VIII. IMPLEMENTATION

INTRODUCTION

This chapter addresses the actions that are necessary to implement the Specific Plan and provide the many community benefits that are outlined in the Specific Plan. The Specific Plan is a tool to create positive change in Downtown Gilroy. It is based on community input, General Plan recommendations and an analysis of economic conditions in order to present a realistic plan for the future. The questions relating to how, when, who and how much are addressed in this section. The implementation “action plan” contains a summary of actions proposed by the Specific Plan. Each of these actions will be carried out by various City departments over time and included in the annual Capital Improvements Program. In this way the community benefits accruing from changes to Downtown Gilroy will be institutionalized as a part of the on-going operation of the City. In certain cases further study and analysis may be required to find realistic and timely solutions to implementation recommendations. In addition, the City should consider establishing a revenue source for downtown improvements, including, but not limited to, dedicating impact fees that are generated in the Downtown to the downtown improvements.

SPECIFIC PLAN TWENTY-YEAR DEVELOPMENT GOALS

The Downtown Specific Plan Task Force has studied and accepted a twenty-year lifespan development level of 994,500 square feet of new commercial floor area and 1,576 new residential units within the 160-acre Specific Plan boundary. This additional development was determined by Staff and Specific Plan consultants to be a reasonable amount that could be supported without requiring drastic improvements to the City’s infrastructure. At this rate, an annual average of 79 new residential units and 49,725 square feet of commercial floor area is expected for each of the next 20 years.

The Task Force recommends that the City Council consider establishing a flexible allocation of the 1,576 residential units to avoid restricting the pace of residential development.

HOW A SPECIFIC PLAN CAN BRING ABOUT PRIVATE ECONOMIC INVESTMENT

An effective specific plan typically involves both the public and private sectors in the plan implementation. Whereas development of the specific allowable land uses and creation of selected development standards envisioned for a plan area is often initiated by the public sector, the ultimate goal of this type of planning effort is to attract desired private investment.
Broadly speaking, there are two major ways that a municipality can facilitate private development:

a. By creating a “conducive development environment” that is consistent with prevailing market demand for various land uses. This strategy may include the following types of actions or policies:
   - Zoning that is responsive to market needs;
   - Allowing increased density through specialized “form and standard based” development standards to encourage redevelopment of underutilized and dilapidated properties;
   - Streamlined permitting and entitlement processes;
   - Area-wide infrastructure and “amenity” (e.g. streetscape and landscape) investments;
   - Marketing of the Specific Plan area both to consumers and prospective business tenants;
   - Technical assistance to Specific Plan area businesses; and
   - Enhanced code compliance to improve the visual appeal and function of the urban environment.

b. By providing direct or indirect financial incentives to area businesses, property owners, and key development projects. The incentives can involve the following types of initiatives:
   - Providing a development incentives program;
   - Waiving or reducing various local fees and taxes;
   - Providing loans and/or grants for various business and property improvement purposes such as building façade renovations;
   - Investing in site- or project-specific infrastructure;
   - Creating “opportunity sites” by making City-owned properties in the Specific Plan area available for appropriate private development; and
   - Reviewing Impact Fee structure in order to promote and facilitate Downtown development opportunities.
Economic Conditions Influencing Development Potential in Specific Plan Area

As an effective Specific Plan, this Specific Plan is based on a realistic understanding of the market and demographic conditions affecting the Specific Plan area. Simply changing zoning on a map will not attract development unless there is an underlying market demand for a particular land use. Similarly, if there is immediate demand for a desirable land use that is not permitted under existing zoning, a change in zoning can bring about very significant results. Moreover, appropriate zoning changes can be made more effective if coupled with regulations that address other potential barriers to development (e.g., onerous parking requirements).

The following is a summary of key existing conditions that will influence the realistic range of future development opportunities in the Specific Plan area.

