

Chapter 1
INTRODUCTION

VISION FOR SR 108 CORRIDOR



To reinvest with high-quality infill development and public amenities.



To expand transportation choices and ensure neighborhood safety.



To respond to the needs of a changing demographic.

PROJECT OVERVIEW

The State Route (SR) 108 Relinquishment and Reinvestment Plan (Plan) is a collaborative project involving the cities of Modesto, Riverbank, and Oakdale to identify urban design and streetscape concepts, regulatory guidance, and incentives that would encourage reinvestment in incorporated areas along this important regional travelway (Figure 1-1). The Planning Team coordinated to draft a successful grant application under the Strategic Growth Council’s Sustainable Communities Planning Grant and Incentives Program, which funded city staff time and the work of the cities’ consulting partners on this project.

This Plan provides analysis and guidance to the 3 cities to revise development and improvement standards in advance of the relinquishment of the State Route 108 to local control. Preferred streetscape concepts are identified, along with cost estimates, to facilitate a relinquishment process. The Plan identifies infill opportunity sites and illustrates development concepts for these sites to address specific physical challenges along the SR 108 Corridor (Corridor). Development concepts are paired with pro forma analyses to highlight costs and revenue streams associated with development to understand the ingredients for viable infill developments. The Plan provides strategic analysis regulatory, physical, and socio-economic barriers to infill development, and actions that could remove constraints for reinvestment in the Corridor.

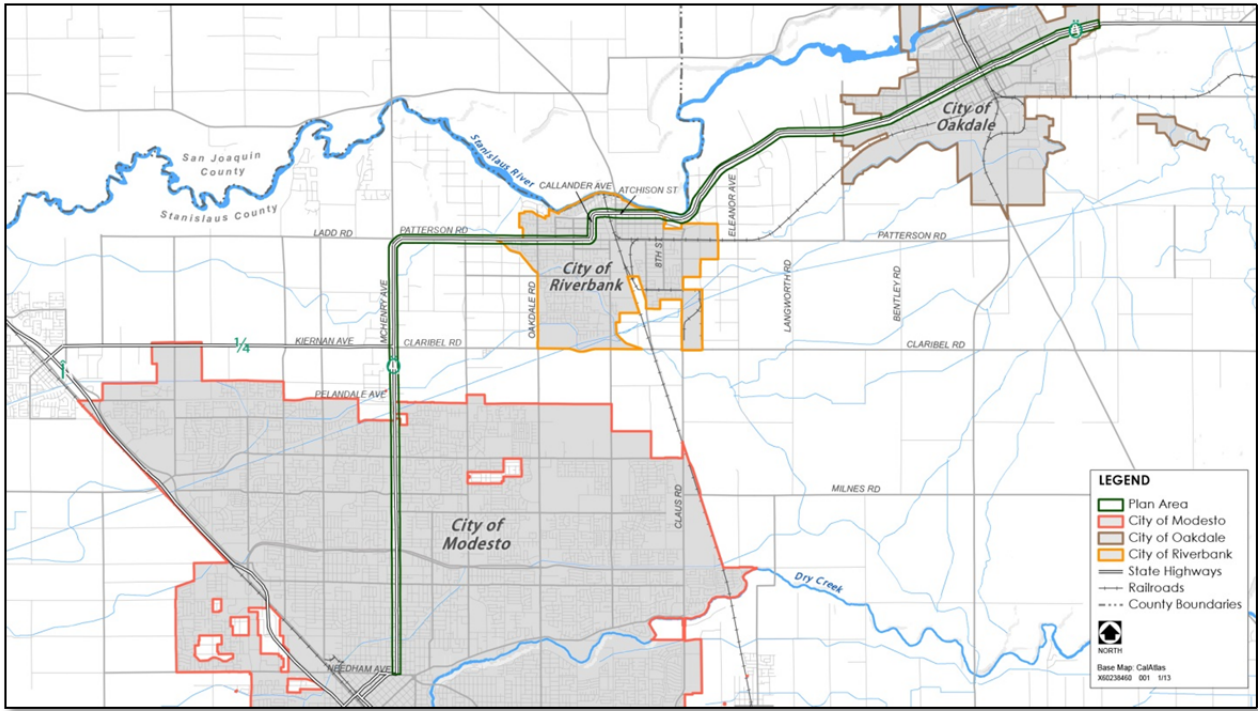


Figure 1-1: Project Location and Plan Area



This Plan, however, is not a part of the *North County Corridor Project*, which is a planned east-west regional thoroughfare to connect SR-99 with SR-120 (Figure 1-2).

