



# CITY OF SAN RAFAEL

## ECONOMIC DEVELOPMENT STRATEGIC PLAN

May 15, 2023



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# ECONOMIC DEVELOPMENT STRATEGIC PLAN

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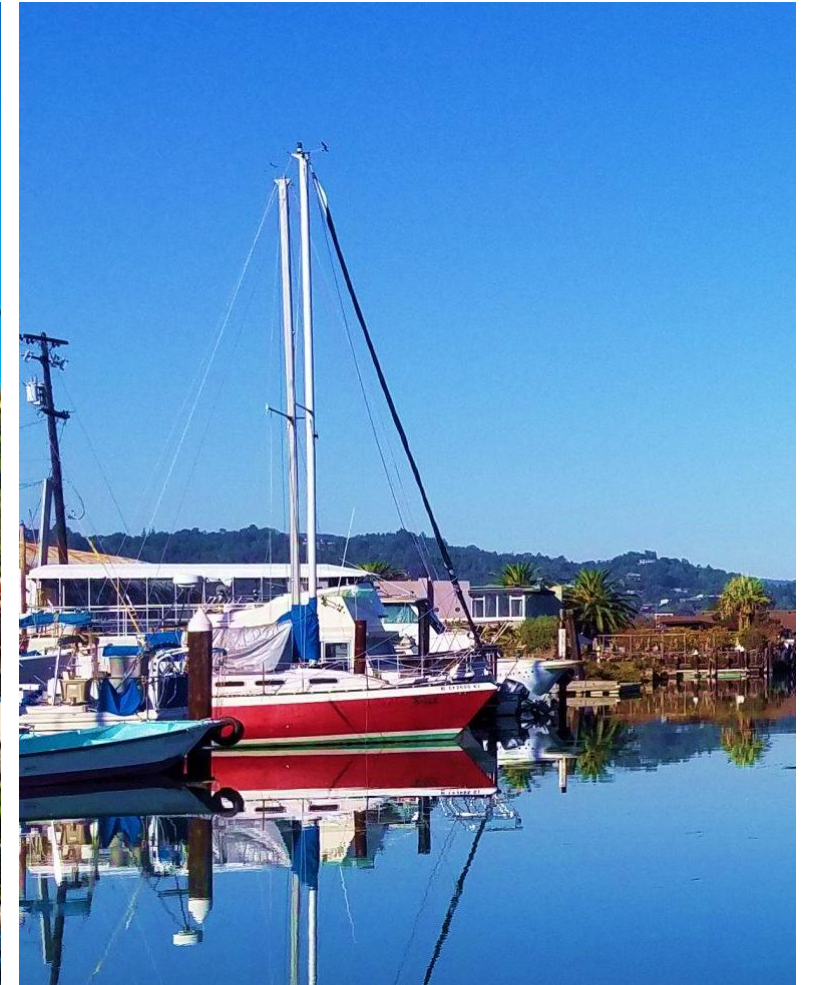


## CITY OF SAN RAFAEL ECONOMIC DEVELOPMENT STRATEGIC PLAN

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# ECONOMIC DEVELOPMENT STRATEGIC PLAN



## 1. BACKGROUND & OVERVIEW

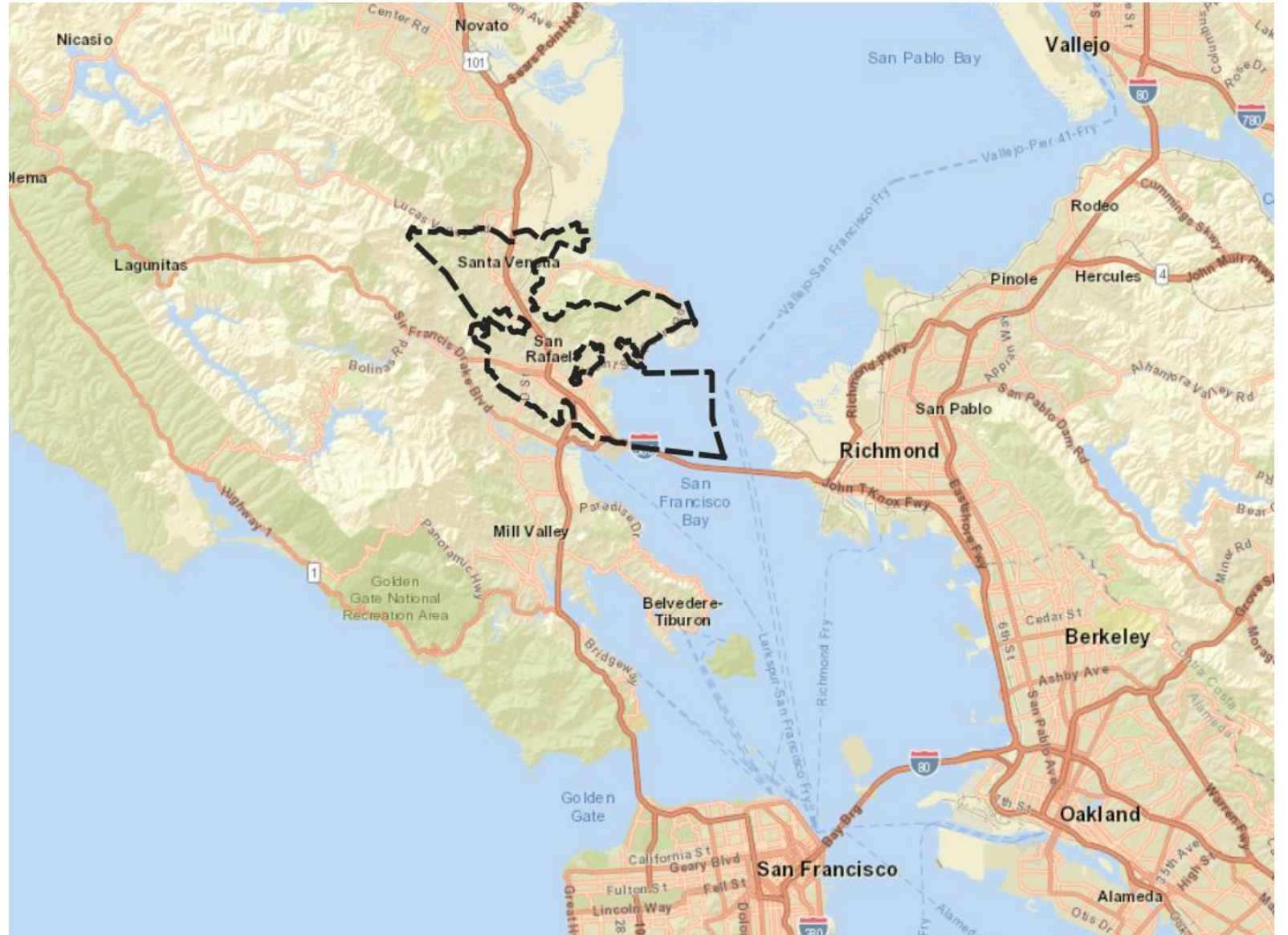
San Rafael Economic Development Strategic Plan



## SAN RAFAEL REGIONAL CONTEXT

San Rafael is the County Seat and largest city in Marin County, with a population of over 61,000 spread over 16 square miles of land adjacent to the San Francisco bay. It was settled by the Spanish in 1817 with the construction of Mission San Rafael Archangel. It was incorporated as a City in 1874 and grew substantially as it was connected to the national railroad network.

With the construction of the Golden Gate bridge and the Richmond-San Rafael bridge, the City has excellent vehicle access to both the San Francisco Peninsula and the East Bay. The City also provides easy access to the Sonoma / Napa Valley wine country and the Mendocino Coast.



## BACKGROUND

- Kosmont Companies ("Kosmont") was retained by the City of San Rafael ("City") to prepare this Economic Development Strategic Plan ("EDSP").
- The EDSP addresses existing economic conditions, regional real estate trends and opportunities and provides tactical recommendations on business attraction, expansion, and retention through place-making recommendations and community feedback.
- Given shifting consumer preferences and changes in land use, uncertain economic realities, it is imperative that San Rafael identify opportunities within the City to spur development and increase revenues.
- The EDSP includes an assessment of economic / market conditions, an assessment of key commercial districts and sites, as well as insights from community / stakeholder outreach.

## APPROACH

Kosmont's approach to preparing the Economic Development Strategic Plan included the following tasks:

- Review of City Budget and Planning documents, together with a daylong tour of the City and its business and residential districts
- Interviews with City staff, Council members, and community stakeholders
- Assessment of regional economic trends
- Assessment of local demographic and market conditions
- In person and virtual community outreach to gain insights as to needs and challenges and present preliminary findings
- Detailed assessment of major commercial districts
- Identification of key opportunities and short-term / long-term strategies

## VISION AND OBJECTIVES

### ***Vision:***

The EDSP is designed to help strengthen the local economic base and fiscal health of the City; provide a wide range of employment and educational opportunities for its residents; enable the City to leverage State and Federal grants, loans and policy tools; and achieve greater resiliency in light of the Covid-19 pandemic.

### ***Core Objectives:***

1. Increase fiscal revenue;
2. Enhance City's commercial and residential market by attracting a healthy balance of local and national businesses and developing a wide range of housing options;
3. Enhance employment, educational and business opportunities;
4. Create job opportunities for younger generations;
5. Fund critical physical improvements to infrastructure.



## GOALS & CHALLENGES

The City has identified several challenges:

- Restore Downtown's economic vibrancy
- Maintain/expand industrial and office job opportunities
- Capitalize on the access to SF, east Bay and Wine Country
- Absentee / nonresponsive landlords

Goals to be addressed as part of long-term planning efforts:

- Economic recovery from Covid impacts
- Sustainability / Climate Change
- Racial Equality
- Housing / Homelessness
- Neighborhood Vitality
- Improve Public Safety
- Provide more Public Assets



## COMMUNITY AREAS

### Downtown

A thriving commercial center in the 1950's with several major department stores, the Downtown still holds a major concentration of City's commercial core with 25% of the office inventory and 30% of the retail inventory. New hotel and residential units are under construction, as well as regional transit center. City owns several surface parking lots and two structures that may need reimagining.

### Northgate

Suffering from loss of retail anchors due to growth of e-commerce and big box cannibalization, Northgate Mall is undergoing a major redevelopment process, shrinking retail square footage and adding over 1,000 new MF units. The Northgate Industrial Park / Smith Ranch area is home to a variety of flex industrial / office / retail spaces, and could be have an opportunity for revitalization. The 8-acre movie theater site at 280 Smith Ranch Road is an opportunity site for higher density development.





## COMMUNITY AREAS

### Canal Area

The Canal Area plays an important part in the City's economy, and is an industrial backbone for Marin County:

- Over 80% of the industrial/flex space
- 30% of the retail space and most high-volume car dealerships
- 15% of the office space
- 20% of apartments, serving predominantly low-moderate income households who represent a major part of the service industry workforce
- Federal Opportunity Zone, with tax advantages for certain types of real estate and business investment



## COMMUNITY AREAS

### Central San Rafael

This area of the city encompasses residential neighborhoods to the south-west and north-east of Downtown / Canal areas, such as Gerstle Park, West End, Sun Valley, Dominican, and Montecito. Dominican University is a major anchor institution in the area, educating ~1,800 students. These areas are home to neighborhood-serving retail along 4<sup>th</sup> Street and Lincoln Ave.

### San Pedro Peninsula

This area is located east of Central San Rafael, and is home to residential areas such as Country Club, Loch Lomond, and Peacock Gap. China Camp State Park is located in the northern part of this area, featuring hiking, biking, and open space. The McNear – Dutra Quarry is an operating quarry and major supplier of construction material to the region, and there is some long-term opportunity in the future after quarry is closed / reclaimed. This area is also served by some neighborhood-serving retail along Point San Pedro Road.





## ECONOMIC OVERVIEW

The City retained Kosmont to prepare the EDSP to develop a strategy that better positions San Rafael to face the economic forces that are reshaping the modern economy:

- Today's consumers are using online websites for purchasing a broad array of goods. As e-commerce continues to take an increasing percentage of consumer spending, cities must take new approaches to land use that explore concepts for public amenities and private attractions that help cities capture trips and thus “sales”.
- Younger consumers, with increased use of media and digital communication, seek gathering places with restaurants, entertainment venues and experiential retail, rather than simply a collection of traditional store fronts.
- Telework dynamics have drastically changed work patterns over the past few years and are poised to reshape office needs. Creative class professionals are attracted to communities with clustered centers, which provide a sense of vitality, diversity, convenience and a mix of work, entertainment, services, arts and culture.

