



Implementation

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Introduction

The community plan establishes policies and recommendations to guide the growth of the Golden Hill community 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.

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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.
- Administration of the Community Plan Implementation Overlay Zone (CPIOZ).
- 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.
- Implement facilities and other public improvements in accordance with the IFS.
- Pursue grant funding to implement unfunded needs identified in the IFS.
- Implement the Plan’s urban design policies and recommendation through the review of development projects.

Longer-term implementation strategies have been identified and focus on various programs, financing mechanisms, and capital improvement priorities that could be considered toward this effort.

11.1 Zoning

The implementation program for this community plan replaces the Golden Hill Planned District with a combination of citywide zones and tailored zoning using the Community Plan Implementation Overlay Zone (see below). The Planned District to citywide zone conversions are summarized in the table 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 Community Plan Implementation Overlay Zone (CPIOZ)

The Community Plan Implementation Overlay Zone (CPIOZ) is applied within the boundaries of the Golden Hill community per Chapter 13, Article 2, Division 14 of the Municipal Code. The purpose of the overlay zone is to supplement the Municipal Code by providing development regulations that are tailored to specific circumstances and/or sites within the community and have been adopted as part of the Golden Hill Community Plan. The CPIOZ also provides for a discretionary review process to more effectively implement community plan policies and recommendations, particularly those of the Urban Design Element.

The CPIOZ is applied to specific geographic areas within the community and also to specific development circumstances. The CPIOZ provides community-specific development regulations and supersedes equivalent regulations in the zones applied within the community. This CPIOZ is not intended to address use. Use categories are determined by the applicable base zone.

The CPIOZ has two types differentiated by their review process: Type A (ministerial review), and Type B (discretionary review). Both types are applied within the community depending on geographic district criteria or regulatory format (e.g. development regulations, height limits or design guidelines). Development proposals identified as CPIOZ Type B require discretionary review to determine if the development proposal is consistent with the community plan as well as the applicable regulations listed below. Such proposals shall be required to process and obtain approval of a Process Three Site Development Permit in accordance with Chapter 12, Article 6, Division 5 of the Municipal Code. Exceptions from these regulations may be granted per Municipal Code Section 132.1403 for development that is minor, temporary, or incidental and is consistent with the purpose and intent of this CPIOZ. Any development proposals that do not comply with the Community Plan, the base zone regulations or these supplemental CPIOZ regulations shall be required to obtain a discretionary permit.

The CPIOZ is also applied to specific development categories. The purpose and applicability of the CPIOZ within each sub-district and development category is described as follows:

11.2-1 Sub-District Applicability

The CPIOZ is applied geographically within the community to the following five sub-districts (also reference Figure 11-1):

(a) SFR-A – Single-Family Residential Neighborhoods within RS Zones (Type A)

(1) Apply supplemental development regulations to new and expanded structures to ensure neighborhood compatibility.

(A) CPIOZ Type A shall apply to any expansion of the structural envelope within a lot or premise that includes a street facing building façade on a front and/or side yard. The design requirements contained in Section 11.3 apply.

(b) HR-B – Hillside Residential & Canyon Rim Neighborhoods within any zone (Type B)

(1) Apply design guidelines and supplemental development regulations to new and expanded structures to ensure neighborhood compatibility and to preserve the visual quality of the canyon environment.

(A) CPIOZ Type B shall apply to any expansion of the structural envelope within a lot or premise that that results in a total floor area increase of 15 percent or more square feet. Policies and guidelines of the community plan apply, including those for Public Views and Canyons, and Hillside and Open Space in the Urban Design Element.

(c) CMX/MF A/B – Commercial, Multi-Family & Mixed-Use Neighborhoods (CPIOZ Type A/B)

(1) Apply design and supplemental development regulations to new development within a lot or premise to ensure neighborhood compatibility.

(A) CPIOZ Type A shall apply to implement the development regulations listed in Section 11.3.

(d) MF-B – City Operations Yard

(1) Apply design and supplemental development regulations to ensure any redevelopment of the site is compatible with the neighborhood.

(A) CPIOZ Type B shall apply to any redevelopment of the site. Allow a maximum 10,000 square feet of Retail Sales and Commercial Services uses per the CN-1-3 zone as identified in Chapters 13 of the Municipal Code.