- The Specific Plan area is largely “built out”, with few vacant or underutilized parcels.
- Local real estate development and construction industries are experiencing high demand for new residential, commercial and industrial development.
- Gilroy’s economy has become more diversified over time into non-agricultural commercial and industrial activities such as light manufacturing, wholesale operations, automobile sales, and large retail outlets.
- Revitalization efforts in the Downtown area have helped attract some new businesses to the area and retained existing businesses, creating a core area of antique stores, specialty shops, and restaurants.
- Restored historic buildings also add to the Downtown’s character, including the Old City Hall and Train Depot.
**Implementation Action Plan**

The vision and goals presented in the Specific Plan are supported by the following Implementation Action Plan. The Implementation Action Plan provides a summary of Specific Plan recommendations and is presented in a table format providing a clear listing of the major programs, projects, and actions needed for implementation. The table also identifies the responsible agency or party, potential funding sources associated with each action (if warranted), and suggested timing of the actions. The table is organized to discuss regulatory actions, programs, and improvement projects for the entire Specific Plan area, with specific direction for each planning District.

<table>
<thead>
<tr>
<th>Priority Lead Support</th>
<th>Responsibility</th>
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<tbody>
<tr>
<td>Priority</td>
<td>Lead</td>
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<tr>
<td>REGULATORY ACTIONS</td>
<td></td>
</tr>
<tr>
<td>Preparation of CEQA document and Adoption of Specific Plan</td>
<td>1</td>
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<tr>
<td>Creation of policies requiring reciprocal access agreements between parcels</td>
<td>1</td>
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<tr>
<td>Preparation and adoption of development incentive program</td>
<td>1</td>
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</tbody>
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*Table 8.1 - Implementation Action Plan*
# Implementation Action Plan

## Downtown Gilroy Specific Plan

<table>
<thead>
<tr>
<th>Priority: 1 = Short Range (1-2 years), 2 = Mid-Range (3-10 years), 3 = Long-Range (10+ yrs)</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>IMPROVEMENT PROJECTS</strong></td>
<td><strong>Priority</strong></td>
</tr>
<tr>
<td><strong>Area Wide Improvements</strong></td>
<td></td>
</tr>
<tr>
<td>Develop and Implement Wayfinding System and comprehensive Sign Program</td>
<td>1</td>
</tr>
<tr>
<td>Develop a Downtown Gateway/Entry Monument Master Plan and designs</td>
<td>1</td>
</tr>
<tr>
<td>Streetscape Master Plan for Monterey Street -- streetscape master plan, design development and PS&amp;E</td>
<td>2</td>
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<tr>
<td>Streetscape Master Plan for Eigleberry Street -- streetscape master plan, design development and PS&amp;E</td>
<td>1</td>
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<tr>
<td>Streetscape Master Plan for Railroad Street -- streetscape master plan, design development and PS&amp;E</td>
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<tr>
<td>Streetscape Master Plan for streets intersecting Monterey Street -- streetscape master plan, design development and PS&amp;E</td>
<td>1</td>
</tr>
<tr>
<td>Master plan for Gourmet Alley -- design development, specific standards for public and private improvements</td>
<td>2</td>
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<tr>
<td>Master plan for railroad corridor for beautification and screening</td>
<td>2</td>
</tr>
<tr>
<td>Prepare street and intersection analysis and improvements</td>
<td>2</td>
</tr>
<tr>
<td>Create a storefront and façade improvement program in the Downtown area</td>
<td>2</td>
</tr>
<tr>
<td>Develop a Plaza Master plan identifying key locations and conceptual designs for plazas</td>
<td>2</td>
</tr>
<tr>
<td>Prepare design plans and specifications for plaza located at SEC of Monterey Street/Fifth Street</td>
<td>2</td>
</tr>
<tr>
<td>Prepare design plans and specifications for plaza located at Hornlein Court</td>
<td>2</td>
</tr>
<tr>
<td>Develop a Paseo Master plan Identifying key locations and conceptual designs for paseos</td>
<td>1</td>
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<tr>
<td>Construct gateway at First Street</td>
<td>1</td>
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<tr>
<td>Construct gateway at Tenth Street</td>
<td>1</td>
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<tr>
<td>Construct monument signs at Third Street and Eighth Street</td>
<td>1</td>
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<tr>
<td>Establish reciprocal access easements west of the railroad tracks between First Street and Seventh Street to provide continuous alley and parking access</td>
<td>1</td>
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</tbody>
</table>

