

## 11. Financing Strategy

This chapter identifies a Financing Strategy to implement the goals, objectives and strategic actions of the Downtown Specific Plan Revitalization Strategy (Chapter 3). The Financing Strategy is general in nature, allowing for flexibility for a long range plan where funding sources and availability change over time. As the Specific Plan is implemented and as specific projects are considered, detailed financial analysis will be made and sources of funding will be identified for each project. It is appropriate to develop financing strategies for and participate in the financing of projects that help meet the following General Plan goals, objectives, and policies:

- Encourage commercial development that will support and enhance a vibrant Downtown and serve existing neighborhoods (GP Objective LU-1.4);
- The Downtown shall serve as the primary local commercial area and as the City's historic and pedestrian-oriented retail shopping area (GP Policy LU-1.4.P1);
- The City shall encourage a combination of specialty retail, office, entertainment, and other retail uses that serve a daily and occasional need in the Downtown (GP Policy LU-1.4.P2);
- Provide areas for high-density mixed-use development near transit (GP Goal LU-3);
- Provide a pedestrian network that encourages walking for transportation and recreation (GP Objective CIR-3.4);
- Develop a Downtown circulation system that is pedestrian-oriented and supports Downtown as a destination (GP Goal CIR-6);
- Design and maintain a safe and interconnected pedestrian-orientated Downtown circulation system (GP Objective CIR-6.1);
- Promote pedestrian activity as the primary mode of travel in Downtown (GP Policy CIR-6.1.P1);

- Provide a roadway system that is subordinate to the pedestrian environment (GP Policy CIR-6.1.P2);
- Reduce the speed of roadway traffic moving through the Downtown to be more compatible with pedestrians (GP Policy CIR-6.1.P5);
- Reduce the number of lanes along First Street to provide additional on-street parking and to slow roadway traffic moving through the Downtown (GP Action CIR-6.1.A1);
- Encourage alternative modes of travel to and within the Downtown including transit and bicycles (GP Action CIR-6.1.A2);
- Augment and develop Livermore's cultural and community facilities (GP Objective OSC-5.3);
- The development of cultural facilities and activities for all residents shall be encouraged (GP Policy OSC-5.3.P1);
- Expand agriculture and tourism as important economic sectors in the Livermore Valley (GP Objective ED-1.2);  
and
- Support visitor attraction services and amenities in the wine country and Downtown, including full service hotels and restaurants (GP Policy ED-1.2.P1).

The types of projects identified in this Chapter are fundamental to the successful redevelopment of the downtown area and are appropriate for the expenditure of public funds as they are consistent with the goals, objectives and strategic actions contained in the Downtown Specific Plan Revitalization Strategy (Chapter 3). These projects: 1) provide basic infrastructure to make private redevelopment possible; 2) serve as a catalyst that encourages private reinvestment and redevelopment in area projects; 3) take on tasks too large, complex, or risky for private investment to take on alone; and 4) provide examples of appropriate redevelopment for private development to emulate.

## Completed Projects

The following section provides an overview of completed projects that were critical to the initial implementation of the Downtown Specific Plan.

Completed Projects	Responsibility	Cost
First Street Streetscape Project Phase I (L Street to Maple)	RDA	\$12.7M
Downtown Water System Improvements - First Street	RDA/Zone 7	Included in No. 1
Flag Pole Plaza	RDA	Included in No. 1
Livermore Valley Center (LVC) Park Plaza	RDA	\$2.9 M
Railroad Avenue Parking Structure Phase I	RDA	\$11.9 M
Bankhead Theater	Developer/RDA	\$1.1 RDA Portion
Livermore Cinemas	Developer/RDA	Privately Funded
Livermore Valley Center Retail/Office Development	Developer/RDA	Privately Funded
Downtown Sewer System Improvements	City	\$5.1 M

### First Street Streetscape Project - L Street to Maple (Catalyst Project)

Revitalization of the Downtown Core is the first priority of the Downtown Specific Plan. Improvements to the First Street Streetscape were essential to this revitalization. The completed streetscape improvements create an attractive and desirable environment for social gatherings, business ventures, residents and shoppers, furthering the economic revitalization of the Downtown. The first phase of the streetscape improvements has been completed in the Downtown Core, on First Street from L Street to Maple Street. The First Street Streetscape Project included the creation of the Flag Pole Plaza (\$1.4 M), located at the southwest corner of First Street and Livermore Avenue, and the City's share of water line upgrades (\$600 K) within the First Street right-of-way.

### Livermore Valley Center (LVC) Park Plaza (Catalyst Project)

The LVC Park Plaza was constructed as an outdoor amphitheater, with a large central expanse of lawn facing a paved, lower platform serving as a performance stage. The plaza includes fountains, landscaping, pedestrian pathways and seating, and a public restroom facility. The LVC Park Project is the centerpiece of the LVC site.

