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IMPLEMENTATION 6

IMPLEMENTATION

This chapter describes the project administration procedures, implementation activities, and funding strategies needed to fulfill the vision of the El Camino Real Specific Plan. It organizes implementation actions into programs (Table 6-2) and capital improvements (Tables 6-3, 6-4, and 6-5). Implementation of the Specific Plan will require a comprehensive approach that includes private sector development, City actions and resources, and coordination with partners and stakeholders such as Caltrans, Santa Clara County, property owners, and community members. Development standards in the Specific Plan will guide future investment, with larger residential and non-residential projects providing public benefits, and all developments contributing their fair share to corridor-wide improvements. Together, these projects will incrementally transform El Camino Real into a vibrant, multimodal, mixed-use corridor.

6.1 Project Administration

Applicability and Exemptions

All applications for new construction, modifications to existing buildings, and changes in land use, shall be reviewed for conformance with the General Plan, the El Camino Real Specific Plan, the Zoning Ordinance, and all other applicable documents.

Existing uses that are primarily automobile-focused, such as service stations, minor car repair and car washes, should make every attempt to meet the intent of this Plan, but may be exempted from certain standards and guidelines conflicting with their automobile focus (e.g. maximum setbacks) with approval of a Conditional Use Permit by the Planning Commission. Structures associated with these uses may be remodeled or expanded on the same site with a Conditional Use Permit, even if they are in a required ground floor commercial area. However, when located in a required ground floor commercial area, such as an Activity Center, they shall not be rebuilt as part of a larger development. Improvements at these sites shall be subject to other requirements, such as improved pedestrian access from the street to retail spaces, improved landscape screening, and reductions in the number of driveways.

Non-Conforming Uses

Uses that do not comply with the requirements of this Specific Plan are considered non-conforming. Existing uses made non-conforming by this Plan, such as vehicle repair stations and drive-throughs, shall be allowed to continue until such use is abandoned (see the Santa Clara Zoning Ordinance for additional non-conforming provisions).

Master Planning Process

The master planning process provides a coordinated and integrated approach to larger developments under certain conditions. This process allows the City to achieve key Specific Plan standards and guidelines, such as creating high-quality open areas and shared parking, while allowing projects some flexibility and an administrative process focusing on key development objectives. This section outlines the conditions and requirements for the master planning process.

1. **Optional Master Planning.** While the master plan process is voluntary, the City encourages submittal of a master plan to support coordinated planning among property owners in the same vicinity or on large development sites, such as Regional Commercial Mixed Use Centers.

2. **Design Exceptions.** Applicants may be eligible for site design exceptions such as shared parking, shared open area, and reduced internal setbacks through the master plan process.
3. **Required Coordination.** The project applicant(s) shall coordinate with the City to understand development proposals for surrounding parcels, coordinate street and pedestrian connections, and identify other key issues.
4. **Master Plan Preparation.** A planning application shall include the following components:
 - Signed development applications from all property owners within the proposed master plan area.
 - Materials such as maps, surrounding and proposed uses, proposed building locations, proposed number of units and unit types including amount of affordable housing provided and the income targets, circulation plan, total square footage, open space, on-site utilities and utility connections, grading and other materials that demonstrate compliance with the purpose and intent of the Specific Plan.
 - Circulation plan for all modes of travel onto and through the site.
 - Parking strategy, including but not limited to, shared parking or district parking facilities.
 - Urban design strategy, including a conceptual site architectural plan, including how the location, intensity, and uses of planned and future buildings function and relate to each other, the project site, and surrounding area.
- Phasing and implementation strategy, including the timing and plans for any public improvements, including open space, utility, and transportation infrastructure.
- Other components as deemed necessary by the City.
5. **District Parking.** If the project applicant proposes to accommodate required parking off-site, the master plan shall include the parking structure (or below grade parking) location, number of parking stalls, number of parking stalls required for the new development, the non-automobile connections between the project site and district structure, and binding agreements with off-site locations

6.2 Community Benefits Program

The intent of the community benefits program is to encourage new developments along El Camino Real to provide enhancements that benefit the community in exchange for increased development potential or flexibility in certain development standards or requirements. This provides a mechanism for financing capital improvements and other public services that would be prohibitively expensive if funded solely by

the public sector. The nature of the benefits is driven by a community's needs, priorities, and economic conditions.

Through the community benefits program, individual projects in the Plan Area may be eligible for additional height, density, or FAR in exchange for providing community benefits above and beyond what is required by the Plan.

A developer taking part in the community benefits program will be required to enter into a development agreement with the City that specifies the community benefits that will be provided in exchange for the higher intensity requested. The application shall include information needed to complete a cost-benefit analysis on the proposed community benefit in order for the City to evaluate the project's estimated financial benefit arising from the additional height, density and/or FAR against the value of the community benefit provided to the City. The City has the discretion to negotiate the terms of the agreement including the period during which the entitlement will be available to the developer, the specific types and appropriate level of community benefits that the developer will provide, and the amount of bonus or concessions received in exchange for providing these benefits. The City also has the discretion to accept a monetary contribution to construct the benefit/improvement. Specific community benefits or district improvement projects and additional height, density, FAR, parking, or other development concessions shall be determined during review of the proposed project, and approved by the City Council. Table 6-1 provides a menu of community benefit options that an applicant may provide in consideration of the requested increase in development potential. Additional benefits may be determined in the future, or may be determined during project review, based on local needs. In general, community benefits should be provided within or accessible from the Plan Area.



