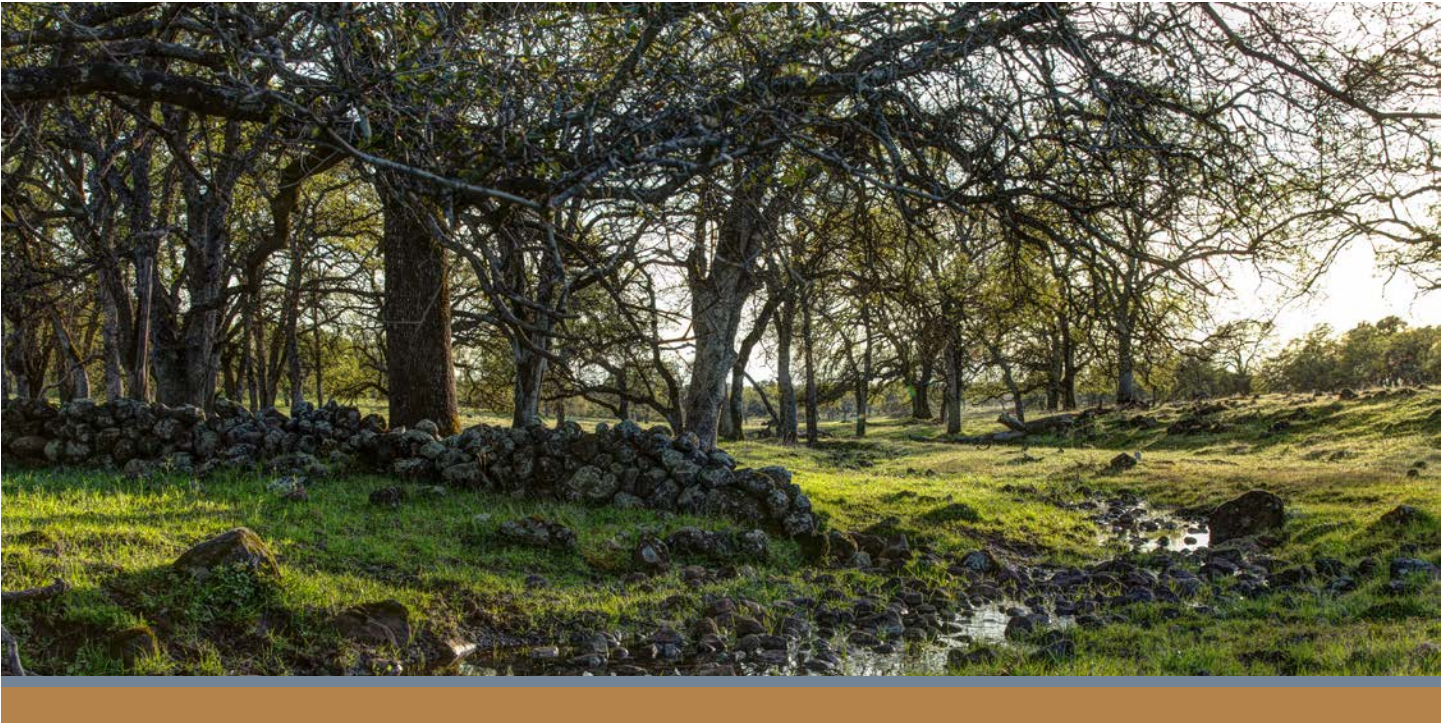




Administration & Implementation

Chapter 7 - Administration & Implementation

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7.1 Introduction

In accordance with California Government Code Section 65451, the Administration and Implementation Chapter addresses core elements needed to implement the Valley's Edge Specific Plan (VESP), including the relationship between the Specific Plan and adopted plans and policies of the City.

The VESP Facilities Financing Plan (Section 7.3 and Table 7.1) identifies a range of traditional infrastructure financing mechanisms, including maintenance responsibilities of the Valley's Edge Homeowners Association (HOA). This Chapter also describes flexibility as needed to respond to evolving market trends, opportunities, and constraints. The process for amending the VESP is also outlined, as are distinctions between minor and major amendments.

Developments within the VESP will be required to comply with the California Environmental Quality Act (CEQA) and provide the necessary findings for project approval, unless otherwise exempt. This Chapter also provides a general overview of the proposed infrastructure and phasing. The Phasing Map (Figure 7-1) is not intended to predict the precise size or sequence of incremental development over time, but rather convey a general understanding of where development may logically begin and finish.

