



April 27, 2006

TO: Transportation Authority of Marin Commissioners

FROM: Dianne Steinhauser, Executive Director

RE: Local Housing Incentive Program Application for the Town of Corte Madera's San Clemente Family Housing project – Agenda Item 7

Dear Commissioners:

Executive Summary

TAM's Local Housing Incentive Program (HIP) Call for Projects is open and continuous until March 2007, or until all funds are exhausted. On April 17, 2006, TAM received the first HIP application from the Town of Corte Madera for their San Clemente Family Housing project. The housing project is part of the San Clemente Mixed Use Development that includes a self storage facility, and a 79-unit rental apartment complex in which all units are affordable. The housing project is approximately 29 dwelling units to the acre consisting of three apartment buildings, a 3,000 square foot community building with a kitchen, computer class room, lounge, restroom and management office, and an outdoor recreation area with children's play structures, tables, benches, barbeques, turf area.

A total of **\$371,826** is requested for improvement of a portion of the Bayside Trail Park located directly across the street from the housing development. These improvements would complete a partially developed segment of the San Francisco Bay Trail to provide bicycle and pedestrian transportation and recreation options for residents of the housing development. For programming purposes, staff recommends that \$71,826 be made available to the sponsor during FY06/07 for engineering and environmental and \$300,000 available during FY07/08 for construction. The HIP program funds were part of the recent fund swap and will be using "local" money.

MTC staff concurs with TAM staff's findings and recommendations on this application.

Recommendation

1. Accept HIP Program Entitlement Timing Policy Exception for the Corte Madera San Clemente Family Housing Project
2. Find that the Corte Madera San Clemente Family Housing Project meets the Local HIP eligibility criteria
3. Direct staff to reserve \$371,826 for Corte Madera's Bayside Trail Park Improvement project with \$71,826 in FY 06/07 and \$300,000 in FY07/08, to be included in TAM's Strategic Plan

Background

The HIP program rewards local governments that build housing near transit stops. The key objectives of this program are to increase the housing supply in areas with existing infrastructure and services in place, locate new housing where non-automotive transportation options are viable transportation choices, and establish the residential density and ridership markets necessary to support high-quality transit service.

HIP funds are intended to be used for transportation capital projects that support Transportation for Livable Communities (TLC) goals. Typical capital projects include pedestrian and bicycle facilities that connect the housing project to adjacent land uses and transit; improved sidewalks and crosswalk linking the housing to a nearby community facility such as a school or a public park; or streetscape improvements that support increased pedestrian, bicycle, and transit activities and safety. The dollar amount of HIP funds that may be requested is determined by the density of the qualifying housing development and the number of affordable and market rate bedrooms that will be provided. The maximum grant amount per jurisdiction is \$500,000.

Once the qualifying housing project is found to meet the HIP eligibility requirements, TAM reserves the funds for the local jurisdiction. The local jurisdiction then submits details on the capital project to TAM using the Local TLC application process and follows all Local TLC program requirements for the capital project grant.

HIP Fund Swap – Local, not federal, dollars

The HIP program is funded with federal dollars. However, earlier this year TAM swapped these federal dollars for local Measure A Transportation Sales Tax funds to group federal money to the already-federalized Highway 101 HOV Gap Closure Project and allow HIP and TLC project sponsors to use local funds, which are easier and more cost effective to administer. These funds will be programmed in TAM's Strategic Plan to be adopted in June 2006. Because the housing project received a building permit and just broke ground, the project sponsor will need to move forward with the design and engineering of the transportation capital project. This is beneficial to have the timely delivery of TAM's first HIP capital transportation project. To support this, staff recommends that \$71,826 be programmed for FY 06/07 to allow for design and engineering and \$300,000 in FY07/08 for construction.

HIP Program Entitlement Timing Policy Exception

Typically, qualifying housing projects must still be in the development review process and have not already received development entitlements when application for HIP funds is submitted to TAM. MTC approved delegation of a portion of the Regional TLC/HIP program funds to local CMAs in February 2004. Subsequently, it took over a year for TAM to refine the Local HIP and TLC programs for Marin and to release a call for projects. This qualifying housing project received its entitlements on February 17, 2004. It is recommended that an exception be made to the entitlement timing requirement because we want to encourage and support these types of qualifying housing projects and don't want to penalize a local jurisdiction for the extra time it took for TAM to refine the TLC/HIP program and release a call for projects. This exception was discussed with MTC staff, who supports and concurs with TAM staff's recommendation.