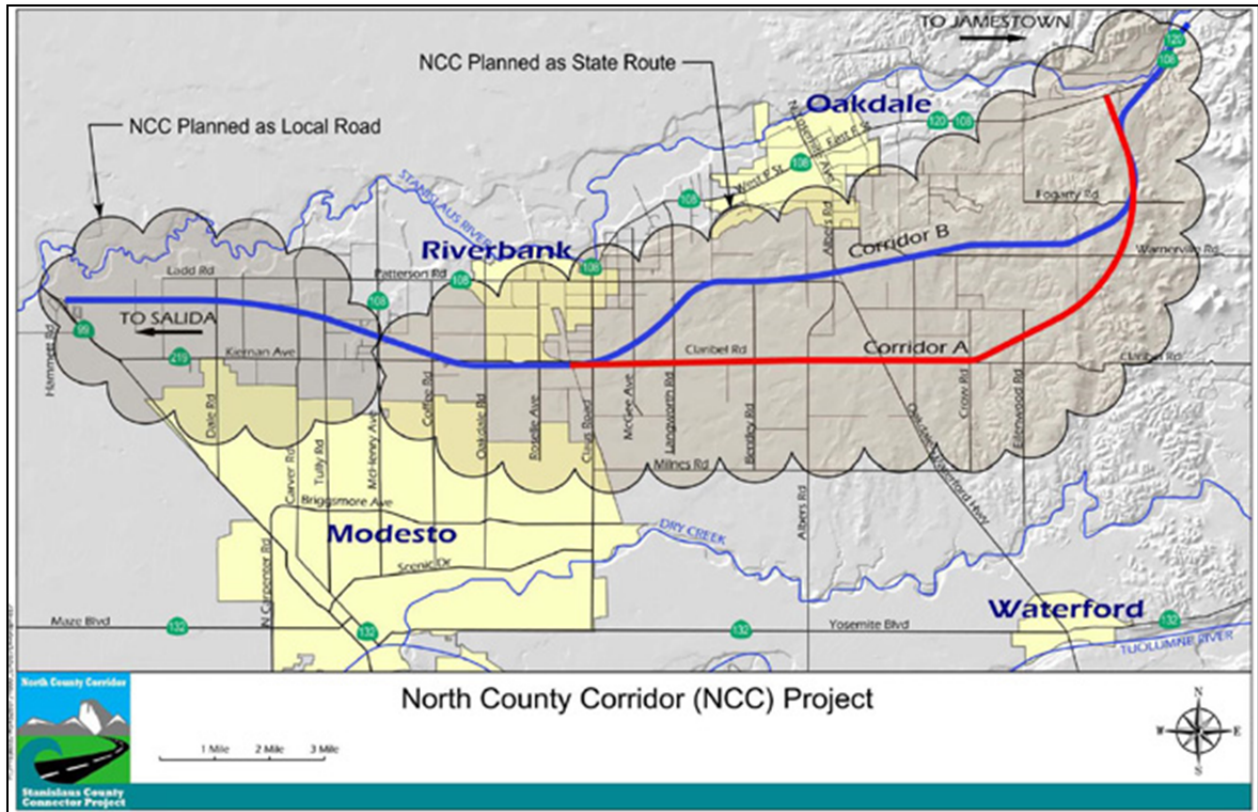


Figure 1-2: North County Corridor Project Route Analysis

Source: <http://www.sjcog.org/DocumentCenter/View/380>

PURPOSE OF THE PLAN

The General Plans for Modesto, Riverbank, and Oakdale, discuss the importance of community reinvestment. The 108 Relinquishment and Reinvestment Plan was developed using the vision statements, goals, and policies of the Cities' General Plans. Working with City staff members, other agency personnel, elected officials, residents, and business owners, the Plan identifies strategies that would help to create more vibrant places to work, live, and visit along Corridor. The Plan identifies common constraints to infill development and includes recommendations for removing these barriers, including development and design concepts, economic incentives, regulatory changes, and other actions that would encourage reinvestment.

