



CITY OF MARTINEZ

**CITY COUNCIL AGENDA
February 6, 2008**

TO: Mayor and City Council
FROM: Albert Lopez, Deputy Community Development Director
SUBJECT: Informational report on funding for Priority Development Area
DATE: December 17, 2007

RECOMMENDATION:

Accept report and provide direction to staff on funding for a Priority Development Area in Downtown Martinez.

BACKGROUND:

As the City of Martinez looks to implement the goals and policies of the Downtown Specific Plan (DTSP), a major focus now lies on the availability of funds coming from the Regional and State agencies promoting transit oriented development, infill development and brownfield restoration. Martinez is fortunate to have an approved plan in place (DTSP) that potentially could enable the City to be awarded these funds, plus our recent designation as a Priority Development Area also helps our eligibility to secure funding.

Funding that exists is either for Planning (MTC/ABAG) or Implementation (Prop 1C), with the primary focus on developing housing near transit, or in improving infrastructure (roads, utilities, sidewalks etc.) near transit to facilitate new housing development.

In regards to the City's competitiveness in these categories, chances are good we could secure funding for Planning Grants, and possibly for Implementation, depending on the degree of specificity and readiness required by the funding applications. The purpose of this report is to assist the City Council in establishing priorities and identifying those goals of the DTSP that sync with the funding requirements of the various agencies. Attachment A shows the adopted goals in Chapter 2 of the DTSP.

Generally, the goals and objectives of the DTSP are consistent with new funding sources described here, as it lays the foundation for new development projects by identifying Opportunity Sites and setting higher densities in the Downtown Core. It also encourages residential mixed use development within the ¼ mile "walking range" of the Intermodal Transit Station. In all, the DTSP plans for over 700 units of new residential development in Downtown Martinez

Any effort of planning and implementation should also consider the top development Opportunity Sites identified in the DTSP, as the focus of these funds is to facilitate new development near transit (with minimum 15% affordable units). As it pertains to being competitive for grant funds, any and all efforts undertaken by the City should be leading towards that goal.

Planning Grants:

Station Area Planning Grants – (MTC/ABAG) \$7.5 million in total is available, with grants starting from \$100,000 to \$750,000. A 20% cash match is required.

Possible uses of funds by City of Martinez:

- **Precise Plans for street configuration and streetscape around the Intermodal Station Area, all major downtown streets (urban design), and pedestrian priority streets.**
- **Planning for pedestrian bridges over railroad tracks connecting Downtown with Marina, and Intermodal parking lot with the Intermodal Station.**
- **Parking Management Strategy, including feasibility for new parking structure and/or development above existing city owned parking lots.**
- **Planning for connectivity between Downtown, Intermodal, and future Ferry stop**
- **Infrastructure Planning – PG&E transformer upgrades and others as needed**
- **Planning for adaptive re-use of existing downtown buildings (e.g. live/work conversion)**

The deadline for this Planning Grant is fast approaching (Feb 29), and staff attended the grant workshop on January 24th for technical assistance in preparing a grant application. Since the City is a recognized Priority Development Area and with the Downtown Specific Plan in place, the City Council may establish priorities from the list above that will become the focus of the Planning Grant. Alternatively, a single focus such as “Connectivity” could be the priority that encompasses all the items listed above (and others may exist).

Possible hurdles:

- **20% cash match**
- **Securing transit partnerships (may need formal agreement)**
- **Providing 15% affordable units (inclusionary ordinance not yet adopted)**

Implementation Grants:

Proposition 1C (HCD) \$400 million in total is available, with grants starting from \$1 million to \$30 million in the following categories.

- Transit Oriented Development (TOD)
- Infill/Infrastructure Development
- ReUSE Brownfield Program

As of this writing, only the Notice of Funding for the Transit Oriented Development program has been published, with a due date of March 7th.

