CHAPTER TEN: IMPLEMENTATION

10.1 OVERVIEW

This chapter outlines the methods by which the Specific Plan will be implemented and includes discussion on the desired governance structure, phasing, sequencing and financing programs. California Government Code Section 65451 requires that Specific Plans include programs of implementation strategies related to regulatory changes, programs, financing strategies and public works projects needed to carry out the proposed land use, infrastructure and development standards outlined in the Specific Plan.

The DSP is projected to be built-out over at least a 20 to 30 year period. Clear implementation strategies and actions are necessary to ensure development in the Plan Area occurs in an efficient and orderly manner and is consistent with the vision, goals and phasing plan established in the DSP. The goal of this chapter is to describe how infrastructure and public facilities will be constructed and how public services will be delivered in a timely manner, concurrent with the provision of housing, employment and the other land uses of the DSP.

10.2 IMPLEMENTATION APPROACH

In response to the vision of the 2030 General Plan, the intent of the community expansion of Dunnigan is to ensure the sustainability of the town and to provide a larger base population in the community which will support sufficient, locally-provided community services. In addition, as the DSP develops over time, new residents and employees will expect higher levels of public services, benefiting both existing and future residents and employees.

The Specific Plan implementation approach responds to the need for a higher level of services, which will reflect an urban level of service, rather than the rural level of service typically encountered in the unincorporated area. Current and proposed service providers for community services and infrastructure, both pre- and post-Specific Plan, are identified in Chapter 5, Public Facilities and Chapter 6, Public Services. The public services and service levels required for the build-out of the community are discussed in these chapters. The Preliminary Phasing Master Plan, Appendix M, describes how the infrastructure will be constructed in phases to match the development as it progresses. The Public Facilities Financing Plan (PFFP), Appendix N, describes the methods by which the infrastructure identified in Appendix M will be financed. The Public Services Financing Plan (PSFP), Appendix P, addresses the manner in which the public services delivery will be managed and financed.

10.3 PHASING AND SEQUENCING

The DSP provides for a comprehensively planned infrastructure system with coordinated phasing and construction of facilities. A total of 5 phases are proposed in the Plan Area. The geographic boundaries of each phase are reflected on Exhibit 10.1, with land use by phase summarized in Table 10.1. In general, the phasing plan has been structured to ensure that the improvements in each phase can support associated development in compliance with County policies and standards, that a targeted jobs to housing ratio of 1.2 to 1 is maintained and that the development in each phase can support the costs of the required improvements. Phases 1-4 are aligned in generally a north to south direction. Development within Phase Existing (X), which contains the already developed Hardwoods subdivision and the Old Town quadrant, may move forward independently of Phases 1-4 provided that parcels can meet the public services requirements and the sequencing policies outlined below to the satisfaction of Yolo County Planning and Public Works. The phase boundaries are conceptual and may be adjusted as development progresses, pursuant to the process outlined in Section 11.4 for Specific Plan Amendments and Minor Revisions.

10.3.1 Phasing Approach

Infrastructure requirements for each phase of development include on-site backbone infrastructure and off-site facilities necessary for each phase to proceed. Each phase of improvements include roadway, sanitary sewer, water, recycled water, storm drainage, dry utilities, other facilities and improvements. A full listing of improvements and specific details relating to those improvements are included in Appendix M, Phasing Master Plan, and the Specific Plan development agreements. All in-tract sewer, storm drain, water and dry utilities will be installed as part of individual project improvements.

10.3.2 Development Sequencing

Phasing of the DSP is intended to follow the geographic boundaries as shown in Exhibit 10.1. In addition, sub-phases may be developed. Selected infrastructure items, roads and public services may be needed prior to the phase it is contained within, while some items may be deferred to a later phase. The general sequencing policies are as follows:

- Two points of access are required for each phase or sub-phase
- Interim water and drainage facilities may be permitted in accordance with Yolo County Public Works standards. A looped water system is required.
- Major roadways may be phased based on the number of traffic lanes required to meet a minimum level of service (LOS) E during peak travel periods. Exceptions to the LOS E threshold will be permitted on a short term basis, upon approval by Yolo County Public Works, to enable cost effective implementation of joint utilities by constructing roadway expansion concurrent with other infrastructure, such as sewer and water lines.
- All roadways, pedestrian facilities, bike routes and bikeways shall be constructed in logical and complete segments, connection from intersection to intersection, to provide safe and adequate access with each phase of development as identified for each Phase by the Phasing Plan or as conditioned with the approval of tentative maps.
- Neighborhood Parks: Each phase has two or more neighborhood parks. The initial park site within each phase to be targeted for construction shall be determined at the time of the first Tentative Subdivision Map within that phase. The dwelling unit triggers for neighborhood park construction shall be identified in the tentative map conditions. Developers shall pay neighborhood park fees and receive fee credits for neighborhood park construction.