The Plan's intent is:

1. To identify a shared vision for the SR 108 Corridor in Modesto, Riverbank, and Oakdale based on the Cities' General Plans;
2. To identify common barriers to infill development and provide potential solutions with respect to code changes, development concepts and design guidance;
3. To implement the Cities' General Plans; and
4. To promote reinvestment strategies and identify relevant funding opportunities.¹

PLAN ORGANIZATION

This Plan is divided into 7 chapters:

Chapter 1 provides the project overview. The Chapter discusses the planning process and provides a summary of the relevant economic and demographic context for the Plan. Finally, the Chapter identifies City policies and plans that have provided direction for this Plan and its objectives.

Chapter 2 outlines existing land use, transportation, and infrastructure conditions along the Corridor.

Chapter 3 discusses changes in land use and transportation that will help the Cities to remain competitive, including strategies to enhance multiple types of transportation for residents, employees, and visitors. The Chapter also provides a discussion of vehicles miles traveled and greenhouse gas emissions reduction scenarios.

Chapter 4 describes context-sensitive streetscape designs for the Corridor.

Chapter 5 identifies common design challenges for infill development and design guidance on how to overcome these challenges and create viable infill development projects. The Chapter also presents potential development concepts for opportunity sites in Modesto, Oakdale and Riverbank, based on the design ideas discussed in the first part of the Chapter.

Chapter 6 provides a summary of barriers to infill development. The second part of the Chapter discusses strategies to overcome these barriers and recommended infill development incentives.

Chapter 7 discusses prioritization and costs associated with streetscape improvements along the Corridor. The Chapter also identifies potential public and private funding opportunities to implement the design improvements and strategies outlined in this Plan.

¹ There are other important issues that arise in the context of a multi-disciplinary planning effort such as this (for example public safety, construction liability, and quality of local schools), which are not directly addressed in this Plan, but underlie the guiding objectives for this Plan. Moreover, the design guidance and solutions discussed in this Plan have many other indirect community co-benefits. For example, by promoting infill and compact development concepts, the Plan also encourages building energy efficiency, while reducing energy costs and associated greenhouse gas (GHG) emissions. Although important and related to the Plan, in order to provide a more concise document, these topics are omitted.



An Appendix includes technical information and analysis and other background information assembled and drafted to support the Plan.

THE PLANNING PROCESS

The planning process included substantial data collection, review, and analysis, as well as outreach and engagement – described in more detail below.

DATA COLLECTION AND ANALYSIS

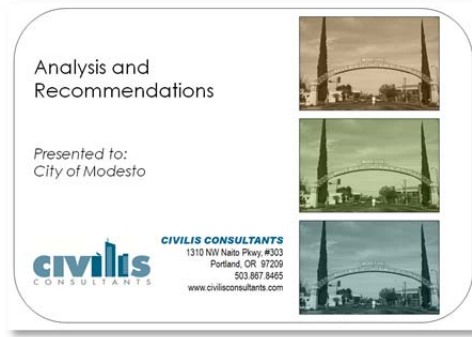
This Plan required a thorough analysis of existing land use, infrastructure, transportation, and streetscape conditions along SR 108 in order to inform the streetscape and infrastructure recommendations, as well as the land use and transportation scenarios. The Planning Team conducted a thorough review of relevant local plans, codes, standards, and guidelines to identify regulatory barriers to infill development. A strategic economic study informed various parts of the Plan, including code changes, incentives, and land use assumptions. An assessment of transportation conditions was important for developing streetscape recommendations, as well as developing design guidance and developing the conceptual site plans. The Planning Team collected and reviewed infrastructure master plans, infrastructure capacity studies, and other documents that guide infrastructure improvements along the SR 108 Corridor. Existing multi-modal options (such as walking, biking, and public transit) were reviewed to understand existing and potential future connections between land use and transportation. The Planning Team collected, measured, and documented sidewalks, landscaped areas, traffic and bicycle lanes, street parking, pedestrian crossings, and variances in the public rights-of-way to help with developing conceptual cost estimates for proposed streetscape elements and prioritizing areas for implementation. Existing travel demand and future forecast travel demand was assessed, using a range of future land use scenarios for properties along the Corridor.

