego Response to Data Request, 2023-06-30, 2.49 Police.

Current Police Services Provided by the City of San Diego

The City of San Diego's police department FY2022-23 adopted budget totaled $584.7 million or about $430 per City of San Diego resident. The Department's 1,870 sworn personnel[64] equals 1.37 sworn officers per 1,000 residents Citywide.[65]

The proposed La Jolla boundary currently is served by the entirety of beat 124 (Northern Division), a large portion of beat 126 (Northern Division), a small portion of beat 115 (Northern Division), and the entirety of beat 932 (Northwestern Division).[66] Current services[67] of the Northern Division include neighborhood patrols, traffic enforcement, investigation, records management, permits and licensing, laboratory, Multi-Cultural Storefront, and other support services including the crime laboratory.

One to two Patrol Officers staff La Jolla on any given shift, in addition to special details (i.e., anti-burglary details, undercover operations, etc.) that occur in the area. In the event of a critical incident in La Jolla the majority of the Northern Division's shift's patrol personnel (anywhere from 11 officers or more) and neighboring patrol Divisions can respond to an incident as needed.[68]

According to the City of San Diego Police Department (SDPD), the number of vehicles serving La Jolla is estimated to be "...12 patrol SUVs, which accounts for staff across three shifts a day, 7 days a week. During peak summer operations the Day Beach teams utilize around 2 side by side vehicles (Polaris) and 2 or more ATV's in the area periodically. There are no SDPD facilities in La Jolla."[69]

Crime Rates in La Jolla

As shown in **Table 3**, violent crime rates in La Jolla are significantly lower by comparison to the City of San Diego; however, the rate of property crimes is slightly higher in La Jolla.[70]

Table 3 Summary of Crime Rates

	Crime Rate/1,000 Residents	
Area	Violent Crime	Property Crime
La Jolla	2.41	18.29
City of San Diego	4.26	17.58

Source: UCR Crimes by GeoArea, 2022.

64 Sworn personnel as of July 2023 per website 2023-08-11 at https://www.sandiego.gov/police

65 City of San Diego population 1,368,395 per Cal. Dept. of Finance, Jan 2023, Report E-1.

66 City of San Diego Response to Data Request, 2023-06-30, 2.48 Police.

67 Services summarized in the City of San Diego Proposed Budget Fiscal Year 2023, Vol 1 Budget Overview and Schedules, pg. 499. See the City police website at https://www.sandiego.gov/police and City of San Diego Financial Reports at: https://www.sandiego.gov/finance/financialrpts

68 City of San Diego Response to Data Request, 2023-06-30, 2.48 Police.

69 City of San Diego Response to Data Request, 2023-06-30, 2.48 Police.

70 Comparison of crime rates is based on estimated La Jolla population of 40,000 and City of San Diego population of 1.4 million. Crime rates also reported by ARJIS.

Police Response Times in La Jolla

As shown in **Table 4**, response times to La Jolla are longer than the City of San Diego's targets and exceed Priority 0 (imminent threat to life) actual response times. Response times to La Jolla for all other priority calls are shorter than San Diego actual times. The new City of La Jolla could establish improved standards depending on related costs, financial resources and priorities.

Table 4 Police Response Times

		Average Response Time		
			FY2021-22	
Call Priority	Description	Target	San Diego	La Jolla
Priority 0	Imminent threat to life	7.0	6.6	8.4
Priority 1	Serious crime in progress or threat to life	14.0	36.8	30.5
Priority 2	Less serious, no threat to life	27.0	128.3	80.8
Priority 3	Minor crimes, non-urgent requests	80.0	209.1	135.2
Priority 4	Minor requests	90.0	93.8	74.3

10/9/23

Traffic conditions and time of day can present response time challenges. Delays in response time can be exacerbated when the assigned patrol units to the area are out of service due to other calls for service or prisoner processing. According to the Police Department, the geographic layout of La Jolla provides only four main avenues of ingress and egress to the area (access via La Jolla Blvd or Nautilus to the south, access via La Jolla Shores Dr. or Torrey Pines via La Jolla Parkway to the north and east respectively).[71]

Formation of a City of La Jolla Police Department

The City of La Jolla could form its own police department instead of contracting with the City of San Diego Police Department or the County of San Diego Sheriff's Department.

Forming a new city department provides the greatest degree of local control. However, planning and startup costs are significant. New facilities and supporting infrastructure would be required.

[71] City of San Diego Response to Data Request, 2023-06-30, 2.53 Police.

For reference, smaller cities operating their own police departments can incur annual operating cost per officer comparable to (or greater than) current City of San Diego costs but without providing the depth of services provided by a larger department.[72] Further analysis is required to produce a detailed police service plan as a basis for cost analysis.

During the City of La Jolla's transition period immediately following incorporation, the City could evaluate in detail the potential costs, benefits and financial feasibility of forming its own police department.

Animal Control Services

The new City of La Jolla will be responsible for animal control and related services, which it may provide through its own department, e.g., under the purview of the police department, or contract with another organization such as the Humane Society or San Diego Animal Control to provide services.

The PCFA budget for the new City of La Jolla projects annual costs estimated to be $380,000 for continuation of services similar to those currently provided by the City of San Diego. Estimated annual fee revenue reduces the net cost to $320,000.[73]

Currently the City of San Diego oversees a contract and funding to support the San Diego Humane Society Animal Services contract, including deferred maintenance of animal services facilities, and for patrol services at parks.

Services include:

- Shelter and Medical Services
- Field Services
- Field Support Services
- Animal Licensing

The contract would be negotiated between the new City of La Jolla and the selected agency. The costs and services may differ from current San Diego costs.

---

[72] The City of Oakley (Contra Costa County) total police cost is $342,500 per officer (Oakley incorporated in 1999 and formed its own police department in 2017). The City of San Diego's total budget results in approximately $312,700 per sworn officer. The City of Coronado's total cost per officer is approximately $330,000 (FY23, $16.9 mill. total police budget, 51 officers).

[73] City of San Diego Response to Data Request, 2023-06-30, 2.56 Animal Services.

Public Works

The PCFA budget forecast for the City of La Jolla consolidates management of public utilities (sewer, water and refuse disposal), road maintenance, stormwater and other environmental services into a Public Works Department, an organization common among smaller cities. The City of San Diego separates these functions. The following sections describe these functions and estimated costs.

Public Utilities and Enterprises

The City of San Diego's Public Utilities and Enterprise Funds provide services and infrastructure that are funded directly through user fees and charges.[74] The City of San Diego typically funds utilities and enterprises without General Fund contributions. However, separating ownership of interconnected City of San Diego systems creates potential financial and service implications to be resolved as part of the incorporation process.

Sewer Utility

Following the transition period, the new City will take responsibility for ownership and maintenance of sewer facilities to the City of La Jolla, and for regulatory compliance. The new City's Public Works Department would manage the utility with support from the City of La Jolla's administrative services.

The new City could contract with the City of San Diego for services including the collection and processing of wastewater, maintenance and operation of facilities, disposal of treated waste, and other services similar to other Participating Agencies (PA)[75] that use San Diego's regional wastewater facilities. A Transportation Agreement for conveyance of sewer to San Diego treatment plants and a new meter would be located to track flows for billing purposes.[76] There will be a need to address necessary easements and land acquisition for facilities, including pump stations and trunk lines, within La Jolla that serve other areas such as Del Mar and parts of San Diego.

The transition of the sewer system to the City of La Jolla will increase the need for interagency coordination of infrastructure maintenance, repair and replacement, prioritization of capital improvement inspection and programming, and funding of related improvements in sewer rights of way.[77]

---

[74] City of San Diego enterprise funds include Water, Sewer, Development Services, Refuse Disposal, Recycling, Golf Course, and Airports (FY23 Budget, pg. 29).

[75] See: https://www.metrojpa.org/about-us/participating-agencies

[76] City of San Diego Response to Data Request, 2023-06-30, 2.60 Sewer Operational Issues, Opportunities.

[77] ibid, City of San Diego Response to Data Request, 2023-06-30, 2.60 Sewer Operational Issues, Opportunities.

Operations and capital improvements would be funded by sewer rates, including debt service for debt issued to fund La Jolla-serving infrastructure.

A Cost of Service Study may be required to establish rates that reflect cost factors specific to La Jolla. The City of San Diego notes that "La Jolla is a relatively expensive area to provide sewer services"[78] due to geography, a relatively much older system than the rest of the City of San Diego which will require more capital improvements expenses in the near future to maintain. Areas with canyons and canyon sewer pipes are difficult to maintain, and the proposed boundary includes a large amount of pump stations, i.e., La Jolla includes 17% of the municipal pump stations but only 3% of the City of San Diego's population. If the burden of costly infrastructure operation and replacement is shifted to the City of La Jolla, average costs to the remaining ratepayers in the City of San Diego could be reduced.

Current Sewer Utility Services Provided by the City of San Diego

The City of San Diego collects, conveys, treats and disposes of wastewater generated in La Jolla, as well as the rest of the City and nearby communities.[79]

Within the proposed City of La Jolla boundary are 153.6 miles of sewer main and 3,434 sewer manholes, including trunk lines that handle large flows from both La Jolla and San Diego. Twelve active sewer pump stations include Pump Station 45 that serves La Jolla and San Diego, and Pump Station 65 that is one of San Diego's major pump stations that serves Del Mar and other North San Diego regions. According to the City of San Diego, the system "cannot be physically isolated to only collect flow from La Jolla."[80]

User fee revenue and proceeds of debt repaid by net user fee revenue fund sewer facilities and capital improvements. The City of San Diego reports approximately $768.8 million of outstanding loans and debt.[81] State and federal grants and low-interest loans may be utilized.

The City of San Diego's sewer capital improvement projects planned or underway in La Jolla total approximately $65 million.[82] A portion of those improvements also serve areas outside of La Jolla.

Water Utility

Following the transition period, the new City will take over responsibility for water services to the City of La Jolla. The new City's Public Works Department would manage the utility with support from the City of La Jolla's administrative services.

---

[78] ibid, City of San Diego Response to Data Request, 2023-06-30, 2.60 Sewer Operational Issues, Opportunities.

[79] Pursuant to the Amended and Restated Regional Wastewater Disposal Agreement.

[80] City of San Diego Response to Data Request, 2023-06-30, 2.59 Sewer Operational Issues, Opportunities.

[81] City of San Diego Proposed Budget Fiscal Year 2023, pg. 137.

[82] City of San Diego Response to Data Request, 2023-06-30, 2.58 and Response Attachment 14.

The new City could contract with the City of San Diego for services including operation of water treatment and distribution facilities; water purchasing; maintaining, repairing and replacing pipes, valves and fire hydrants, and other infrastructure such as metered service connections, reservoirs, treatment plants, ocean outfalls and pumps, and reservoir tanks. Additional required services include daily water quality testing and administrative services such as customer billing.

Operations would be funded by water rates. As noted for the sewer system, a Cost of Service Study would be important to establish rates that reflect cost factors, including existing debt, specific to La Jolla. According to the City of San Diego, maintaining water quality and operating a system in La Jolla is a challenge due to "aging infrastructure, variable topography and multiple dead-end services."[83] If the burden of costly infrastructure operation and replacement is shifted to the City of La Jolla, average costs to the remaining ratepayers in the City of San Diego will be reduced.

Separation of the La Jolla potable water system will be very difficult for a number of reasons. Multiple integrated water facilities serve La Jolla and other communities, for example areas at La Jolla's southern boundary and Pacific Beach. Water pressure zones don't correspond to community boundaries so distribution lines can't be separated. Certain water facilities (pipelines, Soledad Reservoir) serve and provide redundancy to multiple areas during emergencies.

Current Water Utility Services Provided by the City of San Diego

The City of San Diego purchases and imports 85% to 90% of its water from the San Diego County Water Authority, an independent public agency that serves as a regional water wholesaler. The City's Public Utilities Department maintains, repairs and replaces over 6,000 miles of pipeline and related valves, fire hydrants, 276,000 metered connections, nine reservoir lakes, six treatment plants, two ocean outfalls and dozens of pumps, reservoir tanks and other infrastructure.[84]

Water facilities and capital improvements are funded by user fee revenue and by proceeds of debt repaid by net user fee revenue. The City of San Diego reports approximately $1.32 billion of outstanding loans and debt.[85] State and federal grants and low-interest loans may be utilized.

The City of San Diego's water capital improvement projects planned or underway in La Jolla total approximately $94 million.[86] A portion of those improvements also serve areas outside of La Jolla.

---

[83] City of San Diego Response to Data Request, 2023-06-30, 2.62 Water Operational Issues, Opportunities.

[84] City of San Diego website, https://www.sandiego.gov/public-utilities/customer-service/water-and-sewer-rates

[85] City of San Diego Proposed Budget Fiscal Year 2023, pg. 137.

[86] City of San Diego Response to Data Request, 2023-06-30, 2.61 and Response Attachment 15.

Refuse Disposal

The new City of La Jolla will be responsible for trash collection and disposal. Collection services may be provided by a city department or by a private franchisee; costs would include disposal, for example, at the Miramar Landfill operated by the City of San Diego. Responsibilities include collection and proper handling of recyclables and organic waste, and collection of litter from street litter containers placed in certain business districts, and other services currently provided by the City of San Diego's Environmental Service Department.[87]

The PCFA budget for the new City of La Jolla projects annual refuse disposal costs to be $3.2 million[88] for continuation of services similar to those currently provided by the City of San Diego, including residential waste collection and disposal and other waste reduction and regulatory activities. Future changes to the City of San Diego's program, including charges to residential customers, are expected to be reflected in the City of La Jolla's waste collection program which would likely charge similar cost-recovery charges depending on La Jolla city council direction.

Current Refuse Disposal Services Provided by the City of San Diego

The City of San Diego's Environmental Services Department provides waste reduction activities which include integrated solid waste management planning, compliance with State mandated solid waste diversion planning, programs, and requirements, and the City's Zero Waste Plan, which is a key component of the City's Climate Action Plan.[89]

Currently private companies serve as the City of San Diego's franchisees for collection of solid waste from commercial properties and multifamily units; charges to customers are based on rates sufficient to pay for the costs of service.

Residential services to approximately 12,000 households are provided by the City of San Diego's Environmental Services Department at no cost to the customer; however, approval of a recent November 2022 ballot measure revised the City's charter to allow the City to charge its residential customers. Adoption of rates, if it occurs, first requires completion of a Cost of Service Study followed by a public review process pursuant to Prop. 218.[90] The City of La Jolla could continue the City of San Diego's current residential services and contract with a private provider. The PCFA projects a continuation of city-funded residential services by the City of La Jolla.

---

87 City of San Diego Proposed Budget Fiscal Year 2023, pg. 215.

88 City of San Diego Response to Data Request, 2023-06-30, 2.65.

89 City of San Diego Response to Data Request, 2023-06-30, 2.65 Refuse Disposal Operational Issues, Opportunities. Regulatory mandates and requirements per AB 939, AB 341, AB 1826, SB 1383.

90 Fiscal Impact Statement for City Measure on November 8, 2022, Ballot: Measure B – Amends San Diego Municipal Code Section 66.0127 Related to Solid Waste Management Services.

ROADS

The new city's public works services will include traffic engineering and street maintenance, and oversight of capital improvements for the design and construction of projects that relieve traffic congestion and increase traffic safety. Street-related facilities, including sidewalks, drainage, medians, traffic lights and street lighting will also be the new City's responsibility. The new city will establish requirements for the level of design work for repaving projects which could help to annual road maintenance cost effectiveness.

The PCFA budget for the new City of La Jolla projects annual General Fund costs of $1.2 million for continuation of services similar to those currently provided by the City of San Diego, including maintenance of 151 centerline miles (approximately 5% of San Diego total).[91] State gas taxes and TRANSNET funds will pay for non-General Fund road maintenance and related costs including median maintenance, signs, striping, signals, etc. The PCFA estimates the latter funding at $3.2 million annually.[92]

Past surveys indicated that the overall pavement condition index (OCI) in La Jolla is "71.1", similar to the City's overall condition of "72" and exceeding its target of 70 – this index qualifies as "good" overall, although some portion of streets will be in better and worse condition.

Over time the City of San Diego estimates a need to spend approximately $18 million on street reconstruction over a period of about ten years[93] assigning a share of Citywide costs proportionate to La Jolla's 5% of total street miles. These cost estimates will be refined pending completion of an updated pavement condition assessment that is underway and expected Fall, 2023.

Additional costs for other road-related maintenance include streetlight and traffic signal maintenance, sidewalk maintenance and replacement, pothole and minor asphalt repair, and street tree maintenance. The City of San Diego's lists of unfunded projects for pedestrian and bike facilities, sidewalks, traffic calming measures, traffic signals and streetlights total approximately $121 million within the proposed City of La Jolla boundary.[94]

Funding for roads related costs will derive from sources comparable to those of the City of San Diego. Primary sources include an allocation of State gas taxes and a one-half cent Countywide sales tax.

---

[91] City of San Diego Response to Data Request, 2023-06-30, 2.68 Roads.

[92] La Jolla per capita estimates based on City of Encinitas City Council Agenda Report, June 15, 2022, Item #10G, Exh. 1A-1, pg. 9 of 34. See also PCFA Appendix Table B-4f.

[93] City of San Diego Response 9/8/1012 to Follow-up Data Request.

[94] City of San Diego Response to Data Request, 2023-06-30, 2.69 Roads and Response Appendix 16.

STORMWATER

The new City of La Jolla will maintain and oversee the engineering of the stormwater collection system to address State regulatory requirements and to address "a backlog of failed storm drainpipes" and provide increased street sweeping to reduce contaminants entering the storm drain system.[95] The new city would need to work with the Regional Water Quality Control Board to satisfy stormwater permit requirements.

The PCFA budget for the new City of La Jolla estimates annual costs to be $1.3 million for continuation of services similar to those currently provided by the City of San Diego, including inspection and maintenance of catch basins, channels, structural Best Management Practices (BMPs), and habitat restoration and mitigation. Other stormwater water quality costs in the proposed La Jolla boundary total $853,000 for street sweeping, facility inspections, code enforcement, permitting and compliance monitoring, and other related programs.[96]

The City of San Diego has identified a 20-year program costing $39.5 million for the replacement of existing stormwater facilities and installation of future facilities in La Jolla required to meet regulatory standards; the City of San Diego currently "does not have enough funding to address these improvements."[97]

COMMISSIONS AND CITYWIDE PROGRAMS

As described above in the discussion of management and administrative services, a number of current City of San Diego commissions, for example the Commission on Police Practices and the Ethics Commission, are expected to continue on a smaller City of La Jolla scale and are not shown separately in the PCFA La Jolla budget. These programs would be overseen by staff in the City of La Jolla City Manager's Office or other departments. New citizen boards and committees may be formed to advise the City Council. The City of La Jolla will need to develop programs and collaborations with other agencies to address homeless strategies and funding, for example, in a manner similar to the City of San Diego Measure C TOT increase that has not yet been implemented due to legal issues.

City of San Diego citywide program expenditures[98] include leases and rents, special consulting services, capital projects and debt service, insurance claims, Prop. B transition costs. The PCFA does not address capital expenditures or corresponding debt service; capital financing is to be determined by the future city council. The PCFA City of La Jolla budget includes expenditures for rent and insurance.

---

[95] City of San Diego Proposed Budget Fiscal Year 2023, Mayor's Budget Message, pg. x.

[96] City of San Diego Response to Data Request, 2023-06-30, 2.71 Stormwater.

[97] City of San Diego Response to Data Request, 2023-06-30, 2.72 Stormwater.

[98] See FY23 City of San Diego Adopted Budget Vol II, pg. 85 (pdf pg. 392) for other City programs.

The PCFA estimates a portion of these City of San Diego citywide expenditures will decline over time as services, infrastructure liabilities and expenditures, and other related expenditures are reduced due to the detachment of La Jolla and reduction in San Diego's service population.

Other Services and Agencies

Cultural Affairs

In FY2023 the City of San Diego provided $781,000 in direct arts and culture grants to nonprofit arts and cultural organizations in the proposed City of La Jolla funded entirely by hotel taxes (TOT).[99] The PCFA projects that the City of La Jolla will continue to fund arts and culture grants in a similar amount from General Fund sources including TOT.

Regional Agencies

The new City will participate in the San Diego Association of Governments (SANDAG), a metropolitan planning organization and a council of governments developing solutions to regional issues including improving equity, transportation, air quality, clean energy, economic development, goods movement, public health, public safety, and housing.[100] SANDAG administers the TransNet Program which will provide funding for transportation programs and projects.[101]

The City of La Jolla could join the newly formed San Diego Community Power (SDCP) is a joint powers authority composed of five cities, San Diego, Chula Vista, Imperial Beach, La Mesa, and Encinitas.[102] The City would also have the opportunity for representation on the San Diego Metropolitan Transit System.[103]

The new City will have the opportunity to become a member of the San Diego County Water Authority (SDCWA). The SDCWA wholesales water to its member agencies and provides related infrastructure.[104]

Other Programs

As noted previously, the City of La Jolla will continue various programs currently provided by the City of San Diego. For example, issues such as homelessness will be addressed by the City of La Jolla City Council and funded through General Fund revenues and grants programs. It is anticipated that La Jolla

---

99 City of San Diego Response to Data Request, 2023-06-30, 2.4, Other Services and Agencies. See also 2023-09-08 Response to Follow-up Request.

100 https://www.sandag.org/about

101 https://www.sandag.org/funding/transnet

102 https://sdcommunitypower.org/

103 https://www.sdmts.com/about/about-mts

104 https://www.sdcwa.org/

will partner with adjoining cities, including San Diego, on issues affecting the entire region. The future La Jolla city council will decide funding programs and priorities for these other programs.

3. CITY OF LA JOLLA BUDGET

The City of La Jolla's projected budget maintains and improves basic municipal services to La Jolla and provides a locally elected council as a forum to determine the types and levels of services. As shown in **Table 5**, revenues exceed expenditures. The costs are based on the organization and cost of services described in **Chapter 2**. Revenues are described in this chapter.