The land use, development standards and regulations of the VESP and Development Agreement take precedence over the City of Chico's Municipal Code, except where the VESP is silent or references the Municipal Code.



7.2 Relationship to Adopted City Plans & Policies

7.2.1 General Plan

Adopted in April 2011 and updated in 2017, the Chico 2030 General Plan (GP 2030) provides a comprehensive and long-range roadmap for development and conservation in Chico. To foster planned and orderly growth, GP 2030 identified five Special Planning Areas (SPA's), each to be developed into connected and complete neighborhoods with a mix of housing types, services, employment, and shopping opportunities, along with parks and open space.

The City and the community's vision and expectation for the VESP area is described in Appendix C of the Chico General Plan. The VESP establishes the planning and policy framework enabling development and conservation in the planning area to, over time, implement applicable goals and policies expressed in the GP 2030.

7.2.2 City of Chico Municipal Code

The Chico Municipal Code (CMC) represents the basic regulatory instrument for implementing the City's General Plan. The Municipal Code is used in conjunction with the VESP to regulate development of individual projects. The VESP sets forth the permitted uses, development standards, and other regulations within the planning area. Where CMC and the VESP are in conflict, the VESP shall prevail; where the VESP document is silent, the CMC shall govern.

7.3 Facilities Financing Plan

The construction of public improvements in the VESP area will, over time, be funded through a mix of traditional financing mechanisms. Various options include but are not limited to a combination of developer financing, City impact fees, school impact fees, land dedication(s), homeowner's association fees, Community Facilities Districts, Statewide Community Infrastructure Program (s), and other methods, summarized in Table 7.1.

7.3.1 Development Impact Fees and Exactions

The City of Chico Development Impact Fee (DIF) program is used to help fund area wide capital improvements and/or public facilities through the imposition of fees for streets, parks, storm drainage, sewer trunkline, sewer plant capacity, bikeways, police, fire, etc. Projects which contribute land and/or improvements do so in lieu of paying fees. Depending on the fee type, monies are collected prior to issuance of building permits, improvement plans, final map, Certificate of Completion or otherwise as may be specified by the Development Agreement.

Similarly, the Chico Unified School District (CUSD) utilizes development impact fees used to construct school facilities, including land acquisition. Projects which contribute land and/or improvements do so in lieu of paying fees. The developer must document that these school impact fees have been paid prior to issuance of a building permit.



7.3.2 State Land Secured Financing Programs (SCIP and BOLD)

The Statewide Community Infrastructure Program (SCIP) and The Bond Opportunities for Land Development (BOLD) are widely used financing tools enabling builders and developers to finance various impact fees and public improvements. Under the SCIP program, impact fees, and/or infrastructure can be financed through an acquisition agreement that qualify under the 1913/1915 Act (excluding school fees) via tax-exempt bond proceeds. Under BOLD, land developers can finance public infrastructure projects and development fees through bonds issued by a community facilities district (CFD) formed by the California Municipal Finance Authority (CMFA) under the Mello-Roos Community Facilities Act of 1982. These and other similar land secured financing programs can be used to pay for, or be reimbursed for, any eligible impact fee. Moreover, the program may alleviate the need for a fee deferral program by providing the local agency with necessary funds and eliminating the risk of nonpayment by an applicant.

7.3.3 Community Facilities Districts

The Mello-Roos Community Facilities Act provides for the formation of CFD to finance facilities and services. Within the VESP area district proceeds may be used to fund a wide range of improvements, facilities, and services. CFD's may also be used for maintenance of parks, open space, and other amenities.

7.3.4 Special Assessment Districts

Special Assessment Districts such as the Landscape and Lighting Act of 1972, the Municipal Improvement Act of 1913, and the Improvement Bond Act of 1915, provide methods of leveraged financing typically through annual assessments to property owners within the District that benefit from the service and or facilities. One or more special assessment districts may be created for the VESP area to fund roadways and infrastructure, landscaping corridors, parks, recreational amenities, open space areas, parks, trails and other such facilities. A benefit to Special Assessment Districts is that they directly benefit specific properties at no risk to public agency general funds.

7.3.5 Developer Financing

Direct developer/merchant builder financing may be used to contribute towards backbone improvements and facilities, shortfall financing, and in-tract subdivision improvements. Developer financing may also be used to contribute to backbone infrastructure improvements and facilities.