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11.2-2 Development Category Applicability**(a) Incentive Zone Program**

Establishes a voluntary development option for additional residential density within specific districts in exchange for public benefits (also refer to Land Use Element).

(1) CPIOZ Type B shall apply to allow for additional base density up to the maximums shown on Land Use Element Figure 2-1, Land Use Map. A development agreement or similar mechanism as determined by the City is required as part of program implementation.

(2) Public Open Space – Development projects that reserve a portion of their site for the development of public open space (e.g. public park, plaza etc. as defined by the General Plan) may qualify for a FAR bonus of 0.5.

(3) Public Parking – One square foot of FAR bonus may be granted for every square foot of parking area made permanently available for public parking use. A public parking easement shall be executed with restrictions and covenants acceptable to the City.

11.3 CPIOZ Development Regulations

This section contains development regulations including statements related to the purpose and intent of the regulations.

11.3-1 Single-family Neighborhood Design Requirements

Applies to areas identified as SFR on Figure 11-1.

Most of the community's single-family neighborhoods have retained their original character and most homes have retained their traditional architecture and human scale. These include a human-scale of building elements including building mass and overall height; street orientation of porches, entries and living areas; de-emphasis of vehicular parking; attention to architectural detail; variation of simple, geometric roof forms and building massing -often with a horizontal orientation.

Alterations and additions to buildings, or the building of new structures, shall observe basic design forms similar to other homes within surrounding blocks such as street orientation, location within the lot, use of materials, and proportions related to building bulk, massing, and scale. Structural additions or new structures within a lot or premise shall use design forms similar to those used for the primary dwelling unit.

The following design requirements apply to newly constructed dwellings or accessory buildings within a lot or premise as well as to structural additions:

(a) Street Yard Setbacks

Uniform setbacks are a neighborhood character-defining feature that shall be maintained within blocks and neighborhoods. Front and street side setback variances are therefore discouraged. However, within certain blocks or neighborhoods, zone setbacks are less than the prevailing development pattern. Building to these setbacks would disrupt the character of the block or neighborhood and is subject to the following:

- (1) Maintain prevailing front yard and street yard setbacks established by existing structures within a block.
 - (A) The prevailing setback shall be established by the average maximum street wall setback of all lot frontages within the block face of the subject property;
 - (B) Require a survey of building street wall setbacks within both sides of the block face when new structures or additions are proposed that face a public street;
 - (C) New structures and additions shall not encroach more than 5 feet into the prevailing setback.

(b) Architectural Features

Traditional design includes many unique architectural features that are worthy of preservation. Of these, street facing entries, windows, covered porches and forecourts are important character-defining features that shall be maintained or replicated in their original architectural form subject to the following:

- (1) The removal or partial removal of more than 50 percent of a porch or forecourt shall be prohibited. Activities for maintenance, repair or architectural enhancement are exempt.
- (2) The following shall be required for new or expanded dwelling units:
 - (A) Provide one porch or forecourt with a minimum 6 foot depth along 70 percent of any street facing building facade;

- (B) Provide a primary entry door visible from the street;
- (C) Provide at least one window with transparent glazing of at least 12 square feet on each street-facing building façade.

(c) Garages and Accessory Buildings

The location of garages shall be subordinate to the primary dwelling unit. Hollywood (or ribbon style) driveway pavement configurations are encouraged. The following regulations shall apply:

- (1) Access to garages and off-street parking shall be from alleys where available;
- (2) Where alley access is not available, garages shall not be located within the front 30 percent of the lot. Driveways shall be a single-width not more than 10 feet wide;
- (3) The design of all accessory buildings and detached garages shall be integrated into the design of the primary dwelling as subordinate elements and designed with the same materials and of the same architectural style.

(d) First Story

A lower profile ground floor height is a feature of the community's traditional architecture. Street facing building facades shall establish apparent height relationships between first and second stories similar to homes within surrounding blocks. Traditional eight foot wall plate heights are encouraged. The following regulations shall apply:

- (1) The top plate height of a single or first story shall not extend more than 12 feet above existing grade. Basements or crawl spaces used to accommodate slopes within hillside lots are not included in the height measurement;
- (2) Daylight or partial above-grade basements are not allowed within the front or street side yard building façades. Basements or crawl spaces used to accommodate slopes within hillside lots are not included in the height measurement.

