



**ULI SAN FRANCISCO – 2009 TOD MARKETPLACE
STATION AREA / DOWNTOWN PLAN**
Cloverdale, California

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CONTEXT

The City of Cloverdale is located 85 miles north of San Francisco and 32 miles north of Santa Rosa in California's beautiful wine country. At 2.7 square miles in size and with a population of approximately 8,454, Cloverdale offers small town ambiance and a lush, natural setting in Northern Sonoma County. Cloverdale is adjacent to the Russian River, and there are 70 wineries within a half hour drive, including the beautiful Alexander Valley and Dry Creek Valley appellations.

Historically served by the Northwestern Pacific Railroad, the former Cloverdale Station was demolished as part of the expansion of U.S. Highway 101 through Cloverdale in the early 1990s; however, in 2000 CalTrans built the existing Cloverdale Depot to mitigate the removal of the historic station. Although Cloverdale Depot has yet to see any use, this relatively new station will serve as the northernmost terminus of the Sonoma-Marín Area Rail Transit (SMART) line, a new passenger rail system which will provide rail

service from Cloverdale Depot to the San Francisco-bound ferry terminal in the City of Larkspur, Marin County.

Along 70 miles of the existing Northwestern Pacific Railroad alignment, the SMART rail line will parallel Highway 101 and serve fourteen stations along its corridor, including stations at the major population and job centers of the North Bay: San Rafael, Novato, Petaluma, Cotati, Rohnert Park, Santa Rosa, Windsor and Healdsburg. In addition to upgrading the existing Northwestern Pacific Railroad line for passenger and commuter-oriented service, which is estimated to begin in 2014, the SMART project will also build a new bicycle/pedestrian pathway parallel to the rail corridor that links all fourteen rail stations. SMART's environmental studies project that 5,300 passengers per day will ride the train and 7,000 to 10,000 people a day will utilize the bicycle/pedestrian pathway.

In anticipation of the commencement of passenger rail service along the SMART line, and specifically the beginning of service to and from Cloverdale Depot, the City of Cloverdale secured a grant from the Metropolitan Transportation Commission to create a Station Area Plan which will evaluate the potential of Cloverdale's greater downtown area for transit-oriented development (TOD). Since its commencement in May 2009, the completion and ultimate adoption of the Station Area Plan has become a top priority for the City, who is eager to determine how best to structure and implement land use policies that will both capitalize on the future benefits SMART will provide, yet preserve the small town atmosphere that Cloverdale has historically enjoyed. Consistent with this goal, the City has called upon ULI to provide recommendations for the following issues:

- Improving City-wide connectivity;
- Implementing creative land uses to both expand SMART's ridership base in Cloverdale and foster business growth downtown;
- Attracting a supermarket downtown, despite current market weaknesses;
- Identifying development and design ideas that maintain the City's small town atmosphere; and
- Identifying the best uses of City resources to achieve the above goals.

BARRIERS AND OPPORTUNITIES TO TOD IN CLOVERDALE

Constraints and Problems:

The following challenges to transit-oriented development exist in Cloverdale:

1. Cloverdale Depot is separated from the City.

The Northwestern Pacific Railroad line and the historic station were originally located adjacent to downtown Cloverdale; however, the existing rail line was left separated from the downtown (on the east side of the freeway) following the expansion of Highway 101. Consequently, the new Cloverdale Depot was also built on the east side of the freeway (on the south side of Citrus Fair Drive at its intersection with Asti Road). With the vast majority of the developed part of the City located west of

Highway 101, the physical separation of Cloverdale Depot and the SMART line from the downtown area presents a significant connectivity issue and poses a threat to SMART's ridership base both to and from Cloverdale. The land adjoining the new station to the east is mostly a flood plain and may not be suitable for residential or commercial uses. Thus, most future development will likely also be separated from Cloverdale Depot on the west side of Highway 101. Moreover, there is extremely poor pedestrian and bicycle access from downtown Cloverdale to the new station, as potential SMART riders must walk/ride a minimum of a half-mile to or from the downtown area (approximately a fifteen minute walk for an able-bodied individual) while traversing several busy streets, the freeway's on and off-ramps, and a dismal underpass.

