

CITY OF OCEANSIDE

DRAFT

COAST HIGHWAY COMMUNITY REVITALIZATION INCENTIVE PROGRAM

EXCELLENCE IN DEVELOPMENT FOR GROWTH EFFICIENCY

(EDGE)



- Incentives
- Project Eligibility
- Application Process

January 2010

Coast Hwy Community Revitalization Incentive Program

Discover Oceanside's EDGE



The City of Oceanside is taking strategic actions to ensure the community's prosperity and promote high quality living standards.

On April 15, 2009, the City Council approved and directed implementation of the Coast Highway Vision and Strategic Plan and urban design guidelines to promote smart growth objectives and principles.

In planning effectively for Coast Highway's future, Oceanside increasingly recognizes that to achieve high quality design and

environmentally and economically sustainable development, investors must be provided with the tools they need to succeed.

To that end, a comprehensive incentive

program has been created to promote ***Excellence in Development and Growth Efficiency*** (EDGE).

Consistent with the Coast Highway Vision and Strategic plan, EDGE is intended to facilitate the revitalization of the corridor with mixed use, pedestrian friendly, environmentally conscious and culturally enriched development while providing investors with the economic "edge" necessary to realize financial and economic goals.



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Coast Hwy Community Revitalization Incentive Program

Statewide Community Infrastructure (SCIP) Program

The California Statewide Communities Development Authority (CSCDA) is a joint powers authority sponsored by the League of California Cities and the California State Association of Counties. By its membership in CSCDA and participation in the Statewide Communities Infrastructure Program (SCIP) the City of Oceanside enables development applicants to apply and obtain low-cost, long term financing for eligible

development impact fees and improvements, which can otherwise entail substantial cash outlays.

Eligible costs are typically limited to those which are required to be paid to the City to mitigate the impact of development and which will ultimately be used by the City to pay for public infrastructure.

Eligibility

SCIP is available to all property owners and developers of properties located within the Coast Highway Vision and Strategic Plan area.

For projects determined to be qualified, SCIP provides non-recourse financing of either eligible development impact fees payable to the City or eligible public capital improvements or both. Under certain circumstances and on a case by case basis,

development impact fees payable to local agencies other than the City of Oceanside may also be financed.



Process

SCIP is administered by highly trained and experienced consultants selected by CSCDA. Upon receipt of a completed application, including the Landowner Information Form, the SCIP team reviews it and determines eligibility of the fees and improvements for which the applicant seeks financing and the creditworthiness of the applicant of the project.

Once approved by the SCIP team, the application is countersigned by the City of Oceanside. Applications are aggregated for inclusion in the next round of financing. Periodically, as warranted by the accumulation of approved applications, CSCDA issues tax exempt revenue bonds. The proceeds from the bonds are used to fi-

nance the fees and/or improvements for qualifying projects throughout the State.

Revenue to pay debt on the bonds are derived by CSCDA either through the levy of special assessments on the parcels which comprise the participating projects by establishing one or more assessment districts or through the levy of special taxes on the project parcels by establishing a community facilities district (CFD).

Absent circumstances which warrant a CFD, the Assessment District format has been and is expected to continue to be the customary format for SCIP financing.

Coast Hwy Community Revitalization Incentive Program

“Green-Tape” Expedited Entitlement Processing



The City of Oceanside has established the “Green-Tape” expedited entitlement and building permit processing program in effort to attract targeted land uses, and attain the high quality smart growth design solutions advocated in the Coast Highway Vision and Strategic Plan.

The Coast Highway Smart Growth Criteria Scorecard is utilized as a means of establishing objective metrics for determining project consistency with the vision for the area.

The scorecard includes 30 questions about land use, proximity to transit, accessibility, design and aesthetics and other smart growth/ livable community characteristics.

The City prioritizes and expedites processing of development entitlement and building permit applications that meet the objectives of the Coast Highway Vision and Strategic Plan.

Eligibility

All development projects on properties located within the boundaries of the Coast Highway Vision and Strategic Plan corridor area that achieve a total score of 85% or greater on the Coast Highway Smart Growth Criteria Scorecard are eligible for “Green-Tape” expedited processing.

Eligible projects that also serve as catalytic developments, in accordance with the Coast Highway Vision and Strategic Plan, will be reviewed and processed in advance of all other “Green-Tape” proposals.

Process

Applicants who wish to be considered for “Green-Tape” expedited processing program must complete and submit The Coast Highway Smart Growth Criteria Scorecard in conjunction with the initial project entitlement applications.

Planning staff will evaluate the project and issue a determination on the project’s “Green Tape” eligibility/status within 30 days from application submittal.

