

IMPLEMENTATION 11

This chapter describes the implementation activities, funding approach, and plan administration needed to execute the vision for a complete neighborhood and thriving business district. It identifies a range of funding programs to implement the capital improvements needed to support existing and future development.

Implementation of the Specific Plan will require a comprehensive approach that combines private sector development with City actions and collective resources. Major development projects will be required to contribute to district-wide improvements.

11.1 Technical Implementation Items

11.1.1 Regulatory Structure

The City's General Plan will be amended to adopt the land use designations that are contained within this Specific Plan. Relevant sections of the City's Development Code (primarily Title 18.18.020) will also be amended to incorporate the development standards and zones found in Chapter Six.

11.1.2 California Environmental Quality Act Requirements

The City of East Palo Alto certified the Supplemental Environmental Impact Report (SEIR) for the Ravenswood Business District/4 Corners Specific Plan on XX/XX, 2024. The City's action to certify the SEIR did not constitute approval of the Specific Plan. Rather, it indicates that the SEIR has been completed in compliance with California Environmental Quality Act (CEQA), and that the SEIR was presented to and reviewed by the City's decision-makers and the public prior to Specific Plan approval.

11.1.3 Mitigation Monitoring Program and CEQA Findings

Public Resources Code Section 21081.6 requires that a "reporting or monitoring program 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 SEIR for the Specific Plan. The SEIR identified several environmental impacts that could be reduced to less than significant with the implementation of the mitigation measures.

11.2 Plan Administration and Submittal Requirements

11.2.1 General Zoning Review Procedures

Applications for use permits, conditional use permits, administrative use permits, temporary use permits, and other typical zoning permits shall follow the regulations and procedures set forth in the East Palo Alto Development Code in Chapter 18, Article 7. City permitting actions require varying levels of approval authority:

- Ministerial review (by-right) does not require any discretionary approval, only processing by planning staff to confirm compliance with Specific Plan objective standards, zoning, and building codes.
- Administrative review (such as granting an AUP) requires discretionary Department Director approval or designee, such as the Planning Manager (staff level).
- Planning Commission approval is required for certain actions that exceed administrative review approval, such as review of development projects, land use decisions, review of appeals from the Director's decisions, and recommendation to the City Council on applicable policy or regulatory matters related to the City's planning process.
- The highest level of approval authority, such as granting allocations under the Specific Plan Allocation Process or negotiating Development Agreements with Major Office/R&D projects, requires discretionary approval by City Council.

Each new development project will contribute to the Specific Plan's implementation by meeting requirements regulating each project's land uses, FAR, height, density, setbacks, parking requirements, street frontage improvements, pedestrian access, and other requirements specified in the Specific Plan. These standards must be satisfied for a project to be granted approval.

11.2.2 Review Procedures for Residential-Only, Industrial-Only, and Minor Office / R&D Projects (less than 150,000 S.F.)

- 1 **Proceed to Entitlement Review.** Applicants (of these types of projects) that meet Specific Plan objective design standards are exempt from the Development Allocation Process and the Community Benefits Framework requirements and may proceed directly to the planning entitlement process.
- 2 **State Law Exemptions and Streamlining.** Residential-only or mixed-use projects (with at least 2/3rds residential use by square footage) that meet thresholds such as inclusionary housing requirements may be permitted exceptions from design standards or approval streamlining, per State law. Certain residential projects are eligible for by-right ministerial approval (including smaller projects with less than 20 units).

11.2.3 Development Allocation Process for Major Office / R&D Projects (more than 150,000 S.F.)

- 1 **Application Requirements.** Applicants wishing to submit an application for a Master Development Plan (immediate allocation) or a Conditional Development Allocation (hold allocation) shall:
 - a. Complete city’s preliminary application process including preliminary review of building and site design;
 - b. Meet base City statutory requirements; and
 - c. If applicable, a project-specific Risk Management Plan that has been reviewed and approved by the US Environmental Protection Agency, California Department of Toxics Substances Control and/or San Francisco Regional Water Quality Control Board or other determination that the proposed program is environmentally feasible (such as project-specific CEQA analysis).

- 2 **Immediate Allocation Window / Hybrid Process.** Within 120 days of Specific Plan/SEIR Certification (the “window”), major project applicants shall submit either a Master Development Plan or for a Conditional Development Allocation:
 - a) **Master Development Plan Allocation.** Projects may apply for a Master Development Plan Allocation at the Base, Standard, or Exemplary Tier (see Chapter 10 for details on the tiers). Applications will then be reviewed by staff in accordance with the Plan’s requirements, receive a recommendation from staff based on feasibility, benefits, and other key considerations, and finally - at Council’s discretion - projects will receive an Allocation of Office/R&D Square Footage.
 - o Base Tier Projects do not require a Development Agreement or Community Benefits Scorecard/Financial Analysis.
 - o Standard or Exemplary Tier Allocations require submittal of complete site, street, civil and land use plans, Draft Housing Plan, proposed phasing, and building design plans (similar to a complete ‘pre-application’) and Community Benefits Submittal (scorecard, feasibility/pro forma analysis and peer review, benefits valuation, and jobs narrative). *Applicants are encouraged to submit a “Template DA” or “Preliminary DA” to streamline review and approval.*
 - o A Master Development Allocation of Square Footage is valid for two years with a possible one-year extension (by

City Manager or Council authorization), during which time the applicant shall negotiate a Development Agreement with the City (for Standard and Exemplary projects).

- A Master Development Plan Allocation must be secured with payment of the Specific Plan Fee within 15 business days.
 - Approval of Master Development Plan Allocation opens a window for consideration and negotiation of a Development Agreement with the City. Additional Design Review may be required to execute the Development Agreement, or as a Condition of Approval at the administrative or Planning Commission level if the project conforms to the submitted Master Development Plan.
- b) **Conditional Development Allocation.** Projects may apply for a conditional allocation at the Standard Benefits FAR Tier, subject to Council discretion.
- An application for a Conditional Allocation requires a lesser level of detail compared to a Master Development Plan; requiring only overall program, conceptual site and street plans, and preliminary environmental review and a Community Benefits outline (feasibility analysis not required).
 - A Conditional Allocation of Square Footage is valid for up to two years, with a possible one-year extension (by City Manager or Council authorization) before expiration, the applicant must return with a completed application for a Standard or Exemplary Tier Project (a Master Development Plan and Community Benefits Submittal), which would be reviewed and approved at Council's discretion.
 - A Conditional Allocation grants a project the right to apply *later* for Standard or Exemplary Tier Square Footage; however, while the project is guaranteed an opportunity to apply for a Standard Tier Allocation of Square Footage, it is possible that the Exemplary Tier Allocation could be exhausted before a Conditional Allocation project returns to Council to secure a Master Development Plan Allocation. In other words, the applicant runs the risk that Exemplary Square Footage is allocated to other projects.