- Community Park: The Community Park shall be planned, financed, and constructed by the CSA, through the administration of a community park fee.

- Fire Stations: The timing for the two fire stations is specified in the Development Agreements and is tied to the anticipated response times. Timing of construction and staffing of the fire station will be consistent with the Fire Department Standards of Response Coverage Study.

- The timing of site improvements for those sites designated for schools, library, sheriff and other public uses shall be in accordance with the conditions of approval in the Zoning and/or individual Development Agreements.

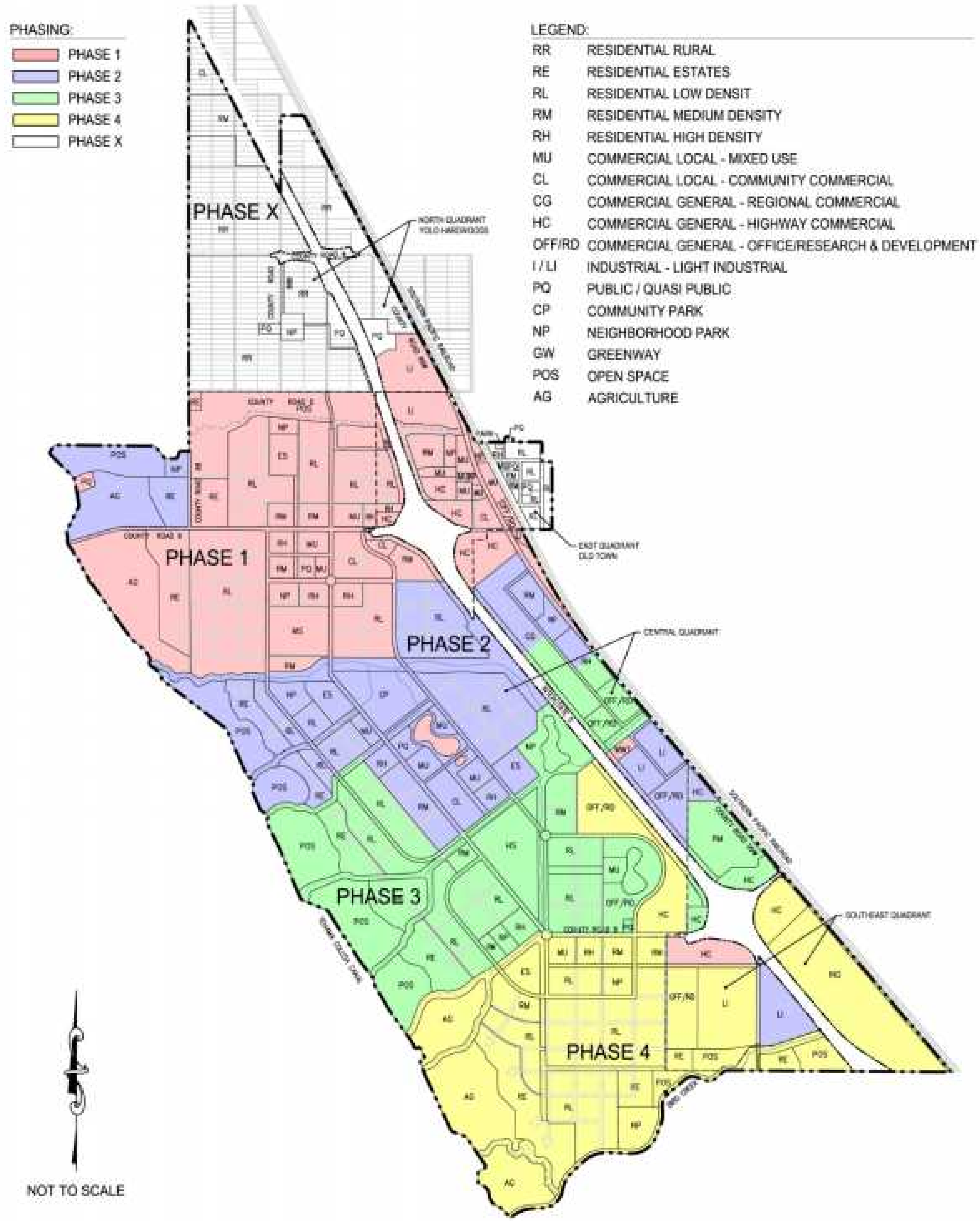

Exhibit 10-1 Phasing Plan

Table 10.1: Summary of Land Use and Estimated Jobs by Phase

LAND USE		PHASE 1			PHASE 2		
		ACRES	UNITS	JOBS[1]	ACRES	UNITS	JOBS[1]
RR		0.0	0.0	0.0	0.0	0.0	0.0
RE		51.1	89.0	0.0	38.7	67.0	0.0
RL		217.2	1086.0	0.0	131.4	67.0	0.0
RM		40.6	577.0	0.0	30.6	435.0	0.0
RH		19.3	463.0	60.0	16.1	386.0	48.0
MU		28.6	39.0	658.0	17.7	53.0	408.0
PQ/WWT		7.8	0.0	40.0	4.6	0.0	19.0
SCHOOLS	Elementary	10.0	0.0	60.0	20.0	0.0	120.0
	Middle	23.3	0.0	76.0	0.0	0.0	0.0
	High	0.0	0.0	0.0	0.0	0.0	0.0
CG/RC		0.0	0.0	0.0	17.7	0.0	407.0