Possible uses of funds by City of Martinez:

- Loans to developers for rental housing, grants to cities for loans to first time homebuyers
- Improvement of utility grid, specifically PG&E (electrical and gas) power to serve new residential and commercial development.
- Urban design plan and installation of new streetscapes on major arterials and pedestrian priority streets
- Construction of replacement parking structure

Possible hurdles:

- **Need a “ready” project, and/or partnership with developer**
- **Infrastructure improvements such as a parking structure, utility upgrades or streetscape improvements need to benefit a “ready project”**
- **Providing 15% affordable units (inclusionary ordinance pending)**

Given the existing economic outlook with a down housing market, it may be difficult for the City to demonstrate project readiness for the implementation funds. Although many of the goals of the DTSP could be addressed with implementation funds, without a project “in-hand” and in the entitlement process, the City’s application would be uncompetitive. In order to be competitive for these programs, the City would need to establish a partnership with a viable project developer, or focus efforts on the Planning Grants, and wait for the next cycle of implementation funds where the economic conditions may be different and more conducive to meeting the project readiness criteria.

FISCAL IMPACT:

20% match requirement for Planning Grant will result in a minimum of \$20,000 General Fund commitment from the City. Higher commitment based on final grant request.

ACTION:

Motion accepting report and provide direction to staff.

ATTACHMENTS:

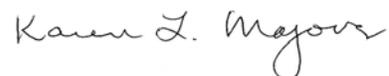
Downtown Specific Plan – Chapter 2 Principles, Goals and Policies

APPROVED BY:



City Manager

APPROVED BY:



Assistant City Manager Community & Economic Development

Chapter 2 –Goals and Policies

The purpose of this chapter is to describe the issues identified for Downtown and guiding principles developed from community input, and to establish goals and policies for the Specific Plan based on these principles. This chapter is organized as follows:

2 Goals and Policies

2.1 Issues Summary

2.2 Goals and Policies

2.1 ISSUES SUMMARY

During the initial phases of the planning process, the following issues were identified:

- Loss of Economic Vitality – Martinez residents and policy makers expressed concern about the health of Downtown business and its ability to accommodate the needs of the community.
- Vulnerable Building Stock – Many Downtown commercial buildings are built of unreinforced masonry and would be damaged beyond repair in a major earthquake. In addition, many buildings are in dire need of physical reinvestment after decades of deferred maintenance. If new investment is not made in the physical structures Downtown, the costs of revitalizing these buildings will continue to increase until the only option remaining is demolition.
- Lack of Consensus – While most stakeholders agreed that economic development was desirable Downtown, opinions varied widely regarding the need for change in land use policies Downtown and the appropriateness of various implementation tools for achieving revitalization. By creating and analyzing a range of options, the Specific Plan process aimed to aid local decision makers in achieving consensus on a direction for Downtown land use regulations and policies.
- Zoning and Development Standards – Downtown’s zoning categories and related development standards were outdated and did not address important Downtown issues.
- Historical/Cultural – Existing zoning and development standards do not adequately address historic preservation issues.
- Parking – Downtown parking is in high demand in certain areas and at certain times, and visitors sometimes have trouble navigating their way to parking areas.
- Character – The need to preserve and respect the existing small-town character and sense of community in the older parts of Downtown Martinez.

2.2 GOALS AND POLICIES

The goals and policies in this section set forth the framework for realizing the Specific Plan guiding principles. In turn, the land use districts, development and design standards, and implementation strategies for Downtown establish the framework for evaluating development proposals, public improvements, and the implementation of action plans.

Where the standards and regulations of the Specific Plan do not directly address an issue, the goals, policies, and principles established herein, and those of the General Plan, shall be used to determine an appropriate course of action.

2.2.1 Land Use Goals and Policies

Goal LU-1: To provide land use opportunities for Downtown Martinez to serve as a cultural, arts and entertainment center offering a wide range of opportunities for residential lifestyles, work environments, shopping, entertainment, culture and the arts.

Policy LU-1-1: Maintain the integrity of each Downtown area as follows:

- **Downtown Core:** The mixed-use center of Downtown, with an emphasis on a pedestrian-scale mixture of residential, specialty commercial, tourist, restaurant, cultural and civic uses. In addition to rehabilitation and adaptive reuse of historic buildings, the development philosophy emphasizes new and infill construction that is compatible with the historic structures that give Downtown its unique identity.
- **Civic Area:** A higher intensity district primarily intended for civic, governmental and judicial uses, interspersed with supporting offices and commercial businesses. In addition to preservation and restoration of landmark governmental and civic buildings, the design philosophy encourages development with interpretive ties to Martinez' heritage architecture.
- **Downtown Historic Overlay District:** The historic commercial, civic and mixed-use streetscapes that form the heart of Downtown. The design philosophy is centered on historic preservation, rehabilitation and adaptive reuse of existing structures.
- **Downtown Neighborhood and Grandview Areas:** Predominantly residential areas surrounding the Downtown Core. The design philosophy is centered on historic preservation, sensitivity, and neighborhood compatibility.
- **Downtown Shoreline:** The developed area, currently in industrial use, between the railroad tracks and the ~~Martinez Regional Shoreline~~ Downtown Core and Neighborhood Districts. The land use strategy is centered on relocating industry and creating new development that is in keeping with the traditional Downtown character. ~~and contributes to the protection and enhancement of the existing open space and shoreline.~~ Note: strike out type wording not adopted. Reserved for possible future action or amendment.