Kosmont is assisting the City in achieving its economic objective by providing strategies, market analysis and recommendation – both citywide, as well as focused on particular commercial districts in the City. The goal is to foster economic vitality throughout the business districts of San Rafael, improving business conditions and resident quality of life.

## DEMOGRAPHIC OVERVIEW

- San Rafael has a population of ~61,500, with ~8% growth over the past 20 years
- **Average Household Size** is 2.6 persons, and the **Median Age** is 42.3 years; residents are **well educated**, with ~57% achieving at least a bachelors degree
- City **Average Household Income** is \$164,800, approx. ~14% less than County and 27% higher than statewide levels
- San Rafael sees a Net **Inflow** of ~14,300 jobs, with workers coming from San Rafael, Novato, San Francisco, and Petaluma
- **Jobs in the City** are primarily in the Healthcare / Social Assistance, Retail Trade, Construction, and Professional / Scientific / Technical Services sectors
- **Residents of the City** are primarily employed in the Health Care / Social Assistance, Professional / Scientific / Technical Services, Accommodation / Food Services, and Retail Trade sectors.

## FISCAL & BUDGET OVERVIEW

- The city receives ~89% of its General Fund revenue from taxes. The majority (52%) of City tax revenue comes from sales taxes, and ~37% from property taxes. The remainder comes from franchise, business, and transient occupancy taxes.
- Sales tax revenues have grown ~7% annually since 2012, driven by Measure E and Measure R rate increases and dramatic growth in county pool revenues.
- Property taxes have grown ~7% annually since 2012, with assessed value growth driven by high real estate values and mark-to-market reassessments. San Rafael collects an estimated 12.2% of the 1% Property Tax general levy.

FY2022-23 Budget		
Property Taxes	\$	24,409,721
Property Tax - VLF Backfill		6,700,000
Sales Tax		25,085,742
Sales Tax - Measure E		14,694,975
Sales Tax - Measure R		4,898,325
Franchise Tax		4,182,016
Business Tax		2,669,567
Transient Occupancy Tax		2,483,067
Taxes Subtotal		85,123,413
<b>Revenues from Other Agencies</b>		
CSA #19 Fire Service		2,442,513
Other Agencies		1,903,252
<b>Other</b>		
Permits & Licenses		3,010,159
Fine & Forfeiture		186,732
Interest & Rents		47,500
Charges for Services		2,568,965
Other Revenue		588,196
<b>Total</b>		<b>95,870,730</b>

## MARKET OVERVIEW

- San Rafael saw limited growth in commercial, industrial, and apartment markets over the past decade. Commercial real estate rents and occupancy have been fairly stable over the past 10 years.
- The **retail market** is facing challenges as e-commerce reshapes consumer preferences – straining demand for regional shopping centers as well as downtown retail districts
- The **office market** is also undergoing changes as telework restructures employer needs and commute patterns – reshaping downtown business districts and office parks
- The **industrial market** is strong, driven by high demand for logistics / warehouse; San Rafael serves as the industrial heart of Marin with a large amount of construction / building spaces; strong demand for R&D / lab space in Bay Area could be increase demand in San Rafael
- The **multifamily residential market** continues to see high demand due to the housing shortage in California

While San Rafael only represents less than 25% of Marin County's population, the City represents a much more significant share of Marin County economic activity:

- Retail: 38% of inventory, rents are 12% lower and vacancy is 0.2% lower
- Office: 43% of inventory, rents are 3% lower and vacancy is 3.4% lower
- Industrial: 62% of inventory, rents are 2% higher and vacancy is 2.9% lower
- Flex / R&D: 32% of inventory, rents are 5% lower and vacancy is 1.1% lower
- Multifamily: 40% of inventory, rents are 16% lower and vacancy is 0.3% lower



## ILLUSTRATIVE FISCAL REVENUE OF NEW DEVELOPMENT

To evaluate San Rafael economic opportunities and understand their impact on City revenues, the table below provides an illustration of incremental tax revenues potentially generated from various types of development on a typical 1-acre parcel:

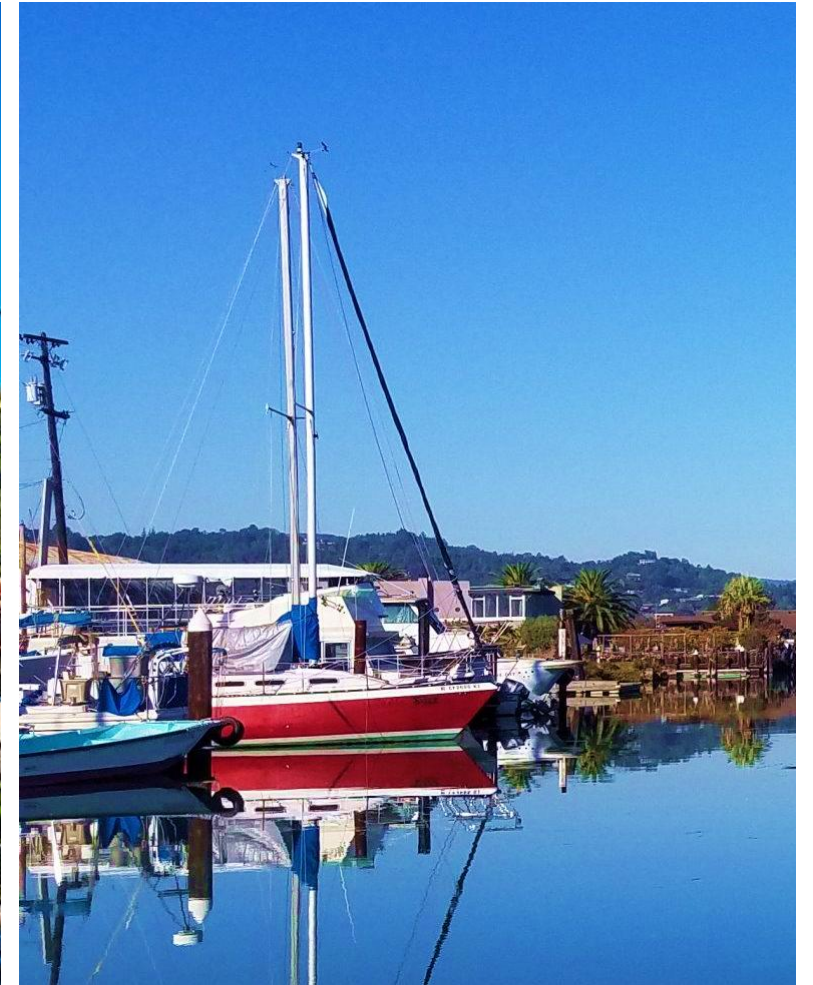
	10,000 SF Commercial Services	10,000 SF Retail	10,000 SF Restaurant	Blended-Use Multifamily / Retail	60-room Upscale Hotel
Property Taxes + VLF	\$10,000	\$10,000	\$15,000	\$55,000	\$40,000
Direct Sales Taxes	\$25,000	\$50,000	\$85,000	\$25,000	\$20,000
Indirect Sales Taxes				\$20,000	\$20,000
Hotel TOT					\$370,000
<b>Annual General Fund Revenues</b>	<b>\$35,000</b>	<b>\$60,000</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$450,000</b>

## STAKEHOLDER / COMMUNITY OUTREACH OVERVIEW

Kosmont worked with the City to conduct a variety of outreach efforts to solicit feedback from stakeholders and community members, including interviews / group meetings, a business survey, and a community survey.

Stakeholder Interviews	Business Survey	Community Survey
<p>Interviews emphasized the importance of the San Rafael economic engine, entrepreneurial spirit, artistic / historic character, and engaging events and activities.</p> <p>Challenges identified include development costs and processes, beautification improvements needed, and flood risks.</p> <p>Opportunities include better utilization of the waterfront area, more events to attract visitors, and a stronger connection to Dominican University.</p>	<p>Results show that top challenges facing businesses include High Rent / City Fees, Retaining / Hiring Employees, Safety / Cleanliness.</p> <p>Top City priorities include Homelessness, Cleanliness / Appearance / Illegal Dumping, Improving Public Safety, Housing, and Sustainability / Climate Change</p>	<p>Respondents value a wide variety of new developments in the Downtown and North San Rafael areas, including Arts / Cultural / Educational options, Shopping / Other Retail, Fine Dining, Family Restaurants, Gathering Places, and Multifamily Housing.</p> <p>Results also show support for City investment in civic improvements / amenities, with the top-ranking choices including Cleanliness / Appearance, Traffic Flow, Safety, Mobility / Walkability / Bike-ability / Transit, Public Art / Plazas / Walkways, and Streetscape / Design.</p>

# ECONOMIC DEVELOPMENT STRATEGIC PLAN



## 2. ECONOMIC DEVELOPMENT STRATEGIES

San Rafael Economic Development Strategic Plan



## ECONOMIC DEVELOPMENT STRATEGIES

The following section prioritizes strategies for the City to consider to achieve the economic goals. Action Items for each strategy are identified, as well as responsible organization. An estimated investment range for each strategy is identified below, recognizing that the City has \$300,000 per year currently available for Economic Development programs, in addition to the two professional staff members.

- 1. Support Business / Development (\$\$\$)**
- 2. Downtown Reimagination (\$\$\$)**
- 3. Analyze Implementation of Enhanced Infrastructure Financing District (EIFD) (\$)**
- 4. Strengthen Local Partnerships (\$)**
- 5. Attract High-Tech Industrial Uses (\$)**
- 6. Outreach for Private and Business Development Opportunities (\$\$)**
- 7. Workforce Development Programs (\$\$)**

\$ = \$50,000 to \$200,000

\$ = \$200,000 to 500,000

\$\$\$ = \$500,000 to \$750,000

Estimated new annual investment of \$500,000 is needed to implement the Economic Development Strategies over next 3-5 years



## STRATEGY 1: SUPPORT BUSINESS / DEVELOPMENT

### *City Economic Development – Cost \$\$\$*

Business-friendliness is a vital component to support the needs of businesses, developers and to foster entrepreneurship in the City, bolstering the local economy.

Action Item 1.1: Create a Business Expansion, Attraction, and Retention (BEAR) program. Modify existing economic development program to provide enhanced customer service to support business development.

Action Item 1.2: Develop or sponsor technical assistance programs to support emerging businesses/entrepreneurs living or doing business in San Rafael's designated Opportunity Zone.

Action Item 1.3: Maintain enhanced business and development data analytics to track economic and market trends.

Action Item 1.4: Increase bi-lingual staffing with cultural and language capacity to support and enhance access to business development programs.

Action Item 1.5: Sponsor “Shark Tank” type competition and other networking events to promote new entrepreneurial ideas and bolster the local entrepreneur network.

The Economic Trends section identifies key aspects to fostering entrepreneurship in a community, and the Case Study section highlights approaches that the City of Thousand Oaks and the City of Corona took to foster entrepreneurship in their communities.

## STRATEGY 2: DOWNTOWN REIMAGINATION

### ***City Economic Development – Cost \$\$\$***

Activating Fourth Street is the key for successful downtown revitalization in San Rafael.

Action Item 2.1: Consider programs that can help existing businesses thrive (such as façade improvement programs, streetery / outdoor retail) and help existing properties utilize their space (such as expanding allowable uses in storefront spaces, sales tax in-lieu payment for non-retail uses, etc). Prioritize program implementation to Opportunity Zones and under-invested commercial areas in the City.

Action Item 2.2: Explore conversion or expansion of the Business Based Improvement District to a Property Based District to support enhanced cleaning, security, marketing and physical improvements in downtown. (revenue generating / funding capacity)

Action Item 2.3: Evaluate publicly-owned opportunity sites in the downtown area – such as the surface parking lots and parking garages – to evaluate potential reuse strategies that aim to add gathering places, activities, and other amenities.

As shown in Trends / Case Studies, property owners are exploring new uses and programming to activate underutilized parking lots, ranging from short-term temporary reuses for special events to semi-permanent reuses that provide spaces for people to gather. The Real Estate Strategies Toolkit section identifies key aspects of real estate strategies as well as an overview of potential publicly-owned opportunity sites, such as under-utilized parking properties.