2. Current Underutilization of Citrus Fair Site.

The Citrus Fair site (a 6.2-acre parcel located south of downtown and west of the intersection of Citrus Fair Drive and Cloverdale Boulevard) is currently underutilized. The existing facility on the site was built in 1951, and a large parking lot (which comprises the majority of the parcel's useable space) fronts Cloverdale Boulevard. Consequently, the site's current configuration provides an unattractive entry into downtown along Citrus Fair Drive from Highway 101, which only exacerbates the connectivity problem and lack of flow between the station area and downtown. Despite its rich history as the home of the Cloverdale Citrus Fair Wine Competition (which is now named the San Francisco Chronicle Wine Competition), the Citrus Fair facility and parking lot currently monopolize a large parcel of prime land that would be more appropriately used as a southern anchor to the downtown.

3. Weak Market Demand.

The City has identified retail, commercial and job creating uses as those most needed in Cloverdale; however, a recent market study revealed weak demand for retail. Accordingly, the City currently suffers from a surplus of commercial property. There is approximately 60,000 square feet of vacant retail and office space in Cloverdale, of which roughly 40,000 square feet is predominantly located downtown.

The City's recent market study also indicated a modest demand for residential uses. The City has a population of roughly 8,500, with approximately 3,400 dwelling units, which is expected to grow slowly (the Association of Bay Area Governments (ABAG) projects a demand increase of only 46 additional dwelling units per year over the next twenty-five years). Thus, there is very little opportunity in Cloverdale to build the large, higher-density projects which are common to other regional transit centers.

4. Limited Funding and City Resources.

The City's current resources are extremely limited and, in today's economy, are not being sufficiently renewed. Moreover, through its acquisition of several parcels (both in the downtown area and in areas outside of the City's core), the City has tied up funds which could have been allocated to more efficient uses.

5. Small Town Feel May Limit Marketability.

While the small town feel benefits Cloverdale in many ways, it could also hinder feasibility and marketability of new development. In light of the current economic downturn, Cloverdale will likely have to compete with other towns and cities in Sonoma County that have become less expensive, offer more amenities, and which are more proximately located to the employment centers to the south (Santa Rosa, Marin County and San Francisco). Additionally, Cloverdale faces the conundrum of creating a more compact, mixed-use downtown in a semi-rural area where residents may prefer a more "spacious" lifestyle and may not be interested in denser residential living.

Opportunities and Resources:

Despite the above-mentioned challenges to transit-oriented development in Cloverdale, several key opportunities and resources are available which can help the City encourage the development it desires in an around the downtown and the station area surrounding Cloverdale Depot.

1. Opportunity Sites.

The City currently owns or effectively controls several opportunity sites in the project area

that could be employed for a project, which meets the City's development goals. These sites include: Thyme Square (a 5.3 acre parcel located just south of downtown); the Cherry Creek affordable housing site (a smaller parcel located further south of Thyme Square); and several smaller parcels downtown near Cloverdale City Hall. Additionally, the private owner of the Citrus Fair site (located just north of and adjacent to Thyme Square) appears willing to cooperate with the City on the potential redevelopment of this key site. Several other opportunity sites located west of Highway 101 and in closer proximity to the new station have also been identified by the City; however, these sites are all privately owned, and no development agreements are currently in place.

2. Fiscal Resources.

The City has approximately \$2 million of housing funds which it can allocate to support residential and mixed use projects as needed. Redevelopment funds are also available for the construction of a new Police Station near the downtown area. Additionally, the City has the ability to attract funds from developers (by disposing of several City-held parcels) and affordable housing investors and programs.

3. Downtown.

The existing downtown is Cloverdale's greatest asset and one which should be maintained, not only as a community value but as a truly sustainable kind of development for the City's future. The parts of Cloverdale that are exemplified in the downtown and surrounding districts are compact, have a high degree of connectivity due to the grid street pattern as adapted to the topography, and include community facilities, amenities and mixed uses. These are the hallmarks of sustainable development. Accordingly, commercial and residential development should be focused and concentrated in this area.