Table 6-1. Community Benefits List

Type	Description
Affordable housing (Plan Priority)	Development of affordable units on- or off-site, over and above the amount or affordability mix/targets required under the Plan and existing regulations, and beyond what would be offered through the City's Density Bonus Ordinance and the California "Density Bonus Law." On-site units preferred over off-site units, and units at deeper levels of affordability (extremely low, very low, and low income) are a priority along the corridor.
New publicly-accessible private open spaces (Plan Priority)	Development of new publicly-accessible, privately-maintained open spaces over and above the amount required under the Plan and the Park and Recreational Land Ordinance (SCCC Chapter 17.35). Regional Commercial Mixed Use Centers are required to provide plazas and may not use the required minimum open space as a community benefit.
Commercial and small business support and preservation (Plan Priority)	Supporting or subsidizing commercial tenants, small, and/or local businesses including (but not limited to): <ul style="list-style-type: none"> • Providing new dedicated spaces within new buildings for existing commercial tenants and small businesses • Providing rent subsidies to existing commercial tenants or other local small businesses • Providing relocation assistance to help commercial tenants and small businesses in the Plan Area displaced by new development to locate elsewhere along El Camino Real or the City
Anchor Retail (Plan Priority)	Constructing at least one retail anchor space as part of a new retail/mixed-use development. A retail anchor is defined as a commercial space with at least 25,000 sf of gross leasable area (GLA).
Grocery Store (Plan Priority)	Constructing a neighborhood grocery store space and actively recruiting grocer tenants.
District utility improvements	Off-site infrastructure and utility improvements above and beyond those required to serve the development (including water, sewer, and recycled water systems).
Pedestrian and bicycle amenities	Off-site pedestrian and bicycle improvements, above and beyond those required by the development standards. These may include but are not limited to: <ul style="list-style-type: none"> • Enhanced pedestrian and bicycle-oriented streetscapes • Protected bicycle lanes and pedestrian pathways, improved bicycle and pedestrian crossings/signals, bike racks/shelters • New pedestrian and bicycle connections to transit facilities, neighborhoods, trails, commercial areas, etc. • Removal of existing pedestrian and bicycle barriers • Upgrading traffic signals to enhance pedestrian and bicycle safety
Public parking facilities	Constructing or otherwise providing publicly-accessible parking, beyond the otherwise required number of spaces, to serve area-wide parking needs.
Public art	Incorporating public art on-site, or providing contributions to a City public art fund.
Other	<ul style="list-style-type: none"> • Contributions to and/or space provided for community facilities • Additional off-site roadway and/or transit-related improvements (e.g. free community shuttle along El Camino Real) • Additional funding for City programs, such as contribution to a local façade improvement program • Funds in lieu of improvements • Other public benefits proposed by the developer and approved by the City Council

6.3 Implementation Actions and Programs

This section lists implementation actions and programs needed to achieve the vision for the El Camino Real Specific Plan. The list of actions in Table 6-2 is organized according to timeframe – short-term, medium-term, and ongoing – and identifies the party responsible for implementation. Different implementation actions may overlap or shift into a different timeframe depending on development timing and funding availability, and the timeframe for different actions could be adjusted over time. Since much of the development in the Plan Area will be dependent on market forces over time, the exact timing of many implementation actions is contingent on future development activity.

Actions are categorized as follows:

Short-term (2 – 3 years)

Short-term actions include many of the immediate policies, programs, and planning of capital priorities that lay the groundwork for the incremental transformation of the El Camino Real corridor. These early actions will start to establish the partnerships, organizational structures, and funding mechanisms that will keep the Plan moving forward and position the area for future investment and change.

Medium-term (3 – 10 years)

Based on the previous actions completed in the short-term period, the medium-term actions focus on guiding development activity, leveraging any new funding mechanisms, commencing construction of public capital improvement projects, and bolstering the identity of El Camino Real as a vibrant corridor. Some projects and programs may continue past this time period as long-term implementation proceeds.

Ongoing

These include programs that cover the life of the Specific Plan Area, including ongoing monitoring, maintenance, and coordination.



Table 6-2. Implementation Actions and Programs

Implementation Action/Program	Description of Other Related Policies and Guidance	Responsibilities
Short-term		
Zoning Map and Zoning Text Amendments	Amend the City's zoning map to reflect adoption of this Specific Plan.	Planning
General Plan Map and Text Amendments	Amend General Plan Land Use designations to increase existing housing density for the Regional Commercial Mixed Use, Corridor Mixed Use, and Corridor Residential classifications. Amend the General Plan zoning map to reflect the land use designation changes adopted in this Specific Plan.	Planning
District Funding Study	Study options for establishing funding and financing mechanisms and sources to address Plan Area needs. This may require property owner support for new sources, such as district-based mechanisms or development impact fees (as described later in this chapter).	Planning, Public Works
Multimodal Planning	Develop detailed plans for the implementation of proposed pedestrian and bicycle improvements in order to be in an approved position when applying for grant funding to implement physical improvements.	Public Works, Planning
Interim El Camino Real ROW Reconfiguration	Reconfigure ECR according to the <i>interim</i> right-of-way (ROW) concept described in Chapter 5 Transportation and Public Space	Planning, Public Works, Caltrans
Commercial Retention Program	Develop a 'Commercial and Small/Local Business Retention and Attraction Program' to provide support to existing and prospective commercial businesses, small/local businesses, and nonprofits, including technical assistance and access to City resources, networking, small business financing, strategic advice regarding location and planning for the future, and navigating the permitting process. Consider hiring a business liaison focused on assisting small and local businesses.	Planning, Economic Development, business owners
Permit Streamlining for Small/Local Businesses	Evaluate ways to adjust the zoning and permitting regulations based on market conditions and trends, and reduce barriers and costs for small/local businesses that want to expand, relocate, or open a second location in the area.	Planning, Economic Development
Curbside Management Strategy	Develop a curbside management strategy with provisions for centralized loading zones, including flex zones.	Planning, Public Works