Once “Green-Tape” status is granted the project will be prioritized for both development entitlement and building permit

processing and will retain that priority status until its completion- unless subsequently modified in a manner that affects its eligibility.

With the applicant’s concurrence, review of entitlement applications and plan checking may be outsourced to further streamline project review. All costs associated with use of staff extension consultant services will be the sole and full responsibility of the applicant.

Coast Hwy Community Revitalization Incentive Program

Public/Private Partnership Agreements -Entitlement Vesting

A public/private partnership agreement between the City of Oceanside and eligible applicants/property owners of development proposals within the Coast Highway Vision and Strategic Plan area's boundaries can be set in place to guarantee development entitlement rights vesting beyond the time limits set forth in the Oceanside Zoning Ordinance.

The goal of this incentive is to retain certainty in approved entitlement conditions and eliminate the unpredictability associated with potential changes in policies and

zoning laws that may affect development costs of a project subsequent to project approval.

Entitlement vesting provides additional assurance not only to investors/developers/property owners but also to the community guaranteeing that projects will be constructed in accordance with approvals granted by the City for a predetermined period of time.

Eligibility

Development proposals within the Coast Highway Vision and Strategic Plan area that are found to be consistent with the land use strategy and design principles of the adopted plan are eligible and may request to obtain entitlement vesting via a public/private partnership agreement.

Eligible development projects must achieve a total score of 85% or greater on the Coast Highway Vision and Strategic Plan Scorecard to qualify/enter into a development agreement with the City of Oceanside.



Process

Applicants who wish to enter into a public/private agreement with the City of Oceanside will be required to formally declare their intent as part of their initial project entitlement application submittal.

The Development Agreement request and draft development agreement document will be considered in conjunction with project entitlement processing.

As a material part of the consideration for setting the Development Agreement in place the parties will agree that the existing land use regulations will be applicable to the development of the project for a period of time not to exceed 10 years.

As part of the vesting agreement the applicant may be subject to additional conditions related to improvements and fees.



Coast Hwy Community Revitalization Incentive Program

Smart Growth Transit Oriented Development (TOD) Incentives



In accordance with the adopted Coast Highway Vision and Strategic Plan, the Oceanside Transit Center and Sprinter Station areas are expected to be developed as mixed-use, pedestrian oriented nodes.

The Transit Center is envisioned to serve as an extension of the downtown business district providing opportunities for additional commerce, employment areas and supporting luxury and workforce housing. The Sprinter Station is envisioned as a focal area where arts, technology and environment would converge with business and commerce in a way that contributes to the

cultural and economic viability of the City.

For this vision to materialize intensification of both areas will be necessary, to create critical mass business centers and synergistic environments.

To achieve set vision goals the City of Oceanside has adopted a Transfer of Development Rights (TDR) ordinance that designates both areas as density credit "receiving" sites. This designation not only serves to implement the transit oriented development anticipated in those nodes but also provides for the much desired variety of building heights/street scene along the predominantly designated "sending" sites of Coast Highway.

Eligibility

Designated "sending" and "receiving" sites identified in the City of Oceanside TDR map may participate in the program.

All development projects on properties located within the boundaries of the Coast Highway Vision and Strategic Plan corridor area that achieve a total score of 85% or

greater on the Coast Highway Vision and Strategic Plan Scorecard would qualify as a TDR project.

The preferred maximum heights within key Coast Highway Vision and areas are identified in the Coast Highway Vision and Strategic Plan diagram p51.

Process

The TDR program is a voluntary market-driven program involving willing sellers and buyers. The program allows eligible sending site landowners (lots targeted for preservation) to sever certain development right(s) as defined in the TDR ordinance from rights associated with land ownership.

Sending site landowners that choose to participate in the program are compensated at fair market value for the lost development potential through market sales of those development rights ("density credits"). Once the development rights are sold, the land is protected from future development in perpetuity through conservation easements.

Sending site land owners are incentivized to participate since they can forego the development approval and building process yet receive payments commensurate with the realized profits of their property built to its highest and best use.

Eligible receiving sites may be developed at higher densities than otherwise allowed by current base density/intensity standards with requisite purchases of "density credits". Receiving sites are incentivized to participate since they are able to realize greater profits through enhanced entitlements. Additional bonus density will be awarded to affordable housing development proposals.

Coast Hwy Community Revitalization Incentive Program

Historic Preservation/ Mills Act Incentives

The Mills Act is a State law allowing cities to enter into voluntary agreements with the owners of historic structures.

These agreements allow a reduction for property taxes for the owner in return of maintaining, preserving, and protecting the property for a minimum of ten years.

