



# COMMUNITY DEVELOPMENT AGENCY

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July 9, 2013

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Marin County Board of Supervisors  
3501 Civic Center Drive  
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**SUBJECT:** Modifications to Priority Development Area

Dear Board Members:

**RECOMMENDATION:**

- 1) Accept staff report
- 2) Consider adopting Resolution requesting modifications to the unincorporated County Priority Development Area

Building and Safety  
Environmental Health Services  
Planning  
Federal Grants  
Redevelopment Agency

**SUMMARY:**

[www.marincounty.org/cda](http://www.marincounty.org/cda)

This report is in response to a request from Supervisors Sears and Adams to evaluate the possibility and implications of modifying the unincorporated County Priority Development Area (PDA) by removal of the Manzanita, Tam Valley/Almonte and Marinwood areas. This request was made at the Board of Supervisors' meeting on June 4, 2013 and follows a series of public discussions the Board of Supervisors has conducted over the past two and a half years regarding the Bay Area regional growth plan currently referred to as Plan Bay Area. Your Board's request does not involve PDAs located in the City of San Rafael.

As discussed in greater detail below, staff has determined that the Manzanita, Tam Valley/Almonte and Marinwood areas can be removed from the County PDA subject to the Board of Supervisors' adoption of a resolution requesting the appropriate change to the PDA boundaries. The modification to the PDA will be subject to review and approval by Association of Bay Area Governments (ABAG) staff based on an evaluation demonstrating that the remaining County PDA meets the PDA eligibility criteria. The three areas proposed to be removed from the County PDA would still be eligible for regional transportation funds, although the amount of potential funding would likely decrease based on the regional funding formula tied to Plan Bay Area.

Background

Priority Development Areas originated from the Focusing Our Vision (FOCUS) program, a regional planning and conservation strategy led by ABAG and the Metropolitan Transportation Commission (MTC) with support from the Bay Conservation and Development Commission and the Bay Area Air Quality District. The FOCUS program is an outgrowth of earlier blue print planning efforts to engage local governments in a coherent regional approach to focus growth in urbanized areas as an alternative to the typical post-war development patterns characterized by

sprawl and traffic caused by increased vehicles miles traveled. Although focused growth principles have been around for decades, they have taken on more contemporary importance in response to a growing awareness of climate change and its connection to land use and greenhouse gas emissions.

Priority Development Areas are a key element of the strategy to use land more efficiently by identifying local areas considered potentially well suited to infill development due to their proximity to public transit, jobs, services or other amenities. The FOCUS program also seeks to protect regionally significant areas with natural resource, agricultural, historical, scenic and recreational attributes by identifying and providing funding for Priority Conservation Areas (PCAs).

In 2007, the County submitted an application to ABAG and MTC to be considered for the FOCUS program by proposing a PDA along the unincorporated Highway 101 corridor that includes several commercial and mixed-use areas in Southern Marin and unincorporated San Rafael (the Central Marin and Novato areas within the City Center Corridor are comprised mostly of cities and towns while outlying areas are predominantly single-family residential neighborhoods). The FOCUS application was, in part, a way of demonstrating that the County's principal growth control strategy of directing a limited amount of future development to the City Center Corridor is similar to development patterns envisioned by the FOCUS program. It also put the County in a more favorable position to receive financial incentives for transportation improvements. The following year, the State Legislature adopted Senate Bill 375 (Steinberg), which for the first time required metropolitan planning organizations throughout the state to prepare growth strategies that demonstrate how the region will meet its greenhouse gas reduction target with a Sustainable Communities Strategy that integrates planning, housing and transportation. Together, ABAG and MTC function as the responsible metropolitan planning organization in the San Francisco Bay Area.

Since adoption of the first Countywide Plan in 1973, the County's growth strategy has been closely adhered to as a way of preserving most of the county for open space and agriculture (approximately 80%) while allowing for a limited amount of new development in or adjacent to urbanized areas. The 2007 Countywide Plan reinforced this approach by encouraging infill development for commercial and mixed-use sites within the City Center Corridor while significantly reducing development potential on the St. Vincent's-Silveira properties and establishing a new Baylands Corridor to emphasize the protection and enhancement of wetlands and other natural resources along the county's eastern shoreline.

#### Current Status of County Priority Development Areas and Transportation Funding

In March 2013, ABAG and MTC released "Plan Bay Area," which sets out the current version of the proposed regional growth plan for the San Francisco Bay Area that was selected out of analysis of several different alternatives. This document includes the Sustainable Communities Strategy required by Senate Bill 375.

