

## **IMPLEMENTATION**

The community plan establishes goals and objectives to guide the growth and revitalization of the Southeastern San Diego community. The goals and objectives outlined in this document are, in effect, calls for action. The formulation and adoption of a community plan is only the first step in a two-step process. The second, and an equally important step, is the implementation of the goals and objectives of the community plan. This section lists the actions necessary to implement the plan.

Southeastern San Diego is an older, urbanized community. Many of its structures are in need of rehabilitation and many of its commercial and industrial areas need to be revitalized. Additionally, special actions must be taken to retain Southeastern San Diego's desirable qualities including preservation of the existing residential neighborhoods, undeveloped canyons and hillsides, parks, and unique vistas. This community plan has identified areas where action should be taken to both preserve and enhance the community.

Because the median income in this community is low, private investment in the community has been low. For this reason, private development efforts must be assisted by additional improvement programs such as code enforcement, rehabilitation and redevelopment, special design considerations, and designation of historic structures. Programs to promote these functions will play an important role in revitalizing Southeastern San Diego.

Action toward the goals identified in this plan requires a coordinated effort by members of the community, the Southeastern Development Committee (the Council-recognized community planning group), the Planning Department, SEDC, and other persons and agencies concerned about the future of Southeastern San Diego.

## **FINANCING OF PUBLIC AND PRIVATE IMPROVEMENTS**

It is the responsibility of the community planning process to identify future public improvements. The public improvements set forth in the Transportation, Public Facilities, Open Space and Recreation, and Urban Design Elements of this document provide the combined list of public improvements recommended for Southeastern San Diego.

There are two primary methods of financing public improvements for an urbanized community such as Southeastern San Diego. The traditional or standard method of financing public improvements is through the Capital Improvements Program, which is a six-year program adopted annually by the City Council. Public improvements scheduled for the first year of the Capital Improvements Program are the recipients of funds appropriated by the City Council. Public improvements scheduled over the next five years are based upon funds expected to be available.

A long-term financing program is the Public Facilities Financing Plan, the formulation of which is undertaken upon the adoption of the community plan. A Public Facility Financing Plan for the Southeastern San Diego community would provide for the rehabilitation and construction of the additional public facilities which will be needed as the community develops over the next 20 years and will identify the sources of financing for these facilities. This Public Facilities Financing Plan is based on the public facilities recommended in this community plan.

A number of financing mechanisms are available to implement the variety of public and private improvements and services called for in this plan. The following are some of the potential funding sources.

### Issuance of Special Bonds and Assessment Districts

Local governments have traditionally issued bonds to raise the capital needed to construct major public improvements -- sewer plants, water systems, and public buildings.

Revenue bonds are backed by a reliable flow of future revenues from the facility or enterprise they fund, such as the construction of parking facilities and other such public facilities. Because revenue bonds are secured by the proceeds from the enterprise they fund, they carry higher interest rates than general obligation bonds.

Lease revenue bonds are issued by a nonprofit corporation or special authority which constructs a facility and leases it to the City. Lease payments provide the revenue to pay off the bond and, when the bond is retired, the facility is turned over to the City. Some local agencies have used this method to finance administrative centers, schools and parking facilities.

The establishment of assessment districts is becoming a more frequently used mechanism to finance certain improvements in the City. Special assessment bonds are a traditional tool for financing sewer, water, street, sidewalk, street lighting, open space acquisition, and similar projects which benefit property owners within a given area. This method of financing improvements would entail the prospect of additional financial burdens on all property owners within the assessment district. In particular, assessment districts could be considered for use in the maintenance of landscaping, the establishment of special lighting districts and special trash and graffiti-removal efforts to name a few.

### Fees

Another potential mechanism for funding facilities and amenities would be the imposition of special fees on new development within the area.

Unlike taxes which are levied to raise general revenue, fees are levied to finance a specific activity, facility or service which confers a direct, identifiable benefit on those paying the fee. There are several sources of authority for imposing fees. The Subdivision Map Act authorizes a city to impose fees in-lieu-of dedications of land or improvements as a condition of subdivision approval. There are several limitations on the imposition of in-lieu fees: 1) there must be an expressed or implied authorization for the item to be funded by the fee; 2) usually, there must be an implementing ordinance; and 3) the fee must be reasonably related to the project being approved.