Table 5 Summary of City of La Jolla Financial Feasibility (constant 2023 dollars)

Item	Transition Yr FY2026-27	FY2027-28	FY2028-29
REVENUES			
Property Tax	$43,992,000	$44,330,000	$44,671,000
Sales Tax	4,384,000	4,384,000	4,384,000
Transient Occupancy Tax	24,971,000	25,695,000	26,440,000
Revenue: Money & Property	0	0	0
Charges for Current Services	3,877,000	3,885,000	3,892,000
Franchise Fees	2,690,000	2,695,000	2,700,000
Other Revenues	3,885,000	3,902,000	3,919,000
Total Revenues	**$83,799,000**	**$84,891,000**	**$86,006,000**
EXPENDITURES			
Management & Admin.	$8,465,000	$8,278,000	$8,491,000
Police	18,126,000	18,126,000	18,126,000
Animal Control	380,000	380,000	380,000
Fire	15,983,000	15,983,000	15,983,000
Lifeguard	12,229,000	12,229,000	12,229,000
Community Development	2,543,000	2,543,000	2,543,000
Public Works	7,556,000	7,556,000	7,556,000
Library	1,019,000	1,019,000	1,019,000
Parks and Recreation	3,785,000	3,785,000	3,785,000
Economic Development	479,000	480,000	481,000
General Services	281,000	281,000	281,000
Other OH/Admin.	3,190,000	3,181,000	3,191,000
Other (cultural grants)	781,000	781,000	781,000
Total Expenditures	**$74,817,000**	**$74,622,000**	**$74,846,000**
ANNUAL NET	**$8,982,000**	**$10,269,000**	**$11,160,000**
(less) Revenue Neutrality	**($8,529,000)**	*tbd*	*tbd*
NET	**$453,000**		

Note: totals may not match Table B-4a due to rounding. *1/29/24*

The estimated revenue neutrality payment to the City of San Diego is described in **Chapter 4**. The actual payment amount and terms will be determined by a LAFCO-prepared Comprehensive Fiscal Analysis (CFA) and subsequent negotiations between proponents of the City of La Jolla and representatives of the City of San Diego.

REVENUES

The City of La Jolla will fund public services with revenues similar to the City of San Diego, although on a reduced scale. Key revenues include property tax, sales tax, hotel tax, and fees and charges for services.

As a newly formed city, the City of La Jolla will not be entitled to certain revenues that are received by all other California cities. In 2004 the State allocated vehicle license fees to all cities in the form of property tax ("Property Tax in lieu of VLF") that changes proportionate to changes in local assessed value. Legislation excluded newly formed cities in Riverside County, and all future new cities, from the statutory formula. Newly formed cities in Riverside County risked bankruptcy until legislation restored allocation to those affected cities. However, future new cities continue to be excluded.

The City of San Diego receives approximately 10 percent of its General Fund revenue, or $178.6 million[105] from Property Tax in lieu of VLF but the new City of La Jolla will not be allocated this revenue source and will need to utilize other revenues to compensate for the reduced revenue base while maintaining a comparable level of services to La Jolla.

Property Tax

The City of La Jolla's budget will include 17 percent[106] of the basic one percent property taxes paid by La Jolla residents and businesses that currently accrue to the City of San Diego. Additional assessments and special taxes above the basic one percent should remain unchanged and unaffected by incorporation.

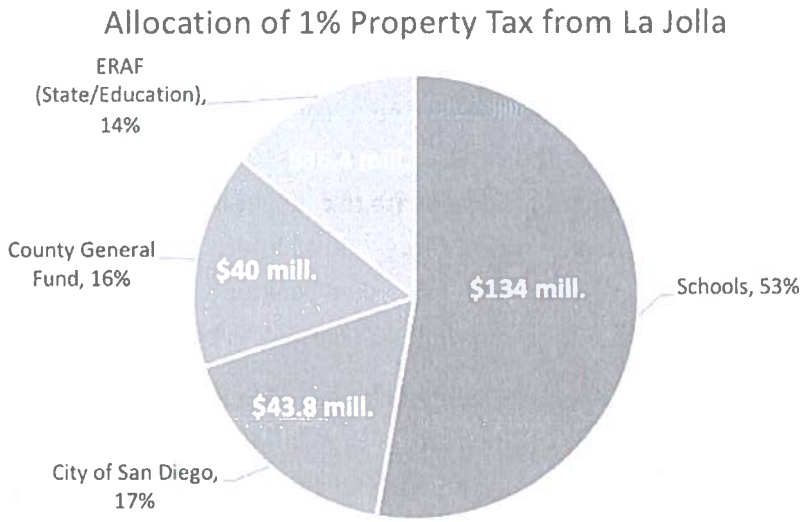
Countywide, property taxes from the basic one percent levy are distributed to other agencies as illustrated in **Figure 2**. Within a specific community served by a combination of agencies (e.g., county, city, school districts, other agencies), a unique set of "Tax Allocation Factors" (TAFs) specify the share of property tax growth accruing to each agency within a given "Tax Rate Area" (TRA). The allocations within each TRA are totaled Countywide to determine the total property taxes to each agency.

---

[105] City of San Diego Proposed Budget Fiscal Year 2023, Vol 1 Budget Overview and Schedules, Table 4, pg. 72.

[106] Initial Fiscal Analysis of the Proposed Incorporation of La Jolla, Public Review Report, March 2005, pg. 26, from information provided by the City of San Diego.

Figure 2 La Jolla Property Tax Distribution



Source: San Diego County Auditor for TRAs 8001 and 8118; small amounts of Property tax also go to the County Water Authority (CWA), Carlsbad Project, and the Resource Conservation District.

Typically, a new city formed from unincorporated County territory receives a share of the County's property tax revenues determined by the cost of County services to be transferred to the new city and the share of those services funded by property tax Countywide. In the case of La Jolla, the County is unaffected and the new City's share of property tax equals the share and amount generated in La Jolla currently going to the City of San Diego.

Property Tax in lieu of Vehicle License Fees (PTVLF)

In 2011 the State legislature eliminated, as part of a State budget re-structuring, Property Tax In Lieu of Vehicle License Fees (PTVLF) to new cities.[107] Subsequent legislation fixed the adverse impacts of this change on then-recently formed new cities in Riverside County, but future new cities continue to face reduced revenues that largely eliminate prospects for financial feasibility without additional special taxes, assessments and other significant new revenues. PTVLF is a significant revenue source to all existing cities.

No new cities have been formed in California over the past two decades other than new cities in Riverside County that received a legislative fix and were granted PTVLF. In the case of La Jolla, the new

[107] SB 89 (2011) excluded new cities from the statutory formula that allocates revenues based on the 2004 VLF-property tax swap.

City will begin with several million dollars less revenue than other California cities. Receipt of PTVLF would considerably improve the financial prospects of the City of La Jolla and increase funding available to help repair aging infrastructure and to address issues of affordable housing and homelessness.

The City of San Diego will not realize a loss of PTVLF because State law excludes from the PTVLF allocation formula the assessed value changes in the first year following a boundary change.[108]

As recently as 2019, bills have been introduced to remedy the loss of revenues to new cities, but none have passed to-date.[109] The League of California cities may consider advocating for legislation in future legislative sessions;[110] political support from communities considering incorporation will improve chances of bill passage. Incorporation proponents should engage with other communities pursuing cityhood to push for legislation to remedy funding discrepancies adversely affecting future new cities.

Sales Tax

The PCFA budget estimates $4.2 million of sales tax[111] generated from the one percent ("Bradley-Burns") rate on taxable sales occurring within the proposed City of La Jolla boundary, growing at the PCFA assumed rate of long-term inflation. In addition, the new city will share in State and County sales tax pools from sales tax not otherwise allocated to a specific site in an amount equal to an estimated 5 percent of the basic 1% sales tax received if the percentage is comparable to the City of San Diego's additional pooled revenues. Other smaller cities in California receive higher percentages, e.g., 15 to 20 percent or more[112] in addition to the basic 1% sales tax.

All California cities and counties receive a one percent ("Bradley-Burns") rate on sales and use transactions. As described by the California Department of Tax and Fee Administration, "Retailers engaged in business in California must register with the California Department of Tax and Fee Administration (CDTFA) and pay the state's sales tax, which applies to all retail sales of goods and merchandise except those sales specifically exempted by law. The use tax generally applies to the storage, use, or other consumption in California of goods purchased from retailers in transactions not

---

[108] Revenue and Tax Code Sec. 97.70(c)(1)(C)(ii)(II)

[109] AB 818 (Cooley) 2019-20 failed to emerge from committee.

[110] R. Berkson correspondence.

[111] City of San Diego Response to Data Request, 2023-06-30, 3.09 Sales Tax.

[112] City of Del Mar, for example, receives about 16.9% per the amounts reported in its Agenda Report, FY 2022-23 Item 15 Budget Update Report June 20, 2022, Table D pg. 4.

subject to the sales tax. Use tax may also apply to purchases shipped to a California consumer from another state, including purchases made by mail order, telephone, or Internet."[113]

The new City will also share in TRANSNET sales tax (see "Roads").

Transient Occupancy Tax (TOT)

The PCFA budget estimates that the new City will receive $25 million of TOT in FY26 (constant dollars) which is charged at the rate of 10.5 percent on hotel room and vacation rentals, an amount equal to current City of San Diego revenues. The projected La Jolla General Fund budget does not include an additional $3.2 million of two percent Tourism Marketing District tax allocated to ongoing Tourism Marketing District purposes. The new City will need to adopt, with majority voter approval (unless the tax is restricted to specific uses) its own TOT to charge and collect the tax, consistent with State statutes. [114]

The City of San Diego anticipates post-pandemic recovery of TOT through FY2022-23 followed by an annual increase of 5.9 percent.[115] The City allocates 5.5 cents (of the 10.5 cent tax per dollar of room sales) to the General Fund, four cents to promote the City as a tourist destination, and one cent to be used at the City Council's discretion. **Table 6** shows current collections.

In 2020 San Diego voters approved Measure C to increase the TOT rate to fund a Convention Center expansion, homeless services and road repairs.

Table 6 Fiscal Year 2022 TOT & TMD

Item	Total City of San Diego	La Jolla	La Jolla as % of Total
Hotels			
Number of Hotels	330	24	7.3%
Hotel Rooms	45,684	2,562	5.6%
Hotel TOT (10.5%)	$199,882,627	18,082,107	9.0%
Vacation Rentals			
Number of Vacation Rentals	11,268	1,115	9.9%
Vacation Rental TOT (10.5%)	$48,875,115	$4,836,328	9.9%
Total TOT (10.5%)	$248,757,742	$22,918,435	9.2%
TMD (2.0%)	$36,029,650	$3,237,110	9.0%

Source: City of San Diego Response to Data Request, 2023-06-30, 3.10-3.11, and followup response 2023-09-08.

9/12/23

[113] Sales & Use Tax in California, Cal. Dept. of Tax and Fee Admin., downloaded 2022-09-29 at: https://www.cdtfa.ca.gov/taxes-and-fees/sutprograms.htm

[114] Cal. R&TC 7280-7299, dl 2022-09-27at https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=RTC&division=2.&title=&part=1.7.&chapter=1.&article=

[115] City of San Diego Fiscal Year 2025-2029 Five-Year Financial Outlook, Nov. 2023, pg. 22.The City bases the 5.9% forecasted growth rate on pre-COVID averages. This rate is approximately a 2.9% "real" increase above the 3% inflation rate assumed in the PCFA.

Implementation of the Measure C tax has been delayed by legal challenges that remain pending.[116] The increased tax has not been included in the PCFA TOT forecasts.

Tourism Marketing District (TMD)

As summarized above, in addition to the City of San Diego's 10.5 percent TOT, the City collects a two percent tax on hotels with 70 rooms or more within City boundaries. The City has an agreement with the San Diego Tourism Promotion Corporation, a California non-profit mutual benefit corporation, for the administration of the TMD[117] for marketing programs and services.[118]

With voter approval, the new City of La Jolla could adopt a version of the TMD hotel tax and TMD revenues of $3.2 million will continue to support marketing programs and services (this funding is not included in the La Jolla General Fund budget forecast).

Licenses & Permits

The PCFA budget estimates that the new City will receive $1.4 million from Licenses and Permits based on a San Diego citywide per capita average. The new City of La Jolla will need to revise and adopt new fee schedules similar to current City of San Diego for items such as short-term facility rentals, vending permits, outdoor dining, and other activities. The new city should consider adoption of similar programs, for example, recreational cannabis. Actual revenues collected within La Jolla may vary from the estimated averages.

The City of San Diego's Licenses and Permits category includes revenue for the purpose of recovering costs associated with regulating an activity and other revenues such as business certificate fees, rental unit certificate fees, parking meter collections, alarm permit fees, and special event permits.[119]

With voter approval, the new City of La Jolla could adopt a version of San Diego's Measure N. The Recreational Cannabis Business Tax was passed on November 8, 2016, as Measure N by San Diego voters, and imposes an eight percent tax on monthly gross receipts of non-medical cannabis businesses that operate or provide services within the City of San Diego.

---

[116] See "Court Rules 2020 San Diego Hotel Tax Passed, But There's a Catch" Voice of San Diego, Lisa Halverstadt, Aug. 11, 2023.

[117] TMD agreement pursuant to San Diego Municipal Code section 61.2524.

[118] City of San Diego Resolution 303226, Dec. 12, 2007.

[119] City of San Diego Proposed Budget Fiscal Year 2023, Vol 1 Budget Overview and Schedules, pg. 82.

Fines, Forfeitures, and Penalties

The PCFA budget estimates that the new City will receive $1.0 million from Fines, Forfeitures, and Penalties based on a San Diego citywide per capita average. Actual revenues collected within La Jolla may vary from the estimated averages.

The fines, forfeitures, and penalties category includes revenue generated from the violation of laws or regulations, such as California Vehicle Code violations, City parking and ordinance violations, negligent impounds, collection referrals, and litigation awards.

Revenue from Money and Property

The PCFA budget does not include $1.7 million from Revenue from Money and Property of net revenue from the Torrey Pines golf course. The City of San Diego anticipates a reduction of net Torrey Pines revenues from $9.4 million to a net of $1.7 million in FY2023-24 based on conservative historical averages; recent years have shown an increase due to major tournaments and increase in rounds played.[120] The disposition of Torrey Pines golf course and its revenues and obligations will be determined during the LAFCO review of the incorporation application and revenue neutrality negotiations.

The City of San Diego owns other property in La Jolla which generated lease revenues of approximately $15.5 million in FY2022-23 from property leases and beach concession leases on non-City owned land.[121] Some portion of these revenues are offset by real estate management costs.

Further review and update to the leases and revenues will be necessary during the preparation of a CFA to assure completeness and accuracy. The disposition of individual properties, leases and revenue sharing would be resolved during the incorporation process and are not included in the PCFA budget forecast.

Charges for Current Services

The PCFA budget estimates that the new City will receive $3.9 million from Charges for Current Services based on a San Diego citywide per capita average (net of revenue specific to other areas, e.g., fire department services to the airport, Port District, HazMat charges, etc.) and TOT reimbursements from various departments providing visitor services. Actual revenues collected within La Jolla may vary from the estimated averages. Further detailed review by the CFA may identify charges specific to La Jolla.

---

[120] City of San Diego Response to Data Request, 2023-06-30, 2.35 Parks and Recreation, and 2023-09-08 Response to Follow-up Request.

[121] City of San Diego Response to Data Request, 2023-06-30, Attachment 19 La Jolla Agreements and Revenue. Attachment 19 appears to exclude revenues from various beach concessions listed on 2nd page of Table B-4g.

Charges for current services revenues are generated by payments for services provided to the public and other City funds. Charges for Current Services includes charges to the public, for example fire department inspection and plan review fees.

The City allocates the costs associated with central service departments, such as the City Auditor, Department of Finance, City Attorney, and City Clerk to all City departments by means of a rate based on the General Government Services Billing (GGSB) standard. The amounts allocated to non-general fund departments are billed and received by the General Fund as revenue to offset the cost of the services provided by these central service departments.[122]

Some of the non-General Fund departments compensate the General Fund using Transient Occupancy Tax allocated to those departments for the safety and maintenance of visitor-related facilities.[123] The PCFA allocates all Transient Occupancy Tax (except TMD) to the General Fund and therefore the Charges for Current Services in the City in the City of La Jolla budget exclude allocated TOT reimbursed by various departments.

The Charges for Current Services do not include Enterprise Fund charges for services, for example the sewer and water funds, which offset the cost of those services.

Franchises

The PCFA budget estimates that the new City will receive $2.7 million from franchises fees based on a San Diego citywide per capita average. Actual revenues collected within La Jolla may vary from the estimated averages.

Franchise fee revenue is generated from agreements with private utility companies in exchange for use of the City's rights-of-way. The largest of the franchise fee payers in the City are San Diego Gas and Electric (SDG&E), Cox Communications, Spectrum TV, AT&T U-verse, and California American Water (Cal AM). In addition, the City collects franchise fees from private refuse haulers that conduct business within the City limits. SDG&E is the single largest generator of franchise fee revenue in the General Fund and remits 3.0 percent of the gross sales of gas and electricity within the City of San Diego.

Revenue from SDG&E is split between the City of San Diego's General Fund (75.0 percent) and the Environmental Growth Funds (25.0 percent) based on the City Charter;[124] the new City of La Jolla city council will determine the allocation of funds.

---

[122] City of San Diego Proposed Budget Fiscal Year 2023, Vol 1 Budget Overview and Schedules, pg. 84. See City of San Diego Financial Reports at: https://www.sandiego.gov/finance/financialrpts

[123] City of San Diego Proposed Budget Fiscal Year 2023, Vol 1 Budget Overview and Schedules, pg. 84.

[124] City of San Diego Proposed Budget Fiscal Year 2023, Vol 1 Budget Overview and Schedules, pg. 78.

Utility Undergrounding

Revenues from an SDG&E undergrounding utility franchise fee are dedicated to funding the utility undergrounding projects. This PCFA anticipates that the new City of La Jolla will continue this program and provide local oversight and prioritization to assure funds are used effectively and in a timely manner in La Jolla.

Real Property Transfer Taxes

The PCFA budget estimates that the new City will receive an estimated $1.3 million annually in property transfer tax. The amount is estimated as a percent of property tax based on City of San Diego transfer tax receipts compared to property tax revenues for FY2022-23. The amounts will vary year to year depending on real estate market conditions and may vary within La Jolla from the citywide average.

Property transfer tax is levied on the sale of real property. The County of San Diego collects $1.10 per $1,000 of the sale price when any real property is sold. The City is allocated $0.55 per $1,000 from the County's charge, giving both the County and City each $0.55 per $1,000 of the sale price.

The funds are collected by the County upon a sale of real property within City limits and transferred to the City on a monthly basis. The City of La Jolla would receive property transfer taxes comparable to the amounts received by the City of San Diego. No increase in the property transfer tax rate is possible unless the City of La Jolla is formed as a "charter city" and its voters approve of a change to its charter.

Interest and Dividends

The City of San Diego earns interest on its invested funds of approximately 0.2 percent of General Fund revenues (shown in "Interest and Dividends").[125] A similar percentage is applied to estimate interest earnings in the projected PCFA budget for the new City. Earnings will vary depending on the amount of invested funds and interest rates.

Other Revenues

Solid Waste – Currently the City of San Diego does not charge for solid waste collection services it provides to parts of San Diego; a measure on the November 2022 ballot was approved and will change the City Charter to allow the City to charge fees for this service subject to completion of a study to determine costs and corresponding charges, subject to the legally mandated Prop. 218 process required to impose and/or increase fees and charges for services. The new City of La Jolla could consider

[125] City of San Diego Proposed Budget Fiscal Year 2023, Vol 1 Budget Overview and Schedules, pg. 82-3. See City of San Diego Financial Reports at: https://www.sandiego.gov/finance/financialrpts

contracting with private franchisees for solid waste collection to reduce city staff and equipment responsibilities and rely on private sector capability.

Revenue from Federal & Other Agencies – Revenue from federal and other agencies includes federal grants and reimbursements for City services such as court crime lab revenue, urban search and rescue, service level agreements, and unbudgeted cost reimbursements.[126] No significant revenue to the City of La Jolla is included in the estimated budget. The City will benefit from various one-time grants, but these are not estimated as a General Fund revenue.

Transfers In

The PCFA budget focuses on the City of La Jolla's General Fund. Revenues transferred into the General Fund from other funds to pay for General Fund departmental services are included in "Charges for Current Services" described above.

In the current City of San Diego budget "Transfers" include revenues received by the General Fund from other non-general funds such as the Transient Occupancy Tax (TOT) 1.0 cent transfer, public safety sales tax transfer, and gas tax revenue. Revenues in this PCFA, for example TOT (excluding TMD), are shown entirely in the PCFA General Fund rather than as transfers in. Other revenues such as Gas Taxes are shown separately from the General Fund in this PCFA.[127] No public safety sales taxes are expected in the City of La Jolla budget.

The new City, following incorporation, will create multiple funds for accounting purposes to segregate enterprise funds, restricted revenues, and other special purpose activities, and will account for transfers among multiple funds.

EXPENDITURES

Chapter 2 described annual expenditures by the City of La Jolla and are summarized in **Table 5** at the beginning of this chapter. Expenditures are shown in dollars with constant 2023 purchasing power.

PENSION LIABILITIES

As of the last valuation of the City's pension system, unfunded actuarial liabilities (UAL) totaled $2.84 billion.[128] The new City of La Jolla will have an opportunity to establish a defined contribution plan, rather than a defined benefit plan, which can help to avoid incurring significant liabilities in the future.

---

[126] City of San Diego Proposed Budget Fiscal Year 2023, Vol 1 Budget Overview and Schedules, pg. 83.

[127] See Appendix Table B-4f.

[128] San Diego City Employees' Retirement System, Actuarial Valuation Report as of June 30, 2022, Cheiron, March 2023.

The PCFA's City of La Jolla budget includes a payment towards San Diego's UAL in the estimated cost of services contracted from San Diego. Consistent with a plan to eliminate the UAL over a period of time, estimated San Diego employee costs include a percentage above personnel costs for UAL, in addition to a "normal" cost that pays for each employee's anticipated future pension costs. Currently San Diego pays about an additional 16.75 percent above personnel costs (including fringe benefits) for safety and non-safety employees combined[129] (actual rates vary by employee category and will change over time depending on valuations at that time).

While La Jolla's contracts with San Diego will help pay down the portion of UAL for those contracted services (e.g., police, fire, lifeguard), UAL attributable to other departments will no longer be funded by revenues from La Jolla. City of La Jolla contributions to UAL will be evaluated and determined by LAFCO as part of its review of the incorporation proposal after an application is submitted.

Contingency and Reserves

State incorporation guidelines recommend that CFAs demonstrate that a new city can afford to include a contingency. **Table 5** shows that current projections could generate surplus funds in initial years before accounting for revenue neutrality payments to be negotiated. It is expected that further refinement to the budget forecast will change surpluses available for contingencies and reserves. In addition, the new City could accrue revenues during the Transition Year and may receive a share of existing San Diego reserves attributable to La Jolla and fund balances attributable to La Jolla.

