

CHAPTER 5 IMPLEMENTATION

MASTER PLAN

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5.1 Introduction

The Village and Barrio Master Plan is a long-term plan: it will guide the city's policies and investments in the area for the next two to three decades. This chapter outlines the implementation program for the Master Plan including the following components:

- Summary of Economic Trends
- Fiscal Benefits of Redevelopment
- Funding and Phasing Improvements
- Roles and Responsibilities
- Implementation Action Plan (includes summary of recommendations)

5.2 Economic Trends

The long-term economic and demographic shifts are affecting the demand for different types of building types and urban forms across the United States. The shifts will create opportunities for some types and create challenges for other types to remain relevant. Two important trends are technological shifts and demographics. More information on demographic, economic, and market trends may be found in Appendix B, Details of Economic Study. Market demand trends for general categories of uses are summarized below.

5.2.1 Retail

The Village and Barrio area is a good location for a variety of retail activities:

- Restaurants, ranging from take-out to full-service.
- Small-scale movie theaters that offer multiple screens in small rooms. Many theaters are now offering food service (sometimes in coordination with an adjacent restaurant) to create a full entertainment experience.
- Upscale grocers, which would act as 'anchor' retailers.
- Exercise studios offering pilates, yoga, or other classes.
- Small-scale independent retailers.

5.2.3 Office

The location and public transportation options in the Village create a competitive advantage over other office space in Carlsbad as well as other parts of the San Diego region. The Village offers excellent access to multiple forms of transportation. The Carlsbad Village Station, with Coaster, Amtrak, and bus service is within walking distance. Its proximity to the ocean is a huge advantage. The area is within walking distance to the beach, so that workers can easily take advantage of the amenity during a lunch break. For these reasons, the Village is well situated to attract more firms that use office space, increasing demand for office space.

5.2.4 Housing

The demographic and technology trends are enhancing the desirability of compact neighborhoods close to transit. The Village and Barrio have the key factors that make it desirable for residential uses. It is already built at a scale that makes it walkable and the Carlsbad Village Station provides transit access to the rest of the region.

5.2.5 Implications for the Village and Barrio

Overall, the economic and demographic trends are advantageous to successful redevelopment of the Village and Barrio neighborhoods. There is increased demand for higher density, compact living and that demand will continue to grow. Many households would like to live in a more compact environment, but are not seeking the very high densities associated with urban centers, as seen in downtown San Diego. Small village centers offer the compactness of a city center, but also the smaller community that typifies suburbs. Areas like the Village and the Barrio offer the convenience of an urban center along with the smaller community of a suburb—for many, it is the best of both worlds.

5.3 Fiscal Benefits of Redevelopment

Master Plan implementation will occur over time and through private and public construction. Despite the constraints and challenges that will exist, implementation of improvements will yield many positive fiscal outcomes over the long term, as the below points note.

The concentration of retail activity will enhance sales tax revenues. Creating a space that attracts retailers will increase retail sales and associated sales tax revenue within Carlsbad.

Redevelopment will increase the value of the built environment and increase assessed property values. Property tax revenue generated within the Barrio and Village will increase.

Expanding commercial space will increase City Business License Tax Revenues. Creating the opportunity to expand office space in the Village will increase the number of firms in the City that pay the City's Business License Tax. In addition, additional daytime workers will purchase goods and services in the area, enhancing the viability of retail in the area.

Redevelopment will enhance the visitor experience. The Village is already a popular visitor destination. Redeveloping the area so it offers a wider variety of uses within walking distance from beachfront lodging will enhance the visitor experience. This may further increase the desirability of the area as a visitor destination, increasing demand for lodging and generate additional transient occupancy taxes.

Costs to provide public services to a more compactly developed area such as the Village and Barrio are generally less than in the lower-density parts of Carlsbad. While the age of infrastructure can be an issue, there is less road surface, fewer water pipes, and fewer sewer pipes to maintain. In general, the maintenance of these essential urban services costs less on a per-household basis than in lower density areas.

5.4 Funding and Phasing Improvements

5.4.1 Funding Improvements

The Master Plan identifies a number of streetscape and public improvements. Some improvements may be fairly quick and easy to implement, while others may be costly, phased in over several years, or not realized for some time. Even though new infrastructure may take time to realize, the Master Plan provides the policy support for the improvements as well as the basis for applying for funding.

