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9

IMPLEMENTATION

The Implementation Chapter is an action plan that provides a toolbox of potential implementation strategies and available financing mechanisms to achieve the short-, mid-, and long-term goals of each major component of the Downtown Specific Plan. It aims to explain to readers how the plan will be implemented in terms of project review, plan improvements, redevelopment or economic development, etc.

This chapter is organized into the following sections:

- 9.1 Implementation Action Plan
- 9.2 Funding and Financing Strategy
- 9.3 Plan Administration

This chapter provides guidance for policymakers to address the programmatic and physical improvements critical to the success of the Specific Plan vision. This chapter includes the Implementation Action Plan table, which summarizes the improvements needed to achieve the plan's goals. The overall implementation plan includes the following components:

- **Identification of recommended projects, actions, policies, and programs**
- **Recommended timing of public improvements**
- **Identification of key catalyst projects in the project area**
- **Designation of lead agencies for implementation of plan actions**

This chapter also includes a review of the likely funding mechanisms that can be utilized to fund recommended physical improvements.

9.1 IMPLEMENTATION ACTION PLAN

The Implementation Action Plan, comprising Table 9.1, summarizes the actions associated with implementing the Downtown Specific Plan. The five topic areas are grouped by Chapter, with implementation actions that refer to goals, regulations, guidelines, and projects that fall within those topic areas.

- **Land Use Regulations or Policy (Chapters 4 and 6)**
 - » Implementation Actions Identified as LU-#
- **Public Realm (Chapters 5 and 7)**
 - » Implementation Actions Identified as PR-#
- **Parking (Chapter 5)**
 - » Implementation Actions Identified as PA-#
- **Wayfinding (Chapter 7)**
 - » Implementation Actions Identified as W-#
- **Public Utilities (Chapter 8)**
 - » Implementation Actions Identified as PU-#
- **Funding Program (Chapter 9)**
 - » Implementation Actions Identified as FP-#

Each implementation action also identifies one or more of the following lead and/or support department(s) responsible for seeing the action to completion.

CD-	Community Development
CM-	City Manager's Office
EV-	Economic Vitality Manager
FD-	Fire Department
FI-	Finance Department
IT-	Information Technology
PD-	Police Department
PR-	Parks and Recreation Department
PW-	Public Works Department
T-	Traffic
U-	Utilities

In addition, implementation actions have been organized into four timeframe categories shown in the following columns: Ongoing, Short-Term (0-5 years), Mid-Term (6-10 years), and Long-Term (11-15 years). Each action item is assigned to one of the four timeframe categories based on the item's value and the needed time and resources to execute the action item. It is important to note that within each timeframe category, each implementing action is not organized in any particular order which allows decision makers the flexibility to prioritize action items based on the needs and financial resources at the time of implementation.

All projects shall comply with the Mitigation Measures as described within the adopted Mitigation Monitoring and Reporting Program.

Table 9.1 Implementation Action Plan

Ongoing				Short-Term (0-5 years)			
Action Item	Responsibility		Action Item	Responsibility			
	Lead	Support		Lead	Support		
Land Use Regulations or Policy – Chapters 4 and 6							
LU-1	Utilize Specific Plan design guidelines.	CD	PW	LU-5	Update General Plan for consistency with Specific Plan.	CD	
LU-2	Update City website.	CD	IT	LU-6	Update Zoning Code for consistency with Specific Plan.	CD	
LU-3	Update forms/plan check checklists/hand-outs.	CD	EV	LU-7	Update Local Coastal Program for consistency with Specific Plan.	CD	
LU-4	Outreach to business and property owners about how to use Specific Plan.	EV	CD				
Public Realm – Chapters 5 and 7							
				PR-1	Update street standards to include the Specific Plan's street corridor type definitions.	PW	CD
				PR-2	Complete Mobility Study, including pedestrian spaces, and drop-off locations, and circulation improvements at the Beach Head site.	CD	PW, PD, FD