- If Exemplary Square Footage remains available after the Immediate Allocation Window, this square footage will be made available on an annual basis through Council study session where all Hold projects seeking an Allocation received that year will be reviewed concurrently.

Table 8-3: Hybrid Allocation Process Requirements

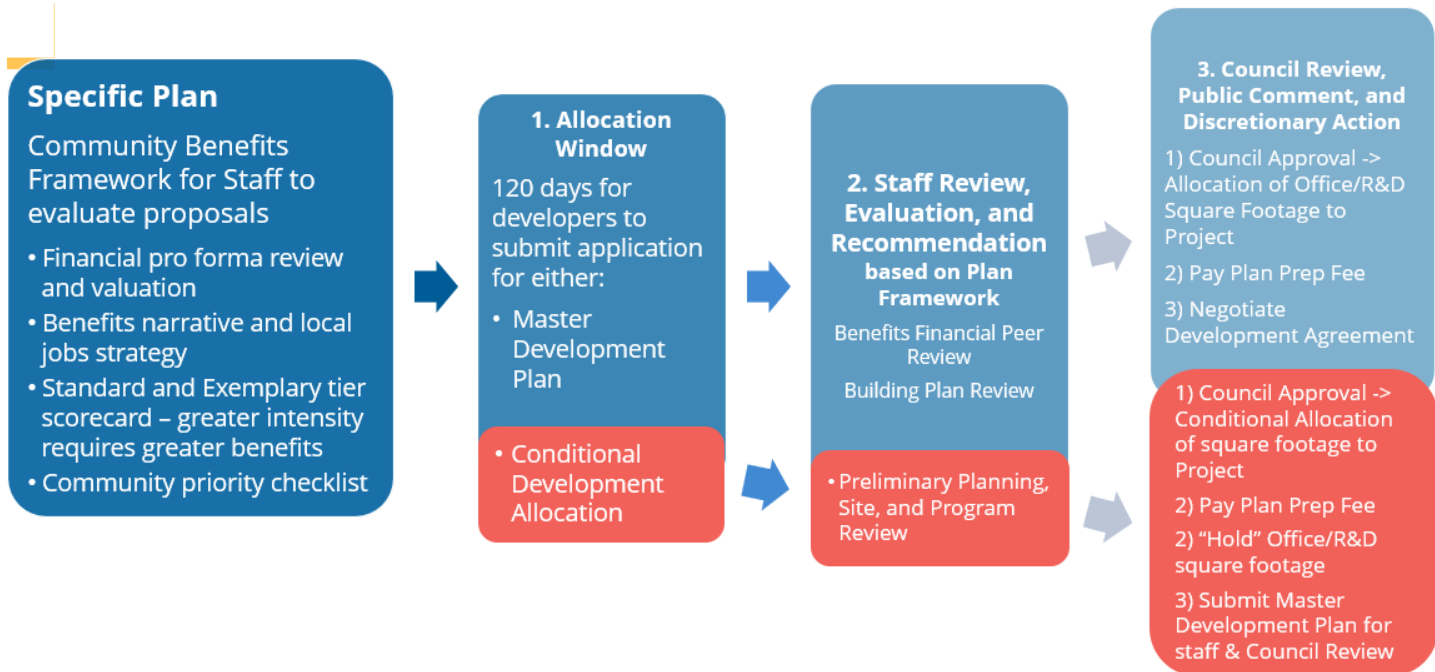
	Master Development Plan	Conditional Development Allocation (“Hold”)
Allocation Duration	Initial Allocation Window open for 120 Days	Indefinite
Tier	Base, Standard Tier, or Exemplary Tier	Base or Standard Tier proposal only
Submittal Requirements	Community Benefits program & scorecard, site & land use plan, preliminary building design plans, environmental clearance (similar to a “complete” pre-application)	Conceptual plans only, building massing, preliminary environmental review
Community Benefits Program	Detailed program, scorecard, and financial analysis required.	Outline or proposal only.
Time to Complete	DA considered concurrently or within 2 years, with possible one-year extension. Administrative or PC approval if compliant with Master Plan.	Development Plan (or full development application) and Community Benefits program to be submitted within 2 years with possible one-year extension. D.A. deferred until Development Plan.
Specific Plan Fee	Required to be paid by applicant to the City within 15 business days to secure allocation of square footage.	

- 3 Duration of Entitlements.** Entitlements for Major Office/R&D Projects (more than 150,000 square feet) shall last five years with an option for a five-year extension to be granted automatically if significant development progress has occurred, otherwise the extension is at Council discretion. Alternate permit duration terms may be negotiated in the Development Agreement. Entitlements

for Minor Projects are subject to the City's standard entitlement periods, per the Municipal Code.

- 4 **CEQA Tiering.** Approval of an Allocation does not itself constitute a "project" and therefore does not trigger additional CEQA review. Projects seeking approval of a Master Development Plan shall be permitted to "tier" off the Specific Plan SEIR to the fullest extent permitted by CEQA law and City ordinances.
- 5 **Specific Plan Fee.** The City will seek reimbursement of funds expended on this Specific Plan process through City Council adoption of a Specific Plan Fee. The Fee will be calculated based on the total project costs paid by City divided by the Maximum Development Capacity square footage minus the Minor Project Reserve.
 - a) The applicant shall pay any Specific Plan Fee amount owed to the City within fifteen business days after the allocation is granted by Council to secure an Allocation of Square Footage (or the Allocation may be voided).
 - b) If the amount due is less than the total estimated cost of an existing Developer Reimbursement Agreements (DRAs) or equivalent financial agreement between the City and an applicant, the applicant shall receive a refund or credit towards other fees owed.

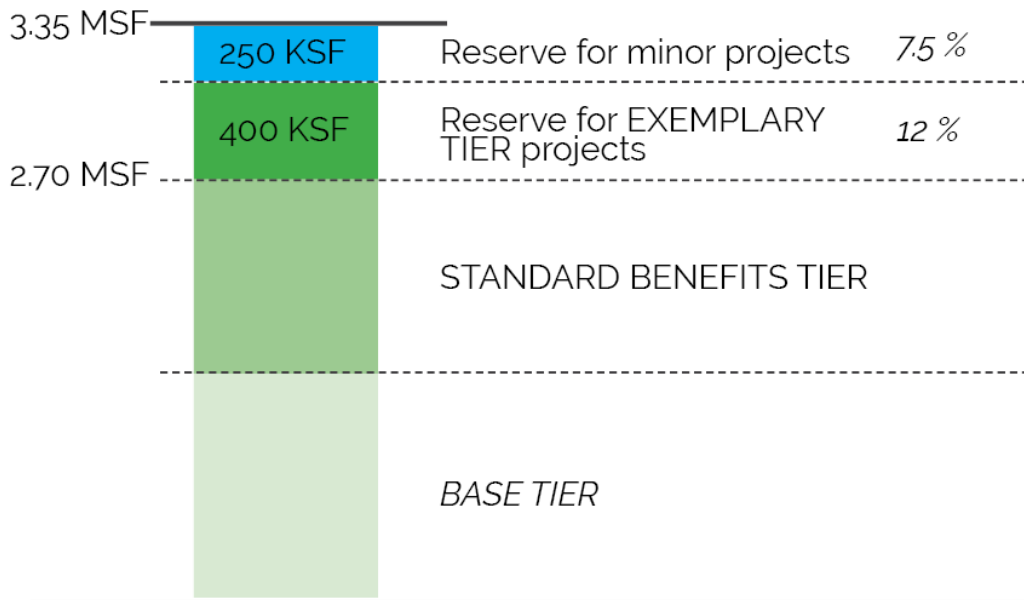
Figure 11-1: Allocation Process for Major Office/R&D Projects