## DOWNTOWN REIMAGINATION - CONTINUED

Action Item 2.4: Invest in physical improvements that can create sense of place and further activate the downtown area—through pedestrian-oriented improvements such as plazas and outdoor spaces, water features, running/walking paths, street improvements, sidewalks, transit / micro-transit services, and pedestrian malls.

Action Item 2.5: Invest in other enhancements such as gateway signage and wayfinding, public art, thematic street and sidewalk enhancements, and public open space.

Action Item 2.6: Grow social media engagement channels, social medial influencer/engagement channels, as well as marketing/trade publications to promote Downtown businesses and events.

Pedestrian mall and related case studies explain how pedestrian-oriented improvements, events, and other placemaking strategies / interventions are used to drive activity and engagement in downtown areas – improving the experience for residents and visitors and bolstering the local economy.

## STRATEGY 3: ANALYZE IMPLEMENTATION OF EIFD

### ***City Economic Development – Cost \$***

Enhanced Infrastructure Financing Districts are a type of tax increment financing district that allows local governments to capture new assessed value creation and finance public projects (such as infrastructure, affordable housing) using property tax revenue from new development.

Action Item 3.1: Conduct feasibility analysis, develop plan for district formation.

Action Item 3.2: Work with Marin County to identify mutually beneficial investments to encourage sharing of a portion of County tax increment. (revenue generating / funding capacity)

Action Item 3.3: Pursue grants that align with goals of the district, particularly those that give preference to EIFDs – Infill Infrastructure Grants, Affordable Housing and Sustainable Communities Grants, and Transformative Climate Communities grants. (revenue generating / funding capacity)

As explained in the Economic Toolkit section below, EIFDs may be well suited for San Rafael's opportunity areas such as Northgate that have significant infrastructure needs (roads / connectivity, water / sewer, electricity, telecom / broadband). These districts are being utilized by communities across California to induce private sector investment, accelerate growth, create jobs, grow fiscal revenues and capture value.



## STRATEGY 4: STRENGTHEN LOCAL PARTNERSHIPS

### ***City Economic Development – Cost \$***

Local organizations such as the Chamber of Commerce, Canal Alliance, and Downtown BID are important partners to improve the economic environment for all areas of the City. By strengthening these partnerships, the City will develop a greater capacity to pursue economic development initiatives and facilitate cooperation / collaboration across public, private, and non-profit entities.

Action Item 4.1: Explore the formation of a Countywide Tourism Improvement District or increasing the San Rafael Transient Occupancy Tax or other tourism funding model to support tourism marketing and increase tourism sector growth. (revenue generating / funding capacity)

Action Item 4.2: Evaluate current list of community events & programming (e.g., Dining Under the Lights, Block Parties, festivals/cultural events, outdoor athletic events, live music/concerts, performing arts, etc.). Expand special events in Canal, Terra Linda and Downtown area – such as block parties, public markets, outdoor dining, outdoor music / movies, and other events.

Action Item 4.3: Establish partnerships and leverage cross promotional opportunities between City, Marin County, business owners, and other organizations. Regional marketing is a more cost-efficient way to attract new industry and encourage visitors to use Marin County as a base for regional tourism.

Action Item 4.4: Pursue tourism marketing, San Rafael as a gateway to the Mendocino Coast and Sonoma/Napa Valley wine country.

Action Item 4.5: Coordinate with arts organizations to integrate arts programming with events and economic development initiatives, building upon the Cultural Arts District designation.

Action Item 4.6: Collaborate with service organizations such as Canal Alliance to support programs that address workforce development, entrepreneurship, and economic resiliency.

## STRATEGY 5: ATTRACT HIGH-TECH INDUSTRIAL USES

### *City Economic Development – Cost \$*

As shown by the success of BioMarin, San Rafael is well positioned to attract bio-tech and other high-tech industrial businesses. Life Sciences are one of the key expanding economic clusters in Marin County, driven by the flourishing tech economy of the greater Bay Area.

Action Item 5.1: Revise industrial zoning restrictions and entitlement policies/processes to ensure that they facilitate new industrial uses.

Action Item 5.2: Pursue new sectors that can expand the breadth and variety of its industrial core and jobs base. Potential growth opportunities include biotechnology, research and development, and e-commerce fulfillment.

Action Item 5.3: Identify target areas for tech industrial development (e.g. Smith Ranch, Canal) and consider overlay zoning to facilitate development.

Action Item 5.4: Conduct outreach to existing businesses, develop relationships with industry groups to foster collaboration, and identify / address business feasibility issues (infrastructure, procedural, etc.).

The Strategic Land Use Policies Toolkit section identifies key aspects to revising zoning and entitlement processes to facilitate desired development activity. Economic Trends section identifies key aspects to promoting biotech and life sciences businesses (such as access to necessary infrastructure, local tax / administrative policy, and availability of housing and transit). The Case Study highlights the approach that the City of San Diego took to advance the biotech sector in the La Jolla area of the City.

## STRATEGY 6: OUTREACH FOR PRIVATE AND BUSINESS DEVELOPMENT OPPORTUNITIES

### ***City Economic Development – Cost \$\$***

Proactively work with property-owners to understand challenges and opportunities that may align with the City's economic development goals.

Action Item 6.1: Identify and analyze key privately-owned sites that are well-positioned for reuse or redevelopment.

Action Item 6.2: Conduct outreach and collaborate with property owners to explore development opportunities and address challenges that can bring new uses to privately-owned sites.

Action Item 6.3: Pursue businesses and developers, in coordination with property owners.

Action Item 6.4: Increase Cannabis business opportunities through release of new cannabis licenses and creation of cannabis specific business programs targeting growth and capacity building of existing permittees. Business opportunities should include exploration of retail storefront cannabis licenses and other State allowed business types in appropriate commercial locations. (revenue generating / funding capacity)

Action Item 6.5: Mobile Vendor Ordinance Update: Update the City's Mobile Vender Ordinance to create a legal pathway for mobile vending in appropriate commercial locations. Utilize community partners with language and cultural capacity for vendor outreach and permitting technical support.

The Real Estate Strategies Toolkit section identifies key aspects of real estate strategies as well as an overview of potential privately-owned opportunity sites, such as the Smith Ranch movie theater site and the Marin Square shopping center site.

## STRATEGY 7: WORKFORCE DEVELOPMENT PROGRAMS

### *City Economic Development – Cost \$\$*

Expand Workforce Development programs to help local residents gain access to career pathways – setting low-income workers on a path to higher wage careers, improving their economic situations and also helping area businesses gain access to a higher-quality pipeline of talent.

Action Item 7.1: Coordinate with Workforce Alliance of the Northbay, Dominican University, local school / community college districts, the Chamber of Commerce, Canal Alliance, and other area nonprofit organizations to encourage collaboration with local/regional educational and workforce-development organizations for training, mentorship, and job placement programs.

Action Item 7.2: Conduct outreach to local businesses to assess skills gaps and other issues with finding workers, and conduct outreach to local aid organizations to better understand barriers that impact workforce readiness (such as language, childcare, transit, and internet accessibility).



## PERFORMANCE METRICS

Performance metrics will allow the City to identify progress made and determine what barriers to economic development continue to exist, what responses have proven successful or otherwise, and which projects are scheduled for development. The following metrics are recommended to be measured each calendar year and compared to the prior year's results:

1. **BEAR Program Participation** – Track number of BEAR program participants, investment captured, and jobs created
2. **Annual Reports on EIFD Funding** – identify the revenues received and specify the planned investments
3. **Commercial Building Permits in Key Areas** – measure commercial developer interest
4. **Assessed Value of Commercial and Industrial Property** – show increased private sector investment
5. **Number and Type of Business Licenses** – measure new business formations
6. **Employment by Industry** – show success in commercial and industrial business attraction and employment growth
7. **Sales Tax Revenues by Geographic District** – measure success in attracting businesses and economic activity
8. **Hotel Tax Revenues** – measure success in attracting more visitors
9. **Hotel Visitor Survey** – identify types of visitors, short term vs longer term stays
10. **Annual Survey of Business Owners** – identify issues regarding City permitting / zoning process and other programs to inform City staff of progress/shortcomings
11. **Special Event Data: number of events, attendance estimates** – show success of community outreach efforts, revitalization efforts, and general marketing

# ECONOMIC DEVELOPMENT STRATEGIC PLAN

## ACTION ITEM RESOURCES

1: Support Business / Development				
#	Action Item	Cost	Workload	Timeframe
1.1	BEAR Program	\$	👤 👤	Year 1
1.2	Technical Assistance Programs	\$	👤	Year 2
1.3	Business / Development Data	\$	👤	Ongoing
1.4	Bi-lingual Staff	\$\$\$\$	👤 👤 👤 👤	Ongoing
1.5	Entrepreneurial Events	\$\$	👤 👤	Year 1

2: Downtown Reimagination				
#	Action Item	Cost	Workload	Timeframe
2.1	Business Programs	\$\$\$	👤 👤	Year 3 - 4
2.2*	Explore conversion of the BBID to a PBID	\$	👤 👤	Year 1
2.3	Evaluate publicly-owned sites for reuse	\$	👤	Year 2-3
2.4	Placemaking physical improvements	\$\$\$\$	👤 👤	Year 3-5
2.5	Other physical enhancements	\$\$\$	👤 👤	Year 3-5
2.6	Marketing / social media	\$	👤	Ongoing

3: Analyze Implementation of EIFD				
#	Action Item	Cost	Workload	Timeframe
3.1	Feasibility analysis / plan	\$	👤 👤	Q1-Q3
3.2*	Explore County Partnership	\$	👤	Year 1-2
3.3*	Pursue Grants	\$	👤	Ongoing

Star (\*) - items that generate revenue / funding capacity

Estimated Cost thru Year 5	
\$	<\$50,000
\$ \$	\$50,000 to \$150,000
\$ \$ \$	\$150,000 to \$300,000
\$ \$ \$ \$	>\$300,000
Cost does not include allocation of current Econ Dev staff salaries	

Estimated Workload During Timeframe	
👤	10-20% of employee workload
👤 👤	20-40% of employee workload
👤 👤 👤	40-60% of employee workload
👤 👤 👤 👤	60-100% of employee workload

# ECONOMIC DEVELOPMENT STRATEGIC PLAN

## ACTION ITEM RESOURCES

4: Strengthen Local Partnerships				
#	Action Item	Cost	Workload	Timeframe
4.1*	Explore tourism funding models	\$	1 person	Year 1-2
4.2	Explore / expand events and programming	\$\$\$	2 people	Year 1-3
4.3	Marketing partnerships	\$	2 people	Year 1
4.4	Tourism marketing	\$	2 people	Year 1
4.5	Arts programming	\$	2 people	Year 1
4.6	Collaborate with service organizations	\$	2 people	Year 2

5: Attract High-tech Industrial Uses				
#	Action Item	Cost	Workload	Timeframe
5.1	Revise zoning / processes for industrial uses	\$\$	3 people	Year 3-5
5.2	Pursue new industrial sectors	\$	1 person	Year 1-2
5.3	Evaluate tech industrial overlay zoning	\$\$	2 people	Year 2
5.4	Conduct outreach businesses, industry grps	\$	2 people	Year 1-2

7: Workforce Development Programs				
#	Action Item	Cost	Workload	Timeframe
7.1	Coordinate with orgs. for workforce development	\$	2 people	Year 3-5
7.2	Conduct outreach to local businesses / orgs.	\$	2 people	Year 3-5

6: Outreach for Private / Business Development Opportunities				
#	Action Item	Cost	Workload	Timeframe
6.1	Identify / analyze sites for reuse	\$	1 person	Year 1-2
6.2	Outreach / collaborate with property owners	\$	1 person	Year 1-2
6.3	Pursue businesses / developers	\$	2 people	Year 2
6.4*	Cannabis business opportunities	\$\$	2 people	Year 2-3
6.5	Update Mobile Vender Ordinance	\$\$	2 people	Year 2-3

Star (\*) - items that generate revenue / funding capacity

### Estimated Cost thru Year 5

\$	<\$50,000
\$ \$	\$50,000 to \$150,000
\$ \$ \$	\$150,000 to \$300,000
\$ \$ \$ \$	>\$300,000

Cost does not include allocation of current Econ Dev staff salaries

### Estimated Workload During Timeframe

1 person	10-20% of employee workload
2 people	20-40% of employee workload
3 people	40-60% of employee workload
4 people	60-100% of employee workload

## SAN RAFAEL STRENGTHS

- **Economic Engine for Marin County:** the City is home to major employers, retail centers, downtown district, industrial uses, civic / cultural institutions, entrepreneurs, and essential workers.
- **Unique Character:** The City is steeped in history and serves as a gateway between the Bay Area and Wine Country (Sonoma and Napa Valley); City has Downtown Cultural Arts District and arts organizations; a “green” and active community with parks, trees, outdoor activities, and waterfront; events bring liveliness and activity.
- **Commercial Sites:** Key sites are available for development throughout the City.
- **Diverse Workforce:** Strong local labor options; entrepreneurial spirit – from small businesses to tech entrepreneurs.
- **Anchor Institutions:** Dominican University and BioMarin are major providers of education and employment opportunities; County Civic Center and City offices play a role in providing services / programs / events; other nearby educational partners include College of Marin.
- **Transportation Access:** The City is accessible through SMART passenger rail service and local bus service, and US-101 and I-580 – can support future transit-oriented development and connectivity.
- **Business Organizations:** Chamber of Commerce is very active and meets with businesses regularly.
- **Relative Affordability:** Lower cost single-family housing compared to Marin County and the San Francisco peninsula.