Table 6-2. Implementation Actions and Programs (continued)

Implementation Action/Program	Description of Other Related Policies and Guidance	Responsibilities
Short-term (continued)		
Shared Parking	In coordination with property owners: <ul style="list-style-type: none"> Identify groups of business and property owners who could benefit from use of shared parking Modify any zoning codes or ordinances that may restrict or discourage shared parking Actively work with local employers, landowners, and developers to implement shared parking. 	Planning, property owners, businesses
Rapid Plan Evaluation	Within two years after adoption of the El Camino Real Specific Plan, complete a rapid evaluation of the Plan's implementation progress. As part of this effort, update the list of implementation projects and programs; review the amount and type of development that has occurred in the Plan Area; and evaluate the effectiveness of the Plan's standards and policy levers to determine any refinements that may be needed. Repeat this effort every two years or at other regular intervals, and update the Plan as necessary.	Planning, Public Works
Mid-term		
Streetscape Master Plan and Furnishings Palette	Develop a streetscape master plan for El Camino Real including engineering plans for the ROW and a consistent and coordinated street furnishings design palette for benches, planters, lighting, public art, landscaping, and other streetscape amenities.	Planning, Public Works, Traffic Engineering
Planting Palette	Prepare a "planting palette" providing recommendations for native plantings and for non-natives with high wildlife habitat value for El Camino Real and City owned property.	Planning, Public Works, City Arborist
Public Signage and Wayfinding Program for El Camino Real	Create a public signage and wayfinding program for El Camino Real, integrated with the citywide signage and wayfinding program and emphasizing public art and links to transit, Downtown Santa Clara, and other key destinations.	Planning, Public Works
Expand Transportation Service	Work with VTA to expand transportation options and routes.	VTA, Public Works

Table 6-2. Implementation Actions and Programs (continued)

Implementation Action/Program	Description of Other Related Policies and Guidance	Responsibilities
Mid-term (continued)		
Final El Camino Real ROW Reconfiguration	Reconfigure ECR according to the <i>final</i> ROW concept described in Chapter 5 Transportation and Public Space	Planning, Public Works, Caltrans
El Camino Real Streetscape Improvements	In coordination with property owners and redevelopment, implement the streetscape improvements along El Camino Real as described in Chapter 5 Transportation and Public Space.	Planning, Public Works, property owners
Ongoing		
Caltrans Coordination	Continue to coordinate with Caltrans for reconfiguration of the El Camino Real ROW and other design improvements along the corridor.	Planning, Public Works, Caltrans
Collaboration between Stakeholders	Encourage property owners, business owners, tenants, and other stakeholders in the El Camino Real area to coordinate and collaborate on areas of mutual interest for the betterment of the area, including retail retention strategies and support for local businesses. This could occur in the form of quarterly meetings or other formats.	Planning, Economic Development, property owners, businesses, residents, other local partners
New Publicly-Accessible Open Space	Work with property owners and developers to provide and design new publicly-accessible, privately-maintained open spaces as part of new development that fit community needs and desires. Encourage new development at Activity Centers to provide public and/or publicly-accessible private open space in excess of what is required.	Planning, Parks and Recreation, property owners, developers
Public Art	Work with the City's Cultural Commission and property owners to identify opportunities to install public art in the Plan Area, particularly at Activity Centers and in public gathering spaces.	Planning, Cultural Commission, property owners
Public Parking Lots	Identify potential sites and areas where public parking would be beneficial. Look for opportunities to acquire sites or work with private property owners to allow public parking within their private parking structures.	Planning, Public Works, property owners
TDM Monitoring and Reporting	Monitor employers and property owners within the Plan Area implementing transportation demand management (TDM), and require regular reporting for any project with TDM as a condition of approval.	Public Works, Planning, property owners

Table 6-2. Implementation Actions and Programs (continued)

Implementation Action/Program	Description of Other Related Policies and Guidance	Responsibilities
Ongoing (continued)		
Transportation Management Agency	Regularly assess whether the City should establish a formal Transportation Management Agency (TMA) to assist new developments with TDM implementation.	Public Works, Planning, property owners
Activity Center Shared Parking Agreements	Work with Activity Center owners to encourage shared parking agreements.	Planning, property owners, businesses
Inclusionary Housing	Encourage new market-rate housing development in the Plan Area to exceed citywide inclusionary housing requirements.	Planning, Housing and Community Services
Multi-Jurisdictional Collaboration for Affordable Housing	Collaborate with other jurisdictions, including Santa Clara County, to leverage land and funding sources to develop affordable housing.	Housing and Community Services, Planning, Santa Clara County, partner organizations
Housing Developer Collaboration	Collaborate and partner with nonprofit affordable housing and private developers to produce subsidized, income-restricted housing units within the El Camino Real Specific Plan Area.	Housing and Community Services, Planning, nonprofit affordable housing developers, private developers
Affordable Housing Funding Sources	<p>Identify and dedicate funding to develop affordable housing in the Plan Area.</p> <ul style="list-style-type: none"> • External Funding Sources: Reduce feasibility constraints for new affordable housing by leveraging external funding sources, such as state, federal, and regional programs. • Municipal Funding: Expand and grow City-led funding for affordable housing, and target resources to the Plan Area. • District-Level Funding: Assess the potential to create a local district-level funding source. 	Housing and Community Services, Planning

