



# IMPLEMENTATION

# 11

- 11.1 Zoning
- 11.2 Financing Mechanisms
- 11.3 Priority Public Improvements and Funding

## INTRODUCTION

The community plan establishes policies and recommendations to guide the growth of Golden Hill and provide for its quality of life. The formulation and adoption of a community plan is only the first step in a two-step process. The second and equally important step is the implementation of the policies and recommendations of the plan.

This plan will be implemented through a number of different mechanisms which are outlined in this element. Necessary actions and key parties responsible for realizing the plan's vision are identified. Implementing the plan's proposals will require the active participation of City departments and agencies, regional agencies such as SANDAG and MTS, and the community.

A number of key actions are identified for the City and the Golden Hill community to pursue in order to implement the plan's policies and recommendations. These actions include, but are not limited to:

- Process concurrent zone changes to implement the Land Use Element.
- Approve and regularly update an Impact Fee Study (IFS) identifying the capital improvements and other projects necessary to accommodate present and future community needs as identified throughout this Plan.
- Construct and implement facilities and other public improvements in accordance with the IFS.
- Pursue additional funding sources such as grant funding to implement unfunded needs identified in the IFS.
- Apply and implement the Plan's urban design policies and recommendations during review of development projects.
- Seek longer-term implementation strategies that could be considered toward this effort.

## 11.1 ZONING

The implementation program for this community plan replaces the Golden Hill Planned District with citywide zones. The zoning implementation program is to be processed concurrently with the community plan update. The recommended Planned District to citywide zone conversions are summarized in the Table 11-1, below.

**TABLE 11-1: GOLDEN HILL - RECOMMENDED ZONE DESIGNATIONS**

GOLDEN HILL PLANNED DISTRICT	COMPATIBLE CITYWIDE ZONES
GH-3000	RM-1-1
GH-2500	RM-1-2
GH-1500	RM-2-5
GH-1000	RM-3-7
GH-CN	CN-1-3
GH-CC	CC-3-4

## 11.2 FINANCING MECHANISMS

This section discusses various financing mechanisms that could be used to encourage public and private development and investment in the community. Table 11-2, City of San Diego Financing Methods, describes potential financing strategies that can be pursued by the City of San Diego, their eligible uses, and parameters in which they can be applied. Table 11-3, Local, State and Federal Financing Methods, describes potential state and federal funding programs, their eligible uses, and parameters for application. Table 11-4, Developer/Property Owner/User Financing Methods, describes financing programs that can be directly or in partnership with the City applied to developers, property owners, and users in identified Village areas or elsewhere; eligible uses; and the parameters for their application.

Implementing improvement projects will require varying levels of funding. A variety of funding mechanisms are available depending on the nature of the improvement project:

- Updated impact fees for new development.
- Requiring certain public improvements as part of new development.
- Establishing community benefit districts, such as property-based improvement and maintenance districts for streetscape, lighting, sidewalk improvements, etc.

## 11.3 PRIORITY PUBLIC IMPROVEMENTS AND FUNDING

Public improvements described in this plan vary widely in range and scope. Some can be implemented incrementally as scheduled facilities and infrastructure maintenance occurs, and others will require significant capital funding from the city, state, regional, and federal agencies, or sufficient collection of development impact fees. Grants and other sources of funding should be pursued wherever possible. A list of projects is included in the community's Impact Fee Study and provides a scope, responsible department for the infrastructure, and funding sources. This list of projects is generated by the policies and recommendations within the plan. In undertaking these projects, the City will be making a significant and visible economic commitment to realize the plan's vision. These projects will add value to the community and improve its quality of life.

The projects within the list are assigned a priority determined through a public process by members of the community planning group, the Greater Golden Hill Planning Committee. This process will help City decision makers and staff understand the immediate and long term needs of the community. The Greater Golden Hill Planning Committee will be asked to periodically review their list of priorities. This approach is intended to provide staff a mechanism to establish annual programmatic and budgeting priorities and monitor progress in achieving the Plan's vision. In conjunction with the City's annual budget process, the identified projects and their priority may be adjusted given funding availability, feasibility of implementation, timing of private development, or as new funding opportunities present themselves over time.

