SECTION 7. IMPLEMENTATION ELEMENT

SECTION 7. IMPLEMENTATION

7.1. FINANCING PLAN AND SCHEDULE

7.1.A. Introduction

Full implementation of the proposed East Street Corridor Specific Plan will require expenditure of substantial sums of public and private funds. These funds will be necessary to pay for various public improvements and revitalization projects envisioned in the Plan. The purpose of this section of the Specific Plan is to identify elements of the proposed Plan that have significant cost implications and develop a financing strategy that establishes priorities for funding each project or program, and matches them with appropriate sources of funding.

7.1.B. Costs

Where available, Table 7.1 includes estimates of the costs for the various improvements and programmatic actions. Cost estimates have been developed by Fehr & Peers Associates, Mogavero Notestine Associates, and BAE. The total identified cost of improvements and programs are estimated at approximately $21.7 million. These are preliminary cost estimates, intended to provide order of magnitude estimates of actual improvement costs. Actual costs can be expected to vary as project details are refined.

Cost Allocations. A central tenet of most public financing plans today is that new development should pay its own way. However, as local governments have become more adept at requiring new development to pay for necessary public improvements, the State has enacted laws and regulations to ensure that new development is not unfairly burdened with paying more than its fair share of the costs for new improvements or programs that will benefit both new and existing development. Unlike a Specific Plan for an undeveloped area, where costs are primarily attributable to the anticipated development, the East Street Corridor Specific Plan Area covers a part of the City that is largely developed. Many of the improvements proposed in the Specific Plan will provide benefits to both new and existing development. For the types of improvements that provide general benefits for the entire City, it will be necessary for the City to identify funding sources through which the existing City will contribute its fair share of costs, to be combined with the funds collected from new development. Table 7.1 contains a column next to the cost estimate column that indicates the general allocation of costs to new development, existing development, or both.

7.1.C. Prioritization and Implementation Schedule

The last two columns of Table 7.1 indicate the prioritization established by the East Street Corridor Specific Plan Committee for the expenditure of public funds on various projects, and the schedule for implementation of each program or improvement. The prioritization and

implementation schedule for projects is discussed below, as part of the discussion of each particular funding source.

7.1.D. Potential Financing Sources Overview

The following discussion outlines potential funding sources for improvements and programs proposed in the East Street Corridor Specific Plan, including any pertinent issues and constraints related to each. The column in Table 7.1 labeled "Funding Source" indicates the sources likely to be utilized for each of the different improvements or programs.

The City of Woodland will use a variety of funding sources to implement the East Street Corridor Specific Plan. These include funding provided directly by private property owners, usually in conjunction with new development projects, Redevelopment Agency tax increment, development impact fees, assessment districts (such as special assessment districts, and landscape and lighting districts), local Rule 28 utility undergrounding funds, state and federal funding such as Community Development Block Grant (CDBG), and Intermodal Surface Transportation Efficiency Act (ISTEA) funds, developer contributions and potential grant funding (as available).

Private Funding. Private funding can take the form of a range of exactions, dedications, and contributions made by property owners and developers to pay for specific new projects that serve their properties. As an alternative to providing required funding up-front, property owners and developers are often willing to participate in assessment districts or other special taxing arrangements that provide a long-term financing mechanism for costly projects.

The Specific Plan Committee did not assign priorities to the proposed improvements that are to be funded from private sources exclusively. If private property owners are interested in undertaking the improvements, the City will encourage them as soon as practical; however, if property owners are not interested, the projects will be delayed. Generally, these decisions on the part of private property owners can be made independent of the decisions regarding the priorities for expenditure of public funds on other projects. As shown in the "Implementation Schedule" column in Table 7.1, projects that are privately funded are scheduled to occur "per owner interest."

Redevelopment Tax Increment Revenues. In 1988, the City of Woodland adopted a 620-acre redevelopment project area (Woodland Redevelopment Project) which incorporates much of the central part of the City, extending east-west along Main Street and north-south along East Street, centering on the intersection of East and Main Streets. This project area includes most of the East Street Specific Plan Area, with the exception of a portion of the Specific Plan Area that lies north of Beamer Street.

Briefly, the redevelopment "tax increment" mechanism works as follows. When a redevelopment project area is adopted, the existing assessed valuation of property within that

Table 7.1

Proposed Public Improvements

Description	Amount	Cost Allocation	Comment	Funding Source	East Street Committee Prioritization of Public Funding	Implementation Schedule
New Streets/Street Extensions:						
Re-align Lemen and North Streets at East Street	$1,235,000	new and existing	Accomodate growth-induced traffic increases, remedy existing deficiency	Development Fees, Redevelopment	HIGH	new signal included in MPFP as '96-2000 (NTS-28), additional funds possible upon receipt of CFNR loan repayment
New East/West connector (between B and C, south of Lemen)	$53,000 to $75,000	new	Facilitates development of adjacent private property	Private	n.a.	per owner interest
Extend B Street North to new East/West Connector	$56,000 to $80,000	new	Facilitates development of adjacent private property	Private	n.a.	per owner interest
Connection from Lemen Avenue to Main Street (see individual components below)	$507,000	see below	Provides a by-pass to alleviate growth-induced traffic impacts at East Street/Main Street intersection	see below	see below	see below
Extend C Street north to Lemen	*part of above*	*new*	*50 percent of cost attributed to existing development, 50 percent to new development*	*Development Fees, Private - possible Assessent District*	*LOW*	*included in MPFP as 2001-2005 (NSC-2)*
New E/W Connector between C St. and E St.	*part of above*	*new*	*In addition to by-pass, also facilitates development of adjacent private property*	*Development Fees, Private - possible Assessent District*	*LOW*	*pending MPFP update*
Extend E St. north to new east/west connector	*part of above*	*new*	*In addition to by-pass, also facilitates development of adjacent private property*	*Development Fees, Private - possible Assessent District*	*LOW*	*pending MPFP update*
Re-align E Street to Thomas	*part of above*	*new*	*Accomodates growth-induced traffic flow*	*Development Fees*	*LOW*	*pending MPFP update*
Lemen Avenue Access, Lemen Avenue to East Beamer (see individual components below)	$708,000	see below	Facilitates development of adjacent private property	see below	see below	see below
New N/S connector (east of East St. between E. Beamer and new E/W Street)	*part of above*	*new*	*Facilitates development of adjacent private property*	*Private, possible Assessment District*	*n.a.*	*per owner interest*
New E/W street between C St. extension and new N/S connector	*part of above*	*new*	*Facilitates development of adjacent private property*	*Private, possible Assessment District*	*n.a.*	*per owner interest*