One important class of fees are development impact fees charged to new development at the time the project is approved or a building permit is issued. An impact fee is usually charged at a fixed rate per bedroom or per square foot. In addition to financing interim school facilities, impact

fees might be used to finance street improvements, sewer and water systems, and public facilities serving new development. It is possible that fees could be imposed in Southeastern San Diego for all new development.

Standard citywide park fees are currently collected at both the subdivision map and building permit stages. However, in many urbanized areas of the City these fees are not able to cover all the park improvement costs necessary to upgrade park and recreation facilities. Therefore, in order to provide adequate funding for park improvements, the City Council has selectively adopted a special park fee ordinance for many communities. These fees are assessed, in lieu of the standard citywide park fees, on residential development within the community and can only be utilized within the community. The special park fees collected within the community are significantly higher than the standard citywide park fees.

Under various statutory provisions, local governments can charge fees for services such as police and fire protection and for maintenance of existing facilities. In addition to specific state authorization, charter cities, such as San Diego, have a broad implied constitutional authority to impose fees for municipal facilities and services. Fees may also be imposed on new development by the school district to fund improvements to existing school sites or the acquisition of new school sites.

#### Business Improvement Districts

Business Improvement Districts are a mechanism by which business owners may assess themselves, with the City's authorization and administration assistance, to raise money for promotional and other activities which will benefit the business district. A Business Improvement District is formed under the City's authority but is done so only by petition of business owners. Payments are made through a surcharge on the business license fee. Funds may be used for the following:

1. Acquisition, construction or maintenance of parking facilities for benefit of the area.
2. Decoration of public places.
3. Promotion of public events.
4. Furnishing of music in a public place.
5. General promotion of businesses in the district.

The formation of BIDs is recommended in several areas as specified in the Commercial and Neighborhood Elements of this plan.

#### Redevelopment

The Southeastern San Diego community has four redevelopment project areas established. The redevelopment process and project area are briefly described in the Background section of this report. The redevelopment process provides the City with an additional financial tool to fund both public and private improvements.

Income is generated from redevelopment through what is called tax increment financing. Tax increment financing is a procedure whereby property tax revenue from certain areas (redevelopment project areas) is used to pay the cost of redeveloping those areas. This method of financing has been available to cities and counties in California since 1952, but widespread use of this tool did not occur until the mid-1960s.

Simply stated, tax increment is a financing procedure that freezes the assessed value within a redevelopment project area at the time the redevelopment plan is adopted and provides that any property tax revenue produced by an increase in assessed value over the frozen base may be utilized by the agency to repay indebtedness it incurs in conjunction with redeveloping the area. When all indebtedness is repaid, the base is unfrozen and this tax increment thereafter is paid to all of the local taxing entities within the project area.

The willingness or ability of a Redevelopment Agency to incur project financial obligations for a specific development may be based on a projection that the development will produce tax increments in a certain amount by a definite time. As an inducement to the agency to proceed with its part of the development activities, such as paying for the costs of public facilities to serve the development, a developer may agree to guarantee to the agency the receipt of tax increments from the development in the amount and by the time projects.

#### Lease Revenue Bonds.

Public buildings and parking facilities in redevelopment projects are commonly financed by the issuance of lease revenue bonds secured by a lease of the buildings or facilities to a public agency. The Redevelopment Agency may reimburse the public agency for those lease payments from tax increments received by the agency from the project.

#### Community Development Block Grant

This funding source is now being used in Southeastern San Diego and other parts of the City for commercial revitalization efforts and housing rehabilitation. Its use is restricted to projects which primarily benefit low and moderate-income households. It is expected that block grant funding will continue to support these projects.

#### Enterprise Zones

In October of 1986, San Diego was selected as one of nine enterprise zones in the state, making special financial incentives available to businesses that invest in the City's most economically

deprived neighborhoods. The local enterprise zone includes Southeastern San Diego, Barrio Logan and portion of the downtown Gaslamp Quarter.