Application Summary

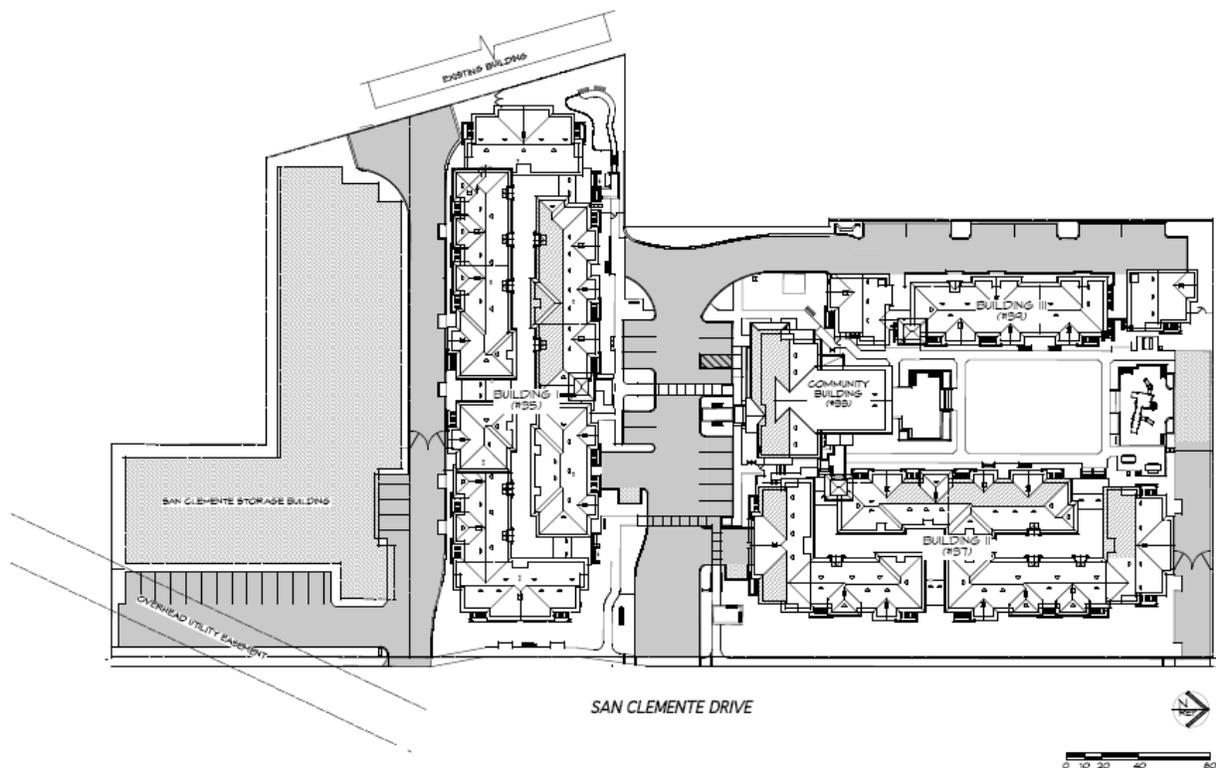
The total requested Local HIP Funds are \$371,826 with a required local match of \$48,174. The qualifying mixed use development consists of a 79-unit affordable apartment complex and a 68,665 square foot self-storage facility. The HIP funds will be used to make transportation

capital improvements to the Bayside Trail Park across the street from the qualifying housing project.

TAM staff reviewed the qualifying housing project's compliance with Housing Development Readiness Criteria, Housing Development Eligibility, and Basic Eligibility Criteria for the HIP Capital Transportation Project and find that the project meets the intent and spirit of all requirements, as further discussed below. MTC staff concurs with TAM staff's finding that the qualifying housing project meets the intent and spirit of the HIP eligibility requirements.

Qualifying Housing Project Description

The apartment component of the mixed use project will cover approximately 2.74 acres of the site (78% of the site area). Three apartment buildings totaling 68,820 square feet of floor area and a 3,000 square foot community building will surround a 16,000 square foot outdoor recreation area. The outdoor recreation area will include children's play structures, tables, benches, barbecues and a turf area. The 3,000 square foot, single-story community building will be adjacent to the outdoor recreational space. The community building will include a community room with a kitchen, computer class room, lounge, restrooms and management offices.



