



Design Charrette Brown Bag Presentations

Downtown San Rafael
Precise Plan

Design Charrette
May 9th + 10th, 2019



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Historic Resources



HISTORIC RESOURCES

DOWNTOWN SAN RAFAEL PRECISE PLAN



Thursday, May 9, 2019
12pm – 1pm

INTRODUCTION

Who are we?

Why are we here?

What will we accomplish?



Garavaglia Architecture, Inc.

**CREATING A PLACE FOR
HISTORY IN ALL OF OUR LIVES**

Our Mission

Our mission is to advance innovative and sustainable solutions for existing, older, and historic resources through the guidance of stakeholders with responsive and creative professional services while setting the standards for ethical practice.

With over 30 years of experience, we are committed to providing cost-efficient solutions for all types of historic resources. We utilize our expertise to identify unique attributes of each project to create solutions that meet the project goal.



What is a Historic Resource?

A historic resource is a property, structure, district, or object that is significant within the context of local, state, or national history.

(See: What is a Historic Resource?)

Under the California Environmental Quality Act (CEQA), historic resources are considered part of the environment.

As such, a project that may cause a substantial adverse change in the significance of an historic resource (demolition, destruction, relocation, or alteration) is a project that may have a significant effect on the environment.

To mitigate potential adverse impacts, projects that include historic resources are subject to review per the Secretary of the Interior's Standards (most often for Rehabilitation).

(See: How is Historic Preservation Regulated?)

WHAT MAKES A SUCCESSFUL PRESERVATION PROGRAM?

What key factors are necessary to preserve and protect the historic features, building, and character of a place?

- 1) Inventory of Historic Resources / Historic Context Statement
- 2) Effective Preservation Policies
- 3) Clear Processes
- 4) Incentives for Preservation

FACTOR 1: Inventory of Historic Resources/ Historic Context Statement

An comprehensive inventory of historic resources is important to understand and protect the historic character of a place.

To catalog and identify historic resources, a Historic Context Statement is necessary.

Existing Condition

- 1986 Historical/ Architectural Survey and Inventory
- (6) designated Landmarks (3) districts within the Downtown Precise Plan Area

HISTORICAL / ARCHITECTURAL SURVEY AND INVENTORY

Updated 1986

- Initial survey took place in 1977; updated 1986
- Currently over 300 properties located throughout San Rafael
 - 16 designated Landmarks
 - 3 designated Historic Districts
 - 78 listed as potentially eligible for NR/CR
 - 52 listed as potentially eligible for local Landmark status
 - 157 identified to be reevaluated

(See: What buildings and sites are important to you?)

FACTOR 2: Effective Preservation Policies

Effective preservation policies are integral for City agencies, developers, and private citizens to participate in the preservation of historic resources.

Existing Condition

- San Rafael General Plan 2020 - Goal 28: Protected Cultural Heritage
- Municipal Code Chapter 2.18 – HISTORIC PRESERVATION

SAN RAFAEL GENERAL PLAN 2020

Goal 28: Protected Cultural Heritage

“It is the goal for San Rafael to have protected and maintained historic buildings and archaeological resources as part of San Rafael’s cultural heritage.”

- **CA 13. Historic Buildings and Areas.**

Preserve buildings and areas with special and recognized historic, architectural or aesthetic value including but not limited to those on the San Rafael Historical/ Architectural Survey. New development and redevelopment should respect architecturally and historically significant buildings and areas. (CA-13a. Inventory Update.; CA-13b. Preservation Ordinance.; CA-13c. Historic Preservation Advisory Committee.; CA-13d. Public Education.; CA-13e. Preservation Reference Materials.; CA-13f. Public Events.; CA-13g. Public Recognition.)

- **CA-14. Reuse of Historic Buildings.**

Encourage the adaptation and reuse of historic buildings, in order to preserve the historic resources that are a part of San Rafael’s heritage. (CA-14a. Historical Building Code.; CA-14b. Zoning.; CA-14c. Incentives.)

Notable items to be addressed through this current process:

- **CA-13a. Inventory Update** - *Update the City's Historical/Architecture Survey....Maximize the use of volunteers in updating the survey with professional assistance as needed.*
- **CA-13b. Preservation Ordinance** - *....Update the City's Historic Preservation Ordinance and review the development application review procedures for the various classifications of buildings on the Historical Architecture Survey, including effective ways to review proposed changes to historic properties.*
- **CA-13c. Historic Preservation Advisory Committee.** - *Establish a technical advisory committee or contract with an architectural historian, to provide the Design Review Board and Planning Commission with advice in design matters and policies related to the preservation and/or modification of historic structures.*
- **CA-14c. Incentives** - *Investigate the use of incentives such as transfer of development rights, easements, and property tax relief to encourage preservation of historic buildings.*

HISTORIC PRESERVATION ORDINANCE

Municipal Code Chapter 2.18

2.18.010 - Purpose.

“The city council of San Rafael finds that structures, sites and areas of special character or special historical, architectural or aesthetic interest or value have been and continue to be unnecessarily destroyed or impaired, despite the feasibility of preserving them. It is further found that the prevention of such needless destruction and impairment is essential to the health, safety, economy and general welfare of the public.”

While there is no standard "model", OHP recommends that historic preservation ordinances include :

- A provision for creation of a local historic preservation commission and the responsibilities and powers given to that commission
- An explanation of the criteria used to determine what properties can be designated under the ordinance and the process for such designations
- A provision for granting economic hardship waiver
- A requirement that property owners maintain resources designated under the ordinance and guidelines for that maintenance

Other key elements:

- Statement of purpose and enabling authority
- Actions subject to review by commission and procedures for initiating the review
- Preservation Incentives
- Enforcement
- Process for appealing commission decisions
- Definition of key terms used in the ordinance

Key features and recommendations missing from the current Ordinance:

- Creation of a historic preservation commission with designated responsibilities and powers;
- Preservation Incentives
- Definition of key terms used in the ordinance

Additional recommendations may also include:

- Alignment of evaluation criteria with the National Register of Historic Places (NRHP)/California Register of Historical Resources (CRHR)
- Clear permitting process for properties with historic resources
- Reference to the Secretary of the Interior's Standards for Rehabilitation

FACTOR 3: Clear Processes

Clear processes for obtaining building permits for historic properties is essential to supporting responsible development in compliance with CEQA.