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<tr>
<td><strong>PROGRAMS/STUDIES</strong></td>
<td></td>
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<tr>
<td><strong>Area Wide Improvements</strong></td>
<td></td>
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<tr>
<td>Prepare a scope of work and retain an economist to devise implementation strategies and options including financing options, phasing, and funding sources</td>
<td>1 P</td>
</tr>
<tr>
<td>Prepare a development monitoring program and improvement phasing program</td>
<td>1 P E</td>
</tr>
<tr>
<td>Create a PR Campaign: newsletters, website, promo</td>
<td>2 DMA P</td>
</tr>
<tr>
<td>Create a beautification awards recognition program</td>
<td>2 DMA CS</td>
</tr>
<tr>
<td>Tailor existing art in public places program for Downtown</td>
<td>2 DMA CS</td>
</tr>
<tr>
<td>Develop a Downtown Gilroy Logo</td>
<td>1 DMA</td>
</tr>
<tr>
<td>Study, organize and establish a Property Owner and Business Improvement District (including evaluation of boundaries and whether to include entire Downtown area or only portions)</td>
<td>2 DMA P</td>
</tr>
<tr>
<td>Prepare a Parking Management Plan for the Downtown area to establish shared parking regulations and a parking in lieu fee program</td>
<td>2 E DMA</td>
</tr>
<tr>
<td>Prepare a Parking Management Plan for the Downtown area to establish locations for parking structures, public parking lots and additional public parking facilities</td>
<td>2 E P</td>
</tr>
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**TABLE 8.1 - IMPLEMENTATION ACTION PLAN**
Incentives

The City of Gilroy has been proactive in providing municipal incentives for the attraction of businesses and revitalization of the Downtown. Municipal incentives on a temporary basis have been offered such as reduced fees, expedited application/plan processing, and mixed-use allowances. In addition, parking districts have been established.

In order to encourage desired amenities and project characteristics, the City will adopt an incentives program as a separate City Council Resolution to be processed at the same time as the zone change implementation. The costs and benefits of each incentive will be analyzed prior to a recommendation to the City Council for implementation and the City Council will adopt the incentives following approval of the Specific Plan.

It is not the City's intention to offer parking waivers as an incentive. The City will allow in-lieu parking fees to be paid to correct an identified parking deficit.

Any incentives offered to property owners within the Specific Plan boundary will not exceed the appraised value of the improvements. If the value of the improvements is in question, the City will conduct an appraisal at the property owner's expense.

All incentives and public benefits will be as adopted by City Council in separate resolution. The City Council may amend the incentives and public benefits at any time, but not more often then once per calendar year and not less often than once per five calendar years.

Incentives defined by City Council resolution may include, but are not limited to, any of the following:

- An increase in FAR
- Reduction or elimination of impact fees and permit fees which may vary per Specific Plan District
- An increase in residential density
- Variance for height and setbacks

Public benefits defined by City Council resolution may include, but are not limited to, any of the following (value must meet or exceed the value of the incentive):

- Development of at least 80% of on-site project parking as underground or tuck-under parking
- Paseo, always open to public passage
- Public courtyard, plaza, patio and/or outdoor dining prominently visible from the public sidewalk
• Undergrounding of all utilities, nearest pole to nearest pole, at the front, side, and rear of the project. This includes utilities on the eastern side of Monterey Street between the railroad tracks and the building and along Gourmet Alley on the west side of Monterey Street. This does not include utilities that the City would require to be placed underground as a matter of policy.