11.2.4 Development Capacity and Reserves

- 1 **Square Footage Capacity for Base and Standard Benefits Projects.** There shall be 2,700,000 square feet of office/R&D made available for allocation through the two Allocation Processes (immediate and hold) described in 11.2.3.
- 2 **Minor Project Reserve.** There shall be 250,000 square feet of the office/R&D development capacity reserved for projects with less than 150,000 total square feet of office/R&D.
- 3 **Exemplary Tier Project Reserve.** There shall be 400,000 square feet of office/R&D development capacity reserved for projects proposing to exceed the maximum FAR permitted under the Standards Benefits Tier and seeking square footage up to the Exemplary Benefits Tier maximum. Exemplary projects may receive additional height and floor area allowances, at Council discretion, based on staff recommendation.
- 4 **Adjustments to Reserves.** Council may, at its discretion, re-allocate square footage from one reserve to the other. After no less than five years from the date of Specific Plan adoption, Council may consider increasing the total office/R&D development capacity in the Plan Area beyond the maximum 3,350,000 square feet.

Figure 11-2: Office / R&D Development Capacity and Reserves



11.2.5 “Trip Cap” for Specific Plan Area

- 1 **Cap Calculation.** During staff review of an application for an Major Project Allocation, a Preliminary Trip Cap will be calculated for each project. The trip cap is based on the number of single-occupancy vehicle trips in the Plan Area, calculated by the 11th Edition Institute for Transportation Engineers (ITE) trips minus a reduction for TDM Ordinance compliance (40% at time of Plan adoption, but subject to change at Council discretion). A Final Project Trip Cap will be included in the Development Agreement (and recalculated as needed to match any changes to program and benefits during D.A. negotiations). *The Trip Cap Table will have a row for each distinct land use within each project. These rows will list the percent occupied for the floor space that will have a City-issued occupancy permit and at least one tenant or resident. The assumed ITE trips, before TDM measures are applied, will be calculated for each row. The Trip Cap Number will be the sum of the assumed trips, minus the required trip reduction percentage (40% at time of adoption). For each impacted project, driveway counts will be the average of motor vehicle counts from five consecutive weekdays.*

Project / Use	ITE Land Use Code	Dwelling units	Trips / DU	Square feet	Trips / 1K sq. ft.	Percent Occupied	ADT per land use	ADT per project
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- 2 **Blended Office and R&D Trip Rates.** To avoid future uncertainty over the build-out mix of Office versus R&D/Life Science, the average trip rate for these two numbers, 10.96, will be used for both Office and R&D/Life Science for purposes of calculating the cap. (In the ITE Trip Generation 11th Edition, the number of weekday trips per 1,000 square feet of Office is 10.84, and the number for Research and Development / Life Science is 11.08).
- 3 **District-wide Trip Cap.** Per-project counts will be summed to create a Plan-wide count. As RBD is being built out, the Plan Area Trip Cap Number will be recalculated each year by the TMA, to reflect the percentage of land uses that are occupied (trips shall not be counted for vacant square footage). A Plan Area Trip Cap Table will be created approximately one month before driveway counts are taken. The Plan-wide count may be adjusted downwards by trip credits that are proposed by the TMA and accepted by Council. If the Plan-wide count is greater than the Trip Cap Number, a penalty would be calculated.
- 4 **Substitution of Less Trip-Intensive Land Uses.** If an applicant proposes a land use program for D.A. consideration with less trip-intensive land uses (Final Trip Cap) compared to the program approved for a Development Allocation (Preliminary Trip Cap), the applicant may be permitted to increase the total size of the office and R&D square footage in the project by no more than 5%, proportional to the decrease in trips per square footage, per ITE.

11.2.6 Dedications & Easements

- 1 **Planned ownership, access, and maintenance easements.** Applicants shall provide an exhibit or diagram clearly showing the proposed agreements and easements underlying the project's roadways, paths, utilities, and parks.
- 2 **Tara Road.** Existing privately-owned roads (such as Tara Road) are to remain privately-owned, with public access easements provided to the City upon reconfiguration. The first applicant requesting a major redevelopment along a private street shall develop a plan line of the street for the entire street length for review and approval by the City, following the cross-section indicated in Chapter 8 (Mobility).
- 3 **Public Utility Easements (PUEs).** Where indicated in Chapter 9, new utilities are to be constructed by private development projects underneath new privately-owned, publicly accessible roadways

(not underneath sidewalks). Major in-tract improvements identified on the public infrastructure diagram shall be accompanied by 10' minimum public utility easements provided to the City. Additional Public Utility Easements (PUEs) for joint trench and other dry utilities may be required along certain project frontages (5'-10' wide).

- 4 **Public Access Easements.** Applicants shall provide public access easements for:
 - a) New publicly accessible, privately-owned streets. Where identified on the Public Mobility Diagram in Chapter 8, new roads shall be constructed on-site by applicants, who will provide public access easements over these roadways (includes the E-W Connector Road, Western Access Road, and Loop Road). Ownership is to remain private. Maintenance and operations shall be the responsibility of the property owner. Pedestrians, bicycles and similar modes must be permitted public access, but automobile public access may be excluded at the discretion of the City.
 - b) New sidewalks that accompany new streets or roundabouts, and existing sidewalks that are to be improved by applicants.
 - c) Additions to existing public streets shall be widened through a public access easement or right-of-way dedication. At Public Works discretion, projects fronting on Bay Road may be required to provide up to 10' wide easement or dedication for public sidewalk and/or landscaping. In certain cases, Public Works may request more than 10' if necessary.
 - d) Levee top path. A recreational path/maintenance road shall be provided on top of the levee (20' minimum width), and any additional trails or pathways required for ADA-compliant public access to the levee.
 - e) Levee outer bank. Applicants shall provide an access easement for the outer bank of the SAFERBAY levee. The width will vary by site condition, but generally should be a minimum of 30' wide.
- 5 **Delivery and public drop-off/loading areas.** Applicants shall provide an easement or dedication for on-street parking spaces designed for package/pallet delivery or for short-term drop-off/pick-up spaces.