Businesses that operate in enterprise zones are eligible for state tax credits on employee wages, purchases of new equipment and operating losses. In addition, the City and SEDC can speed up the building permit process, reimburse fees for planning, engineering and building permits and offer reduced land costs. The major tax benefit is that employers in the enterprise zones may

claim tax credits on up to 50 percent of the wages paid to qualifying employees. The enterprise zone program is an important financial incentive to encourage new businesses in Southeastern San Diego and provide new jobs in the 4th District.

Open Space Bonds

Extensive open space acquisition is currently being accomplished with open space bonds. Efforts should continue to obtain these funds for the appropriate canyon and hillside areas in Southeastern San Diego. A matching-fund program could be established to encourage the use of assessment districts in combination with bond financing, if desired and initiated by local property owners.

Housing Commission Rehabilitation Programs

The City of San Diego Housing Commission can provide financing for single-family and rental housing rehabilitation through Community Development Block Grant (CDBG) and Housing and Urban Development (HUD) funding. Efforts should be made to educate persons in the community on the availability of these funds and the requirements and procedures for receiving financial assistance for housing rehabilitation.

Tax Incentives for Historic Preservation

The Tax Reform Act of 1986 established income tax credits for historic structure rehabilitation and low income housing according to the following table:

<u>Type of Structure</u>	<u>Income Tax Credit*</u>
National Register of Historic Places or eligible for the National Register	20%
Commercial property built prior to 1936	10%
Low income housing unit rehabilitated without federal subsidy - per year for ten years	9%
Low income housing unit rehabilitated with federal subsidy or tax-exempt bonds - per year for ten years	4%

\*Note that this information is subject to change

Additionally, properties on or eligible for the National Register of Historic Places can also receive a tax deduction for the value of an eligible facade easement by agreeing to the review of any changes to the building facade. National Register property owners and owners of other locally-designated historic properties can also benefit from facade conservation easements through reductions in property tax assessments. Property owners of historic sites in the Southeastern San Diego community should be made aware of the existence of these income tax credits through neighborhood outreach programs, particularly in the Sherman Heights, Grant Hill, and Logan Heights neighborhoods. More information on these and other historic preservation programs is available from the Urban Conservation section of the Planning Department.

## **DEVELOPMENT REGULATIONS AND PROJECT REVIEW**

### Tailored Zoning

Prepare tailored zoning regulations for all portions of the community. Base the design standards and development regulations should be based on the proposed densities of the individual residential areas, the goals and objectives of the plan and the Urban Design Element.

- a. Establish appropriate residential densities for the commercial/residential multiple-use areas based upon adjacent uses. Preclude residential development from the areas designated for commercial development only.
- b. As part of the implementing legislation, establish design standards for the lower density zones in order to maintain the visual appearance and character of the single-family and lower density zones. Respect the existing housing character, style, scale and density.
- c. Include, as part of all tailored zoning regulations, minimum standards pertaining to, among other provisions, minimum landscaping requirements, floor area ratio and building height limitations, minimum yard and setback requirements, provision for building scale and architectural detailing and provisions for regulations establishing relationships with abutting buildings.
- d. Establish coordinated parking and landscaping regulations tailored to the needs of the community.
- e. Expansion of commercial use should be conditioned on the provision of off-street parking. The configuration, location and size of garages should be adequate to ensure their use, particularly in residential projects.
- f. Encourage adaptive re-use for historic sites.
- g. Maintain or increase the level of owner occupancy.
- h. Retain hillside, canyon and drainage areas in their natural state to the extent feasible.
- i. Provide housing for all family sizes including larger families.
- j. Decrease land use conflicts between industrial and other uses.
- k. Require high quality new development in accordance with the plan guidelines and Project First Class.
- l. Retain institutional sites for institutional use to the extent possible and zone sites so that re-use or redevelopment would be compatible with adjacent uses.
- m. Utilize a Community Plan Implementation Overlay Zone (CPIOZ) where necessary to facilitate the goals and objectives of the General Plan.

## **Discretionary Project Review**

Require that all projects involving discretionary approval, such as special permits and maps, comply with the recommendations of this plan, including the Urban Design Element.