CL/CC		25.0	139.0	574.0	14.0	98.0	322.0
HC		51.1	0.0	1,174.0	3.9	0.0	90.0
OFF/RD		3.1	0.0	62.0	13.3	0.0	266.0
LI/IND		42.4	0.0	424.0	43.5	0.0	435.0
PARK		15.2	0.0	0.0	46.0	0.0	0.0
POS		82.0	0.0	0.0	79.0	0.0	0.0
GREENWAYS		3.7	0.0	0.0	68.1	0.0	0.0
AG		62.0	0.0	0.0	35.5	0.0	0.0
LAKE		16.1	0.0	0.0	0.0	0.0	0.0
TOTAL		**698.5**	**2,393.0**	**3,128.0**	**580.1**	**1,696**	**2,115**

LAND USE		PHASE 3			PHASE 4		
		ACRES	UNITS	JOBS[1]	ACRES	UNITS	JOBS[1]
RR		0.0	0.0	0.0	0.0	0.0	0.0
RE		58.5	102.0	0.0	64.7	113.0	0.0
RL		146.9	734.0	0.0	151.2	756.0	0.0
RM		22.9	325.0	0.0	60.0	852.0	0.0
RH		13.3	319.0	40.0	5.4	130.0	16.0
MU		4.6	14.0	106.0	6.0	18.0	138.0
PQ/WWT		1.0	0.0	0.0	0.0	0.0	0.0
SCHOOLS	Elementary	0.0	0.0	0.0	10.0	0.0	60.0
	Middle	0.0	0.0	0.0	0.0	0.0	0.0
	High	40.0	0.0	172.0	0.0	0.0	0.0
CG/RC		20.5	0.0	472.0	0.0	0.0	0.0
CL/CC		0.0	0.0	0.0	0.0	0.0	0.0
HC		17.4	0.0	400.0	35.7	0.0	821.0
OFF/RD		37.1	197.0	742.0	49.6	156.0	992.0
LI/IND		0.0	0.0	0.0	133.2	0.0	1332.0
PARK		31.3	0.0	0.0	19.2	0.0	0.0
POS		92.4	0.0	0.0	26.3	0.0	0.0
GREENWAYS		36.8	0.0	0.0	59.6	0.0	0.0
AG		0.0	0.0	0.0	105.4	0.0	0.0
LAKE		12.7	0.0	0.0	0.0	0.0	0.0
TOTAL		**535.4**	**1,691.0**	**1,932.0**	**726.3**	**2,025.0**	**3,359**