TABLE 11-2: CITY OF SAN DIEGO FINANCING METHODS

FUNDING MECHANISM	CAPITAL IMPROVEMENT PROGRAM (CIP)	DEFERRAL OF PERMITS/ FEES	COMMUNITY DEVELOPMENT BLOCK GRANTS/SECTION 108
<b>Description</b>	The CIP is the City's multi-year planning program to facilitate the timing and financing of capital improvements. The CIP identifies the sources of funds available for capital projects.	Deferral of select permits and fees that results in upfront development cost reductions.	<ul style="list-style-type: none"> <li>• Annual grants for economic development, public facilities, and housing rehabilitation</li> <li>• Section 108 loans provide front-end financing for large-scale community and economic development projects that cannot be financed from annual grants</li> </ul>
<b>Eligible Uses</b>	<ul style="list-style-type: none"> <li>• Lease or purchase of land and rights-of-way</li> <li>• Construction of buildings or facilities</li> <li>• Public infrastructure construction</li> <li>• Purchase of major equipment and vehicles</li> <li>• Studies and plans associated with capital projects</li> <li>• Projects requiring debt obligation and borrowing</li> </ul>	Permit and fee charges payable to the City.	<ul style="list-style-type: none"> <li>• Acquisition and disposition of property</li> <li>• Clearance and demolition</li> <li>• Public facilities and site work</li> <li>• Funds must be targeted to specific areas benefiting low-and moderate-income persons or to eliminate "blight"</li> </ul>
<b>Funding Parameters</b>	The City can elect to dedicate portions of specific General Fund revenues (e.g., TOT, sales tax) to targeted capital improvements if the City determines that sufficient benefit exists.	A project applicant must request fee deferral as part of their project.	• Varies, funds are provided by HUD and administered by cities

TABLE 11-3: LOCAL, STATE & FEDERAL FINANCING METHODS

FUNDING MECHANISM	CALIFORNIA INFRASTRUCTURE & ECONOMIC DEVELOPMENT BANK (I-BANK)	TRANSNET	PROPOSITION 1B
<b>Description</b>	Low cost financing to public agencies for a variety of infrastructure projects	Half-cent sales tax for local transportation projects that has been instrumental in expanding the transportation system, reducing traffic congestion, and implementing critical transit projects. TransNet will generate \$14 billion for transportation projects and programs over the next 40 years.	<ul style="list-style-type: none"> <li>• Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006</li> <li>• Made available \$20 billion for state and local improvement projects</li> </ul>
<b>Eligible Uses</b>	<ul style="list-style-type: none"> <li>• City streets</li> <li>• Educational facilities</li> <li>• Environmental mitigation measures</li> <li>• Parks and recreational facilities</li> <li>• Public transit</li> </ul>	<ul style="list-style-type: none"> <li>• The half-cent sales tax pays for upgrades to streets, highways, and transit systems.</li> <li>• It is expected to raise \$14 billion for upgrades – such as adding high occupancy vehicle lanes and transit facilities to area freeways.</li> <li>• The TransNet extension adds funding for local roads, bike and pedestrian paths, smart growth projects, and habitat preservation.</li> </ul>	<ul style="list-style-type: none"> <li>• Congestion relief</li> <li>• Improve air quality</li> <li>• Enhance safety and security of transportation systems</li> </ul>
<b>Funding Parameters</b>	The fund program offered by the I-Bank offers loans ranging between \$250,000 to \$10,000,000 with eligible repayment sources including General Fund revenues, tax increment revenues, and property assessments.	<ul style="list-style-type: none"> <li>• Each local agency develops biennially a five-year list of projects to be funded with revenues made available for local street and road improvements under Section 4(D).</li> <li>• All projects funded must be consistent with the Regional Transportation Plan (RTP).</li> </ul>	<ul style="list-style-type: none"> <li>• Varies, competitive application process</li> <li>• The program currently contains \$1.5 million in funds available</li> </ul>

TABLE 11-3: LOCAL, STATE & FEDERAL FINANCING METHODS (CONTINUED)

FUNDING MECHANISM	THE NEW MARKETS TAX CREDIT	PROPOSITION 42	PROPOSITION 84
<b>Description</b>	<p>The New Markets Tax Credit (NMTC) Program was established as part of the Community Renewal Tax Relief Act of 2000. The program is intended to spur revitalization efforts of low-income communities. Tax credit incentives are provided to investors for equity investments in certified Community Development Entities, which invest in low-income communities. The credit equals 39% of the investment paid out over seven years.</p>	<p>Proposition 42 required a portion of sales tax on gasoline be transferred to the Transportation Infrastructure Fund (TIF). Amended by Proposition 1A to limit the State’s ability to suspend transfer of revenues from the TIF during fiscal difficulties.</p>	<ul style="list-style-type: none"> <li>• Proposition 84 provides funding for a broad range of projects including water quality; statewide water planning; protection of coastal waters, rivers, lakes, and streams; wildlife conservation; and sustainable communities and climate change.</li> </ul>
<b>Eligible Uses</b>	<p>NMTCs are intended to spur the investment of new capital through Qualified Equity Investments (QEIs) in Community Development Entities (CDEs). Each CDE is certified as such and must use substantially all of its QEIs to provide financial support (generally debt or equity financing) to Qualified Active Low-Income Community Businesses (QALICBs).</p>	<ul style="list-style-type: none"> <li>• Congestion relief</li> <li>• Safety enhancements</li> <li>• Local streets repair</li> <li>• Public transportation</li> </ul>	<ul style="list-style-type: none"> <li>• Incentives for the development of local land use plans to promote water conservation, reduce automobile use and fuel consumption, encourage infill and compact development, and revitalize urban and community centers</li> <li>• Eligible projects include specific plans, infill plans, zoning ordinances, and other mechanisms needed to meet AB 32 and SB greenhouse gas emissions reduction and improve community-wide sustainability</li> </ul>