Well-defined polices allow for the public to navigate the process efficiently - therefore reducing time delays and expenses.

Existing Condition

- Environmental Determination
 - Environmental Impact Report (EIR) Process

SAN RAFAEL ENVIRONMENTAL DETERMINATION Environmental Impact Report (EIR)

- **Projects that may impact historic resources are reviewed in accordance with CEQA**
- **Projects proposing demolition or significant alteration may require preparation of an EIR**
 - **Preparation of an EIR generally includes a review of the project by a qualified architectural historian per the applicable guidelines provided by the National Park Service (NPS) (*The Secretary of the Interior's Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring, and Reconstructing Historic Buildings*)**



More information: www.cityofsanrafael.org/historic-preservation/

FACTOR 4: Incentives

Incentives programs are important for successful preservation programs to encourage private citizens and developers to retain historic buildings and features.

There are broad incentive options for cities to adopt, including financial, construction, and celebratory incentives.

Incentives may include:

- Use of the California Historical Building Code (CHBC)
- Organizational funds/ financing programs
- Preservation easements
- Reduction of building plan check or permit fees
- Tax credits: Federal Rehabilitation Tax Credits, certified districts, seismic, ADA
- Setback reduction
- Official Recognition/ Awards: Recognition and plaque program
- Streetscape Improvements in Historic Districts.
- Promotion of landmarks through listing in the heritage resource inventory, brochures or other forms of media;
- Historic preservation technical assistance including workshops and education material made available to owners of designated landmarks.
- California Main Street Program (commercial district revitalization)

HOW CAN WE HELP?

What will we do to facilitate an effective preservation program to include in the Downtown San Rafael Precise Plan?

OBJECTIVES:

- A) Identify Historic Resources and Character of Downtown SR
- B) Recommend Effective Preservation Policies
- C) Engage the Community

OBJECTIVE: Identify Historic Resources and Character of Downtown San Rafael

- Survey properties that were excluded from the 1986 update, and properties that are now over 50 years old (*as defined by NPS*)
- Develop a succinct historic context for Downtown San Rafael
- Identify potential local Landmarks and Historic Districts
 - Identify properties eligible for listing in the National Register of Historic Places (NRHP) and the California Register of Historical Resources (CRHR)
- Update the Historical/ Architectural Survey and Inventory

OBJECTIVE: Recommend Effective Preservation Policies

- Review all existing policies, procedures, and guiding documents for San Rafael
- Consider policies that have been successful in other cities with similar conditions as San Rafael
- Develop processes and procedures to facilitate the protection of historic resources, including:
 - Incentive programs
 - Streamlined design review and permitting

OBJECTIVE: Engage the Community

- Participate in the Downtown San Rafael Design Charrette
 - Closing Presentation: Saturday, May 11, 9:30a – 12:30p
- Work with individual volunteers and preservation organizations
- Engage the community on what properties in San Rafael are of particular significance