4. Existing Amenities.

Cloverdale currently meets many of the amenity criteria that developers and affordable housing funders desire, including close proximity to groceries, medical care, and other civic and community facilities. The City also enjoys other existing transit options (apart

from the coming SMART rail line): a City bus; Sonoma County Transit buses; a Greyhound bus stop; and an Amtrak bus connection service to the Martinez rail station. Furthermore, the City's relatively small core provides close and easy access to these amenities, which could help make a proposed TOD project in Cloverdale more competitive.

5. *Planning Incentives.*

Aside from its existing expedited planning process for affordable housing projects, the City has the ability to develop and implement strategic planning incentives which can help it encourage the development it desires. Through the establishment of a TOD designated development zone, the City can create incentives for both maintaining and enhancing Cloverdale's core downtown and promoting complimentary development in and around the station area to the east of Highway 101. By establishing such a zone, development in the downtown core could receive special exemptions and incentives, thereby making the area a priority. The adoption of other incentives and streamlining measures to help reduce development costs can also help the City attract developers for the types of projects it desires.

PANEL RECOMMENDATIONS

Recommendation 1: Facilitate Smart Growth in Light of Current Economics.

Despite the current economic downturn, any development in Cloverdale should be consistent with several general economic principles germane to transit-oriented development.

First, the City should encourage land uses that meet market demand. Recent market activity and expected future demand point primarily to housing and visitor uses. ABAG's recent projections suggest that Cloverdale will enjoy a 34% population increase over the next twenty-five years, adding roughly 3000 residents by 2035. Cloverdale's relatively lower housing costs will likely contribute to its projected population growth (Cloverdale's median home price is approximately \$235,000, compared to \$364,000 for Sonoma County). As previously noted, however, because of the projected demand increase of only forty-six additional

dwelling units per year over the next twenty-five years, Cloverdale will most likely benefit from lower thresholds of densities and sizes of developments (see Recommendation 6 below).

Although there is no immediate demand for retail (as is evidenced by Cloverdale's current 40% or higher commercial vacancy rate), the City can help support its existing retail by maintaining its current concentration of civic uses, and locating additional housing and visitor-serving uses, downtown. With respect to future retail development, market studies project that the City can support approximately 22,000 square feet of additional retail space by 2025. However, because any future retail development in the City must compliment its densities and projected growth, the supermarket that the City desires would simply be unwarranted in the foreseeable future. A smaller, neighborhood grocery is currently located downtown, however, there is neither an immediate nor even short to mid-term demand for a supermarket in Cloverdale's current development horizon. But, as market demand picks up over time, another small to mid-size neighborhood grocery could likely be supported in and around the downtown.

Secondly, the City should encourage land uses that contribute to transit ridership. In light of Cloverdale's TOD classification as a Neighborhood Transit Zone (as opposed to an Urban Neighborhood or even a Suburban Center), however, these uses would include residential and neighborhood retail at densities slightly greater than or equal to seven units per acre. Higher densities cannot necessarily be justified from the lower regional connectivity that transit affords (or will afford) Cloverdale.

Aside from new development, by implementing street improvements and changes designed to create a more consistent grid with regular shaped, walkable blocks, the City can create much improved connectivity to and from Cloverdale Depot, which will have a significant effect on encouraging higher uses of the SMART line and other existing transit.

Finally, the City should encourage land uses that support other community goals. For example, additional housing focused downtown and near the station area will help to support existing retail and build support for the desired

downtown retail anchor. Housing uses which complement the SMART line can also help to ease local access to the job centers south of Cloverdale (approximately 72% of Cloverdale's employed residents commute out of the City for work). Additionally, improved pedestrian and visual connections between Cloverdale Depot and downtown will also promote visits by day-trippers and tourists.

Recommendation 2: Implement Citywide Connectivity Measures.

Connectivity of the Cloverdale Depot to the community is a key issue in encouraging transit use and sustainable development downtown. While the approximate half-mile distance between downtown and the new station is walkable, the route along Citrus Fair Drive and under Highway 101 is unpleasant, difficult and dangerous in some places. Distance by bicycle is easy but the route is also dangerous and indirect. Even for automobiles, the existing configuration of the Citrus Fair Drive/Cloverdale Boulevard intersection provides an unattractive and disorienting entry to downtown from both freeway off-ramps and the new station.