The aforementioned efforts are only a sample of the large amount of data collection, analysis, and reporting to support this Plan. Additional detail is provided in the Appendix.

OUTREACH AND ENGAGEMENT

The Planning Team engaged the public, decision makers, and stakeholders through a series of public events, workshops, surveys, meetings, phone calls, and electronic communication to ensure that the Plan addresses relevant local priorities and design preferences. The public outreach program supporting this Plan involved infill and affordable housing developers, business and property owners, an advisory committee with staff from local agencies and stakeholder groups, community leaders, and the general public.

Detailed information about the staff reports, survey results and workshop summaries are provided in the Appendix.



Branding Workshops by Michelle Reeves to identify how each City could improve the image and revitalize the SR 108 Corridor.



The Planning Team received a significant amount of input on streetscape design preferences during the Beyond Earth Day event in Riverbank.

ECONOMIC AND DEMOGRAPHIC CONTEXT

Economic and demographic conditions and trends will strongly influence reinvestment and infill development along the Corridor. The characteristics of households and future employment opportunities will suggest the types of developments that may be in more demand in the future along the Corridor. Some of the more important economic and demographic trends and the implications of trends for the Corridor Plan are outlined below. A more detailed discussion is available in the Appendix.

STRONG POPULATION GROWTH

The California Department of Finance (DOF) estimates that Stanislaus County's population will increase by 159,654 persons between 2010 and 2030, or nearly 31%. Based on the Department's estimate of average household size in Stanislaus County in 2012 (3.1), projected population growth through 2030 would equate to 51,500 additional households. The Stanislaus Council of Governments (StanCOG) Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) anticipates a 40% increase in population between 2010 and 2030 and a 49% increase between 2010 and 2040.² According to DOF, between 2010 and 2060, "the San Joaquin Valley will nearly double [in population], adding 3 million new Californians, increasing from 3.2 million to 6.2 million."³

INCREASING DIVERSITY

Population projections for the County show that there will be significant growth in the number of Hispanic and Asian-Pacific Islander families. In 2047, the Hispanic population in Stanislaus County is anticipated to surpass 50%. The White population is anticipated to decrease from 47% of the total population in 2010 to just 35% in 2060.

² StanCOG. 2014 (March). 2014 Regional Transportation Plan/Sustainable Communities Strategy. Stanislaus County.

³ California Department of Finance (DOF). 2013 (January). State and County Population Projections by Race/Ethnicity and 5-Year Age Groups, 2010-2060.

DECREASING VACANCY RATES, INCREASING RENTS, AND RELATIVELY HIGH COST BURDENS

Countywide, the estimated housing vacancy rate is just under 8%. The estimated vacancy rate in Modesto was about the same as it is countywide, and about 7% in Riverbank and Oakdale. Housing cost burdens were high in Stanislaus County: nearly half (49%) of homeowners with mortgages and nearly 62% of renters spent more 30% or more of their incomes on housing.

HIGHER INCOMES ALONG THE CORRIDOR

Within ½ mile on both sides of SR 108, median incomes were generally higher and poverty rates generally lower compared to the rest of the communities. The median income within the Modesto portion of SR 108 was about \$45,600, within the Oakdale portion \$52,600, and within the Riverbank portion \$63,300.

MANAGEMENT AND OTHER OFFICE JOBS

Of the top occupations held by Stanislaus County residents, about 27% were management in business, science, and arts; followed by 26% in sales and office occupations; 17% in service occupations; and 16% in production, transportation, and materials moving.