The new city should also demonstrate in the CFA that it will have adequate operating reserves (for example, at least two months of operating expenses). **Table 5** does not estimate reserves – transferred reserves from the City of San Diego will be determined by LAFCO in the CFA. Transferred reserves may include, for example, impact fees or other capital improvement funds intended for the benefit of La Jolla, or self-insurance and other contingency funds related to La Jolla infrastructure, facilities and services.

Revenue Neutrality Payments

State law prohibits LAFCO from approving an incorporation if it causes adverse financial impacts on another public agency, in this case the City of San Diego, unless there is an agreement in place between La Jolla and San Diego.

This PCFA estimates annual impacts on the City of San Diego of $8.5 million annually. The PCFA does not estimate annual mitigation payments which will be negotiated between the two cities during the LAFCO process.

---

[129] Correspondence from M. Vespi, Sept. 29, 2023.

Repayment for Transition Year Services

The PCFA budget for the City of La Jolla projects that it will receive a full year of revenues sufficient to pay for a full year of expenditures during its Transition Period. However, State law allows the new City to retain revenues during the Transition Period while deferring payment to the City of San Diego for continued services during the Transition Period. This "loan" from the City of San Diego enables the new City to accumulate reserves and to help fund start-up and transition costs. The City of San Diego may request repayment of the loan over time at a prevailing interest rate.

Certain revenues may not be received in full by the City of La Jolla during its initial year; State filing deadlines and time required to realign property taxes may reduce the City of La Jolla revenues initially. Any revenues received by the City of San Diego during the Transition Period that would otherwise accrue to the City of La Jolla should be credited towards any loan repayments due from La Jolla to San Diego, per LAFCO Terms and Conditions.

The detailed CFA to be prepared by LAFCO will evaluate the timing of costs and revenues and the feasibility of repayment to the City of San Diego.

Infrastructure, Public Facilities and Property

Adequate funding of infrastructure improvements is an important incorporation objective.

The City of La Jolla will inherit infrastructure, public facilities and property from the City of San Diego and its responsibility for operations, maintenance and replacement.[130] While the focus of this PCFA is annual operating revenues and expenditures, asset and liability issues are noted in the report to provide background and for further investigation in the CFA.

As noted in this report, certain City of San Diego public safety buildings (police, fire, communications) are located within the proposed City of La Jolla boundaries and will be transferred to the City of La Jolla but will continue to serve San Diego through mutual aid or other cooperative agreements.

Other recreation and community facilities primarily serving La Jolla residents and located within its proposed boundaries will be transferred to and become the responsibility of the City of La Jolla; the CFA will refine the list of transferred facilities. Transfer of some of these facilities and/or the disposition of their revenues, for example, Torrey Pines golf course, will be a subject of negotiation during the LAFCO process and preparation of the CFA. The PCFA's City of La Jolla budget does not include Torrey Pines

---

[130] See Attachment 1 to City of San Diego Response to Data Request, 2023-06-30 for a preliminary list of San Diego facilities located within La Jolla. Further refinement to the list will be necessary to identify the nature and necessity to La Jolla and San Diego of specific services provided by each facility, and to verify the facility locations relative to the proposed City of La Jolla boundary.

golf course net revenues to the City of La Jolla because those net revenues are necessary to help fund other San Diego golf courses, however this will be negotiated.

Other properties owned by the City of San Diego, but which are not necessary for the provision of public services could be subject to negotiations, particularly if their transfer causes an adverse financial impact on the City of San Diego and its residents.[131]

Sewer and water infrastructure represents a substantial investment, require significant operation and maintenance costs, and will be very difficult to divide between the two cities; ongoing contractual operation by the City of San Diego provides a viable option but could incur additional management costs and increased rates to La Jolla residents if costs of serving La Jolla are more costly than San Diego and require a separate rate structure. If the burden of costly infrastructure operation and replacement is shifted to the City of La Jolla, average costs to the remaining ratepayers in the City of San Diego could be reduced.

La Jolla's beaches contribute to San Diego's visitor draw and to its economic vitality but require major operating costs for lifeguard and related marine services in addition to beach and facility maintenance, protection and improvement. Collaboration with the City of San Diego, similar to La Jolla/San Diego contracts for sewer and water operations, could continue current efficiencies of scale.

[131] See Attachment 19 to City of San Diego Response to Data Request, 2023-06-30 for a list of City of San Diego properties generating lease revenue.

4. IMPACTS ON EXISTING AGENCIES

IMPACTS ON THE CITY OF SAN DIEGO

As shown in **Table 7**, annual revenue reductions to the City of San Diego's budget could exceed cost savings from La Jolla detachment. The impacts do not include City of San Diego savings from elimination of La Jolla's deferred maintenance liabilities and capital improvement needs, nor costs of transition. Other Citywide overhead and administrative costs are generally expected to be reduced proportionate to La Jolla population, with the exception of certain fixed costs, e.g., debt service.

Table 7 Impacts on City of San Diego Costs and Revenues (constant 2023 dollars)

Item	Amount	Comments
REVENUE REDUCTIONS		
Property Tax	$43,991,878	
Property Tax in lieu of VLF		Proportionate to assessed value
Sales and Use Tax	4,383,599	Table B-4b
Transient Occupancy Tax	24,970,721	Table B-4b
Licenses & Permits	1,361,830	Table B-4b
Fines, Forfeitures, and Penalties	970,726	Table B-4b
Revenue from Money and Property	0	Torrey Pines net revenue and other leases
Revenue from Federal Agencies	not est'd	
Revenue from Other Agencies	not est'd	
Charges for Current Services	3,877,161	Existing City of SD per capita
Transfers In	not est'd	
Other Revenue	59,088	Existing City of SD per capita
Franchise Fees	2,689,896	Existing City of SD per capita
Property Transfer Tax	1,326,345	Table B-4b
Interest and Dividends	167,262	as % of other revenues
Total Revenue Reductions	**$83,798,507**	
EXPENDITURE REDUCTIONS		
Management & Administration	$7,124,056	City of San Diego per capita
Police	18,126,000	City of San Diego Estimate
Animal Control	380,000	City of San Diego Estimate
Fire	15,982,667	City of San Diego Estimate (3 stations)
Lifeguard	12,228,891	City of San Diego Estimate
Com. Dev. (Planning, Dev., Codes)	2,543,300	Planning (SD est.), Dev. Services (no net cost), Code Enforce. (6 FTE @ avg. cost)
Public Works Transportation (Roads)	1,200,000	SD estimate (Gen. Fund)
Public Works Env'l Services (waste, codes)	4,188,000	City of San Diego Estimate
Public Works Stormwater	2,168,000	City of San Diego Estimate
Library	1,018,770	City of San Diego Estimate
Parks and Recreation	3,785,257	City of San Diego Estimate
Economic Development	479,403	City of San Diego per capita
General Services	281,000	City of San Diego Estimate
Other Citywide Programs & Commissions (1)	4,983,066	City of San Diego per capita, see Table B-4c.2
Cultural Affairs	781,000	City of San Diego Estimate
Total Expenditure Reductions	**$75,269,411**	
Net Gain (or loss) by City of San Diego	**($8,529,096)**	

Note: Constant 2023$'s; revenues are Transition Yr (see Table B-4a).
Expenditures see Table B-4c.1 expenditure notes & Table B-11b Ref. Cities (San Diego) and Table B-11c San Diego.
(1) Other Citywide Programs & Commissions see Table B-4c.2 *1/16/24*

5. NEXT STEPS

The incorporation process typically requires two to three years from application to LAFCO until the new city becomes effective. A number of factors can extend the timeline, for example, if a review of the CFA is requested by the State Controller, or if litigation is filed over LAFCO's process. **Appendix 2** includes a preliminary incorporation schedule which will be revised depending on the timing of the incorporation application and LAFCO review.

Steps include:

- Public outreach and fundraising by Proponents
- Preparation of an application, including this PCFA and a detailed boundary description, and payment of fees for application submittal to LAFCO
- LAFCO prepares a Comprehensive Fiscal Analysis (CFA) funded by the Proponents
- LAFCO holds public workshops and hearings
- During and following completion of a draft CFA, LAFCO facilitates revenue neutrality negotiations between the Proponents and the City of San Diego
- LAFCO reviews the CFA's fiscal feasibility findings, revenue neutrality impacts and agreement, and orders the County to place the incorporation measure on the ballot if the incorporation meets LAFCO's policies
- An election is held, and the ballot measure must gain more than 50% voter approval within the proposed La Jolla city boundaries and within the City of San Diego as a whole (unless State legislation changes the voting requirements)
- If the ballot measure is approved, the new City of La Jolla would become effective on the date specified by LAFCO and the newly elected City Council would be seated and would be responsible for providing municipal services to La Jolla
- The City of San Diego would continue to provide services to La Jolla for the remainder of the first full fiscal year

The steps listed above are intended to provide a summary overview; LAFCO will refine the schedule of specific steps, requirements and timelines as the process moves forward (see **Appendix 2** for a preliminary working schedule). Other factors could affect the schedule, for example, if State Controller's review of the CFA is requested.

LAFCO Review

As noted above, LAFCO will review the incorporation application and prepare a CFA.[132] The CFA will be a more detailed version of this PCFA and will consider a number of topics in greater detail, including but not limited to:

- Impact on leased properties
- Responsibility for unfunded pension liability
- Contracting of services
- Impact on public utilities

Following public hearings and LAFCO determinations, LAFCO will pass a resolution requiring the County to call for an election if LAFCO determines that the incorporation proposal meets legal requirements for financial feasibility and revenue neutrality. Terms and Conditions approved by LAFCO would specify additional requirements applicable to the city incorporation. The detachment and incorporation must be approved by a majority of voters in the proposed city boundary and by a majority of voters in the City of San Diego.

---

[132] Gov. Code Sec. 56800.

[This page intentionally left blank]

APPENDIX 1 LA JOLLA BOUNDARIES & ESTIMATED LAND AREA & POPULATION

CITY OF LA JOLLA BOUNDARY

The new City of La Jolla will serve a proposed City boundary that follows the natural topography of La Jolla and major arterials including the I-5 freeway bounding La Jolla. Key boundary features include:

- The southern border separates La Jolla from its neighboring community of Pacific Beach, which remains in the City of San Diego. The border aligns with the current boundary of zip code 93027 and seeks to maintain the integrity of neighborhoods by not splitting blocks.
- Along the westerly edge the border extends from Pacific Beach north along the Pacific Ocean to the southern boundary of the City of Del Mar. The northern tip of La Jolla includes the Torrey Pines State Natural Reserve and State Beach.
- The northern border runs from the Pacific Ocean at the top of Torrey Pines State Natural Reserve along the City of Del Mar's southern boundary and Carmel Valley Road easterly to Sorrento Valley Road then southeast to I-5.
- The eastern border follows I-805 south, just to the west of and excluding the commercial and industrial uses along both sides of Sorrento Valley Road which more closely identified with Sorrento Valley rather than La Jolla.[133]
- The boundary continues along I-5 south of I-805 extending south to Genesee Avenue.
- The border continues northwest along Genessee Ave. to North Torrey Pines Road and then south to La Jolla Village Drive wrapping around the main campus of UCSD. Certain parcels along the west side of North Torrey Pines Road across from the main campus are owned and occupied by UCSD. The border continues down I-5 to the southern boundary of La Jolla that separates it from Pacific Beach.

The boundaries extend beyond the La Jolla Community Plan Area and into part of the current University Community Plan Area (the UCSD main campus is excluded from the proposed City boundary.[134]

---

[133] The Association for The City of La Jolla.

[134] City of San Diego Response to Data Request, 2023-06-30, 1.2 Overview of La Jolla (boundaries).

APPENDIX TABLE 1A LA JOLLA ESTIMATED LAND AREA AND POPULATION

La Jolla Census Tracts & Estimated Population & Area
Proposed City of La Jolla Boundary

Census Tract	Total Census Tracts Land Area (sq mi)	Total Census Tract Population	Occupied Housing Units	Persons per Occupied Housing Unit	Total Housing Units	Occupancy Rate	Area % inside La Jolla	Pop. % inside La Jolla	Area (sq mi) inside La Jolla	Population inside La Jolla	Total Units in La Jolla
80.06	0.4	3,885	1,924	2.0	2,155	89%	60%	50%	0.24	1,943	1,078
81.01	0.5	3,859	1,857	2.1	2,334	80%	100%	100%	0.50	3,859	2,334
81.02	0.5	3,424	1,361	2.5	1,541	88%	100%	100%	0.50	3,424	1,541
82.01	0.3	1,845	1,010	1.8	1,246	81%	100%	100%	0.30	1,845	1,246
82.02	0.2	1,524	596	2.6	1,021	58%	100%	100%	0.20	1,524	1,021
83.01	0.9	3,371	1,222	2.8	1,315	93%	25%	25%	0.23	843	329
83.03	1.7	3,531	1,501	2.4	1,764	85%	100%	100%	1.70	3,531	1,764
83.05	1.7	14,126	794	17.8	816	97%	5%	0%	0.09	-	-
83.10	2.0	5,731	2,274	2.5	2,543	89%	90%	90%	1.80	5,158	2,289
83.11	1.0	2,849	1,064	2.7	1,177	90%	100%	100%	1.00	2,849	1,177
83.12	3.3	3,787	1,624	2.3	2,042	80%	95%	100%	3.14	3,787	2,042
83.13	0.9	2,245	843	2.7	912	92%	100%	100%	0.90	2,245	912
83.39	4.6	1,886	830	2.3	884	94%	70%	70%	3.22	1,320	619
83.61	0.2	2,616	1,356	1.9	1,559	87%	100%	100%	0.20	2,616	1,559
83.62	0.3	3,334	1,587	2.1	1,742	91%	100%	100%	0.30	3,334	1,742
83.64	0.4	5,132	2,629	2.0	2,868	92%	0%	0%	-	-	-
TOTAL									**14.3**	**38,277**	**19,652**

Census Tracts: U.S. Census, Census Tracts Map_San Diego City_DC20CT_C06073.pdf
https://mtgis-portal.geo.census.gov/arcgis/apps/MapSeries/index.html?appid=2566121a73de463995ed2b2fd7ff6eb7
% of each tract estimated by Berkson Associates.

10/8/23

APPENDIX 2 PRELIMINARY INCORPORATION SCHEDULE

(as of Nov. 16, 2023, per LAFCO) *Dates subject to further review and change*

Working Timeline for La Jolla Incorporation

Date	Action
January 2024	Submit Complete Application with LAFCO • Petition with 25% or more registered voters • Preliminary draft CFA • $150,000 application deposit
February 2024	LAFCO Selects CFA Consultant
February 2024 – July 2024	Consultant Prepares Draft CFA (FY23 Baseline Year)
August 2024 – September 2024	Draft CFA Circulated to San Diego and Public Review(60-days)
August 2024 – September 2024	Community Workshops (La Jolla and San Diego)
October 2024	Final CFA Produced
November 2024	Commission Hearing(s)
March 2025	Elections (La Jolla and San Diego)
July 2025	Incorporation Date • Starts 12-month transition period

[This page intentionally left blank]

APPENDIX 3 CITY OF LA JOLLA BUDGET FORECAST

List of Incorporation Feasibility Tables
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA) (constant 2023 $'s)

Table A-1	See Appendix 2 of report
Table B-1	La Jolla Public Services Before and After City Incorporation
Table B-1a	Overview of La Jolla City Employees (FTEs)
Table B-1a.1	La Jolla Crime Rates
Table B-1a.2	La Jolla Crime Response Times
Table B-1a.3	Parks and Recreation Costs
Table B-2a	Description of La Jolla & Key Characteristics
Table B-2b	La Jolla and San Diego Project Description
Table B-2c	La Jolla Census Tracts & Estimated Population & Area
Table B-3	Assessed Value
Table B-4.1	Summary of City of La Jolla Budget Forecast (constant 2023 $'s)
Table B-4.2	Summary of City of La Jolla Budget Forecast (nominal $'s)
Table B-4a	City of La Jolla Budget Forecast (constant 2023 $'s)
Table B-4b	City of La Jolla Revenue Notes
Table B-4b-2	City of La Jolla Summary of Revenue Methodologies
Table B-4c.1	City of La Jolla Expenditure Notes
Table B-4c-2.1	City of La Jolla Summary of Expenditure Methodologies
Table B-4c.2	City of San Diego Expenditure Reductions: Commissions & Other Citywide Costs
Table B-4d.1	City of La Jolla Property Tax Summary
Table B-4d.2	City of La Jolla Tax Increment Factors
Table B-4e	Hotel Tax Summary
Table B-4f	Estimated Gas Tax and TRANSNET
Table B-4g	City of San Diego Leases in La Jolla
Table B-5	Impacts on City of San Diego Costs and Revenues
Table B-5 (cont'd)	Impacts on City of San Diego Costs and Revenues (8 years)
Table B-5a	Estimated Provisional Appropriations Limit
Table B-6a	Summary of Reference Cities' Characteristics
Table B-6b	Summary of Ref. Cities' Budgets
Table B-6c	City of San Diego General Fund Expenditures FY2022-23
Table B-6d	City of San Diego General Fund Revenues FY2022-23
Table B-6e	City of Coronado General Fund Expenditures FY2022-23
Table B-6f	City of Coronado General Fund Revenues FY2022-23
Table B-6g	City of Encinitas General Fund Expenditures FY2022-23
Table B-6h	City of Encinitas General Fund Revenues FY2022-23
Table B-6i	City of Solana Beach General Fund Expenditures FY2022-23
Table B-6j	City of Solana Beach General Fund Revenues FY2022-23

Table B-1
La Jolla Public Services Before and After City Incorporation

Service	Current Service Providers City of San Diego/Other	Post-Incorporation City of La Jolla
Management, Administrative & General Services	The City of San Diego's 9-member City Council and City staff manage all municipal services. One council member (District 1) represents La Jolla residents. La Jolla population is about 25.6% of District 1's total population.	La Jolla's 5-member City Council will be elected by La Jolla residents to direct municipal services, facilities and City staff, and determine priorities. Municipal services may be provided by La Jolla City departments or contracts with other public or private entities.
Development Services	City of San Diego	City of La Jolla
Economic Development	City of San Diego	City of La Jolla
Library	City of San Diego	City of La Jolla
Fire-Rescue	City of San Diego	Options include: 1) Contract w/City of San Diego 2) Annexation to San Diego County Fire 3) City of La Jolla Fire Dept. (possible sharing of services w/other small agencies
Parks and Recreation	City of San Diego	City of La Jolla
Planning	City of San Diego	City of La Jolla
Police	City of San Diego	Options include: 1) Contract w/City of San Diego 2) City of La Jolla Police Dept.
Animal Control Services	City of San Diego	Options include: 1) San Diego County Animal Control 2) Humane Society of San Diego
Public Utilities and Enterprises	City of San Diego: Waste Disposal (Residential: City) Sewer Water	City Env'l Services/waste franchise Sewer/Water options include: 1) Contract w/City of San Diego 2) City of La Jolla Departments
Roads	City of San Diego	City of La Jolla
Stormwater	City of San Diego	City of La Jolla

Table B-1a
Overview of La Jolla City Employees (FTEs)
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

Service	City of San Diego	San Diego FTE Comments	City of La Jolla	La Jolla FTE Comments
Management,				
City Council	182.0	Includes Council staff and Independent Budget Analyst	5.0	Councilmembers (special audits by contract)
City Manager	136.3	Mayor, COO, Assist. COO, Gov't Affairs, Boards, Emergency Serv., Race & Equity	5.0	Manager, Assistant CM, Analysts(2), Exec. Assistant (1) (Encinitas)
City Attorney	403.7		1.0	Contract
City Clerk	50.3		3.0	City Clerk, Deputy Clerk, Program Coordinator (Encinitas)
City Finance	311.0		11.0	Finance Dir., Assistant Dir., Managers (2), Analysts (2), Accountants (2), Tech/Specialists (3) (Encinitas)
Administration	264.0		6.0	Directors (2), Managers, Analysts (2), Tech/Specialists (2)
Gen. Services: Facilities	177.5		5.0	San Diego cost estimate
Community Development	105.0	Development Services, Planning, Sustainability & Mobility	43.0	San Diego estimate (Dev. Services and Code Enforcement)
Economic Development	55.0	Includes administration of HUD, CDBG, other grant funded	2.0	Program administration
Library	469.1		14.0	San Diego estimate (La Jolla
Fire-Rescue	1,202.0	Includes management & admin. (exc. lifeguard, below)	Contract	36 San Diego staffing (12/station, not inc. management and admin)
Lifeguard	160.0	Lifeguards, Sergeants, Chiefs	66.0	Includes 8 admin.
Parks and Recreation	1,037.9		5.5	San Diego estimate. Recreation Center (exc. admin. and maintenance staff)
Planning	79.0	San Diego estimate	7.0	San Diego estimate (approx. 8.9%)
Police	2,664.1	San Diego FY23 Budget	Contract	Approx. 3% of City total
Animal Control Services	Inc. in Police	Contract	Contract	San Diego cost estimate
Public Works	1,061.9	Stormwater, Transportation (Roads), Env'l Services (exc. public utility enterprises & waste collection)	13.7	Avg. San Diego cost/FTE
TOTAL	**8,358.9**		**187.2**	

9/12/23

Table B-1a.1
La Jolla Crime Rates

Area	Crime Rate/1,000 Residents	
	Violent Crime	Property Crime
La Jolla	2.41	18.29
City of San Diego	4.26	17.58

Source: UCR Crimes by GeoArea, 2022.

2023-07-20

Table B-1a.2
La Jolla Crime Response Times
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

		Average Response Time		
			FY2021-22	
Call Priority	**Description**	**Target**	**San Diego**	**La Jolla**
Priority 0	Imminent threat to life	7.0	6.6	8.4
Priority 1	Serious crime in progress or threat to life	14.0	36.8	30.5
Priority 2	Less serious, no threat to life	27.0	128.3	80.8
Priority 3	Minor crimes, non-urgent requests	80.0	209.1	135.2
Priority 4	Minor requests	90.0	93.8	74.3

10/9/23

Table B-1a.3
Parks and Recreation Costs
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

Item	Costs	Revenues	Net Cost or (Revenue)
LA JOLLA RECREATION CENTER			
Personnel	245,242		245,242
Non-Personnel	68,682		68,682
Water/Other non-discretionary	not est'd		
Admin (Comm. Parks Div.)	22,000		22,000
Rec. Center Fund (programs)	12,659	23,529	(10,870)
Subtotal, Rec. Center	**348,583**	**23,529**	**325,054**
PARKS AND BEACHES			
Shoreline Parks			
Maintenance	2,030,181		2,030,181
Permit Revenue		119,833	(119,833)
Beach Maintenance	427,843		427,843
Shoreline Park Rangers	654,837		654,837
Citywide Park Maintenance	40,573		40,573
Subtotal, Parks/Beaches	**3,153,434**	**119,833**	**3,033,601**
OTHER OPEN SPACE			
Open Space	56,000	0	56,000
Brush Management	227,240	0	227,240
Subtotal, Other Open Space	**283,240**	**0**	**283,240**
TOTAL (without Golf Course)	**3,785,257**	**143,362**	**3,641,895**
		3.8%	
GOLF COURSE			
Torrey Pines Golf Course			
Golf Course Operations	11,598,398	23,185,100	(11,586,702)
Support & Management	2,505,700	285,000	2,220,700
Total Golf Course	**14,104,098**	**23,470,100**	**(9,366,002)**

Source: City of San Diego Response to Data Request, 2023-06-30, 2.34-2.38; does not include start-up and capital costs.