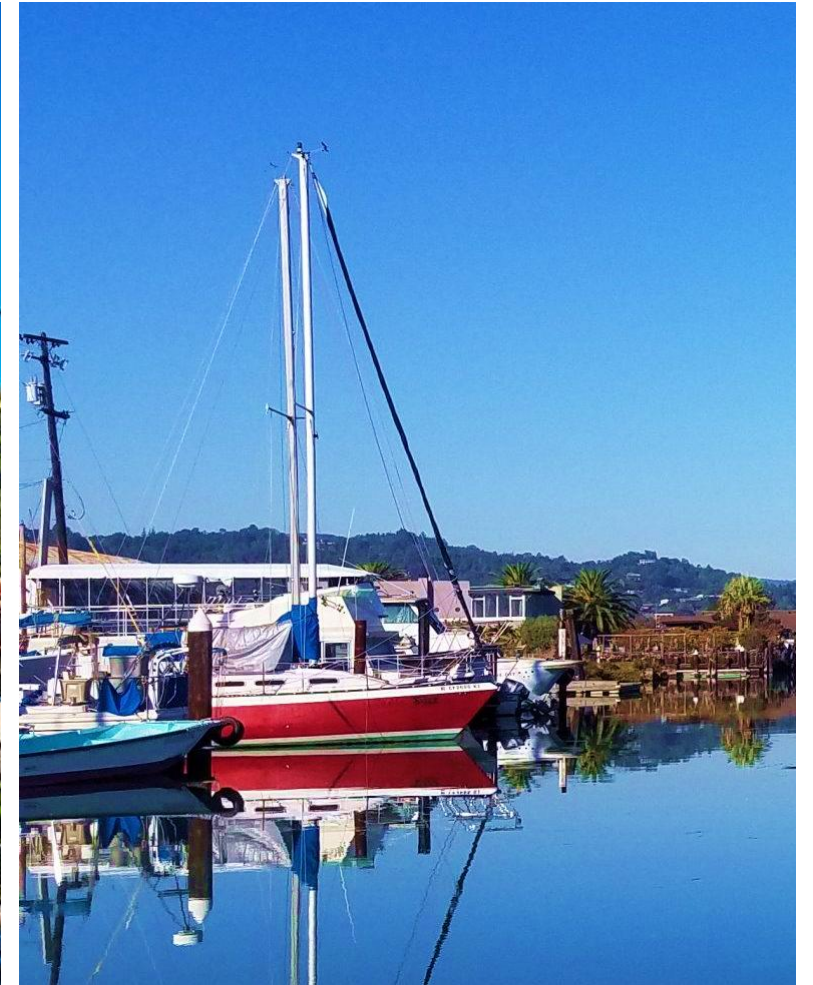
## SAN RAFAEL CHALLENGES

- **Commercial Vacancies:** Some vacant / abandoned / blighted buildings and nonresponsive / absentee property owners.
- **Market Trends:** Retail in downtown challenged by e-commerce, office parks challenged by telework.
- **Zoning / Development Code:** Required Conditional Use Permits in Industrial Zoning is obstacle to high value development.
- **Worker Shortage:** Long commutes for many workers impacts employee retention for many businesses.
- **Limited Development Activity:** Previous hesitance to new housing development has historically stalled development.
- **Homeless / Crime:** Perceptions of crime, homelessness, and parking challenges impact commercial activity.
- **Environmental Risk:** Commercial areas are in flood-risk areas, such as the Canal district and parts of Downtown.
- **Development Costs:** High cost of construction materials and labor due to the ongoing COVID-19 pandemic.
- **Economic Uncertainty:** The uncertainty of economic conditions such as Federal Reserve restricting liquidity to reduce inflationary pressures.

## SAN RAFAEL OPPORTUNITIES

- **Downtown Revitalization:** Precise Plan takes a placemaking approach and brings predictability to downtown development, paving the way for new activity.
- **City / County Partnership:** Potential joint ventures with Marin County thru EIFD or CRD to fund infrastructure and affordable housing.
- **Tourism:** As a gateway to the Mendocino Coast and Sonoma/Napa Valley wine country, San Rafael can capture significant portion of regional tourist visit.
- **Northgate Town Center:** Development Agreement for conversion of the Northgate Mall into a blended use Town Center and over 1,000 housing units can be major catalyst for North San Rafael.
- **Parking Structures and Parking Lots:** City-owned parking structures and surface lots provide opportunities for reuse and reactivation.
- **Federal Opportunity Zone (“OZ”):** Canal Area development can benefit from OZ and EIFD’s to spur additional investment in new development projects.
- **SMART:** Regional rail service connecting the Sonoma Valley to San Rafael and connecting to the Ferry service to San Francisco, provided transit-oriented development (“TOD”) opportunities.

# ECONOMIC DEVELOPMENT STRATEGIC PLAN



## 3. ECONOMIC DEVELOPMENT TOOLKIT

San Rafael Economic Development Strategic Plan



## ECONOMIC DEVELOPMENT TOOLKIT OVERVIEW

<b>Business Expansion, Attraction, and Retention (BEAR)</b>	Focus on business and developer outreach to deliver quality jobs and fiscal revenue.
<b>Real Estate Strategies</b>	Use strategies to better utilize the value of city properties – performance-based leases / ground leases, monetizing assets (such as parking garages, selling property to private sector, etc.)
<b>Special Districts for Infrastructure Financing CFD's, EIFD's, CRD's</b>	Use TIF and other district tools (such as Enhanced Infrastructure Financing Districts – EIFDs and Climate Resilience Districts) to capture taxes from assessed value increases to fund infrastructure needs.
<b>Zoning and Land Use Strategies Development Opportunity Reserve (D.O.R.)®</b>	Zoning and entitlements create value; capture the value from zoning changes to link new density to community benefits and public amenities.
<b>Revenue Replacement Tools</b>	Create general fund revenues through development agreements / public-private partnerships.
<b>Government Funding and Financing</b>	Use government financing tools to generate enhanced revenues to fill financial gaps of projects in order to encourage private investment and other tax-generating development.
<b>Grants and Other Public Funding</b>	Pursue grant funds available at the state and local level for infrastructure, housing, and other projects.



## BEAR STRATEGIES BUSINESS EXPANSION, ATTRACTION, AND RETENTION

Business Expansion, Attraction, and Retention (BEAR) strategies focus on business and developer outreach to deliver quality jobs and fiscal revenue.

Different strategies to consider include:

- **Support:** Help existing business through regular check-ins, assistance with resources, and networking opportunities.
- **Marketing:** Highlight the city as a business-friendly destination with community assets, talented workforce, and success stories.
- **Outreach:** Conduct target outreach to developers, businesses, and brokers with opportunity site marketing collateral, correspondence, meetings / site tours, and participation at industry events.
- **Collaboration:** Foster a supportive environment between businesses, universities, industry groups, and government entities.
- **Incentives / Regulatory Reform:** Consider regulatory reform efforts, such as permit streamlining, development code changes, and other policies to foster a business-friendly environment.

## REAL ESTATE STRATEGIES PUBLICLY-OWNED PROPERTY

Public agency land is often under-utilized, offering the potential to increase value and revenues (e.g., property tax, sales tax, TOT). Local government-owned real estate can be leveraged to increase revenue and help stimulate economic development projects. The land can include former redevelopment Agency (“RDA”) properties, public use properties (civic centers, fire stations, recreation), and surplus property (city, school district, utility, other), rights of way (streets, alleys, parking lots and parking structures).

The State, in its push to have cities develop more affordable housing, has made subsequent legislative changes (e.g., AB 1486) to strengthen the Surplus Land Act (SLA). The SLA now requires all public agencies in the State of California to first offer a property for sale or lease to ‘housing sponsors’ and affordable housing developers prior to the sale or lease of the asset (unless otherwise exempt) and will assess penalties if a public agency is not in compliance.

### Key Strategies include:

- **Performance-Based Leases / Ground Leases:** San Rafael can maintain ownership and leverage an income stream from an asset via a ground lease (e.g., lease revenues) as well as establish a rent structure based on specific performance benchmarks thereby reducing risk for lenders/private investors.
- **Monetizing Assets:** San Rafael can raise revenues by monetizing assets such as surface parking lots / garages.
- **Acquisition or Sale of Property:** San Rafael can make strategic acquisitions and/or sell property for preferred private development opportunities, as well as utilize strategies such as lease-back strategies, continued operation of existing use, and redevelopment of properties into new uses.

This aerial map of downtown San Jose, California, shows the proposed locations for six new parking structures, numbered 1 through 6. The map includes several key landmarks and streets:

- City Hall / Police / Parking:** Located at the top center of the map.
- Fire:** Located just below City Hall.
- Parking Structure 1:** A red-roofed building located between Mission Ave and 4th St, near C St.
- Parking Structure 2:** A red-roofed building located between Mission Ave and 5th Ave, near Court St.
- Parking Structure 3:** A red-roofed building located between 4th St and 5th Ave, near Nye St.
- Parking Structure 4:** A red-roofed building located between 3rd St and 4th St, near Cijos St.
- Parking Structure 5:** A blue-roofed building located between 3rd St and 4th St, near Lootens Pl.
- Parking Structure 6:** A red-roofed building located between 2nd St and 3rd St, near D St.
- Community Center:** A large, light-colored building located at the bottom center of the map, near 1st St and A St.

The map also shows a grid of streets including Mission Ave, 4th St, 3rd St, 2nd St, 1st St, Court St, Nye St, Cijos St, and various side streets like D St, C St, B St, A St, Brooks St, and Lincoln Ave. The numbered locations are marked with red and blue roof colors to distinguish them.

#	APN(s)	AC	Use
1	011-212-15	0.38	Parking
2	011-221-07	0.27	Parking
3	011-224-05, 06	0.26	Parking
4	011-273-17	0.46	Parking
5	011-271-12, 13, 14, 16	0.44	Parking
6	011-252-10	0.17	Parking



## SPECIAL DISTRICTS FOR INFRASTRUCTURE FINANCING

Public agencies can utilize a variety of tax increment financing (TIF) district tools to fund infrastructure projects that can help to motivate private investment. This includes Enhanced Infrastructure Financing Districts (EIFDs). EIFDs may be well suited for San Rafael's opportunity areas such as Northgate that have significant infrastructure needs (roads / connectivity, water / sewer, electricity, telecom / broadband).

EIFDs utilize property tax revenues from an estimated +\$500 million in new development to finance public infrastructure projects without introducing new or increased taxes. EIFD project areas do not have to be contiguous, allowing them to target specific areas of high development and high infrastructure need.

- City receives approximately **16%** of every \$1 collected in property taxes (including Motor Vehicle In-lieu) (varies by Tax Rate Area)
- County receives approximately **30%** of every \$1 collected in property taxes on average

The district commitment of revenues toward infrastructure can induce private sector investment, accelerate growth, create jobs, and grow fiscal revenues.

TIF districts which involve a City / County joint effort are more likely to win state grant funding sources.