GROWTH IN EDUCATION, HEALTHCARE, SOCIAL ASSISTANCE, TRANSPORTATION, WAREHOUSING, AND UTILITIES

The Employment Development Department (EDD) projects job growth of about 10,600 in Stanislaus County through 2018 and 42,600 replacement job openings, for a combined total of 53,000 job openings. EDD estimates an 18.4% increase in Education, Healthcare and Social Assistance jobs and a 14% increase in Transportation, Warehousing, and Utilities sector.

MAJOR EMPLOYERS ALONG THE CORRIDOR

Many of the largest employers in Stanislaus County (100 - 5,000 employees) are located in proximity to SR 108 (within about a mile of the Corridor).



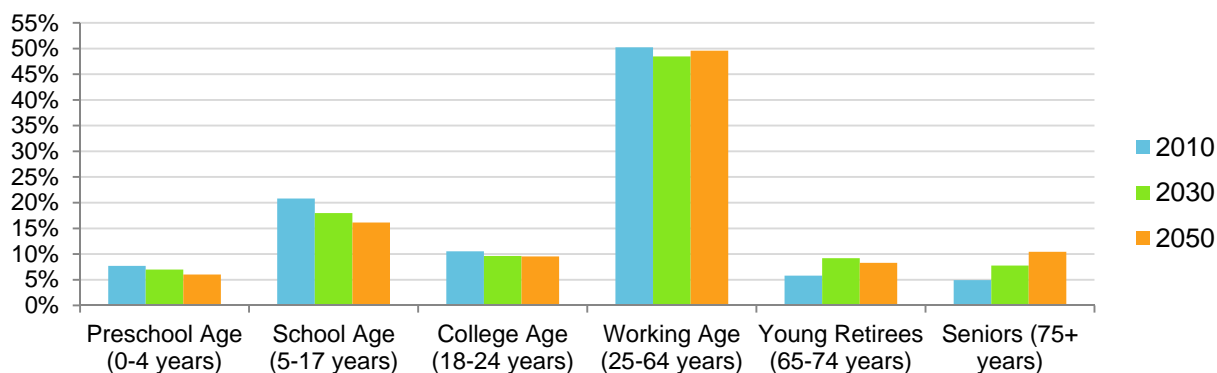
RESIDENTS LIVING ALONG THE CORRIDOR HAVE RELATIVELY SHORT COMMUTES

Within the three cities, 1,640 residents who lived within Census tracts along SR 108 reported traveling five minutes or less to work: 835 in Modesto, 285 in Riverbank, and 520 in Oakdale. Another 4,912 residents in these Census tracts reported traveling 5 - 10 minutes to work.

FEWER CHILDREN, MORE YOUNG ADULTS, MORE SENIORS

Changes in the age of the local population will significantly influence housing demand. In Stanislaus County, the biggest changes in age demographics occur with school age children (5 to 17), which represented 21% of the population in 2010, but would be expected to represent just 18% of the population in 2030; and in young retirees (between 65 and 74) which represented 6% of the population in 2010, but would be anticipated to represent 9% of the population in 2030. In general, compared to 2010, in 2030, Stanislaus County can expect fewer children, more young adults (20 to 39), and an increased representation of older adults and retirees (60 and up).⁴ The median age in Stanislaus County is anticipated to increase by 21% between 2010 and 2060.⁵

Proportion of Total Population by Age Group, Stanislaus County



⁴ State of California, Department of Finance, Report P-2: State and County Population Projections by Race/Ethnicity and 5-Year Age Groups, 2010-2060. Sacramento, California, January 2013.

⁵ California Department of Finance (DOF). 2013 (January). State and County Population Projections by Race/Ethnicity and 5-Year Age Groups, 2010-2060.

INFILL DEVELOPMENT ALONG THE CORRIDOR

The previously described trends are important for identifying infill development and reinvestment opportunities along SR 108.

The cities have the potential to capture market opportunities from changing demographics and changing demand patterns for housing, retail, and services oriented to:

- senior households;
- young adults, including community college students in Modesto,
- office workers and other professionals looking for the convenience of living near work, shopping, supportive services, and transit; and
- an increasingly diverse population (relative to ethnicity).

