

**Summary of San Rafael General Plan 2040 Steering Committee Meeting
Meeting #16 July 10, 2019
6:00 – 8:00 PM at 750 Lindero St.**

Attendance

Members Present: *DJ Allison, Jenny Broering, Maribeth Bushey, Bill Carney, Berenice Davidson, Linda Jackson, Margaret Johnston, Bonnie Marmor, Robert Miller, Drew Norton, Kate Powers, Jackie Schmidt, Roger Smith, Sparkie Spaeth, Karen Strolia*

Alternates Seated: *Cicely Emerson, Brad Honsberger, Samantha Sargent, Leslie Simons*

Members Excused: *Omar Carrera, Richard Hall, Eric Holm, Jeff Jones, Stephanie Plante, Jeff Rhoads, Cecilia Zamora*

Absences: *Don Blayney, Jack McGinn*

Alternates Present: *Jim Geraghty*

Staff Present: *Anne Derrick, Allison Giffin, Paul Jensen, Barry Miller, Danielle O’Leary*

Consultants: *David Shiver (BAE Urban Economics)*

Sign-Ins: *Shirl Buss, Elissa Gensberg*

(1/2) Call to Order/ Roll Call

The meeting was called to order at 6:10 PM. Project Manager (PM) Miller announced that both Chair Plante and Vice Chair Carrera were excused from this evening’s meeting, and that Planning Commissioner Berenice Davidson would be chairing the meeting.

(3) Approval of Minutes

Prior to approval of minutes, Committee Member Jackson noted that at the prior meeting the Committee had many questions about how Form-Based Zoning Codes worked in practice. She asked that staff consider this discussion and return to the Committee with more information on this topic. Project Manager (PM) Miller noted that Opticos would be at the August meeting to discuss Community Design and we could ask them to address this topic, since they are leaders in form-based coding. The minutes were subsequently approved (Motion: Jackson, Second: Schmidt).

(4) Public Comment

There was no public comment

(5) Presentation and Discussion Items

A. Downtown Profile Report

PM Miller gave an overview of the Downtown Profile Report. In response to a question, he indicated that Committee members were encouraged to submit comments on the report via email. A Committee member asked how economic development issues outside of Downtown were being addressed, given the recent proposals around Northgate. PM Miller noted that an existing conditions report was being prepared by the consultant that looked at citywide conditions, similar to the material in the Downtown Profile Report.

B. Presentation of Economic Data

PM Miller introduced David Shiver from BAE Urban Economics, who delivered a presentation on economic conditions in the city. The presentation has been posted to the www.sanrafael2040.org website.

The following comments and questions were raised following the presentation (*responses in italics*).

- How can the City address and preserve retail as the internet draws down sales? *San Rafael has some unique assets that it can leverage, such as a traditional downtown where people want to be.*
- Please elaborate on how the transit center location will affect Downtown’s economic development potential. *A desirable transit center would be walkable to offices nearby or multi-family developments. The City should leverage the transit center and SMART train to lower Vehicle Miles Traveled and market the downtown for new retail and residences—there’s a synergy between these uses.*
- We should not forget about the Civic Center Station Area Plan. That area has a lot of potential and a lot of effort went into that Plan. *David concurred that the area had substantial office employment and could support additional offices and housing.*
- The concept of “Last Mile Transportation” is especially relevant in North San Rafael as there’s a large employment base within a mile of the station, but it’s difficult to walk there from the employment district. Distance from transit makes it harder to market the office space there. *Staff noted that the “last mile” concept was indeed a challenge and opportunity. A pilot shuttle program had been tried, but it was not successful due to low ridership—this could change in the future. The City could consider setting up a Transportation Management Agency (TMA) to operate such a service.*
- ZIP cars and a shared bike fleet are very good ways to get from SMART to nearby offices. *Autonomous vehicles also will affect the ability to provide “last mile” services. Also, look at e-scooters.*
- The Civic Center Station Area Plan identified a lot of underutilized land near the station. Keeping in mind those opportunities, plus the changing nature of retail, we should be looking for housing/office opportunities near that Station—especially on older commercial sites.
- San Rafael’s revenue is very dependent on auto sales—we need to make sure we don’t lose this.
- The data in the presentation on median income is misleading because we have many residents earning a lot more and many residents earning a lot less. Is there a way to better understand the implications of having a wealthy community and a lower income community within the same city, and how that informs our economic policies?
- The City should be mindful of the need for parking at the SMART stations—it’s essential for local ridership. Do we have any estimate of how much supply is needed? We should meet that need if we don’t want people to drive.
- Is there evidence to support that proximity to the transit center / SMART can command higher retail and residential rent? *Yes. These are premium locations. The SMART stations are close to multiple uses with good connectivity; this tends to reduce the number and length of auto trips. People who work can walk and get lunch, for example.*
- If we are planning for 20 years out, how do we know what changes will occur? Why would we chase a particular type of retail if things are changing so rapidly? What’s the best way to proceed? *Most*

economists would suggest “selectively pruning” retail and having the community decide what kind of retail makes the most sense and where would it work best.