Q & A



Innovating Tradition

Economic Conditions





bae urban economics

DOWNTOWN ECONOMIC CONDITIONS

BROWN BAG LUNCH PRESENTATION
MAY 10, 2019

San Rafael, California

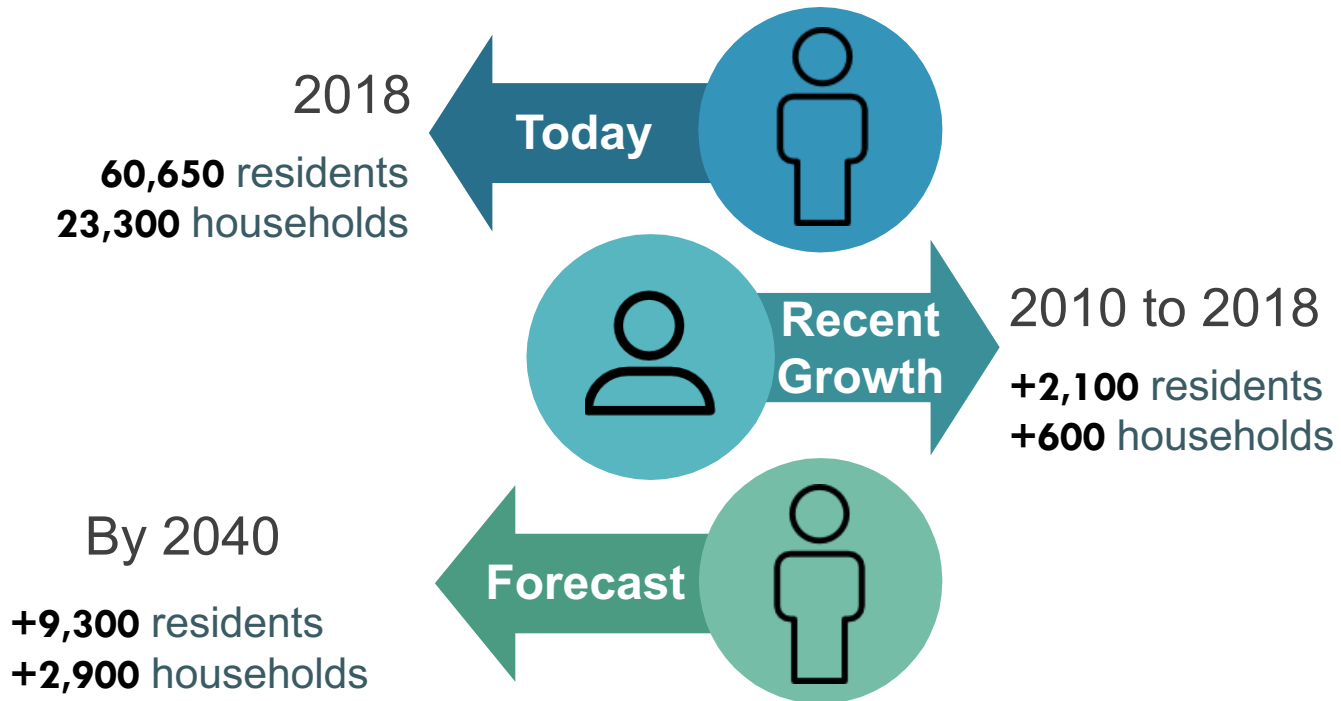
AGENDA

- Demographic and Economic Information
- Real Estate Market Conditions and Trends
- Discussion on Implications for Downtown Plan

DEMOGRAPHICS



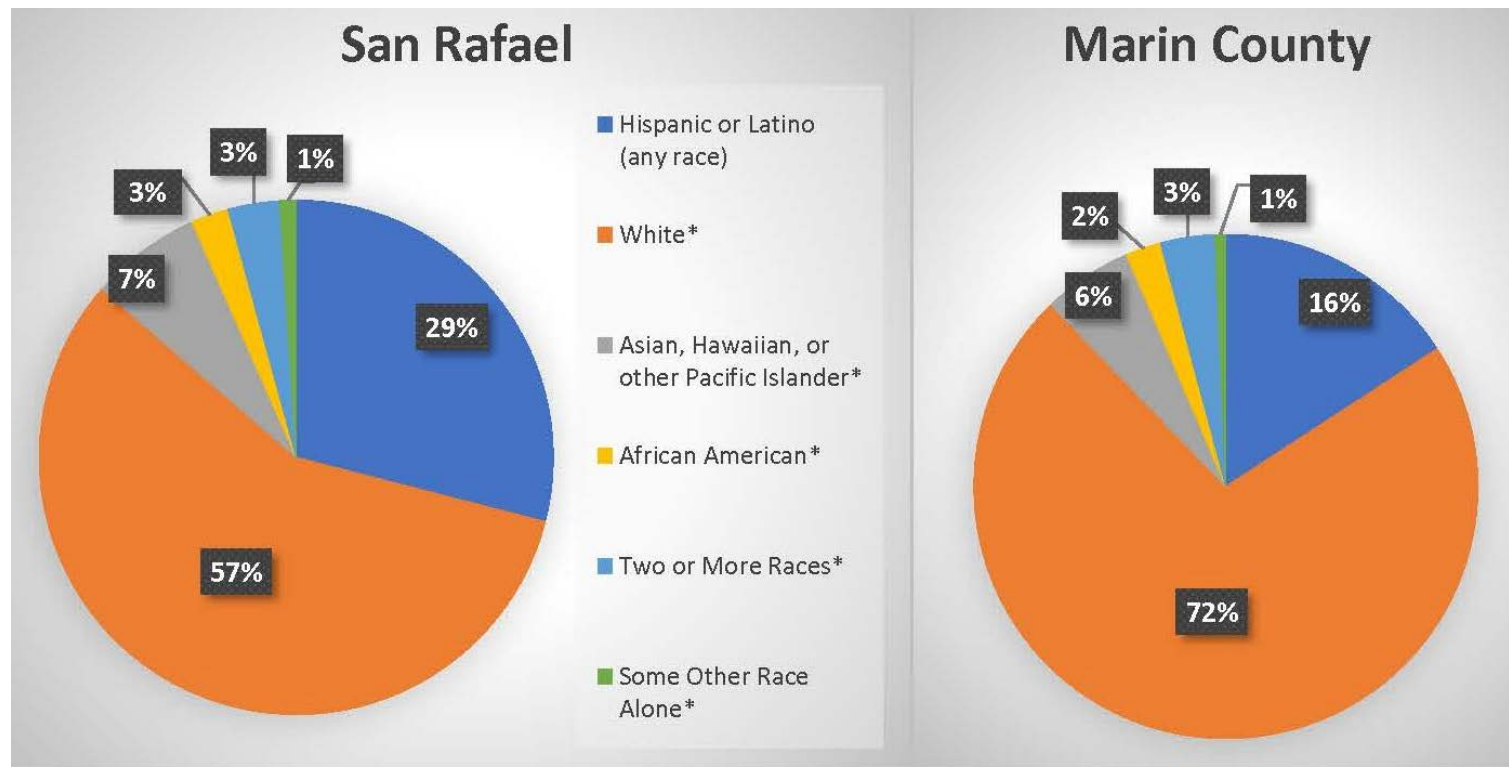
POPULATION



Sources: CA Department of Finance; ABAG; Esri; BAE 2019.

RACE AND ETHNICITY

San Rafael is a diverse community with a higher proportion of Hispanics than Marin County