There is also an opportunity to take better advantage of existing demand from surrounding residential neighborhoods, where incomes are generally higher than in the three cities and the region as a whole. There is the potential to capture discretionary spending power from residential areas adjacent to SR 108 (nearly 38,000 residents live within approximately ½ mile of the corridor within the three cities). There are also opportunities related to discretionary spending from existing and future employees along the Corridor. There are several major employers within a mile of SR 108, particularly related to general government, education (including the nearby Modesto Junior College campus), local manufacturing (wine and food industries), and arts and entertainment. Employment clusters near SR 108 can attract future businesses and residents that prefer locations near jobs, shopping, and services. There are opportunities for health care-related operations and new businesses providing support services to major employers along the Corridor.

While there is limited near-term demand for additional housing and commercial space, there is strong long-term demand for rental housing and ownership housing that is affordable to a broader spectrum of current and future households. There is the need for,

TWO BIGGEST GENERATIONS WANT WALKABILITY

“With baby boomers now reaching retirement age, they’re looking for places that are walkable with good restaurants, volunteer opportunities and perhaps college courses they might be able to take.”

—USA Today, “Tourist towns transformed as retirement destinations” by Clarke Canfield, Associated Press, October 6, 2012

“More than 80 percent of young renters surveyed said they would choose a place to live in an urban area, or a suburban area that qualified as “urban lite.”

—Las Vegas Sun, “Generation Y wants housing Las Vegas has in short supply,” by J. Patrick Coolican, Tuesday, Jan. 25, 2011

Excerpted from Michelle Reeves’ Analysis and Recommendations for Branding.



and opportunity in certain portions of the Corridor to provide, affordable housing for seniors and working households.

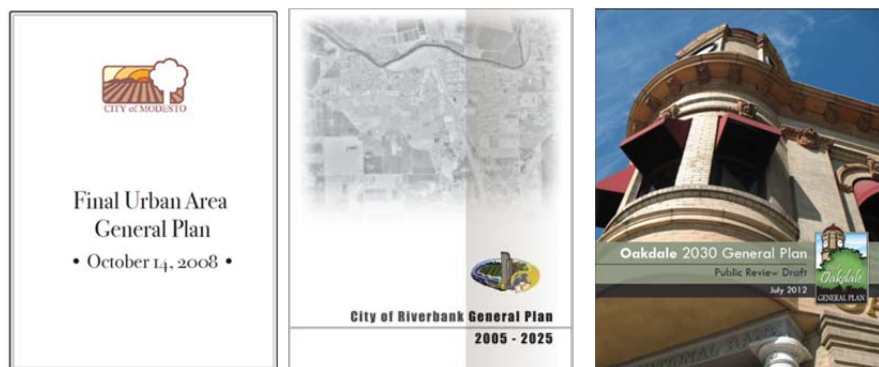
With demographic changes, Stanislaus County is anticipated to have fewer children, a greater number of young adults, and a greater number of seniors. These age cohorts could increase the level of demand for infill housing and services, including compact housing that could be provided along the Corridor. Recent research suggests the increasing numbers of Californians, particularly seniors and those reaching adulthood will desire smaller, higher-quality housing units located in walkable communities in closer proximity to work, shopping, services, and public transit.

The ability to produce quality housing that caters to young adults (without children) and seniors will be critical to attract new residents. This is important not only for meeting the housing needs of local residents, but also for economic development. Employers are often attracted to communities that can offer diverse housing options and attract and retain a diverse and skilled labor force. The SR 108 Corridor and surrounding neighborhoods present a prime opportunity to provide housing, services, and employment opportunities to existing and future residents of the region.

RELEVANT PLANS AND STUDIES

CITY GENERAL PLANS

The SR 108 Reinvestment Plan will help implement key provisions of the communities' General Plans. Each of the Cities' General Plans includes discussion and policies related to infill development and reinvestment. The communities envision that existing neighborhoods and commercial districts will become more walkable, vibrant, mixed-use areas with housing, jobs, shopping, and services in proximity to one another. All three cities seek to preserve and enhance historic neighborhoods, while allowing residential development in new growth areas. Through reinvestment in existing neighborhoods and commercial districts, the cities plan to improve transportation connections and to expand mobility options, both locally and regionally.