Extend C Street - Lemen to BeeJay Way	*part of above*	*new*	*Facilitates development of adjacent private property*	*Private, possible Assessment District*	*n.a.*	*per owner interest*
New street west of East Street - connect Beamer and Clover	$131,000 to $188,000	new	Facilitates development of adjacent private property	Private, possible Assessment District	LOW	per owner interest
New connector between Lemen & Cannery (by-passes Matmor/Cannery intersection)	$440,000	new	Accomodate growth-induced traffic increases	Development Fees	LOW	pending MPFP update
Relocated Rail Station/Rail Lines:						
California Northern R.R. Railyard - move north of Churchill Downs	n. avail.	new	Prepare site for redevelopment project	Private, with RDA assistance	HIGH	*Funds committed in 97/98*
Removal of unused rail sidings	varies	existing	Aesthetic Improvements	Redevelopment, with railroad cooperation	HIGH	1998-2001
Yolo Short line R.R. - Move two tracks east to industrial area, acquire property	$742,000	new and existing	Acquire and prepare site for new public plaza area - citywide benefit	Redevelopment	LOW	after 2006
Relocate Old SP Depot (from East Street to Armfield)	$40,000	new and existing	Provide amenity in public plaza area - citywide benefit	Redevelopment	LOW	after 2006
Enhanced Pedestrian Crossings:						
Cross Street/East Street, with new signal	$400,000	new and existing	50 percent of need for new signal attributed to new development	Development Fees, Redevelopment, possible Assessment district	HIGH	new signal included in MPFP as 1994 (NTS-29)
East Street/Lemen Avenue and North Street	$125,000	existing	Primarily cosmetic treatment	Redevelopment, possible Assessment District	HIGH	after 2006 if Redev.
Main Street/East Street	$270,000	new and existing	Primarily cosmetic treatment	Development Fees, Redevelopment, possible Assessment district	MEDIUM	pending MPFP update
Gibson Road/East Street	$125,000	existing	Primarily cosmetic treatment	Redevelopment, possible Assessment District	LOW	after 2006 if Redev.
Gum Avenue/East Street	$125,000	existing	Primarily cosmetic treatment	Redevelopment, possible Assessment District	LOW	after 2006 if Redev.
East Gum Avenue/east of Helen Way	$125,000	existing	Primarily cosmetic treatment	Redevelopment, possible Assessment District	LOW	after 2006 if Redev.
Thomas Street/East Main Street (+ 4-way signalization)	$170,000	new and existing	50 percent of need for new signal attributed to new development.	Development Fees, Redevelopment, possible Assessment district	LOW	new signal included in MPFP as '96-2000 (NTS-23)
East Street/Beamer Street	$125,000	existing	Primarily cosmetic treatment	Redevelopment, possible Assessment District	LOW	after 2006 if Redev.

East Street/Kentucky Avenue	$125,000	existing	Primarily cosmetic treatment	Redevelopment, possible Assessment District	LOW	after 2006 if Redev.
Parks and Open space:						
New Neighborhood Park between Clover/Beamer	n. avail.	new	Park to serve new residential units	Private, in conjunction w/new residential development	n.a.	per owner interest
New Neighborhood Park Between Woodland/Beamer	n. avail.	new	Park to serve new residential units	Private, in conjunction w/new residential development	n.a.	per owner interest
Entrance Structures:						
Major Entrance at East and Main	$195,000	new and existing	Provides citywide benefits	Redevelopment	LOW	pending MPFP update
Major Entrance at East and Gibson	$30,000	new and existing	Provides citywide benefits	Redevelopment	LOW	after 2006
Major Entrance at East and I-5	$100,000	new and existing	Provides citywide benefits	Development Fees, General Revenues	LOW	pending MPFP update
Streetscape Improvements:						
West Side of East Street Between Kentucky and Gibson Road (incl. both sides of RR track, not bike path)	$517,000	existing	General benefit to Corridor properties	Redevelopment	HIGH	*1st priority for Redev. Capital funds*
Removal of billboards in East Street Corridor	$100,000-$120,000	existing	General benefit to Corridor properties	Redevelopment, or possible exchange with billboard company for locations elsewhere	HIGH	after 2006 if Redev., sooner if exchange negotiated
East side of East Street between Kentucky and East Main	$440,000	existing	Primary benefit is to adjacent property owners	Redevelopment, possible Assessment District	MED.-HIGH	pending MPFP update
East side of East Street between Gibson Road and East Main	$490,000	existing	Primary benefit is to adjacent property owners	Redevelopment, possible Assessment District	MED.-HIGH	pending MPFP update
South side of East Main (5' tree planting strip only)	$90,000	existing	Primary benefit is to adjacent property owners	Redevelopment, possible Assessment District	MED.-HIGH	pending MPFP update
North side of East Main, tree plantings and ground cover (land acquisition included in Armfield project area "Plaza" improvements, below.	$73,000	new and existing	Landscaping fronting public plaza provides citywide benefits	Redevelopment, possible Assessment District	LOW	pending MPFP update
Miscellaneous Traffic Impact Mitigations						
Widen East Street/Main Street Intersection, including new right turn lanes	$202,000	new	Mitigates growth-induced traffic impacts	Development Fees	schedule to mitigate impacts	pending MPFP update
Widen East Street/Cross Street Intersection, including new traffic signal	$462,000	new	Mitigates growth-induced traffic impacts	Development Fees	schedule to mitigate impacts	pending MPFP update
Widen East Street/Gum Avenue Intersection, including signal modifications	$256,000	new	Mitigates growth-induced traffic impacts	Development Fees	schedule to mitigate impacts	pending MPFP update