Indicates Non-Hispanic

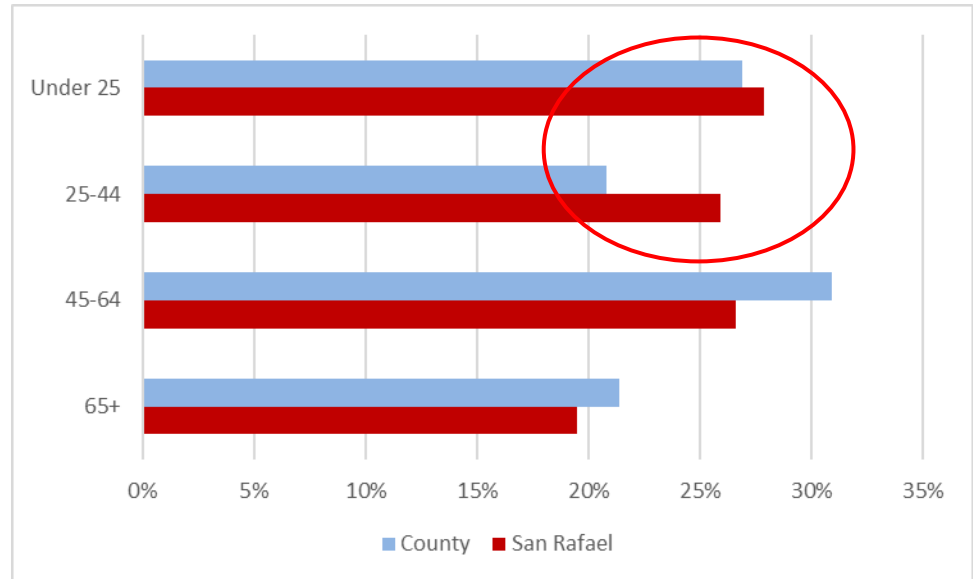
KEY DEMOGRAPHIC DATA

San Rafael's population is younger than the County's with a higher percentage of youth and young adults:

Median Age 2018

San Rafael 41.9

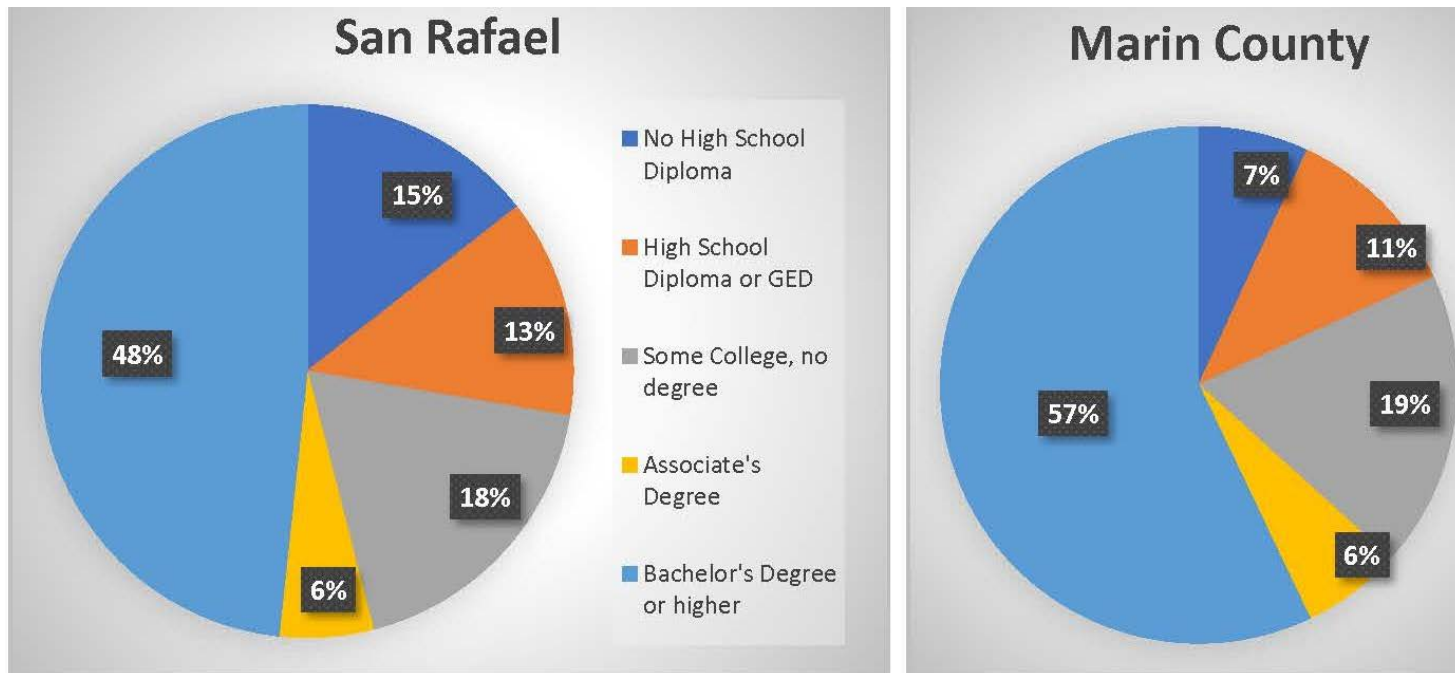
Marin County 46.7



Sources: Esri; BAE 2019.

EDUCATIONAL ATTAINMENT

San Rafael has fewer residents that have completed a Bachelor's degree or higher than Marin County



*Both Charts represent educational attainment for the population over 25 years of age

INCOME

San Rafael's median household income is lower than Marin County's and slightly below the region:

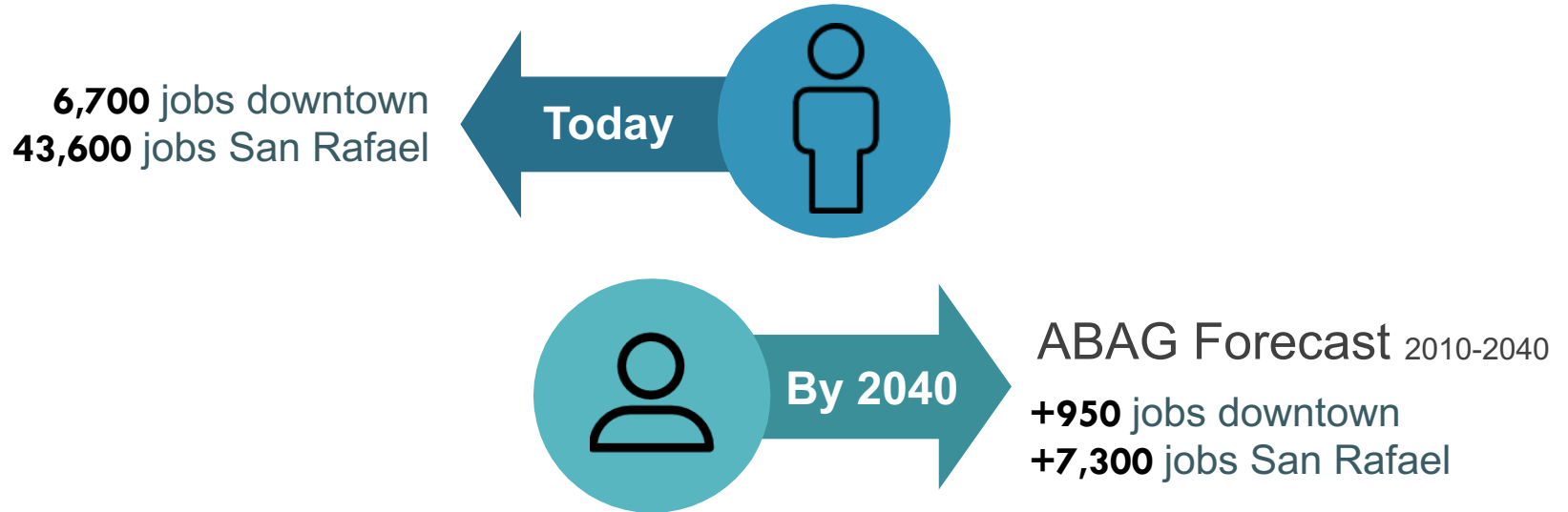


Sources: Esri; BAE 2019.

ECONOMY



EMPLOYMENT



Sources: ABAG; BAE 2019.

Note: “downtown” = Downtown Priority Development Area.

EMPLOYMENT BY SECTOR

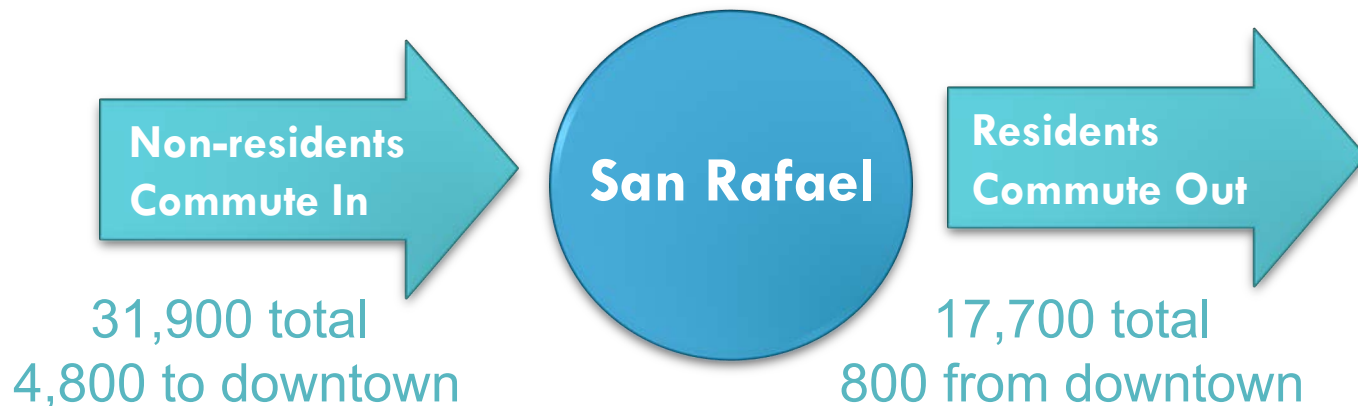
75% of jobs
downtown is in
these 5 sectors

Industry	Downtown San Rafael (a)		City of San Rafael		Marin County	
	#	%	#	%	#	%
Educational, Health and Social Services	1,295	19.3%	8,530	19.6%	26,875	21.1%
Professional, Scientific, Mgmt., Admin., & Waste Mgmt. Svcs	1,215	18.1%	7,305	16.8%	22,680	17.8%
Arts, Entertainment, Recreation, Accommod. and Food Svcs.	910	13.6%	3,485	8.0%	13,110	10.3%
Retail Trade	815	12.2%	4,910	11.3%	14,260	11.2%
Finance, Insurance, Real Estate, Rental, and Leasing	780	11.7%	3,310	7.6%	10,320	8.1%
Other Services (Except Public Administration)	580	8.7%	3,320	7.6%	9,670	7.6%
Public Administration	340	5.1%	3,200	7.3%	5,390	4.2%
Information	185	2.8%	1,470	3.4%	3,680	2.9%
Manufacturing	160	2.4%	2,060	4.7%	5,555	4.4%
Wholesale Trade	155	2.3%	1,160	2.7%	3,130	2.5%
Construction	120	1.8%	2,905	6.7%	8,450	6.6%
Transportation, Warehousing, and Utilities	100	1.5%	1,770	4.1%	3,365	2.6%
Agriculture, Forestry, Fishing, Hunting, and Mining	40	0.6%	140	0.3%	860	0.7%
Armed Forces	0	0.0%	4	0.0%	165	0.1%
Total (b)	6,695	100.0%	43,569	100.0%	127,510	100.0%

Sources: US Census Transportation Package; BAE 2019.

COMMUTE FLOWS

The City experiences heavy daily commute flows and this traffic on freeways & major arterials drives the desirability of retail locations:



About 11,600 people live and work in San Ramon.

Sources: US Census Transportation Package; BAE 2019. Note: this data source is one of three sources of commute data and is used here to be consistent with other employment data presented in this analysis.