## SPECIAL DISTRICTS FOR INFRASTRUCTURE FINANCING EIFD CITY / COUNTY PARTNERSHIP CASE STUDY

### Placentia / Orange County EIFD Partnership

- 300+ acres: Old Town Placentia Revitalization Plan, Metrolink Station, TOD Packing House Area
- Infrastructure Financing Plan (IFP) will fund \$13 million in public infrastructure improvements for those areas
- Water, sewer, streets, parking, transit connectivity
- \$460M+ expected in new AV from residential, retail, restaurant development
- Net Fiscal Benefit: \$22M to City, \$15M to County

### Implementation

- EIFD feasibility analysis & formation process
- Led education/outreach meetings with County BOS
- Developed County EIFD Policy for City/County EIFD
- Completed first EIFD TIF Court Validation in the state
- **Working on TIF Bond—expected by fall of 2022**





## SPECIAL DISTRICTS FOR INFRASTRUCTURE FINANCING OTHER DISTRICT TOOLS

<b>Property Business Improvement Districts (PBID)</b>	Property Business Improvement Districts are special assessments levied on real property to fund improvements and promote activities the benefit the properties located within the PBID area. This includes capital improvements, parking facilities, street / streetscape improvements, lighting and landscaping, marketing and promotion, and business attraction / retention. The special assessment amount that each property owner pays must be directly proportional to the benefit received.
<b>Community Facilities District (CFD)</b>	Community Facility Districts are a new property assessment or "special tax" that appears as a separate line item on a tax bill and can be used to fund infrastructure / services that benefit the property. This includes transportation, parking, street / utility improvements, hazardous waste remediation, street lighting / sidewalk, and public services. CFDs are useful because they provide early financing for a variety of critical services and infrastructure. CFDs also pair well with EIFDs as a value capture strategy – with CFDs providing early funding and EIFDs providing funds as projects are constructed, and tax increment grows.
<b>Parking Authority District</b>	Parking Authority Districts can utilize a variety of funding sources – including bonds, ad valorem taxes, user fees, parking meter charges, parking revenues, and City / County contributions – to fund improvements such as parking lots, structures, and alterations to circulatory infrastructure to facilitate ingress and egress.
<b>Climate Resilience District (CRD)</b>	Climate Resilience Districts are a new type of district that can fund projects to mitigate climate change. These districts have broad financing powers, and can fund a wide range of eligible projects, including projects that address sea level rise / flooding, extreme weather, wildfire, and drought.

## ZONING AND LAND USE STRATEGIES ENTITLEMENT AND PERMITTING PROCESSES

Permitting processing delays (i.e. Zoning Variances, Conditional Use Permits) have the potential to tie up private resources and discourage investor interest, it can have a significant impact on business formation and economic activity.

Permit processing for new businesses can be an expensive and high-risk endeavor – often featuring multiple public meetings, and uncertainty whether permits will ultimately be approved.

At the same time, planning and building departments can have strained resources and staffing, increasing application review time and limiting staff resources to assist applicants.

### Key Strategies include:

- **Increase Flexibility:** Review and revamp zoning and permitting requirements to ensure flexible requirements that can accommodate market and changing business and customer dynamics.
- **Streamline Process:** Identify business and project categories that are particularly beneficial to the Downtown and create a fast and predictable process for review / approval.
- **Encourage Active Uses:** Provide an easy permit process for interesting and dynamic uses – such as pop-up users, live music / events, outdoor dining permits, and artistic improvements / installations – that can enhance the Downtown experience.
- **Incentivize Reuse of Struggling Spaces:** Provide flexible building permit rules for properties suited for adaptive reuse and incentivize conversion of vacant commercial buildings into other uses (such as office, hotel, residential).
- **Specialize:** Tailor requirements for infill development to recognize the often-challenging circumstances involved in infill developments.

## PERMITTED USES IN INDUSTRIAL ZONES

The San Rafael Zoning Code requires many Technology / Research & Development uses to get conditional use permits or other administrative approvals that can be significant obstacles to attracting these high value industries.

To encourage economic development, some cities re-evaluate these requirements to ensure that they do not present an undue burden on development. One strategy is to shift more toward administrative or by-right approvals for select industries.

Cities still place some restrictions on particular uses, while generally allowing a category of uses. For example, the City of Richmond permits Research and Development uses in many of its industrial districts but with a restriction that biological research / commercial testing in a laboratory rated for a Biosafety Level (BSL) 3 or higher requires a CUP. This addresses the city's safety concerns, while still providing the flexibility needed to encourage development.

Use	Permit Requirements
Biotechnology firms	Conditional Use Permit
Chemical manuf. / processing	Conditional Use Permit or Not Allowed
Electronics Industry	Conditional Use Permit and/or zoning administrator
Laboratories	Conditional Use Permit / zoning administrator
Pharmaceutical manufacturing	Conditional Use Permit
Research and Development Facilities	Conditional Use Permit or Not Allowed
Research and Development Industry	Conditional Use Permit and/or zoning administrator or not allowed
Medical Services (Clinics, laboratories, medical office)	Conditional Use Permit or Not Allowed
Cannabis Testing / Lab, Delivery, Manufacture, Distribution	Permitted; subject to additional regulations
Storage, Warehousing, Distribution	Permitted
Maintenance and Repair Services	Permitted; outdoor storage rules
Business Sales / Services	Permitted
Personal Services	Permitted
Motor Vehicle Sales / Service	Varies: Conditional Use Permit, Administrative
Assembly / manufacture / processing	Permitted by right unless <300 ft from residential district, Conditional Use Permit
Food service establishments, Brew Pubs	Conditional Use Permit or Not Allowed

## ZONING AND LAND USE STRATEGIES DEVELOPMENT OPPORTUNITY RESERVE D.O.R.®

Zoning and entitlements create value. Cities can avoid simply giving that value away, and instead capture that value as currency to support community benefits and public amenities.

**Old Playbook:**  
Rezone Areas for New Density  
and Expect New Development

Rezoning gives the value of the new density to current property owners: inflated land values, limited possibility of development.

**New Playbook:**  
Bank Density with Development  
Opportunity Reserve D.O.R.®

DOR allows cities to create a “bank” of new density in zoning / specific plans, allowing them to give the density to projects that deliver **community benefits & public amenities.**

## ZONING AND LAND USE STRATEGIES DEVELOPMENT OPPORTUNITY RESERVE D.O.R.® - *PROCESS*

<b>Create D.O.R.</b>	<b>Step 1</b> Conduct market / economic density analysis to understand development potential. Identify sites and areas within community as areas targeted for new development.	<b>Step 2</b> Use planning process to create a reserve bank of density to use in target areas and create an amenity list of desired community benefits and advance projects.
<b>Implement D.O.R.</b>	<b>Step 3</b> Development Projects apply for density from the DOR in exchange for amenities and community benefits delivered.	<b>Step 4</b> City & Developer sign a Development Agreement, assigning DOR density to project with contractual commitment to deliver amenities or infrastructure.



## ZONING AND LAND USE STRATEGIES DEVELOPMENT OPPORTUNITY RESERVE D.O.R.® - CASE STUDIES

### Buellton Avenue of Flags

- **Goal:** Induce housing development in downtown area
- **Benefits & Amenities:** public restrooms, off-site improvements, public parking, parking district, public art, parks, green buildings, other
- **Incentives:** Increase density up to 40 units / acre, increase heights, reduce on-site parking, reduced setbacks, reduced traffic and application fees



#### Implementation Steps

1. Conduct market housing / economic study
2. Discuss new density and public amenities with community
3. Create DOR mechanism as new Zoning / Specific Plan provision

### El Monte Downtown Main St.

- **Goal:** Increase downtown density along with community benefits and public improvements
- **Benefits & Amenities:** streets, bicycle facilities, parking, open space, beautification, transit, arts / cultural spaces, lot consolidation; developer can install amenities or pay into public improvement fund; value based on a portion of residual land value (~75%)
- **Incentives:** Increase density, heights, FAR, dwelling units per acre



## REAL ESTATE STRATEGIES PRIVATELY-OWNED PROPERTY

Cities can pro-actively reach out to select private property owners to facilitate real estate developments to advance the City's economic development goals.

- **Property Owner Outreach** – collaborate with property owners to understand their plans for properties, challenges that they face with development, and opportunities that may align with economic development goals.
- **Rehabilitation / Renovation** – encourage rehabilitation and/or renovation of facilities, signage or store-front facades; can include public programs such as façade improvement loans / grants, or assisting with identifying other sources of funding.
- **Marketing** – Conduct marketing activities, such as developer or building outreach, in coordination with property owner.
- **Public-Private Partnerships (P3)** – Enter into formal partnerships with property-owners that commit city resources to fund improvements that will advance both the property owner's goals for development and the City's goals for economic development.

## PRIVATELY-OWNED OPPORTUNITY SITE 280 SMITH RANCH ROAD

As a result of COVID impact to entertainment uses, many movie theaters are challenged. The site currently generates a relatively small amount of property and sales taxes. If redeveloped into a blended-use project with multifamily residential and retail components, it could generate substantially more tax revenue.

Owner	Nationwide Theatres Corp
APN(s)	155-121-09
Acreage	8.95
Current Use	Century Regency Movie Theater
Assessed Value (2022)	\$8,000,000





## PRIVATELY-OWNED OPPORTUNITY SITE MARIN SQUARE

Located at the junction of I-580 and US-101, this site may be suited for higher value uses. Residential uses may be problematic due to highway noise and pollution.

#	Owner	APN(s)	AC	Use
1	Chelsea Pacific Investments LP	018-051-17, 20 018-063-04, 07, 08, 09, 10	10.58	Marin Square shopping center, office, service industrial, showroom
2	State of California	018-051-12, 16	0.78	Industrial yard
3	Blue Oak Development LLC	018-051-13	0.53	Service industrial
4	Woodside Holdings LP	018-051-01	0.21	Service industrial
5	City of San Rafael	018-063-11	0.09	Landscaping



## GOVERNMENT FUNDING AND FINANCING STRATEGIES

The following financing mechanisms can be utilized to generate enhanced revenues to fill financial gaps of projects, in order to encourage private investment and other tax-generating development.

### Lease Revenue Bonds

Lease Revenue Bonds are issued by a public entity (e.g., Joint Powers Authority) and can be used to finance vital capital improvements to be leased to a public agency. The bonds are payable solely from lease payments paid by a public agency.

### Lease-leaseback (P3) Structures

Lease-leaseback structures give cities the opportunity to cut costs and deliver public projects through strategic public-private partnership (P3) project delivery. The lease and subsequent sublease of assets between two public agencies enables lease payments to be leveraged (borrowed). These strategies can also come with procurement and project timing advantages. For example, an existing building facility can utilize lease payments immediately without the need to fund capitalized interest.

### Cash-Flow Management Programs

Improved cash flow management can generate enhanced revenues from cash resources. Customized cash flow modelling can maximize portfolio size and increase funds that are available to the City. These enhanced short-term returns can then be utilized for community revitalization projects.



## GRANTS AND OTHER PUBLIC FUNDING

There is a wide variety of grant programs and funding sources available through the state and federal government. New grant programs are added every year, many with a focus on housing and climate resiliency. Cities should periodically review available grant sources and pursue grants that align with the city's economic development goals (a grant-writing firm can provide assistance if the City's internal resources are limited).

Three current programs that give some preference to EIFDs are:

### Infill Infrastructure Grants (IIG)

Grants for infill projects / areas, gap funding for infrastructure for residential / mixed-use with some affordability requirements; awards range between \$1 - \$7.5 million

### Affordable Housing and Sustainable Communities Program (AHSC)

Grants for affordable housing, housing infrastructure, transportation, related amenities, and program costs; awards range between \$1 - \$30 million

### Transformative Climate Communities (TCC)

Funds community-led development and infrastructure projects that achieve environmental / health / economic benefits in the state's most disadvantaged communities.