Widen East Street/Gibson Road Intersection	$318,000	new	Mitigates growth-induced traffic impacts	Development Fees	schedule to mitigate impacts	pending MPFP update
Restriping, East Street/Beamer Street	$23,000	new	Mitigates growth-induced traffic impacts	Development Fees	schedule to mitigate impacts	pending MPFP update
Misc. Improvements and Programmatic Actions						
Mobilhome Park Acquisition, Rehabilitation	$5,600,000	existing	Provides benefits to existing park residents	HOME, CDBG, state mobilehome park resident ownership program (MPROP), resident equity, Redevelopment Hsg. Set-Aside	HIGH	*subject to resident interest, 1st Priority for Redev. Hsg. Set-Aside and CDBG Funds*
East Street Bike Trail						
Phase 1 - Gibson to Main	$254,000	new and	Provides citywide benefits	ISTEA, Redevelopment	HIGH	currently
Phase 2- Main to Kentucky	$209,000	existing				pending
Phase 3- Kentucky to Churchill Downs	n. avail.					
Utility Undergrounding on East Street	$1,700,000	existing	Retrofits utilities built to serve existing development	Rule 28 funds (utility provider set-asides)	HIGH	1998-2008
Housing Rehabilitation Program	$1,967,000	existing	Rehabilitates existing development	HOME, CDBG, Redevelopment housing set-aside	HIGH	ongoing
New Housing Development Incentive Fund	$2,160,000	existing	Encourages infill development on under-utilized sites.	HOME, CDBG, Redevelopment housing set-aside	HIGH	ongoing
Commercial Improvement Program	will vary according to demand	existing	Rehabilitates existing development	CDBG, Redevelopment	HIGH	ongoing
Public portion of Armfield Project Area, "Plaza" improvements	$536,000	new and existing	Provides citywide benefits	Development Fees, Redevelopment	LOW	subject to developer interest

area is established as the "base year" assessed value. Any increases in assessed value within the project area over and above the "base year" are referred to as property "tax increment" which accrues to the redevelopment agency to carry out the programs envisioned in the adopted redevelopment plan. This "tax increment" revenue is the primary source of revenue available to undertake redevelopment programs in California.

The underlying premise of tax increment financing is that property tax revenues are not likely to increase as much or as rapidly in blighted areas as in other portions of a community. Therefore, any increase in revenues from such areas after a redevelopment plan is adopted is largely attributable to the effects of the redevelopment program in eliminating blighting conditions and stimulating private investment and should accrue to the redevelopment agency. (However, other taxing entities such as schools, counties and special districts may also continue to receive a share of tax revenues either through negotiated or statutory agreements.)

California Redevelopment Law (CRL) requires that at least 20 percent of tax increment revenues collected by a redevelopment agency be placed in a housing "set-aside" fund, to be used for increasing, improving and preserving the community's supply of low and moderate income housing. The remaining tax increment may be used for activities and projects which help to eliminate blight and encourage private investment within the redevelopment area, such as land assembly and write down of land costs for development projects, demolition assistance and construction of site improvements. Tax increment may also be used to construct streets, utilities, parks, and other public improvements necessary for carrying out the redevelopment plan. Redevelopment funds can be used to fund existing development's share of improvements that are not necessary to serve new development exclusively.

Capital Projects Fund. Based on information provided by the Woodland Redevelopment Agency, it is estimated that approximately $1.1 million is available in the Agency's capital projects fund. Although the RDA is anticipated to collect increasing levels of tax increment in the coming years, Agency tax increment projections for the next eight years expect very little additional tax increment will be available for capital projects. The Agency is required to first allocate funds to the Housing Set-Aside Fund (discussed below), and after this, the Agency anticipates that the remaining tax increment growth will be necessary to repay existing debt obligations and to fund ongoing Agency operations. Existing debt obligations include debt service on tax increment bonds issued in 1996, and repayment of tax increment funds "loaned" to the Agency by Yolo County pursuant to the revenue sharing agreement that accompanied the formation of Redevelopment Project Area in 1988. In short, the existing $1.1 million fund balance represents the likely maximum amount of money available for capital expenditures throughout the Redevelopment Project Area for at least the next eight years. Moreover, of this $1.1 million, it is expected that approximately $500,000 will be used as a short-term loan to the California Northern Railroad (CFNR) to finance the relocation of its railyard from its present location between the East Street Corridor and the downtown core area, to a location north of the East Street Corridor Specific Plan Area. Therefore, a maximum of $600,000 would be available for expenditure in the Specific Plan Area immediately, subject to considerations

regarding need for expenditure of Capital Project Funds in other parts of the Redevelopment Project Area outside the Specific Plan Area, such as downtown. When the California Northern Railroad repays the $500,000 loan, these funds will become available to spend on other projects; however, relocation of the rail yard and sale of the property may require a period of several years. Nevertheless, it is anticipated that at least a portion of the available funds will be designated as a funding source for a number of public improvements proposed in the East Street Corridor Specific Plan.

The East Street Corridor Specific Plan Committee has established the following prioritization for allocation of available Capital Projects Fund monies within the East Street Corridor:

1 The first priority is the removal of rail yards and excess track.

2. The second priority is landscaping of East Street, including both sides of the railroad track.

3. The third priority is the remaining group of improvements and programs, including roadway realignments and other circulation improvements, and various other revitalization efforts, such as pedestrian enhancements.

It is expected that the Redevelopment Agency will loan CFNR approximately $500,000 to help finance the relocation of the railroad's existing rail yard to a location north of the East Street Corridor study area. This is consistent with the Specific Plan Committee's recommendation that the first priority for Capital Projects Fund expenditures should be removal of rail yards and excess track. This loan would draw the Capital Project Fund balance down to approximately $600,000. Assuming that there are not more pressing needs for the use of these funds outside of the East Street Corridor, this sum would likely be adequate to finance the landscaping project proposed for the west side of East Street, including landscaping along both sides of the railroad track. The cost of this project is estimated at approximately $517,000. With a remaining Capital Projects Fund balance of approximately $80,000, this would leave additional funds to finance the removal of unused rail sidings that exist along the corridor, assuming the railroad company's cooperation. At an estimated cost of $8.00 to $10.00 per linear foot, this would be adequate to pay for removal of 8,000 to 10,000 feet of track.