General Plans of Modesto, Riverbank, and Oakdale.

EXCERPTS FROM MODESTO'S GENERAL PLAN

"Communities or neighborhoods should be compact so that housing, jobs, daily needs, and other activities are within easy walking distance of each other. Communities should include a mix of compatible land uses within close proximity" (page III-14).

Infill is recognized as an opportunity to enhance the City's fiscal base. A community growth policy states "Development proposals in the Baseline Development Area do not require the same attention to fiscal impact analysis as in the Planned Urbanizing Area because projects will tend to be smaller, in-fill types, which will be served by existing infrastructure" (page II-4).

EXCERPTS FROM RIVERBANK'S GENERAL PLAN

The City is "committed to preserving the quality of life in existing developed parts of the City, while also striving to add vibrancy to areas with concentrations of underutilized property" (page LAND-8).

"Housing added in the Infill Opportunity Area would mostly consist of apartment buildings, condominiums, townhomes, small-lot single-family structures, and other more compact residential designs... the dominance of roadways and surface parking in the western portion of the Infill Opportunity Area would be reduced with the application of more pedestrian and bicycle-friendly concepts..." (page LAND-12)

EXCERPTS FROM OAKDALE'S GENERAL PLAN

"...vacant, underutilized, or in need of revitalization. The opportunity exists to remake the corridors into more intense, efficient, pedestrian friendly and visually pleasing destinations. The intent is to bring new vitality to the areas, encouraging public and private investment/reinvestment" (page LU-29).

"...explore potential incentives to promote desired infill, mixed use and economic development related opportunities [, including] priority processing, flexible development standards, density/intensity bonuses, fee deferrals, support of infrastructure upgrades and similar" (page IM-6).

VALLEY BLUEPRINT

StanCOG, representing Stanislaus County and the cities of Ceres, Hughson, **Modesto**, Newman, **Oakdale**, Patterson, **Riverbank**, Turlock, and Waterford, is part of the San Joaquin Valley Blueprint Planning Process. The planning process engaged 62 cities and 8 counties to approve the Valley Blueprint Preferred Growth Scenario and 12 Smart Growth Principles to guide development within the San Joaquin Valley.⁶

The 12 Smart Growth Principles offer relevant ideas for development and reinvestment in the SR 108 Corridor. The Principles relate to the mix of land uses, housing choices, options for transportation, urban design, fiscal sustainability, economic development, environmental stewardship, and a collaborative planning process. The SR 108 Reinvestment Plan illustrates how these Principles can be applied on the ground within the Corridor.

12 Smart Growth Principles

1. Create a Range of Housing Opportunities & Choices
2. Create Walkable Neighborhoods
3. Encourage Community & Stakeholder Collaboration
4. Foster Distinctive, Attractive Communities with a Strong Sense of Place
5. Make Development Decisions Predictable, Fair & Cost Effective
6. Mix Land Uses
7. Preserve Open Space, Farmland, Natural Beauty & Critical Environmental Areas
8. Provide a Variety of Transportation Choices
9. Strengthen & Direct Development towards Existing Communities
10. Take Advantage of Compact Building Design
11. Enhance the Economic Vitality of the Region
12. Support Actions that Encourage Environmental Resource Management.

⁶ More information is available at: http://www.valleyblueprint.org/files/images/Blueprint__Brochure_July_2009-BL2.pdf. Last accessed July 9, 2014.



SUSTAINABLE COMMUNITIES STRATEGY

The intent of the Sustainable Communities Strategy (SCS) is to integrate land use and transportation planning to GHG emissions from the transportation sector, in accordance with State law. The SCS is also the region’s transportation plan. While the SCS demonstrates per-capita GHG reductions, it is also focused on accommodating growth while promoting economic vitality, providing more housing and transportation choices, promoting healthy living, and improving communities through an efficient and well-maintained transportation network. The SR 108 Reinvestment Plan demonstrates land use/transportation strategies that could exceed regional per-capita GHG reduction targets.