6.4 Infrastructure Capital Improvements

This section identifies necessary capital improvements for the El Camino Real Specific Plan Area, organized by topic. Each action includes an estimate of project timing, responsibility, and cost. These proposed improvements will be updated and refined over time as actions are completed and as El Camino Real evolves.

Sewer and Water

Potential sanitary sewer capacity impacts of the proposed Specific Plan were evaluated using the City's sanitary sewer hydraulic model. Flow from the Specific Plan would enter the City's sanitary sewer system at various manholes along El Camino Real (ECR) as well as at unmodeled (8-inch) sewers discharging to trunks north of ECR. The network used in the model consists of the City's expanded trunk sewer system that was developed as part of the 2016 Sanitary Sewer Master Plan Update (2016 Master Plan), which includes recent and proposed improvements.

System capacity was evaluated based on the ability of the sanitary sewer system to convey future peak dry and wet weather flow under design storm conditions. The analysis utilized the City's 2035 General Plan Phase 3 Loads (future 2035 Loads), which were updated as part of the 2016 Master Plan. This analysis used the same 10-year design storm that was used for the 2016 Master Plan.

The El Camino Real Specific Plan Land Use Plan and Growth Projections were used to determine future additional demand on the current system. Recent development along El Camino Real (developments that have been approved, are pending, or have submitted pre-applications) as well as parcels with the potential for redevelopment over the 20-year time horizon of the Specific Plan were added to the model as individual subcatchments.

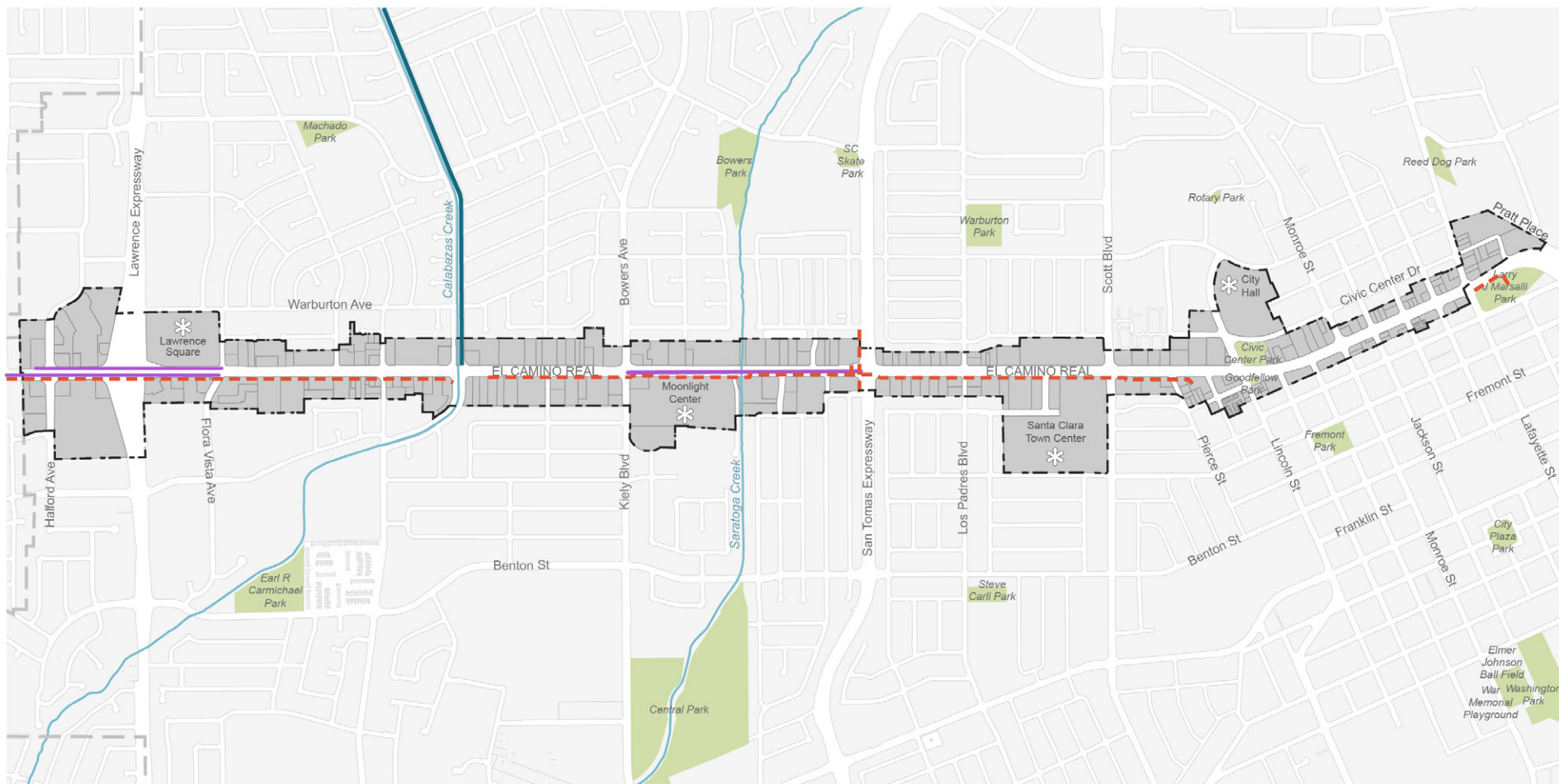
Generally speaking, the model results found that proposed development under the Specific Plan does not cause additional deficiencies in the modeled trunks beyond those already identified by the City, and no additional capacity improvements are needed to serve the proposed development. Note that this evaluation addressed trunk sewers only. Unmodeled local small (6- and 8-inch) diameter sewers that may directly receive flow from parcels along the corridor were not analyzed as part of this evaluation, but should be regularly monitored and may need to be upsized to meet future demand. Table 6-3 and Figure 6-1 further describe the known deficiencies and projected sewer and water upgrades that may be needed in the future.