The improvements described above would likely represent the maximum extent of projects that could be funded through the Redevelopment Capital Projects Fund until CFNR is able to sell the site of their existing rail yard and repay the $500,000 loan from the Redevelopment Agency. At that point in time, which is likely at least two to three years away, the Redevelopment Agency could begin targeting Capital Projects Fund money for the third priority activities, including roadway realignments and other circulation improvements, and miscellaneous revitalization projects. Based on the Specific Plan Committee's discussions regarding implementation priorities, these funds should be used to assist in financing the realignment project proposed for Lemen and North Streets at East Street. Because this project

has already been programmed into the City's existing Major Projects Financing Plan (MPFP), this represents an opportunity to leverage Redevelopment Capital Projects Fund money with development impact fees. Again, the financing for this project assumes that the Redevelopment Agency determines that there are not other more pressing needs for the funds outside the East Street Corridor.

Additional project requiring Redevelopment Projects Fund support would likely need to be deferred until at least 2006, when the Redevelopment Agency is finished repaying its loan from Yolo County, freeing tax increment that could be directed to the Capital Project Fund or other Agency uses.

Housing Set-Aside Fund. According to Redevelopment Agency staff, the Housing Set-Aside Fund has an available balance of approximately $100,000 at this time. Based on Agency financial projections, it is expected that this fund will collect $95,000 to $100,000 in new revenues in 1997/1998, increasing by approximately five percent per year thereafter. The Housing Set-Aside Fund represents a significant source of annual revenue that can be used for preservation and development of housing for low and moderate-income households. Within the East Street Corridor, potential uses of these funds could include assisting with the proposed acquisition and rehabilitation of the Woodland/Dana mobile home park property, providing assistance for the development of housing elsewhere in the Specific Plan Area that would be targeted for low- and moderate-income households, and providing funds to assist with rehabilitation of housing occupied by low- and moderate-income households.

The East Street Corridor Specific Plan Committee has established the rehabilitation of the Woodland/Dana mobilehome park properties as its highest priority for housing-related projects on the East Street Corridor; however, the City will need to confirm resident interest and other aspects of project feasibility prior to undertaking this project. If the City pursues the project, the quantity of Housing Set-Aside Funds dedicated to the project will depend on overall financing needs and the quantity of funds obtained from other sources. After the mobilehome park conversion project, the City will need to prioritize the expenditure of available Housing Set-Aside Funds between two other housing-related programs proposed in the Specific Plan. These include the Housing Rehabilitation Program, and the New Housing Development Incentive Program. Although these programs combined are estimated to require a total of over $ 4.0 million for full implementation, they can be funded from other revenue sources as well, such as CDBG, and they can also operate if they are only partially funded. This will allow the City to scale the programs according to the available resources. As with funding from the Capital Projects Fund, prioritization of Housing Set-Aside Funds will be subject to consideration regarding the needs for these funds in other parts of the Redevelopment Project Area that are not a part of the East Street Corridor Specific Plan. This may reduce the amount of set-aside funds that are available for use in the East Street Corridor.

Development Impact Fees. In recent years, it has become increasingly common for cities and counties to charge fees on new development to fund construction of capital facilities that will

serve that new development. California State Government Code Section 66000-66003 (AB 1600) applies to development fees used to finance "public facilities," which are established, increased or imposed on or after January 1, 1989. AB 1600 requires that any jurisdiction which establishes development impact fees comply with the following:

- Identify the purpose of the fee;
- Identify the use to which the fee is to be put;
- Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed;
- Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed;
- Determine whether there is a reasonable relationship between the specific amount of the fee imposed and the cost of the public facility "attributable to" that project;
- Maintain fee revenue in a separate account from the general fund in order to avoid co-mingling of capital facilities fees and the general fund;
- Make specific findings once each fiscal year regarding any portion of the fee remaining unexpended or uncommitted five years after deposit to identify the purpose and need for the fee; and
- Refund any fees unexpended or uncommitted after five years for which need cannot be demonstrated.

It should be noted that these provisions apply to "development impact fees" only (used to fund capital facilities required for development) and specifically do not apply to reimbursement agreements, fees charged for processing development applications, development agreements, and fees charged in lieu of park land dedication under the Quimby Act.

Development impact fees are a primary funding source for various proposed roadway improvements that will help to mitigate the traffic impacts resulting from anticipated new development (both within the Corridor itself and elsewhere in the City) that will generate increased traffic volumes on roadways serving the Corridor. Development fees are also a potential funding source for proposed improvements that will provide amenities for new residents citywide, including the proposed "plaza area" improvements that are a part of the Armfield development prototype. However, for projects such as this, which will also provide benefits to the existing developed parts of the City, the City will need to identify sources of funding to pay for the existing City's share of the improvement costs.

It is difficult to estimate the timing and magnitude of development impact fee revenues that might become available for expenditure in the East Street Corridor in the coming years, because the total quantity of available revenues is dependent on citywide development

activity, and the amount allocated to projects in the East Street Corridor is subject to decisions regarding overall community needs and prioritization that will be made at the City Council level. However, to estimate the potential magnitude of revenues that might reasonably be expected for expenditure in the East Street Corridor, it is possible to consider the potential development impact fee revenues that new development projected for the East Street Corridor might generate, based on the existing fee schedule.

Listed below are estimates of the potential new development that the East Street Corridor might be expected to absorb over the next 20 to 25 years:

Single Family	6 units per year
Multifamily	36 units per year
Retail	10,000 square feet per year
Office	23,450 square feet per year
Industrial	20,640 square feet per year

BAE and Fehr & Peers prepared these projections to assist the analysis of potential Specific Plan traffic impacts. Based on the City's current development impact fee schedule, it is estimated that these quantities of new development would generate an average of approximately $225,000 per year in parks/recreation and roads impact fees during the next 25 years. Total potential revenues over a 25-year period would be approximately $5.4 million. This exceeds the total cost of projects for which Table 7-1 identifies development impact fees as a primary funding source by approximately one-half million dollars. Still, it will be necessary for the City to update its overall fee program to reflect the costs of any new improvements proposed in this Specific Plan and this may involve adjustments to the current fee levels.