- 6 **Private Access Easements.** Private access easements shall be recorded where required by Code.
- 7 **Emergency access easement.** New fire access routes will require an emergency access easement. Maintenance and operations shall be the responsibility of the property owner.
- 8 **Expansions to existing ROW.** The City has identified (see Figure 11-2) locations where additional private property is required to complete necessary mobility and utility improvements. Private development projects may be required to provide dedications and/or facilitate acquisitions of property as follows:
 - a) The City may require acquisitions/dedications of requested public right-of-way *within* a project site (on-site) before entitlement, such as:
 - o Widening of Bay Rd and University Rd intersection
 - o Widening of Bay Rd between Tara Rd and Infinity Salvage
 - o New Roundabout(s)
 - b) Acquisitions (and dedications) of right-of-way outside of a project site (off-site) may be included as conditions of approval, and would be considered a community benefit, but would not be required for entitlement, such as:
 - o Widening of Bay Road between Pulgas and Tara Rd
 - o Acquisition of parcels or portions of parcels to complete roundabouts
 - o Expanding sidewalk/cycletrack along Pulgas Avenue
 - c) The process for acquiring the ROWs identified as necessary dedications on Figure 11-3 is as follows:
 - o Applicants are required to perform a current market assessment of the land value, put some portion of this value in escrow, and make a good faith effort as defined by the City to effectuate a sale with relevant landowners (to be defined in the Development Agreement).
 - o If applicant cannot conclude a sale (or lease) after good faith effort as defined above, the City will then take necessary steps to acquire the land, using the escrow funds in part or in whole.
- 9 **Alternative traffic mitigations.** At Public Works' discretion, applicants can negotiate an alternative transportation improvement to the improvements identified in Chapter 8.

Figure 11-3: Dedications and Easements

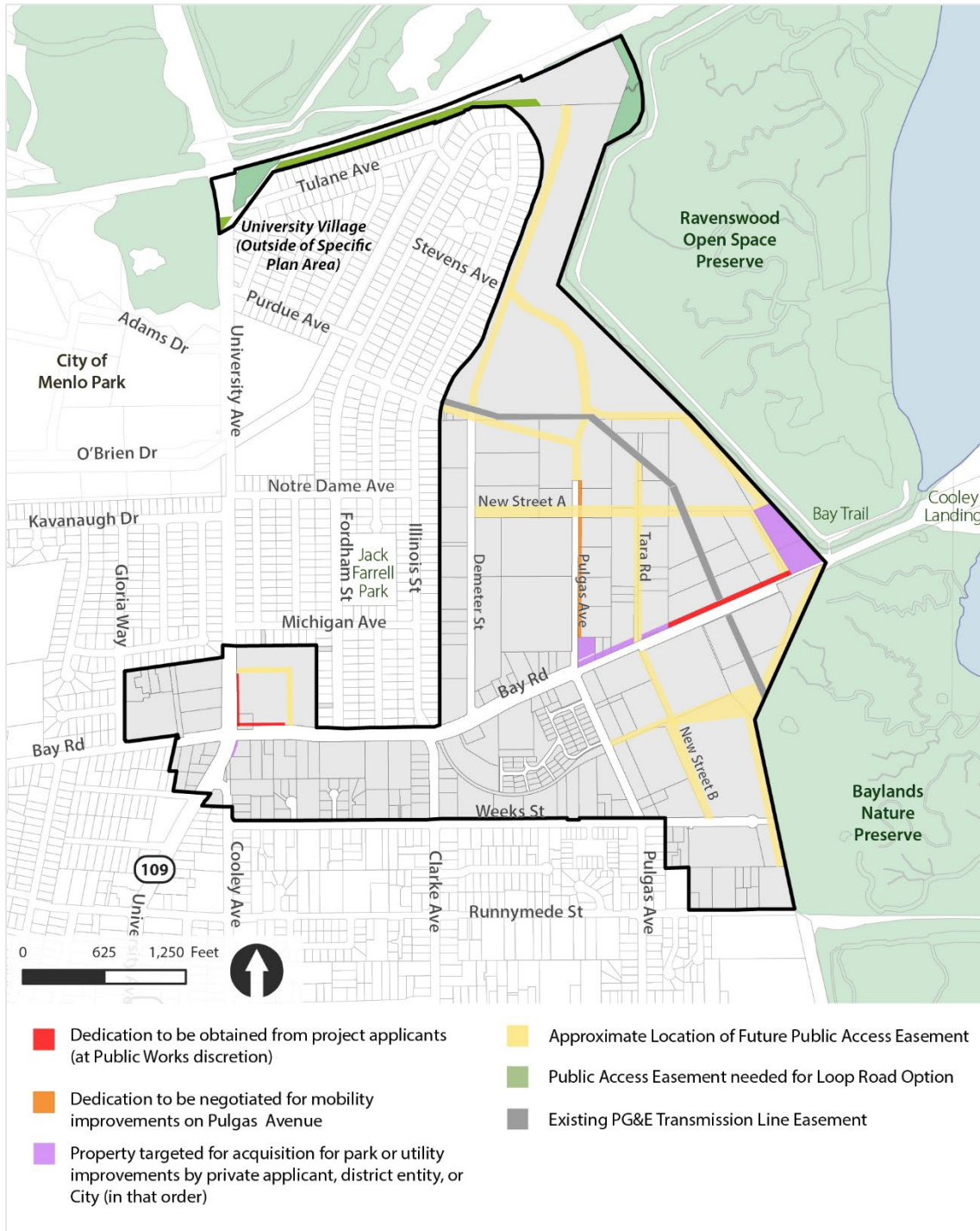


Table 11-2: Assumed Responsibility for Dedications

Purpose of Dedication	Description	Assumed Responsible
Public Park	Infinity Auto Salvage	<i>Primary: City Secondary: First development that occurs that is directly adjacent</i>
Improve Intersection at University and Bay Road	<ul style="list-style-type: none"> a. Up to 2’ on the University side of 4 Corners, and up to 12’ on Bay Rd side of 4 Corners (*) b. 2’ on the south side, if no loop is built 	<i>For North Side: First major development that occurs at Four Corners (* Less widening may be required than is stated here). For South Side: City</i>
Widen Bay Road	<ul style="list-style-type: none"> a. Pulgas to Tara Road; 18’ dedication/easement from north side. b. Tara Road to Infinity Salvage; 10’ dedication/easement from north side 	<i>Pulgas to Tara: First development that occurs that is directly adjacent to the south side. Tara to Salvage: First development that occurs that is directly adjacent to the north side.</i>
Widen Pulgas	Widen Pulgas Avenue by approximately 8’ on the east side to add bike/pedestrian facilities.	<i>Primary: First major development that occurs north of Pulgas Avenue</i>
Roundabout(s)	<ul style="list-style-type: none"> • Bay Road & Tara Road (*) • New East/West Connector and Pulgas Avenue 	<i>Primary: First development that occurs that is directly adjacent. (* Roundabout at this intersection may not be required)</i>
Optional Loop Road	From City of Menlo Park, to widen University for new Loop Road intersection.	<i>Primary: City, if project is feasible.</i>