Generally, the costs for new construction on private property will be borne entirely by developers. Costs for public improvements, such as improvements to a roadway or sidewalk widening, may be the responsibility of developers as required through project approvals to improve the adjacent right of way. However, due to the existence of multiple property owners, numerous small lots, and the frequent reuse of existing buildings (versus new construction), it is more likely the City will take the lead on implementing public improvements. Funding of public improvements may come from the city, federal or state programs, grants, or possibly through public-private partnerships. Examples of funding sources include the General Fund, the gas tax and transit funds, and funds set aside for utility undergrounding. Assessment or infrastructure financing districts are other examples of funding sources.

5.4.2 Funding Sources and Financing Mechanisms

This section highlights a few potential funding sources and financing mechanisms to implement Master Plan recommended actions, organized by local, regional and state/federal sources. A more extensive list of potential sources and programs is provided as Appendix C, Potential Funding Sources. However, public funding at all levels of government changes over time, and is subject to ever-shifting economic, environmental, legal, and political conditions. Financing mechanisms that were once the staple of local revenues have become extinct (e.g., redevelopment agency tax increment financing), while newer funding sources have arisen (e.g., Cap and Trade). Since implementation of Master Plan programs and projects will occur over decades, presenting a detailed financing plan here is not practical. As an early implementation action, the city will develop a financing strategy that will match recommended programs and capital investments to appropriate existing and future funding sources, and explore various financing options for consideration. The financing strategy is intended to complement and inform the city's annual budget appropriations and capital improvement program processes.

A. General Fund

The General Fund receives the largest slice of local revenues, and is used to pay for basic city services, such as police and fire protection, street and park maintenance, recreation, library, and cultural arts programs. General funds are also used to pay for a sizable portion of replacement infrastructure and some new capital facilities. Property, sales, and transient occupancy (hotel) taxes account for nearly 80 percent of the city's General Fund. These taxes are largely unrestricted as to how they can be spent on public services and facilities. However, Proposition H, approved by Carlsbad voters in 1982, requires voter approval of the expenditure of more than \$1 million of "city funds" for real property acquisition or certain real property improvements, as specified. (See Carlsbad Municipal Code Chapter 1.24.) General Fund monies are "city funds" for purposes of Proposition H.

B. Special Assessment Districts (1911, 1913, 1915 ACT)

California law provides procedures to levy assessments against benefitting properties and issue tax exempt bonds to finance public facilities and infrastructure improvements. Assessment districts, also known as improvement districts, are initiated by the legislative body (e.g. city), subject to majority protest of property owners or registered voters. Assessments are distributed in proportion to the benefits received by each property, and represent a lien against property. The assessments are fixed dollar amounts, and may be prepaid. Only improvements with property-specific benefits (e.g. roads, and sewer and water improvements) may be financed with assessments.

C. Area of Benefit Fees

Area of benefit fees may be enacted by the legislative body (i.e. city) through adoption of an ordinance, without voter approval. The fee must be directly related to the benefit received. It does not create a lien against property, but must be paid in full as a condition of approval. Its principal use is for encumbering properties that will not voluntarily enter into an assessment of CFD, so that they pay their fair share at the time they are ready to be developed. Proceeds may be used to reimburse property owners who pay up-front cost for facilities benefitting other properties. Benefitting properties may be given the option to finance the fees by entering into an assessment district (1913/1911 Act) or Mello-Roos CFD.

D. Enhanced Infrastructure Financing Districts

Senate Bill No. 628, creating enhanced infrastructure financing districts (EIFDs) took effect on January 1, 2015. EIFDs are designed to fund infrastructure development and community revitalization, through issuing bonds, establishing a public financing authority, and adopting an infrastructure financing plan. EIFDs include a provision for using tax increment financing. A broad range of community development and revitalization projects can be funded through this mechanism.

E. Mello-Roos Community Facilities Districts

The Mello-Roos Community Facilities Act of 1982 allows for the creation of special districts authorized to levy a special tax and issue tax exempt bonds to finance public facilities and services. A Community Facilities District (CFD) may be initiated by the legislative body or by property owner petition, and must be approved by a 2/3 majority of either property owners or registered voters (if there are more than 12 registered voters living in the area).