(e) Second Story

Many traditional neighborhoods contain a majority of single-story homes, and two story homes typically incorporate design features that reduce the scale and visual impact of the second story. The following regulations shall apply:

- (1) Structural additions to street facing building façades of existing dwellings above the first story shall step back a minimum of 6 feet from the first story building façade (applies to a minimum 70 percent of a single building façade);
- (2) At the side setback line, the height of the building envelope above 19 feet in height is established by a 45-degree building envelope plane sloping inward to the maximum permitted 30-foot structure height (Reference Municipal Code Diagram 131-04M). Applies to a minimum 70 percent of a building façade;
- (3) For interior side yard building facades, window designs that direct views into neighboring windows shall be avoided through use of offsets, staggering, clerestory designs or translucent glazing; and
- (4) Decks and balconies larger than 15 square feet within 15 feet of an interior side or rear residential abutting property line shall be prohibited.

(f) Materials

Traditional building practices and materials contribute greatly to the architectural character of older neighborhoods. The following regulations shall apply:

- (1) Traditional stucco, wood and masonry are allowed materials;
- (2) New structural additions shall replicate the materials and finishes on the existing dwelling;
- (3) When using stucco, the method of application and finish shall be similar to homes within surrounding blocks. Contemporary rough-texture finishes are prohibited unless currently used.

11.3-2 Commercial, Mixed-Use & Multi-Family Neighborhood Design Requirements**(a) General Requirements** (applies to all development types)

- (1) Yards, Setbacks & Building Façade Stepbacks – To ensure that new development provides adequate separation, bulk/scale control and landscaping from public streets and abutting property lines apply the following:
 - (A) Street-facing residential (ground level). A minimum setback and elevation or grade level change shall be provided to preserve the privacy of residential units that face public streets.
 - (i) Residential front and street side setbacks shall be the greater of either the base zone requirement or a 6-foot minimum;
 - (ii) When street facing building facades are setback less than 15 feet from property line, provide a positive elevation or grade change of at least 2 feet from the public sidewalk to the dwelling units on the first story.
 - (B) Sideyards (residential/residential-adjacent): Development within residentially-zoned lots and when abutting such lots shall provide:
 - (i) A 6-foot wide minimum side setback at ground level to include a minimum 3-foot wide landscape planter measured from abutting property line.

Exception for a lot or premise less than or equal to 50 feet in width: each side setback may be calculated as 10 percent of lot width, but not less than 4 feet, and the planter width reduced to 2 feet.
 - (ii) A 6 foot deep façade stepback for the story (or portion of) above the second.

- (C) Sideyards (commercial/commercial-adjacent). Development within commercially-zoned lots or abutting such lots shall provide:
 - (i) A side setback is not required.
 - (ii) A 6 foot deep façade stepback for the story (or portion of) above the second.
- (D) Rear yards (residential/residential-adjacent). Development within residentially zoned lots and abutting such lots shall provide:
 - (i) A 15-foot minimum rear setback, except where the rear yard abuts an alley then a setback is not required;
 - (ii) A 3-foot deep façade stepback for the story (or portion of) above the second.
- (E) Rear yards (commercial/commercial adjacent). Development within commercially-zoned lots and abutting such lots shall provide:
 - (i) A 6-foot minimum rear setback, except where the rear yard abuts an alley then a setback is not required.
- (2) Street Wall Design – To ensure that new development provides design parameters intended to control bulk and provide consistent neighborhood scale elements within building facades facing public streets, apply a 10-foot deep façade stepback for the story (or portion of) above the second.
- (3) Outdoor Terrace Allowance – Building façade stepbacks may incorporate outdoor terraces as an amenity for users of the building. Any open fencing/safety barriers used for this purpose that have at least 75 percent of surface area open to light are not included in the calculation of structure height.
- (4) Façade Length Allowance – In order to allow design variation, the following requirements that apply to the length of a building façade or street shall apply only to a minimum 80 percent of the applicable façade length or building frontage: 11.3.4 (a)(1)(D) Sideyard Façade Stepbacks; (b)(2) Street Wall Design, (b)(3) Commercial Uses, (b)(7) Build-to-Line, and (b)(8) Façade Transparency.
- (5) Parking Location – Above-grade parking shall be located toward the rear of a lot or premise and be separated from the front lot line by enclosed building area.
- (6) Parking Access – Parking shall be accessed from an alley. If alley access is not available, parking shall be accessed from a secondary street when available. Any garage entries shall be setback from the sidewalk.
- (7) Utilities – Utility equipment such as electrical transformers and generators may be located above grade only if located on private property, outside the public right-of-way. Utility equipment shall be located below grade if within the public right-of-way.
- (A) Areas housing trash, storage, or other utility services shall be located in a garage or be completely concealed from view from the public right-of-way and adjoining developments, except for utilities required to be exposed by the City or utility company.
- (B) Backflow prevention devices shall be located in a building alcove, landscaped area, or utility room within the building, outside of the public right-of-way, and completely screened from view.
- (8) Billboard Abatement – The Municipal Code’s sign regulations prohibit billboards. A lot or premise shall comply with the sign regulations by removing any existing billboards when such lot or premise develops or redevelops to a more intense use.