7.3.6 Homeowners Association

A homeowners' association (HOA) is a legal entity that administers the development and management of a master-planned community (or a subset of the community) such as the VESP. HOA's are initially incorporated by the master developer prior to the sale of any homes, and ultimately transferred to the control of property owners within a development for self-administration. Through the levy of property assessments, HOAs generate revenue to provide services, operate common facilities, regulate activities, fund ongoing maintenance, and impose fines pursuant to the terms established for the development. The Valley's Edge Homeowners Association will be responsible operation and maintenance of common area parks and open space areas, trails, pathways, community clubhouse, community garden, along with various infrastructure elements such as private roadways, storm water facilities, utilities, landscaping, street lighting, signage and other such facilities and amenities.



Table 7.1 Potential Public Improvements Financing and Maintenance Mechanisms

Improvements/Facilities	Financing Options*
Street Improvements	SCIP/BOLD/CFD/Fee/Developer Financing
Water Infrastructure	
Sewer Infrastructure	
Storm Water Infrastructure	
Bike & Pedestrian Trails	CFD/HOA Fee/Developer Financing
Neighborhood Parks, Special Use Parks, Regional Park, Mini Parks, Tot-Lots, Paseos, and other Open Space Amenities	CFD/HOA Fee/Developer Financing
Community Park	CARD/Park Fees/Land Dedication
School	CUSD/School Fees/Land Dedication
Open Space Amenities	HOA/CFD/Developer Financing
Private Facilities Maintenance Services	CFD/HOA Fee
BOLD: The Bond Opportunities for Land Development CARD: Chico Area Recreation District CFD: Community Facilities District CUSD: Chico Unified School District SCIP: Statewide Community Infrastructure Program	

* Other financing mechanisms may be used, including creation of private districts or associations to fund maintenance of certain facilities within the VESP plan area. Specific financing requirements, improvement obligations, fees, reimbursements, land and easement dedications and conveyances, maintenance, and other financing and improvement related obligations are detailed in the development agreement(s).

7.3.7 Design Review Committee

The Valley's Edge Design Review Committee (DRC) will be appointed by the Valley's Edge Homeowners Association (HOA). The DRC shall be responsible for determining a project's compliance with the VESP Design Guidelines (Appendix A) and workforce housing types (as specified in Section 4.7), utilizing City staff for administrative review and concurrence.

7.4 Specific Plan Flexibility

The Chico General Plan encourages SPAs to retain flexibility (GP Policy LU 6.2) in order to meet evolving demands for housing and work space. Likewise, changes in the physical and regulatory environments, advances in technology, evolving market preferences and other dynamics underscore the need for latitude where appropriate.

The VESP allows for such latitude built around generally defined parameters such as the total development capacity, overall distribution and mix of allowable land uses, major circulation and infrastructure components, and policies and standards guiding subsequent planning and development.

In this manner the VESP's exhibits (i.e, circulation, trails, infrastructure, etc.) are not to be interpreted as precision dictates, but rather master plan level direction to inform incremental planning and civil design details and decisions occurring at the individual development stage. The dwelling units specified in Table 4.1 shall not be exceeded.



Similarly, as noted in Chapter 4 (Land Use), the precision of the Land Use Plan boundaries (Figure 4-1), as well as the acreages described in the Land Use Summary (Table 4.1), while representative of the overall vision and intent, are understood to be approximations.

As with GP 2030, some policies and actions in the VESP use an imperative verb tense (i.e., “shall”) which means they are mandatory, and must be followed strictly unless an exception clause is met. Other policies, standards, and actions are more flexible (i.e., “should”) and intentionally allow for interpretation in their application.

In the interest of reaffirming the VESP’s prioritization of open space and recreation, in no event shall the combined total amount of open space and public land uses be less than 675 acres, as set by the Land Use Plan (Figure 4-1), which establishes the baseline acres and respective land use boundaries.

7.5 Minor & Major Modifications

Due to the size, scale, and long-range buildout of the VESP area, it is expected that modifications to the Specific Plan may be needed from time to time. Minor modifications represent refinements that aid, correct, slightly adjust, or otherwise assist with the implementation of the VESP, and are processed administratively by the City. Major modifications represent significant changes to VESP as originally approved, and are processed and administered in similar fashion to the VESP’s original adoption, requiring review and formal recommendation by the Planning Commission and action by the City Council.

