

## 8 IMPLEMENTATION

This chapter describes the necessary steps to implement this Specific Plan, including changes to the city's General Plan and Zoning Ordinance. It also presents potential strategies for financing streetscape improvements, improving the competitiveness of existing businesses, improving opportunities for local businesses and entrepreneurs and attracting private development.

### *A. General Plan Amendment*

Adoption of this Specific Plan requires an amendment to the City's General Plan to make several changes, including the following:

- ◆ Revise the boundaries of the 23rd Street District to make them consistent with the Plan Area boundaries.
- ◆ Include a new land use designation for a Commercial Mixed-Use category with development intensities defined in Chapter 5.
- ◆ Revise the Land Use Element's policies for the 23rd Street District as needed for consistency with this Plan's requirements.

### *B. Municipal Code Changes*

The Municipal Code contains the Zoning Ordinance for the City. This document must be amended to allow the standards and provisions in this Specific Plan to take effect. For the 23rd Street District, the development standards provided in Chapter 6 shall replace those in the City's Zoning Ordinance.

*C. Review of Future Development Projects*

The concepts recommended in this Specific Plan have been approved by the City and studied in the Initial Study prepared for the Plan. Future development applications that adhere to the concepts recommended in this Plan may only be subject to minor additional environmental review.

No subdivision map, use permit, design review application or other entitlements will be issued for development projects in the Plan Area until a finding has been made that the proposed project is consistent with the Specific Plan.

*D. California Environmental Quality Act (CEQA) Requirements*

This section describes the CEQA certification process. To meet the requirements of the California Environmental Quality Act (CEQA), an Initial Study and Mitigated Negative declaration were prepared to assess and address the environmental impacts of the Specific Plan.

**1. Certification of CEQA Document**

The City of San Pablo certified the Mitigated Negative declaration for the 23rd Street Specific Plan on XX, 2007. The City's action to certify the Mitigated Negative declaration did not constitute approval of the Specific Plan. Rather, it indicates that the Mitigated Negative declaration has been completed in compliance with CEQA, and that the Mitigated Negative declaration was presented to and reviewed by the City's decision-makers and the public prior to Specific Plan approval.

## 2. Mitigation Monitoring Program and CEQA Findings

Public Resources Code Section 21081.6 requires that a “reporting or monitoring program shall be designed to ensure compliance during project implementation.” The adopted program shall apply to changes made to the project or conditions of project approval in order to mitigate or avoid significant effects on the environment. The monitoring program provides a brief summary of the required mitigation for impacts attributable to the project, identifies the party responsible for monitoring the project’s compliance with the mitigation measure and identifies at what point or phase of the project the mitigation measure is to be completed. The City has prepared a mitigation monitoring program in conjunction with the preparation of the Mitigated Negative declaration. The Mitigated Negative declaration identified several environmental impacts that could be reduced to less than significant with the implementation of the mitigation measures.

### *E. Conceptual Financing Strategy*

This section describes funding sources that may be used to implement the public improvements proposed in the Specific Plan. It also describes development strategies and funding sources to encourage private development in the Plan Area.

#### 1. Federal, State and Regional Funds

SAFETEA-LU, the federal Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users, provides a number of funding sources for smaller, neighborhood-based projects related to streetscape improvements and pedestrian facilities. These funding sources include the following:

- ◆ Surface Transportation Program (STP). STP is the largest and most flexible program for capital projects.
- ◆ Congestion Management and Air Quality Program (CMAQ). The primary focus of CMAQ is to fund projects and programs that reduce transportation-related emissions.

- ◆ Transportation Enhancement (TE) Program. TE funds a broad range of transportation improvements, including pedestrian facilities and “main street” revitalization.
- ◆ State Transportation Improvement Program (STIP)/Regional Improvement Program (RIP). Funding for the STIP and RIP programs comes from a blend of SAFETEA-LU and State monies.