Eligibility

Qualified historic properties within the Coast Highway Vision and Strategic Plan area are eligible for Mills Act incentives. The property must be listed on any federal, state, county, or city register, including the *National Register of Historic Places*, *California Register of Historical Resources*, *California Historical Landmarks*, *State Points of His-*

torical Interest, and locally designated landmarks to qualify for the program.

Owner-occupied family residences and income-producing commercial properties may qualify for the Mills Act.



Process

Applicants interested in participating in the Mills Act program are encouraged to arrange a pre-application meeting with staff to become well-acquainted with the Mills Act Program requirements (Chapter 14A) and to verify that the resource is a designated historical resource.

Mills Act program applicants must submit a complete application to the Planning Division for review. Staff will review the submitted application and will perform a field inspection to verify the condition of the property. Staff will prepare the draft contract to be forwarded to the Oceanside Historic Preservation Commission (OHPAC) for review and recommendation. The City Planner will finalize the decision to place the property under a Mills Act Contract.

Terms of Contract:

- The term of the contract will be set for a minimum of 10 years.
- The property owner is responsible for and will benefit from the historical property.
- The City and qualified property owner shall comply with all provisions of the

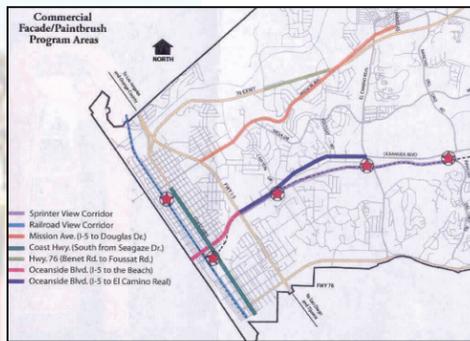
California Mills Act such as indemnifying and holding the City harmless from all claims.

- Permission must be granted by the property owner for the Landmarks Board, the Assessor, the Department of Building Inspection, the Office of Historic Preservation of the California Department of Parks and Recreation, and the State Board of Equalization to conduct examinations of the interior and exterior of the property.
- An agreement will be established that the City can cancel the contract, or seek enforcement of the contract only if the owner has violated the terms of the contract.



Coast Hwy Community Revitalization Incentive Program

Commercial Façade/ Paintbrush (Exterior) Incentives



The City of Ocean Side is committed to restoring the visual appearance of priority commercial corridors citywide and the Downtown Redevelopment Area. As part of this commitment the City has set in

place a program - the Commercial Façade/ Paintbrush Program - to incentivize exterior improvements to business facades.

Beyond improving the visual appearance of the City's corridors and downtown, improvements completed as part of this in-

Eligibility

Businesses along the segments of Coast Highway, Oceanside Blvd, the Railroad View Corridor and Downtown Redevelopment Area are eligible to apply for rebate grant(s) under this program.

Eligible improvements include exterior painting, repair/replacement of awnings,

Process

This program is administered by the Economic and Community Development Department and is subject to approval by the Director. All work must be approved by the City prior to construction/installation in order to qualify under the grant program.

Upon submittal of a grant application City

centive program are ultimately intended to attract new businesses, customers, jobs and investments into priority commercial areas and by doing so create a vibrant environment that would further enhance Oceanside residents' quality of life.

Coast Highway, Oceanside Blvd and the Railroad View Corridor within the Coast Highway Vision and Strategic Plan area are designated as priority corridors under this program.

The Commercial Façade/ Paintbrush incentive program provides a matching rebate grant of 50% of eligible exterior improvement costs to applicants up to a maximum of \$25,000 (within the redevelopment area) and \$10,000 (outside the redevelopment area).

NOTE: Within the redevelopment area, if three or more businesses on the same block participate as part of a single application request the rebate is increased to 65% of the total costs. The rebate is further increased to 75% of the improvement costs if the entire block participates.

canopies, signs, light fixtures and installation of permanent landscaping.

Assistance under this program is subject to availability of funding and will be granted on a first come first served basis at the sole discretion of the City.

staff will review the request to determine if the project would advance the goals and objectives of the Coast Highway Vision and Strategic Plan. If approved the applicant must commence work within 30 days from the date of approval and complete all work within 90 days.

Coast Hwy Community Revitalization Incentive Program

CaliforniaFIRST Eco-friendly Improvement Financing

Oceanside is a progressive coastal community that strives to maintain high quality standards of living for its citizens and to balance environmental sustainability issues with economic needs.

To that end the City of Oceanside supports through its participation in the California FIRST program construction of eco-friendly residential and commercial building improvements along the Coast Highway corridor planning area.