The most effective way to connect the station and downtown is to realign the intersection of Citrus Fair Drive and Cloverdale Boulevard so that the part of Citrus Fair Drive coming from the station and freeway aligns directly with Cloverdale Boulevard going north into Downtown. This would both create a direct, single street connection between downtown and the station and allow the recently beautified pedestrian and streetscape treatment of downtown Cloverdale to extend along the entire route between these two critical community assets. This realignment project would require the City to acquire a small, inefficient commercial parcel near the existing intersection, but the current rights of way would allow the reconfiguration to create a slightly larger area of commercial potential in a much more key location along Cloverdale Boulevard. Cloverdale Boulevard coming from the south would also be reconfigured into a new intersection with traffic signals, which would connect to northbound Cloverdale Boulevard (and downtown) via double left turn lanes.

Citrus Fair Drive between downtown and Asti Road would also require modification in order to improve the connection between Cloverdale Depot and downtown. This existing section of Citrus Fair Drive was designed as a high-speed, exclusively vehicular road. Changes to this roadway configuration, which would afford a more sustainable, multimodal corridor to facilitate walking, bicycle use and calmer traffic, could be accomplished through the implementation of the following measures:

- Reduction of vehicle lanes to one in each direction and a slower speed design;
- Use of the remaining right of way for wide sidewalks and bicycle lanes in each direction;
- A landscaped median;
- Street trees, pedestrian lighting, directional signage and graphics; and
- Modified on and off-ramp intersections with Citrus Fair Drive to include stop signs, pedestrian crossings and tighter curves and widths to enhance safe crossings at the ramps and pedestrian crossings of Citrus Fair Drive.

To create more efficient connections to Cloverdale Depot from the residential areas south of downtown, the sound wall currently separating the Tarman Tract and Highway 101 should have a pedestrian and bicycle opening at South Street. Additionally, a pedestrian and bicycle path should connect South East Street to Citrus Fair Drive along the southbound off-ramp of the freeway. Cloverdale's existing transit services, or a new shuttle bus system, should also be employed to transport SMART patrons to and from downtown and the City's other residential areas.

Aside from increased connectivity, a commercial benefit to downtown would accrue from the reconfigured roadway access from the station and freeway. The new off-ramp configurations would provide an enhanced vehicular entry into downtown and a more efficient connection to Highway 128 and Mendocino County to the north. New signage on the freeway, which would exclude heavy trucks but entice visitors to use the modified off-ramps and the realigned Cloverdale Boulevard as a more aesthetically pleasing route to the coast, could also attract additional visitor business downtown.

Recommendation 3: Preserve Cloverdale’s Small Town Atmosphere.

Cloverdale’s small town atmosphere should be maintained not only as a community value but as a truly sustainable kind of development for the future. The downtown should receive support from policies such as maintaining the City’s civic uses as a northern anchor of downtown and creating new anchors toward the southern end of downtown.

Higher density development should not be character changing and height limits and densities should be carefully considered. Bay Area wide density criteria (such as the current 2,200 unit transit-oriented development goal and the 20 unit or higher density requirement) should be balanced against the existing community size, character and location in the region. Cloverdale, as the “end of the line” for both the SMART rail and Sonoma County, may likely benefit from lower thresholds of densities and development sizes without compromising regional sustainability goals.

Recommendation 4: Focus on Downtown-Oriented Development.

Downtown is the City’s greatest asset. Cloverdale’s downtown is compact, attractive and easily walkable, and it offers a variety of land uses over the small grid of blocks which comprise it. These features need to be protected while allowing for increased activity downtown. Sprawl should be limited and the majority of new development (both commercial and residential) should be focused downtown and in the City’s core. The City’s civic uses should be concentrated downtown as well.