Mid-Term (6-10 years)				Long-Term (11-15 years)			
Action Item	Responsibility			Action Item	Responsibility		
	Lead	Support	Lead		Support		
Land Use Regulations or Policy - Chapters 4 and 6							
Public Realm - Chapters 5 and 7							
PR-3	Construct up to 9 enhanced crosswalks.	PW	CD, PD	PR-7	Construct up to 8 multi-purpose drop-off zones. Coordinate this action with replacement parking or future reduced parking demand.	PW	CD, PD
PR-4	Complete on-street bicycle facility improvements.	PW	CD, PD	PR-8	Construct pedestrian plazas. Coordinate this action with replacement parking or future reduced parking demand.	PW	CD
PR-5	Install streetscape furnishing improvements.	PW	CD, PR	PR-9	Construct intersection enhancements at Manhattan Beach Boulevard and Manhattan Avenue.	PW	CD, PD, FD
PR-6	Plant landscaping and street trees.	PW	CD	PR-10	Construction of Beach Head site <u>parking lot</u> improvements.	PW	CD, PD, FD
				PR-11	Implement pedestrian spaces. Coordinate this with replacement parking or future reduced parking demand.	PW	CD
				PR-12	Construct sidewalk repairs and improvements.	PW	CD

Ongoing				Short-Term (0-5 years)			
Action Item		Responsibility		Action Item		Responsibility	
		Lead	Support			Lead	Support
Parking - Chapter 5							
PA-1	Extend code enforcement activity to enforce parking violations.	PD	CD	PA-4	Institute demand-based strategy for on-street parking along Manhattan Beach Blvd., Manhattan Ave., Highland Ave., Morningside Dr., and 13th Street.	CD	FI
PA-2	Develop additional agreements/partnerships between City and property and business owners for shared parking.	EV	CD	PA-5	Institute smart parking technologies.	PW, FI	CD, EV
PA-3	Reevaluate land use parking requirements every five years.	CD	EV	PA-6	Develop and expand a City-regulated valet program.	CD	FI
				PA-7	Reduce allowable on-street parking time limits in residential areas concurrent with resident parking incentives.	CD	FI
				PA-8	Reestablish Capital Program for operations, maintenance, and new construction expenses and to create revenue opportunities.	FI	CD, PW
				PA-9	Increase special vehicle parking stalls and loading zones.	CD	PW

Mid-Term (6-10 years)				Long-Term (11-15 years)			
Action Item	Responsibility			Action Item	Responsibility		
	Lead	Support			Lead	Support	
Parking – Chapter 5							
PA-10	Update Downtown Parking Management Study.	CD	FI, EV	PA-18	Provide new underground structured parking.	PW	CD, EV, CM, FI, PD, FD
PA-11	Redesign parking way-finding signs. (In conjunction with W-2)	PW	CD, PD, FD, EV				
PA-12	Utilize valet parking operations and flat rate payment systems during large events.	CD	PW, FI, PD, FD, EV				
PA-13	Identify remote parking lots for Downtown’s visitors, customers, and employees.	CD	EV				
PA-14	Provide City shuttle service to remote parking lots.	CD	EV				
PA-15	Create tandem parking options for employee parking.	CD					
PA-16	Establish intra-Downtown resident parking system.	CD	FI				
PA-17	Install additional bike parking facilities.	PW	CD				

Ongoing				Short-Term (0-5 years)			
Action Item	Responsibility			Action Item	Responsibility		
	Lead	Support			Lead	Support	
Wayfinding - Chapter 7							
				W-1	Complete citywide wayfinding program.	PW	EV, CD
Public Utilities – Chapter 8							
PU-1	Coordinate public projects with any future private utility improvements to the greatest extent possible.	U, T	PW	PU-2	Construct the five stormwater system projects identified in the Storm Drain Assessment (SDA).	PW, U	
				PU-3	Construct the hydrant replacement project identified in the Water Master Plan (WMP).	PW, U	FD
Funding Program - Chapter 9							
				FP-1	Fund trolley (in cooperation with other agencies or jurisdictions (LAX, BCT, South Bay Cities COG, SCAG etc.)	FI	CD, EV, T

Mid-Term (6-10 years)				Long-Term (11-15 years)			
Action Item		Responsibility		Action Item		Responsibility	
		Lead	Support			Lead	Support
Wayfinding - Chapter 7							
W-2	Implement Downtown signage and other improvements from the citywide wayfinding program.	PW	PR, EV				
W-3	Implement public art.	PW	PR				
W-4	Implement an information center/kiosk.	PW	EV, CD, PR				
W-5	Implement gateway features.	PW	EV, CD, PR				
Public Utilities - Chapter 8							
				PU-4	Construct the 18 projects identified in the Wastewater Master Plan.	PW, U	
Funding Program - Chapter 9							

9.2 FUNDING & FINANCING STRATEGY

The Downtown Specific Plan identifies a variety of specific infrastructure improvements that will be necessary to facilitate development within the project area. This strategy identifies funding and financing sources for capital improvements needed to support the plan. This strategy does not cover the costs of operation and maintenance of the infrastructure.