9/12/23

Table B-2a
Description of La Jolla & Key Characteristics
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

Item	La Jolla	City of San Diego	La Jolla as a % of San Diego
Population	38,277	1,368,395	2.8%
Registered Voters	23,050	794,643	2.9%
Employment (Jobs)	18,700	822,407	2.3%
Land Area (sq.mi.)	14.3	325	4.4%
Assessed Value (bill.)	$25.4	$350.0	7.3%
Roads (centerline mi.)	151	3,045	5.0%

(1) La Jolla pop. estimated by Berkson Associates based on census. City of San Diego from Cal. DOF Jan 2022.
(2) City of San Diego Response to Data Request, 2023-06-30, 1.3 Overview.
(3) Source: All jobs 2019 La Jolla zip, onthemap.ces.census.gov/
(4) Estimated (see Table B-2b)".
(5) County of San Diego 7/05/22 Combined Valuations FY23".
(6) City of San Diego 2023-06-30; see also 2020-21 ACFR (also SCO Streets Report)".

10/9/23

Table B-2b
La Jolla and San Diego Project Description
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

Item	Description		Base Year FY2022-23	Transition Yr 1 FY2023-24	2 FY2024-25	3 FY2025-26	4 FY2026-27	5 FY2027-28
Demographics								
Population	Proposed City of La Jolla	(1)	38,277	38,352	38,427	38,503	38,578	38,653
	New Residents			75	75	75	75	75
	City of San Diego (Jan 1, 2023)	(2)	1,368,395					
			36	times LJ				
	County of San Diego (Jan 1, 2023)	(2)						
	Unincorporated		509,873					
	Incorporated		2,759,882					
	Total County		3,269,755					
Housing Units	Proposed City of La Jolla	(3)	15,300	15,330	15,360	15,390	15,420	15,450
	New Units		30	30	30	30	30	30
Registered Voters	Proposed City of La Jolla	(4)	23,050	23,095	23,140	23,186	23,231	23,276
	City of San Diego		794,643					
Economics								
Employment (Jobs	Proposed City of La Jolla	(5)	18,700	18,900	19,100	19,300	19,500	19,700
	City of San Diego	(6)	822,407					
			44	times LJ				
Employment Land Uses								
New Commercial	Proposed City of La Jolla	(7)		50,000	50,000	50,000	50,000	50,000
Area Served								
Land Area	Proposed City of La Jolla	(8)	7.1					
	City of San Diego	(9)	325					
Infrastructure								
Roads (lane miles)	Proposed City of La Jolla	(10)	151					
	City of San Diego		3,045					
		(11)						

Sources and Notes:

(1) PCFA review of census tracts
(2) Dept. of Finance (Population_E-1_2023)
(3) 125 units per City of San Diego Response to Data Request, 2023-06-30, 2.42 Development.
(4) City of San Diego Response to Data Request, 2023-06-30, 1.3 Registered Voters (per County Registrar of Voters).
(5) La Jolla Community Plan 2016; 54,364 jobs in La Jolla Zip Code 92037 (includes UC)
(6) All Jobs, 2019; Source: https://onthemap.ces.census.gov/
(7) Development forecast (50% of Community Plan); jobs assume 250 sq.ft. per employee average.
(8) Source: See La Jolla population estimate.
(9) FY2022-23 Budget, pg. 13; (land area only)
(10) Centerline miles; City of San Diego Response to Data Request, 2023-06-30, 2.68 Roads Costs.
(11) Source: 2020-21 City of San Diego Annual Comprehensive Financial Report

9/12/23

Table B-2b
La Jolla Census Tracts & Estimated Population & Area
Proposed City of La Jolla Boundary

Census Tract	Total Census Tracts Land Area (sq mi)	Total Census Tract Population	Occupied Housing Units	Persons per Occupied Housing Unit	Total Housing Units	Occupancy Rate	Area % inside La Jolla	Pop. % inside La Jolla	Area (sq mi) inside La Jolla	Population inside La Jolla
80.06	0.4	3,885	1,924	2.0	2,155	89%	60%	50%	0.24	1,943
81.01	0.5	3,859	1,857	2.1	2,334	80%	100%	100%	0.50	3,859
81.02	0.5	3,424	1,361	2.5	1,541	88%	100%	100%	0.50	3,424
82.01	0.3	1,845	1,010	1.8	1,246	81%	100%	100%	0.30	1,845
82.02	0.2	1,524	596	2.6	1,021	58%	100%	100%	0.20	1,524
83.01	0.9	3,371	1,222	2.8	1,315	93%	25%	25%	0.23	843
83.03	1.7	3,531	1,501	2.4	1,764	85%	100%	100%	1.70	3,531
83.05	1.7	14,126	794	17.8	816	97%	5%	0%	0.09	-
83.10	2.0	5,731	2,274	2.5	2,543	89%	90%	90%	1.80	5,158
83.11	1.0	2,849	1,064	2.7	1,177	90%	100%	100%	1.00	2,849
83.12	3.3	3,787	1,624	2.3	2,042	80%	95%	100%	3.14	3,787
83.13	0.9	2,245	843	2.7	912	92%	100%	100%	0.90	2,245
83.39	4.6	1,886	830	2.3	884	94%	70%	70%	3.22	1,320
83.61	0.2	2,616	1,356	1.9	1,559	87%	100%	100%	0.20	2,616
83.62	0.3	3,334	1,587	2.1	1,742	91%	100%	100%	0.30	3,334
83.64	0.4	5,132	2,629	2.0	2,868	92%	0%	0%	-	-
TOTAL									**14.3**	**38,277**

Census Tracts: U.S. Census, Census Tracts Map_San Diego City_DC20CT_C06073.pdf
% of each tract estimated by Berkson Associates.

Table B-3
Assessed Value
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

Item	Factor		Transition Yr 1 FY2023-24	2 FY2024-25	3 FY2025-26	4 FY2026-27	5 FY2027-28	6 FY2028-29	7 FY2029-30	8 FY2030-31	9 FY2031-32	10 FY2032-33
Assessed Value												
Cumulative A.V. (start of yr)			$25,382,183,987	25,578,594,907	25,775,987,881	25,974,367,821	26,173,739,660	26,374,108,358	26,575,478,900	26,777,856,295	26,981,245,576	27,185,651,804
Growth from Resales	0.5%	(1)	126,910,920	127,892,975	128,879,939	129,871,839	130,868,698	131,870,542	132,877,395	133,889,281	134,906,228	135,928,259
New Residential	$1,900,000	(3)	57,000,000	57,000,000	57,000,000	57,000,000	57,000,000	57,000,000	57,000,000	57,000,000	57,000,000	57,000,000
New Commercial	$250	(4)	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000
Subtotal, New A.V. from Development			196,410,920	197,392,975	198,379,939	199,371,839	200,368,698	201,370,542	202,377,395	203,389,281	204,406,228	205,428,259
Total, Increased A.V.			196,410,920	197,392,975	198,379,939	199,371,839	200,368,698	201,370,542	202,377,395	203,389,281	204,406,228	205,428,259
Cumulative A.V. (end of yr)			25,578,594,907	25,775,987,881	25,974,367,821	26,173,739,660	26,374,108,358	26,575,478,900	26,777,856,295	26,981,245,576	27,185,651,804	27,391,080,063
		(5)		0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
TOTAL ASSESSED VALUE												
Total Assessed Value (start of year)			25,382,183,987	25,578,594,907	25,775,987,881	25,974,367,821	26,173,739,660	26,374,108,358	26,575,478,900	26,777,856,295	26,981,245,576	27,185,651,804
Total Increase in A.V.			196,410,920	197,392,975	198,379,939	199,371,839	200,368,698	201,370,542	202,377,395	203,389,281	204,406,228	205,428,259
TOTAL, A.V. End of Year		(2)	25,578,594,907	25,775,987,881	25,974,367,821	26,173,739,660	26,374,108,358	26,575,478,900	26,777,856,295	26,981,245,576	27,185,651,804	27,391,080,063

(1) Growth rate assumes that long-term a.v. growth is approximately equal to inflation plus real rate of growth factor shown.
(2) 2023 Assessed Value (Net) from San Diego County Assessor file: 'La Jolla APNs
(3) Redfin median sale price all housing types June 2023 .
(4) Berkson Associates estimate .
(5) Estimated real rate of growth (constant dollars) .

9/12/23

Table B-4.1
Summary of City of La Jolla Budget Forecast (constant 2023 $'s)
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

Item	Transition Yr FY2025-26	FY2026-27	FY2027-28	FY2028-29	FY2029-30	FY2030-31	FY2031-32	FY2032-33
REVENUES								
Property Tax	$43,992,000	$44,330,000	$44,671,000	$45,013,000	$45,356,000	$45,702,000	$46,049,000	$46,398,000
Sales Tax	4,384,000	4,384,000	4,384,000	4,384,000	4,384,000	4,384,000	4,384,000	4,384,000
Transient Occupancy Tax	24,971,000	25,695,000	26,440,000	27,207,000	27,996,000	28,808,000	29,643,000	30,503,000
Revenue: Money & Property	0	0	0	0	0	0	0	0
Charges for Current Services	3,877,000	3,885,000	3,892,000	3,900,000	3,907,000	3,915,000	3,923,000	3,930,000
Franchise Fees	2,690,000	2,695,000	2,700,000	2,706,000	2,711,000	2,716,000	2,721,000	2,727,000
Other Revenues	3,885,000	3,902,000	3,919,000	3,937,000	3,954,000	3,971,000	3,989,000	4,007,000
Total Revenues	**$83,799,000**	**$84,891,000**	**$86,006,000**	**$87,147,000**	**$88,308,000**	**$89,496,000**	**$90,709,000**	**$91,949,000**
EXPENDITURES								
Management & Admin.	$8,465,000	$8,278,000	$8,491,000	$8,304,000	$8,517,000	$8,330,000	$8,543,000	$8,356,000
Police	18,126,000	18,126,000	18,126,000	18,126,000	18,126,000	18,126,000	18,126,000	18,126,000
Animal Control	380,000	380,000	380,000	380,000	380,000	380,000	380,000	380,000
Fire	15,983,000	15,983,000	15,983,000	15,983,000	15,983,000	15,983,000	15,983,000	15,983,000
Lifeguard	12,229,000	12,229,000	12,229,000	12,229,000	12,229,000	12,229,000	12,229,000	12,229,000
Community Development	2,543,000	2,543,000	2,543,000	2,543,000	2,543,000	2,543,000	2,543,000	2,543,000
Public Works	7,556,000	7,556,000	7,556,000	7,556,000	7,556,000	7,556,000	7,556,000	7,556,000
Library	1,019,000	1,019,000	1,019,000	1,019,000	1,019,000	1,019,000	1,019,000	1,019,000
Parks and Recreation	3,785,000	3,785,000	3,785,000	3,785,000	3,785,000	3,785,000	3,785,000	3,785,000
Economic Development	479,000	480,000	481,000	482,000	483,000	484,000	485,000	486,000
General Services	281,000	281,000	281,000	281,000	281,000	281,000	281,000	281,000
Other OH/Admin.	3,190,000	3,181,000	3,191,000	3,183,000	3,192,000	3,184,000	3,194,000	3,185,000
Other (cultural grants)	781,000	781,000	781,000	781,000	781,000	781,000	781,000	781,000
Total Expenditures	**$74,817,000**	**$74,622,000**	**$74,846,000**	**$74,652,000**	**$74,875,000**	**$74,681,000**	**$74,905,000**	**$74,710,000**
ANNUAL NET	**$8,982,000**	**$10,269,000**	**$11,160,000**	**$12,495,000**	**$13,433,000**	**$14,815,000**	**$15,804,000**	**$17,239,000**
(less) Revenue Neutrality	**($8,529,000)**	*tbd*	*tbd*	*Annual revenue neutrality terms to be determined through negotiation w/City*				
NET	**$453,000**							

Note: totals may not match Table B-4a due to rounding. *1/16/24*

Table B-4.2 115.9%
Summary of City of La Jolla Budget Forecast (nominal $'s)
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

Item	Transition Yr FY2025-26	FY2026-27	FY2027-28	FY2028-29	FY2029-30	FY2030-31	FY2031-32	FY2032-33
REVENUES								
Property Tax	$48,071,000	$49,894,000	$51,786,000	$53,748,000	$55,782,000	$57,894,000	$60,084,000	$62,355,000
Sales Tax	$4,791,000	$4,934,000	$5,082,000	$5,235,000	$5,392,000	$5,554,000	$5,720,000	$5,892,000
Transient Occupancy Tax	$27,286,000	$28,920,000	$30,651,000	$32,487,000	$34,432,000	$36,493,000	$38,677,000	$40,993,000
Other Revenues	$11,421,000	$11,798,000	$12,185,000	$12,589,000	$13,002,000	$13,430,000	$13,874,000	$14,332,000
Total Revenues	**$91,569,000**	**$95,546,000**	**$99,704,000**	**$104,059,000**	**$108,608,000**	**$113,371,000**	**$118,355,000**	**$123,572,000**
EXPENDITURES								
Management & Admin.	$9,250,000	$9,317,000	$9,843,000	$9,915,000	$10,475,000	$10,552,000	$11,147,000	$11,230,000
Police	$19,807,000	$20,401,000	$21,013,000	$21,643,000	$22,293,000	$22,961,000	$23,650,000	$24,360,000
Animal Control	$415,000	$428,000	$441,000	$454,000	$467,000	$481,000	$496,000	$511,000
Fire	$17,465,000	$17,989,000	$18,529,000	$19,085,000	$19,657,000	$20,247,000	$20,854,000	$21,480,000
Lifeguard	$13,363,000	$13,764,000	$14,177,000	$14,602,000	$15,040,000	$15,491,000	$15,956,000	$16,435,000
Community Development	$2,779,000	$2,862,000	$2,948,000	$3,036,000	$3,128,000	$3,221,000	$3,318,000	$3,418,000
Public Works	$8,257,000	$8,504,000	$8,759,000	$9,022,000	$9,293,000	$9,572,000	$9,859,000	$10,155,000
Library	$1,113,000	$1,147,000	$1,181,000	$1,217,000	$1,253,000	$1,291,000	$1,330,000	$1,369,000
Parks and Recreation	$4,136,000	$4,260,000	$4,388,000	$4,519,000	$4,655,000	$4,795,000	$4,939,000	$5,087,000
Other Expenditures	$5,169,000	$5,315,000	$5,488,000	$5,646,000	$5,827,000	$5,991,000	$6,186,000	$6,361,000
Total Expenditures	**$81,754,000**	**$83,987,000**	**$86,767,000**	**$89,139,000**	**$92,088,000**	**$94,602,000**	**$97,735,000**	**$100,406,000**
ANNUAL NET	**$9,815,000**	**$11,559,000**	**$12,937,000**	**$14,920,000**	**$16,520,000**	**$18,769,000**	**$20,620,000**	**$23,166,000**
(less) Revenue Neutrality	**($9,320,000)**	*tbd*	*tbd*	*Annual revenue neutrality terms to be determined through negotiation w/City*				
NET	**$495,000**							

Includes inflation/year at 3.0% *1/16/24*

Table B-4a
City of La Jol[illegible]udget Forecast (constant 2023 $'s)
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

Item	Factor or Note	Transition Yr 2 FY2025-26	FY2026-27	FY2027-28	FY2028-29	FY2029-30	FY2030-31	FY2031-32	FY2032-33
REVENUES									
Property Tax	Table B-4b, Note 1	$43,991,878	$44,330,454	$44,670,721	$45,012,691	$45,356,370	$45,701,767	$46,048,892	$46,397,752
Sales Tax	Table B-4b, Note 2	4,383,599	4,383,599	4,383,599	4,383,599	4,383,599	4,383,599	4,383,599	4,383,599
Transient Occupancy Tax (exc. TMD)	Table B-4b, Note 3	24,970,721	25,694,872	26,440,023	27,206,784	27,995,781	28,807,658	29,643,080	30,502,730
Licenses & Permits	Table B-4b, Note 4	1,361,830	1,364,485	1,367,139	1,369,794	1,372,449	1,375,103	1,377,758	1,380,413
Fines, Forfeitures, and Penalties	Table B-4b, Note 5	970,726	972,618	974,511	976,403	978,295	980,187	982,080	983,972
Revenue: Money and Property	Table B-4b, Note 6	0	0	0	0	0	0	0	0
Revenue: Federal Agencies	Table B-4b, Note 7	not est'd							
Revenue: Other Agencies	Table B-4b, Note 8	not est'd							
Charges for Current Services	Table B-4b, Note 9	3,877,161	3,884,719	3,892,277	3,899,835	3,907,392	3,914,950	3,922,508	3,930,066
Transfers In	Table B-4b, Note 10	not est'd							
Other Revenue	Table B-4b, Note 11	59,088	59,203	59,318	59,433	59,548	59,664	59,779	59,894
Franchise Fees	Table B-4b, Note 12	2,689,896	2,695,139	2,700,383	2,705,626	2,710,870	2,716,113	2,721,357	2,726,600
Real Property Transfer Tax	Table B-4b, Note 13	1,326,345	1,336,553	1,346,812	1,357,123	1,367,484	1,377,898	1,388,364	1,398,882
Interest and Dividends	Table B-4b, Note 14	167,262	169,443	171,670	173,943	176,264	178,634	181,055	183,528
Subtotal, Revenues	**$2,176 per capita**	**$83,798,507**	**$84,891,085**	**$86,006,453**	**$87,145,229**	**$88,308,051**	**$89,495,574**	**$90,708,470**	**$91,947,434**
EXPENDITURES									
City Council	Table B-4c.1, Note 1	$600,000	$600,000	$600,000	$600,000	$600,000	$600,000	$600,000	$600,000
City Manager	Table B-4c.1, Note 2	1,075,862	1,077,570	1,079,277	1,080,984	1,082,692	1,084,399	1,086,106	1,087,814
City Attorney	Table B-4c.1, Note 3	1,139,330	1,141,551	1,143,772	1,145,993	1,148,214	1,150,435	1,152,656	1,154,876
City Clerk	Table B-4c.1, Note 4	715,876	515,876	715,876	515,876	715,876	515,876	715,876	515,876
City Finance	Table B-4c.1, Note 5	1,985,789	1,989,075	1,992,361	1,995,647	1,998,934	2,002,220	2,005,506	2,008,792
Administration	Table B-4c.1, Note 6	2,948,268	2,954,015	2,959,762	2,965,509	2,971,256	2,977,003	2,982,750	2,988,498
Police	Table B-4c.1, Note 7	18,126,000	18,126,000	18,126,000	18,126,000	18,126,000	18,126,000	18,126,000	18,126,000
Animal Control	Table B-4c.1, Note 8	380,000	380,000	380,000	380,000	380,000	380,000	380,000	380,000
Fire	Table B-4c.1, Note 9	15,982,667	15,982,667	15,982,667	15,982,667	15,982,667	15,982,667	15,982,667	15,982,667
Lifeguard	Table B-4c.1, Note 10	12,228,891	12,228,891	12,228,891	12,228,891	12,228,891	12,228,891	12,228,891	12,228,891
Community Development	Table B-4c.1, Note 11	2,543,300	2,543,300	2,543,300	2,543,300	2,543,300	2,543,300	2,543,300	2,543,300
Public Works Transp. (Roads)	Table B-4c.1, Note 12	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Public Works Env'l Services	Table B-4c.1, Note 13	4,188,000	4,188,000	4,188,000	4,188,000	4,188,000	4,188,000	4,188,000	4,188,000
Public Works Stormwater	Table B-4c.1, Note 14	2,168,000	2,168,000	2,168,000	2,168,000	2,168,000	2,168,000	2,168,000	2,168,000
Library	Table B-4c.1, Note 15	1,018,770	1,018,770	1,018,770	1,018,770	1,018,770	1,018,770	1,018,770	1,018,770
Parks and Recreation	Table B-4c.1, Note 16	3,785,257	3,785,257	3,785,257	3,785,257	3,785,257	3,785,257	3,785,257	3,785,257
Economic Development	Table B-4c.1, Note 17	479,403	480,337	481,272	482,207	483,141	484,076	485,010	485,945
General Services	Table B-4c.1, Note 18	281,000	281,000	281,000	281,000	281,000	281,000	281,000	281,000
Other OH/Admin. (Insurance, Non-De	Table B-4c.1, Note 19	3,189,800	3,181,421	3,191,051	3,182,672	3,192,302	3,183,923	3,193,554	3,185,175
Other Programs (cultural grants)	Table B-4c.1, Note 20	781,000	781,000	781,000	781,000	781,000	781,000	781,000	781,000
Subtotal, Expenditures	**$1,943 per capita**	**$74,817,213**	**$74,622,730**	**$74,846,257**	**$74,651,773**	**$74,875,300**	**$74,680,817**	**$74,904,343**	**$74,709,860**
ANNUAL NET		**$8,981,294**	**$10,268,355**	**$11,160,196**	**$12,493,456**	**$13,432,751**	**$14,814,757**	**$15,804,127**	**$17,237,574**

See notes on following page

Table B-4b
City of La Jolla Revenue Notes
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

