Zoning Changes, Taxation, and Funding Analysis for Chapman Corridor Revitalization Plan

1. Specific Zoning Changes per California Code

The Chapman Corridor Revitalization Plan (CCRP) introduces multiple new zoning designations to replace the existing zoning across a one-mile stretch of Chapman Avenue in Placentia, CA. These new designations align with California Government Code Sections §65300–65303 (General Plans), §65800–65912 (Zoning), §65450–65457 (Specific Plans), and §65915 (Density Bonus Law).

New zoning categories include:

1. Single Family Flex (SFF): Allows existing R-1 uses with the added ability to convert to low-intensity commercial use.
2. Multifamily Flex (MFF): Allows 30–45 dwelling units per acre, with flexibility for affordable housing.
3. Mixed-Use (MU): Permits up to 5-story buildings with no required commercial component.
4. Mixed-Use Civic Center (MU-CI): Allows redevelopment of civic sites with residential and commercial uses.
5. Commercial Corridor (CC): Intensifies existing commercial zones for economic redevelopment.
6. Open Space Recreation (OS-R): Preserves park and green space uses.
7. Planned Unit Development (PUD-4): Applies to specific sites like the Cinnamon Tree Condos.

Zoning Summary Table:

Existing Zoning	New CCRP Zoning	Key Change
R-1 (Single Family)	SFF (Single Family Flex)	Allows light commercial by right
R-2, R-3 (Multi-Family)	MFF (Multi-Family Flex)	Increases density to 30–45 DU/AC
C-1, C-2 (Commercial)	CC (Commercial Corridor)	Allows higher-intensity commercial
Mixed Zones	MU / MU-CI (Mixed-Use)	Allows up to 5–6 stories,

		flexible usage
Park/Open Space	OS-R	Maintains park uses
PUD	PUD-4	Design flexibility for redevelopment

2. Tax, Funding, and Financing Mechanisms

The CCRP uses several funding tools common in California post-redevelopment planning:

1. Enhanced Infrastructure Financing Districts (EIFDs): Authorized under Gov. Code §53398.50+, using tax increment financing without raising taxes.
2. Community Facilities Districts (CFDs or Mello-Roos): Allows special taxes on new development to repay bonds.
3. Development Impact Fees (DIFs): Fees levied on new construction to offset public service burdens.
4. Public-Private Partnerships (P3s): Agreements with developers to fund public infrastructure.
5. Bonds: Issued through CFDs or EIFDs, repaid with anticipated revenue from property taxes or special taxes.

Funding Tools Summary Table:

Mechanism	**Source**	**Approval Needed**	**Financial Risk**	**Community Oversight**
EIFD	Property Tax Increment	City Council vote	Loss of general fund revenue	Low
CFD	Special Assessment Tax	2/3 vote by affected landowners	Pass-through cost to buyers	Low
Impact Fees	Per project	Administrative	Public bears cost if undercharged	Medium
Bonds (via EIFD/CFD)	Investor capital	Varies	Depends on revenue projections	High
P3s	Developer Agreements	Negotiated	Favoritism or poor terms	Low

3. Financial & Legal Hurdles

1. EIFDs will divert critical property tax revenue from schools and general city services.
2. CFDs shift infrastructure costs onto future homeowners via special assessments.
3. Lack of clarity around bond repayment if development underperforms poses a major fiscal risk.
4. No detailed fiscal analysis or infrastructure cost estimate has been publicly disclosed.
5. PYLUSD and public safety agencies are not included in cost-sharing discussions despite the impacts.

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