The determination of whether a particular modification is minor or major shall be made by the Community Development Director or their designee, by reviewing the examples illustrated in Sections 7.5.1 and 7.5.2.

7.5.1 Minor Modifications

Minor modifications are allowed through an administrative review process, so long as those minor modifications and adjustments are consistent with the overall purpose and intent of the VESP, and in substantial conformance with:

- The Vision, Principles and Goals of the VESP;
- The VESP Environmental Impact Report (EIR);
- The VESP Development Agreement; and
- The City of Chico General Plan.



Examples of VESP minor modifications include, but are not limited to:

- Addition of information to the Specific Plan (including maps or text) for purposes of clarification that does not change the intent of any plan or regulation, as well as correction of any clerical or grammatical errors;
- Modification to an allowable land use that does not materially increase external traffic and other impacts considered by the VESP EIR;
- Adjustments to land use boundaries and/or land use modification providing such modification does not result in a reduction of open space at or below 675 acres total, and does not increase the total allowable dwelling units in the VESP area;
- Change in design, specification or location of an infrastructure element that does not adversely affect the level of service provided;
- Modification of up to 20% of the Development Standards (Sections 4.4, 4.6, 4.8, and 4.9), in order to protect natural features, such as rock outcroppings, trees, and creeks/drainages, provided that the resulting building design and/or site orientation serves the original intent of the VESP and is not in conflict with the VESP EIR, subject to approval under Administrative Use Permits (CMC 19.25);
- Modification to the Design Guidelines, such as revisions to design treatments or changes in specified plant materials, if it is determined that such changes achieve the design intent to the same or better level;
- Change in roadway alignment, width, grade or improvements through the final engineering/improvement plan process so long as minimum street standards are consistent with the intent of the standards outlined in the Specific Plan and a minimum 675 acres of open space is retained;
- Changes to landscape guidelines, materials, wall materials, entry design, and streetscape design which are generally comparable with the design criteria set forth in the Specific Plan; and
- Modification of any design standard or element that improves circulation, reduces grading, improves drainage, improves infrastructure, or provides similar utility and reduces operations and maintenance costs.
- Modification in the reduction of public maintenance responsibilities, for example, privatization of roadways.

The examples of minor modifications described above are neither prescriptive nor comprehensive. Any minor modification that is deemed by the Community Development Director to be in substantial conformance with the purpose and intent of the Specific Plan shall be permitted. The documentation of substantial conformance may include text and/or maps which describe the nature of all proposed modifications or adjustments within the Specific Plan. This application of substantial conformance with the adopted Specific Plan shall undergo any necessary technical review by City agencies as the Community Development Director or their designee deems necessary to document substantial conformance, maintain conditions of project approval, and or other administrative mechanism(s).



Minor modification to the Specific Plan may, at the sole discretion of the Community Development Director, may be approved and administered by the Community Development Director, or referred to the Planning Commission and/or City Council for action. Determinations and actions by the Community Development Director may be appealed to the Planning Commission.

7.5.2 Major Modifications

Any major modification(s) to the VESP requires an application for and processing of a Specific Plan Amendment, subject CEQA and conditioned upon approval by the Chico City Council.

Examples of VESP major modifications include:

- Expanding the boundary of the project; and
- An increase in the overall development density and or maximum dwelling unit thresholds considered by the VESP EIR.

7.6 CEQA Compliance

Development projects within California are subject to the California Environmental Quality Act (CEQA). The VESP EIR serves as the baseline environmental document for subsequent entitlements within the VESP area. Development applications will be reviewed to evaluate consistency with the VESP EIR.

In this regard, subsequent projects that are consistent with the Valley's Edge Specific Plan and project EIR may not require further environmental review per §65457(a) of the California Government Code/§15182(a), which states that no EIR or negative declaration is required for any residential project undertaken in conformity with an adopted Specific Plan for which an EIR has been certified. If a proposed project is determined to be inconsistent with the VESP or its EIR, the City would make a determination as to the nature of any subsequent environmental document. If any of the following conditions set forth in CEQA Guidelines §15162-64 occur that would trigger the need for a Subsequent EIR, including:

- Substantial changes are proposed in the project which require major revisions of the previous EIR due to involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects.