11.3 Funding and Financing Plan

A variety of potential funding sources and mechanisms exist for implementing the capital improvements identified in this chapter. This section describes these sources, mechanisms, and their potential uses in the Specific Plan Area. In many cases, multiple funding sources will need to be combined to pay for specific projects. “Funding” typically refers to a revenue source such as a tax, fee, or grant that is used to pay for an improvement. “Financing” involves borrowing from future revenues by issuing bonds or other debt instruments that are paid back over time

through taxes or fee payments, enabling agencies to pay for infrastructure before the revenue to cover the full cost of the infrastructure is available.

11.3.1 Funding Sources

Funding for improvements will come from a mix of developer contributions (both required and negotiated), city resources, outside grants, and district-based mechanisms. The funding responsibilities for private developers and the City are clear in some instances—for example, developers must meet minimum development standards requirements and pay citywide impact fees for infrastructure. However, funding for a majority of the large infrastructure improvements in the Specific Plan Area will require negotiations with and among the developers and property owners. Project applicants must provide funding for improvements related to their specific project, and many district-wide improvements will also be funded partially through revenues committed via Development Agreements.

Table 11-1: Potential Funding Source Categories and Examples

Category	Examples
Developer Contributions	Direct Developer Funding Development Standards CEQA Mitigations Impact / In-Lieu Fees Negotiated Agreements Property or Business Owners Association Transportation Management Association
City Resources	General Fund Capital Improvement Program User Fees
Outside Grants	Regional, State, and Federal Grants
Tax Increment District-Based Tools	Enhanced Infrastructure Finance District (EIFD) Community Revitalization and Investment Authority (CRIA)
Tax Assessment District-Based Tools	Special Assessment District Community Facilities District (Mello-Roos)

Developer Contributions:

- **Direct Developer Funding and Capital Improvements Construction:** Development applicants must fund/construct any infrastructure improvements that are directly required to enable construction of their project, such as required street improvements

and new or upgraded water, storm drainage, and sanitary sewer connections.

- **Reimbursement Agreements:** If a developer is required to provide additional infrastructure capacity or amenities to serve the entire district, a reimbursement agreement can be established to receive payments from later developers who benefit from these early improvements. This allows for areawide cost-sharing.
- **CEQA Mitigations:** As a requirement of approval under the Specific Plan, developers may be required to contribute to environmental mitigation measures, both for areawide needs and for their specific development projects.
- **Impact / In-Lieu Fees:** Impact fees are one-time fees imposed on new developments to pay for improvements and facilities that either serve the new development or reduce the impacts of the project on the existing community. Fee revenues cannot be used to fund existing deficiencies in infrastructure. The City of East Palo Alto already has citywide impact fees for Public Facilities, Parks and Trails, Transportation, Water, Storm Drainage, and Commercial Linkage fees. All development projects within the Specific Plan Area must meet impact and in-lieu fee requirements.
- **Inclusionary Housing Ordinance.** The City’s Inclusionary Housing Ordinance applies to residential and mixed-use housing projects, with a 20% on-site inclusionary affordable housing requirement, with 5% of units at 35% AMI, 10% of units at 50% AMI, 5% of units at 60% AMI, or payment of \$273,400 in-lieu fee per unit (as of July 1, 2023). The in-lieu fee is due prior to building permit issuance, and the fee is subject to change. Thus applicants should check the city website when the in-lieu fee is being prepared to be paid: <https://www.cityofepa/housing/page/inclusionary-housing>
- **Development Agreements:** Negotiated Development Agreements will specify developer contributions that exceed other base requirements. These agreements include Community Benefits contributions, as described in Chapter 10.

City Resources:

- **General Fund:** General Fund revenues include property tax, sales tax, transient occupancy tax, and other revenues that are primarily used to pay for ongoing municipal services and operations. Commitment of General Fund revenues may be necessary to construct the highest-priority improvements in the Plan Area.

- **Annual Voter-Approved Tax Assessments:** Measure HH First Source Hiring was enacted in 2018 by East Palo Alto residents. It is an annual parcel tax on all commercial office space of 25,000 square feet or more. It applies at a rate of \$2.50 per gross square foot. According to Measure HH's guidelines, at least 35 percent of the revenues raised must be spent on new affordable housing production in East Palo Alto, and a maximum of 15 percent can be spent on administrative staff time. The remaining revenue may be used to maintain programs that facilitate access to job opportunities and to manage the City's First Source Hiring Program. Measure L applies a gross receipts tax to residential rental units after three years. Deed-restricted units renting to households earning 80% of less of AMI and affordable units owned by a non-profit entity are exempt from this general tax.
- **Capital Improvement Plan (CIP):** Infrastructure projects identified in the Specific Plan are candidates for inclusion in the City's Capital Improvement Plan, which identifies a variety of funding sources for those projects.
- **User Fees:** Fees charged for the use of public infrastructure/goods.

Outside Grants:

Various federal, state, and regional grant programs distribute funding for public improvements. The City of East Palo Alto will remain vigilant in applying for grants to implement the Specific Plan. Unique grant funding opportunities may become available due to the Plan area's designation as a Priority Development Area and as an Equity Priority Community. The following table describes grants that may be useful for funding improvements in the Specific Plan area as of the time of plan adoption. A Priority Development Area (PDA) designation makes a city or plan area eligible for PDA Planning Program Grants worth up to \$600,000. An Equity Priority Community is one with census tracts that have a significant concentration of underserved populations, such as households with low incomes and people of color. The Equity Priority Communities framework helps the Metropolitan Transportation Commission (MTC) make decisions on investments that meaningfully reverse the disparities in access to transportation, housing and other community services.