Two of the three apartment buildings (Buildings I and III) will be two and three story wood-frame structures. The third apartment building (Building II), located closest to and parallel to San Clemente Drive, will be a two-story wood-frame structure. Each of the residential buildings will be built on concrete podium decks at elevation +7 feet NGVD. From a finished grade of approximately +7 NGVD, Building II would be approximately 30 feet to peak, and Buildings I and III would be approximately 38 feet to peak.

Each of the apartment buildings will consist of stacked flat apartments, accessed from a landscaped podium deck or elevated walkway system. An elevator and two stairways will serve each building. The apartment buildings would be constructed over a semi-depressed parking garage (pad elevation of 3+ feet NGVD) Vehicular access to the parking garages and site would be provided by a 24 foot wide entry drive, designed to connect with San Clemente Drive.

All apartment units will be rented at below-market rates, serving households earning between 12% and 60% of the County median income, adjusted for household size. Affordability will be maintained for 55 years, based on median income levels and state and federal affordability requirements. All units will meet the accessibility standards of California Title 24. Five units will be fully equipped to be accessible for residents who are wheel-chair bound or who have other mobility limitations.

Qualifying Housing Development Eligibility Criteria

Walking Distance from Housing to Transit Stop—Housing developments must be within one third of a mile from the center of the housing development site to the transit stop via the shortest walking path leading to the transit stop. Housing developments that are within one half of a mile from a rail transit station or ferry terminal are also eligible.

Walking distance to existing transit stops at the Highway 101/Tamalpais Drive over crossing is approximately ½ mile and the San Clemente Family Housing project includes construction of a bus stop in the public right of way on San Clemente Drive immediately in front of the housing project. This bus stop is located 130 feet from the center of the project site. The Town required construction of this bus stop as a condition of approving the project. The Marin County Transit District and the Town of Corte Madera are currently negotiating the potential extension of an existing shuttle loop in Corte Madera to extend down San Clemente Drive to serve this new development. In addition, the bus stop at the San Clemente Family Housing site will be used for school bus service and will be available for transit services for the disabled, such as Whistlestop Wheels. The site used to be served by regular commuter transit service before the route was cut. The Town has committed to working with the Transit District to serve the project by transit when construction is completed.

Staff finds that the project meets the intent and spirit of this eligibility requirement because the Town required construction of transit supportive capital improvements by the developer to encourage reestablishment of transit service to the site, and that service extensions of a shuttle are currently under negotiation. Staff will continue to monitor the development of the transit service to ensure at least minimum transit service is in place prior to TAM programming the funds for the Capital project.

Pedestrian Path of Travel—A pedestrian path of travel from the center of the project to the transit stop must be provided and demonstrated on a scaled for distance map. The path must comply with the American with Disabilities Act (ADA).

Pedestrian path of travel from the center of the project to the new bus stop in front of the housing development would comply with all ADA requirements as required by law. A scaled distance map was provided in the application. The current path of travel from the qualifying housing project to the Highway 101/Tamalpais Drive bus pads does not meet ADA requirements due to driveway apron slopes exceeding the maximum allowable under ADA. Adjusting the aprons to meet ADA standards would require extensive grading on private property, possible

condemnation and/or right-of-way acquisition. The proposed Bayside Trail Park Improvement project would meet all ADA requirements and substantially improve the ADA compliant path of travel to the commuter bus pads at Highway 101. It appears that the proposed capital project addresses the lack of an ADA compliant path of travel in a more cost effective and efficient manner than the option of retrofitting existing driveway aprons on private properties. Therefore, the project will result in a substantially ADA compliant pedestrian path of travel.

Transit Headways—Housing development must be served by transit service (bus, ferry and/or rail transit¹) with 15-minute headways or less during the peak commute hours of 7-9 am and 4-6 pm. Documentation evidencing the transit peak headway service provided must be submitted.

The San Clemente Family Housing site is served by eight bus routes at three nearby bus stops. Collectively, these routes provide 15 minute headways during the peak commute hours. Table 3 in Attachment 1 shows the scheduled service for the morning and evening peak commute hours.

