

**OTAY MESA ENHANCED INFRASTRUCTURE FINANCING  
DISTRICT PUBLIC FINANCING AUTHORITY  
Meeting of March 6, 2025**

**DATE ISSUED:** March 6, 2025

**SUBJECT:**

Otay Mesa Enhanced Infrastructure Financing District Fiscal Year 2024 Annual Report and Annual Review of the Infrastructure Financing Plan

**CONTACT/PHONE NUMBER:**

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**DESCRIPTIVE SUMMARY OF ITEM:**

This item includes:

1. Adoption of the District's Fiscal Year 2024 Annual Report; and
2. Annual review of the District's Infrastructure Financing Plan.

**STAFF RECOMMENDATION:**

Adopt a resolution approving the Otay Mesa Enhance Infrastructure Financing District's (District) Fiscal Year (FY) 2024 Annual Report and annual review of the District's Infrastructure Financing Plan (IFP).

**EXECUTIVE SUMMARY OF ITEM:**

FY 2024 Annual Report

The California Government Code §53398.66.(j)(3) requires the Public Financing Authority (Authority) adopt an Annual Report containing certain District information for the prior fiscal year on or before June 30 of each year after holding a public hearing.

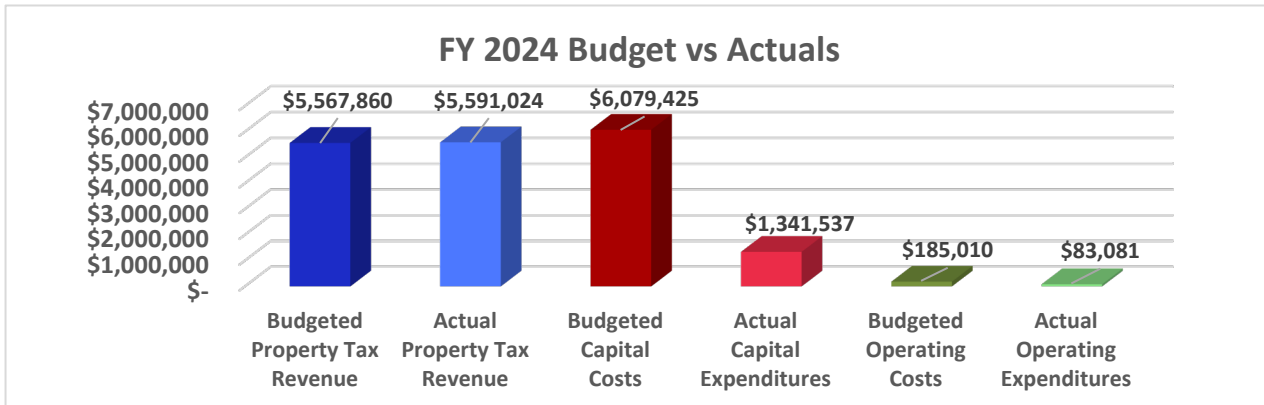
The FY 2024 Annual Report has been prepared by the Department of Finance (Attachment 1). The report was made available to the public on the District's website on January 10, 2025. Written notices were mailed to residents and land owners

within the District bounds, advising them of the availability of the Annual Report on the District’s website and advised the public hearing would be in early 2025.

In compliance with statutory requirements, the District’s FY 2024 Annual Report includes the following information:

**Description of projects undertaken in the fiscal year**

La Media Road Improvements (S-15018) and Dennery Ranch Neighborhood Park (RD22001) are the two projects that were funded by the District during FY 2024.



**Chart comparing budget to actual revenues and expenses**

FY 2024 property tax increment revenue (District Revenue) was \$5,591,024, 0.42% over the budgeted amount of \$5,567,860. Operating expenditures (excluding contingent bond debt service) were \$83,081, 55.03% under the budgeted amount of \$185,010.

**Amount of District Revenue received**

As shown above, a total of \$5,591,024 in tax increment revenues were received.

**Assessment of the status of the District’s projects**

La Media Road Improvements Project (S-15018) was allocated \$3.98 million in District Revenue during FY 2024. The District has budgeted a total of \$9.3 million to date for the La Media Road Improvement project which is now fully funded with additional dedicated funding sources. During FY 2023, staff obtained all required resource agency permits, Caltrans encroachment permit and successfully completed the construction contract bid and award phases. In Fiscal Year 2024, this project was in active construction operation and is currently still in progress.

The Dennery Ranch Neighborhood Park (RD22001) was allocated \$2.1 million in District Revenue during FY 2024. The District has budgeted a total of \$2.1 million to date for the Dennery Ranch Neighborhood Project and is partially funded with additional dedicated funding sources. During last year’s permitting at the Development Services Department, modifications to the stormwater system were deemed necessary, requiring additional design evaluation, agency coordination, and a completed Substantial Conformance Review. The project will proceed with design

and final engineering, with an updated cost estimate and schedule to follow once the design and construction documents are completed.

**Amount of revenues expended to assist private business**

The primary purpose of the District is to fund capital improvements that serve the community at-large. No FY 2024 revenues were expended to assist private businesses. Furthermore, it is not anticipated that District revenues will be used to assist private businesses going forward.

Review of District's IFP

Pursuant to Government Code section 53398.66(j)(1), the Authority is required to review the District's IFP, at least annually, and make any amendments that are necessary and appropriate. For the current year, staff has no recommended amendments to the IFP for the Authority's consideration.

**ENVIRONMENTAL IMPACT:**

This activity is not a project as defined by the California Environmental Quality Act (CEQA) Section 21065 and CEQA Guidelines Section 15378(b)(5) as it is an organizational or administrative activity of government that will not result in direct or indirect physical changes in the environment. Therefore, this activity is not subject to CEQA pursuant to CEQA Guidelines Section 15060(c)(3).

**CONCLUSION:**

The Annual Report for the District has been reviewed by the Department of Finance, and City Attorney. It is recommended that the Authority adopt the resolution approving the District's FY 2024 Annual Report and confirm the annual review of the District's IFP.

**Attachment:** Otay Mesa EIFD Fiscal Year 2024 - Annual Report