• Provision of public art if appropriately sited and spaced, with review and recommendation from the City Arts Commission

• Contributions for civic beautification and public spaces (i.e. public plaza, gateway, and/or street enhancements). This includes the design and development of Gourmet Alley as an outdoor pedestrian/vehicular space and the design and development of public parking at the rear of buildings on the east side of Monterey Street, west of the railroad right-of-way.

• Preservation, renovation, and total exterior and interior comprehensive improvement of Historic Resource structures rated 3, 4, and 5 in the Historic Resources Inventory, with review and recommendation from the City Historic Heritage Committee
Several major categories of funding mechanisms are potentially applicable to the Specific Plan area:

- Formation of a Business Improvement District (BID) to fund various improvements and activities within selected sub areas (described further below);
- General Fund allocations for planning efforts and program administration;
- Redevelopment funds;
- Grant funding; and
- Funding allocations through the City’s annual Capital Improvement Plan (CIP) process (for major infrastructure improvements in the Specific Plan area).

Business Improvement District.

A Business Improvement District (BID) or Property and Business Improvement District (PBID) are mechanisms for assessing and collecting fees that can be used to fund various improvements and programs within the District. The range of activities that can potentially be funded through BID/PBIDs is broad and includes parking improvements, sidewalk cleaning, streetscape maintenance, streetscape improvements (i.e. furniture, lighting, planting, etc.), promotional events, marketing and advertising, security patrols, public art, trash collection, landscaping, and other functions.

Within areas of the Specific Plan area, the following activities would be ideally suited for BID funding:

- Marketing activities (including planning, media/banner development, special events organization, and ongoing advertising);
- Landscape and streetscape improvements; and
- Parking improvements (see additional discussion below).

There are several legal forms of BIDs authorized by California law. The most common are districts formed under the Parking and Business Improvement Act of 1989. Business Improvement Areas (BIAs) formed under the 1989 law impose a fee on the business licenses of the businesses (rather than the property owners) operating in the area. The collected funds are used to pay for the improvements and activities specified in the formation documents.

A similar assessment procedure was authorized by the Property and Business Improvement District (PBID) Law of 1994. The distinction is that the PBID makes the assessment on the real property and not on the business itself.
While it was beyond the scope of this Specific Plan effort to conduct a feasibility study for the formation of a Business Improvement District (BID) or Property and Business Improvement District (PBID), it is recommended that this step be pursued during the initial stages of the Specific Plan implementation. Generally speaking, the BID format works well for marketing and other programmatic activities that serve to directly benefit area businesses (i.e. tenants), whereas a PBID may be more appropriate for permanent physical improvements that stand to improve property values in the area. It should also be noted that given the size and diversity of the Specific Plan area, it may be appropriate for separate BIDs or PBIDs to be formed for different planning Districts in the Specific Plan area. In this way, the collected funding could be more specifically targeted to the unique improvement and programmatic needs of each planning District.
**Key Short-Term Demonstration Projects**

The following section discusses key short-term public improvement projects that the City should undertake to demonstrate the potential of the Specific Plan and its commitment to improving the public realm. Projects and actions shall be guided by the directives of this Specific Plan. These projects are to be initiated immediately upon adoption of the Specific Plan.

1. **Develop Public Plaza Downtown (Southeast corner of Monterey Street and Martin Street)**
   A focused effort to develop improvement plans for a plaza in the downtown should be undertaken as a priority action. The effort should include:
   a. Acquire property;
   b. Development of a program and request for proposal;
   c. Development of conceptual design plans;
   d. Preparation of schedule for implementation and opinions of probable costs;
   e. Design development and Plans, Specifications and Estimates (PS&E); and
   f. Public relations strategy to communicate with area businesses and ensure public awareness and participation.