		Assumptions		Compound Annual Growth Rate						Transition Yr
		Amount or					Base Year	1	2	3
Item	Note	Factor	Notes	Real	Inflation	Nominal	FY2022-23	FY2023-24	FY2024-25	FY2025-26
General Revenues										
1 **Property Tax**	(1)									
Total Assessed Value (mill$, start of year)			Table B-3	see Tb. B-3	0.0%	0.0%		$25,382 mill.	$25,579 mill.	$25,776 mill.
								$25,382	$25,579	$25,776
1% Property Tax (all agencies)								253,821,840	255,785,949	257,759,879
Growth in 1% Tax to all Agencies (Start of Yr vs. prior)									1,964,109	1,973,930
Base Property Tax to City (prior yr)			Table B-4d.1		0.0%	0.0%				43,991,879
Share of Tax Increment to City (change from prior yr)					0.0%	0.0%				0
Total										43,991,879
Property Tax to City of La Jolla										**$43,991,878**
2 **Sales Tax**	(4)									
1% Sales Tax				0.0%	0.0%	0.0%	**$4,174,856**			$4,174,856
City share of unallocated pool		5.0%	of 1%							$208,743
Net Sales Tax to County/City										**$4,383,599**
3 **Transient Occupancy Tax**	(3)									
Hotel Rooms (cumulative)										
Total Room Revenues		70%	$175							
Total GF Transient Occupancy Tax		tax rate	10.5%	2.9%	0.0%	2.9%	**$22,918,435**			**$24,970,721**
4 **Licenses & Permits**	(6)									
Total Licenses & Permits to La Jolla		$ 35.37	per cap (SD)	na	0.0%	0.0%				**$1,361,830**
5 **Fines, Forfeitures, & Penalties**		0								
Total Fines, Forfeitures, & Penalties		$25.21	per cap (SD)	na	0.0%	0.0%				**$970,726**
6 **Revenue from Money & Property**	(11)									
Torrey Pines Golf Course				0.0%	0.0%	0.0%				
Total (Cost)		($14,104,098)	$0	0.0%	0.0%	0.0%	FY24 budget			$0
(less) Revenue		$23,470,100	$0	0.0%	0.0%	0.0%	FY24 budget			$0
Net Revenue (cost)		$9,366,002	$0				FY24 budget			$0
Other Money and Property				0.0%	0.0%	0.0%				$0
eases Total Revenue from Money & Property										**$0**

Table B-4b
City of La Jolla Revenue Notes
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

	Item	Note	Assumptions: Amount or Factor	Assumptions: Notes	4 FY2026-27	5 FY2027-28	6 FY2028-29	7 FY2029-30	8 FY2030-31	9 FY2031-32	10 FY2032-33
	General Revenues										
1	**Property Tax**	(1)									
	Total Assessed Value (mill$, start of year)			Table B-3	$25,974 mill.	$26,174 mill.	$26,374 mill.	$26,575 mill.	$26,778 mill.	$26,981 mill.	$27,186 mill.
					$25,974	$26,174	$26,374	$26,575	$26,778	$26,981	$27,186
	1% Property Tax (all agencies)				259,743,678	261,737,397	263,741,084	265,754,789	267,778,563	269,812,456	271,856,518
	Growth in 1% Tax to all Agencies (Start of Yr vs. prior)				1,983,799	1,993,718	2,003,687	2,013,705	2,023,774	2,033,893	2,044,062
	Base Property Tax to City (prior yr)			Table B-4d.1	43,991,878	44,330,454	44,670,721	45,012,691	45,356,370	45,701,767	46,048,892
	Share of Tax Increment to City (change from prior yr)				338,575	340,268	341,969	343,679	345,397	347,124	348,860
	Total				44,330,454	44,670,721	45,012,691	45,356,370	45,701,767	46,048,892	46,397,752
	Property Tax to City of La Jolla				**$44,330,454**	**$44,670,721**	**$45,012,691**	**$45,356,370**	**$45,701,767**	**$46,048,892**	**$46,397,752**
					0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
2	**Sales Tax**	(4)									
	1% Sales Tax				$4,174,856	$4,174,856	$4,174,856	$4,174,856	$4,174,856	$4,174,856	$4,174,856
	City share of unallocated pool		5.0%	of 1%	$208,743	$208,743	$208,743	$208,743	$208,743	$208,743	$208,743
	Net Sales Tax to County/City				**$4,383,599**	**$4,383,599**	**$4,383,599**	**$4,383,599**	**$4,383,599**	**$4,383,599**	**$4,383,599**
3	**Transient Occupancy Tax**	(3)									
	Hotel Rooms (cumulative)										
	Total Room Revenues		70%	$175							
	Total GF Transient Occupancy Tax		tax rate	10.5%	**$25,694,872**	**$26,440,023**	**$27,206,784**	**$27,995,781**	**$28,807,658**	**$29,643,080**	**$30,502,730**
4	**Licenses & Permits**	(6)									
	Total Licenses & Permits to La Jolla		$ 35.37	per cap (SD)	**$1,364,485**	**$1,367,139**	**$1,369,794**	**$1,372,449**	**$1,375,103**	**$1,377,758**	**$1,380,413**
5	**Fines, Forfeitures, & Penalties**		0								
	Total Fines, Forfeitures, & Penalties		$25.21	per cap (SD)	**$972,618**	**$974,511**	**$976,403**	**$978,295**	**$980,187**	**$982,080**	**$983,972**
6	**Revenue from Money & Property**	(11)									
	Torrey Pines Golf Course										
	Total (Cost)		($14,104,098)	$0	$0	$0	$0	$0	$0	$0	$0
	(less) Revenue		$23,470,100	$0	$0	$0	$0	$0	$0	$0	$0
	Net Revenue (cost)		$9,366,002	$0	$0	$0	$0	$0	$0	$0	$0
	Other Money and Property				$0	$0	$0	$0	$0	$0	$0
	eases Total Revenue from Money & Property				**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

Table B-4b
City of La Jolla Revenue Notes
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

	Item	Note	Assumptions: Amount or Factor	Notes	Compound Annual Growth Rate: Real	Inflation	Nominal	Base Year FY2022-23	1 FY2023-24	2 FY2024-25	Transition Yr 3 FY2025-26
7	**Revenue from Federal Agencies**		not estimated								
	Total Revenue from Federal Agencies										
8	**Revenue from Other Agencies**		not estimated								
	Total Revenue from Other Agencies										
9	**Charges for Current Services**	(9)									
	Adopted FY2022-23, (less):		$203,500,000								
	Airport Services		($5,400,000)								
	Port District Services		($1,300,000)								
	Hazmat		($1,300,000)								
	TOT reimbursements (see #3 above)		($57,704,109)	followup response							
	Net		$137,795,891								
	Total Charges for Current Services		$100.70	per cap (SD)	na	0.0%	0.0%				**$3,877,161**
10	**Transfers In**	(10)									
	Total Transfers In										**$0**
11	**Other Revenue**		City of San Diego Budget FY23								
	Total to La Jolla		$1.53	per cap (SD)	na	0.0%	0.0%				**$59,088**
12	**Franchise Fees**	(5)									
	Total Franchise Fees to La Jolla		$69.86	per cap (SD)	na	0.0%	0.0%				**$2,689,896**
13	**Real Property Transfer Tax**										
	Transfer Tax (as % of property tax)	(2)	3.0%								**$1,326,345**
14	**Interest and Dividends**	(8)									
	Interest Earnings (% of rev.)		0.20%		na	0.0%	0.0%				**$167,262**
	TOTAL										**$83,798,507**
	Tourism Marketing District (not included in GF)			2.0%	2.9%	0.0%	2.9%	**$3,237,110**			**$3,526,985**
	Road-Related Revenues		Table B-4f								
	Gas Taxes		$47.57	per cap	na	na	0.0%				$1,831,436
	TransNet		$33.44	per cap	na	0.0%	0.0%				$1,287,485
	Total										**$3,118,922**

Table B-4b
City of La Jolla Revenue Notes
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

	Item	Note	Assumptions: Amount or Factor	Assumptions: Notes	4 FY2026-27	5 FY2027-28	6 FY2028-29	7 FY2029-30	8 FY2030-31	9 FY2031-32	10 FY2032-33
7	**Revenue from Federal Agencies**		not estimated								
	Total Revenue from Federal Agencies										
8	**Revenue from Other Agencies**		not estimated								
	Total Revenue from Other Agencies										
9	**Charges for Current Services**	(9)									
	Adopted FY2022-23, (less):		$203,500,000								
	Airport Services		($5,400,000)								
	Port District Services		($1,300,000)								
	Hazmat		($1,300,000)								
	TOT reimbursements (see #3 above)		($57,704,109)	followup respc							
	Net		$137,795,891								
	Total Charges for Current Services		$100.70	per cap (SD)	**$3,884,719**	**$3,892,277**	**$3,899,835**	**$3,907,392**	**$3,914,950**	**$3,922,508**	**$3,930,066**
10	**Transfers In**	(10)									
	Total Transfers In				**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
11	**Other Revenue**		City of San Diego Budget FY23								
	Total to La Jolla		$1.53	per cap (SD)	**$59,203**	**$59,318**	**$59,433**	**$59,548**	**$59,664**	**$59,779**	**$59,894**
12	**Franchise Fees**	(5)									
	Total Franchise Fees to La Jolla		$69.86	per cap (SD)	**$2,695,139**	**$2,700,383**	**$2,705,626**	**$2,710,870**	**$2,716,113**	**$2,721,357**	**$2,726,600**
13	**Real Property Transfer Tax**										
	Transfer Tax (as % of property tax)	(2)	3.0%		**$1,336,553**	**$1,346,812**	**$1,357,123**	**$1,367,484**	**$1,377,898**	**$1,388,364**	**$1,398,882**
14	**Interest and Dividends**	(8)									
	Interest Earnings (% of rev.)		0.20%		**$169,443**	**$171,670**	**$173,943**	**$176,264**	**$178,634**	**$181,055**	**$183,528**
	TOTAL				**$84,891,085**	**$86,006,453**	**$87,145,229**	**$88,308,051**	**$89,495,574**	**$90,708,470**	**$91,947,434**
	Tourism Marketing District (not included in GF)			2.0%	**$3,629,267**	**$3,734,516**	**$3,842,817**	**$3,954,259**	**$4,068,932**	**$4,186,931**	**$4,308,352**
	Road-Related Revenues		Table B-4f								
	Gas Taxes		$47.57	per cap	$1,835,006	$1,838,577	$1,842,147	$1,845,717	$1,849,287	$1,852,857	$1,856,427
	TransNet		$33.44	per cap	$1,289,995	$1,292,505	$1,295,015	$1,297,524	$1,300,034	$1,302,544	$1,305,053
	Total				**$3,125,002**	**$3,131,081**	**$3,137,161**	**$3,143,241**	**$3,149,321**	**$3,155,400**	**$3,161,480**

Table B-4b
City of La Jolla Revenue Notes
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

Item	Note	Assumptions: Amount or Factor	Assumptions: Notes	Compound Annual Growth Rate: Real	Compound Annual Growth Rate: Inflation	Compound Annual Growth Rate: Nominal	Base Year FY2022-23	1 FY2023-24	2 FY2024-25	Transition Yr 3 FY2025-26

Notes to Table B-4b

(1) Assessed value & tax allocation factor based on TRA avg. A.V. growth assumes .5% real increase (excluding new development) shown in Table B-3
(2) Transfer Tax as % of base property tax based on City of San Diego FY2022-23 General Fund.
(3) City of San Diego Response to Data Request, 2023-06-30, 3.10. Real increase (before inflation) based on City of San Diego budget outlook (FY24 Budget, pg. 66).
TOT rate is the total (a portion currently goes to City of San Diego GF); additional 2% TMD not included.
(4) Sales tax estimate from City of San Diego Response to Data Request, 2023-06-30, 3.09. Additional % due to State and County pool also based on City of San Diego. Note that the City of Del Mar receives an additional 16% in the form of a share of sales tax pools.
(5) Franchise Fees from City of San Diego Response to Data Request, 2023-06-30, 3.12.
(6) Licenses & Permits City Budget FY23 $ 56,500,000 minus $ 8,100,000 1-time STRO (p82) $ 48,400,000 $ 35.37 per capita
(7) Revenue from Money & Property based on Torrey Pines net revenue (after admin costs) in FY2022-23.
(8) See City of San Diego FY2022-23 Budget, Interest and Dividends, pg. 83.
(9) See City of San Diego FY2022-23 Adopted Budget, Charges for Current Services, pg. 64, 83.
(less) TOT reimbursements from allocations that support visitor facilities and services (see Response from City, Benjamin Battaglia, Sept. 8, 2023).
(10) Transfer in to City of San Diego include TOT (already counted above), one-time revenues.
(11) City of San Diego Response to Data Request, 2023-06-30, 2.35, and Att. 19

Table B-4b
City of La Jolla Revenue Notes
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

Item	Note	Assumptions: Amount or Factor	Assumptions: Notes	4 FY2026-27	5 FY2027-28	6 FY2028-29	7 FY2029-30	8 FY2030-31	9 FY2031-32	10 FY2032-33

[Page intentionally blank]

8/9/23

Table B-4b-2
City of La Jolla Summary of Revenue Methodologies
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

City of La Jolla Revenue Item
Property Tax Share and amount of property taxes from La Jolla that would otherwise go to City of San Diego. Share is 17.1% of basic property tax (1% of assessed value).
Sales Tax Share and amount of sales taxes from La Jolla that would otherwise go to City of San Diego. Share is 1% of taxable sales (including internet sales).
Transient Occupancy Tax (TOT, or Hotel Taxes) Share and amount of hotel taxes from La Jolla that would otherwise go to City of San Diego. Existing combined rate of 10.5% to La Jolla General Fund; additional Tourism Marketing District 2% rate to continue dedicated to same purposes.
Licenses & Permits, **Fines, Forfeitures, & Penalties** Based on San Diego average per resident times La Jolla population.
Revenue from Money & Property No net revenue to City of La Jolla from Torrey Pines Golf or City of San Diego-owned properties (to be negotiated).
Revenue from Federal & Other Agencies No ongoing operating revenue assumed. La Jolla may apply for and receive one-time grants.
Charges for Current Services Based on San Diego average per resident times La Jolla population. Excludes airport and Port services, Hazmat, and TOT reimbursements.
Transfers In Not estimated - includes one-time revenues and TOT already included in other categories.
Other Revenue Based on San Diego average per resident times La Jolla population.
Franchise Fees Based on San Diego average per resident times La Jolla population.
Real Property Transfer Tax Transfer Tax paid upon sale of property estimated as % of property tax comparable to current City of San Diego average.
Interest and Dividends Investment earning estimated as % of revenue comparable to current City of San Diego average.
Road-Related Revenues Based on San Diego average per resident times La Jolla population.

Table B-4c.1
City of La Jolla Expenditure Notes
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

	Item	Assumptions: Amount or Factor	Assumptions: Notes	Compound Annual Growth Rate: Real	Compound Annual Growth Rate: Inflation	Compound Annual Growth Rate: Nominal	Transition Yr 3 FY2025-26	4 FY2026-27	5 FY2027-28	6 FY2028-29
	Expenditures									
1	**City Council**	**$600,000**	5.0 FTEs	0.0%	0.0%	0.0%	$600,000	$600,000	$600,000	$600,000
	San Diego per cap, comp cities (e.g., Encinitas, Coronado $520k-$590k)									
2	**City Manager - Administration**	**$22.75**		na	0.0%	0.0%	$875,862	$877,570	$879,277	$880,984
	Encinitas per cap cost		5.0 FTEs							
	Contracts and Services	**$200,000**		na	0.0%	0.0%	$200,000	$200,000	$200,000	$200,000
	Total						**$1,075,862**	**$1,077,570**	**$1,079,277**	**$1,080,984**
3	**City Attorney**	**$29.59**	**per capita**	na	0.0%	0.0%	**$1,139,330**	**$1,141,551**	**$1,143,772**	**$1,145,993**
	Coronado per cap, comp cities (e.g., Encinitas $1.0 mill.)		contract							
4	**City Clerk**	**$515,876**		0.0%	0.0%	0.0%	$515,876	$515,876	$515,876	$515,876
	Encinitas, comp cities (e.g., Coronado $415k)		3.0 FTEs							
	Elections (2 yrs)	**$200,000**		0.0%	0.0%	0.0%	$200,000		$200,000	
	Total						**$715,876**	**$515,876**	**$715,876**	**$515,876**
5	**City Finance**	**$43.78**	**per capita**	na	0.0%	0.0%	$1,685,789	$1,689,075	$1,692,361	$1,695,647
	Encinitas per cap, comp cities (e.g., Coronado $1.9 mill.)		11.0 FTEs							
	Other Contracts (Encinitas)	**$300,000**		na	0.0%	0.0%	$300,000	$300,000	$300,000	$300,000
	Total						**$1,985,789**	**$1,989,075**	**$1,992,361**	**$1,995,647**
6	**Administration (HR, IT, Risk)**	**$76.57**	**per capita**	na	0.0%	0.0%	**$2,948,268**	**$2,954,015**	**$2,959,762**	**$2,965,509**
	Encinitas (HR, IT, Risk Management, inc. contract services)		6.0 FTEs	plus contract services						
	note: Coronado is $2.8 mill.									
7	**Police**	City of San Diego Response to Data Request, 2023-06-30, 2.49.								
	City of San Diego estimate	**$18,126,000**	contract	0.0%	0.0%	0.0%	**$18,126,000**	**$18,126,000**	**$18,126,000**	**$18,126,000**
	Based on approximately 3% per population.									
8	**Animal Control**	City of San Diego Response to Data Request, 2023-06-30, 2.56								
	City of San Diego estimate	$380,000	contract	0.0%	0.0%	0.0%	380,000	380,000	380,000	380,000
	(less) fees - INC. IN CURRENT CHARGES FOR SERVICES			0.0%	0.0%	0.0%	0	0	0	0
	Net Cost	**$380,000**					**$380,000**	**$380,000**	**$380,000**	**$380,000**
9	**Fire**	City of San Diego Response to Data Request, 2023-06-30, 2.24								
	City of San Diego estimate 3	$5,327,556	per station	0.0%	0.0%	0.0%	15,982,667	15,982,667	15,982,667	15,982,667
	(less) fees - INC. IN CURRENT CHARGES FOR SERVICES		contract							
	Net Cost						**$15,982,667**	**$15,982,667**	**$15,982,667**	**$15,982,667**

Table B-4c.1
City of La Jolla Expenditure Notes
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

	Item	Assumptions: Amount or Factor	Assumptions: Notes	7 FY2029-30	8 FY2030-31	9 FY2031-32	10 FY2032-33
	Expenditures						
1	**City Council**	**$600,000**	5.0 FTEs	$600,000	$600,000	$600,000	$600,000
	San Diego per cap, comp cities (e.g., Encinitas, Coronado $520k-$590k)						
2	**City Manager - Administration**	**$22.75**		$882,692	$884,399	$886,106	$887,814
	Encinitas per cap cost		5.0 FTEs				
	Contracts and Services	**$200,000**		$200,000	$200,000	$200,000	$200,000
	Total			**$1,082,692**	**$1,084,399**	**$1,086,106**	**$1,087,814**
3	**City Attorney**	**$29.59**	**per capita**	**$1,148,214**	**$1,150,435**	**$1,152,656**	**$1,154,876**
	Coronado per cap, comp cities (e.g., Encinitas $1.0 mill.)		contract				
4	**City Clerk**	**$515,876**		$515,876	$515,876	$515,876	$515,876
	Encinitas, comp cities (e.g., Coronado $415k)		3.0 FTEs				
	Elections (2 yrs)	**$200,000**		$200,000		$200,000	
	Total			**$715,876**	**$515,876**	**$715,876**	**$515,876**
5	**City Finance**	**$43.78**	**per capita**	$1,698,934	$1,702,220	$1,705,506	$1,708,792
	Encinitas per cap, comp cities (e.g., Coronado $1.9 mill.)		11.0 FTEs				
	Other Contracts (Encinitas)	**$300,000**		$300,000	$300,000	$300,000	$300,000
	Total			**$1,998,934**	**$2,002,220**	**$2,005,506**	**$2,008,792**
6	**Administration (HR, IT, Risk)**	**$76.57**	**per capita**	**$2,971,256**	**$2,977,003**	**$2,982,750**	**$2,988,498**
	Encinitas (HR, IT, Risk Management, inc. contract services)		6.0 FTEs				
	note: Coronado is $2.8 mill.						
7	**Police**	City of San Diego	Response to				
	City of San Diego estimate	**$18,126,000**	contract	**$18,126,000**	**$18,126,000**	**$18,126,000**	**$18,126,000**
	Based on approximately 3% per population.						
8	**Animal Control**	City of San Diego	Response to				
	City of San Diego estimate	$380,000	contract	380,000	380,000	380,000	380,000
	(less) fees - INC. IN CURRENT CHARGES FOR SERVICES			0	0	0	0
	Net Cost	**$380,000**		**$380,000**	**$380,000**	**$380,000**	**$380,000**
9	**Fire**	City of San Diego	Response to				
	City of San Diego estimate	3 $5,327,556	per station	15,982,667	15,982,667	15,982,667	15,982,667
	(less) fees - INC. IN CURRENT CHARGES FOR SERVICES		contract				
	Net Cost			**$15,982,667**	**$15,982,667**	**$15,982,667**	**$15,982,667**

Table B-4c.1
City of La Jolla Expenditure Notes
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

	Item	Assumptions: Amount or Factor	Assumptions: Notes	Compound Annual Growth Rate: Real	Compound Annual Growth Rate: Inflation	Compound Annual Growth Rate: Nominal	Transition Yr 3 FY2025-26	4 FY2026-27	5 FY2027-28	6 FY2028-29
10	**Lifeguard**									
	City of San Diego estimate	**$12,228,891**	contract	0.0%	0.0%	0.0%	**12,228,891**	**12,228,891**	**12,228,891**	**12,228,891**
	City of San Diego Response to Data Request, 2023-06-30, 2.28									
11	**Com. Dev. (Planning, Dev., Code Enforc**	City of San Diego Response to Data Request, 2023-06-30, 2.24								
	Planning (City of SD estimate)	$1,607,300	7.0 FTEs	0.0%	0.0%	0.0%	1,607,300	1,607,300	1,607,300	1,607,300
	(less) fees - INC. IN LICENSES AND PERMITS									
	Net Cost						1,607,300	1,607,300	1,607,300	1,607,300
	Code Enforcement	6	FTE (City of San Diego Response)							
	Cost/FTE (City of SD Comm. Dev. avg.)	$156,000	per FTE	0.0%	0.0%	0.0%	936,000	936,000	936,000	936,000
	(less) fees - INC. IN CURRENT CHARGES FOR SERVICES		$/FTE (FY23 SD budget before fees for Planning, Dev. Services, Sustain.)							
	Net Cost						936,000	936,000	936,000	936,000
	Note: Development Services funded	100%	by fee revenue (Dev. Services Fund)							
	Net Cost, Community Development						**$2,543,300**	**$2,543,300**	**$2,543,300**	**$2,543,300**
12	**Public Works Transportation (Roads)**	City of San Diego Response to Data Request, 2023-06-30, 2.68.								
	City of San Diego est. approx. 5%	**$1,200,000**	5.2 FTEs	0.0%	0.0%	0.0%	$1,200,000	$1,200,000	$1,200,000	$1,200,000
	Net Cost						**$1,200,000**	**$1,200,000**	**$1,200,000**	**$1,200,000**
13	**Public Works Env'l Services**	City of San Diego Response to Data Request, 2023-06-30, 2.65.								
	Env'l Services - Waste Collection	**$3,200,000**	contract	0.0%	0.0%	0.0%	$3,200,000	$3,200,000	$3,200,000	$3,200,000
	Env'l Services - Waste Reduction	**$402,000**	1.7 FTEs	0.0%	0.0%	0.0%	402,000	402,000	402,000	402,000
	Env'l Services - Code Enforce	**$586,000**	2.6 FTEs	0.0%	0.0%	0.0%	586,000	586,000	586,000	586,000
	Total Cost						$4,188,000	$4,188,000	$4,188,000	$4,188,000
	(less) fees - INC. IN CURRENT CHARGES FOR SERVICES						$0	$0	$0	$0
	Net Cost		see Public Wks cost/FTE				**$4,188,000**	**$4,188,000**	**$4,188,000**	**$4,188,000**
14	**Public Works Stormwater**	City of San Diego Response to Data Request, 2023-06-30, 2.71.								
	Stormwater Maintenance	**$1,315,000**	5.7 FTEs	0.0%	0.0%	0.0%	$1,315,000	$1,315,000	$1,315,000	$1,315,000
	Stormwater - Water Quality	**$853,000**	3.7 FTEs	0.0%	0.0%	0.0%	853,000	853,000	853,000	853,000
	Total Cost		see Public Wks cost/FTE				**$2,168,000**	**$2,168,000**	**$2,168,000**	**$2,168,000**
15	**Library**	City of San Diego Response to Data Request, 2023-06-30, 2.17.								
	Total Cost	**$1,018,770**		0.0%	0.0%	0.0%	**$1,018,770**	**$1,018,770**	**$1,018,770**	**$1,018,770**

Note: does not include additional trust funds and donations (approx. $1 mill./yr) and their expenditure on contracts, services, and supplies (not facilities).
Fee revenue of $890,180 (FY23 Actuals) included in Charges for Current Services.