TABLE 11-3: LOCAL, STATE & FEDERAL FINANCING METHODS (CONTINUED)

FUNDING MECHANISM	THE NEW MARKETS TAX CREDIT	PROPOSITION 42	PROPOSITION 84
<b>Funding Parameters</b>	Provide a business plan describing how NMTC financing will generate community benefits. To be competitive, CDEs generally agree to use more than 85% of QEI proceeds to make loans under terms and conditions significantly more favorable than those provided by conventional sources and to make loans in communities characterized by greater distress than reflected in the NMTC eligibility criteria.	Funds provided directly for local road improvements as well as for capital projects (highway and transit) selected by Caltrans in the State Transportation Improvement Program.	<ul style="list-style-type: none"> <li>• A total of \$5.38 billion spread over eight broad project areas. One project area is for Sustainable Communities/ Climate Change with a \$580 million allocation.</li> <li>• Applications for funding are to be submitted to the Strategic Growth Council, with grants to be issued for projects ranging from \$100,000 to \$1 million.</li> </ul>

TABLE 11-4: DEVELOPER/PROPERTY OWNER/USER FINANCING METHODS

FUNDING MECHANISM	LANDSCAPING & LIGHTING DISTRICTS/PARKING DISTRICTS	BUSINESS IMPROVEMENT DISTRICTS	DEVELOPER IMPACT FEES	EXACTIONS
<b>Description</b>	<ul style="list-style-type: none"> <li>• Assessments on properties located within a specific district that benefit from landscaping and/or parking</li> <li>• Collection of parking in-lieu fees on new development in lieu of on-site parking</li> </ul>	Annual fees paid by business owners and/or property owners to fund activities and programs intended to enhance the business environment in a defined area	Fees paid by developers to pay all or a portion of the costs of any public facility that benefits their development	<ul style="list-style-type: none"> <li>• Payments made by developers or property owners in addition to, or in lieu of, development impact fees</li> <li>• Funds contributed are used to install selected public improvements.</li> <li>• Alternatively, developers are required to construct and deliver specific improvements</li> </ul>

TABLE 11-4: DEVELOPER/PROPERTY OWNER/USER FINANCING METHODS (CONTINUED)

FUNDING MECHANISM	LANDSCAPING & LIGHTING DISTRICTS/PARKING DISTRICTS	BUSINESS IMPROVEMENT DISTRICTS	DEVELOPER IMPACT FEES	EXACTIONS
<b>Eligible Uses</b>	<ul style="list-style-type: none"> <li>• Landscaping districts allow for the funding of lights, recreational equipment, landscaping, and/or parking</li> <li>• Parking districts allow for the acquisition, improvement, and operation of shared parking facilities</li> </ul>	<ul style="list-style-type: none"> <li>• Marketing and promotion</li> <li>• Security</li> <li>• Streetscape improvements</li> <li>• Operating and maintenance of public improvements</li> <li>• Special events</li> </ul>	Capital facilities or ongoing services, such as school impact fees, mitigation fees (police, fire, park), water meter installation, sanitation capacity charge, water system facility charge	<ul style="list-style-type: none"> <li>• Dedication of right-of-way for streets and utilities</li> <li>• Provision of open space</li> <li>• Parks or landscape improvements</li> <li>• Schools and community facilities</li> </ul>
<b>Funding Parameters</b>	Funds are typically collected concurrently with property tax bill. Parking in-lieu fees can be based on cost of off-site parking facilities	<ul style="list-style-type: none"> <li>• Once established, annual BID fees are mandatory for businesses/ properties located within the BID boundary</li> <li>• Business-based BID fees are collected with business license fees; property-based BID assessments are collected on property tax bills</li> </ul>	Fees are paid in the form of a specified amount as a condition to the issuance of building permits, an occupancy permit, or subdivision map approval	Typically paid or committed as part of the development approval process