### **Recent Economic Development & Climate Grant / Funding Programs**

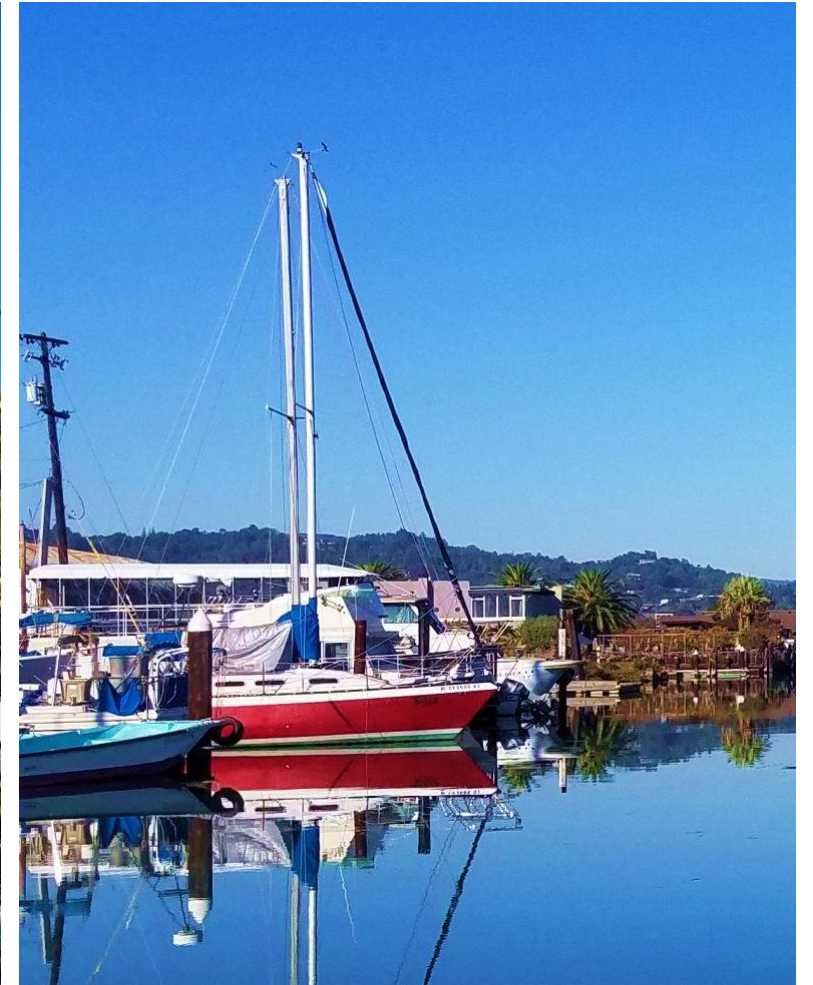
- Regional Early Action Planning (REAP)
- Local Early Action Planning (LEAP)
- Infill Infrastructure Grants (IIG)
- Affordable Housing and Sustainable Communities (AHSC)
- Community Economic Resilience Fund (CERF)
- Multifamily Housing Program (MHP)
- ICARP Regional Resilience Grant Program (RRGP)
- Infrastructure State Revolving Fund (ISRF)
- Homeless Housing, Assistance, and Prevention (HHAP)
- Infrastructure State Revolving Fund (ISRF)
- Coastal Conservancy Grants
- Adaptation Planning Grant Program (APGP)
- Strategic Growth Council grants
- Infrastructure Investment and Jobs Act (IIJA)

## GRANTS AND OTHER PUBLIC FUNDING

Funding Source / Grant	Purpose
Infill Infrastructure Grant (IIG) Program (EIFD Preference)	<ul style="list-style-type: none"> <li>- IIG provides grants for capital improvement projects for qualifying infill projects or qualifying infill areas</li> <li>- Used for gap funding to infrastructure improvements for residential or mixed-use developments</li> <li>- Eligible activities: construction, rehab, demolition, relocation, preservation, and acquisition of infrastructure</li> <li>- Affordability threshold: No less than 15% of units as “affordable” units</li> <li>- Assistance terms: Minimum award (\$1M), maximum award (\$7.5M)</li> </ul>
Affordable Housing and Sustainable Communities (AHSC) Program (EIFD Preference)	<ul style="list-style-type: none"> <li>- The AHSC Program assists project areas by providing grants and/or loans to a locality, public housing authority, JPA, developer, or facilities districts, that will achieve greenhouse gas (GHG) emissions reduction and benefit Disadvantaged communities through increasing accessibility of affordable housing, employment centers, and key destinations via low-carbon transportation</li> <li>- Assistance terms: Minimum award (\$1M), maximum award (\$30M)</li> <li>- Eligible activities: new construction, acquisition, or rehab of affordable housing; housing infrastructure; sustainable transportation infrastructure and related amenities, program costs (active transportation)</li> <li>- Affordability threshold: 20% of homes at 80% median household income (MHI)</li> </ul>
Multifamily Housing Program (MHP)	<ul style="list-style-type: none"> <li>- MHP assist the new construction, rehab, and preservation of permanent and transitional rental housing for lower income households, or the conversion of a non-residential structure to rental housing</li> <li>- Eligible activities: property acquisition, land lease payments, construction and rehabilitation work, offsite improvements (e.g. sewer, utilities, and streets directly related to housing development)</li> <li>- Assistance terms: Maximum award (\$20M), base loan various from \$150K and \$175K based on type of unit</li> </ul>
Transit-Oriented Development (TOD) Housing Program	<ul style="list-style-type: none"> <li>- Program offers low-interest loans as gap financing for rental housing developments near transit that include affordable units. Grants are available to localities and transit agencies for infrastructure improvements necessary for the development of specified housing projects or to facilitate connections between the project and the transit station</li> <li>- Eligible applicants: developers for rental housing projects; municipalities/transit agencies for infrastructure projects</li> <li>- Assistance terms: Maximum award for a single project is \$15M</li> </ul>



# ECONOMIC DEVELOPMENT STRATEGIC PLAN



## 4. ECONOMIC / LAND USE TRENDS & CASE STUDIES

San Rafael Economic Development Strategic Plan



# ECONOMIC DEVELOPMENT STRATEGIC PLAN



## Housing is Not a Loss Leader, it's a Growth Driver

### Housing Creation as Economic Development

- New housing can generate significant new tax revenues and support local jobs
- Housing is not necessarily a net negative fiscal impact, especially at current property values



## Retail is Not Just Retail Anymore

### Retail Reimagination as Economic Development

- U.S. retail over-built and needs “right sizing;” Covid accelerated trends; today its about essentials, experience & e-commerce
- Blended/mixed use projects integrate multiple uses (housing, retail, open space, creative office, hotel)



## Telework is Reconfiguring Office

### Office Conversions as Economic Development

- Telework and work from home options are reshaping the needs for office space and business districts
- Job redistribution tied to housing
- Vacancies can lead to fiscal impact pressure



## Industrial / Distribution is Critical for Your Economy

### Industrial & Fulfillment as Economic Development

- Modern industrial is not “your father’s industrial” – not smokestacks
- Retail can’t thrive without distribution
- Booming demand for distribution, e-commerce, and data centers, blending for fulfillment/delivery, job creators



## ECONOMIC AND LAND USE TRENDS

### ➤ Retail

- Retail store closures, bankruptcies, and e-commerce has changed economics of retail centers. Many are being reimagined (e.g, blended use)
- Retail is driven by trip-generators such as entertainment, experience, and essentials

### ➤ Office

- Downtown S.F. office building vacancy rising as remote work becomes new normal; Social distancing leads to offices resizing/reconfiguring
- Corporations see possible shift to suburban offices - integrating office in blended use environments

### ➤ Industrial

- E-commerce growth has exploded
- Retail and industrial are merging, with space being used for Buy Online Pick Up in Store (BOPIS), fulfillment, last mile and warehousing

### ➤ Residential

- Homes are live, play, **and work** environments
- Strength in suburban markets; home office is the new amenity, apartment developments are being designed to facilitate work
- New residential sites in shopping centers

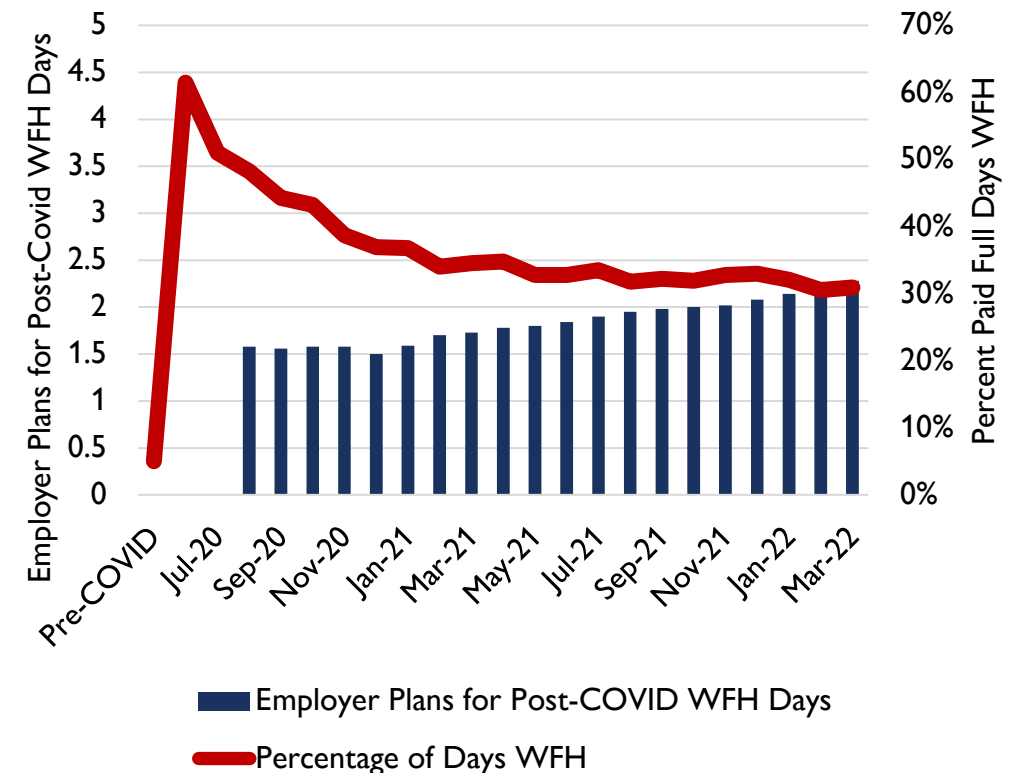
### ➤ Hospitality

- Hospitality sector hurt the most by Covid-19, but leisure travel is rebounding

## TELEWORK GROWTH

- Telework is changing where people choose to live, and increases popularity of “15-minute communities” that offer amenities and quality of life.
- Census Bureau estimated that ~44% of workers are in jobs where working from home is currently feasible, with only a quarter of those in feasible telework jobs actually utilizing this capability.
- Research shows the ability to telework likely varies by educational attainment and income-level; many of the telework occupations are Management / Business / Financial / Professional occupations. Opportunity for San Rafael new residential units.
- Other research shows that work-from-home represent ~30% of days, significantly above pre-pandemic estimates of 5%.
- Employers are expecting an average of 2.3 work-from-home days per week, suggesting that hybrid home/office model is likely to be well-utilized post-Covid.

**Work-from-Home: Current Utilization and Employer Plans for post-Covid**



## E-COMMERCE GROWTH

- E-commerce sales in the U.S. have increased steadily, jumping by 30% to \$800 billion annually by Q2 2020 due to increased utilization during the Covid-19 pandemic. This put additional pressure on local brick-and-mortar retailers. Post pandemic retail mall shopping has recovered somewhat.
- According to UBS, e-commerce's share of overall U.S. retail sales will continue to increase over the next 5 years, resulting in a loss of brick-and-mortar sales, primarily in clothing, office supply and sporting goods.
- Consumer online shopping behavior has further solidified during the Covid-19 pandemic, and is not likely to revert to old patterns, thanks to free 1-day delivery services, etc.

### E-Commerce Retail Sales



## RETAIL TRENDS

- Shopping centers across the U.S. are faced with dramatic decline in retail sales as the digital economy converts the lifestyles and social patterns of every generation. Today's consumers use online websites for purchasing many hard and soft good commodities.
- Several hundred regional malls have closed in past 5-10 years. By 2025, experts expect only Class-A malls in high income communities are most likely to survive.
- The impacts from e-commerce will have major impacts on large shopping centers in the region, particularly power centers. San Rafael is in relatively good position as community retail centers with the strongest opportunity for future growth are those focused on essentials and experiences.
- Shopping districts that are centered around experiences, entertainment, and essentials are best poised for economic resiliency and future success.
- The future for retail centers in San Rafael lies in fostering experiential, entertainment uses and restaurants. Blended use projects that bring additional uses to retail sites (such as hospitality, last-mile logistics, and multifamily residential) can bring more customers to the stores and thus be a more sustainable and diversified development that serves the community.