(b) Commercial Requirements (Includes commercial mixed-use)

The following requirements apply to single commercial use developments, and developments with a mix of uses, including storefront retail, residential and office:

- (1) Sidewalk Width – Require additional setbacks or easements where necessary to establish a minimum 10-foot wide sidewalk zone between the curb and any street facing property line (reference Urban Design Element Policy 4.1.39).
- (2) Commercial Uses (Street Activating) – A minimum 80 percent of the ground floor building frontage shall be limited to Retail Sales and Commercial Services uses as identified in Chapters 13 of the Municipal Code.
 - (3) Commercial Space Floor Area Ratio (FAR) – A minimum 0.30 FAR is required for mixed-use developments.
 - (4) Commercial Space Depth – Municipal Code Section 131.0540(c) applies where lot depths are greater than 100 feet. Where lot depths are equal to or less than 100 feet, provide a minimum 40-foot depth of useable ground floor commercial space along the building frontage.
- (5) Commercial Space Ground Floor Height – Provide a minimum floor-to-ceiling height of 15 feet (minimum 12-foot clear height).
 - (A) Mezzanine and loft space may be exempt from this requirement when located at least 25 feet inward from any street facing building façade;
 - (B) For commercial base zones with a 30 foot maximum height, apply instead a 36 foot maximum height for buildings of 3 stories.
- (6) Ground Floor Elevation – Design ground-floor elevations for commercial uses to be level with the elevation of the adjacent public sidewalk and not more than 2 feet above the sidewalk grade.

- (7) Build-to Line – A street wall of at least 12 feet in height shall be built within 6 feet of the public right-of-way along the lot frontage except where a sidewalk or other public space is provided.
- (8) Façade Transparency – Provide façade transparency comprised of clear, non-reflective windows that allow views of indoor space at a height between 2 feet and 10 feet for ground floor street facing building facades. Windows or other transparent materials that provide visibility into a garage or similar area do not count toward the required transparency.
- (9) Building Base – For commercial/residential mixed-use buildings, differentiate the non-residential ground floor from above stories by identifying one (1) change in material and one (1) color change along street facing building facades.
- (10) Building Corner – Buildings at street intersections shall include one of the following features at building corners: a cupola, a material change, window fenestration, or a chamfered or rounded corner with exaggerated roof element.
- (11) Commercial Parking Requirement – As an incentive to provide viable designs for ground floor commercial space, the first 3,000 gross square feet of ground floor commercial space shall be exempt from commercial parking requirements.
- (12) For areas zoned Neighborhood Commercial, no lot or premise shall contain a single commercial business that exceeds a total of 5,000 square feet in gross floor area.

(c) Multi-Family Residential Requirements (also includes residential mixed-use)

The following standards apply to multi-family residential developments or mixed-use developments with a multi-family residential component:

- (1) Common Exterior Open Space – Each development of 8 or more dwelling units shall provide a unified, common, outdoor open space useable to residents. The open space shall be based upon a percentage of the lot area as identified in Table 1. Common outdoor open space shall be designed to incorporate the following:
 - (A) A minimum dimension of 20 feet;
 - (B) A location at either finished grade or on a podium level;
 - (C) A minimum 10 percent planted area (the remainder may be hardscape);
 - (D) Access to all residents through a common corridor.