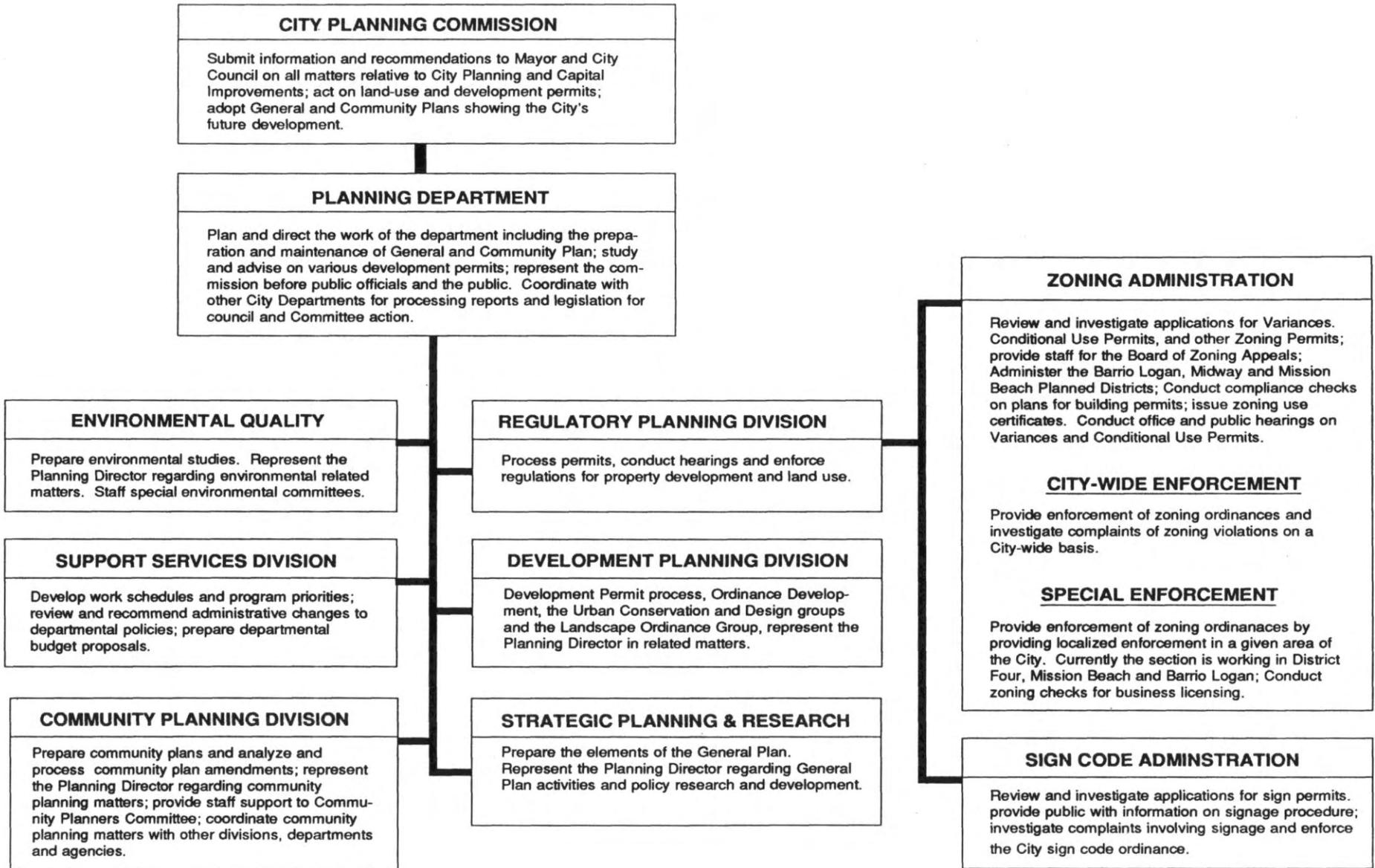
- a. Site design should minimize grading, maintain solar access, coordinate with surrounding development, create buffers between dissimilar uses, and improve general neighborhood aesthetics.
- b. Decrease crime and increase the perception of safety through the thoughtful use of landscaping, screening, lighting, siting, and materials.
- c. Require design review of large multi-family residential development. Smaller scale, multi-family projects could be regulated in a ministerial manner if sufficient criteria are provided to ensure substantial landscaping, adequate facilities such as trash enclosures, usable open space and lighting and visually pleasing architectural patterns.