The improved connectivity gained through the reconfiguration of Cloverdale Boulevard (discussed above) can also foster new creative land uses to increase activity in the downtown core. First, the downtown’s commercial and mixed-use development can be expanded one block south to Railroad Avenue (on the East side of Cloverdale Boulevard), which will directly front the Cloverdale Boulevard following its reconfiguration. Downtown’s existing, wide sidewalk treatments can also be extended, thereby reducing the walking distance from downtown to the station by one block. Additionally, on the west side of Cloverdale Boulevard, the reconfiguration

would add about a half acre to the Citrus Fair site and also align the frontage of the parcel with the rest of downtown, making it a prime site for a southern anchor to the area.

The future integration and activation of the Citrus Fair Site is also critical to the successful connection of downtown to the station area and increased activity downtown. The fair site appears to be used intermittently, while most of the year it is a dead spot in activity and an unattractive entrance to downtown Cloverdale. Two possible alternatives for the site’s redevelopment and reuse are readily apparent; either:

- Relocate the Citrus Fair site (possibly near the SMART station on Asti Road) and redevelop the entire site for mixed residential and commercial uses; or
- Maintain the existing fair uses west of Commercial Street and redevelop the Cloverdale Boulevard frontage of the site (the existing parking lot) for downtown uses.

No matter which alternative is selected, the City should align new buildings right along Cloverdale Boulevard, thereby extending downtown’s “look and feel” and creating a southern anchor to the downtown.

Additionally, although no immediate or short to mid-term demand exists for a supermarket in Cloverdale, the possible long range redevelopment of the Citrus Fair site could present an opportunity for such a supermarket use. By locating the market along the street frontage of Cloverdale Boulevard, it could include traditional sections for food shopping while also offering prepared food sections, deli takeout and sidewalk café style dining along the boulevard’s widened and landscaped sidewalks. Parking should be located at the rear of the market on this large site, rather than along the street frontage of Cloverdale Boulevard.

Development of the currently vacant Thyme Square site to the south of Citrus Fair is also critical to the future success of Cloverdale’s downtown and station areas. Though located south of what will become the downtown’s southern anchor (the Citrus Fair site), the Thyme Square site should ideally be developed as support uses for the downtown, such as

higher density housing in the 6-15 unit per acre range (these densities would better reflect the small town atmosphere of Cloverdale). Depending on market conditions, housing on the Thyme Square site could take the form of small footprint, small lot "cottages" and some walkup or townhouse units.

Recommendation 5: Encourage Complimentary Land Uses near the Station Area.

Although the City's primary development focus should remain on downtown Cloverdale, creative land uses should also be considered in the direct vicinity of Cloverdale Depot to the east of Highway 101, as there are a substantial number of acres of undeveloped land fronting Asti Road. However, land uses near the station area should complement, but not compete with, land uses in and around the downtown.

Some of the land is flood plain, but some of it sets higher and is tree covered. This land should be studied for the environmental issues of flooding and tree preservation, but its location next to the SMART line and its connection to the Russian River make such a study a necessary undertaking. Some potential uses would be a "Station Place" development, incorporating visitor uses and higher density residential development among the trees, facing preserved flood plain, open space or the river. Additionally, some small riverfront parks and new bicycle and hiking trails should be located along the riverside in order to fluidly connect the northern terminus of the regional SMART trail system at Cloverdale Depot with the Russian River trail systems to the north. This combination of transit and riverfront recreational facilities would appear to offer a unique opportunity for a sustainable, mixed use development like the "Station Place" idea. Apart from the undeveloped land near the station, a possible reuse for some of the industrial lands in this area could be for new Citrus Fair facilities, if the City elects to relocate the fair from downtown.

Recommendation 6: Promote Low to Mid-Density Residential Development.

As previously noted, because of the relatively slow growth projections of only forty-six

additional dwelling units per year over the next twenty-five years, Cloverdale will most likely benefit from lower thresholds of densities and sizes of residential developments. Given these projections and Cloverdale's existing community size and character, residential development should consist of roughly 6-15 units per acre (i.e. townhomes and two-story flats).