Table B-4c.1
City of La Jolla Expenditure Notes
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

	Item	Assumptions: Amount or Factor	Assumptions: Notes	7 FY2029-30	8 FY2030-31	9 FY2031-32	10 FY2032-33
10	**Lifeguard**						
	City of San Diego estimate	**$12,228,891**	contract	**12,228,891**	**12,228,891**	**12,228,891**	**12,228,891**
	City of San Diego Response to Data Request, 2023-06-30, 2.28						
11	**Com. Dev. (Planning, Dev., Code Enforce**	City of San Diego	Response to				
	Planning (City of SD estimate)	$1,607,300	7.0 FTEs	1,607,300	1,607,300	1,607,300	1,607,300
	(less) fees - INC. IN LICENSES AND PERMITS						
	Net Cost			1,607,300	1,607,300	1,607,300	1,607,300
	Code Enforcement		6 FTE (City of				
	Cost/FTE (City of SD Comm. Dev. avg.)	$156,000	per FTE	936,000	936,000	936,000	936,000
	(less) fees - INC. IN CURRENT CHARGES FOR SERVICES		$/FTE (FY2:				
	Net Cost			936,000	936,000	936,000	936,000
	Note: Development Services funded		100% by fee rever				
	Net Cost, Community Development			**$2,543,300**	**$2,543,300**	**$2,543,300**	**$2,543,300**
12	**Public Works Transportation (Roads)**	City of San Diego	Response to				
	City of San Diego est. approx. 5%	**$1,200,000**	5.2 FTEs	$1,200,000	$1,200,000	$1,200,000	$1,200,000
	Net Cost			**$1,200,000**	**$1,200,000**	**$1,200,000**	**$1,200,000**
13	**Public Works Env'l Services**	City of San Diego	Response to				
	Env'l Services - Waste Collection	**$3,200,000**	contract	$3,200,000	$3,200,000	$3,200,000	$3,200,000
	Env'l Services - Waste Reduction	**$402,000**	1.7 FTEs	402,000	402,000	402,000	402,000
	Env'l Services - Code Enforce	**$586,000**	2.6 FTEs	586,000	586,000	586,000	586,000
	Total Cost			$4,188,000	$4,188,000	$4,188,000	$4,188,000
	(less) fees - INC. IN CURRENT CHARGES FOR SERVICES			$0	$0	$0	$0
	Net Cost		see Public V	**$4,188,000**	**$4,188,000**	**$4,188,000**	**$4,188,000**
14	**Public Works Stormwater**	City of San Diego	Response to				
	Stormwater Maintenance	**$1,315,000**	5.7 FTEs	$1,315,000	$1,315,000	$1,315,000	$1,315,000
	Stormwater - Water Quality	**$853,000**	3.7 FTEs	853,000	853,000	853,000	853,000
	Total Cost		see Public V	**$2,168,000**	**$2,168,000**	**$2,168,000**	**$2,168,000**
15	**Library**	City of San Diego	Response to				
	Total Cost	**$1,018,770**		**$1,018,770**	**$1,018,770**	**$1,018,770**	**$1,018,770**
	Note: does not include additional trust funds and donations (approx. $1						
	Fee revenue of $890,180 (FY23 Actuals) included in Charges for Curren						

Table B-4c.1
City of La Jolla Expenditure Notes
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

	Item	Assumptions: Amount or Factor	Notes	Compound Annual Growth Rate: Real	Inflation	Nominal	Transition Yr 3 FY2025-26	4 FY2026-27	5 FY2027-28	6 FY2028-29
16	**Parks and Recreation**	City of San Diego Response to Data Request, 2023-06-30, 2.35.								
	Total Cost (exc. golf-see prop'y revenu	**$3,785,257**		0.0%	0.0%	0.0%	3,785,257	3,785,257	3,785,257	3,785,257
	(less) fees - INC. IN CURRENT CHARGES FOR SERVICES									
	Net Cost						**$3,785,257**	**$3,785,257**	**$3,785,257**	**$3,785,257**
	See detail in Table B-1a.3									
17	**Economic Development**	City of San Diego FY23 Budget per capita						See Table B-6c		
	Total Cost	**$12.45**		na	0.0%	0.0%	**$479,403**	**$480,337**	**$481,272**	**$482,207**
	Does not include assessment-funded Maintenance Assessment Districts and BID's									
18	**General Services**	City of San Diego Response to Data Request, 2023-06-30, 2.04.								
	Total Cost	**$281,000**		0.0%	0.0%	0.0%	**$281,000**	**$281,000**	**$281,000**	**$281,000**
19	**Other (Non-Dept'l)**									
	Insurance (Encinitas)	3.5%	of total exp				**$2,481,336**	**$2,474,818**	**$2,482,309**	**$2,475,791**
	Rent									
	Total Employees (exc. Public safety, Library)	107	FTEs				107	107	107	107
	Office Space	150	sf/emp				16,100	16,100	16,100	16,100
	Rent (inc. utilities)	$4.00	/sf/month	0.0%	0.0%	0.0%	$4.00	$4.00	$4.00	$4.00
	Total Rent/yr						772,800	772,800	772,800	772,800
	Other	1.0%	of total exp				708,464	706,603	708,742	706,881
	Total						**$3,189,800**	**$3,181,421**	**$3,191,051**	**$3,182,672**
	Reference: Encinitas per cap	$82.05	per capita	$3,159,020						
20	**Other Programs**									
	Cultural Affairs/Grants to non-profits funded entirely by TOT	**$781,000**		0.0%	0.0%	0.0%	**$781,000**	**$781,000**	**$781,000**	**$781,000**
	TOTAL						**$74,817,213**	**$74,622,730**	**$74,846,257**	**$74,651,773**

Table B-4c.1
City of La Jolla Expenditure Notes
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

	Item	Assumptions: Amount or Factor	Assumptions: Notes	7 FY2029-30	8 FY2030-31	9 FY2031-32	10 FY2032-33
16	**Parks and Recreation**	City of San Diego Response to					
	Total Cost (exc. golf-see prop'y revenu	**$3,785,257**		3,785,257	3,785,257	3,785,257	3,785,257
	(less) fees - INC. IN CURRENT CHARGES FOR SERVICES						
	Net Cost			**$3,785,257**	**$3,785,257**	**$3,785,257**	**$3,785,257**
	See detail in Table B-1a.3						
17	**Economic Development**	City of San Diego FY23 Budget					
	Total Cost	**$12.45**		**$483,141**	**$484,076**	**$485,010**	**$485,945**
	Does not include assessment-funded Maintenance Assessment District						
18	**General Services**	City of San Diego Response to					
	Total Cost	**$281,000**		**$281,000**	**$281,000**	**$281,000**	**$281,000**
19	**Other (Non-Dept'l)**						
	Insurance (Encinitas)	3.5%	of total exp	**$2,483,283**	**$2,476,764**	**$2,484,256**	**$2,477,738**
	Rent						
	Total Employees (exc. Public safety, Library)	107		107	107	107	107
	Office Space	150	sf/emp	16,100	16,100	16,100	16,100
	Rent (inc. utilities)	$4.00	/sf/month	$4.00	$4.00	$4.00	$4.00
	Total Rent/yr			772,800	772,800	772,800	772,800
	Other	1.0%	of total exp	709,020	707,159	709,298	707,437
	Total			**$3,192,302**	**$3,183,923**	**$3,193,554**	**$3,185,175**
	Reference: Encinitas per cap	$82.05	per capita				
20	**Other Programs**						
	Cultural Affairs/Grants to non-profits funded entirely by TOT	**$781,000**		**$781,000**	**$781,000**	**$781,000**	**$781,000**
	TOTAL			**$74,875,300**	**$74,680,817**	**$74,904,343**	**$74,709,860**

9/11/23

Table B-4c-2.1
City of La Jolla Summary of Expenditure Methodologies
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

City of La Jolla Revenue Item	

City Council
Based on San Diego average per resident times La Jolla population; comparable to reference cities (e.g., Encinitas, Coronado $520k-$590k).

City Manager & Administration
Based on Encinitas avg. per resident times La Jolla population; approximately 5 positions & $200,000 budget for services.

City Attorney
Contract based on Coronado average per resident times La Jolla population; also comparable to Encinitas $1 million.

City Clerk
Based on Encinitas average per resident times La Jolla population; also comparable to Coronado $415,000.

City Finance
Based on Encinitas average per resident times La Jolla population; also comparable to Coronado $1.9 mill. approximately 11 positions plus $300,000 budget for contracts and services.

Administration (Human Resource, IT, Risk Management)
Based on Encinitas avg. per resident times La Jolla population; comparable to Coronado $2.8 mill. Approx. 6 positions.

Police
La Jolla contract with San Diego based on City of San Diego's estimated current costs of service to La Jolla.

Animal Control
Cost based on City of San Diego's estimated current costs of service to La Jolla.

Fire and Lifeguard
La Jolla contract with San Diego based on City of San Diego's estimated current costs of service to La Jolla.

Community Development (Planning, Dev. Services, Code Enforcement)
La Jolla departments' cost and staffing based on City of San Diego's estimated current costs of service to La Jolla. Approximately 7 planning positions, 6 code enforcement; development services 100% fee funded.

Public Works (Transporation/Roads, Environmental Services, Stormwater)
La Jolla departments' cost and staffing based on City of San Diego's estimated current costs of service to La Jolla. Approximately 19 positions.

Library
La Jolla departments' cost and staffing based on City of San Diego's estimated current costs of service to La Jolla.

Parks and Recreation
La Jolla departments' cost and staffing based on City of San Diego's estimated current costs of service to La Jolla.

Economic Development
Based on San Diego average per resident times La Jolla population; approximately 1-2 positions.

Table B-4c-2.1
City of La Jolla Summary of Expenditure Methodologies
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

City of La Jolla Revenue Item
General Services (facility maintenance) La Jolla departments' cost and staffing based on City of San Diego's estimated current costs of service to La Jolla.
Other Costs (Non-dept'l) Insurance based on 3.5% of expenditures (Encinitas); rent of 16,100 sq.ft. office space (107 positions, 150 sq.ft. each) $4/sq.ft./month.
Other Programs Cultural Affairs cost based on City of San Diego's estimated current costs of service to La Jolla (funded by TOT).

Table B-4c.2
City of San Diego Expenditure Reductions: Commissions & Other Citywide Costs
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

Item		City of San Diego FY2022 Actual	City of San Diego FY2023 Budget	% Expend. FY23 Subject to Reduction	San Diego $ Subject to Reduction	San Diego 1,368,395 per Capita	La Jolla 38,503 Transition FY26	San Diego FY24 Adopted	San Diego 1,368,395 per Capita
Citywide Program Expenditures (1)									
Assessments to Public Property		$957,303	$1,113,455	100%	$1,113,455	$0.81	$31,329	$1,180,573	$0.86
Citywide Elections		442,000	2,287,305	100%	2,287,305	$1.67	64,358	4,212,979	$3.08
Corporate Master Lease Rent	(2)	22,285,163	22,242,939	60%	13,305,531	$9.72	374,378	13,305,531	$9.72
Deferred Capital Debt Service	(3)	25,669,687	27,867,100	0%	0	$0.00	0	36,706,250	$26.82
Engineering & Capital Projects		867,989	1,740,190	100%	1,740,190	$1.27	48,964	2,244,681	$1.64
General Fund Reserve		-	1,500,000	100%	1,500,000	$1.10	42,205	-	
Insurance		3,311,069	4,193,060	100%	4,193,060	$3.06	117,980	4,397,461	$3.21
Memberships		1,064,146	1,063,762	100%	1,063,762	$0.78	29,931	1,063,762	$0.78
Preservation of Benefits		1,272,912	1,500,000	100%	1,500,000	$1.10	42,205	1,500,000	$1.10
Property Tax Administration		4,695,806	4,457,052	100%	4,457,052	$3.26	125,408	4,757,247	$3.48
Public Liab. Claims Transfer-Claims Fund		36,473,661	25,566,991	100%	25,566,991	$18.68	719,378	26,400,000	$19.29
Public Liab. Claims Transfer-Insurance		17,673,924	21,733,589	100%	21,733,589	$15.88	611,518	30,619,671	$22.38
Public Use Leases		1,582,144	1,445,160	100%	1,445,160	$1.06	40,662	1,308,175	$0.96
Redistricting Commission		244,805	-					-	
Special Consulting Services	(2)	1,916,300	45,530,428	10%	4,735,611	$3.46	133,246	4,735,611	$3.46
Supplemental COLA Benefit		1,128,564	1,536,000	100%	1,536,000	$1.12	43,218	1,536,000	$1.12
Transfer to Other Funds	(2)	19,851,494	54,630,182	39%	21,536,056	$15.74	605,960	21,536,056	$15.74
Transfer to Infrastructure Fund		10,000,000	28,444,223	100%	28,444,223	$20.79	800,335	30,961,972	$22.63
Transfer to Park Improvement Funds		16,307,270	11,763,380	100%	11,763,380	$8.60	330,986	19,799,571	$14.47
Subtotal		**$165,744,237**	**$258,614,816**		**$147,921,365**	$108.10	**$4,162,061**	**$206,265,540**	$150.74
Other Programs									
Homelessness Strategies & Solutions			**25,157,607**	100%	**$25,157,607**	$18.38	**$707,859**		
Commissions									
Commission on Police Practices			2,550,352	100%	$2,550,352	$1.86	$71,759		
Ethics Commission			1,470,894	100%	$1,470,894	$1.07	$41,387		
Subtotal			**$4,021,246**		**$4,021,246**	$2.94	**$113,146**		
TOTAL CITY OF SAN DIEGO EXPENDITURES REDUCTIONS: Commissions & Other Citywide Costs							**$4,983,066**		

(1) Source: Adopted budget FY24, Vol 2, pg. 105.
(2) If "% Expenditure Subject to Reduction" is shown as less than 100% (but greater than zero), the % is based on FY24 budget total (generally also comparable to FY22 budget total) to account for major one-time expenditures.
(3) If "% Expenditure Subject to Reduction" is shown as 0%, the cost is calculated as fixed and unaffected by La Jolla incorporation.

9/26/23

Table B-4d.1
City of La Jolla Property Tax Summary
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

Item	Amount or Factor	Transition Yr 1 FY2023-24	2 FY2024-25	3 FY2025-26	4 FY2026-27	5 FY2027-28	6 FY2028-29	7 FY2029-30
CITY OF SAN DIEGO								
Total Assessed Value (mill$, start of year)		$25,382 mill.	$25,579 mill.	$25,776 mill.	$25,974 mill.	$26,174 mill.	$26,374 mill.	$26,575 mill.
1% Property Tax (all agencies)		$253,821,840	$255,785,949	$257,759,879	$259,743,678	$261,737,397	$263,741,084	$265,754,789
Growth in 1% Tax to all Agencies (Start - Prior)		$253,821,840	$1,964,109	$1,973,930	$1,983,799	$1,993,718	$2,003,687	$2,013,705
Increment to City of San Diego	Auditor:							
City of San Diego	17.067%	$43,319,773	$335,215	$336,891	$338,575	$340,268	$341,969	$343,679
Base Property Tax (prior yr)								
City of San Diego	17.067%	$0	$43,319,773	$43,654,988	$43,991,879	$44,330,454	$44,670,721	$45,012,691
Total Base plus Increment		$43,319,773	$43,654,988	$43,991,879	$44,330,454	$44,670,721	$45,012,691	$45,356,370
Net Property Tax		$43,319,773	$43,654,988	$43,991,879	$44,330,454	$44,670,721	$45,012,691	$45,356,370
(less) Transfer to City of La Jolla				($43,991,879)	($44,330,454)	($44,670,721)	($45,012,691)	($45,356,370)
Net After Transfer				$0	$0	$0	$0	$0
CITY OF LA JOLLA								
Total Assessed Value (mill$, start of year)								
1% Property Tax (all agencies)								
Growth in 1% Tax to all Agencies (Start - Prior)								
Increment to City (share of change from prior)								
from City of San Diego	17.067%				$338,575	$340,268	$341,969	$343,679
Total	17.067%				$338,575	$340,268	$341,969	$343,679
Base Property Tax (prior yr)								
from City of San Diego				$43,991,879	$43,991,878	$44,330,454	$44,670,721	$45,012,691
Total Base				$43,991,879	$43,991,878	$44,330,454	$44,670,721	$45,012,691
Total Base plus Increment				$43,991,879	$44,330,454	$44,670,721	$45,012,691	$45,356,370
Net Property Tax to City				$43,991,878	$44,330,454	$44,670,721	$45,012,691	$45,356,370

Table B-4d.1
City of La Jolla Property Tax Summary
La Jolla Preliminary Comprehensive Feasibility An

Item	Amount or Factor	8 FY2030-31	9 FY2031-32	10 FY2032-33
CITY OF SAN DIEGO				
Total Assessed Value (mill$, start of year)		$26,778 mill.	$26,981 mill.	$27,186 mill.
1% Property Tax (all agencies)		$267,778,563	$269,812,456	$271,856,518
Growth in 1% Tax to all Agencies (Start - Prior)		$2,023,774	$2,033,893	$2,044,062
Increment to City of San Diego	Auditor:			
City of San Diego	17.067%	$345,397	$347,124	$348,860
Base Property Tax (prior yr)				
City of San Diego	17.067%	$45,356,370	$45,701,767	$46,048,892
Total Base plus Increment		$45,701,767	$46,048,892	$46,397,752
Net Property Tax		$45,701,767	$46,048,892	$46,397,752
(less) Transfer to City of La Jolla		($45,701,767)	($46,048,892)	($46,397,752)
Net After Transfer		$0	$0	$0
CITY OF LA JOLLA				
Total Assessed Value (mill$, start of year)				
1% Property Tax (all agencies)				
Growth in 1% Tax to all Agencies (Start - Prior)				
Increment to City (share of change from prior)				
from City of San Diego	17.067%	$345,397	$347,124	$348,860
Total	17.067%	$345,397	$347,124	$348,860
Base Property Tax (prior yr)				
from City of San Diego		$45,356,370	$45,701,767	$46,048,892
Total Base		$45,356,370	$45,701,767	$46,048,892
Total Base plus Increment		$45,701,767	$46,048,892	$46,397,752
Net Property Tax to City		$45,701,767	$46,048,892	$46,397,752

Table B-4d.2
City of La Jolla Tax Increment Factors
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

Fund	Agency	TRA 8001 $20,386,588,743 ATI	TRA 8118 $5,034,550,245 ATI	Total $25,421,138,988 Weighted Avg. ATI
1001-00	COUNTY GENERAL	0.15730977	0.15729184	0.157306219
4328-01	UNIFIED SAN DIEGO	0.44679342	0.44674238	0.446783312
4455-01	SAN DIEGO COMMUNITY COLLEGE	0.06463065	0.06462324	0.064629182
4535-01	COUNTY SCHOOL SERVICE	0.00748356	0.00748263	0.007483376
4535-04	COUNTY SCHOOL SERVICE-CAPITAL OUTLAY	0.00188713	0.00188690	0.001887084
4535-15	CHILDRENS INSTITUTIONS TUITION	0.00159649	0.00159623	0.001596439
4535-16	REGIONAL OCCUPATIONAL CENTERS	0.00477328	0.00477271	0.004773167
4535-24	CARLSBAD PROJECT (19/86001)	0.00009471	0.00009464	0.000094696
5022-00	EDUCATIONAL REVENUE AUGMENTATION FUND	0.14329863	0.14329641	0.14329819
5480-00	SAN DIEGO UNIFIED CO SCHOOL BLDG AID	0.00000000	0.00000000	0.00000000
6085-00	SAN DIEGO CITY	0.17067948	0.17066012	0.170675646
6210-00	RESOURCE CONSERVATION DIST OF GREATER SD CNTY		0.00010065	0.000019933
6750-18	CWA CITY OF SAN DIEGO	0.00145288	0.00145225	0.001452755
6990-00	SAN DIEGO UNIFIED PORT	0.00000000	0.00000000	0.00000000
		1.00000000	1.00000000	1.00000000

Table B-4e
Hotel Tax Summary
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

Item	Total City of San Diego	La Jolla	La Jolla as % of Total
Hotels			
Number of Hotels	330	24	7.3%
Hotel Rooms	45,684	2,562	5.6%
Hotel TOT (10.5%)	$199,882,627	18,082,107	9.0%
Vacation Rentals			
Number of Vacation Rentals	11,268	1,115	9.9%
Vacation Rental TOT (10.5%)	$48,875,115	$4,836,328	9.9%
Total TOT (10.5%)	$248,757,742	$22,918,435	9.2%
TMD (2.0%)	$36,029,650	$3,237,110	9.0%

Source: City of San Diego Response to Data Request, 2023-06-30, 3.10-3.11, and followup response 2023-09-08.