Table 10.1: Summary of Land Use and Estimated Jobs by Phase, Continued							
LAND USE		EXISTING (X)			TOTAL OVERALL (Phase 1,2,3,4,EXISTING)		
		ACRES	UNITS	JOBS[1]	ACRES	UNITS	JOBS[1]
RR		332.0	332.0	0.0	332.0	332.0	0.0
RE		0.0	0.0	0.0	213.0	371.0	0.0
RL		17.1	0.0	0.0	663.8	3,319.0	0.0
RM		25.8	366.0	0.0	179.9	2,555.0	0.0
RH		1.4	34.0	4.0	55.5	1,332.0	168.0
MU		0.6	0.0	14.0	57.5	124.0	1324.0
PQ/WWT		19.2	0.0	0.0	32.6	0.0	59.0
SCHOOLS	Elementary	0.0	0.0	0.0	0.0	0.0	240.0
	Middle	0.0	0.0	0.0	0.0	0.0	76.0
	High	0.0	0.0	0.0	0.0	0.0	172.0
CG/RC		0.0	0.0	0.0	38.2	0.0	879.0
CL/CC		13.1	0.0	301.0	52.1	237.0	1,197.0
HC		0.0	0.0	0.0	108.1	0.0	2,485.0
OFF/RD		0.0	0.0	0.0	103.1	353.0	2,062.0
LI/IND		0.0	0.0	0.0	219.1	0.0	2,191.0
PARK		6.2	0.0	0.0	117.9	0.0	0.0
POS		0.0	0.0	0.0	279.7	0.0	0.0
GREENWAYS		3.0	0.0	0.0	171.2	0.0	0.0
AG		0.0	0.0	0.0	202.9	0.0	0.0
LAKE		0.0	0.0	0.0	28.8	0.0	0.0
TOTAL		**418.4**	**818.0**	**319.0**	**2,958.7**	**8,623.0**	**10,853.0**

Note: 1: Jobs calculation by phase does not include the pro-rata share of home based jobs.

10.4 FINANCING AND MAINTENANCE OF PUBLIC FACILITIES

The Public Facilities Financing Plan (PFFP), Appendix N, identifies all public facilities and backbone infrastructure improvements needed to serve the Plan Area, including roadways, sewer, water and drainage and describes the costs and financing mechanisms that will be used to fund the improvements in a timely manner. This section provides an overview of the approach and strategies to deliver these improvements.

10.4.1 Specific Plan Financing Methods

The construction of public improvements to serve the Plan Area will be funded by a variety of mechanisms. Financing methods may include, but are not limited to, the following:

10.4.1.1 County Impact Fees

Yolo County has adopted a set of development fees to finance capital improvements related to law enforcement, criminal justice and social services. The DSP will finance a portion of its infrastructure burden by paying these fees. Some of these programs may require updating following approval of the DSP due to increased need for facilities and changes in zoning.

10.4.1.2 School District Impact Fees

Pierce Joint Unified School District has adopted fees, in accordance with State regulations, to be used to construct school facilities. Level 1 and level 2 school fees are collected by the County prior to the issuance of a building permit and are forwarded to the applicable school district for the construction of school facilities.

10.4.1.3 Community Facilities District

One or more Community Facilities Districts ("CFDs") may be established to help fund the construction and/or acquisition of public facilities and backbone infrastructure. The Mello-Roos Community Facilities Act of 1982 enables public agencies to form CFDs and levy a special tax on property owners within the CFD. These special taxes may be used to pay debt service on CFD bonds or to finance public improvements directly on a pay-as-you-go basis. Public improvements financed with CFD revenues must have a useful life of 5 years or more.

The proceeds from a CFD bond sale may be used by the sponsoring agency to finance the construction of the improvements directly or to acquire facilities constructed by the developer. Special taxes may also be used to fund certain public services and development impact fees. To the extent it is consistent with the County's CFD Goals and Policies for land-secured financing, one or more DSP CFDs may wish to employ an extended-term concept (i.e., more than 30 years) facilitating greater ability to finance backbone infrastructure and public facilities for future DSP residents and employees.

10.4.1.4 Revenue Bonds/Certificates of Participation

One or more series of Revenue Bonds and/or Certificates of Participation ("COPs") may be issued to finance additional public improvements. These debt instruments involve dedicating a revenue source or portion thereof to pay debt service and/or lease payments on tax-free bonds or COPs. The authorization for Revenue Bonds is contained in the Revenue Bond Law of 1941. COPs enjoy widespread use by public agencies throughout the State because they represent a lease payment structure and are not considered public debt. As a result, the issuance of a COPs series does not require registered voter approval. COPs may generally be secured by the same revenue streams as Revenue Bonds and finance the same types of facilities.