## WHAT DRIVES AN ENGAGING RETAIL EXPERIENCE?

Thoughtful Design	Programmed Outdoor Space	Communal Elements	Unique Amenities	Unique Food Offerings	Curated Retail Tenants
<ul style="list-style-type: none"> <li>• Feels like an exciting destination</li> <li>• Celebrates local character</li> <li>• Fosters a specific vibe/feeling</li> <li>• Feels fresh and innovative</li> </ul>	<ul style="list-style-type: none"> <li>• Fun and welcoming environment to gather and hang</li> <li>• Fresh air elevates dining and shopping experience</li> <li>• Mood lighting and aesthetics lifts the ambiance</li> </ul>	<ul style="list-style-type: none"> <li>• Shared community experiences</li> <li>• Encourage conversation and connection</li> <li>• Examples: breweries, distilleries, coffee / tea</li> </ul>	<ul style="list-style-type: none"> <li>• Unexpected entertainment attracts and retains customers</li> <li>• Memorable and engaging</li> <li>• Examples – arcade games, photo booths, lawn games, art installations</li> </ul>	<ul style="list-style-type: none"> <li>• Interesting and culturally rich food options</li> <li>• Reflects local flavor, authentic, interesting fusion</li> <li>• Exciting to try, drives additional visits</li> </ul>	<ul style="list-style-type: none"> <li>• Tenants and pop-ups create a reason to come</li> <li>• Digital brands with brick-and-mortar spaces</li> <li>• Curated products that create a desirable shopping experience</li> <li>• Local / exclusive products</li> </ul>

# ECONOMIC DEVELOPMENT STRATEGIC PLAN

## ENGAGING RETAIL EXAMPLES



*Communal Outdoor Spaces*



*Upscale Design Elements*



*Curated Retail & Food*



*Outdoor Amenities*



*Curated Food*



## EXPERIENTIAL ENTERTAINMENT RETAIL CONCEPTS

Experiential retail / entertainment concepts have been merging food, drinks, and entertainment into engaging experiences. This includes:

- Movie Theater concepts such as Alamo Drafthouse that deliver an improved theater experience with better seating / design and elevated food / beverage.
- Bowling concepts such as Bowlmor and Lucky Strike, which provide a more upscale experience in a lounge setting
- Smaller format sports / activities concepts such as Puttshack, Spin Ping Pong, rock climbing gyms, ax throwing, escape rooms, laser tag, and trampoline parks.
- Larger format sporting / activities, including Topgolf and SFC sports facilities
- Personalized retail services, such as clothing and accessories stores that offer in-store services and customization
- Interactive exhibits, including art galleries, installations, and other cultural offerings
- Gaming concepts such as arcade bars, pinball, virtual reality gaming, and e-sports



## EXPERIENTIAL RETAIL CASE STUDY VILLAGE CENTER / RODEO 39

Village Center / Rodeo 39 is an example of an experiential retail / housing blended use project that serves as an entertaining destination and hub for the community. It also demonstrates how adding residential can generate demand for retail on the site and add value to a project.

The Village Center shopping plaza in Stanton was a blighted 24-acre shopping site that had significant vacancy issues. The site's retail component was rightsized down to 10-acres of the site, with a “town square” environment anchored by the Rodeo 39 curated public market. A new multifamily housing project was built on the remainder of the site.

Food and entertainment – particularly curated local offerings – was the foundation of the public market, a new 41,000 SF retail and dining space. Rodeo 39 has been a great success, with the local community embracing the eclectic destination.

The project also added a variety of entertaining and experiential offerings that encourage people to spend more time – a wide variety of cultural dining, small stage for live music performances, retro arcade / games, boutique tattoo artists, pop-up shops, and a variety of indoor and outdoor seating and gathering areas.





## FOSTERING ENTREPRENEURSHIP

Small business start-ups, and other entrepreneurial enterprises are an important component of a healthy local economy. These enterprises can drive job retention and creation, innovation, vibrancy, and diversity. The City of San Rafael can foster a strong entrepreneurial environment through targeted programs and a supportive regulatory environment. As a gateway community between the Bay Area and wine country, the City can attract talent from across the region and build upon its existing economic clusters.

<b>Talent</b>	Investment in human capital builds and retains a talented workforce. Supporting educational and training programs, as well as linking academic networks with local businesses, can help build a strong and innovative workforce.
<b>Density</b>	Dense communities can foster innovation through greater opportunities for collaboration and larger local customer base. Supporting cluster growth, creating hubs of activity, driving media awareness, and building mentorship networks are components of dense startup hubs.
<b>Culture</b>	Innovation clusters require a culture of innovation, support, learning, and entrepreneurship; this can be fostered through partnerships that teach entrepreneurial skills and link businesses with employees.
<b>Capital</b>	Startup success requires experienced investors to provide funding, networking, and expertise. This can be aided through programs geared toward linking startups with capital and other resources to grow businesses, as well as tax incentives for investors.
<b>Regulatory Environment</b>	Governments should help create a stable, predictable, and supportive regulatory environment to foster innovation and entrepreneurship.

## FOSTERING ENTREPRENEURSHIP CASE STUDIES

### City of Thousand Oaks – Ventura County

The City of Thousand Oaks partners with a variety of groups and institutions to encourage entrepreneurship in their community:

- **California Lutheran University** – private university home to over 4,000 students that is primarily a liberal arts school with a variety of majors / programs, including biology, chemistry, biochemistry, computer information, computer science and environmental sciences. CLU has a strong record of encouraging business development from its students and graduates, offers a minor in entrepreneurship, and hosts other programs (such as events, incubator grants, and mentorship opportunities).
- **805 Startups** – works with a number of Southern California cities to educate and connect startups to traditional businesses through a variety of programs / services, including events, business development, marketing, skill development, and talent recruitment / retention.
- **Ventura BioCenter** – community of scientists / engineers / educators / business professionals to encourage scientific research and business development. Biotech business incubator includes spaces and equipment available for some members.
- **Hub101** – Coworking space, incubator, and community dedicated to supporting entrepreneurs via coworking, educational programs, mentorship, and events.

### City of Corona – Riverside County

City of Corona partnered with TriTech Small Business Development Center and Tech Coast Angels to hold a “Shark Tank”-style event where entrepreneurs pitched ideas to a panel of investors. The event was part of a larger City program that aimed to facilitate start-up businesses to capture more jobs within the city.

## PROMOTING BIOTECH AND LIFE SCIENCES

The San Francisco / San Jose area is home to a strong biotech and life sciences cluster, but limited availability of specialized lab / flex R&D / manufacturing spaces can delay business expansions and push firms to move to other areas.

Fostering new developments in these science / tech sectors – from startups to major firms – can be a key economic development strategy to creating good local jobs. Life science firms look for cities with amenities, quality of life, and available housing for workers.

Biocom is an industry group that advocates for life science in California through advocacy, programs, and events. As noted in Biocom's economic impact reports, the Bay Area's life sciences industry includes a range of sub-sectors, including Bio-pharmaceutical, Bio-technology, Research & Manufacturing, Medical Devices / Equipment, Scientific / Research Tools, and Food / AG Biotechnology. The life science industry represents a workforce of over 146,000, with ~3,100 workers in Marin County. Research and development is a strong growth area, adding almost 4,000 new jobs in 2021. Average pay is over \$148,000.

San Rafael may be well-positioned to provide less expensive space to develop into campuses that serve some of these biotech sub-sectors.

### Biocom California: Bay Area Priorities

#### Access to Water and Utilities

Access to water and other utilities is necessary for biotech firms' research processes; mandatory water cutbacks can be challenging

#### Housing

The extreme housing shortage in the Bay Area is a challenge to accommodate the biotech industry's diverse workforce

#### Taxes & Administration

Local taxes and fees can have detrimental impacts on development and firm expansion. Consistent permitting and inspection processes needed.

#### Infrastructure

Preserving industrial land for R&D, manufacturing, and distribution is needed for long-term stability / growth. Transportation is critical for employee commutes, workforce attraction, and transport of goods / products.

## PROMOTING BIOTECHNOLOGY & LIFE SCIENCES CASE STUDY

### Case Study: La Jolla / City of San Diego

- The La Jolla area of San Diego was home to a major biotech company in the 1970s (Hybritech). After it was acquired by E.J. Lilly, many of the scientists did not want to be part of a large corporate pharmaceutical company. The City and other local non-profits/agencies worked together to achieve this vision.
- Today, San Diego's biotech industry is responsible for nearly \$9 billion in annual economic impact and employs over 44,000 people across 700 companies.

The following are approaches the City of San Diego and University of San Diego used to aid the growth of the biotech industry in the City:

- City involved in making land use decisions incentivizing industrial development on City-owned land
- City allowed for natural industry growth by taking a “hands-off” approach regarding industry controls
- City worked collaboratively with biotech businesses in the area to address water shortages
- City created an ombudsman position to interact with local biotech companies for fast track permitting/processing, the development of long term relationships, and City/industry collaboration to make quick informed decisions in times of need
- City staff supported industry growth by speaking at events and taking part in visits to Washington D.C. and elsewhere to advocate for their local biotech research community



## SMALL BUSINESS SUPPORT

Category	Description
<b>Small Business Liaison / Ombudsman</b>	Designate a city liaison / ombudsman to provide assistance regarding city processes / regulations / policies, such as permitting, license, compliance, and development standards.
<b>Access to Capital</b>	Connect firms with capital through loan programs, grants, and other financing opportunities for businesses to start / grow / expand.
<b>Business Incubators / Accelerators</b>	Support business incubator / accelerator programs to provide early-stage companies with resources, workspace, mentorship, and networking.
<b>Networking / Joint Marketing</b>	Host / support networking events, workshops, and other opportunities that connect small businesses / entrepreneurs with other firms, potential customers / clients, investors, and workers.
<b>Technical / Business Assistance</b>	Seek mentors with business expertise, including business planning, financial management, legal services, market research, e-commerce strategies, etc.

## WORKFORCE DEVELOPMENT

Workforce development programs aim to improve and diversify a City's workforce. They address the needs of workers to be better prepared for higher-paying jobs; these programs also help local employers attract and retain the talent needed for their businesses to be successful. These programs often focus on four key themes:

- **Collaboration** – Fostering relationships between current / potential employers, educational institutions, and local nonprofits to identify and address worker skill gaps.
- **Training** – Connecting workers to programs to build skills that improve workforce readiness (certification programs, licensure, English as a Second Language, etc.).
- **Networking** – Connecting employers, educational / training institutions, and workers via networking programs, mentorship programs, internships / apprenticeships.
- **Addressing Barriers** – Encouraging programs that will alleviate pressures on workforce readiness, such as childcare, transit, and internet / computer accessibility.

## PLACEMAKING THROUGH DISTRICTS AND EVENTS

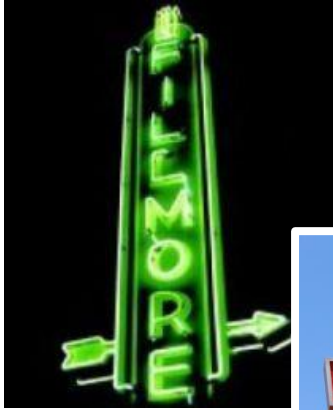
Programming downtown areas via the use of micro-districts can encourage nodes / clusters of focused business activity – such as areas focused on arts / entertainment, hospitality, office, health / wellness, and dining / restaurants.

While downtown areas should still aim to integrate many different uses in mixed-use districts, micro-districts that place *some* emphasis on particular themes can allow business clusters to thrive and improve the overall downtown experience.

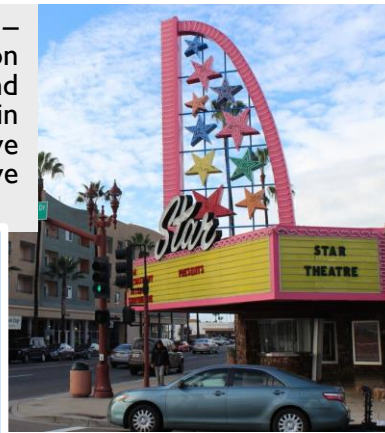
- **Entertainment / Arts Districts:** Focused on cultural and recreational amenities, such as theaters, music venues, art galleries, and experiential activities. These districts can attract residents and tourists and create a vibrant and lively urban environment. Districts can focus on supporting the development of new facilities / venues / restaurants to revitalize the area and attract new visitors.
- **Hospitality Districts:** Focused on hotels, conference centers, recreation, and other tourism-related amenities. These districts can help attract tourists and boost the local economy by focusing on new hotel development and visitor-serving amenities.
- **Technology Districts:** Focused on office space to support new employers and high-paying jobs, attracting workers and visitors into the area and driving economic growth. These districts aim to provide the spaces, technology infrastructure, and amenities needed to attract tech industry investment and workers to the area.
- **Restaurant Districts:** Focused on restaurants, bars, cafes, and food-related amenities as well as entertainment. These districts can create a vibrant and lively urban environment that is desirable to residents, workers, visitors, and tourists.