With respect to affordable housing, although housing prices and the median household income in Cloverdale are lower than in other parts of Sonoma County, affordable housing development addresses a spectrum of incomes, not just the very poorest. Most renters in Cloverdale would meet moderate, low or very-low income qualifications; income levels which would allow the City and developers to take advantage of affordable housing incentives and programs.

Cloverdale already possesses several key resources which can help it encourage affordable housing development in and around the downtown, including several City-owned parcels which could be used for mixed use and affordable housing development. These sites meet many of the amenity criteria that affordable housing funders desire (including close proximity to groceries, medical care, library and community facilities) and would make a proposed affordable housing project in Cloverdale more competitive. The City also has approximately \$2 million to allocate to an affordable housing development, and aside from its expedited planning process for affordable housing projects, the City also has the ability to create new planning incentives for affordable housing developers. Specifically, the establishment of a TOD designated development zone would not only create incentives for maintaining and enhancing Cloverdale's core downtown area, a TOD district or plan can also provide an additional edge in scoring criteria among affordable housing funding entities.

But several disincentives for affordable housing development downtown are also apparent, including limited financial resources which the City can allocate to such development, competition with more proximate job centers in Sonoma County, and a lack of affordable housing investor interest in the area. Lastly, with respect to planning issues, Cloverdale currently provides no fee waivers or reductions

to affordable housing developers: a significant incentive to many of these developers. Although the City provides expedited planning for affordable housing development (apparently as an alternative to such fee waivers), the value of such expedited processing is unlikely to equal that of fee waivers or reductions.

Cloverdale should continue to examine the feasibility of offering fee waivers or reductions, further streamlining its planning and project approval process, and/or providing other incentives to reduce the development costs to affordable housing developers. The City can also assist nonprofit developers by funding or deferring development fees, donating City land, or making its land available at a significant below market-rate price. But Cloverdale needs to be cautious in allocating or granting its limited resources to developers. Great care, especially in these economic times, should be taken to ensure that solid project feasibility and developer expertise has been established beforehand.

CONCLUSION

In comparison to the other North Bay cities along the new SMART line, it is readily apparent that TOD means something markedly different in Cloverdale, which falls somewhere between a rural and semi-rural city. Unlike Santa Rosa, Rohnert Park, or even Healdsburg, Cloverdale is a city which will not likely see significant growth during the early implementation stages of the SMART rail system, and as the SMART line's northernmost terminus, Cloverdale will not likely serve as a sub-regional transportation hub (at least not in the foreseeable future). Being mindful of these characteristics and well aware of the economic realities associated with the development of increased densities, the panel finds it difficult to support density merely for density's sake in Cloverdale; rail station or not. Therefore the implementation of a development plan for the station area and downtown Cloverdale which mandates increased building heights and densities would not likely serve the best interests of Cloverdale, its residents or Sonoma County as a whole. Although development patterns in and around the downtown should be somewhat denser (as noted above), to the rural or semi-rural home buyer seeking

tranquility and small town charm, such an increase in densities probably does not translate into a condominium flat three floors up.

To Cloverdale, transit-oriented development (and its aligned goal of smart growth) means recognizing where its city should grow and then implementing development policies which help it create a true, highly functioning downtown. This entails: focusing the majority of the City's development activity in the downtown area and discouraging any annexation or development outside of the core downtown; maintaining the City's existing civic uses as a northern anchor of downtown and creating new southern anchors closer to the station area; relocating and/or redeveloping the Citrus Fair site; realigning Cloverdale Boulevard and humanizing Citrus Fair Drive to provide for increased connectivity between downtown and the station area; encouraging land uses near Cloverdale Depot that are complimentary to, but not competitive with, the downtown; and ensuring that any higher density development that is undertaken is not significantly character changing.

Although the City's implementation of the panel's suggestions will not materially change Cloverdale's desirability as a retail or residential destination in the near term, by working toward these goals the City can create a more rail-friendly environment (despite the lack of a direct physical connection between Cloverdale Depot and downtown), which capitalizes on existing infrastructure and currently underutilized and undeveloped parcels. Most importantly, however, the adoption of the planning tools and concepts illustrated herein will allow Cloverdale to grow intelligently and maintain its small town charm.

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