The last column of Table 7.1 indicates any improvements that are presently programmed into the City's existing Major Projects Financing Plan, and the time frame in which they are scheduled. While this indicates how previously identified projects fit into the City's current capital facilities prioritization, the recent adoption of the City's General Plan update, the planned updating of various public facilities master plans, and the anticipated adoption of the East Street Corridor Specific Plan will require that the City update its MPFP to reflect new capital facilities needs and priorities. It will not be possible to specify the timing for most East Street Corridor improvements that rely on development impact fees for funding until this process of updating the Citywide financing plan has been undertaken and the needs of the East Street Corridor are integrated with needs of the rest of the City.

Rule 20A Utility Set-Asides. Utility companies that serve the City of Woodland set-aside funds each year that accumulate to finance local utility undergrounding projects. Utility undergrounding along the East Street Corridor is ongoing, and City staff estimate that it will

require approximately ten years to underground all utilities along the Corridor using this dedicated source of funds.

State and Federal Funding. It is anticipated that state and federal funding sources may provide funds for some transportation improvements proposed in the East Street Corridor Specific Plan. State and federal grant funds may potentially be used to fund existing development's share of new improvements and programs; however, participation in grant programs often requires a local match.

ISTEA Funds. One potential federal funding source might come from future authorizations of the Intermodal Surface Transportation Efficiency Act (ISTEA). The Act was initially passed in 1990, and ISTEA funds were made available for two three-year funding cycles. Available funds under both cycles have been committed, and the Act has not yet been re-authorized for additional funding. However, based on conversations with staff at the Sacramento Area Council of Governments, which also serves as the Regional Transportation Commission for the Sacramento region, it is anticipated that the Act will likely be re-authorized in the near future, although specific funding criteria, and the timing and amount of funds available under future funding cycles is unknown at this time.

In the past, ISTEA funds have been used to construct a wide variety of transportation improvements, including transit and intermodal facilities; highways, streets and roads; park and ride lots; bicycle and pedestrian projects; and transportation control measures. ISTEA will generally fund up to 80 percent of a project's total cost, with the remaining 20 percent funded through a local matching grant. To qualify for ISTEA funds, a project must demonstrate a strong regional benefit.

In the East Street Corridor, one project has been earmarked to receive ISTEA funding. This is the bikeway proposed for the west side of East Street, along the CFNR right-of-way. Assuming ISTEA is re-authorized, it may be possible for the City apply for ISTEA funding to pay for some of the proposed Armfield Plaza area improvements, if they can be tied in with use of the area as a future transit station that would provide rail and/or bus connections to other nearby communities (e.g., a depot for service to West Sacramento and Downtown Sacramento via the Yolo Shortline rail line). Due to the uncertainty regarding ISTEA re-authorization and how specific funding requests may fare in funding cycles that are still undetermined, ISTEA funds are not included as a potential funding source for any projects other than the bikeway. Nevertheless, the City of Woodland should monitor the status of this program, and aggressively pursue funding for any projects that would be competitive in future funding cycles. If additional ISTEA funds can be secured, it may allow qualified projects to be implemented sooner than planned and/or free up local revenues for other projects.

TDA Funds. The Transportation Development Act is a one-quarter cent sales tax enacted statewide to fund various transportation activities. The state appropriates funds annually to

local agencies using a population-based formula. For the City of Woodland, the 1997/1998 allocation of TDA funds is approximately $1.3 million. This allocation can be expected to fluctuate each year based on statewide retail sales trends, which drive the collection of the one-quarter cent sales tax. While this funding source is primarily intended to finance transit system capital projects and operations, the City can apply to spend a portion of its TDA allocations on different types of roadway, pedestrian, and bike improvements, if the City first makes findings that other transit needs which can reasonably be addressed have been met. According to City Finance Department staff, the City currently allocates a portion of TDA funds to support its share of the Yolo County Transportation Authority (Yolobus) and designates most of the remainder to paying for street maintenance. While recently approved special legislation at the state level will provide an opportunity for the City to seek voter approval to raise new street maintenance funds in the form of a special local sales tax add-on, any new funds are likely to be used to fund current service shortfalls, rather than freeing up existing TDA funds for other purposes. Should local voters approve a local sales tax add-on, after several years of making up for deferred maintenance it is possible that some TDA funds might be freed to help finance public improvements in the East Street Corridor; however, for the purposes of this analysis, none are assumed to be available.

Other Grant Funding Sources. Other state and federal grant funding sources may be available to fund a portion of the various improvements proposed in the East Street Corridor Specific Plan. As shown in Table 7-1, it is anticipated that the federal Department of Housing and Urban Development's HOME program may provide a significant source of funding for qualified housing-related programs proposed in the Specific Plan. While specific funding sources and dollar amounts have not been researched as part of this financing strategy, it is anticipated that potential additional funding sources could be pursued by appropriate departmental staff within the City of Woodland or other local agencies, as opportunities to do so arise during the course of implementing the East Street Corridor Specific Plan.

Special Assessment Districts. A special assessment is a charge imposed on real property for a public improvement (or service) directly benefiting that property. The rationale for a special assessment is that the assessed property has received a special benefit over and above that received by the general public. Special assessments are distinguished from real property taxes by a number of factors. Unlike taxes (including special taxes, such as Mello Roos taxes), the sum of a special assessment cannot exceed the cost of the improvement or service it is financing. Furthermore, special assessments cannot be levied against those properties which do not benefit from the improvements being financed. Conversely, property within an assessment district which benefits from the improvements being financed must pay a portion of the assessment. California statutes give local governments the authority to levy a number of special assessments for specific public improvements such as streets, storm drains, sewers, street lights, curbs and gutters and landscaping. Some of the most commonly used statutes include the Municipal Improvement Act of 1913 (authorizing assessments, with bonds issued under the Improvement Bond Act of 1915), and the Landscaping and Lighting Act of 1972, as summarized below. It should be noted that passage of Proposition 218 in November 1996, has

imposed additional requirements and limitations on the use of special assessment districts, raising various legal issues, which will likely require future court rulings for resolution. The changes brought about by Proposition 218 are also summarized below.