Taxes are collected annually with property taxes, and may be prepaid if prepayment provisions are specified in the tax formula. The levy creates a tax lien against the property. There is no requirement that the tax be apportioned on the basis of benefit. Because there is no requirement to show special benefit, Mello-Roos levies may be used to fund improvements of general benefit, such as fire and police facilities, libraries and parks, as well as improvements that benefit specific properties. The provision also allows for the reallocation of cost burdens to alleviate untenable burdens on specific properties.

F. Landscaping and Lighting Districts

Landscaping and Lighting Districts (LLD) may be used for installation, maintenance and servicing of landscaping and lighting, through annual assessments on benefiting properties. LLDs also may provide for construction and maintenance of appurtenant features, including curbs, gutters, walls, sidewalks or paving, and irrigation or drainage facilities. They also may be used to fund and maintain parks above normal park standards maintained from general fund revenues.

G. Community Development Block Grants/Section 108 Loans

These are annual grants for use towards economic development, public facilities and housing rehabilitation. Section 108 loans provide front-end financing for larger scale community and economic development projects that cannot be financed from annual grants. These funds can be utilized for acquisition and disposition of property, clearance and demolitions, public facilities and site work. The funds need to be targeted to specific areas benefiting low-income and moderate-income persons or to eliminate blight.

H. Entitlement Fees

The agency can assist a project by contributing towards the entitlement or processing fees. Typically, the contribution towards fees occurs on a project by project basis depending on the demonstrated feasibility gap. However, if the Agency pays the fees or provides any other form of subsidy for a project, then prevailing wages would be triggered.

I. Street Furniture Dedication Program

Businesses, non-profit organizations, and individuals could partner with the City to purchase street furnishings or provide public amenities in the Master Plan area. Donor programs have been used successfully in many cities to catalyze or augment beautification improvements. As an example, the recently-installed Carlsbad gateway sign in the Village was privately-funded in accordance with City Council Policy #79, "Corporate Marketing Partnerships Utilizing City-owned Assets."

J. SDG&E Undergrounding Funds

Utility companies are required to budget funds each year for undergrounding. These budgets are approved by the Public Utilities Commission and assigned to specific projects in each area based on priorities developed by local government.

5.4.3 Phasing Public Improvements

Phasing of Master Plan public improvements helps identify what is most important to implement in the Village and Barrio and also aids the city in developing its capital improvement program, the annual process by which funding is designated for the design and construction of public improvements. An initial effort to organize implementation phasing is included in Table 5-1, Implementation Action Matrix.

Refinements to the phasing schedule could be based on a number of factors: an assessment of improvement importance; feasibility; cost (including operation and maintenance); and available funding sources, among other factors; as well as the desire to identify a few projects to pursue as quickly as possible. Projects that can accomplish multiple objectives at once could also be considered for early implementation, such as street resurfacing that also adds parking spaces or bike lanes.

The proposed phasing of infrastructure is not meant to prevent efforts or actions on any projects. Opportunities may arise that could initiate action at any time on any of the projects, regardless of priority shown. Also, phasing decisions will change as projects are completed and other conditions change in the area. The trenching of the railroad along the Village and the Barrio could significantly change how improvements are phased, for example.

5.5 Roles and Responsibilities

As described earlier, successful implementation of the Master Plan is a shared responsibility among various private and public actors, including residents, business owners, property owners, city departments, NCTD, SANDAG, and non-profit organizations, to name some. The primary role of the city shall be to serve as a catalyst to get activities started. This action must be matched by private commitments to warrant the continued allocation of public staff resources and funding.

Within the city's organizational structure, Master Plan implementation will require the coordinated efforts of multiple departments, with the Community and Economic Development and Public Works Departments playing key roles. The Planning, Land Development Engineering, and Building Divisions will have the overall responsibility for carrying out the land use and development regulations and design guidance in the Master Plan. Public Works and Parks and Recreation Departments will provide the lead in programming, budgeting, designing and overseeing construction of the various capital improvements described in this chapter.

The Carlsbad Village Association, or other business organization, will be responsible for organizing its membership in support of downtown revitalization and promotion efforts for the downtown area. Such activities will include advertising and special events as well as the dissemination of important information and the representation of downtown business interests before the city boards and commissions.

The Village and Barrio property owners and business owners shall be responsible for funding their fair share of physical improvements and/or projects in conjunction with development permits. In addition, they will be encouraged to carry out improvements to their property to enhance the downtown shopping environment and improve the area's competitiveness relative to other regional shopping areas.