Plan Bay Area also includes a new funding approach that attempts to strengthen the connection between the region's transportation funding program and the land use patterns promoted by SB 375. The most recent cycle of One Bay Area Grant Program (OBAG) provides transportation funding incentives to jurisdictions that focus growth in PDAs, as evidenced by the current funding formula for the North Bay area

that directs 50% of transportation funds to PDAs in Marin with the remaining 50% being available to non-PDAs throughout the county (75% of OBAG funds are allocated to PDAs in other parts of the Bay Area). In November 2012, the Board of the Transportation Authority of Marin (TAM) authorized approximately \$10 million in regional OBAG transportation funds for a variety of transportation projects, including approximately \$3 million for projects related to the County PDA in addition to \$650,000 allocated to the County for the North Civic Center Drive Improvements project. In addition to transportation funding from the OBAG program, approximately \$1.25 million is currently allocated to Marin for projects to preserve and enhance Priority Conservation Areas. The TAM Board will be considering the funding of candidate projects in the fall of 2013 under the PCA program.

Plan Bay Area includes a total of three PDAs in Marin. In addition to the County's Urbanized 101 Corridor PDA, which is based on the initial 2007 FOCUS application, there are two other PDAs in the City of San Rafael - the "Downtown" PDA at the planned downtown SMART station and the "Civic Center/North Rafael Town Center" PDA at the planned Civic Center SMART station. The County's PDA is limited to within one-half mile of Highway 101. (See Attachment 1.) Although the County Urbanized 101 Corridor is considered a single PDA, its general boundaries encompass several unincorporated areas designated by the Countywide Plan for mixed use (commercial and residential) and attached housing, including the Gateway Shopping Center in Marin City, Manzanita and Tam Valley/Almonte, the Strawberry Village area, California Park in central San Rafael, and the Marinwood Plaza center. The County PDA and the Transit Neighborhood place type assigned to it are defined largely by the character of the respective infill areas situated along the Highway 101 corridor as well as established land use policies and zoning the County has already adopted independent from the Plan Bay Area process. The current Countywide Plan and zoning designations for these areas meet the qualifying criteria that ABAG uses to approve PDAs. In other words, the County did not propose to, nor have to change its general plan policies or zoning to seek or achieve a PDA status in the City Center Corridor. Moreover, the PDA designation does not propose to rezone any existing single-family residential neighborhoods within the general boundaries of the PDA.

Removal of Marinwood, Manzanita and Tam Valley/Almonte from the County's Urbanized 101 Corridor PDA

The feasibility and consequences of removing Manzanita, Tam Valley/Almonte and Marinwood from the County's PDA have been addressed by consulting staff from ABAG and TAM on a series of key questions (as pointed out above, ABAG is one of the lead agencies leading the Plan Bay Area process, and TAM acts as the local congestion management agency in distributing regional transportation funds associated with both PDAs and non-PDAs in Marin). The results of this analysis are presented below in a question and answer format.

1. Is it possible for the Manzanita, Tam Valley/Almonte and Marinwood areas to be removed from the County Urbanized 101 Corridor PDA while keeping the remaining PDA intact?

*Answer: Yes, subject to confirmation from ABAG. These areas can be removed from the PDA through a formal request from the Board of Supervisors. The ABAG staff will then evaluate whether the remaining County PDA continues to meet the PDA eligibility criteria. Based on staff's analysis*

*of a variety of factors, including total acreage, minimum transit access, and transit neighborhood characteristics, the remaining PDA should meet the eligibility criteria. This evaluation would be subject to ABAG's review and approval.*

2. How would the County PDA be modified?

*Answer: Modifying a PDA begins with the local jurisdiction adopting a resolution with an amended map showing the PDA boundary changes. (See Attachment 2.) The PDA map for Marin County would then be revised to reflect the modified PDA excluding the Manzanita, Tam Valley/Almonte and Marinwood areas subject to ABAG approval. The PDA map amendments may occur in the early part of 2014.*

3. Would the removal of Marinwood, Manzanita and Tam Valley/Almonte from the County PDA alter the population, jobs and housing forecasts or distributions in the current Plan Bay Area scheduled for adoption by ABAG and MTC on July 18, 2013?

*Answer: It is highly unlikely the current growth projections will change prior to the Plan Bay Area being considered for adoption by ABAG and MTC in July 2013.*

4. Would the removal of Manzanita, Tam Valley/Almonte and Marinwood from the County PDA be reflected in the first update of Plan Bay Area scheduled to occur four years after the current plan is approved in July 2013?

*Answer: Yes, although the precise effect(s) of this modification cannot be determined at this time.*

5. Would the removal of Manzanita, Tam Valley/Almonte and Marinwood from the County PDA affect the housing allocations for the unincorporated county in the draft Regional Housing Needs Allocation (RHNA) for the upcoming Housing Element cycle (2014-2022)?

*Answer: No. The draft RHNA is not expected to change before it's considered for adoption by ABAG in July 2013. Note that the unincorporated county RHNA for the upcoming Housing Element cycle (2014-2022) is expected to drop substantially to a total of 187 housing units (including both market rate and affordable income categories) from the current RHNA of 773 housing unit – a reduction of over 75%. The reduction in the County's RHNA is due to Plan Bay Area's lower growth forecasts for Marin.*

6. Could the removal of Manzanita, Tam Valley/Almonte and Marinwood from the County PDA affect the RHNA for the 2022-2030 Housing Element cycle?