7.7 Infrastructure Phasing

The Valley's Edge planning area is designed to accommodate incremental development extending eastward from existing urbanized Chico, over an extended period of time, and in response to market demand and other economic forces. In this context, it is impracticable to predict with precision, or to presume or dictate the size, shape, and order of individual subdivisions and/or phases while at the same time retaining necessary flexibility to respond to ever evolving market conditions as directed by the Chico General Plan.



The term “infrastructure” refers to the streets, sewers, utilities, and other improvements that are necessary to serve the planning area. The term “phase” refers to areas planned for development which, by virtue of size, land use, and reliance on preceding infrastructure, informs the sequential and directional order of future development. The term “infrastructure phasing” as used in the VESP is synonymous with “development phasing”, or simply “phasing”.

In the VESP area, the dynamic nature of phasing is amplified by the variety of land uses and product types being represented. For example, market demand for a particular lifestyle or housing type may rationalize extension of infrastructure to serve that market, whereas lack of demand for other product(s) may delay development in other portions of the planning area. Similarly, the demand characteristics for senior or age-restricted communities are distinct from demand characteristics for the range of densities and product types within the Multi-Generational neighborhoods (refer to Figure 7-1 for Senior and Multi-Generational neighborhoods).

As a reflection of these dynamics, the VESP Phasing Map (Figure 7-1) segregates the plan area into quadrants based on market residential segment and land use. The Multi-Generational neighborhoods are further separated into “north” areas served primarily from the secondary access along the extension of East 20th Street, and “mid” areas served from the major collector roadway linking primary and secondary entrances. The commercial areas and Senior areas are generally served from the primary entrance along Skyway. The infrastructure needed to support each phase will be constructed to serve that phase and future phases dependent upon such infrastructure. For example, phase 2 may be constructed prior to phase 1; however, infrastructure within phase 2 needed to support phase 1 would be sized and constructed in phase 2.

The VESP’s organization of land uses and the segregation, at least initially, of infrastructure extending from primary (south) and secondary (north) VESP area entrances creates the ability to incrementally serve and support Chico’s demand for Multi-Generational and Senior populations, including commercial areas. Phasing of the major collector and the minor internal roads lying between north and south areas (referred to as “mid” phases) will be warranted by market demand and dictated by such things as traffic circulation, secondary emergency access, and on- and off-site infrastructure capacity. Notwithstanding, residential development in the Multi-Generational neighborhoods shall be limited to 450 dwelling units until such time as vehicular connectivity extends to the primary entry along Skyway, unless otherwise determined by the Community Development Director.

The timing and conditions for development of neighborhood parks will be described in the Development Agreement. Figure 7-1 (Phasing Map) is not intended to dictate the actual size and configuration of incremental development over time, but rather convey the origins, general order, and anticipated direction of development over time.