Assessment districts can be useful financing mechanisms to pay for improvement costs attributable to both new development and to existing development, as long as a strong nexus exists between benefits that taxpayers receive and the assessment they are asked to pay. Assessment districts are one of the mechanisms available for the City's use that will allow up-front construction of costly improvements using bond proceeds, to be secured by property within the district and repaid by property owners over time. For all assessment districts, but particularly when bonds are to be issued, there is a need for the City to consider whether the proposed assessment district will be of a sufficient size to justify the costs for district administration and costs associated with bond issuance. Where funds from existing sources are not available to pay existing development's share of necessary improvements, including all benefiting properties in an assessment district may be one of the few feasible ways to fund an improvement; however, this will require existing development to take on a greater tax burden.

Municipal Improvement Act of 1913/Improvement Bond Act of 1915. The 1913 Act authorizes cities and counties to levy assessments against properties within a district to fund acquisition, engineering and construction costs for the following types of improvements: transportation systems; street paving and grading; sidewalks, parks, parkways and landscaping; recreation areas; sanitary sewers and drainage systems; street lighting; fire protection and flood protection; water supply systems; facilities for providing water service, electrical power and gas service; and seismic safety and fire code upgrade requirements.

The Improvement Bond Act of 1915 does not authorize assessments, but instead provides a vehicle for issuing bonds (including variable interest bonds) to be repaid through assessments levied under the 1913 Act (as well as a number of other benefit assessment statutes). Assessment bonds are not a direct obligation of the issuing agency, and are not considered a personal or corporate indebtedness of the respective property owners paying the assessments. The bonds are secured by a public lien on the individual parcels (i.e., property benefiting from the improvements). Under the 1915 legislation, the local legislative body may also issue "bond anticipation" notes prior to actual bond sale in effect borrowing money against the assessment bonds being proposed for sale.

Landscaping and Lighting Act of 1972. The 1972 Act enables assessments to be imposed to finance the following:

* Acquisition of land for parks, recreation and open space;
* Installation or construction of landscaping, street lighting, ornamental structures and park and recreational improvements; and
* Maintenance of any of the above improvements.

Public facilities such as community centers or municipal auditoriums are specifically excluded from being financed through a landscaping and lighting district, unless approved by the property owners owning 50 percent of the area of assessable lands within the proposed district.

Effect of Proposition 218. Proposition 218 requires all new or increased assessments (and some existing assessments) to meet four conditions.

First, local governments must estimate the amount of "special benefit" landowners would receive from a project or service. If a project provides both special and general benefits, a local government may charge landowners only for the cost of providing the special benefit, and must use general revenues to pay the remaining portion of the project or service's cost.
Second, local governments must ensure that no property owner's assessment is greater than the cost to provide the improvement or service to the owner's property. This requires local governments to examine assessments in significant detail – potentially on a parcel by parcel basis. Third, local governments must charge schools and other public agencies their fair share of assessments. (Previously, public agencies did not pay assessments.) Finally, local governments must hold a mail-in election for each assessment. Only property owners and renters responsible for paying assessments are eligible to vote. Ballots cast in these elections will be tallied based on the proportionate share of the assessment of the respective property owner. For example, if a business owner's assessment is twice as high as that of a homeowner, the business owner's vote would count twice as much as the homeowner's vote. (Previously, most of the statutes required no popular vote. Rather, a resolution of intention to form a district was considered at a noticed public hearing and affected landowners were provided with the opportunity to protest the proposed assessment. A majority protest by the landowners might stop the project, but many of the statutes allowed for an override of protests by four-fifths vote of the legislative body.)

In addition to these specific provisions, this initiative shifts any "burden of proof" to local government. In other words, in lawsuits challenging property assessments, the courts previously placed any "burden of proof" on taxpayer(s), and allowed local governments significant flexibility in determining assessment amounts. This measure shifts the burden of proof in these lawsuits to local government.

As a result of these various changes, many municipalities have been reluctant to initiate proceedings to form special assessment districts, since many of the requirements (e.g., precise calculation of specific benefit) are considered potentially litigious at the present time. Based on the above considerations, new assessment district financing is assumed to be likely only in the case of providing a mechanism for property owners to finance construction of new improvements that would either provide direct enhancements to existing property (i.e., streetscape improvements, enhanced pedestrian crossings) or enable private property owners to intensify development on their properties (i.e., new roadway extensions). Incidentally,

while the East Street Corridor Specific Plan Committee assigned many of the improvements listed under these categories low priority for expenditure of public funds, they could be implemented relatively quickly if property owners agree to form an assessment district or districts to pay for them.

Mello Roos Community Facilities District. The Mello Roos Community Facilities District (CFD) Act was initially passed in 1982, but has subsequently had a series of legislative amendments. Mello-Roos can be used by cities, counties, special districts and school districts to finance public improvements, equipment, services, developer fees and acquisitions of rights of way. In general, a broader range of improvements can be financed through a Mello Roos than through an assessment district, including:

- Streets, water, sewer and basic infrastructure;
- Local parks, recreation, parkway and open space facilities;
- Elementary and secondary school sites;
- Libraries;
- Natural gas pipeline facilities, telephone lines and facilities for the transmission or distribution of electrical energy;
- Fire and police protection services;
- Flood and storm facilities and services;
- Governmental facilities which the legislative body creating the CFD is authorized by law to construct, own or operate; and
- Developer fees.

Any bonds issued by a Mello Roos CFD are repaid through the levy of a special tax, which must be approved by a two-thirds vote within the District. The primary advantage of the special tax is that it is not subject to the engineering "special benefit" rules which govern the allocation of assessment liens. The Act allows flexibility in the structuring of the special tax. For example, the tax can be structured so that it varies depending upon the zoning or development intensity of the property being assessed. The only limitation is that it may not be done on an ad valorem basis.

The Mello Roos Act also allows latitude with respect to drawing CFD boundaries. Improvement areas can be formed within the CFD to segregate certain areas of the development into sub-districts. There is no requirement that the CFD be contiguous. Consequently, CFD boundaries can be drawn in such a way as to exclude recalcitrant property owners.