*Answer: Yes, although the outcome is dependent upon the methodology used to distribute the housing numbers in the future RHNA. The RHNA methodology has evolved over time and has varied from one housing element cycle to the next as different factors were taken into account. However, considering the substantial reduction in the unincorporated County RHNA for the upcoming Housing Element cycle (2014-2022), modifying the*

*County PDA, as presently contemplated, may not result in a meaningful change in future RHNA's.*

7. Would modifying the Urbanized 101 Corridor PDA affect the County's authority to retain or change general plan (Countywide Plan) policies or zoning standards?

*Answer: No. The County will retain its land use authority irrespective of modifications to its PDA.*

8. What changes to the regional transportation funding element of Plan Bay Area (OBAG funds) would occur as a result of removing the Manzanita, Tam Valley/Almonte and Marinwood areas from the County PDA?

*Answer: Any reductions or other changes in regional transportation funding for the County PDA would be considered in the next round of OBAG grant funding (covering fiscal year 2016-17 to fiscal year 2020-21). The current OBAG funding allocations for the County PDA authorized by the TAM Board in November 2012 would presumably be retained unless the TAM Board decides to reconsider the funding allocations for other PDA projects in Marin (this includes the \$175,000 allocation for a plan to improve pedestrian and public transit improvements in the Tam Junction area). TAM staff has indicated that reallocation of funds from the most recent OBAG cycle is unlikely as long as the remaining County PDA is retained.*

*However, all OBAG funding, including the November 2012 allocations, will become unavailable to the County if the County does not receive State certification of its Housing Element by January 31, 2014. Future OBAG funding will also be unavailable to the County and other local jurisdictions if they are not successful in receiving a State-certified Housing Element by this deadline.*

*It should be noted that County Public Works staff has projected that TAM will invest approximately \$1.25 million a year in PDAs for street and roadway resurfacing and bicycle and pedestrian infrastructure, assuming the current North Bay funding formula is maintained and similar transportation dollars are made available through the OBAG program.*

9. Would areas removed from the County PDA still be eligible for OBAG funds?

*Answer: Yes. Under the current funding formula, 50% of the OBAG funds are reserved for transportation projects outside of PDAs. This portion of the OBAG funds could be considered for the Manzanita, Tam Valley/Almonte and Marinwood areas should they be removed from the County PDA. However, these areas would not be eligible for the 50% of OBAG funds available to PDAs. In that regard, the Manzanita, Tam Valley/Almonte and Marinwood areas would likely receive less overall transportation funds from future OBAG cycles if they are removed from the County PDA.*

- 10. Would any OBAG funds be reallocated to other PDAs in Marin County as a result of removing the Manzanita, Tam Valley/Almonte and Marinwood areas from the County PDA?

*Answer: The reallocation of OBAG funds previously authorized for the County PDA in November 2012 could be considered by the TAM Board. However, County staff has been working to move these projects forward and recommends that funding not be re-programmed for other uses. TAM staff has indicated that reallocation of funds from the most recent OBAG cycle is unlikely as long as the remaining County PDA is retained. However, in accordance with State law, TAM staff would be required to reallocate the November 2012 funds if the County does not receive State certification of its Housing Element by January 31, 2014. Future OBAG funding would also be unavailable to the County and other jurisdictions that do not have a certified Housing Element.*

Conclusion

Staff has included a resolution to ABAG in the event your Board chooses to formally request modification of the County PDA after receiving staff's report and other input at your Board's hearing on July 9<sup>th</sup>. By adopting the resolution, the Board would authorize staff to submit an updated evaluation of the modified PDA to ABAG to confirm the remaining PDA continues to meet eligibility criteria. Staff will report to your Board regarding the outcome of ABAG's review of the PDA eligibility evaluation should your Board vote to approve the attached resolution.

**FISCAL/STAFFING IMPACT:**

The three areas proposed to be removed from the County PDA would still be eligible for regional transportation funds, although the amount of potential funding would likely decrease based on the regional funding formula tied to Plan Bay Area.

**REVIEWED BY:**

<input type="checkbox"/>	Auditor-Controller	<input checked="" type="checkbox"/>	N/A
<input checked="" type="checkbox"/>	County Counsel	<input type="checkbox"/>	N/A
<input type="checkbox"/>	Human Resources	<input checked="" type="checkbox"/>	N/A

**SIGNATURE:**



Brian C. Crawford  
Director

**Attachments:**

1. Map of Priority Development Areas in Marin
2. Proposed Resolution and Exhibit A (Map) Requesting Modifications to the Unincorporated County Priority Development Area