### **Railroad Avenue Parking Structure Phase I**

The Railroad Avenue Parking Structure is a multi-story structure providing approximately 530 parking spaces to serve the downtown area, in particular providing the necessary parking for the Livermore Valley Center developments (retail and office, local performing arts center, and Livermore Cinemas).

### **Bankhead Theater (Catalyst Project)**

The Bankhead Theater is a 500 seat performing arts theater serving the residents of Livermore and beyond. The Bankhead, which opened on October 1, 2007, serves as the home for a number of the area's performing arts organizations and also hosts visiting performance ensembles from around the Bay Area, as well as providing performance and recital space for some of the area's music, dance and theatrical training programs. The goal of this facility is to provide arts and entertainment activities for the entire community throughout the year, energizing downtown Livermore and the Valley's arts and cultural scene. The theater is also used for conferences, seminars, meetings and public events.

### **Livermore Cinemas (Catalyst Project)**

Livermore Cinemas is a state of the art 13-screen movie theater with high definition digital projection and sound. Livermore Cinemas provides a range of movie offerings for a wide variety of interests and is an important activity generator for the downtown.

### **Livermore Valley Center Retail/Office Development (Catalyst Project)**

The Livermore Valley Center Retail/Office Development provides approximately 75,000 square feet of retail, office and restaurant uses fronting on First Street in the Downtown Core. This three story project provides shopping, dining and employment opportunities and has contributed substantially to activity levels downtown. The Agency was involved in assembling land and providing parking for this project, which as served as an incentive to reinvestment in and revitalization of surrounding properties.

### **Downtown Sewer System Improvements**

In order to accommodate and facilitate development anticipated by the Downtown Specific Plan, new and upgraded sewer system improvements were installed in the Downtown Core. Additional improvements will be required as development occurs throughout the downtown area.

## Future Projects

Projects for future City Council/Redevelopment Agency consideration will be those that are consistent with the goals, objectives and strategic actions contained in the Downtown Specific Plan Revitalization Strategy and the General Plan. A review of funding sources and availability and the prioritization of potential projects will be a continuing task of plan implementation. Staff will explore potential funding sources to determine whether they are feasible and applicable to potential projects. Potential sources of funding include: Redevelopment Agency Funds; Capital Improvement Funds; Federal and State Grant Programs; Development Impact Fees; Transit Occupancy Tax; Traffic Congestion Relief Act Funds; State Infrastructure Bank Loan Funds; Reimbursement Mechanisms; Developer Provided Funding (Development Agreements); Public/Private Partnerships; Housing Funds; City General Funds; Transportation Air Quality Funds; and other sources yet to be identified. Since there is not sufficient funding currently available to pursue all potential projects, it is expected that implementation will occur over time through the life of the Specific Plan. The City Council/Redevelopment Agency will prioritize projects on an on-going basis based on the identified need for the project and the availability of funding.

Examples of potential future project types include:

- pedestrian improvements to facilitate transit oriented development and allow residents to easily and safely walk to transit services for transportation to work and other activities;
- street improvements to improve vehicular circulation and pedestrian safety;
- parking facilities to serve downtown redevelopment and replace parking spaces lost through the redevelopment of underutilized properties;
- refurbishment of existing downtown public open spaces to accommodate increased use as a result of downtown revitalization;
- mixed-use catalyst projects that provide new housing, commercial and office uses in the downtown;

- a regional performing arts theater;
- promotion of additional art, cultural, and entertainment opportunities to the citizens of Livermore and the surrounding region;
- a boutique hotel to serve visitors seeking to enjoy the entertainment, cultural and dining opportunities of the downtown and the Livermore Valley Wine Region;
- heritage property rehabilitation to preserve and rehabilitate historic structures in the downtown for re-use consistent with the Downtown Specific Plan;
- Redevelopment of underutilized properties with activity generating uses consistent with the goals of the Downtown Specific Plan; and
- Projects with a wide regional appeal that are undersupplied in the Tri-Valley and will provide a valuable draw to bring people downtown.

In addition to large scale (catalyst type) projects, the Redevelopment Agency may also participate in individual projects at a smaller scale or in a smaller way to help eliminate blight, to jump-start redevelopment on a particular block, or to assist with a particular project type. Assistance could come in the form of assistance with property acquisition, loans, business incentive programs or other mechanisms.

## **Other Financing Elements**

### **Downtown Specific Plan – Reimbursement**

The Downtown Specific Plan preparation cost amounted to approximately \$1.1 million. In order to recover the cost of preparation a Downtown Specific Plan Cost Recovery Fee was established at a rate of \$0.31 per square foot. To date, approximately \$116,000 in cost recovery fees have been collected.

**Downtown Landscape Maintenance District**

The Downtown Landscape and Maintenance District (DLMD) was formed to provide a portion of the funding for the maintenance of new downtown improvements, including streetscape, public plaza fixtures and paving, and public landscape improvements. The City continues to pay a portion of the maintenance cost, covering the cost levels that existed prior to the streetscape improvements.