The Village and Barrio residents will be responsible for supporting the implementation of downtown improvements and/or projects which have benefit to the area as a whole. The residents should also communicate with the community leaders to ensure that problems within the area are being adequately addressed and to aid in the effort to create a Village that is "a comfortable place to be" and offers a variety of opportunities.

5.6 Implementation Action Plan

The vision and goals presented in the Master Plan are supported by key project and program recommendations described in the preceding chapters of the Master Plan and as outlined in Table 5-1, Implementation Action Matrix.

The actions and projects in the table are grouped into the following categories: regulatory programs, plans and studies; capital improvements, parking management, transportation demand management, and railroad corridor. Each implementation action or project is assigned a general implementation time frame as follows: 1 = Short Range (1-2 years), 2 = Mid-Range (3-5 years), 3 = Long-Range (6+ years). Also, the table identifies those projects that are already funded or proposed to be funded in the city's multi-year capital improvement program (as of Fiscal Year 2017-18).

Table 5-1, Implementation Action Matrix

IMPLEMENTATION ACTION	PHASE
REGULATORY PROGRAMS, PLANS AND STUDIES	
Develop financing strategy for Village and Barrio programs and capital projects	1
Conduct Village public gathering places study (4061)*	1
Develop lighting design standards for the Barrio (4013)*	1
Conduct Chestnut Ave complete street study - I-5 to railroad (6069)**	1
Complete overhead utility undergrounding program study (6083)*	1
Create a utility infrastructure equipment relocation plan to include street improvement projects or as properties redevelop	1
Grand Avenue Promenade Feasibility project – temporarily close (and reroute traffic) one lane of traffic to demonstrate the proposed Grand Avenue Promenade	1
Study feasibility of connecting Grand Avenue to Pio Pico Drive under I-5	1
Identify top priority streets to plant trees to provide more shade and increase connectivity between the Village and Barrio (consider through Community Forest Management Plan update)	1
Create a phasing plan for bikeway enhancements in the Village and Barrio	1
Develop lighting study and phasing plan to identify priority streets, crosswalks and alleyways in the Village and Barrio to install pedestrian decorative and safety lighting. Consider lighting standards that have unifying decorative elements throughout the Village and Barrio	1-2
Ensure crosswalks have audio and visual signals to let pedestrians know it is safe to cross	1-2
Modify bike/pedestrian wayfinding program as necessary in the Village and Barrio	1-3
Design the Chestnut Avenue railroad crossing for east to west connection from the Barrio to the beach	2
Formalize historical information markers and plaques program	2
Establish Mills Act Tax Incentive Program	2
<p>Phase: 1 = Short Range (1-2 years) 2 = Mid-Range (2-5 years) 3 = Long Range (6+ years)</p> <p>*CIP Project - partial or full funding appropriated as of FY 2017-18</p> <p>**Future CIP project – funding not yet appropriated as of FY 2017-18</p>	

Table 5-1, Implementation Action Matrix (continued)

IMPLEMENTATION ACTION	PHASE
Study I-5 Entryway Enhancement Options at Carlsbad Village Drive and Chestnut Avenue	3
CAPITAL IMPROVEMENTS	
Complete pedestrian lighting on Carlsbad Boulevard (6068)*	1
Implement Barrio pedestrian ADA improvements (6049)*	1
Implement traffic calming measures (e.g., traffic circles, bulb-outs, etc.) in the Barrio (4015)*	1
State Street and Grand Avenue corner civic space improvements (6082)**	1
Christiansen Avenue Improvements**	1
Restripe Carlsbad Boulevard north of Christiansen Avenue to improve pedestrian and bicyclist safety and comfort	1
Add pedestrian lighting on streets serving important facilities, such as the Carlsbad Village Train Station, Community Center, Senior Center, and Pine Avenue Park	1
Consider adding street planters and sharrows (if bike lanes are not present or proposed) on streets with less than 48' (such as Roosevelt Street) between curbs that cannot accommodate the cycle tracks.	1-2
Implement bikeway enhancements per phasing plan and in coordination with streetscape improvements and private development	1-3
Carlsbad Village Drive and Grand Avenue pedestrian, bicycle, and crossing Improvements**	2
Carlsbad Village Drive streetscape – west of Carlsbad Boulevard	2
Plant trees on priority streets (based on study under action item above) like Roosevelt and Madison Streets between the Village and the Barrio	2
Barrio/Village Transition Street Improvements and Barrio entry features	2
Reconfigure the intersection of Roosevelt Street and Walnut Avenue into a “shared” civic space	2
Harding Street improvements – Chestnut Avenue to Pine Avenue	2
Design and implement Grand Avenue Promenade	2-3
Underground or relocate above-ground utility equipment concurrent with street improvements and/or private development projects	2-3
Remove overhead utilities and locate them underground	2-3
Implement alleyway pedestrian improvements in the Village and Barrio	2-3
<p>Phase: 1 = Short Range (1-2 years) 2 = Mid-Range (2-5 years) 3 = Long Range (6+ years)</p> <p>*CIP Project - partial or full funding appropriated as of FY 2017-18</p> <p>**Future CIP project – funding not yet appropriated as of FY 2017-18</p>	