Although water system capacity was not modeled, existing water lines along the corridor are generally pressurized and therefore have a higher capacity than sewer pipes of the same sizes. Given that the existing pressure of each water main is unknown, additional modeling will need to take place for a true capacity assessment, but as a general rule of thumb, smaller lines (8-inch or smaller), should be monitored and analyzed more regularly for capacity deficiencies.

Table 6-3. Sewer and Water Capital Improvements

Project	Description	Estimated Timing	Responsibility	Cost Estimate
Pump station capacity improvements	Based on the modeled flows that will reach the Rabello and Nothside pump stations with the Specific Plan developments, the rated firm capacity will be exceeded at both pump stations and require planning for future pump station capacity upgrades.	Would need to take place before 2035 future sewer flows are reached	City	City will need to conduct a study to determine potential scope and planning level cost estimate
Upgrades to the 24-inch Calabazas Boulevard sewer trunk line	Some of the Specific Plan parcels will discharge additional flow into the 24-inch Calabazas Boulevard trunk, which has known deficiencies. As a result, this deficiency should be addressed prior to further development of these parcels.	Would need to take place before 2035 future sewer flows are reached	City	City scheduled to conduct study and planning level cost estimate in 2021
Upsizing of local small-diameter sewer lines	Up to 2,600 linear feet of 8-inch sewer lines may need to be upsized to meet future capacity requirements.	Ongoing as future developments proceed	Developer	\$620,000
Upsizing of water mains	Based on the existing demand and projected additional demand on the system, all 15,400 linear feet of 8-inch water lines should be inspected for potential upsizing.	Ongoing as future developments proceed and as deemed necessary by City utilities	Developer	\$2,200,000 (total including 10% contingency)

Figure 6-1. Water and Sewer System Recommended Improvements



Legend

- City Boundary
- - - Plan Boundary
- Parcels
- Plan Parcels
- Parks
- Creeks
- ✿ Landmarks

Utility Upsizing Recommendations

- **Water Lines:** 8" water lines proposed for upsizing
- **Local Sewer Lines:** Local small-diameter sewer lines proposed for upsizing
- **Trunk Sewer Lines:** Calabazas Creek 24" trunk sewer line that requires repairs

0 0.125 0.25 0.5 Miles

5 minute walk



Stormwater

There is the potential to improve stormwater drainage along El Camino Real by installing permeable paving within the proposed cycle track, as described in Table 6-4. Locations where this may be appropriate are dictated by utility lines running beneath the proposed cycle track location and the proximity to existing storm drain infrastructure. There are locations where permeable paving can be installed on the north side/ westbound side of El Camino Real. In order to achieve this, however, additional storm drain infrastructure would need to be installed. Permeable paving is feasible along the majority of the south side/ eastbound side of El Camino Real as it is for the most part directly adjacent to existing storm drain lines in most cases.

The locations of trees and rain gardens can be interchangeable, but additional opportunities for rain gardens should be sought out at the natural low points along the El Camino Real corridor and where catch basins already exist to capture existing drainage. Cutouts in the two-foot buffer running along the cycle track will allow for runoff from the roadway to enter into rain gardens placed along the back of curb. Given the crown of the El Camino Real roadway on either side of the median and the lack of utilities running through it, there is further potential to install rain gardens and landscaping within the median and drain portions of the street towards it.

Table 6-4. Stormwater Capital Improvements

Project	Description	Estimated Timing	Responsibility	Cost Estimate
Permeable Paving in Cycle Track	Permeable paving may be placed in areas of the cycle track along the majority of the eastbound direction, excluding areas in conflict with electrical and sewer lines.	Ongoing as Complete Streets project is phased through the corridor	City	\$50 per sf for a 6-foot wide cycle track
Rain Gardens	With fewer utilities running along the westbound side, it is feasible to strategically place rain gardens at low points along El Camino Real to capture stormwater.	Ongoing as Complete Streets project is phased through the corridor	City	\$25 - \$100 per sf for a 3-foot rain garden

6.5 Street and Public Space Capital Improvement Projects

Transforming El Camino Real into a more comfortable, efficient, and safe multimodal environment will involve a combination of publicly and privately funded street and public space improvements. Some will happen in conjunction with future private development. Other projects such as new bicycle facilities, improved bus stops and islands, and intersection redesigns may require City funding. These street and public realm improvements are listed in Table 6-5.