## Enforcement

The following list describes the major parties responsible for enforcement of the development regulations recommended for the Southeastern San Diego community:

- a. Community Plan. Enforcement of the community plan will occur through the review of proposed rezonings, tentative subdivision maps, discretionary permits, redevelopment plans, Housing Commission and SEDC projects and public facilities improvements for conformance with the recommendations of this Community Plan. The Planning Department (see organizational chart below), and in some cases, the Planning Commission and City Council are responsible for enforcement of the Plan.
- b. Planned District (Tailored Zoning), Community Plan Implementation Overlay Zone (CPIOZ), or Citywide Zoning. Building permits, subdivision maps and proposed discretionary permits will be reviewed for conformance with the tailored zoning regulations adopted to implement the community plan. The enforcement of these regulations through development project review and the enforcement of zoning code violations will be the responsibility of the Development Planning Division and Code Enforcement Team of the Regulatory Planning Division of the Planning Department with assistance from the City Attorney and managerial departments such as the Building Inspection Department, and the Engineering and Development Department.
- c. Building Code. Enforcement of the Uniform Building Code and other related state or City building regulations is the primary responsibility of the City's Building Inspection Department.
- d. Redevelopment Projects. Proposed development projects and associated agreements, such as Disposition and Development Agreements, will be reviewed for conformance with approved Redevelopment Plans and the Planned District or tailored zoning regulations by SEDC, the Planning Department and the Planning Commission. Enforcement of conditions of agreements and site and building plans, approved by the Planning Commission or City Council, will be enforced by SEDC, with assistance primarily from the Planning Department, City Attorney and Property Department.

## PLANNING DEPARTMENT DIVISIONS



## IMPLEMENTATION - SCHEDULE OF ACTIONS

LAND USE OR CATEGORY	ACTION	TIMING	RESPONSIBILITY FOR ACTION	FINANCING SOURCE	FINANCING MECHANISM
REVIEW AND MONITOR PLAN	<p>This plan in itself cannot solve problems. The City of San Diego with assistance from other agencies, the community planning group and other community organizations must oversee its implementation. Working together, they should:</p> <ol style="list-style-type: none"> <li>1. Initiate actions to implement plan proposals.</li> <li>2. Monitor development activity for conformance to the plan.</li> <li>3. Ensure that the City's Capital Improvements Program is consistent with the goals and recommendation of this plan.</li> <li>4. Review and update this document and make major amendments when necessary.</li> </ol>	Continuing	Planning Department, Planning Committee, Private Citizens	City	General Plan
CODE ENFORCEMENT	Continue concentrated code enforcement.	Continuing	Code Enforcement Team	City and Project First Class	General Fund, CDBG and Project First Class
DEVELOPMENT REGULATIONS	<ol style="list-style-type: none"> <li>1. Prepare tailored zoning regulations for all portions of the community.</li> </ol>	Immediate	Planning Department	City	General Fund

## IMPLEMENTATION - SCHEDULE OF ACTIONS

LAND USE OR CATEGORY	ACTION	TIMING	RESPONSIBILITY FOR ACTION	FINANCING SOURCE	FINANCING MECHANISM
DEVELOPMENT REGULATIONS	2. Rezone properties consistent with the recommendations in the Residential, Commercial, Industrial, Village/Mixed Use, and Open Space and Recreation Elements.	Immediate	Planning Department	City	General Fund
	3. Require that all projects involving discretionary approval comply with the Urban Design Element guidelines and other recommendations of this plan.	Continuing	Planning Department, SEDC, Housing Commission	Applicants	Developer
	4. Add zoning representatives and planning personnel as needed to process building permits on a ministerial basis, review discretionary permits and to enforce zoning regulations.	As soon as possible	Planning Department, City Council	City	General Fund, CDBG
HISTORICAL RESOURCES	1. Undertake a comprehensive historical and architectural survey of the cultural and heritage resources of Sherman Heights and other areas of historical significance.	As soon as possible	Planning Department Community and Historical Organizations	To be determined	General Fund, CDBG
	2. Rehabilitate private residences or encourage adaptive reuse in historic districts.	As soon as possible	Planning Department, Historic Site Board, Housing Commission	State or federal programs	Housing Commission rehabilitation programs, bonds, tax incentives for historic preservation.