LEGEND

- Phase 1
- Phase 2
- Phase 3
- Phase 4
- Commercial Phase

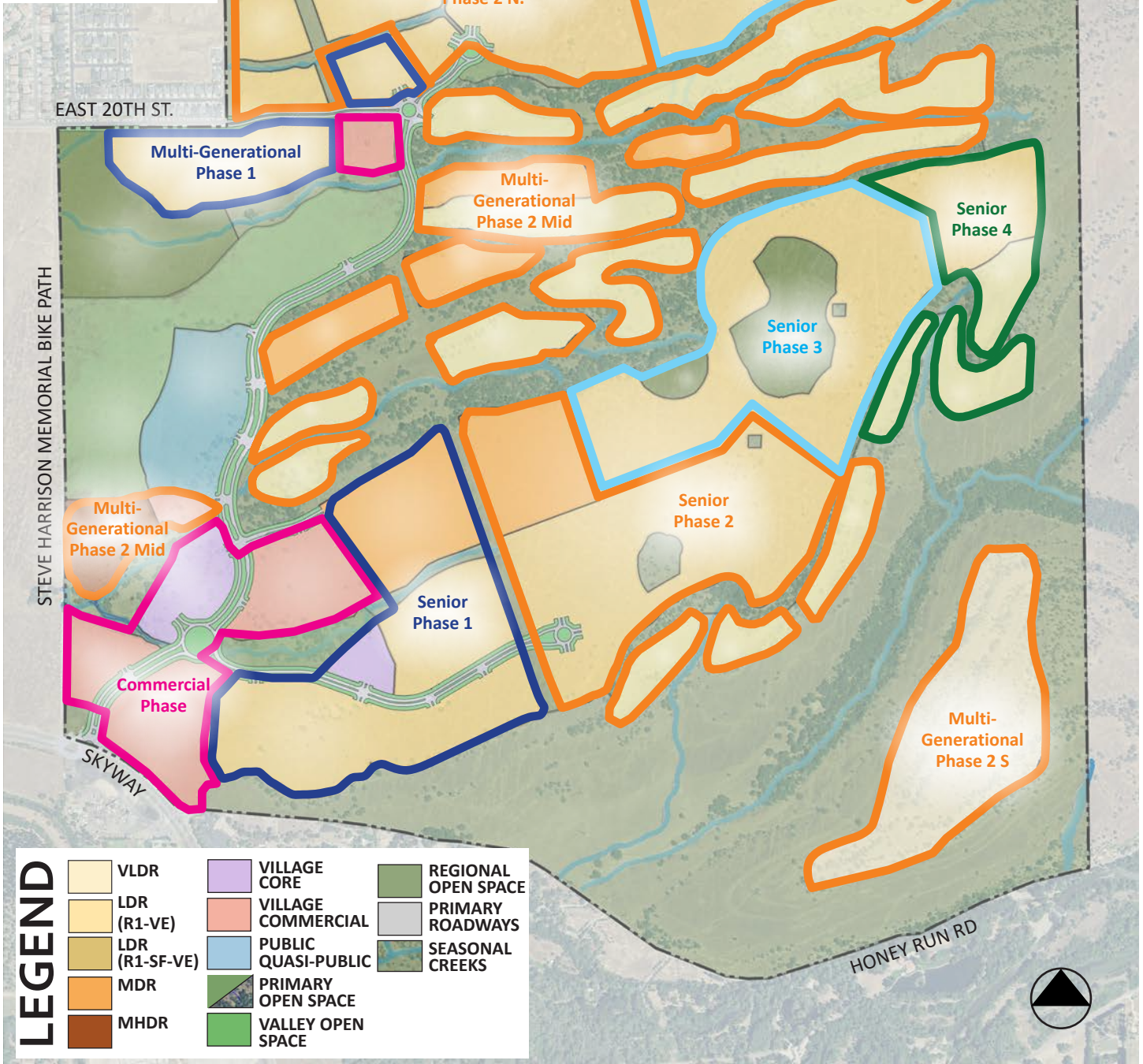


Figure 7-1: Phasing Map



7.8 Implementation

The following sections below outline the process for implementation of the Valley's Edge Specific Plan.

7.8.1 Development Agreement

A development agreement allows public agencies to advance local planning policies and projects through a contract entered by a public agency and property owner. To strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risks of development, the Legislature of the State of California adopted Government Code Sections 65864 et seq. ("Development Agreement Statute"), which authorizes the City of Chico to enter into an agreement with any person having a legal or equitable interest in real property and the development of such property.

Development Agreements are contracts between local jurisdictions and land owners, describing various obligations of the parties and specifying applicable thresholds, standards and conditions that will govern development of the property. Development agreements provide the City with the assurance of implementation of the General Plan and Specific Plan as development of the property proceeds. They are also intended to assist Developer(s) in undertaking the development in such a manner as to achieve the public purposes and public and private benefits of investment and development for participants, future residents and for the City.

Pursuant to Government Code Section 65865, the City has adopted procedures and requirements for consideration of development agreements which are contained in Chico Municipal Code Chapter 19.32. The Valley's Edge Development Agreement shall be processed, considered and executed in accordance with such procedures and requirements.

7.8.2 Guiding Principles, Goals, and Actions

The Guiding Principles, Goals, and Actions of the Specific Plan will be enforced and implemented by the City of Chico and the Valley's Edge Homeowner's Association. The Guiding Principles, Goals, and Actions are outlined in Chapter 2. These actions are not all intended for immediate and simultaneous enactment, but to be implemented throughout the development and future of Valley's Edge.

7.8.3 Statement of Severability

If any provision of this Specific Plan or its application to any person or circumstance is held to be unconstitutional or otherwise invalid by any court of competent jurisdiction, the invalidity shall not affect other Specific Plan provisions, clauses, or applications which can be implemented without the invalid provision, clause, or application, and to this end the provisions and clauses of the Specific Plan are declared to be severable.