## PLACEMAKING THROUGH DESIGN, DISTRICTS & EVENTS



Distinctive signs – such as the neon signs in Fillmore and the Star Theatre in Oceanside – can give an area a distinctive sense of place.



Events like the CicLAvia bike / walk fairs in Los Angeles and the Mission Inn Festival of Lights in Riverside, CA are memorable and engaging activations of public spaces.



The Medical Main Street district in Lancaster, CA aims to be a blended use area centered around major medical anchors that includes many complementary uses.

Murals in downtown Providence, RI add character and highlight local artists and themes.





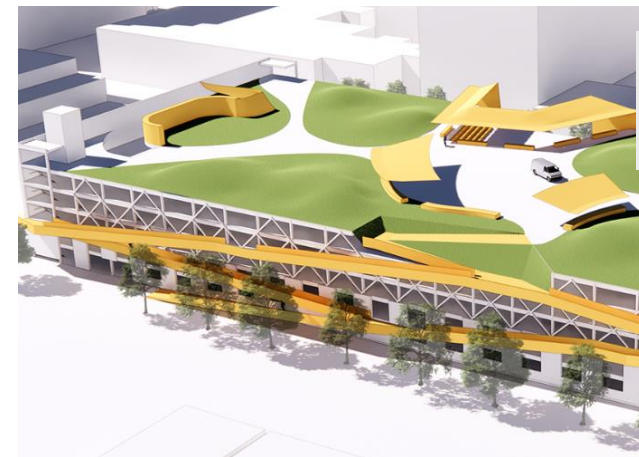
## REACTIVATING UNDERUTILIZED PARKING & CATALYST SITES

Cities and property owners are exploring new uses and programming that reactivates underutilized parking space, parking lots, and parking structures:

- **Temporary reuses** for special events such as outdoor movie screenings, block parties, farmers markets, and craft fairs
- **Short-term reuses** such as parklets that allow for extra outdoor seating for dining, music performance spaces, gardens, waiting areas, or retail display tables
- **Semi-permanent reuses** such as converting parking garage roofs into “people decks” that provide spaces for people to gather / relax / socialize, and façade / space-planning revisions that reactivate the sides of structures / lots that face the street (enlivening the pedestrian experience in the area with micro-retail, art, and activity)



Some parking structures set up temporary movie screenings on their roofdecks – converting underutilized parking into fun events with chairs, lights, turf, & restaurant partners.



One proposal for a city-owned parking structure in downtown San Jose aimed to convert the roof into a “people deck” community space.



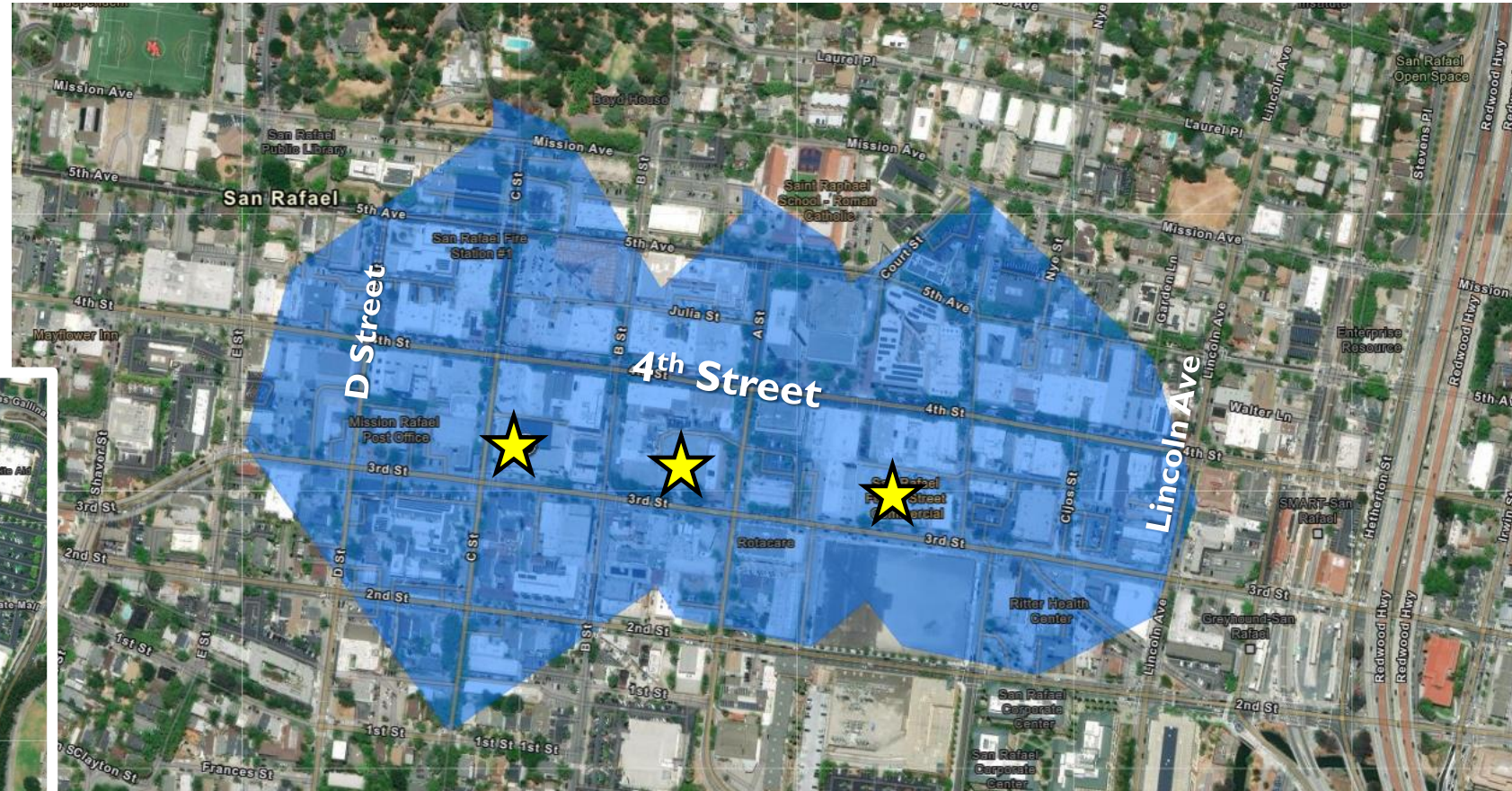


## WALK DISTANCE COMPARISON NORTHGATE MALL VS. DOWNTOWN SAN RAFAEL

Walking distances from the downtown parking structures to the main business district along 4<sup>th</sup> Street are comparable to the walk to the middle of the Northgate Mall from an average parking spot.

The map below shows a walking route (red) from a parking space to a point in the center of the Northgate Mall (~700 ft). The map at right shows the ~700 ft walking distance areas (blue) around the three primary downtown parking structures.

The 5-minute walking distance boundary from each of the garages covers an even larger area of the downtown – suggesting that much of the downtown area is well-served by these facilities.



**Note:** Maps not to scale

# ECONOMIC DEVELOPMENT STRATEGIC PLAN

## PEDESTRIAN MALLS IN DOWNTOWN DISTRICTS

Pedestrian malls and significant public spaces help activate downtown districts through vibrant, engaging activity, given proper circumstances, location, design, and implementation.

Even before Covid-19 pandemic, increasing the amount of public space dedicated to pedestrians became particularly popular, with many cities allowing parking spaces, sidewalks, and roadways to be used for commercial and pedestrian activity.

Many cities have found these changes have contributed to more vibrant and enjoyable commercial districts and have found ways to make some of these changes permanent.

### Successful Pedestrian Mall Indicators

<b>Population</b>	Most successful pedestrian malls are in areas with populations less than 100,000.
<b>Short Length</b>	Most successful pedestrian malls are 1-4 blocks long; most tend to have small block sizes, with lots of corners and cross streets to bring cars and activity.
<b>Minimally Disruptive</b>	Do not impact high levels of vehicular traffic; many mid-century pedestrian malls closed city's main vehicular arteries, and surrounding streets were not able to handle the additional volume.
<b>Anchors</b>	Usually need nearby anchor institutions to drive foot traffic throughout the day, such as universities (Boulder, Iowa City, Burlington, Charlottesville), transit hubs (Denver, Salem), or office/financial core (Denver, Boston).
<b>Variety of Uses and Services</b>	Successful malls need a vibrant mix of active uses: retail, residential, & commercial; late-night services (bars & restaurants, movie theater) to attract crowds all day; convenience-related businesses, unique shopping experiences, entertainment attractions, programming/public events; balance of chains & independents, retail & restaurants, indoor & outdoor.
<b>Amenities</b>	Attractive landscaping (gardens, fountains, monuments), public art, public tables / chairs, stages, artists, and vendors.
<b>Programming</b>	Festivals, concerts, sports, food trucks, performers drive vibrancy and create a sense of place and destination.
<b>Accessibility, Walkability, and Visibility</b>	Centralized parking allows convenient access to visitors; successful malls need to be easily reachable and accessible, with numerous entrances, cross-streets, nearby parking, public transit. They should also incorporate walkable neighborhood structures, amenities, and visible interest. Visibility of the pedestrian area should not be overly blocked by buildings or landscaping.
<b>Management</b>	Coordinated activities to ensure area management / maintenance; dedicated agency/business improvement district to oversee maintenance, security, planning, programming, retail mix, etc.



## PEDESTRIAN MALLS IN DOWNTOWN DISTRICTS IMPLEMENTATION

Pedestrian Malls require the right locational circumstances, design, business selection, and other considerations. Success “depends more on location and access than materials and beauty.” Full street closure takes time to assess current conditions, clarify goals, test concepts, and build community support. Partial closures and events are a good way to test concepts.

Cities can also explore other interventions in a similar spirit – such as parklets, expanded outdoor dining on sidewalks / patios / parking areas, slower traffic speeds and infrastructure that prioritizes pedestrians, and public gathering spaces.

### Best Practices – Creating Pedestrian Malls

Step 1	<b>Car Dependency</b>	Ensure that there are nearby parking alternatives with proper wayfinding. Reliance on cars can be hard to assess without testing the concept temporarily.
Step 2	<b>Pedestrian Mall Concept Testing</b>	Start by closing streets for a few days (a holiday; a regular weekend day; a whole weekend, etc), treating each as a test. Stay flexible to see which arrangements work best.
Step 3	<b>Temporary Closure</b>	When confident to make the car ban permanent, first use temporary materials: epoxy gravel, potted plants, small trees, movable tables and chairs.
Step 4	<b>Adding Permanence</b>	if it works well, shift to better pavement and permanent plants / trees / fixtures. Focus on programming rather than design; let it evolve over time. Partner with key institutions, strategically locate equipment needed for targeted activities. Resist adding immovable barriers to cars.



## PEDESTRIAN MALLS AND DOWNTOWN DISTRICTS CASE STUDIES

The Pearl Street Mall is a four-block pedestrian mall in downtown Boulder, Colorado, and is one of the country's most successful pedestrian malls.

- **Amenities** include public art, fountains, gardens, sculptures, sandbox, street performers, musicians
- **Business Mix** includes restaurants, cafes, personal services, local independent retailers, national brands
- **Destination** for restaurants, independent businesses, tourists, festivals, entertainment
- **Anchors** nearby include the University of Colorado, Boulder; Boulder County Courthouse; Boulder Theatre; Boulder Museum of Contemporary Art
- **Core Clientele** includes Leisured Middle (*out-of-state tourists, suburban day-trippers and CU Boulder parents*), Yupsters (*artsy and progressive Baby Boomers*), and Students



## DISCLAIMER

The analyses, projections, assumptions, rates of return, and any examples presented herein are for illustrative purposes and are not a guarantee of actual and/or future results. Project pro forma and tax analyses are projections only. Actual results may differ from those expressed in this analysis, as results are difficult to predict as a function of market conditions, natural disasters, pandemics, significant economic impacts, legislation and administrative actions.



# CITY OF SAN RAFAEL

## ECONOMIC DEVELOPMENT STRATEGIC PLAN

May 15, 2023



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