- Proximity to SMART is not the same as proximity to BART—it only goes to Santa Rosa and not to the region’s job centers. We shouldn’t oversell the benefits of proximity to the station.
- The presentation indicated a high concentration of start-ups and venture capital. Where are they located? *Most are in small offices spaces or industrial spaces, and a few are home occupations*

C. Discussion of Economic Vitality Element Audit and Economic Development Issues

PM Miller provided an overview of the Economic Vitality Element of the General Plan and reviewed the “audit” of the prior plan. He asked 15 electronic polling questions with the same six choices for each question. Committee members were asked to rank the relative importance of each statement. The questions and responses are on the next page.

PM Miller asked the Committee is there were specific questions that they would like to discuss further.

- Some of the questions may had answers that “oversimplify” things and don’t explain the trade offs. It’s easy to say we support an idea, but we might not support it if we knew how much it costs. *PM Miller noted that the purpose of the exercise was to stimulate a conversation around these topics, particularly where there were strong differences of opinion.*
- Most of these items are “slam dunk” things we should support. However, it’s difficult to decide what to prioritize if we have limited funds. What is most important?
- It would be great to consolidate buying power for electricity to help businesses afford solar energy.
- How do sales and property tax impact economic development and what percentage of the City’s revenues does each represent? How does this affect our choices? *Economic Development (ED) Director O’Leary responded that more of the City’s revenue comes from sales tax than property tax. But it’s also licensing and fees, franchise and waste management fees, and other taxes. Transit occupancy (hotel) tax is important as well.*
- The Committee should have received a presentation on the City’s finances earlier in this process. This is helpful information as we evaluate these choices.
- There have been many changes since the last General Plan relative to economic development. The lack of housing has caused the City’s workforce to move to the East Bay and North Bay, increasing traffic. Health care has become a more important industry. Dominican University has a different role than it did 20 years ago, and the City should decide if we want to foster and support their further growth.
- The City should leverage big companies like Kaiser to create affordable housing, as Oakland has done. We should engage our business community in meeting our housing goals and addressing issues like homelessness. We have good potential community partners here.
- We should encourage our car dealerships to market electric vehicles. There is noplacement to purchase an EV in San Rafael now, yet our CCAP supports a shift to these vehicles. How can we attract the auto market of the future? Other Committee members noted that EV owners have to leave Marin to have their cars serviced. Perhaps partner with the County on this issue—they also have a large local workforce.

Electronic Polling Exercise Results

		Very Important	Somewhat Important	Neutral	Somewhat Unimportant	Not Important	Need More Information	Cumulative Score (*)
1	Recruit and retain businesses that contribute to local economic vitality.	17	1	1	0	0	0	35
2	Reduce regulatory barriers for businesses and strive for a business-friendly environment.	5	9	1	2	0	2	17
3	Improve telecommunications infrastructure (fiber optic networks, etc.) to attract business.	1	8	3	2	2	3	4
4	Promote San Rafael as a retail, cultural arts, and entertainment destination.	7	9	2	0	0	1	23
5	Include businesses in the city's climate change and greenhouse gas reduction efforts.	15	2	1	1	0	0	31
6	Preserve the City's supply of industrially zoned land and recognize its importance in creating jobs, tax revenue, and services for area residents.	5	10	3	0	0	1	20
7	Promote tourism as a significant contributor to San Rafael's economy.	2	4	8	4	1	0	2
8	Address the business and service needs of an aging population and growing number of seniors.	12	4	1	2	0	0	26
9	Improve marketing and branding of San Rafael	4	7	4	1	2	0	10
10	Promote fiscally responsible decision-making that considers the costs and impacts of new businesses as well as the revenues and benefits that business will provide.	12	4	1	1	0	1	27
11	Support programs that provide job training and language skills to foster the success of the local workforce.	13	3	1	2	0	0	27
12	Create housing opportunities for the local workforce along with programs to enable workers to live locally.	10	7	0	1	0	0	26
13	Encourage upgrading and continued investment in older shopping centers.	6	3	3	1	3	2	8
14	Increase awareness of the importance of businesses to tax revenue and funding of City Services.	9	8	1	0	0	1	26
15	Improve access from business areas to SMART stations to make rail commuting more viable.	13	4	2	0	0	0	30

(*) Cumulative score = (Very Important * 2) PLUS (Somewhat Important * 1) MINUS (Somewhat Unimportant *1) MINUS (Not Important *2). The higher the cumulative score, the higher the support. The top three were #1, #5, and #15,