In collaboration with project applicants, the City will continue to develop further guidance regarding the timing of the improvements relative to the timing of new development, the use of impact fee/assessment district fee revenues, the use of developer advances/reimbursements mechanisms,

the role of developers in installing improvements, and the role of the City in installing improvements. It is envisioned that larger/key development projects would be candidates for advancing funding for constructing needed improvements. These developments would then be reimbursed by future developments. Smaller projects without major sponsors would likely need to be funded by accumulated impact fees and/or assessment district fees. Given the objective to intensify development and enhance sustainability, many of these improvements would be competitive for the myriad of grant funds that are available for projects that encourage sustainability and infill development.

Estimated Timing:	Implementation Approach:	Responsibility:
Short-term = within 2 years of adoption	Piecemeal = Developed incrementally over time	Public = To be implemented by the City of Santa Clara
Mid-term = within 10 years of adoption	All-at-once = Developed at once as a single project	Private = To be implemented by private developers
Long-term = within 30 years of adoption		Public/Private Partnership (PPP) = To be implemented through a public/private partnership

Table 6-5. Street and Public Space Capital Improvement Projects

Project	Description	Estimated Timing	Responsibility	Implementation Approach
Reconfiguration of the El Camino Real ROW	Remove on-street parking and narrow existing travel lanes along the corridor.	Short-term	City, Caltrans, and VTA	All-at-once
San Tomas Aquino Creek trail crossing improvements at San Tomas Expressway	Improve trail crossing across the west leg of the San Tomas Expressway intersection by providing a bicycle signal and associated vehicular right-turn-on-red restrictions for southbound San Tomas Expressway and eastbound El Camino Real.	Short-term	City and Caltrans	All-at-once

Table 6-5. Street and Public Space Capital Improvement Projects (continued)

Project	Description	Estimated Timing	Responsibility	Implementation Approach
Pedestrian-Scale Street Lighting along El Camino Real	Install new pedestrian-scale light fixtures to existing light poles along El Camino Real.	Short- to Mid-term	PPP	All-at-once (for each major block)
Provide Intersection Design Improvements	Improve pedestrian crossing at all intersections along the corridor, consistent with the City's Pedestrian Master Plan, including as appropriate: eliminating right-turn slip lanes, providing bulbout extensions while reducing curb radii, upgrading curb ramps, straightening/shortening crosswalks, and installing pedestrian crosswalk motion sensors, "Yield Here to Peds" signs, and high visibility and/or decorative crosswalks.	Short- to Mid-term	PPP	All-at-once (for each crossing)
On-street Bicycle and Transit Improvements on El Camino Real	Provide a continuous cycle track with bus boarding islands along the corridor. Blocks that currently have several closely spaced driveways might initially have striped buffers and not physical buffers between bike lanes and the outside travel lane. As parcels redevelop, driveways should be consolidated, and physically separated cycle tracks should be provided.	Mid-term	City and Caltrans	All-at-once
El Camino Real Streetscape Improvements	Work with private property owners to implement the streetscape improvements described in Chapter 5 Transportation and Public Space. Streetscape improvements include wider sidewalks, street furnishings, and landscaping.	Mid-term	PPP	Piecemeal
Formalize School Connections	Collaborate with relevant agencies to formalize connections to schools just outside the Plan Area.	Mid-term	Private	All-at-once
New Streets and Pedestrian Pathways	Work with private property owners to implement new streets and pedestrian pass-throughs at Activity Centers.	Long-term	Private	Piecemeal

6.6 Funding and Financing Strategy

The El Camino Real Specific Plan specifies new public infrastructure and amenities required to support the emergence of a walkable, vibrant corridor with residential and commercial uses. This funding and financing strategy aligns potential funding sources and mechanisms with the types of improvements included in the Plan, and provides a framework for determining responsibilities for constructing and funding improvements.

Private sector developers, investors, and property owners will drive new investment and construction in the Plan Area. Therefore, it is envisioned that many future improvements planned for the Specific Plan Area will be achieved through private sector development, by meeting on-site development standards, paying existing and possible future fees, providing community benefits, making physical improvements such as new sidewalks and pathways, and through other potential future funding and financing mechanisms.

The City's funding and financing strategy – which will evolve over time – should ensure that smaller and more immediate development can move forward while also ensuring all development projects contribute to shared corridor-wide infrastructure needs. Activity Centers are major redevelopment opportunity sites that could transform the corridor, yet projects may take longer to deliver at these properties due to competing public priorities, multi-party reciprocal easement agreements, and long-term leases with existing retail tenants. Given these complications, the selected funding mechanisms must recognize that development is likely to move forward on other smaller parcels prior to the Activity Center sites. The City of Santa Clara should take a proactive role in providing coordinated and cohesive improvements to the corridor by constructing

or improving basic infrastructure (e.g., water supply, stormwater, wastewater systems, etc.), and the public realm (e.g., streetscape, bike lanes, lighting, etc. along El Camino Real). The City may choose to proactively fund and construct the public realm improvements as a means of shifting perceptions of the corridor and encouraging private investment. Additionally, the City should adopt short-term tools to ensure early development projects pay their fair share towards shared corridor-wide infrastructure needs triggered by growth, despite the additional time required for the City to complete detailed studies to understand costs, phasing, and shared responsibilities for implementing these infrastructure improvements.