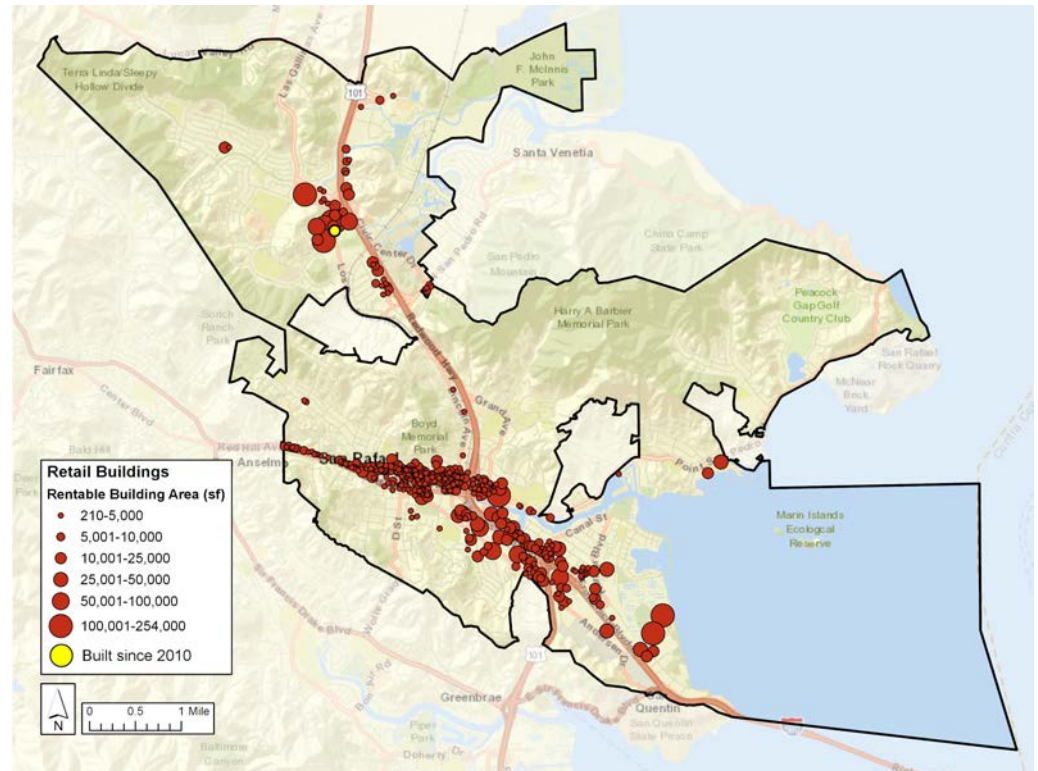
RETAIL TRENDS



RETAIL INVENTORY

Downtown San Rafael has approximately 1.7M sq. ft. out of the City's total inventory of 4.9M sq. ft. of retail space

- **Vacancies are low:**
 - 2.2% downtown (37,900 vacant sq. ft.)
 - 1.9% Citywide
- **Very little new retail delivered 2009-2019**
- **Retail rents:**
 - \$2.91 monthly per sq. ft. for renovated space downtown
 - \$2.37 monthly per sq. ft. citywide



RETAIL GRAVITY



'Gravity side of the trade area' is the general direction from which residents and daytime workers enter and exit the area

PER CAPITA RETAIL SPENDING

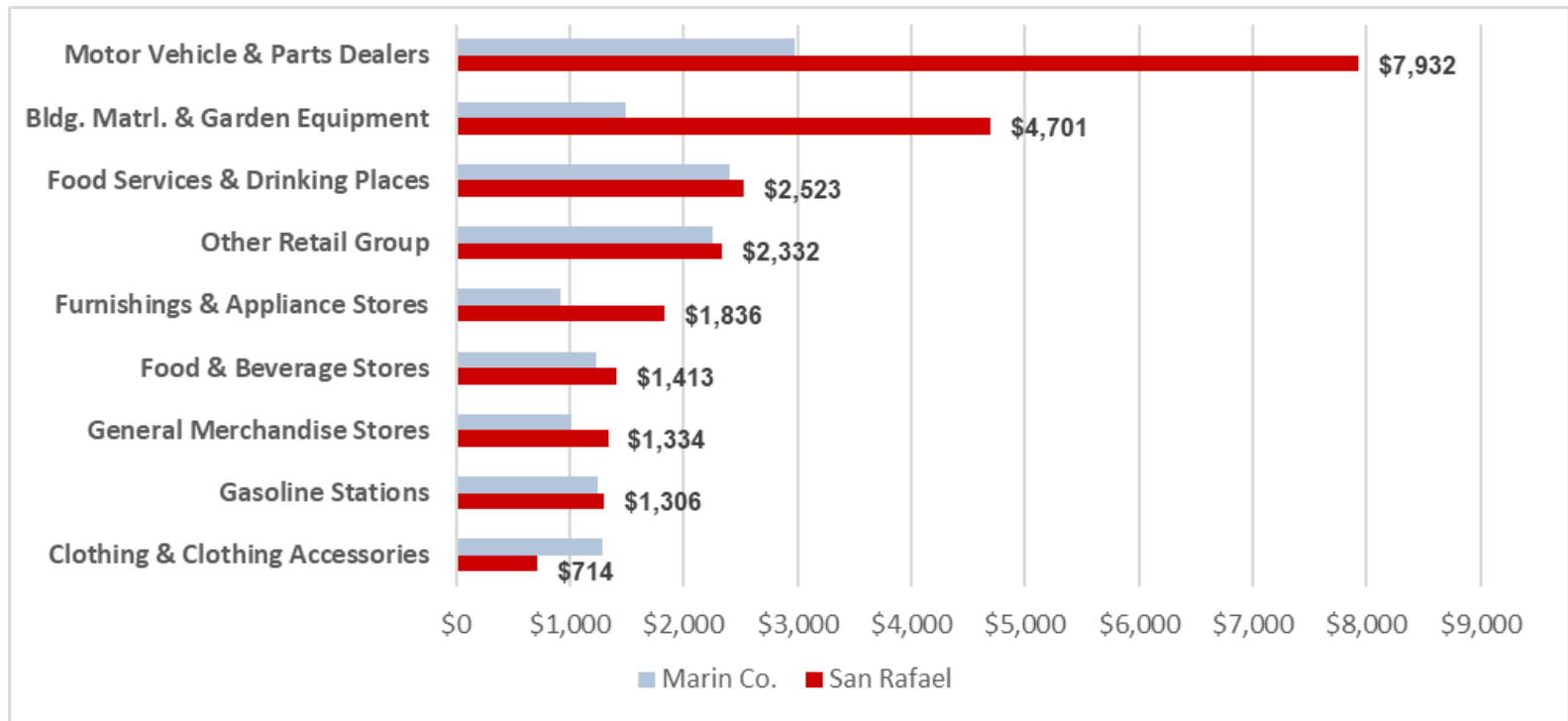
San Rafael gets a significant inflow of annual taxable retail sales:



Sources: State Board of Equalization; BAE 2019.

TAXABLE RETAIL SALES BY CATEGORY

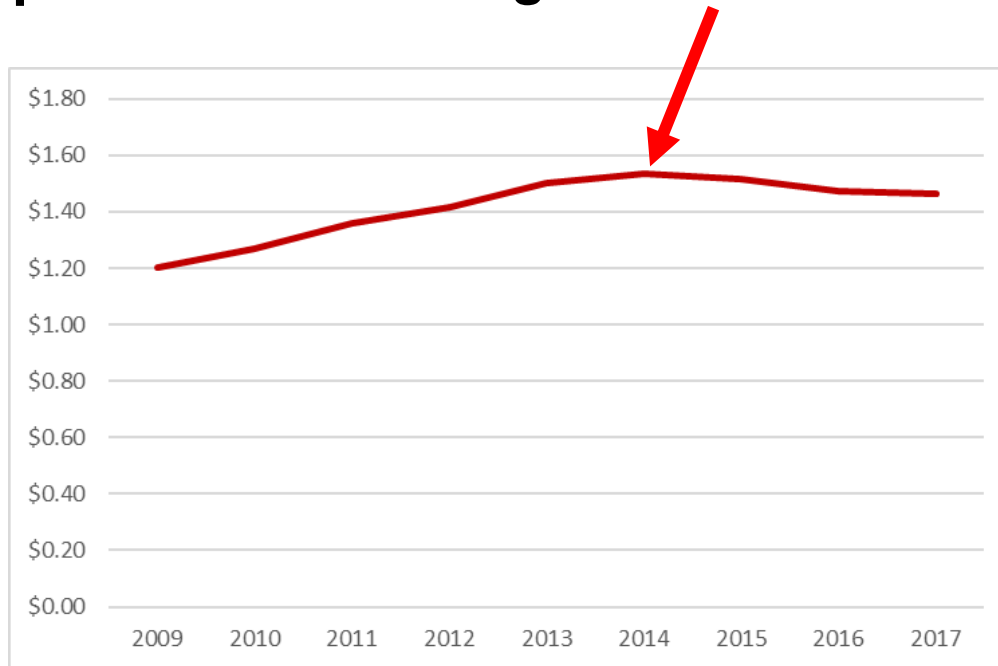
Motor Vehicle & Parts Dealers along with Building Materials and Garden Equipment show large injections of spending:



Sources: State Board of Equalization; BAE 2019.

RETAIL SALES TRENDS

While taxable retail sales recovered from the Great Recession, sales in San Rafael have declined on an inflation-adjusted basis starting in 2014:



Sources: State Board of Equalization; BAE 2019.

MACRO RETAIL TRENDS

- Urbane suburbs
- Commodity versus specialty retail
- Rise of restaurants & entertainment
- Multichannel/Omnichannel retail
- Ground floor retail challenges



These trends influence the degree to which San Rafael can ultimately enhance its downtown retail sector

URBANE SUBURBS

- The character, quality and offerings of a downtown play a significant role in advancing employment and population growth
- Many suburban communities are taking steps to strengthen their historic downtowns or promote the development of town centers
- San Rafael's downtown is an authentic 'urbane' environment



COMMODITY VERSUS SPECIALTY RETAIL

■ Commodity or 'convenience' retail:

- Frequently purchased goods & services
- Consumers seek best price and most convenient location
- Little or no emotional attachment – no sense of place
- Neighborhood centers aggregate commodity retailers



COMMODITY VERSUS SPECIALTY RETAIL

■ Specialty retail:

- Discretionary purchases made during scarce 'free time'
- Consumers seek a quality, enjoyable shopping environment
- Specialty centers combine unique combination of 'products' and 'sense of place'



OMNICHANNEL RETAIL

Retail shopping across multiple channels with a consistent and seamless experience:

- Online sales now 10% of total (per 2018 Census data)
- Online sales of frequent online customers 51% of sales (per 2016 UPS survey)
- Strong generational differences
- Retailers adopting 'showroom' formats
- Retail consolidation and shrinkage
- "Clicks to Bricks" online retailers moving into storefronts



GROUND FLOOR RETAIL CHALLENGES

Ground floor retail in a mixed use project can enliven a street and create a ‘sense of place’ but success can be challenging in a suburban environment:

- Lack of project scale/critical mass
- Lack of pedestrian/vehicular traffic
- Providing adequate parking
- Accommodating formula retailers site and space configuration requirements