Table 11-2: Potential Grant Funding Sources for RBD Specific Plan Capital Improvement Projects

Program	Agency	Description	Eligible Capital Projects					
			Bicycle & Pedestrian Access	Streetscape	Parks, Trails, and Open Space	New Public Facilities	Water and Sewer	Storm Drainage and Flood Control
Regional or County								
Lifeline Transportation Program	MTC and SamTrans	The Lifeline Transportation Program (LTP) funds projects that improve transportation access for low-income communities. Projects must be community-based and developed through a collaborative and inclusive planning process.	x					
Transportation for Clean Air (TFCA) Regional Program	Bay Area Air Quality Management District (BAAQMD)	The TFCA program, administered by the BAAQMD, funds projects that reduce vehicle emissions. Sixty percent of funds collected go to the TFCA Regional Fund for competitive grants. Eligible projects must demonstrate air quality benefits and reduction of emissions from motor vehicles. The Bicycle Facilities Grant Program funds the construction of new bikeways and the installation of new bike parking facilities.	x		x			
One Bay Area Grant (3)	MTC	OBAG 3 is MTC’s comprehensive policy and funding framework for distributing federal funding. OBAG 3 includes a Regional Program and a County Program. The county programs includes various competitive sub-programs.	x	x	x	x	x	x
Transportation Development Act (TDA) Article 3 Program	MTC	TDA funds are derived from a 1/4 cent of the State's general sales tax. Article 3 of the TDA makes a portion of these funds available for use on bicycle and pedestrian projects. MTC programs TDA funds in the Bay Area.	x					
State								
State Transportation Improvement Program (STIP)	Caltrans, MTC	STIP is a five-year investment plan for state transportation money and updated every two years. STIP projects are funded in large part by the state excise tax on gasoline. Any capital project – from a new roadway or new bike path to a highway expansion or rail line extension – may receive state funding.	x	x				

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Infill Infrastructure Grant	California HCD	The Infill Infrastructure Grant program provides fund for infrastructure improvements necessary to enable residential or mixed-use infill development.	x	x	x		x	x
Transformative Climate Communities	California Strategic Growth Council	Proceeds from California’s Cap-and-Trade Program help fund the Transformative Climate Communities (TCC) program. The TCC provides competitive grants for coordinated, community-led development and infrastructure projects focused on achieving multiple environmental, health, and economic benefits within a given community. Examples of eligible projects include affordable housing, transit, bicycle/pedestrian improvements, and urban green infrastructure. The TCC program prioritizes disadvantaged communities that have been most impacted by pollution, as measured by the CalEnviroScreen index. The TCC program offers Implementation Grants and Planning Grants.	x	x	x		x	x
Affordable Housing and Sustainable Communities	California Strategic Growth Council	Proceeds from California’s Cap-and-Trade Program help fund the AHSC program. AHSC is a competitive state grant program that promotes infill development and the reduction of greenhouse gas emissions through transportation and land use change. AHSC encourages combined investments in affordable housing, transit, and active transportation infrastructure, with a majority of funds typically awarded to the affordable housing component of a project.	x	x	x	x		
Urban Greening Program	California Natural Resources Agency	Proceeds from the State’s Cap-and-Trade Program help fund California’s Urban Greening Program. The Urban Greening Program provides competitive funding for projects that reduce greenhouse gas emissions and provide other benefits related to reducing air/water pollution and the consumption of natural resources, and/or to increasing green spaces and green infrastructure. Eligible projects include the enhancement or expansion of neighborhood parks, green streets, urban trails, facilities that encourage active transportation, and other urban heat island mitigation measures. The program prioritizes projects that benefit disadvantaged communities, as determined by the CalEnviroScreen index.	x	x	x	x	x	x

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Active Transportation Program (ATP)	California Transportation Commission/ MTC	ATP provides statewide competitive grants for pedestrian and bicycle capital projects. Certain trail projects are also eligible if they meet the requirements of the Recreational Trails Program (RTP), a sub-program within ATP. Beyond the statewide competitive grants, ATP funds are also distributed to MPOs. A minimum of 25% of ATP funds must be allocated to disadvantaged communities.	x	x	x			
Urban Streams Restoration Program (USRP)	California Department of Water Resources	The USRP funds projects and provides technical assistance to restore urban streams to a more natural state. Funds used for planning only must be used for projects that will serve disadvantaged communities once completed. Matching funds of 20 percent must be provided unless the grant will benefit a disadvantaged community. Examples of eligible projects include installation of green infrastructure such as bioswales, removing culverts or storm drains, and flood protection enhancements.						x
Coastal Conservancy Grants	Coastal Conservancy	Coastal Conservancy grants fund projects along the California Coast and San Francisco Bay to increase availability of beaches, parks, and trails with public access, to protect natural lands, and to increase community resilience to climate change. Funds can be used for project construction and planning but not for operations and maintenance.	x		x		x	
Land and Water Conservation Fund	California Department of Parks and Recreation	The LWCF is a competitive grant program focused on creating new outdoor recreation opportunities for Californians. The program funds the acquisition or the development of recreational space. Eligible projects include the acquisition of land to create a new park, a buffer for an existing park, or a recreational/active transportation trail corridor, or the development of recreational features (e.g. sports fields, dog parks, gardens, open space, etc.)			x		x	
Local Highway Safety Improvement Program (HSIP)	Caltrans	HSIP is funded by federal aid as a core program and was codified under the 2021 Infrastructure Investment and Job Act. HSIP seeks to achieve significant reductions in traffic fatalities and injuries on public roads. Funds are eligible for work on any public road or publicly owned bicycle or pedestrian pathway or trail, so long as the	x	x				

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		investment is focused on improving user safety for and addresses a specific safety problem. Non-safety related capital improvements (e.g. landscaping, street beautification) cannot exceed 10 percent of project costs. Caltrans requires that projects be consistent with California’s Strategic Highway Safety Plan.						
Senate Bill 1: Local Partnership Program (LP)	California Transportation Commission	SB 1, which was signed into law in 2017, is a \$54-billion legislative package to fix and enhance roads, freeways, bridges, and transit across California. Funds are split among numerous programs. SB 1 created the LP program to reward jurisdictions and transportation agencies that have passed sales tax measures, developer fees, or other imposed transportation fees. The LP program includes a formula allocation as well as a competitive component. Eligible projects include a wide variety of transportation improvements - roads, pedestrian/bicycle facilities, transit facilities, and other improvements to mitigate urban runoff from new transportation infrastructure. For the competitive grant program, funds can only be used for capital improvements.	x	x				x
Federal								
Infrastructure Investment and Jobs Act	FHA, FTA, FRA, and FAA	The Infrastructure Investment and Jobs Act provides over \$550 billion for the nation's infrastructure. Estimated apportionments are available for Fiscal Years 2022 - 2026. Funds are available for a wide array of infrastructure needs including those related to public transit, airports, ports, bridges, water systems, and more. Most of the funds will be distributed through state agencies which will be accessible through a range of state grant programs, whereas other funds will be apportioned directly to urbanized areas, and additional funds will be available through federal grants processes. The State of California is estimated to be apportioned more than \$35 billion over five fiscal years, and the San Francisco urbanized area, which includes East Palo Alto, is expected to be directly apportioned \$2.2 billion.	x			x	x	x

11.3.2 District-Based “Value Capture” Tools:

Land-based financing tools are typically associated with new real estate development to generate benefit-based special assessment revenues or property tax revenues to finance improvements through bond repayment or paying for improvements over time. District-based tools provide a stable revenue stream while ensuring that properties benefit from improvements also contribute to those public investments. The table below describes the primary types of district-based funding and financing tools. Note that a special tax district, commonly known as a Community Facilities District (CFD) or a Mello-Roos District, primarily captures additional funding from private entities, while an Enhanced Infrastructure Financing District (EIFD) or Community Revitalization and Investment Authority (CRIA) reinvests growth in public property tax revenues within the district. If a district-based tool is utilized, the boundaries do not necessarily need to align with the Specific Plan Area boundaries and benefit zones for a district can be established to reflect the different levels of benefits that properties receive.