10.4.1.5 Plan Area Fees

Public improvements not financed through other methods will need to be constructed by the developer and/or individual builders using other financing sources prior to the issuance of a building permit. An AB 1600 fee study will provide a nexus to spread these remaining costs to all contributing land uses based on a reasonable relationship. These fees may then be used to construct the facilities directly or to reimburse developers for the cost of constructing eligible improvements.

10.4.1.6 Developer Financing

Individual developers may also use private financing to construct backbone infrastructure and other public improvements. If the improvements are contained in an AB 1600 fee program or a

CFD, the developer will be entitled to fee credits and/or a reimbursement according to the terms of the credit and reimbursement and/or acquisition agreement related to the financing program.

10.4.1.7 State and Federal Grants and Loans

A number of State and Federal programs are available at this time to provide grants and/or low-interest loans to qualified projects. These programs include the American Reinvestment and Recovery Act ("ARRA"), Build America Bonds ("BABs"), Recovery Zone Facility Bonds, Recovery Zone Economic Development Bonds, Clean Renewable Energy Bonds, Qualified Energy Conservation Bonds, New Market Tax Credits, and several others. It is not known at this time whether these funding sources will be available at the time of development.

10.4.2 DSP Financing Strategy and Policies

Objective: Fund public facilities and backbone infrastructure required for DSP development utilizing an appropriate combination of public and private financing to maximize project feasibility and to apportion costs fairly among the various landowners and/or merchant builders.

Policy 10-1: The full costs of both on-site and off-site public infrastructure and public facilities required to support the DSP, that are not funded by other sources (both existing and future), will be funded from revenues generated by development within the Specific Plan Area.

Policy 10-2: Development projects within the Specific Plan will be required to fund and construct the costs of extending the backbone infrastructure to adequately serve and support their project, consistent with the various public facilities master plan(s) prepared for the DSP, subject to fee credits or future reimbursements. The costs for backbone infrastructure and public facilities will be allocated, to the extent possible, based on a project's fair share of required improvements. The overall backbone infrastructure and public facilities burden may be reduced using various other public financing methods, such as CFD financing, Revenue Bonds/COPs, and/or grants and loans.

Policy 10-3: Existing fee programs established by overlapping public agencies (including the County and the School District) shall be used to fund Specific Plan infrastructure to the extent the improvements are eligible for such funding.

Policy 10-4: A new Plan area fee will be established for those improvements that are not funded by existing fee programs, "pay-as-you-go" financing or some form of public or land-secured debt. A fair share cost allocation of the required public improvements will be established for all planned development based on land use type and according to the nexus requirements in AB 1600.

Policy 10-5: When using CFD financing, including extended-term CFDs, the total effective tax rate (including all special taxes and assessments) for developed property shall not exceed fiscally prudent standards consistent with the County's CFD Goals and Policies.

Policy 10-6: When using Revenue Bond and/or COPs financing, the debt service and/or lease payments will be structure such that the reduction in revenues does not have a negative fiscal impact on the general fund of any overlapping public agency, including the County, the School District and the Water District. Additionally, Revenue Bonds and/or COPs will only be issued based on a level debt service and/or lease payment structure. The maximum debt service and/or lease payments will be no greater than the amount of revenues collected over the trailing twelve months.

Policy 10-7: "Pay-as-you-go" financing will be used to the extent possible to maximize public financing capacity beyond the limits established in local agency policies and state regulations.

Policy 10-8: To the extent that Federal and State grants and low-interest loans are available to help offset qualified public facilities and/or infrastructure burden, the overlapping public agencies will make their best effort to facilitate the application for these programs to the extent that the programs will not have a negative fiscal impact on the general fund of any overlapping public agency.

Policy 10-9: Before property may be included within a CFD or other special district or annexed to an existing district, property owner consent is required as provided by Proposition 13, Proposition 218 and the Mello-Roos Community Facilities Act. Participating landowners agree to annex a County Service Area ("CSA"), and other overlapping special or financing districts and provide funding for infrastructure improvements according to the infrastructure needs identified in this Specific Plan.