## IMPLEMENTATION - SCHEDULE OF ACTIONS

LAND USE OR CATEGORY	ACTION	TIMING	RESPONSIBILITY FOR ACTION	FINANCING SOURCE	FINANCING MECHANISM
RESIDENTIAL	1. Private rehabilitation of residential structures.	Continuing	Planning Department, SEDC, Housing Commission	State or federal programs, City General Fund	Housing Commission rehabilitation programs, tax incentives for historic preservation, rehabilitation training services
	2. Prevent concentrations of residential care facilities and regulate their locations and operations.	Continuing	Planning Department	Private developer fees	
COMMERCIAL	1. Establish three community commercial shopping facilities at Otto Square, Southcrest East and Gateway Center East, facilitating lot assembly, setting design controls and precluding other uses.	As soon as possible	SEDC, Planning Department	State or federal programs, developers	Redevelopment tax, tax increment financing and private investment
	2. Commercial revitalization to include exterior rehabilitation, landscaping in the right-of-way and on private land, curb and sidewalk improvements, coordinated signage, lighting and colors and advertisement, particularly in the following areas:				
COMMERCIAL	a. Along Oceanview Boulevard and Imperial Avenue, in Mountain View				
	b. Grant Hill				
	c. Lincoln Park				

## IMPLEMENTATION - SCHEDULE OF ACTIONS

LAND USE OR CATEGORY	ACTION	TIMING	RESPONSIBILITY FOR ACTION	FINANCING SOURCE	FINANCING MECHANISM
	d. Mount Hope – east of Gateway Center East				
	e. National Avenue, west of SR-15				
	f. Logan-Euclid Prof. Business Assoc. area				
	3. Commercial redevelopment along Imperial Avenue from 25 <sup>th</sup> Street to SR-15, plus other portions of Dells Imperial and Central Imperial Redevelopment Project areas.	As soon as possible	SEDC, Planning Department	State or federal programs	Redevelopment tax increment financing
	4. Development of public parking lots for commercial activities.	In conjunction with new commercial development rehabilitation	City Property Department, Planning Department, SEDC	Private	BIDs or special assessment districts
	5. Control location and operations of new businesses selling liquor by requiring a Conditional Use Permit for new liquor licenses or a change in license.	Immediate	Planning Department	Developer	Developer permit processing fees
INDUSTRIAL	1. Create consolidated industrial centers, reserving these areas for limited industrial office activities, through zoning controls and assisting in lot assembly (see list, p. 63)	Continuing	Planning Department, SEDC	City, also state or federal programs	Use of City General Fund for rezonings, Redevelopment Agency tax increment financing, enterprise funds
INDUSTRIAL	2. Prohibit auto dismantling junk yards, outdoor open storage recycling industries throughout the community.	Ten years from adoption	Planning Department, City Attorney	City of San Diego	Use of General Fund

## IMPLEMENTATION - SCHEDULE OF ACTIONS

LAND USE OR CATEGORY	ACTION	TIMING	RESPONSIBILITY FOR ACTION	FINANCING SOURCE	FINANCING MECHANISM
	3. Improve appearance of new industrial development through adoption of new zoning standards and design review for selected sites.	Immediate	Planning Department	City, developers	General Fund, developer permit fees
	4. Limit toxic materials storage at existing sites and prepare an ordinance that will limit and control these uses	As soon as possible	Planning Department	City, state or federal programs	General Fund
OPEN SPACE AND LANDSCAPED AREAS	1. Acquire open space for passive recreation uses to complete this plan's recommended open space.	Continuing	Park and Recreation		Open Space Bonds
	2. Preserve the open space areas of Radio Canyon and Chollas Creek and increase the opportunities for public access.	Continuing	Park and Recreation, SEDC, Planning Department	City	General Fund
	3. Request Caltrans to improve landscaping along freeway corridors throughout Southeast.	Continuing	City of San Diego	Caltrans	State highway funds or leases to private developer permit fees
	4. Preserve hillsides, canyons and drainage areas through rezonings and requirements for special permits, such as the Hillside Review Overlay Zone permit process.	Continuing	Planning Department	City and Developers	General Fund, developer permit fees
	5. Plant street trees and provide additional landscaping in private projects. Implement the landscaping element of the Project First Class Urban Design Program.	As soon as possible	Private Citizens New Development, SEDC, City	Project First Class, Funds, CDBG, Property Owners	Formation of assessment districts for maintenance