6.7 Funding and Financing Sources and Mechanisms

A spectrum of potential funding sources and mechanisms exist for implementing the improvements identified in the El Camino Real Specific Plan, as shown in Table 6.4. In many cases, multiple funding sources will need to be combined in order to pay for specific projects. This section describes these sources and mechanisms and their potential uses in the Plan Area.

Although the terms “funding” and “financing” are often used interchangeably, there is an important distinction between the two terms. “Funding” typically refers to a revenue source such as a tax, fee, or grant that is used to pay for an improvement. Some funding sources, such as impact fees, are one-time payments, while others, such as assessments, are ongoing payments. “Financing” involves borrowing against 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.

Funding for improvements in the Plan Area can come from a mix of developer contributions (both required and negotiated), City resources, Federal and State funds, and potential new district-based “value capture” mechanisms. Table 6-6 below describes the major categories of funding sources and provides examples.

Table 6-6. Funding Source Categories, Examples, and Timing of Availability

Source	Description	Estimated Project Timing
City Resources		
General Fund	While not a primary funding source, the City's General Fund may be a useful source for short-term loans to be repaid by longer-term sources of capital.	Ongoing, and often immediately available if prioritized by the community
Capital Improvement Program	Infrastructure projects identified in the Specific Plan – including the major capital improvement projects – are candidates for inclusion in the City's Capital Improvement Program, which is updated annually and includes a projection of five years of future infrastructure projects.	Ongoing, and often immediately available if prioritized by the community
Developer, Property Owners, and Users		
Required Development Improvements and Fees	Each new development project will contribute to the El Camino Real Specific Plan implementation by providing on-site improvements as required by the Plan's development standards, such as on-site open space and streetscape improvements. New development projects can also be required to reimburse the City for the cost of development and administering the Specific Plan itself.	One-time, as development activity occurs
Linkage Fees	A fee rate could be established for all new residential (and even commercial developments) in the Plan Area that would be specifically targeted to support infrastructure upgrades that facilitate commercial retention within the Plan Area. Also, residential and commercial linkage fees are enacted by many cities to help generate funds for affordable housing. Such fees link the production of market rate real estate to that of affordable housing. Such a fee was passed in 2017 to supplement affordable housing in Santa Clara.	One-time, as development activity occurs
Impact/ In-Lieu Fees	Pursuant to the Mitigation Fee Act, local agencies may assess impact fees to cover incremental service and capital costs of new development. Fees are typically paid at the time of building permit issuance or recording the final subdivision map and are placed into a reserve fund for specific improvements. Parking or traffic mitigation fees are examples of development impact fees.	One-time, as development activity occurs
Business Improvement District (BID)	A Business Improvement District is a defined area within which businesses are required to pay an additional tax in order to fund projects within the district's boundaries. The BID is often funded primarily through the levy but can also draw on other public and private funding streams.	Potentially ongoing

Table 6-6. Funding Source Categories, Examples, and Timing of Availability (continued)

Source	Description	Estimated Project Timing
Developer, Property Owners, and Users (continued)		
Development Agreements with Enhanced Entitlements	It is common for local agencies to enter into a development agreement when conferring long-term entitlements for a major project. As part of the negotiation process, developers may agree to provide extraordinary benefits, including infrastructure and other public facilities. These commitments are agreed upon at the discretion of negotiating parties and as such are not subject to the Mitigation Fee Act. The nature and magnitude of benefits provided will depend on local market conditions, the entitlements, and the development economics of the project. Providing favorable entitlements can be an effective means for funding infrastructure and public facilities. Examples include: reducing parking requirements, and increasing permitted floor area ratios, among others. By increasing the value of the private development, additional “value” is created, a portion of which can be directed towards infrastructure improvements.	One-time, as development activity occurs
Economic Incentive Agreements	Economic incentive agreements provide the private sector a form of gap funding in situations where the development economics do not support the full cost of a commercial project with the potential to deliver substantial community benefits. Local agencies may enter into incentive agreements pledging to rebate a portion of sales taxes generated by new businesses locating to an area that designate the jurisdiction as the point of sale. Incentive agreements may also track and rebate a portion of Transient Occupancy Tax revenues generated by the suppliers, customers, and employees of new businesses. Developers or tenants can leverage such agreements to finance site or tenant improvements in private capital markets secured by anticipated tax rebates.	One-time, as development activity occurs
Fee Credits/ Reimbursement Agreements	Many local agencies permit developers to construct area-serving infrastructure such as streets, utilities, parks and open space in lieu of paying certain impact fees. Local agencies may also enter into agreements to reimburse developers for investments in area-serving infrastructure in cases where the value of the investment exceeds fees otherwise owed by the project.	One-time, as development activity occurs
CEQA Mitigations	As a requirement of approval, developers may be required to undertake a number of mitigation measures as defined by the California Environmental Quality Act (CEQA). The Environmental Impact Report (EIR) for the Plan will identify the CEQA mitigations that will be required of new development within the Specific Plan Area.	One-time, as development activity occurs

Table 6-6. Funding Source Categories, Examples, and Timing of Availability (continued)