Policy 10-10: Any application for a discretionary approval (subsequent entitlement) that is filed by a non-participating landowner shall be conditioned upon the payment of a Specific Plan Fee pursuant to Government Code section 65456, in addition to the payment of applicable Plan Area Fees. The purpose of the Specific Plan Fee is to reimburse participating landowners (i.e., the Dunnigan Landowner Group) and the County for costs associated with the preparation, adoption and administration of this Specific Plan, as well as attorney fees and consultant costs incurred pursuant to CEQA. Properties owned by non-participating landowners will be required to annex into the CFD, CSA, and/or other overlapping special districts (including any zones of benefit), which have been established to fund services or improvements that benefit the property. Non-participating landowners will also be required to consent to any applicable provisions of the Specific Plan, which may include execution of a Development Agreement.

10.4.2.1 Financing Strategy Overview

Development of the Specific Plan will be contingent upon the construction of public facilities and infrastructure necessary to support the projected development. In developing the PFFP, the various funding sources were chosen to spread the costs in a way that distributes costs equitably and maximizes project feasibility.

The existing impact fees collected by Yolo County and Pierce Joint Union School District will be used to construct a portion of the facilities necessary to support the Specific Plan's residents and businesses. These fees are based on an AB 1600 Fee Study that spreads the cost of necessary public facilities among new development based on benefit.

In addition to existing fee programs, additional mechanisms will be established to finance public facilities and backbone infrastructure. The most appropriate mechanism to finance these remaining costs is CFD financing. CFD bonds are secured by a lien on the underlying land and are non-recourse to the sponsoring public agency. Land-secured debt will be necessary to fund development impact fees and other costs during the early years of development, as well as at other strategic times when proceeds from Plan Area Fees, Revenue Bonds/COPs, and private financing sources are not readily available. CFD special taxes, bond amounts and "pay-as-you-go" financing will be limited to prudent levels that are consistent with the County's established Goals and Policies.

Additional public improvements may be financed with the proceeds of tax-exempt municipal bonds secured by certain revenues generated by Specific Plan residents and businesses. Revenue bonds or COPs that are secured by a portion of the monthly sewer and water revenues will be used to finance sewer and water facilities. State and federal grant and loan programs are currently available from State and local governments to finance a variety of public facilities including sewer, water, parks, bridges, interchanges, and public safety. The availability of these grants and loans and the selection criteria vary from year to year. To the extent that improvements necessary for the development of the Specific Plan qualify for these programs at the time of development, the available funds will be used to finance the eligible facilities and reduce the infrastructure burden.

A Plan Area Fee program, based on an AB 1600 fee study, will be established to apportion the remaining public facilities costs among the planned residential and non-residential development within the Specific Plan. This financing method is the least preferred because the funds will not be available until after building permits are issued. It may be necessary for the developer or the public agency to construct the improvements utilizing other funding sources, such as private financing or other resources. The cost of the improvements will be reimbursed only after building permits have been issued and impact fees have been collected.

It is expected that costs will change over time and therefore, each funding mechanism should include a method for adjusting the amount of funding to reflect actual costs at the time of construction. Other financing mechanisms will also be used depending on availability and whether they are applicable to the improvements required for the development of the Specific Plan.

10.5 FINANCING OF PUBLIC SERVICES

The Dunnigan Public Services Financing Plan, Appendix P, has been prepared to address the manner in which public services delivery will be managed and financed. Maintenance of public infrastructure improvement is also addressed in the Public Services Plan. It is anticipated that the initial delivery of many of the urban services will be administered by a County Service Area (CSA).

Urban services will be administered by a separate entity under a County department, such as the County Administrator's Office or the Planning and Public Works Department, with an administrator and limited staffing to manage service contracting. The CSA could contract for services with outside service providers.

Properties will be required to annex into the newly formed CSA and/or any special districts established for maintenance of certain facilities that provide special benefit to the DSP, such as a Sewer Maintenance District, prior to receiving said services. Such facilities may include landscape corridors and medians, open space areas, trails, bike paths, drainage, detention and retention facilities, stormwater quality treatment facilities, and community, recreation, neighborhood and pocket parks.

In addition to County General Fund funding for service delivery and maintenance, funding may also be provided by one or more of the following methods:

- User fees;
- Special Tax Levies (which may include Mello Roos special taxes); and/or
- Assessments.

Other financing mechanisms may be also be used, including creation of private districts or associations to fund maintenance of certain facilities in the DSP area. Specific financing requirements, improvement obligations, fees, credits, reimbursements, land and easement dedications, conveyances, maintenance and other financing and improvement related obligations are detailed in the PFFP (Appendix N), PSFP (Appendix P), and Specific Plan Development Agreements.