The Program - sponsored by the California Statewide Communities Development Authority (CSCDA) - allows owners of properties, city-wide, to finance renewable energy, energy efficiency and water efficiency improvements on their properties

through the levy of contractual assessment and the issuance of Improvement bonds under the Improvement Bond Act of 1915.

Bonds issued under this program will be secured by the properties benefiting from the requested improvements and the assessment obligation will transfer with the property upon sale.



Eligibility

Financing of eco-friendly improvements through the CaliforniaFIRST program is available to all property owners. The minimum installation cost that can be financed for each property is \$5,000. The CaliforniaFIRST program is completely voluntary.

Participants must be the legal owners of the properties requested to be improved and must meet underwriting criteria and other CaliforniaFIRST program terms for reservation of funding.

Process

CSCDA is responsible for implementing the CaliforniaFIRST program including assessment administration and issuance of bonds. CSCDA has selected Renewable Funding to administer the program. Renewable Funding will review applications and provide marketing and customer service.

Property owners can apply on-line for a funding reservation. Applications must include a project description and contractor bid. Upon completion of the application screening process property owners receive a reservation for funding and are required to sign an Assessment Contract at which

time the lien of the contractual assessment is placed on the property. Property owners must receive a Notice to Proceed before beginning work on their property in order to make certain bond issuance is successful. Property owners have at least 6 months after receiving the Notice to Proceed to install their renewable energy, energy efficiency or water efficiency improvements.

The City of Oceanside Clean Water Program Coordinator has been designated as the contact person for CSCDA in connection with the CaliforniaFIRST program.



Coast Hwy Community Revitalization Incentive Program

Arts, Technology and Environment District Incentives



In collaboration with “_____ Partnership” - a local private non-profit organization - the City of Oceanside strives to establish a district which will foster creative arts (fine and performing), innovative technology and environmental design businesses.

The district is intended to create a synergistic, unique and sustainable business, educational and entertainment environment where conventionally separate but uniquely related fields converge, flourish and contribute to Oceanside’s commerce, culture and identity.

To that end “_____ Partnership” offers existing eligible arts, technology and environment related businesses incentives to retain them within targeted areas, promote

the relocation of new businesses within certain area and encourage reinvestment, particularly within the Arts, Technology and Environment District.

Incentives include but are not limited to the following:

- Low-cost (or zero interest) existing business retention and new business start-up loans (\$_____max for a 5yr. period)
- Relocation assistance rebates for costs associated with the relocation of eligible businesses within the Arts Technology and Environment District and the Sprinter Transit Oriented Development. (\$5,000 max)
- Staff resource team assistance.

Eligibility

Arts, Technology and Environment related businesses located within the Coast Highway Vision and Strategic Plan area which are consistent in terms of land use and design with the adopted plan are eligible to apply for available incentives.

Approval of any incentives is subject to availability of funds and will be offered on a first come first served basis using established criteria to qualify applicants.

Process

Requests for low-cost loans and relocation assistance rebates are processed by “_____ Partnership” staff and granted by the Board of Directors.

Upon receipt of a completed application for a low-cost loan or relocation cost rebate, the “_____ Partnership” staff reviews and determines eligibility of the costs for which the applicant seeks financing and the creditworthiness of the project applicant.

Prior to loan funding or rebate issuance:

- The City of Oceanside must confirm in writing project consistency with the Coast Highway Vision and Strategic Plan.
- The business must have a developed marketing and business plan in place.
- The business must keep longer hours to serve evening customers.
- The business must add jobs other than that of the business owner.

Coast Hwy Community Revitalization Incentive Program

CDBG Economic Revitalization /Job Creation Assistance

The Community Development Block Grant (CDBG) program provides communities with resources to address a wide range of unique community development needs/goals.

The City of Oceanside strives to revitalize neighborhoods, serve all income segments of the community and endeavors to attain a better jobs/housing balance. To that end the City utilizes CDBG funds to support for-profit businesses by providing loans assistance to development proposals/activities

that encourage the creation or retention of jobs within the City or provide services to low and moderate income persons.



Eligibility

The City as the grantee of the CDBG funds is responsible for ensuring that a level of public benefit is obtained from the expenditure of the CDBG funds.

Activities and/or development proposals, city-wide, that meet the following mandatory standards of public benefit are eligible to apply for available CDBG assistance:

1. Create or retain at least one full-time equivalent, permanent job per \$35,000 of CDBG funds used; or
2. Provide goods or services to residents in an area, such that the number of low and moderate-income persons residing in the areas served by the assisted businesses amounts to at least one low and moderate-income person per \$350 of CDBG funds.