Building upon the Valley Blueprint the RTP/SCS provides performance measures to help StanCOG monitor progress in implementation of the SCS. The performance measures are grouped under 3 topics: (a) Quality of life; (b) Mobility and accessibility; and (c) Environment and Sustainability, all of which are relevant for the SR 108 Reinvestment Plan and for guiding future infill development along the Corridor.

**Table 1-1
2014 RTP/SCS Performance Measures**

Quality of Life
• Jobs-housing balance
• Affordability of new housing stock
• Vehicle hours of congestion
• Average bike or walk trip length
• Percent of housing within one-half mile of parks and open space
• Percent of housing within 500 feet of a major transportation corridor
Mobility and Accessibility
• Percent of low-income and/or minority persons benefitting from roadway expenditures
• Percent of housing within one-half mile of frequent transit service
• Percent of low-income housing within one-half mile of frequent transit service
• Peak period transit ridership
• Percentage of congested lane miles
• Congested lane miles on major goods movement corridors
• Weekday vehicle miles of travel per capita
• Injury or fatality rate per 100,000 vehicle miles traveled

Environment and Sustainability

- Housing mix by housing type
- Total bikeway improvement funding
- Roadway maintenance
- Greenhouse gas emissions per capita
- Health-based criteria pollutant emissions
- Overall residential density
- Acres of land consumed per 1,000 new residents
- Total acres of land consumed by new development
- Total acres of Prime Farmland consumed by new development

Source: 2014 Regional Transportation Plan, StanCOG, March 2014

REGIONAL HOUSING NEEDS ASSESSMENT

A Regional Housing Needs Assessment (RHNA) Plan was adopted by StanCOG in September 2008, to address housing needs in the region between 2007 and 2014. Table 1.2 is adopted from the RHNA and shows housing allocations for the 3 Cities in the Plan area. Each of the jurisdictions' housing unit allocation calls for 39% of dwelling units to be affordable to lower-income households (very low and low), 19% to be affordable to moderate-income households, and 41% of dwelling units to be affordable to above moderate-income households.

As illustrated elsewhere in this Plan, the Cities have the opportunity to accommodate a range of housing types in certain locations near the SR 108 Corridor, including housing types that are currently underrepresented in the marketplace.

Table 1-2
2008 Regional Housing Needs Assessment

	Current Housing Units	%	Housing Unit Allocation per Income Category				Total Housing Units
			Very Low	Low	Moderate	Above Moderate	
Modesto	72,615	0.43	2,588	1,808	2,142	4,591	11,129
Riverbank	5,835	0.03	208	145	172	369	894
Oakdale	6,419	0.04	229	160	189	406	984

Source: StanCOG, 2012. Available: <http://www.stancoa.org/pdf/documents/other/2008-regional-housing-needs-assemnt.pdf>. Last accessed July 9, 2014.



AIR QUALITY

Air pollution in the San Joaquin Valley contributes to significant environmental and public health risks. In the Valley, the main concerns are related to dust (particulate matter) and smog (ozone). Transportation is the most important source of smog, so planning to reduce travel demand also has important health benefits.

HIGHER-DENSITY RESIDENTIAL MARKET DEMAND ANALYSES

The 2012 Market Demand Analysis for Higher-Density Housing in the San Joaquin Valley showed approximately 40% of the consumer demand for housing per year between 2010 and 2040 would be for relatively compact housing types (townhomes, apartments), and this strong demand is not just in the metropolitan areas.⁷ The analysis illustrates that the region has historically under-delivered on compact housing options, especially for households wishing to rent.

For Modesto, consumer demand for compact housing types would represent approximately 43% of total demand between 2010 and 2050. For Riverbank, consumer demand for compact housing types would represent approximately 34% of total demand between 2010 and 2050. For Oakdale, consumer demand for compact housing types would represent approximately 38% of total demand between 2010 and 2050. There is an opportunity to provide compact housing proximate to services, transit, and other amenities along the Corridor to respond to forecast demand.

⁷ The Concord Group. 2012 (June 22). Market Demand Analysis for Higher-Density Housing.