In addition, several other sources of government funding could pay for streetscape improvements on 23rd Street:

- ◆ Transportation for Livable Communities (TLC). This program funds community-oriented transportation projects, including streetscape improvements that encourage pedestrian and transit trips and create more pedestrian- and transit-friendly environments.
- ◆ Transportation for Clean Air (TFCA) Regional Fund. This program, financed through a surcharge on motor vehicle registrations, finances physical improvements in support of development projects that reduce emissions from motor vehicles.
- ◆ Transportation Development Act (TDA) Article 3. TDA funds are generated from a portion of the statewide sales tax that is returned to counties. Projects that include the design and construction of pedestrian improvements are eligible for TDA funds.

## **2. Business Improvement District**

In a business improvement district (BID), property and business owners in a specific area vote to collect funds for improvements such as façade improvements, construction of a new public parking structure, public safety measures, banners, event coordination, marketing or maintenance. 23rd Street property and business owners could form such a district. Funds could be collected by

the City based on revenue, lot size or building size, and would be used to make the improvements described in this Specific Plan.

### **3. Utility Undergrounding**

Pacific Gas & Electric (PG&E) provides funding for cities to remove overhead electric wires and place utility services underground through its Rule 20 Program. This approach has been successful for San Pablo in the past. The utility undergrounding on 23rd Street north of Market Avenue was financed by Rule 20 funding.

PG&E makes funds available to cities based on a rotating schedule. The City will develop plans to underground 23rd Street's remaining overhead utilities within the Plan Area when San Pablo becomes eligible for additional funding.

All new development in the Plan Area should include the necessary facilities for connecting to underground utilities. This will help to reduce the cost of the future undergrounding. Business and property owners in the Plan Area could also offset the future cost of connecting to underground utilities by forming an assessment district, which would allow them to pay the costs over time rather than as a lump sum.

### **4. Tax-Increment Financing**

The City's Redevelopment Agency can use tax-increment financing to fund additional streetscape improvements on 23rd Street. The Plan Area is eligible to use this mechanism because it is located in a redevelopment area. Tax-increment financing uses increases in property tax revenues within a redevelopment area to pay for public improvements. The existing streetscape improvements on 23rd Street, such as palm trees and enhanced sidewalk treatments, were funded by tax-increment financing. The City's façade improvement program has also been funded in this way.

## **5. Joint Development**

A joint development agreement allows a private company or individual to join forces with the City to develop public improvements as part of a new project. For example, if major new development occurs near Wildcat Creek, the City and property owners might sign a joint agreement to develop the park site adjacent to the creek. Other local organizations, community-based organizations and non-profit groups could also play a vital role in partnerships formed to make improvements in the Plan Area.

Joint development agreements with private companies or individuals may be a means to fund development of the public facilities identified in the Specific Plan. Also, joint development agreements would make it easier for the City to coordinate the siting, design and construction of public improvements with private developers.

## **6. Cost Recovery**

California law allows for the recovery of costs associated with the preparation of a Specific Plan. The City may develop a process through which the costs incurred to develop the 23rd Street Specific Plan and Initial Study will be reimbursed by future development within the Specific Plan Area.

### *F. Economic Strategies for Existing 23rd Street Businesses*

#### **1. Business Improvement District (BID)**

A BID could also play a crucial role in the economic enhancement of the Plan Area in addition to providing funding for physical improvements, as mentioned in Section D of this chapter. Some of the money collected from the BID could be earmarked for banners, event coordination, marketing or maintenance. A BID could also play a key role in coordinating store hours, merchandising and creating promotions and advertisements.

## **2. Coordinated Store Hours**

Coordinated store hours can increase the convenience and competitive position of 23rd Street for local shoppers. Many small towns have effectively organized their merchants so that all agree on the same store hours, including adequate hours on week nights, weekends and during promotional and special events.

## **3. Cooperative Advertising Activities**

Cooperative advertising that includes all businesses in the Plan Area would help to increase overall sales. Ads could be run weekly to bi-monthly in local media, such as the Contra Costa Times. The ads should feature special sales or promotions as well as mentioning all of the stores in the 23rd Street District.