The following addresses one of the fundamental decisions relating to implementation, which is the general approach to paying for infrastructure improvements.

FUNDING VERSUS FINANCING

The term “funding” refers to a revenue stream, whether from a tax, fee, grant, or other revenue source that generates money to pay for an improvement. “Financing” (or “debt financing”) refers to the mechanisms used to manipulate available revenue streams, so that agencies are able to provide infrastructure immediately, before revenue equal to the full cost of that infrastructure is available.

Typically, debt financing involves borrowing from future revenues by issuing bonds or other debt instruments that are paid back over time through taxes or fee payments. Although the terms funding and financing are often used interchangeably, the distinction is important because financing mechanisms almost always require that a funding source be identified to pay off the debt. For example, the land-based or district financing tools discussed below typically establish a new district-wide tax or fee that is used to pay back bondholders.

POTENTIAL FUNDING SOURCES & FINANCING MECHANISMS

This section provides an overview of funding sources and financing mechanisms for the types of improvements included in the plan.

GENERAL FUND

The General Fund is the primary or catchall fund of a government, government agency, or nonprofit entity such as a university. It records all assets and liabilities of the entity that are not assigned to a special purpose fund. It provides the resources necessary to sustain day-to-day activities and thus pays for all administrative and operating expenses.

LAND-BASED OR DISTRICT FINANCING

In California, the most commonly used land-based financing tools have included the formation of benefit assessment districts, community facilities districts, and tax increment financing districts. These land-based financing tools are described below, along with infrastructure financing districts, which may serve as an alternative to tax increment financing in the future since this tool is no longer available due to the elimination of redevelopment agencies in California at the end of

2011. Many of these district financing tools depend on new real estate development to generate assessments or special tax revenues to finance the improvements.

BENEFIT ASSESSMENT DISTRICTS

In a special assessment district, property owners in the district agree to pay an assessment in order to fund an improvement within a specific geographic area. The amount that each property owner pays must be proportional to the benefit the property will receive from the proposed improvement. Assessment districts are established by a majority vote of the property owners and can include a variety of different types of districts, from business improvement districts to sewer, utility, and parking districts.

Manhattan Beach has a Downtown Business Improvement District (BID) to help fund maintenance of public property and special events in the Downtown, such as the Farmers Market, sidewalk sales, and the Holiday Open House, as well as provide marketing and branding of the Downtown area. In addition, there is a lighting and landscape assessment district in the Downtown that pays for certain beautification, maintenance, and lighting for the District.

VEHICLE PARKING DISTRICTS

Vehicle Parking Districts enable communities to finance the cost of building and operating public parking facilities. This may include the acquisition of land, the maintenance, improvement, and construction of parking lots, structures, and related facilities, and employee salaries. A district is initiated by the petition of landowners, and requires a landowner vote for approval. Once formed, the districts are managed by an appointed commission. Costs are normally financed through the assessment of properties within the district based upon the benefit that each property will receive from the parking improvement. Communities may also issue bonds to fund costs.

COMMUNITY FACILITIES DISTRICTS

Similar to benefit assessment districts, Mello-Roos community facilities districts (CFDs) are formed when the property owners in a geographical area agree to impose a special tax on the land in order to fund infrastructure improvements. Unlike benefit assessment districts, however, CFDs are most commonly formed in cases where the geographic area encompasses a small number of property owners who intend to subdivide the land for sale. This is because, to be enacted, CFDs require a two-thirds vote of property owners, unless there are at least 12 registered voters in the proposed district, in which case the district must be approved by a two-thirds majority in an election of registered voters.

INFRASTRUCTURE FINANCING DISTRICTS

Infrastructure financing districts (IFDs) use a property tax increment to pay for infrastructure improvements. New tax revenues are diverted to finance improvements, although IFDs cannot divert property tax increment revenues from schools. Under existing California law, a city or county may create IFDs by ordinance, if a two-thirds majority of voters in the proposed district approves the IFD.

ENHANCED INFRASTRUCTURE FINANCING DISTRICTS

This financing tool, also referred to as an EIFD, is established to finance public capital projects and other specific projects of community-wide significance. Unlike IFDs, a two-thirds vote is not required to form an EIFD. The legislative body is required to hold a public hearing before passing a resolution that adopts the infrastructure financing plan, and in turn, a resolution of formation creating the EIFD. Bonds may be issued upon approval of 55 percent of the qualified electors of the EIFD. Tax increment financing may be used to fund transit infrastructure projects, in accordance with the infrastructure financing plan and the agreement of affected taxing entities.