The City of East Palo Alto and property owners with major development sites in the Specific Plan Area should explore establishing a district-based funding mechanism, with a particular interest in a tax increment financing district - a CRIA, or a special tax district - a CFD. This latter type of district levies an additional assessment on each property in the district based a particular property characteristic such as land area, building area, or per unit, and which cannot be levied directly on property value. The funds raised through this assessment can be used to fund both capital improvements and ongoing maintenance within the district. Revenues can support bond issuances. The boundaries of the district can be customized to only include properties likely to receive the greatest benefits from the CFD’s investments, such as the major development sites. For capital improvements, a district financing mechanism can offset upfront development costs from impact fees and render development more feasible. However, this could further elongate collection of funds from the City’s perspective, as opposed to impact fees paid at building permit issuance, unless bonds are utilized.

The City of East Palo Alto and property owners should also consider potential applications of special assessment districts, such as a Landscape Lighting and Maintenance District (LLMD), for basic maintenance and cleaning needs in areas envisioned to serve as pedestrian-oriented commercial districts, such as in the 4 Corners area.

Table 11-2: Major District-Based Value Capture Tools

Funding Tool	Description	Uses	Considerations
Special Assessment Districts	Additional assessment against a range of participants, depending on the type of district and relative benefit received. Examples include: Landscaping and Lighting Maintenance District, Community Benefit District, Business Improvement District.	Most useful for funding ongoing operations and maintenance.	<p>Requires simple majority vote of paying stakeholders.</p> <p>City must demonstrate that the assessments are justified by “special benefits over and above that received by the public.”</p> <p>Increases costs and risk for paying stakeholders. Stakeholders need to perceive a clear benefit for themselves.</p> <p>Impacts paying stakeholders' overall ability to support other taxes, fees, and community benefits.</p> <p>Little financial risk to the City or public agencies; could lead to increased tax revenue based on private reinvestment.</p> <p>Additional City staff time to administer districts could offset some gains.</p>
Community Facilities District (Mello-Roos)	Additional assessment on property, levied and varied based on a selected property characteristic (excluding property value).	Financing Infrastructure improvements, development of public facilities; also, ongoing operations and maintenance.	<p>Requires approval of 2/3 of property owners (by land area) if there are fewer than 12 registered voters residing in the district.</p> <p>Boundaries can include non-contiguous parcels.</p> <p>Taxes can be proportionally subdivided and passed on to future property / home owners.</p> <p>Increases costs and risk for landowners and homeowners if taxes dissuade buyers or reduce achievable sales prices.</p> <p>Impacts paying stakeholders' overall ability to support other taxes, fees, and community benefits.</p>

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Funding Tool	Description	Uses	Considerations
<p>Enhanced Infrastructure Financing District (EIFD)</p>	<p>Diverts a portion of future municipal General Fund property tax revenues generated within the district to help fund infrastructure projects. Climate resilience districts (CRDs) are a type of EIFD specifically intended to fund climate projects such as addressing sea level rise.</p>	<p>Financing infrastructure improvements, development of public facilities, affordable housing development.</p>	<p>Formation and bond issuance does not require a local vote.</p> <p>Does not cost individual property owners additional fees and taxes.</p> <p>Does not divert revenues from schools.</p> <p>Reduces future General Fund revenues by restricting use of the district's future property tax revenue growth.</p> <p>Does not necessarily provide eminent domain powers.</p>
<p>Community Revitalization and Investment Authority (CRIAs)</p>	<p>Similar to EIFDs, CRIAs can fund economic revitalization in disadvantaged communities. The Authority uses property tax increment to finance facilities and housing with contributions from other taxing entities with their consent.</p>	<p>Financing a wide-range of public and private projects: affordable housing, brownfield remediation, civic/public facilities, water and sewer, street improvements</p>	<p>80% of the area must meet income and other requirements (e.g. crime, unemployment, deteriorated infrastructure and private structures).</p> <p>Formation and bond issuance does not require a local vote.</p> <p>Allows for eminent domain by the district within 12 years of formation.</p> <p>Reduces future General Fund revenues by restricting use of the district's future property tax revenue growth.</p> <p>Does not cost property owners additional fees and taxes.</p> <p>Does not divert revenues from schools.</p> <p>25% of taxes must go towards low- or moderate-income housing</p>

Funding availability for improvements within the Plan Area will vary based on development activity, economic conditions, and availability of grants. The table below demonstrates the applicability of various funding sources to the improvement needs in the Specific Plan Area.

Table 11-3: Infrastructure Improvements and Applicable Funding Sources

Improvement Categories	Developer Contributions						City Resources			District-Based Mechanisms			Outside Sources
	Direct Funding/ Finance	Plan Standards	CEQA Mitigation	Impact and In-Lieu Fees	Development Agreements	Property Owners Associations (TMA, LLMD)	General Fund	Capital Improvement Program	User Fees	CFD	EIFD	Special Assessment District	Grants (Federal, Regional, State)
Streets and Pedestrian Facilities													
Public Right of Way Improvements, Existing Streets		x		x	x	x	x	x		x	x	x	x
New Public Streets		x	x	x	x			x		x	x		x
New Private Streets	x	x			x								
Intersection Improvements				x	x	x		x		x	x		x
Parks & Open Space													
Land Acquisition				x	x					x	x		x
Construction of New Parks or Plazas				x	x			x		x	x	x	x
Community Facilities													
New Facilities				x	x	x		x		x	x	x	x
Upgrades to Existing Facilities				x	x	x		x		x	x	x	x
Utilities													
District-wide: Stormwater, Water, and Sewer Improvements			x	x	x	x		x	x	x	x	x	x
On-site/Project Specific: Stormwater, Water, and Sewer Improvements	x	x	x	x	x				x			x	

11.4 Implementation Actions

The table below details the various implementation programs and activities that should be undertaken to support the effective use and application of the Ravenswood Business District / 4 Corners Specific Plan.