Process

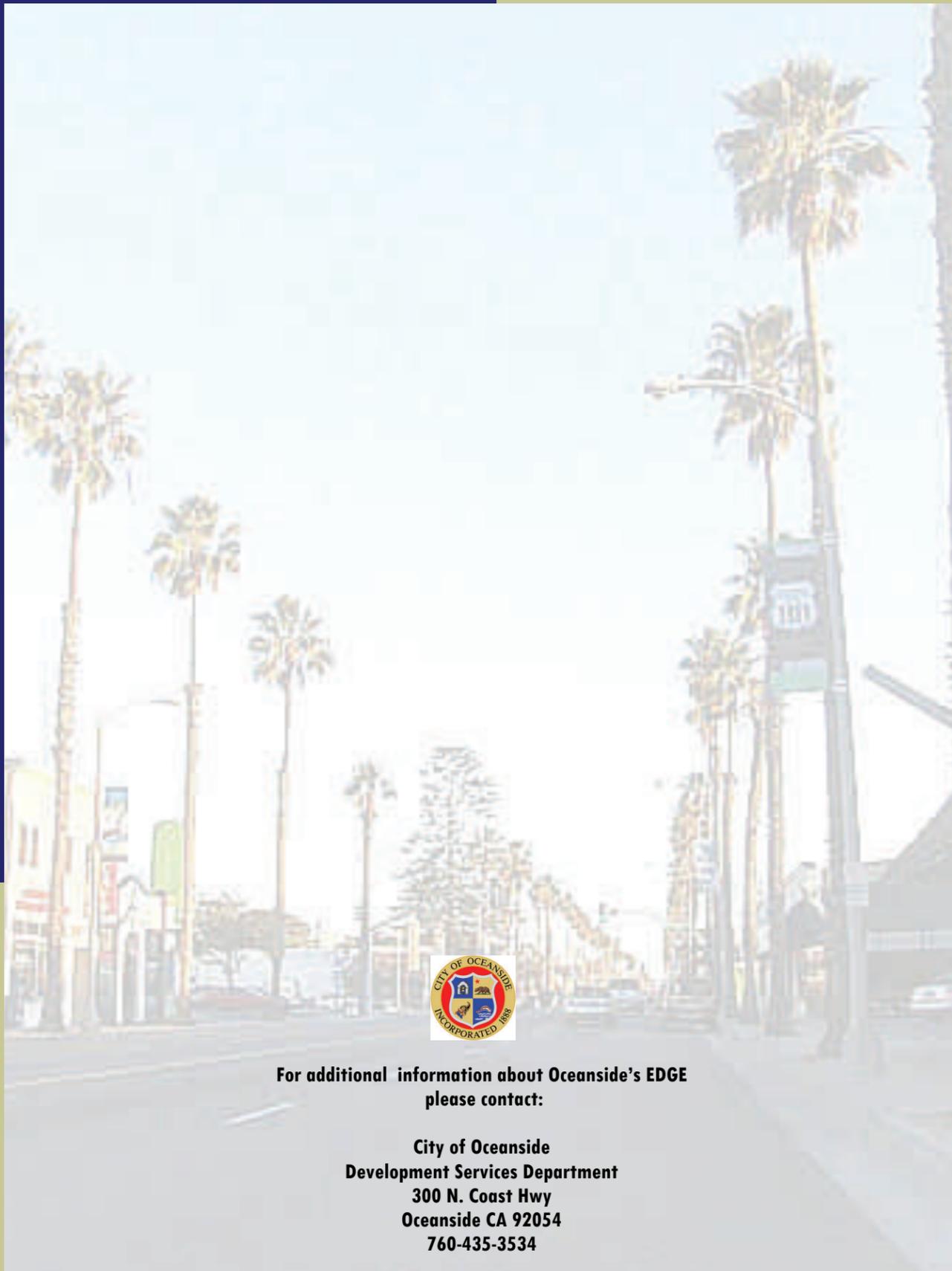
This program is administered by the Neighborhood Services Department and utilizes the following guidelines and objectives for evaluating project costs and financial requirements as part of the loan request review process for CDBG funds assistance.

1. That project cost are reasonable;
2. That the resources of project financing are committed;
3. That to the extent practicable , CDBG funds are no substituted for non-Federal financial support;

4. That the project is financially feasible;
5. That to the extent practicable, the return on the owner's equity investment will not be unreasonably high; and
6. That to the extent practicable, CDBG funds are disbursed on a pro rata basis with other finances provided to the project.

The Neighborhood Services Department's Management Analyst has been designated as the contact person in connection with this program.





**For additional information about Oceanside's EDGE
please contact:**

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