Table 5-1, Implementation Action Matrix (continued)

IMPLEMENTATION ACTION	PHASE
State Street Reconfiguration Design and Implementation	2-3
Tyler Street streetscape and traffic direction analysis	2-3
Carlsbad Village Drive streetscape – I-5 to Carlsbad Boulevard	3
CAPITAL IMPROVEMENTS	
Lincoln Plaza – transform the Carlsbad Boulevard, Lincoln Street, and Oak Avenue corner into a signature public plaza	3
Harding Street improvements – north of Pine Avenue	3
Oak Avenue street improvements	3
Chestnut Avenue railroad crossing for east to west connection from the Barrio to the beach	3
PARKING MANAGEMENT	
Hire Parking Management Program Manager	1
Develop incentives to encourage businesses and developers to participate in shared and leased parking agreements	1
Implement Parking Ambassador program and enforce public parking regulations (e.g., time limits, overnight parking, oversized vehicles, etc.)	1
Administer parking in-lieu fee program	1-3
Annually monitor parking system demand	1-3
Design and implement curb lane management program, including Alternative Design Streets applicability analysis (6079)*	1-3
Village intelligent parking - install vehicle occupancy detectors at various locations and develop a ‘Park Once’ smart phone app to locate available parking**	2
Parking wayfinding – develop additional signage for public parking as needed	2
<p>Phase: 1 = Short Range (1-2 years) 2 = Mid-Range (2-5 years) 3 = Long Range (6+ years)</p> <p>*CIP Project - partial or full funding appropriated as of FY 2017-18</p> <p>**Future CIP project – funding not yet appropriated as of FY 2017-18</p>	

Table 5-1, Implementation Action Matrix (continued)

IMPLEMENTATION ACTION	PHASE
Acquire advanced parking enforcement equipment	2
Work with NCTD to lease additional rail right-of-way for public parking	2
Consider geographic expansion of the parking in-lieu fee area	2
Evaluate the threshold for implementing paid parking	3
TRANSPORTATION DEMAND MANAGEMENT	
Complete trolley feasibility study	1
Adopt Transportation Demand Management (TDM) Ordinance	1
Conduct TDM outreach, education and marketing in master plan area	1-3
Incorporate car-share, valet, and electric vehicle parking as appropriate into streetscape and public parking projects	1-3
Evaluate feasibility for bike share program that would serve Village	2
Implement trolley study recommendations if feasibility is determined	2-3
Incorporate intelligent transportation system (ITS) infrastructure to support autonomous vehicles	3
RAILROAD CORRIDOR	
Pursue grade separation of railroad tracks through Village and Barrio (6059)*	1-3
Improve Coastal Rail Trail entries at Tamarack and Oak Avenues	1
Create a central green space through expansion of Rotary Park over the tracks that is between Carlsbad Village Drive and Grand Avenue and anchored by the historic rail depot	3
Partner with NCTD to reconfigure Village Train Station entryway from State Street into a formal plaza	3
Evaluate reconnection of east-west streets from the Village and Barrio to the beach	3
Work with NCTD to convert the Village Train Station and NCTD property into a new transit-oriented development and mobility hub after the trenching of the railroad tracks	3
Evaluate feasibility of Coastal Rail Trail relocation to the State Street alley and NCTD property between Oak Avenue and Carlsbad Boulevard	3
<p>Phase: 1 = Short Range (1-2 years) 2 = Mid-Range (2-5 years) 3 = Long Range (6+ years)</p> <p>*CIP Project - partial or full funding appropriated as of FY 2017-18</p> <p>**Future CIP project – funding not yet appropriated as of FY 2017-18</p>	

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