The general process for establishing an EIFD is as follows:

1. Establish a public financing authority.
2. Adopt a resolution of intention to establish district.
3. Continue to develop infrastructure financing plan.
4. Hold public hearing before adoption of the infrastructure financing plan and formation of the EIFD.
5. Formation of district elections for Tax increment bonds—EIFDs are able to divert property tax from any participating tax entity, with the exception of a school district, in the EIFD.
6. 55 percent vote is needed for bond issuance.

PRIVATE CONTRIBUTIONS/INVESTMENT

This section describes contributions and investments from the private sector that can pay for new infrastructure to be used by new development.

IMPACT FEES

Development impact fees are a one-time charge to new development imposed under the Mitigation Fee Act. These fees are charged to new development to mitigate impacts resulting from the development activity.

City impact fees help fund the cost of providing public services and facilities. Water and sewer fees are necessary to ensure that these services will be available to serve new developments, Chapter 10.90, Development Fees, of the Municipal Code authorizes, the City to charge a fee for art in public places equal to 1 percent of the building valuation and it is not assessed on residential projects of fewer than four units. Parks and recreation fees equate to \$700 for each net new residential unit when a building permit is issued. For a subdivision, a fee of \$1,817 is required for a new parcel or condominium unit. The City does not charge a traffic impact fee. While these fees are not insubstantial, they constitute only about 2 percent of the value of a typical owner-occupied residence and about 1.5 percent of the total value of a multi-family apartment. In accordance with Municipal Code Chapter 10.94, Affordable Housing Density Bonus and Incentive Program, fees may be waived if the applicant agrees to meet certain affordability standards.

DEVELOPMENT AGREEMENTS

Structured negotiations between cities and developers are often conducted to obtain desired improvements in exchange for development rights. For more information please see Chapter 10.92, Development Agreements, of the Manhattan Beach Municipal Code. The extent to which a new project can contribute to the provision of infrastructure depends on a number of factors, including the anticipated prices for new housing units, construction costs, lot size and configuration, and parking ratios. All of these factors will vary depending on the final format and timing of development; therefore, the amount of public benefits that can be provided is unpredictable and will have to be negotiated.

PUBLIC/PRIVATE PARTNERSHIP

A public/private partnership typically consists of an agreement between a public agency and a private entity to deliver a new facility or infrastructure system. The public agency may agree to annual payments to the private partner in return for building and operating the new facility. A private entity may be formed to be responsible and financially liable for delivering the project and may also share in revenues from operations.

USER FEES/RATES

User fees and rates include the fees charged for the use of public infrastructure or goods (toll road or bridge, water or wastewater system). Such fees and rates are typically set to cover a system's operating and capital expenses each year, which can include debt service for improvements to the system. It may be possible to use some portion of user fee or rate revenue toward financing the costs of new infrastructure, though doing so may require raising rates.

GRANTS & OTHER FUNDS

Various federal, state, and regional grant programs distribute grant funds for public improvement projects. Because grant programs are typically competitive, grant funds are an unpredictable funding source. Grants and other potential sources that could be applied to the projects in this Specific Plan area include those described below.

CAPITAL IMPROVEMENT PROGRAM

The City of Manhattan Beach has a Capital Improvement Program (CIP) which is adopted annually. The CIP identifies capital projects by category along with funding sources. Projects identified in the Specific Plan Chapters 5 and 7 would be candidates for future inclusion in the CIP.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

The Los Angeles County Metropolitan Transportation Authority (Metro) is the designated Regional Transportation Planning Agency for Los Angeles County with authority to program, to itself

and other agencies, regional transportation funds in Los Angeles County. Metro uses a Call for Projects process for programming most regional funds to cities, the County, and local agencies. Some regional funds are programmed by the Metro Board to Metrolink, Access Services, and for major Metro projects and programs. Certain local, state, and federal transit operating and capital funds are allocated to Los Angeles County jurisdictions, transit operators, and Metro Operations through the Metro Formula Allocation Procedure.

STATE & FEDERAL FUNDS

The City may pursue state and federal funding opportunities as they become available. Because grant programs are typically competitive, grant funds are an unpredictable funding source. These programs change over time depending on funding availability.

9.3 PLAN ADMINISTRATION

The City of Manhattan Beach is responsible for the administration, implementation, and enforcement of this Specific Plan. It shall be reviewed, maintained, and implemented in a systematic and consistent manner. The Implementation Action Plan presented in this chapter summarizes the programs, policies, and projects for implementing the Downtown's development as outlined in this Specific Plan. Priorities are set for actions that need to be undertaken in the first years after adoption.