- Q3 in the poll implies the City may install fiber optics. What is the status? *PM Miller remarked that some cities are moving aggressively to install fiber optics to attract and maintain tech and information-driven businesses. ED Director O’Leary remarked that fiber optic technology is an amenity that is offered in our commercial core and there are studies that show that there is value to adding this type of technology as it enables people working out of their homes to have fast reliable internet connection, etc. There is currently a fiber optics connection with the former Lucas Films (ILM) in East San Rafael that was created years ago. There is also fiber in the SMART Corridor. One constraint is the cost of installation, and the disruption and inconvenience (of digging up the street). The City is addressing 5G infrastructure, also intended to increase communication speed. inconvenience. A Committee member concurred that high-speed communication is essential to business performance and economic success.*
- Is there support for the City to become a communication service provider like Comcast or ATT? The current providers aren’t very good. *CDD Director Jensen noted that the City of Concord had done a feasibility study for a city built and operated fiber optic system as part of their capital improvement program. O’Leary noted that Palo Alto has installed a Fiber Optics network, and Miller indicated that San Leandro had done this as well, though it was privately funded.*
- Large tech companies in the Bay Area (and potentially smaller ones like BioMarin) are willing to pay for infrastructure improvements in exchange for desirable locations. This applies to things like reclaimed water and rail transit, as well as fiber optics. We should explore establishing ways for companies to come in and help pay for these systems. *ED Director O’Leary mentioned that these Companies that are not utilities, and would have to go through the CPUC and be regulated, which can get complicated.*

PM Miller mentioned that he welcomes written comments from the Steering Committee on these elements within a month’s time. He mentioned that he would also like to see more comments from the Committee members on the Circulation Element Audit, as only two members of the Committee have submitted their “homework.” Committee members asked if the Word documents could be provided in the agenda packets, so they could come to the meetings with their comments prepared. Miller indicated he would do that.

A few additional economic development comments were made before moving on to the next topic.

- We need to infuse cost-benefit considerations in our discussions. It never gets talked about. The Committee has heard from developers that there are many economic factors associated with the feasibility of a development project, i.e., how many units of affordable housing can we request of a developer before he/she is no longer able to develop? Our policies only work if they make economic sense. Economics don’t favor industrial land uses, and interventions may make sense to keep them viable.
- Don’t delete “creative infill” from the goals. It resonates more than the other goals. Perhaps recast it as public-private partnerships. Public and private partnerships are important to create in-fill development. When the last General Plan was done, we had a redevelopment agency and more flexibility and authority to finance infrastructure. Redevelopment helped forge public and private partnerships and brought private resources to the table. It is troubling to think of private companies like Google taking on this role. What are we as a community doing to allow this? What tools can we place in the General Plan to guide future public private partnerships that benefit San Rafael?
- How do federal “opportunity zones” fit into this conversation. *ED Director O’Leary indicated there were limited opportunities in San Rafael—a small area around the Canal neighborhood without a lot of development opportunities. CD Director Jensen added that opportunity zones were similar to redevelopment areas in that they promote investment. However, we need to be careful in the Canal because investment could cause displacement and create hardship for lower income households. On the*

other hand, the area needs investment in infrastructure and its buildings, so we should continue exploring the viability of such zones. We should also consider this in the Housing Element.

- The discussion of new housing has been very focused on transit centers. Proposals may be made at the San Rafael Rock Quarry that we should not lose sight of. There are public-private opportunities there also.

D. Presentation of Infrastructure and Governance Policy Audits

PM Miller presented a brief description of the Infrastructure Element and Governance Element Policy Audits. He also commented on the Justice, Equity, Diversity and Inclusion Element (JEDI) which is now required by State Law. He noted San Rafael will be the first city in California to have a JEDI Element in its General Plan.

The following comments were made by Committee members:

- Sea level rise will have a big impact on infrastructure, and we should address the need for adaptation.
- The City appears to be in deferred maintenance mode – it would be good to know what the cost implications of that are and what the cost of upgrades would be relative to reduced maintenance needs.
- “Green streets” sound great, but how much do they cost? Another member commented that green infrastructure can be cheaper in the long run.
- The City’s Capital Improvement Program (CIP) is about to be approved and addresses these kinds of issues. There are limited federal grants and it is not possible to fund everything.
- Include Las Gallinas in the list under I-3a
- Regarding the Governance Element, we should consider the impact of District elections. We should think about what types of policies should be adopted to ensure proper representation at the District level. Two agencies that may be helpful in the new process are the Local Government Commission and the League of California Cities. A Committee member suggested the General Plan should not codify decisions about how much funding each district received.

6. COMMITTEE ALTERNATE COMMENTS

An alternate noted that the best way to sustain the economy of the city was to shop locally. The City should promote these benefits to all residents.

7. GENERAL BUSINESS ITEMS

PM Miller announced that the next meeting would be August 14, 2019.

8. PUBLIC COMMENTS

There were no additional public comments.

ADJOURNMENT

The meeting was adjourned at 8.05 PM.