As with assessment districts, the use of CFDs to finance improvements in the East Street Corridor will most likely be limited to providing property owners with a long-term financing mechanism to pay for improvements that they believe will bring them tangible benefits. Generally, CFDs may be another option for financing improvements listed in Table 1 that indicate an assessment district as a possible funding source. It will not be possible to evaluate specific tradeoffs between the use of an assessment district and a CFD until more specific project financing plans are made.

Community Development Block Grant Program. The City of Woodland is a Community Development Block Grant (CDBG) "entitlement" community, meaning that the City receives an annual allocation of CDBG funds directly from HUD to use for various community development purposes. In recent years, the City's allocation has been approximately $575,000 per year. Eligible uses can include certain public improvements/facilities, social services, economic development, and housing rehabilitation and development activities primarily benefiting low- and moderate-income households.

Current CDBG revenues are essentially committed to various targeted activities; however, according to Community Development Department staff; after completing the City's CDBG commitment to the Hotel Woodland project in 1998/1999, the City expects to have an annual flow of approximately $200,000 in CDBG funds which might be available to assist with affordable housing development or preservation in the East Street Corridor. The Woodland/Dana mobilehome park conversion project would likely require first priority for use of these funds, if the City and mobilehome park residents decide to move forward with the conversion plan. Any other available CDBG funds could be allocated among the other housing-related programs proposed in the Specific Plan, and other eligible projects elsewhere in the City.

General Revenues. The City's current Major Projects Financing Plan (MPFP) allocates approximately 16 percent of future total citywide capital improvement costs to the City's General Fund; however, preliminary discussions with City staff have indicated that the likelihood of securing General Fund contributions for project implementation in the East Street Corridor in coming years is small, due to budgetary constraints. Based on this, it is assumed that General Fund will not provide significant financing for Specific Plan improvements. Other non-development impact fee revenues, such as Redevelopment tax increment, assessment district proceeds, special grants, and other revenues not collected from new development must be relied upon to pay for the existing City's share of new improvements.

7.1.E. Summary

This section has identified one or more potential funding sources for each major improvement or program proposed as part of the East Street Corridor Specific Plan. The section has also discussed a number of issues and constraints regarding the use of the different funding

sources. Probably the most significant issue for implementation of the Specific Plan is the fact that it will require that existing development contribute a significant share of the costs for proposed improvements and programs. This is compounded by the fact that there are limited options for funding the share of costs attributed to existing development without the need to request that owners of existing development within the East Street Corridor agree to assume new financial burdens. Whereas property owners who plan new development on their properties will often see a financing plan as a means to put the required infrastructure in place so that their projects can move forward, owners of properties that are already developed are often reluctant to assume new financial burdens because their payback is less obvious.

At this time, precise estimates of the proportion of costs for implementation of the East Street Corridor Specific Plan allocated to existing development have not been made; however, this proportion is probably between approximately 40 and 60 percent of the total, or $8 to $12 million (1997 dollars). Meanwhile, rough calculations indicate that a cumulative maximum of approximately $11 million (1997 dollars) would be available from the Redevelopment Capital Project Fund, Housing Set-Aside Fund, and the CDBG program through the year 2020 to pay for existing development's share of improvements. This maximum would be reduced by an amount equal to funds from these sources that the City chooses to earmark for projects outside the Specific Plan Area. Therefore, unless existing development is willing to assume new financing burdens (such as formation of assessment districts) to accelerate the availability of funding for proposed projects, those projects that have been assigned lower priority will be deferred until much later in the implementation process, delaying the overall Corridor revitalization process accordingly.

After agreeing on the funding priorities among those Specific Plan programs and projects that will require public funding, it will then be necessary for the City to integrate those funding priorities with overall citywide priorities. As discussed above, many of the funding sources earmarked for the East Street Corridor Specific Plan involve revenues that must be allocated not only among different East Street Corridor projects, but among projects located throughout the City. Therefore, it will be important for the City of Woodland to integrate the financing needs identified for the East Street Corridor with the City's existing financing plans and programs, including the Major Projects Financing Plan, the overall Redevelopment Project Area budgeting process, and the process for allocating CDBG funds to local projects and activities. The challenge will be for the City to accommodate the needs of the East Street Corridor, while balancing the Corridor's needs and priorities with the needs in other parts of the City. Once this process is complete, the City can refine the implementation schedule in Table 1 with more specific funding dates that reflect the anticipated availability of funds for projects and programs, consistent with updated citywide financing plans.

7.2 Development Review Process

7.2.A. Applicability of the Design Guidelines

Development review approval is required prior to the issuance of a building permit or sign permit for all exterior multi-family residential, residential subdivisions, commercial, and industrial new construction, remodeling, and renovation projects. Historic design review and approval will be required of all Listed properties. Routine repair and maintenance projects are exempt from review; the guidelines are intended only to provide these projects with design advice.

7.2.B. Development Review Process

Development review applications are to be submitted to the Planning Department. A pre-submittal discussion with planning staff is recommended prior to the formal submission of a development review application.

The Development Review Process is intended to be expedient. The planning staff will review the project and will either approve the project as submitted or with conditions. If the project requires Historic Preservation Commission, Planning Commission or City Council approval, the staff will provide the appropriate governing body with a staff report and recommendation related to development review issues. In any case the review process will end with the lowest level of project approval required for the project.

Projects requiring design review include:

- New retail development;
- New office development;
- New industrial development;
- All public development;
- All signs;
- Exterior modifications to retail, office, industrial, and public projects;
- New apartments and condominiums (including individually sited duplexes and halfplexes); and
- New single-family residential.

7.2.C. Development Review Appeal Process

Decisions of the Community Development Director are appealable to the City Planning Commission or Historic Preservation Commission as appropriate. City Planning Commission or Historic Preservation Commission decisions are appealable to the City Council. Appeals must submitted with appropriate fees within ten days of the decision. Appeals must include a written justification describing the basis of the appeal.