Source	Description	Estimated Project Timing
District-Based Tools		
Assessment District	An Assessment District adopts a new special assessment on property owners or participants within a defined area to fund improvements, depending on the type of district and relative benefit received. Examples include landscaping and lighting districts, community benefits districts, and business improvement districts. Facilities or services funded by special assessment districts must confer “special benefits” upon affected property owners and assessments must be assigned to property owners in direct proportion to the benefits received. Special assessments are subject to majority approval by voters (if 12 or more are registered in the district) or affected property owners (in all other cases). Assessment districts can be particularly useful in funding ongoing operations and maintenance.	Ongoing, and grows over time. Some sources allow for up-front revenue via bond financing.
Community Facilities District (Mello-Roos)	<p>A Special Tax or Community Facilities District establishes additional assessments on properties, levied and varied based on a selected property characteristic (excluding property value). Special Tax or Community Facilities Districts must be approved by a two-thirds majority. Community Facilities Districts (CFDs) have proven effective at funding broad-based capital projects in developing areas. They are most commonly used in circumstances in which approval is limited to a small group of landholders. The special tax creates a dedicated funding source suitable for capital improvement bond financing but also an additional cost on property ownership.</p> <p>The scope of eligible activities in Special Tax or Community Facilities Districts is broader than in special assessment districts. While facilities or services funded by special assessment districts must confer “special benefits” upon affected property owners, special tax districts must only ensure that new capital facilities and services supplement, rather than supplant, existing levels of service in the district. Examples of eligible improvements include: streets and public ROW improvements; park, recreation, and open-space facilities; school, library, and childcare facilities; water, wastewater, flooding, and other infrastructure.</p>	Ongoing, and grows over time. Some sources allow for up-front revenue via bond financing.

Table 6-6. Funding Source Categories, Examples, and Timing of Availability (continued)

Source	Description	Estimated Project Timing
District-Based Tools (continued)		
Infrastructure Finance Districts (IFDs, EIFDs, IRFDs, and CRIAs)	<p>Following the dissolution of Redevelopment in 2012, the State has bolstered alternative means of tax increment financing through the approval of legislation that permits the creation of “Enhanced Infrastructure Finance Districts” (EIFDs), Infrastructure and Revitalization Districts (IRFDs) and Community Revitalization and Investment Authorities (CRIAs). The primary objective of infrastructure finance districts is to finance capital projects of “communitywide impact.” Districts may include any area, including non-contiguous areas, within a sponsoring city or county. Such facilities may include transportation infrastructure, water and wastewater infrastructure, solid waste facilities, and community amenities including parks, libraries, and childcare centers.</p> <p>Once established, infrastructure finance districts and CRIAs are authorized to receive tax increment revenues from a defined area with the consent of affected taxing entities, excluding school districts. The financing capacity of the districts is driven by the portion of the base 1% tax levy that is dedicated to the district. It is an effective tool when either a sponsoring City receives a large share of the 1% property tax levy or if counties agree to contribute a portion of the county increment to the district.</p>	Ongoing, and grows over time. Some sources allow for up-front revenue via bond financing.
Federal and State Funding Programs		
Regional, State and Federal Grants	<p>Federal and state grants, loans, and incentive programs are valuable sources of gap financing and funding for local infrastructure and economic development projects. Many programs are competitive and emphasize investments in areas of economic need. The following loan programs are some of the most widely used and most applicable sources:</p> <ul style="list-style-type: none"> • State Infrastructure Bank: Industrial Development Bonds • State Infrastructure Bank Revolving Loan Program • Statewide Community Infrastructure Program 	<p>One-time, as sources are typically competitive and timing of availability is uncertain until secured.</p> <p>User/service fees are usually paid for ongoing operations and maintenance of existing facilities and services.</p>

Potential Funding Sources for Specific Plan Improvements

Improvements for the Plan Area are comprised of water, stormwater, wastewater, street, and public space capital improvements. The funding sources that potentially could be used for these improvements are identified in Table 6-7.

Table 6-7. Infrastructure Improvements and Target Funding Sources

Funding and Financing Sources	Specific Plan Area Major Infrastructure Capital Improvements					On-Site Projects		Commercial Retention
	Water Systems	Stormwater System	Wastewater	Reclaimed Water	Street and Public Spaces	Water, Stormwater, Wastewater	Internal Streets and Open Space	Subsidizing Retail
Developer / Property Owner / User Funds								
Required Development Improvements and Fees					X	X	X	
Development Agreements with Enhanced Entitlements	X	X	X	X	X	X	X	X
Community Benefits Program								X
Business Improvement District								X
Development Impact Fees	X	X	X		X			
Developer Credits and Reimbursements	X	X	X		X			
CEQA Mitigations	X	X	X	X	X	X	X	
Economic Incentive Agreements	X	X	X	X	X	X	X	X

Table 6-7. Infrastructure Improvements and Target Funding Sources (continued)

Funding and Financing Sources	Specific Plan Area Major Infrastructure Capital Improvements					On-Site Projects		Commercial Retention
	Water Systems	Stormwater System	Wastewater	Reclaimed Water	Street and Public Spaces	Water, Stormwater, Wastewater	Internal Streets and Open Space	Subsidizing Retail
District-Based Tools								
Assessment Districts		X	X		X			
Community Facilities District (CFD)	X	X	X	X	X		X	
Infrastructure Financing Districts	X	X	X	X	X		X	
City Funds								
General Fund	X	X	X	X	X			
CIP	X	X	X	X	X			
Federal and State Funds								
State Infrastructure Bank	X	X	X	X	X	X	X	
Community Infrastructure Program	X	X	X	X	X	X	X	