9/12/23

Table B-4g
City of San Diego Leases in La Jolla
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

Contract Site Code	Lessee Name	Rrecord Type	Eff. Date	Scheduled Termination Date	Lease Location	Fixed Rent or % Rent	FY 2023_Lease Payments
R52901 J202RD	AIR CALIFORNIA ADVENTURE, INC	Agreement	5/1/22	3/30/25	2800 TORREY PINES SCENIC DR.	FYD	$3,852.00
R00111 J202P1	CHH TORREY PINES HOTEL PARTNERS, LP	Lease	7/1/88	6/30/67	10950 N. TORREY PINES RD.	PMR	$2,935,501.35
R00111 J202P1	CHH TORREY PINES HOTEL PARTNERS, LP	Lease	7/1/88	6/30/67	10950 N. TORREY PINES RD.	PMR	$2,935,501.35
R37901 H201PM	HLS VENTURES LLC/02	Agreement	5/14/19	5/13/24	SITE# 13 LA JOLLA SHORES	FMD	$47,089.78
R03596 K302PM	INSTITUTE FOR DEFENSE ANALYSES	Industrial	10/1/91	9/30/46	4320 WESTERRA CT, SAN DIEGO 92121	FYD	$10,008.78
R34501 M124PM	LA JOLLA COMMUNITY CENTER	Lease	8/20/18	8/19/38	6811 LA JOLLA BOULEVARD	FYD	$4,467.75
R00178 L207RD	LA JOLLA YOUTH INC.	Lease	8/1/05	7/31/25	3908 TORREY PINES RD	FYD	$4,082.50
R00178 L207RD	LA JOLLA YOUTH INC.	Lease	8/1/05	7/31/25	3908 TORREY PINES RD	FYD	$4,082.50
R00188 J202P1	LODGE AT TORREY PINES PARTNERSHIP	Lease	6/5/95	6/4/61	11480 NORTH TORREY PINES ROAD	PMR	$4,820,036.33
R31696 STREET	NEW CINGULAR WIRELESS/ROW NORTH	Lease	4/1/18	3/31/28	SW CORNER OF TORREY PINES SCENIC DR & N. TOR	FYD	$19,596.82
NR5809 M206WR	NEWEST CONSTRUCTION CO.	Permit	9/1/18	2/28/20	LAJOLLA SCENIC DR. LAJOLLA, CA		$0.00
R16596 SUBLS	NORTH COUNTY TRANSIT DISTRICT	Sublease	7/1/14	6/30/24	MT.SOLEDAD SIGNAL STATION, LA JOLLA, CA	FMD	$20,420.25
NR0159 H201RD	REGENTS OF THE UNIVERSITY OF CA/01	Agreement	4/27/72	8/17/36	LA JOLLA UNDERWATER PARK		$0.00
R00243 J202PM	REGENTS OF THE UNIVERSITY OF CA/03	Industrial	2/1/85	1/31/40	10280 NORTH TORREY PINES RD LJ CA 92037	FMD	$523,247.94
NR5785 M218WM	S.C. VALLEY ENGINEERING INC	Permit	6/1/18	3/31/20	HIDDEN VALLEY RD & ARDATH ROAD LA JOLLA , CA		$0.00
R00050 J202P1	SCRIPPS HEALTH	Lease	2/8/88	7/31/43	10820 N. TORREY PINES ROAD	FMD	$684,237.15
R00294 SDA-F	SOUTHERN CALIF GAS CO/02	Franchise	12/7/83	12/6/33	N. TORREY PINES RD., LA JOLLA	PYR	$0.00
R00294 SDA-F	SOUTHERN CALIF GAS CO/02	Franchise	12/7/83	12/6/33	N. TORREY PINES RD., LA JOLLA	PYR	$0.00
R37903 H201PM	SURF DIVA, INC	Agreement	5/14/19	5/13/24	SITE# 10 & 11, LA JOLLA SHORES	PMR	$140,052.74
R37804 H201PM	SURF EDUCATION ACADEMY LLC	Agreement	5/14/19	4/30/24	LA JOLLA SHORES SITE #12	PMR	$40,052.69
R00325 J202RD	TORREY PINES CLUB CORP	Lease	1/1/88	12/31/32	11480 N. TORREY PINES RD LA JOLLA 92037	PMR	$1,692,968.32
R00325 J202RD	TORREY PINES CLUB CORP	Lease	1/1/88	12/31/32	11480 N. TORREY PINES RD LA JOLLA 92037	PMR	$1,692,968.32
R00365 L201PM	YMCA OF SD COUNTY - LA JOLLA BRANCH	Lease	5/1/02	4/30/27	8355 CLIFFRIDGE AVENUE	FYD	$0.00
R11095 M101PM	YMCA/02 FIREHOUSE	Lease	11/1/12	10/31/37	7877 HERSCHEL AVENUE LA JOLLA	FYD	$4,286.63
							$15,582,453.20

Table B-4g
City of San Diego Leases in La Jolla
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

Contract Site Code	Lessee Name	Rrecord Type Eff. Date	Scheduled Termination Date	Lease Location	Fixed Rent or % Rent	FY 2023_Lease Payments
OTHER LEASES (property not owned by City of San Diego)		[Future lease revenues to be determined]				
	Surf (Renew 2024)					
	Endless Surf Camp					
	Everyday California/HLS					
	Ocean Experience					
	Pacific Beach Surf Shop					
	Pacific Surf School					
	Paskowitz Surf Camp					
	San Diego Surf School					
	Surf Diva					
	Surfari Surf School					
	Kayak (Renew 2025)					
	Everyday California					
	Hike Bike Kayak Adventures					
	La Jolla Kayak					
	La Jolla Sea Caves Kayak					
	SD Bike & Kayak					

9/14/23

Table B-4f
Estimated Gas Tax and TRANSNET
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

Item	Encinitas FY2022-23	61,515 Population Factor	38,503 La Jolla
Gas Taxes			
Subtotal, Gas Taxes	$2,926,064	$47.57	$1,831,436
TransNet			
Subtotal, TransNet	$2,057,000	$33.44	$1,287,485
TOTAL	**$4,983,064**	**$81.01**	**$3,118,922**

Source: City of Encinitas City Council Agenda Report, June 15, 2022, Item #10G, Exh. 1A-1, pg. 9 of 34.

Table B-5
Impacts on City of San Diego Costs and Revenues
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

Item	Amount	Comments
REVENUE REDUCTIONS		
Property Tax	$43,991,878	
Property Tax in lieu of VLF		Proportionate to assessed value
Sales and Use Tax	4,383,599	Table B-4b
Transient Occupancy Tax	24,970,721	Table B-4b
Licenses & Permits	1,361,830	Table B-4b
Fines, Forfeitures, and Penalties	970,726	Table B-4b
Revenue from Money and Property	0	Torrey Pines net revenue and other leases
Revenue from Federal Agencies	not est'd	
Revenue from Other Agencies	not est'd	
Charges for Current Services	3,877,161	Existing City of SD per capita
Transfers In	not est'd	
Other Revenue	59,088	Existing City of SD per capita
Franchise Fees	2,689,896	Existing City of SD per capita
Property Transfer Tax	1,326,345	Table B-4b
Interest and Dividends	167,262	as % of other revenues
Total Revenue Reductions	**$83,798,507**	
EXPENDITURE REDUCTIONS		
Management & Administration	$7,124,056	City of San Diego per capita
Police	18,126,000	City of San Diego Estimate
Animal Control	380,000	City of San Diego Estimate
Fire	15,982,667	City of San Diego Estimate (3 stations)
Lifeguard	12,228,891	City of San Diego Estimate
Com. Dev. (Planning, Dev., Codes)	2,543,300	Planning (SD est.), Dev. Services (no net cost), Code Enforce. (6 FTE @ avg. cost)
Public Works Transportation (Roads)	1,200,000	SD estimate (Gen. Fund)
Public Works Env'l Services (waste, codes)	4,188,000	City of San Diego Estimate
Public Works Stormwater	2,168,000	City of San Diego Estimate
Library	1,018,770	City of San Diego Estimate
Parks and Recreation	3,785,257	City of San Diego Estimate
Economic Development	479,403	City of San Diego per capita
General Services	281,000	City of San Diego Estimate
Other Citywide Programs & Commissions (1)	4,983,066	City of San Diego per capita, see Table B-4c.2
Cultural Affairs	781,000	City of San Diego Estimate
Total Expenditure Reductions	**$75,269,411**	
Net Gain (or loss) by City of San Diego	**($8,529,096)**	

Note: Constant 2023$'s; revenues are Transition Yr (see Table B-4a).
Expenditures see Table B-4c.1 expenditure notes & Table B-6b Ref. Cities (San Diego) and Table B-6c San Diego.
(1) Other Citywide Programs & Commissions see Table B-4c.2 *1/16/24*

Table B-5 (cont'd)
Impacts on City of San Diego Costs and Revenues (8 years)
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

Item	Transition Yr FY2026-27	FY2027-28	FY2028-29	FY2029-30	FY2030-31	FY2031-32	FY2032-33	FY2033-34	FY2034-35
REVENUE REDUCTIONS									
Property Tax	$43,991,878	$44,330,454	$44,670,721	$45,012,691	$45,356,370	$45,701,767	$46,048,892	$46,397,752	$46,748,356
Sales and Use Tax	$4,383,599	$4,383,599	$4,383,599	$4,383,599	$4,383,599	$4,383,599	$4,383,599	$4,383,599	$4,383,599
Transient Occupancy Tax	$24,970,721	$25,694,872	$26,440,023	$27,206,784	$27,995,781	$28,807,658	$29,643,080	$30,502,730	$31,387,309
Licenses & Permits	$1,361,830	$1,364,485	$1,367,139	$1,369,794	$1,372,449	$1,375,103	$1,377,758	$1,380,413	$1,383,067
Fines, Forfeitures, and Penalties	$970,726	$972,618	$974,511	$976,403	$978,295	$980,187	$982,080	$983,972	$985,864
Revenue from Money and Property	$0	$0	$0	$0	$0	$0	$0	$0	$0
Revenue from Federal Agencies	$0	$0	$0	$0	$0	$0	$0	$0	$0
Revenue from Other Agencies	$0	$0	$0	$0	$0	$0	$0	$0	$0
Charges for Current Services	$3,877,161	$3,884,719	$3,892,277	$3,899,835	$3,907,392	$3,914,950	$3,922,508	$3,930,066	$3,937,624
Transfers In	not est'd	$0	$0	$0	$0	$0	$0	$0	$0
Other Revenue	$59,088	$59,203	$59,318	$59,433	$59,548	$59,664	$59,779	$59,894	$60,009
Franchise Fees	$2,689,896	$2,695,139	$2,700,383	$2,705,626	$2,710,870	$2,716,113	$2,721,357	$2,726,600	$2,731,844
Property Transfer Tax	$1,326,345	$1,336,553	$1,346,812	$1,357,123	$1,367,484	$1,377,898	$1,388,364	$1,398,882	$1,409,452
Interest and Dividends	$167,262	$169,443	$171,670	$173,943	$176,264	$178,634	$181,055	$183,528	$186,054
Total Revenue Reductions	**$83,798,507**	**$84,891,085**	**$86,006,453**	**$87,145,229**	**$88,308,051**	**$89,495,574**	**$90,708,470**	**$91,947,434**	**$93,213,178**
EXPENDITURE REDUCTIONS									
Management & Administration	$7,124,056	7,124,056	7,124,056	7,124,056	7,124,056	7,124,056	7,124,056	7,124,056	7,124,056
Police	18,126,000	18,126,000	18,126,000	18,126,000	18,126,000	18,126,000	18,126,000	18,126,000	18,126,000
Animal Control	380,000	380,000	380,000	380,000	380,000	380,000	380,000	380,000	380,000
Fire	15,982,667	15,982,667	15,982,667	15,982,667	15,982,667	15,982,667	15,982,667	15,982,667	15,982,667
Lifeguard	12,228,891	12,228,891	12,228,891	12,228,891	12,228,891	12,228,891	12,228,891	12,228,891	12,228,891
Com. Dev. (Planning, Dev., Codes)	2,543,300	2,543,300	2,543,300	2,543,300	2,543,300	2,543,300	2,543,300	2,543,300	2,543,300
Public Works Transportation (Roads)	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Public Works Env'l Services (waste, codes)	4,188,000	4,188,000	4,188,000	4,188,000	4,188,000	4,188,000	4,188,000	4,188,000	4,188,000
Public Works Stormwater	2,168,000	2,168,000	2,168,000	2,168,000	2,168,000	2,168,000	2,168,000	2,168,000	2,168,000
Library	1,018,770	1,018,770	1,018,770	1,018,770	1,018,770	1,018,770	1,018,770	1,018,770	1,018,770
Parks and Recreation	3,785,257	3,785,257	3,785,257	3,785,257	3,785,257	3,785,257	3,785,257	3,785,257	3,785,257
Economic Development	479,403	480,337	481,272	482,207	483,141	484,076	485,010	485,945	486,879
General Services	281,000	281,000	281,000	281,000	281,000	281,000	281,000	281,000	281,000
Other Citywide Programs & Commissions (1)	4,983,066	4,983,066	4,983,066	4,983,066	4,983,066	4,983,066	4,983,066	4,983,066	4,983,066
Cultural Affairs	781,000	781,000	781,000	781,000	781,000	781,000	781,000	781,000	781,000
Total Expenditure Reductions	**$75,269,411**	**$75,270,345**	**$75,271,280**	**$75,272,214**	**$75,273,149**	**$75,274,083**	**$75,275,018**	**$75,275,952**	**$75,276,887**
Net Gain (or loss) by City of San Diego	**($8,529,096)**	**($9,620,740)**	**($10,735,173)**	**($11,873,015)**	**($13,034,903)**	**($14,221,491)**	**($15,433,453)**	**($16,671,482)**	**($17,936,291)**

Table B-5a
Estimated Provisional Appropriations Limit

	FY2027-28
Proceeds of Taxes to City	
Property Tax	$44,330,454
Sales Tax	4,383,599
Transient Occupancy Tax (exc. TMD)	25,694,872
Real Property Transfer Tax	1,336,553
Interest earnings	169,443
Subtotal	75,914,921
Cost of Living Factor (3%/yr avg. for 5 years from FY23)	15.9%
Population Growth through FY28 (see Table B-2b).	1.0%
	16.9%
FY2027-28 Provisional Limit	$88,750,463

Note: Actual provisional limit will be established by LAFCO based on the CFA and based on the City's first year of full tax proceeds. Assumes that the TMD TOT is restricted and not subject to limit.

Table B-6a
Summary of Reference Cities' Characteristics

Item	La Jolla	San Diego	Coronado	Encinitas	Solana Beach
Population (1)	38,503	1,368,395	22,277	61,515	12,812
Land Area (2)	14.3 sq.mi.	325 sq.mi.	7.9 sq.mi.	18.8 sq.mi.	3.5 sq.mi.
Total GF Revenues (3)	$83.8 mill.	$1,948.9 mill.	$66.1 mill.	$92.3 mill.	$22.1 mill.
Revenues per Resident	$2,180	$1,420	$2,970	$1,500	$1,730
Total GF Expenditures (3)	$74.8 mill.	$1,955.0 mill.	$54.1 mill.	$82.8 mill.	$21.3 mill.
Expenditures per Resident	$1,940	$1,430	$2,430	$1,350	$1,670

Notes to Table B-6a
(1) Cal. Dept. of Finance, 1/1/2022; City of La Jolla transition year FY26.
(2) Land Area from Wikipedia.
(3) See Table B-6b and subsequent tables by city.

9/12/23

Table B-6b
Summary of Ref. Cities' Budgets

Item	Pop: 38,503 La Jolla Total	La Jolla per Res.
Revenues		
Property Tax	$43,991,878	$1,142.56
Property Tax in lieu VLF		
Sales Tax	$4,383,599	$113.85
Transient Occupancy Tax	$24,970,721	$648.54
Licenses & Permits	$1,361,830	$35.37
Fines, Forfeitures, and Penalties	$970,726	$25.21
Revenue from Money and Property	$0	$0.00
Revenue from Federal Agencies	not est'd	
Revenue from Other Agencies	not est'd	
Charges for Current Services	$3,877,161	$100.70
Transfers In	not est'd	
Other Revenue and Taxes	$59,088	$1.53
Franchise	$2,689,896	$69.86
Property Transfer Taxes	$1,326,345	$34.45
Interest and Dividends	$167,262	$4.34
Total, Revenues	**$83,798,507**	**$2,176.42**

Item	La Jolla Total	La Jolla per Res.
Expenditures		
City Council	$600,000	$15.58
City Manager	1,075,862	27.94
City Attorney	1,139,330	29.59
City Clerk	715,876	18.59
City Finance	1,985,789	51.57
Administration	2,948,268	76.57
Police	18,126,000	470.77
Animal Control	380,000	9.87
Fire	15,982,667	415.10
Lifeguard (Marine Safety)	12,228,891	317.61
Community Development	2,543,300	66.05
Public Works Transportation (Roads)	1,200,000	31.17
Public Works Env'l Services	4,188,000	108.77
Public Works Stormwater	2,168,000	56.31
Library	1,018,770	26.46
Parks and Recreation	3,785,257	98.31
Economic Development	479,403	12.45
General Services: Facilities	281,000	7.30
Other (OH/Admin, Other Programs)	3,970,800	103.13
Total, Expenditures	**$74,817,213**	**$1,943.15**

Notes to Table B-6b
(1) La Jolla population and budget FY26.

Table B-6b
Summary of Ref. Cities' Budgets

Item	Pop: 1,368,395 San Diego Total	San Diego per Res.	38,503 La Jolla Equiv.
Revenues			
Property Tax	$514,800,000	$376.21	$14,485,104
Property Tax in lieu VLF	$191,400,000	$139.87	$5,385,488
Sales Tax	380,200,000	$277.84	10,697,818
Transient Occupancy Tax	135,200,000	$98.80	3,804,169
Licenses & Permits	56,500,000	$41.29	1,589,760
Fines, Forfeitures, and Penalties	34,500,000	$25.21	970,738
Revenue from Money and Property	63,900,000	$46.70	1,797,976
Revenue from Federal Agencies	1,200,000	$0.88	33,765
Revenue from Other Agencies	4,100,000	$3.00	115,363
Charges for Current Services	203,500,000	$148.71	5,725,949
Transfers In	250,400,000	$182.99	7,045,591
Other Revenue and Taxes	2,100,000	$1.53	59,088
Franchise	95,600,000	$69.86	2,689,930
Property Transfer Taxes	15,500,000	$11.33	436,129
Interest and Dividends			
Total, Revenues	**$1,948,900,000**	**$1,424.22**	**$54,836,869**

Item	San Diego Total	San Diego per Res.	La Jolla Equiv.
Expenditures			
City Council	$26,901,894	$19.66	$756,948
City Manager	30,025,209	21.94	844,830
City Attorney	74,905,930	54.74	2,107,654
City Clerk	6,951,684	5.08	195,602
City Finance	44,340,132	32.40	1,247,614
Administration	70,063,813	51.20	1,971,410
Police	584,706,166	427.29	16,452,078
Animal Control		0.00	0
Fire	310,961,654	227.25	8,749,635
Lifeguard (Marine Safety)		0.00	0
Community Development	28,623,700	20.92	805,395
Public Works Transportation (Roads)	243,938,451	178.27	6,863,780
Public Works Env'l Services			
Public Works Stormwater			
Library	66,823,341	48.83	1,880,231
Parks and Recreation	161,934,929	118.34	4,556,419
Economic Development	17,038,178	12.45	479,409
General Services: Facilities	0	0.00	0
Other (OH/Admin, Other Programs)	287,793,669	210.31	8,097,749
Total, Expenditures	**$1,955,008,750**	**$1,428.69**	**$55,008,753**

Notes to Table B-6b
(1) La Jolla population and budget FY

Table B-6b
Summary of Ref. Cities' Budgets

Item	Pop: 22,277 Coronado per Res.		Coronado per Res.	38,503 La Jolla Equiv.
Revenues				
Property Tax	$33,502,129		$1,503.89	$57,904,227
Property Tax in lieu VLF	$3,905,007		$175.29	$6,749,315
Sales Tax	3,853,423		$172.98	6,660,158
Transient Occupancy Tax	15,000,000		$673.34	25,925,618
Licenses & Permits	37,900		$1.70	65,505
Fines, Forfeitures, and Penalties	266,000		$11.94	459,748
Revenue from Money and Property	279,490		$12.55	483,063
Revenue from Federal Agencies	0		$0.00	0
Revenue from Other Agencies	3,536,340		$158.74	6,112,120
Charges for Current Services	1,644,334		$73.81	2,842,025
Transfers In	1,000,000		$44.89	1,728,375
Other Revenue and Taxes	1,446,260		$64.92	2,499,679
Franchise	1,200,000		$53.87	2,074,049
Property Transfer Taxes	390,000		$17.51	674,066
Interest and Dividends				
Total, Revenues	**$66,060,883**		**$2,965.43**	**$114,177,949**

Item	Coronado Total		Coronado per Res. er Re	La Jolla Equiv.
Expenditures				
City Council	$590,041		$26.49	$1,019,812
City Manager	994,208		44.63	1,718,364
City Attorney	659,200		29.59	1,139,345
City Clerk	414,773		18.62	716,883
City Finance	1,882,833		84.52	
Administration	2,756,830	3.1	123.75	4,764,835
Police	16,907,404		758.96	29,222,327
Animal Control			0.00	0
Fire	10,755,728		482.82	18,589,927
Lifeguard (Marine Safety)	inc. in Fire			
Community Development	24,030		1.08	41,533
Public Works Transportation (Roads)	12,328,542		553.42	21,308,338
Public Works Env'l Services				
Public Works Stormwater				
Library	3,554,692		159.57	6,143,839
Parks and Recreation			0.00	0
Economic Development			0.00	0
General Services: Facilities			0.00	0
Other (OH/Admin, Other Programs)	3,205,511	3.2	143.89	5,540,324
Total, Expenditures	**$54,073,792**		**$2,427.34**	**$93,459,766**