## IMPLEMENTATION - SCHEDULE OF ACTIONS

LAND USE OR CATEGORY	ACTION	TIMING	RESPONSIBILITY FOR ACTION	FINANCING SOURCE	FINANCING MECHANISM
PARKS AND RECREATION	1. Ensure the safety of parks through the promotion of neighborhood watch and police surveillance programs.	Continuing	Private Citizens, Police Department	City	General Fund
	2. Purchase and improve park sites as recommended in this plan.	Continuing	Park and Recreation Department	Property Owners	CIP Funds and park fees
	3. Increase private recreational opportunities requiring minimum open areas and facilities in new private residential projects.	Continuing	Planning Department	Developers	Private investment
POLICE AND FIRE	Maintain and improve response times of police and fire services.	Continuing	Police and Fire Departments	City	General Fund
SCHOOLS	1. Improve programs of racial desegregation	Continuing	San Diego Unified School District	School District	School fees
	2. Maintain and enhance the availability of community college and other higher education programs.	Continuing	San Diego Unified School District	School District	School fees
SCHOOLS	3. Monitor school capacities. Ensure adequate resources, physical facilities and number of instructors for student group sizes comparable to schools outside the community.	Continuing	San Diego Unified School District	School District	School fees

## IMPLEMENTATION - SCHEDULE OF ACTIONS

LAND USE OR CATEGORY	ACTION	TIMING	RESPONSIBILITY FOR ACTION	FINANCING SOURCE	FINANCING MECHANISM
SCHOOLS	4. Ensure appropriate reuse of unneeded school sites possible by applying Institutional Overlay Zone to review the need for public facilities and an appropriate residential zone to ensure a compatible residential density if other facilities are needed.	As soon as possible	Planning Department	N/A	N/A
PUBLIC FACILITIES – CIP	Ensure that the City’s Capital Improvements Program is consistent with continuing with the goals and recommendations of this plan.	Continuing	Engineering and Development Department, and other managerial departments, Planning Department	City	General Fund
PUBLIC FACILITIES – FINANCING PLAN	Adopt A financing plan indicating timing and source of funding for needed public improvements such as:	Immediate	Engineering and Development Department	City	General Fund, CIP funds, and Developer impact fees (unless stated otherwise below)
	a. additional fire station				
	b. expansion of library facilities				
	c. improved street lighting standards			City, private	Assessment district. If above General Plan
	d. sidewalk improvements			State, city or	CDBG, BIDS, or General Fund
	e. construction of bike routes				
PUBLIC FACILITIES – FINANCING PLAN	f. roadway improvements				

## IMPLEMENTATION - SCHEDULE OF ACTIONS

LAND USE OR CATEGORY	ACTION	TIMING	RESPONSIBILITY FOR ACTION	FINANCING SOURCE	FINANCING MECHANISM
PUBLIC FACILITIES FINANCING PLAN	<ul style="list-style-type: none"> <li>• Implement physical and operational improvements to meet the City’s design standards and reduce accidents.</li> <li>• Improve streets to reduce bottlenecks</li> <li>• Improve north-south vehicular access where possible.</li> <li>• Continue to improve streets and alleys through the Project First Class Street and Alley Improvement Program.</li> </ul>			State	CDBG funds
	g. Purchase of park sites				
	h. Park improvements and maintenance				
	i. Street landscaping and maintenance			Private, state	Assessment districts for maintenance CDBG funds for landscaping
PUBLIC FACILITIES – PUBLIC TRANSIT AND NONVEHICULAR TRANSPORTATION	1. Maintain public transit accessibility to downtown. Improve the frequency and level of service.	Continuing	Engineering and Development Department (Transportation and Traffic Engineering), MTDB	City, state and federal programs, Users	
TRANSPORTATION	2. Improve pedestrian and bicycle access to public transportation. Improve all pedestrian and bicycle transportation routes.	As soon as possible	Engineering and Development Department	City	CIP funds
UTILITIES	Continue to underground utilities on major streets.	Continuing	SDG&E	City, state programs	CDBG funds, CIP funds