

VIII. UPDATES AND IMPLEMENTATION OF THE FINANCING PLAN

This draft Financing Plan will be revised as part of the public review process of the Project Specific Plan and EIR/EIS. A draft final Financing Plan will be prepared for the public review process and a final Financing Plan will be prepared for approval by the City Council in conjunction with the approval of the Specific Plan.

Following Council approval of the Specific Plan, implementation of the Financing Plan strategies will require these steps:

- Updates to existing development impact fee programs;
- Identification of RDOSP Special Financing District program(s);
- Formation of CFDs and/or Assessment Districts to fund public services; and
- Creation of other potential regional fee programs, as needed.

Implementation of the RDOSP Special Financing District program will require the City to prepare appropriate provisions in the DA approved for each development project and a series of fee credit and reimbursement agreements for developers who construct or pay for Backbone Infrastructure or Public Facilities specified in the Financing Plan.

CHANGES IN THE CAPITAL IMPROVEMENT AND FINANCING PROGRAMS

It is anticipated that as the Financing Plan is implemented, the infrastructure costs and available funding sources will change as development occurs. As a result, the Financing Plan must be flexible enough to appropriately accommodate these changes. Changes in the actual or assumed facilities cost estimates or funding of the facilities should be re-evaluated in the context of the overall financing strategy to ensure required funding is available when needed.

Possible refinements are listed below:

- New or revised infrastructure projects;
- New cost information based on actual construction costs, updated engineering estimates, or changes in the land use plan;
- New funding source data;
- Inflation adjustments to cost and funding data; and
- Land use changes to the RDOSP.

Changes in the financing program could include higher or lower cost estimates, as well as changes in funding sources. Costs and funding sources will also need to be adjusted annually to reflect inflation costs, as information contained in the Financing Plan is shown in year 2006 dollars.

FEE CREDITS AND REIMBURSEMENTS

The City will require developers to advance-fund and/or construct certain infrastructure and other associated costs contained in the Project. The improvements that are advance-funded may be Backbone Infrastructure or other Public Facilities programmed for funding using existing fee programs, the proposed RDOSP Special Financing District program, bond proceeds, or private financing.

If the project developer(s) is required to advance-fund or provide shortfall funding for improvements constructed initially, the RDOSP developers likely will be entitled to fee credit or reimbursement from future development in the RDOSP. If the private funding/financing includes oversizing for areas outside of the RDOSP, the project developer also will likely be entitled to future reimbursements from those development areas generating fees for those facilities.

Fee credit/reimbursement programs for existing and proposed development fee programs will require agreement between the developers, the City, and any other applicable agencies who will administer the fee programs, such as the school districts. The policies and procedures for providing fee credits and reimbursements will be set forth in the implementing documents for the fee programs and/or CFD(s).