## **4. Small Business Administration's (SBA) Short Term and Revolving Lines of Credit (CAPLines)**

The CAPLines program is the umbrella program under which the SBA helps small businesses meet their short-term and cyclical working-capital needs. A CAPLines loan can be for any dollar amount. This loan program comes in five forms and the appropriate version is determined by the type of business and the assistance needed.

## **5. New Markets Tax Credit (NMTC)**

The New Markets Tax Credit (NMTC), a federal tax initiative, could be used to stimulate investment in new development within the Plan Area. The NMTC offers tax credits to investors who finance development in low-income communities. These credits are intended to finance minor gaps in project funding and to increase the rate of return for investors. Although residential development is not eligible for the program, commercial space in a mixed-use building could be financed in part by the NMTC.

*G. Strategies for New Businesses and Local Entrepreneurs*

**1. SCORE**

Service Corps of Retired Executives is a nonprofit association dedicated to entrepreneur education and the formation, growth and success of small business nationwide. SCORE is a resource partner with the Small Business Administration (SBA). SCORE Association volunteers serve as “Counselors to America’s Small Businesses.” Working and retired executives and business owners donate their time and expertise as volunteer business counselors and provide confidential counseling and mentoring free of charge. There is a SCORE chapter located in Oakland.

**2. California Small Business Loan Guarantee Program**

The California Trade and Commerce Agency provides loan guarantee financing up to \$350,000. It is especially designed for small businesses that cannot qualify for bank loans.

**3. California Capital Access Program (CalCap)**

The California Pollution Control Financing Authority provides a form of loan portfolio insurance which provides up to 100% coverage on certain loan defaults, encouraging banks and other financial institutions to make loans to small businesses that fall just outside of most banks’ conventional underwriting standards. CalCAP insures bank loans made to small businesses to assist them in growing their business. Loans can be used to finance the acquisition of land, construction or renovation of buildings, the purchase of equipment, other capital projects and working capital. There are limitations on real estate loans and loan refinancing.

#### **4. Small Business Administration Support**

The following programs are offered by the federal government through the Small Business Administration. The programs generally attempt to facilitate access to capital for start-up small businesses.

##### **a. Loan Guarantee Program**

The Small Business Administration provides loans to small businesses unable to secure financing on reasonable terms through normal lending channels.

##### **b. Microloan Program**

The Small Business Administration provides very small loans to start-up, newly established, or growing small business concerns. SBA makes funds available to nonprofit community based lenders which, in turn, make loans to eligible borrowers in amounts up to a maximum of \$35,000. The average loan amount dispersed by this program is \$13,000.

### ***H. 23rd Street Economic Development Strategies***

#### **1. 23rd Street Business Association**

An association of 23rd Street merchants could be created to ensure that businesses seeking to lease or buy space in this commercial corridor will further support the goals of this Specific Plan. The Association would be responsible for reviewing business plans of those seeking to locate in the area and to determine whether or not these businesses are consistent with the types of businesses and pedestrian-friendly retail that this Specific Plan calls for.

#### **2. Land Assembly**

The small size of parcels in a number of the key site locations is an impediment to private development. Working with multiple owners to assemble sufficiently large sites is extremely difficult, time consuming and often fails due to lack of

cooperation by one or more property owners. The San Pablo Redevelopment Agency (RDA) can play a key role in assembling parcels at key sites through voluntary purchases or, if necessary, use of its eminent domain authority.

### **3. Establish a Business Recruitment Team**

The City could establish a comprehensive business recruitment strategy to bring new businesses into the Plan Area. The first step of this process would be to assemble a proactive business recruitment team. Members might include established or retired business owners, local real estate professionals, current building owners, bankers, local development organization representatives or elected officials. The team would then need to focus on specific steps to organize recruitment. Broad steps for the recruitment effort could include developing a market position statement, identifying a business wish list, assembling an array of recruitment and marketing materials, categorizing a list of interested businesses and appropriately courting those businesses.