Table 11-4: Implementation Programs and Policies

Policy/Program	Description	Responsible	Timeframe
TDM Implementation Guidelines	Work with developers to establish guidelines for the TMA operations, district wide TDM program, annual reporting, trip cap credits, preferred reduction programs and policies, and guidelines for future shuttle service.	<i>Public Works</i>	<i>Immediate</i>
Review of Applications for Development Allocation	Review Development Master Plan community benefits proposals as they are submitted; begin required assessments. Retain consultant services, via an RFP process, for the financial transparency analyses required for community benefits proposals.	<i>Planning CM</i>	<i>Immediate</i>
Update City Regulations	Ensure that City land use regulations are consistent with the revised Specific Plan by updating the zoning & General Plan. To comply with Housing Element, enact development regulations and process to facilitate approval of residential proposals at designated residential and mixed-use sites	<i>Planning</i>	<i>Immediate</i>
District-based Entity Formation	Work with major property owners and developers to determine the uses, coverage area, and approach to establishing district-based funding and financing mechanisms such as a special assessment district, CFD, CRIA, CRD, or EIFD.	<i>CM, Public Works, Planning</i>	<i>Short-Term</i>

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Policy/Program	Description	Responsible	Timeframe
	<p>The City will support and/or initiate if feasible the establishment of a district funding source to fund construction of shared capital improvements in addition to ongoing operations and maintenance of this infrastructure. Engage a consultant to prepare appropriate planning documents, such as a “Community Revitalization and Investment Plan” and required CEQA.</p>		
<p>Infrastructure Maintenance Entity</p>	<p>Work with property owners and businesses to determine the uses, coverage area, and approach to establishing district-based maintenance assessment districts for public and shared private improvements such as Landscaping and Lighting Districts. <i>*Should be established once first improvements in district are completed and accepted for maintenance.</i></p>	<p><i>Public Works Developers</i></p>	<p><i>Short-Term</i></p>
<p>TMA Formation</p>	<p>Developers shall create a TMA before issuance of the first major project building permit. The TMA will enforce TDM for future tenants and oversee annual reporting. Compliance with the trip cap is implemented through the TMA, including assessment of penalties and management of programs designed to generate trip reductions (and credits). See <i>Chapter 8 for basic requirements related to TDM and the “TDM Implementation Guidelines” for details on penalty amounts, shuttle</i></p>	<p><i>Developers CPW TDM Coordinator</i></p>	<p><i>Short-Term</i></p>

Policy/Program	Description	Responsible	Timeframe
	<i>guidelines & standards, and additional policies.</i>		
Standardized Public Art Process	Develop a standardized process for vetting proposed public art in new major project developments. Involvement of CENTERARTS is encouraged.	<i>Planning Local Benefits Committee</i>	<i>Short-Term</i>
CIP Program Update	Incorporate the Plan Area’s major capital projects into the City’s Capital Improvement Program.	<i>Public Works</i>	<i>Short-Term</i>
SDMP Update	Obtain Utility Support for the Storm Drain Master Plan (SDMP) update.	<i>Public Works</i>	<i>Short-Term</i>
100-Year Storm Drainage Study	Complete study of 100-year Storm Drainage System (pump station location, force main and outfall alignments will need to be determined).	<i>Public Works</i>	<i>Short-Term</i>
Shallow Groundwater Rise Vulnerability and Adaptation Study	Coordinate with OneShoreline and adjacent jurisdictions as appropriate to study impacts and develop adaptation strategies related to shallow groundwater rise caused by sea level rise.	<i>Public Works</i>	<i>Mid-Term & Ongoing</i>
Community Benefits Fund	Establish a Community Benefits Fund for receipt and management of certain revenues provided by developers as part of their community benefits commitments.	<i>CM Council</i>	<i>Mid-Term</i>
Prioritization Plan for Community Benefit Funds	Work with the community to plan for how best to spend the taxes, revenues, and benefits funds that will be generated by the RBD. Suggested uses include: <ul style="list-style-type: none"> • City childcare programs • City cleanup efforts • Community liaison staffer • Multimodal enhancements • Funding for community events 	<i>CM Local Benefits Committee</i>	<i>Mid-Term & Ongoing</i>

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Policy/Program	Description	Responsible	Timeframe
	<ul style="list-style-type: none"> Funding for public facilities Resource center (how to access services, grants, programs, affordable housing lotteries, job openings, educational programs/vocational trainings) 		
Ongoing Community Involvement Activities	Seek broad community input through an advisory committee, community meetings, pop-ups, online survey, and/or other means. Seek input on decisions around how certain community benefits revenues and Measure HH funds should be allocated in the future.	<i>CM Council</i>	<i>Mid-Term & Ongoing</i>
Future Job Training	Fund and expand those local/regional organizations that serve EPA residents the best. Identify what jobs are coming and which organizations will help best prepare EPA residents to take advantage of those future jobs.	<i>Developers Local Benefits Committee</i>	<i>Mid-Term & Ongoing</i>
Biosafety Policy	Update the General Plan Safety Element to require the City to keep a list of chemicals / hazardous materials (to be provided when applicant comes in for business license).	<i>Planning</i>	<i>Mid-Term</i>
Regional Sewer Capacity Study	Partner on the required engineering study when 80% of regional sewer treatment capacity is reached (after 2.25-2.5 million square feet of non-residential development is built).	<i>Public Works</i>	<i>Mid-Term</i>
Permanent Grants Officer	Establish a permanent staff in charge of seeking and winning grants in order to maximize competitiveness for future infrastructure grants and use these grant monies to pay for initial/first	<i>CM, Public Works</i>	<i>Mid-Term</i>

Policy/Program	Description	Responsible	Timeframe
	phase infrastructure to support development.		
CPW Support	Obtain Consultant Support for City PW/Engineering Department: <ul style="list-style-type: none"> • Civil Engineer to perform conceptual engineering and early cost estimates. • Property Acquisition Consultant to provide options plus cost estimates. • Determine environmental cleanup costs 	<i>Public Works</i>	<i>Mid-Term</i>
Recycled Water Study	Complete a Recycled Water Feasibility Study to determine whether recycled water service is feasible to provide to the district.	<i>Public Works</i>	<i>Long-Term</i>
Community Land Trust	Study whether and how to establish a community land trust in the Plan Area.	<i>CM, Local Benefits Committee</i>	<i>Long-Term</i>
Community and Developer Engagement	Conduct one-on-one engagement with community individuals, local organizations, and developers active in the Plan area to notify them of new requirements and expectations.	<i>CM, CPW, Planning</i>	<i>Ongoing</i>
Development Tracking	Provide annual updates on the status of the Development Reserve and the buildout of both residential and nonresidential developments.	<i>Planning</i>	<i>Ongoing</i>