Policy LU-1-2: Encourage pedestrian-oriented specialty retail shops offering quality goods and services in the Downtown Core and a range of restaurants that

includes fine dining, cafes, coffee houses, and sandwich shops. Encourage balance between individually owned business and franchise or corporate entities.

Policy LU-1-3: Encourage transit-oriented and mixed-use development with a strong residential presence in the Downtown Core, including both new construction and the adaptation of upstairs spaces in existing buildings for residential purposes.

Policy LU-1-4: Provide incentives for infill development throughout Downtown, with an emphasis on the opportunity sites identified in this Plan.

Policy LU-1-5: Encourage the establishment of a vibrant mix of uses that will serve the needs of both residents and visitors and will help create a vibrant daytime, evening and weekend environment.

Policy LU-1-6: Maintain a continuity of pedestrian activity through active retail and restaurant ground level uses along Main Street, Ferry Street, Estudillo Street north of Main Street, and Las Juntas Street, north of Ward Street.

Policy LU-1-7: Encourage the relocation of heavy or large-scale industrial uses away from the Downtown while retaining service commercial businesses that are compatible with other Downtown land uses.

Policy LU -1- 8: Promote investment in unreinforced masonry buildings, to bring them up to current standards of construction and utility service.

Policy LU – 1 – 9: Encourage construction of residential development within walking distance of the City’s Intermodal Station (Amtrak) to encourage use of rail passenger service.

2.2.2 Open Space Goals and Policies

Goal OS-1: To help attract visitors, residents and jobs to Downtown Martinez, maintain and improve the existing open space system in and around the Downtown and Shoreline.

~~Policy OS 1-1: Implement the standards in this Plan for any development adjacent to the Martinez Regional Shoreline to protect the ecological health of the Shoreline areas. NOTE: not adopted. Reserved for possible future action or amendment.~~

Policy OS-1-2: Implement the provisions of the Alhambra Creek Enhancement Plan to make a restored and improved creek a central attraction of Downtown.

2.2.3 Housing Goals and Policies

Goal H-1: To help Downtown Martinez succeed as an active daytime, evening and weekend downtown, encourage transit and pedestrian oriented housing in areas in addition to the traditional residential neighborhoods, to include the Downtown Core and areas currently in industrial use.

Policy H-1-1: Provide a variety of housing options affordable to varied income groups, including single-family houses, townhouses, live-work loft space, condominiums and apartments, and mixed-use buildings with a residential component.

Policy H-1-2: Preserve and enhance the residential neighborhoods in the Downtown.

Policy H-1-3: Provide incentives for ownership housing in the Downtown.

Policy H-1-4: Encourage adaptive reuse of existing structures, or the development of new buildings, for the purpose of live/work space in the Downtown Core.

Policy H-1-5: Encourage and promote new transit and pedestrian oriented residential projects, new secondary residential units, and the use of upstairs spaces in existing buildings in the Downtown Core for housing to increase housing options and help bring daytime, evening and weekend activity to the Downtown.

2.2.4 Economic Development Goals and Policies

Goal ED-1: Strengthen Downtown as a local and regional destination for specialty shopping, dining, nightlife, employment, culture and the arts.

Policy ED-1-1: Foster entrepreneurship, with an emphasis on entertainment, dining, culture, and resident-serving goods and services in the Downtown Core, and an emphasis on bed & breakfast inns and home occupations in the Downtown Neighborhoods.

Policy ED-1-2: Pursue an aggressive program to recruit quality commercial and office tenants and consider incentives to attract these uses.

Policy ED-1-3: Target key infill residential opportunities including small lot and row homes, townhouses, apartments and condominiums and live/work loft space.