TABLE 11-2: EXTERIOR OPEN SPACE

Size of lot or premise (net square feet)	Common Outdoor Space
<13,500 square feet	10 %
>13,500 square feet	15 %

- (2) Private Exterior Open Space – Municipal Code Section 131.0455 applies except for developments of 8 or more dwelling units. For developments of 8 or more dwelling units that provide Common Outdoor Open Space above, at least 50 percent of all dwelling units shall provide private open space on a balcony, patio, or roof terrace, with a minimum area of 40 square feet each, and an average horizontal dimension of 6 feet. Balconies shall be proportionately distributed throughout the development in relationship to floor levels and sizes of units.
- (3) Pet Open Space – Each development with 20 or more residential dwelling units shall provide a minimum area of 100 square feet improved for use by pets and clearly marked for such exclusive use.

Such areas shall include permeable surfaces, a hose bib, and be drained to the public sewer system (except for at-grade lawn areas).

- (4) Height limit within the RM-1-1 and RM-2-2 zones – The front 30 percent of the lot shall have a 16-foot height limit for all new construction of 2 or more dwelling units.
- (5) Defensible Space Requirements – Each development with 4 or more dwelling units shall provide the following within each street facing building façade:
 - (A) A minimum of one primary residential entry;
 - (B) A minimum 30 percent street wall transparency of clear, non-reflective windows that allow views of indoor space at the ground level or first story.
 - (C) A minimum of one private exterior useable area, such as a balcony or terrace, above the first story with a minimum net area of 100 square feet. For developments of 8 or more dwelling units, a minimum net area of 40 square feet shall be provided.
- (6) Windows shall maintain a consistent design character throughout the project and shall be of the same material on all elevations facing a street and for the front 30 percent of the interior side elevation(s).



FIGURE 11-1: COMMUNITY PLAN IMPLEMENTATION OVERLAY (CPIOZ) ZONE MAP

LEGEND

-  Parcels
-  Community Plan Boundary



11.4 Financing Mechanisms

This section discusses the estimated costs for infrastructure and streetscape improvements for the Village area and various financing mechanisms that could be used to encourage public and private development and investment in the community. Table 11-3 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 11-4 Local, State and Federal Financing Methods describes potential state and federal funding programs, their eligible uses, and parameters for application. Table 11-5 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 the Village area; 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.

11.5 Priority Public Improvements and Funding

Suggested improvements to streets and parks described in this plan vary widely in their range and scope— some can be implemented incrementally as scheduled street maintenance occurs, and others will require significant capital funding from city, state, regional, and federal agencies, or are not feasible until significant redevelopment occurs. Grants and other sources of funding should be pursued wherever possible.

11.6 Action Items and Priorities

This section identifies actions that implement the policies and plans for the Plan. These encompass administrative strategies and physical improvements for mobility, streetscape, infrastructure, and open space. In undertaking these, the City will be making a significant and visible economic commitment to realize the vision of the planning area. They will add value and improve the visual character of the area, thereby laying the foundation for future private sector investment and new development.

The actions are assigned a priority of High, Medium, or Low and an estimated time frame depending on their importance to help affect or achieve the vision. The highest priorities recognize those items that can be implemented relatively quickly and are within the City's control, as well as those that offer the greatest leverage in stimulating private reinvestment and change. Generally, they fall into three categories:


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- (a) Development and implementation of programs to attract developers and secure funding for area improvements;
- (b) Amendment of regulatory requirements and procedural processes to facilitate development consistent with the Plan; and
- (c) Planning for and construction of improvements that provide infrastructure and services sufficient to support planned new development, and improve the quality of place (e.g., pedestrian-oriented streetscape and open space amenities and signage programs).

This is intended to provide a mechanism to establish annual programmatic and budgeting priorities and monitor progress in achieving the Plan’s visions. In conjunction with the City’s annual budget process, the identified tasks and projects and their priority may be adjusted given funding availability, feasibility of implementation, timing of private development, or as new projects funding opportunities present themselves over time. More detailed mobility improvements are included in the Impact Fee Study.