Notes to Table B-6b

(1) La Jolla population and budget FY

3.1 Admin. includes HR and systems.
3.2 "Other" inc. grants, public comm., & non-dept.
3.3 "Licenses & Permits" include Bldg/Plumbing/Elect. The per capita would be about $10 excluding permits

Table B-6b
Summary of Ref. Cities' Budgets

Item	Pop: 61,515 Encinitas Total		Encinitas per Res.	38,503 La Jolla Equiv.
Revenues				
Property Tax	$58,110,000		$944.65	$36,371,768
Property Tax in lieu VLF	inc. above			
Sales Tax	16,190,000		$263.19	10,133,521
Transient Occupancy Tax	3,420,056		$55.60	2,140,655
Licenses & Permits	236,000		$3.84	147,715
Fines, Forfeitures, and Penalties	212,293		$3.45	132,877
Revenue from Money and Property	1,094,777		$17.80	685,234
Revenue from Federal Agencies	inc. below			
Revenue from Other Agencies	713,726		$11.60	446,730
Charges for Current Services	8,249,850		$134.11	5,163,683
Transfers In			$0.00	0
Other Revenue and Taxes	611,793		$9.95	382,929
Franchise	2,891,977		$47.01	1,810,124
Property Transfer Taxes	600,000		$9.75	375,547
Interest and Dividends				
Total, Revenues	**$92,330,472**		**$1,500.94**	**$57,790,785**

Item	Encinitas Total		Encinitas per Res.	La Jolla Equiv.
Expenditures				
City Council	$521,443		$8.48	$326,378
City Manager	1,650,713	4.1	26.83	1,033,202
City Attorney	985,000		16.01	616,524
City Clerk	515,876		8.39	322,893
City Finance	2,693,365		43.78	1,685,810
Administration	4,913,912	4.3	79.88	3,075,678
Police	17,681,754		287.44	11,067,229
Animal Control			0.00	0
Fire	16,471,088		267.76	10,309,458
Lifeguard (Marine Safety)	1,988,281		32.32	1,244,490
Community Development	8,812,155	4.2	143.25	5,515,637
Public Works Transportation (Roads)	11,664,185	4.4	189.62	7,300,758
Public Works Env'l Services				
Public Works Stormwater				
Library			0.00	0
Parks and Recreation	8,808,544		143.19	5,513,377
Economic Development	123,500		2.01	77,300
General Services: Facilities			0.00	0
Other (OH/Admin, Other Programs)	5,962,336	4.5	96.92	3,731,900
Total, Expenditures	**$82,792,152**		**$1,345.89**	**$51,820,633**

Notes to Table B-6b

(1) La Jolla population and budget FY

4.1 City manager inc. admin. & env'l.
4.2 Inc. "Development Services".
4.3 Inc. HR, IT & elections
4.4 Inc. Engineering & Public Works
4.5 Inc. Non-dept., Loss Prevention, Disaster Prep.
Non-Dept'l only: $82.05 per capita
Self-insurance $2.9 mill. = 3.5%

Table B-6b
Summary of Ref. Cities' Budgets

Item	Pop: 12,812 Solana Beach Total		Solana Beach per Res.		38,503 La Jolla Equiv.
Revenues					
Property Tax	$9,235,000		$720.81		$27,753,294
Property Tax in lieu VLF	$1,945,800		$151.87		$5,847,576
Sales Tax	3,707,600		$289.38		11,142,189
Transient Occupancy Tax	1,535,000		$119.81		4,613,027
Licenses & Permits	458,000	5.1	$35.75	3.3	1,376,395
Fines, Forfeitures, and Penalties	436,500		$34.07		1,311,783
Revenue from Money and Property	252,000		$19.67		757,318
Revenue from Federal Agencies					
Revenue from Other Agencies	308,500	5.2	$24.08		927,113
Charges for Current Services	799,000		$62.36		2,401,178
Transfers In	941,285		$73.47		2,828,777
Other Revenue and Taxes	1,539,700	5.3	$120.18		4,627,152
Franchise	780,000		$60.88		2,344,079
Property Transfer Taxes	210,000		$16.39		631,098
Interest and Dividends					
Total, Revenues	**$22,148,385**		**$1,728.72**		**$66,560,979**

Item	Solana Beach per Res.		Solana Beach per Res.		La Jolla Equiv.
Expenditures					
City Council	$351,455		$27.43		$1,056,203
City Manager	540,945		42.22		1,625,664
City Attorney	479,310		37.41		1,440,437
City Clerk	574,030		44.80		1,725,092
City Finance	1,388,105		108.34		4,171,574
Administration	874,545		68.26		2,628,208
Police	4,881,005		380.97		14,668,540
Animal Control	95,000		7.41		285,497
Fire	5,641,775		440.35		16,954,829
Lifeguard (Marine Safety)	1,005,505		78.48		3,021,773
Community Development	1,527,410		119.22		4,590,218
Public Works Transportation (Roads)	2,706,840		211.27		8,134,675
Public Works Env'l Services					
Public Works Stormwater					
Library			0.00		0
Parks and Recreation	768,535	5.5	59.99		2,309,624
Economic Development			0.00		0
General Services: Facilities			0.00		0
Other (OH/Admin, Other Programs)	515,300	5.6	40.22		1,548,595
Total, Expenditures	**$21,349,760**	**5.7**	**$1,666.39**		**$64,160,928**

Notes to Table B-6b

(1) La Jolla population and budget FY

5.1 Includes Business License Tax
5.2 Excludes Property Tax in lieu VLF shown above.
5.3 Other Taxes and Other Revenue minus Franchise and Transfer Taxes shown below.
5.4 not used
5.5 Community Services
5.6 Emergency Preparedness and Transfers In ($941,285 to offset Transfers Out)
5.7 Total Expenditures before Transfers Out & Internal Serv.

Table B-6c
City of San Diego General Fund Expenditures FY2022-23
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

dbase City of La Jolla		Department	Amount (1)	Total Cost Per Res. (3)	Dept. Revenues (2)		Net Cost	Net Cost Per Resident (3)	FTEs	(4) Per 10,000 Residents	La Jolla Equiv.
Category	Label	Labels	Amount								
City Attorney	1	City Attorney	$74,905,930	$54.74	$3,748,965	5.0%	$71,156,965	$52.00	403.73	2.95	11.4
City Council	2	City Auditor	4,562,333	3.33	0		4,562,333	3.33	22.00	0.16	0.6
City Clerk	3	City Clerk	6,951,684	5.08	158,934	2.3%	6,792,750	4.96	50.32	0.37	1.4
City Council	4	City Council	19,671,403	14.38	0		19,671,403	14.38	149.00	1.09	4.2
Finance	5	City Treasurer	20,560,668	15.03	52,560,219	255.6%	(31,999,551)	-23.38	123.00	0.90	3.5
Other Citywide Programs	6	Citywide Program Expenditures (5)	258,614,816	188.99	0		258,614,816	188.99	-	-	
Other Commissions	7	Commission on Police Practices	2,550,352	1.86	0		2,550,352	1.86	11.50	0.08	0.3
Administration	8	Communications	6,018,908	4.40	372,107		5,646,801	4.13	38.00	0.28	1.1
Administration	9	Compliance	4,642,842	3.39	1,633,363		3,009,479	2.20	34.00	0.25	1.0
Finance	10	Debt Management	2,737,315	2.00	628,250		2,109,065	1.54	17.00	0.12	0.5
Finance	11	Department of Finance	21,042,149	15.38	2,264,984		18,777,165	13.72	116.00	0.85	3.3
Administration	12	Department of Information Technology	2,881,016	2.11	1,115,520		1,765,496	1.29	-	-	
Community Development	13	Development Services	11,490,472	8.40	788,234		10,702,238	7.82	91.50	0.67	2.6
Finance	14	Economic Development	17,038,178	12.45	5,969,520		11,068,658	8.09	55.00	0.40	1.6
Public Works	15	Environmental Services	81,002,411	59.20	1,397,220		79,605,191	58.17	295.20	2.16	8.3
Other Commissions	16	Ethics Commission	1,470,894	1.07	0		1,470,894	1.07	6.00	0.04	0.2
Fire	17	Fire-Rescue	310,961,654	227.25	56,928,588	18.3%	254,033,066	185.64	1,362.00	9.95	38.4
	18	General Services	-	0.00	0		0	0.00	-	-	
Administration	19	General Services: Facilities Services	25,573,106	18.69	3,923,756		21,649,350	15.82	177.50	1.30	5.0
City Manager	20	Government Affairs	1,347,842	0.98	319,094		1,028,748	0.75	7.00	0.05	0.2
Other Citywide Programs	21	Homelessness Strategies & Solutions	25,157,607	18.38	393,605		24,764,002	18.10	15.00	0.11	0.4
Administration	22	Human Resources	8,964,549	6.55	1,098,825		7,865,724	5.75	44.00	0.32	1.2
Library	23	Library	66,823,341	48.83	1,459,597	2.2%	65,363,744	47.77	469.10	3.43	13.2
	24	Major Revenues (revenue budget only)		0.00	1,564,245,165		1,564,245,165	1,143.12			0.0
	25	Mobility	-	0.00	0		0	0.00	-	-	
	26	Neighborhood Services	-	0.00	0		0	0.00	-	-	
City Manager	27	Office of Boards & Commissions	781,868	0.57	0		781,868	0.57	5.00	0.04	0.1
City Manager	28	Office of Emergency Services	3,719,387	2.72	1,602,742		2,116,645	1.55	20.33	0.15	0.6
City Manager	29	Office of Race & Equity	1,277,592	0.93	0		1,277,592	0.93	7.00	0.05	0.2
City Manager	30	Office of the Assistant COO	-	0.00	0		0	0.00	-	-	
Finance	31	Office of the Chief Financial Officer	-	0.00	0		0	0.00	-	-	
City Manager	32	Office of the Chief Operating Officer	4,446,873	3.25	0		4,446,873	3.25	18.00	0.13	0.5
City Council	33	Office of the Independent Budget Analyst	2,668,158	1.95	0		2,668,158	1.95	11.00	0.08	0.3
City Manager	34	Office of the Mayor	4,163,183	3.04	0		4,163,183	3.04	23.00	0.17	0.6
Parks & Recreation	35	Parks & Recreation	161,934,929	118.34	54,872,747		107,062,182	78.24	1,037.88	7.58	29.3
City Manager	36	Performance & Analytics	5,376,838	3.93	0		5,376,838	3.93	17.00	0.12	0.5
Administration	37	Personnel	12,095,787	8.84	5,390		12,090,397	8.84	84.99	0.62	2.4
Community Development	38	Planning	9,882,949	7.22	3,172,181	32.1%	6,710,768	4.90	59.75	0.44	1.7
Police	39	Police	584,706,166	427.29	53,496,725	9.1%	531,209,441	388.20	2,664.14	19.47	75.1
Public Works	40	Public Utilities	2,831,991	2.07	1,786,075		1,045,916	0.76	-	-	
	41	Public Works & Utilities	-	0.00	0		0	0.00	-	-	
Administration	42	Purchasing & Contracting	9,887,605	7.23	2,422,363		7,465,242	5.46	63.00	0.46	1.8
City Manager	43	Real Estate & Airport Management	8,911,626	6.51	55,795,989		(46,884,363)	-34.26	39.00	0.29	1.1
Community Development	44	Smart & Sustainable Communities	-	0.00	0		0	0.00	-	-	
Public works	45	Stormwater	66,457,083	48.57	12,201,322		54,255,761	39.65	295.00	2.16	8.3
Community Development	46	Sustainability & Mobility	7,250,279	5.30	2,848,201		4,402,078	3.22	32.75	0.24	0.9
Public works	47	Transportation	93,646,966	68.44	61,595,235		32,051,731	23.42	471.70	3.45	13.3
		TOTAL	**$1,955,008,750**	**$1,428.69**	**$1,948,804,916**		6,203,834	**4.53**	**8,336.39**	**60.92**	235.0

Notes to Table B-6c

(1) Source: Adopted Budget Fiscal Year 2022-23, Volume 1 Budget Overview and Schedules, The City of San Diego, Schedule I - Summary of General Fund Expenditures by Department, pg. 157.

(2) Source: Adopted Budget FY2022-23, Schedule I - Summary of General Fund Revenues by Department, pg. 156.

(3) Source: Cal. Dept. of Finance, E-1 1,368,395

(4) Source: Adopted Budget FY23, Schedule III Summary of General Fund FTE Positions by Department, pg. 162.

(5) Citywide Program Expenditures include special consulting, rents, capital debt, insurance and liability claims, transfers to infrastructure and other funds. Prop. B transition costs (Vol. 2, pg. 89).

Table B-6d
City of San Diego General Fund Revenues FY2022-23
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

Revenue Item	Note	Amount (1)	Revenue Per Resident
Property Tax			
Base Property Tax (1%)		$514,100,000	$375.70
Property Tax in lieu of Motor Vehicle		191,400,000	$139.87
Other Property Tax	(5)	*700,000*	$0.51
Total Property Tax		$706,200,000	$516.08
Sales Tax		380,200,000	$277.84
Transient Occupancy Tax	(3)	135,200,000	$98.80
Licenses & Permits		56,500,000	$41.29
Fines, Forfeitures, and Penalties		34,500,000	$25.21
Revenue from Money and Property		63,900,000	$46.70
Revenue from Federal Agencies		1,200,000	$0.88
Revenue from Other Agencies		4,100,000	$3.00
Charges for Current Services		203,500,000	$148.71
Transfers In	(3),(4)	250,400,000	$182.99
Other Revenue		2,100,000	$1.53
Franchise		95,600,000	$69.86
Property Transfer Taxes		15,500,000	$11.33
TOTAL		**$1,948,900,000**	**$1,424.22**

Notes:

(1) Adopted Budget Fiscal Year 2022-23, Volume 1 Budget Overview and Schedules, The City of San Diego, Table 2 - Summary of General Fund Revenues, pg. 62.

(2) Cal. Dept. of Finance E-1 1,368,395 Jan. 1, 2023

(3) General Fund receives 5.5% rate of 10.5% TOT rate plus "Transfer In" of portion of 1% allocated by City Council to "any approved purpose." (FY2022-23 Budget, pg.

(4) "Transfers In" from other funds include transient occupancy tax (TOT) 1.0 cent transfer, safety sales tax transfer, and gas tax.

Table B-6e
City of Coronado General Fund Expenditures FY2022-23
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

Department	Amount (1)		Total Cost per Resident (3)	FTEs (4)	Per 10,000 Residents
Legislative	$590,041		$26.49		
Community Grants	1,000,000		$44.89		
City Clerk	414,773		$18.62	2.0	0.9
City Manager	994,208		$44.63	6.0	2.7
Community Development	24,030	(5)	$1.08		0.0
Public Communications	222,411		$9.98		
Legal Services	659,200		$29.59	contract	
Administrative Services					0.0
Finance	1,882,833		$84.52	10.0	
Human Resources	628,253		$28.20	2.0	
Systems Admin.	2,128,577		$95.55	6.0	
Police Services	16,907,404		$758.96	70.75	31.8
Fire & Beach Lifeguard Services	10,755,728		$482.82	41.5	18.6
Public Services & Engineering	12,328,542	(4)	$553.42	54.5	24.5
Library Services	3,554,692		$159.57	15.25	6.8
Non-Departmental	1,983,100		$89.02		
Departmental Subtotal	$54,073,792		$2,427.34		
Transfers & Other Uses of Funds	11,625,450		$521.86		
TOTAL	**$65,699,242**		**$2,949.20**	**208.0**	**85.3**
Other General Funds					
Recreation Services	$4,838,769			29.75	
Community Development	$3,445,045			13.0	

Notes:
(1) Expenditures by Department, FY2022-23 Proposed Budget, pg. xiv.
(2) History of Authorized Positions, FY2022-23 Proposed Budget, pg. 17.
(3) Jan. 1, 2022 population (DOF) 22,277 household population
(4) Public Serv. & Engin. includes admin, parks, utilities and general services.
(5) See "Other General Funds" for Recreation, Community Developoment, and other expenses.

Table B-6f
City of Coronado General Fund Revenues FY2022-23
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

Revenue Item	Amount		Revenue Per Resident
Property Tax	$33,502,129		$1,503.89
Property Tax in lieu VLF	$3,905,007		$175.29
Sales Tax	3,853,423		$172.98
Transient Occupancy Tax	15,000,000		$673.34
License & Permits	37,900		$1.70
Fines & Fees	266,000		$11.94
Use of Money & Property	279,490		$12.55
Revenue from Federal Agencies	0		0
Revenue from State Agencies (Intergoverr	3,220,340		$144.56
Prop. 172	316,000		$14.19
Charges Current Services	1,644,334		$73.81
Transfers In (Other Financing Sources)	1,000,000		$44.89
Other Tax	86,260	(3)	$3.87
Other Revenue	128,000		$5.75
Franchise	1,200,000		$53.87
Property Transfer Taxes	390,000		$17.51
Reimbursements	1,232,000		$55.30
TOTAL	**$66,060,883**		**$2,965.43**

Notes:
(1) General Fund Revenues, FY2022-23 Proposed Budget, pg. 34-36.
(2) Cal. Dept. of Finance E-1 22,277 Jan. 1, 2022
(3) In-Kind PEG Fees (AT&T), CTID Admin fee; excludes franchise, sales, real property, TOT (see above).

Table B-6g
City of Encinitas General Fund Expenditures FY2022-23
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

Department	Amount (1)	Total Cost per Resident (2)
City Council	$521,443	$8.48
City Attorney	$985,000	$16.01
City Manager	$1,399,355	$22.75
Economic Development	$123,500	$2.01
City Manager - Environmental	$251,358	$4.09
Human Resources	$1,116,400	$18.15
IT Operations	$3,594,012	$58.42
City Clerk	$515,876	$8.39
Elections	$203,500	$3.31
Finance	$2,693,365	$43.78
Development Services	8,812,155	$143.25
Engineering	4,146,651	$67.41
Law Enforcement	17,681,754	$287.44
Fire Admin. & Operations	16,471,088	$267.76
Public Safety - Marine Safety & Jr. Lifeguards	1,988,281	$32.32
Public Safety - Loss Prevention, Disaster Prep	915,207	$14.88
Public Works	7,517,534	$122.21
Parks Recreation & Cultural Arts	8,808,544	$143.19
Non-Departmental	5,047,129	$82.05
TOTAL	**$82,792,152**	**$1,345.89**

Notes:
(1) Proposed Operating Budget FY2022-23, June 15, 2022, pg. 12-16.
(2) Jan. 1, 2022 population (DOF) 61,515 household population

Table B-6h
City of Encinitas General Fund Revenues FY2022-23
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

Revenue Item	Amount (1)	Revenue Per Resident (2)
Property Tax	$58,110,000	$944.65
Documentary Transfer Tax	600,000	$9.75
Sales Tax	16,190,000	$263.19
Transient Occupancy Tax	3,420,056	$55.60
Franchise Fees	2,891,977	$47.01
Penalties & Int-Delinq Taxes	2,040	$0.03
Licenses and Permits	236,000	$3.84
Intergovernmental Revenue	713,726	$11.60
Charges for Services	8,249,850	$134.11
Fines and Penalties	210,253	$3.42
Use of Money and Property	1,094,777	$17.80
Other Revenue	611,793	$9.95
TOTAL	**$92,330,472**	**$1,500.94**

Notes:
(1) Proposed Operating Budget FY2022-23, June 15, 2022, pg. 12-16.
(2) Cal. Dept. of Finance E-1 61,515 Jan. 1, 2022

Table B-11i
City of Solana Beach General Fund Expenditures FY2022-23
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

Department	Amount (1)	Total Cost per Resident (2)	
City Council	$351,455	$27.43	
City Manager	540,945	42.22	
City Clerk	574,030	44.80	
Finance	1,388,105	108.34	
City Attorney	479,310	37.41	
Administrative Services	874,545	68.26	(3)
Police	4,881,005	380.97	
Fire	5,641,775	440.35	
Emergency Preparedness	32,800	2.56	
Marine Safety & Shoreline Protection	1,005,505	78.48	
Animal Regulation	95,000	7.41	
Public Works	2,706,840	211.27	
Community Services	768,535	59.99	
Community Development	1,527,410	119.22	
TOTAL Before Transfers Out	**$20,867,260**	**$1,628.73**	
Transfers Out	$482,500	$37.66	
SUBTOTAL General Fund	**$21,349,760**	**$1,666.39**	
Internal Service Funds	$1,529,095	$119.35	
TOTAL GENERAL FUND	**$22,878,855**	$1,785.74	

Notes:
(1) General Fund Revenues, FY2022-23 Adopted Budget, pg. B-18, B-19.
(2) Jan. 1, 2022 population (DOF) 12,812 household population
(3) Support Services ($44,380), HR ($413,055), and Info. Services ($417,110).

Table B-11j
City of Solana Beach General Fund Revenues FY2022-23
La Jolla Preliminary Comprehensive Feasibility Analysis (PCFA)

Revenue Item	Amount (1)	Revenue Per Resident (2)	
Property Tax	$9,235,000	$720.81	
Sales Tax	3,707,600	$289.38	
Transient Occupancy Tax	1,535,000	$119.81	(3)
Business License Tax	125,000	$9.76	
Other Taxes	1,986,400	$155.04	(4)
Licenses and Permits	333,000	$25.99	(5)
Fines and Penalties	436,500	$34.07	
Use of Money and Property	252,000	$19.67	
Revenue from Other Agencies	2,254,300	$175.95	(6)
Charges for Current Services	799,000	$62.36	
Reimbursements and Contributions		$0.00	
Other Revenue	543,300	$42.41	
TOTAL Before Transfers in	**$21,207,100**	**$1,655.25**	
Transfers In	$941,285	$73.47	
SUBTOTAL General Fund	**$22,148,385**	**$1,728.72**	
Internal Service Funds	$1,712,800	$133.69	(7)
TOTAL GENERAL FUND	**$23,861,185**	**$1,862.41**	

Notes:

(1) General Fund Revenues, FY2022-23 Adopted Budget, pg. B-17, B-18.

(2) Cal. Dept. of Finance E-1 12,812 Jan. 1, 2022

(3) Includes TOT Short-term vacation rentals $485,000

(4) Total Taxes and Fees (includes Transfer Taxes $210,000 and Franchise Fees $780,000) minus Sales Tax and TOT

(5) Total Licenses & Permits minus Business Registration

(6) Revenue from Other Agencies includes "Motor Vehicle in-Lieu 1,945,800.0

(7) Interest earning, dept. charges, etc.