7.2.D. Development Review Submittal Requirements

The applicant when submitting a formal application shall include the following information and other items as may be needed by the decision making body to act on the request:

i. Site plan

A site plan of the subject property, including property lines and dimensions, minimum set back lines, location and dimension of existing and proposed structures including their distance from property lines, pedestrian walkways, signs, existing trees indicating those to be removed and those to be saved, and other natural and man-made features, as well as their proposed relocation or removal. Dimensions of parking spaces, walkways, drive-lanes, and other site amenities shall also be provided.

ii. Elevation plans

Elevation plans for the building exteriors that are proposed to be constructed or modified. For new construction provide all views. For existing buildings proposed for modification provide all affected views. Identify elevations in relation to the site plan's building footprint. Indicate all exterior building features as existing or new, to be repaired or to be replaced. Indicate with a dashed line any window or door opening, and other features that are to be eliminated or modified. Indicate height to top of roof. Identify all signage, materials (including roofing) and colors. Depict and/or reference roof mounted equipment. Indicate roof slopes.

iii. Landscape plans

Landscape plans for the site. Indicate plant types and sizes, materials, fences and landscape features.

iv. Photographs

Photographs of the site, existing buildings and features, and surrounding properties.

v. Color renderings

Color renderings for projects shall be required for all projects.

vi. Materials sample board

A materials sample board shall be required for all projects.

vii. Additional materials

The following information for all plans: date(s) of plans and revisions; scale ratio; bar scale; north arrow - pointing to top of page or to the right margin of a horizontally formatted sheet; dimensions; and "cloud, delta, and date" revisions to any plans previously considered by staff or the Planning Commission or Historic Preservation Commission.

7.3 Specific Plan Amendments and Enforcement

7.3.A. Relationship to the Zoning Ordinance

This Specific Plan will be adopted by Resolution, and will augment the development regulations and standards of the City of Woodland Zoning Ordinance. When an issue, condition or situation occurs which is not covered or provided for in this Specific Plan, the regulations of the Zoning Ordinance that are most applicable to the issue, condition or situation shall apply. In the event that the provisions of the Specific Plan are in conflict with the Zoning Ordinance, the provisions of the Specific Plan shall prevail.

7.3.B. Interpretation

The Director of Community Development or his/her designee, shall have the responsibility to interpret the provisions of the Specific Plan. All such interpretations shall be in written form and permanently maintained. Any person aggrieved by such an interpretation may request that such interpretation be appealed to the Planning Commission. The determinations of the Planning Commission are subject to appeal to the City Council.

7.3.C. Enforcement

The Director of Community Development shall enforce the provisions of this Specific Plan and all the applicable codes of all governmental agencies and jurisdictions in such matters including, but not limited to, building, mechanical, fire and electrical codes, and codes pertaining to drainage, waste water, public utilities, subdivisions and grading.

7.3.D. Amendments

The procedures to amend this Specific Plan shall be the same as those required for a General Plan Amendment. In addition, amendment to any element of the City of Woodland General Plan may be required if a conflict is found to exist with any proposed Specific Plan amendment.

7.3.E. Definitions

Words, phrases and terms not specifically defined herein shall have the same definition as provided in the Zoning Ordinance.

7.3.F. Severability

If any regulation, condition, program or portion thereof of the Specific Plan is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and the invalidity of such provision shall not affect the validity of the remaining provisions.

7.4 MASTER ENVIRONMENTAL DOCUMENT

This section is being prepared by the City and will be included in the comprehensive document that the Committee will review at its next meeting. Because of the Environmental Documentation accepted as part of this plan's adoption the environmental process for subsequent projects will be simplified.

7.5 ACTIONS REQUIRED TO IMPLEMENT THE PLAN

Attainment of the East Street Corridor Specific Plan goals and objectives will require the coordination of existing City of Woodland development review procedures and other implementation techniques discussed below. The following is a description of the primary implementation techniques proposed including City of Woodland regulatory procedures.

7.5.A. Regulatory Procedures

This section discusses the regulatory procedures for development in the Specific Plan area. These procedures are the same as those currently used throughout the City of Woodland.

i. Conditional Use Permit

Certain uses, because of their unusual site development requirements or unique operating characteristics, are subject to the granting of a Conditional Use Permit by the Planning Commission as set forth in the City of Woodland Zoning Ordinance. The purpose of a Conditional Use Permit is to afford an opportunity for public review and evaluation of use requirements and characteristics, to ensure adequate utilization of any potential unfavorable impacts, and to provide for adjustment of certain site development regulations and performance standards authorized by the Specific Plan and City's Zoning Ordinance. The Planning Commission is empowered to hold a public hearing to review the application and may grant approval, approval with reasonable conditions, or denial of any such application subject to right of appeal.

ii. Modifications to Specific Plan

Minor modifications to the approved Specific Plan may be approved by the Zoning Administrator. Any modifications requested which in the Zoning Administrator's judgment constitute a significant change in the terms or provisions of the approved Specific Plan shall be submitted to the Planning Commission and City Council for consideration, and shall be subject to the same procedures as a General Plan Amendment.

iv. Site Approval/Development Review

To assure compliance with all applicable standards and regulations of the Specific Plan, all projects shall be subject to City of Woodland development review processing procedures and requirements, including Planning Commission and/or City Council review as applicable. Applications are subject to review of items such as, but not limited to location of buildings, design review, off-street parking, loading facilities, entrances and exit facilities, dedication of streets as required by master plan requirements, location of walls, drainage, off-site recommendations of the City engineer, compatibility with surrounding areas, provision for privacy, architectural design and exterior building materials, landscaping as required by this document, the City of Woodland's Zoning Ordinance, and other specific conditions affecting the health, safety and general welfare of the public.

7.6 GENERAL PLAN CONSISTENCY

7.6.A General Plan Consistency

The Specific Plan is consistence with the General Plan policy intent.

7.6.B. Maintaining Consistency

The Specific Plan shall be amended in concert with the General Plan, so the consistency is maintained.

7.6.C. Individual Projects

Upon adoption of the Specific Plan with a finding of its consistency with the General Plan, no building permit or land use entitlements (i.e. CUP, ZAP) shall be issued for properties subject to the Specific Plan unless the project is consistent with the Specific Plan, and consequently the General Plan.

7.6.D. All Land Use Entitlements

Every zoning amendment, rezoning, use permit, variance, or other entitlement shall be consistent with the provisions of the General Plan and with the provision of the Specific Plan.