Policy ED-1-4: Consider a financing plan that determines the scope of public improvements to be funded, the responsibilities of the public and private sector participants, and the methods of financing the improvements.

2.2.5 Urban Design Goals and Policies

Goal UD-1: Strengthen the identity and character of Downtown using the existing historic and architectural urban character of the community, while allowing for new structures that are architecturally compatible with, and complementary to, the existing architectural and historic fabric.

Policy UD-1-1: Through design review, ensure that new development enhances the character of the Downtown Districts by requiring design qualities and elements that contribute to an active pedestrian environment, where appropriate, and ensuring that architectural elements are compatible and in scale with the existing historic structures in the Downtown.

Policy UD-1-2: Enhance the connection between the Downtown and Waterfront by working with the East Bay Regional Park District to establish effective pedestrian and vehicular connections. These connections should include well-designed public art, lighting and landscaping as necessary to enhance the pedestrian environment.

Policy UD-1-3: Improve streetscapes on key corridors in the Downtown and create a sense of arrival at key gateways which reinforce the City's natural, cultural and historic characteristics.

Policy UD-1-4: Develop a funding program to implement the streetscape and gateway design concepts for the Downtown.

Policy UD-1-5: Encourage appropriate public art and interpretational signage to further establish a sense of history and pride in the Downtown.

2.2.6. Historic Preservation Goals and Policies

Goal HP-1: Strengthen and enhance the historic character of Downtown Martinez, which is unique to Contra Costa County, through the preservation and maintenance of Downtown's historically significant sites and structures.

Policy HP-1-1: Promote community appreciation for the history of Martinez.

Policy HP-1-2: Provide incentives to encourage the restoration of private historic structures to conserve the integrity of the buildings in the best possible condition.

Policy HP-1-3: Through design review, encourage new development to be compatible with adjacent historical structures in scale, massing, building materials, and general architectural treatment.

2.2.7. Circulation Goals and Policies

Goal C-1: Improve the circulation system in Downtown by maintaining and improving the grid system, providing for convenient access to, and circulation within, Downtown for all modes of transportation, and enhancing walkability in Downtown.

Policy C-1-1: Use the multi-modal street hierarchy for Downtown identified in this Plan to prioritize street improvement projects and target them to appropriate types of streets. Re-evaluate the use of one-way street segments within Downtown as part of a comprehensive Downtown circulation concept and parking strategy, with the objective of eliminating them except for major arteries into and out of town, such as Alhambra, Berrellesa, Escobar and Marina Vista..

Policy C-1-2: Provide enhanced transit amenities within the Downtown, including bus stops and shelters, transit information, and facilities at the Intermodal Station.

Policy C-1-3: Develop strong pedestrian connections between the Waterfront, the Intermodal Station, and the Downtown Core. Use streetscape improvements such as street trees, special paving, and ornamental streetlights to encourage pedestrian mobility at the sidewalk level.

Policy C-1-4: Do not permit any further street closures in the Downtown area, except for possible future conversion of streets to pedestrian malls.

Policy C-1-5: Provide continuous bike lanes on major streets approaching Downtown and within Downtown where warranted by traffic volumes.

Policy C-1-6: Improve way-finding signage, including: directional, destination-related, and signage for parking facilities as well as signs identifying regional trails.

2.2.8. Parking Goals and Policies

Goal P-1: Provide a balanced overall supply of parking for Downtown land uses, and make better and more effective use of the existing parking supply resources.

Policy P-1-1: Develop a coordinated, area-wide approach to parking in the Downtown that is based on sharing parking resources and a “park once” strategy. The overall approach should include convenient visitor parking in the central area of Downtown, in facilities designed to serve multiple uses, in order to ensure safe and efficient operation at all times of the day and evening.

Policy P-1-2: Develop employee parking strategies to avoid conflict with visitor parking.

Policy P-1-3: Work with the County and Court System to find parking solutions that address the needs of downtown businesses, County and Court employees, and jurors.

Policy P-1-4: Provide additional parking for the Intermodal Station to meet the needs of rail passengers.

Policy P-1-5: In order to encourage residential uses in the Downtown Core, develop an ordinance to allow payment of a fee towards construction of a parking structure, in lieu of providing the normally-required onsite parking spaces.