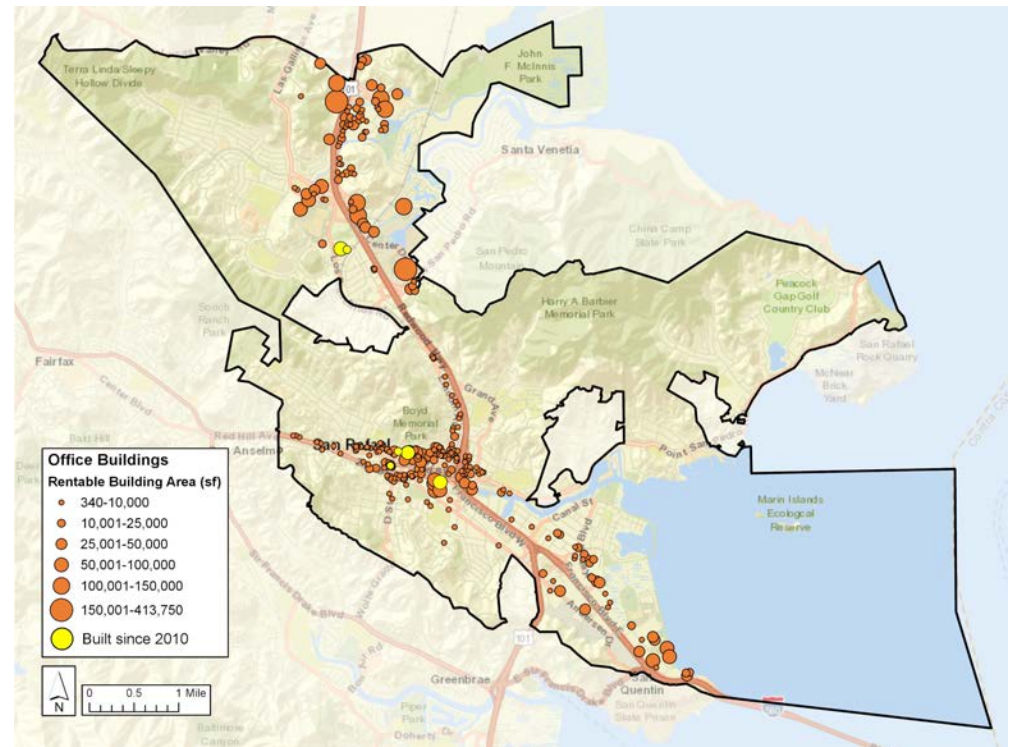
OFFICE TRENDS



OFFICE INVENTORY

Downtown San Rafael has approximately 1.6M sq. ft. out of the City's total inventory of 5.4M sq. ft. of office space

- **Vacancies are low:**
 - 5.1% downtown (79,7000 vacant sq. ft.)
 - 8.6% Citywide
- **New office in Corporate Center downtown accounts for most new office delivered 2009-2019**
- **Office rents, monthly per sq. ft.:**
 - \$2.92 downtown
 - \$2.91citywide





OFFICE TRENDS

- Shift to transit centers – BART/Caltrain
- Demand for state-of-the-art, sustainable workplaces
- Demand for building, site, and neighborhood amenities
- Higher employment densities and open floor plans
- Access to affordable housing and office tenant retention and recruitment

RESIDENTIAL TRENDS

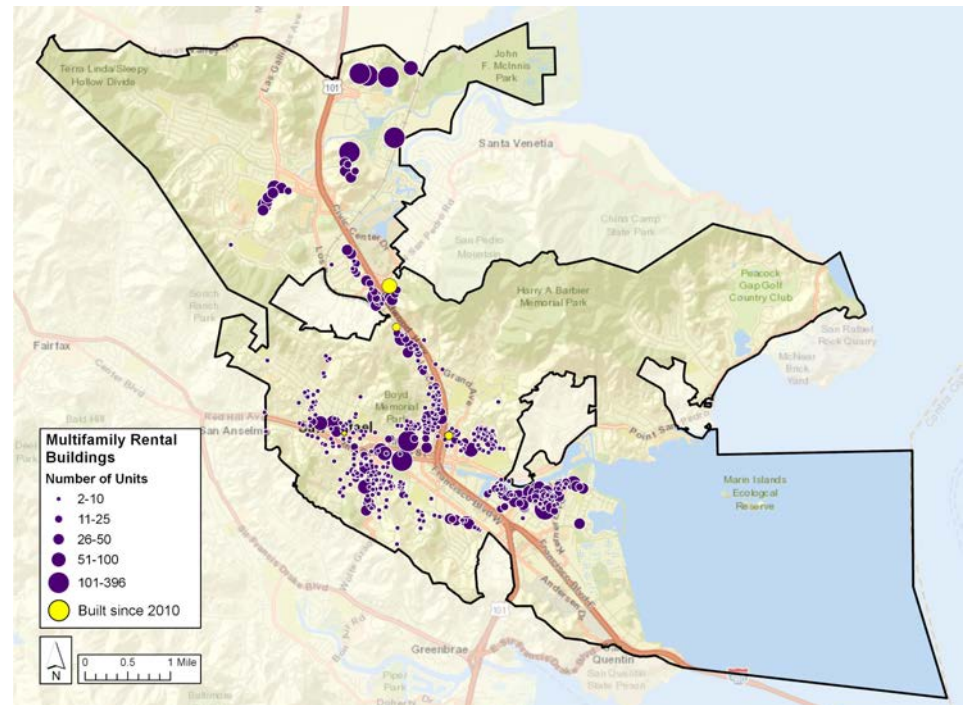


MULTIFAMILY RENTAL INVENTORY

Downtown San Rafael has approximately 545* units out of the City's total inventory of 6,755* multifamily rental units

- **Vacancies are modest:**
 - 4.2% downtown (23 units vacant)
 - 3.6% Citywide
- **Very few new rental units delivered 2009-2019**
 - 10 units downtown
- **Rental rates, average monthly**
 - \$1,896 downtown**
 - \$2,194 citywide

** Excludes G Square, Lofts at Albert Park, & San Rafael Town Center which are Class A developments with significantly higher average asking rental rates.



* Number of downtown units is likely higher. These data are from CoStar Group which may not track all multifamily rental inventory. Data are presented here to show vacancy and average asking rental rates.

THANK YOU!



DISCUSSION