TABLE 11-3: CITY OF SAN DIEGO FINANCING METHODS

Funding Mechanism	California Infrastructure & Economic Development Bank (I-Bank)	Transnet	Proposition 1B
<i>Description</i>	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"> • Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006. • Made available \$20 billion for state and local improvement projects.
<i>Eligible Uses</i>	<ul style="list-style-type: none"> • City streets. • Educational facilities. • Environmental mitigation measures. • Parks and recreational facilities. • Public transit. 	<ul style="list-style-type: none"> • The half-cent sales tax pays for upgrades to streets, highways, and transit systems. • It is expected to raise \$14 billion for upgrades – such as adding high occupancy vehicle lanes and transit facilities to area freeways. • The TransNet extension adds funding for local roads, bike and pedestrian paths, smart growth projects, and habitat preservation. 	<ul style="list-style-type: none"> • Congestion relief. • Improve air quality. • Enhance safety and security of transportation systems.
<i>Funding Parameters</i>	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"> • 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). • All projects funded must be consistent with the Regional Transportation Plan (RTP). 	<ul style="list-style-type: none"> • Varies, competitive application process. • The program currently contains \$1.5 million in funds available.



TABLE 11-4: LOCAL, STATE & FEDERAL FINANCING METHODS

Funding Mechanism	California Infrastructure & Economic Development Bank (I-Bank)	Transnet	Proposition 1B
<i>Description</i>	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"> • Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006. • Made available \$20 billion for state and local improvement projects.
<i>Eligible Uses</i>	<ul style="list-style-type: none"> • City streets. • Educational facilities. • Environmental mitigation measures. • Parks and recreational facilities. • Public transit. 	<ul style="list-style-type: none"> • The half-cent sales tax pays for upgrades to streets, highways, and transit systems. • It is expected to raise \$14 billion for upgrades – such as adding high occupancy vehicle lanes and transit facilities to area freeways. • The TransNet extension adds funding for local roads, bike and pedestrian paths, smart growth projects, and habitat preservation. 	<ul style="list-style-type: none"> • Congestion relief. • Improve air quality. • Enhance safety and security of transportation systems.
<i>Funding Parameters</i>	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"> • 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). • All projects funded must be consistent with the Regional Transportation Plan (RTP). 	<ul style="list-style-type: none"> • Varies, competitive application process. • The program currently contains \$1.5 million in funds available.



TABLE 11-4: LOCAL, STATE & FEDERAL FINANCING METHODS

Funding Mechanism	The New Markets Tax Credit	Proposition 42	Proposition 84
<i>Description</i>	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.	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.	<ul style="list-style-type: none"> 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.
<i>Eligible Uses</i>	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).	<ul style="list-style-type: none"> Congestion relief. Safety enhancements. Local streets repair. Public transportation. 	<ul style="list-style-type: none"> 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. 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.
<i>Funding Parameters</i>	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"> 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. 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.



TABLE 11-5: DEVELOPER/PROPERTY OWNER/USER FINANCING METHODS

Funding Mechanism	Landscaping & Lighting Districts/Parking Districts	Business Improvement Districts	Developer Impact Fees	Exactions
<i>Description</i>	<ul style="list-style-type: none"> Assessments on properties located within a specific district that benefit from landscaping and/or parking. Collection of parking in-lieu fees on new development in lieu of on-site parking. 	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"> Payments made by developers or property owners in addition to, or in lieu of, development impact fees. Funds contributed are used to install selected public improvements. Alternatively, developers are required to construct and deliver specific improvements.
<i>Eligible Uses</i>	<ul style="list-style-type: none"> Landscaping districts allow for the funding of lights, recreational equipment, landscaping, and/or parking. Parking districts allow for the acquisition, improvement, and operation of shared parking facilities. 	<ul style="list-style-type: none"> Marketing and promotion. Security. Streetscape improvements. Operating and maintenance of public improvements. Special events. 	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"> Dedication of right-of-way for streets and utilities. Provision of open space. Parks or landscape improvements. Schools and community facilities.
<i>Funding Parameters</i>	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"> Once established, annual BID fees are mandatory for businesses/ properties located within the BID boundary Business-based BID fees are collected with business license fees; property-based BID assessments are collected on property tax bills 	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





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