2. **Improve Monterey Street (First Street to Third Street and Eighth Street to Tenth Street)**
   A focused effort to develop streetscape improvement plans for Monterey Street from First Street to Third Street and from Eighth Street to Tenth Street should be undertaken as a priority action. The effort should include:
   a. Development of a program and request for proposal;
   b. Preparation of schedule for implementation and opinions of probable costs;
   c. Design development and (PS&E); and
   d. Public relations strategy to communicate with area businesses and ensure public awareness and participation.

3. **Implement Downtown Sign Program and Entrance Monuments**
   A focused effort to implement the City adopted sign program should be undertaken as a priority action. The effort should include:
   a. Finalize sign and monument designs and identify appropriate sign locations;
   b. Development of cost projections for each of the identified sign locations and types;
   c. Preparation of a phasing plan, schedule for implementation, and prioritization of installation; and
   d. Design development and (PS&E) for phase 1 improvements.
4. **Conduct Parking Management Plan**

A focused effort to create a Parking Management Plan, including the enforcement of parking hours and time limits, should be undertaken as a priority action. The effort should include:

a. Development of a program statement including:
   - Methods for optimal utilization of existing parking spaces and facilities,
   - Evaluation of shared parking program and policies,
   - Employee parking policies,
   - Types and time limits for various parking spaces,
   - Public parking directional sign program, and
   - Identification of new public parking facilities, conceptual designs, estimated costs and priority implementation schedule;

b. Develop parking policies and enforcement, preliminary designs for priority public parking facilities, and parking sign program;

c. Preparation of schedule for implementation and opinions of probable costs;

d. Prepare implementation documents, including policies, projects, and programs, for future parking facilities; and

e. Public relations strategy to communicate with area businesses and ensure public awareness and participation.

5. **Improve Railroad Street (Lewis Street to 6th Street)**

A focused effort to develop a streetscape and improvement plan for Railroad Street between Lewis Street and 6th Street should be undertaken as a priority action. The effort should include:

a. Development of a program and request for proposal;

b. Development of conceptual design plans, traffic analysis if necessary, and road improvement plans;

c. Preparation of schedule for implementation and opinions of probable costs;

d. Design development and (PS&E); and

e. Public relations strategy to communicate with area businesses and ensure public awareness and participation.
6. **Conduct Economic Study / Financing Plan**
   A focused effort to create an Economic and Financing Plan for the Specific Plan area should be undertaken as a priority action. The effort should include:
   a. Develop a program statement and request for proposal including:
      - Assess market demand for new development in the Specific Plan area,
      - Identify funding sources for various improvements specified by the Specific Plan,
      - Develop a financing program to implement desired Specific Plan directives and public improvements including forms of public/private ventures, and
      - Assist the City in implementing recommendations of the study; and
   b. Conduct analysis and prepare study.

7. **Improve Side Streets within the Specific Plan Area**
   A focused effort to develop a Streetscape Master Plan and improvement plans for side streets within the Specific Plan area should be undertaken as a priority action. The following side street areas should be improved:
   - Fourth Street between Monterey Street and Eigleberry Street
   - Lewis Street between Monterey Street and railroad tracks
   - Fifth Street between Monterey Street and Eigleberry Street
   - Martin Street between Monterey Street and railroad tracks
   - Sixth Street between Monterey Street and Eigleberry Street
   - Sixth Street between Monterey Street and railroad tracks
   - Old Gilroy Street between Monterey Street and railroad tracks
   - Seventh Street between Monterey Street and Eigleberry Street
   - Seventh Street between Monterey Street and railroad tracks
   - Eighth Street between Monterey Street and Eigleberry Street

   The effort should include:
   a. Development of a program and request for proposal;
b. Development of conceptual design plans, traffic analysis, and road improvement plans;
c. Preparation of schedule for implementation and opinions of probable costs;
d. Design development and (PS&E); and
e. Public relations strategy to communicate with area businesses and ensure public awareness and participation.