Housing Density—Housing development must meet a minimum density standard of 20 units per acre. Density per acre is determined by evaluation of the net area per acre available to develop. In addition, project sponsor must document the current zoning, and explain whether the Housing development meets or exceeds current zoning.²

The San Clemente Family Homes project will have a density of 28.8 units per acre. This is substantially in excess of the density allowed by the C-4 Commercial Service zoning on the property. The increased density is a result of density bonuses and other incentives that are allowed by the Affordable Housing Mixed Use (AHMU) overlay zone that also applies to the property.

Affordable Housing Bonus—If bonus for affordable housing is requested, Housing developments must identify number of units and level of affordability. For purposes of this program, TAM defines affordable bedrooms as bedrooms located in a housing unit with a monthly cost of no more than 30 percent of a low-income household's gross monthly income, adjusted for family size. Area median income and affordable income limits for extremely low, very low, and lower income households by family size are based on the figures released annually for every county and Metropolitan Statistical Area (MSA) by the U.S. Department of Housing and Urban Development (HUD).

The San Clemente Family Housing project will have 79 units with 159 bedrooms affordable to extremely low, very low, and lower income households. See Table 4 on Attachment 1: Corte Madera HIP Application for the number of bedrooms available by unit type and affordability level.

Basic Eligibility Criteria for the HIP Capital Transportation Project

These eligibility criteria apply to a local agency's selected transportation project after having been awarded a HIP Capital grant. Project sponsors must complete and submit the Local TLC application for their Capital Transportation Project to TAM.

¹ On a case-by-case basis, TAM will consider these criteria to be met if multiple transit routes or lines combine to provide effective 15-minute headways to and from major activity nodes.

² Housing developments must meet or exceed the current zoning requirements to receive HIP funding; TAM will not fund Housing developments that involve downzoning.

1. The project sponsor will be required to agree to the MTC project delivery requirements as described in MTC Resolution 3606.
2. The project will be required to be fully funded with Local HIP Capital funds and other funds that are in control of the local government agency and assigned to the project. The project will not be dependent upon other funding yet to be secured. The project sponsor will be required to provide a project budget showing all funding amounts and fund sources secured for the project, and describe how any funding shortfalls will be covered when the Capital Transportation Project is submitted.
3. The project may not be dependent upon another uncompleted major capital project.

Description of the Proposed HIP Capital Transportation Project:

The Bayside Trail Park Improvement Project will complete a partially developed segment of the San Francisco Bay Trail. This trail segment will provide bicycle and pedestrian transportation and recreation options for residents of San Clemente Family Housing, a 79-unit 100% affordable (low- and very low-income family housing) that is under construction directly across the street from the trail. San Clemente Family Housing is part of a mixed use project described in Part 2 of this application.

The Bayside Trail Park is a ½ mile-long strip of the former Northwestern Pacific Railroad right of way that runs parallel and adjacent to the east side of San Clemente Drive in Corte Madera (see Project Location map below). The trail, which runs the length of the park, is a segment of the San Francisco Bay Trail. Portions of the park have been landscaped, but most of the area is undeveloped and burdened with invasive species. The trail, which is planned to serve both pedestrians and bicyclists, is not improved to CalTrans standards. The Bayside Trail Park Improvement Project would improve the trail segment to CalTrans standards and landscape the park.

The park consists of three parcels that are average 90 feet wide and which extend approximately ½ mile. Total acreage is approximately 4.42 acres. The trail generally meanders through the center of the parcels. The Bayside Trail Park Improvement Project would maintain the general alignment of the trail. Trail improvements would consist of replacing sub base where needed, widening, and paving. Landscaping would be predominantly native species appropriate to the local environment. Amenities such as seating and trash containers would be installed.

Recommendation:

1. Accept HIP Program Entitlement Timing Policy Exception for the Corte Madera San Clemente Family Housing Project
2. Find that the Corte Madera San Clemente Family Housing Project meets the Local HIP eligibility criteria
3. Direct staff to reserve \$371,826 for Corte Madera's Bayside Trail Park Improvement project with \$71,826 in FY 06/07 and \$300,000 in FY07/08, to be included in TAM's Strategic Plan

Attachments:

1. Town of Corte Madera Bayside Trail Park Improvement HIP Application
- cc: James Corless (MTC)
Robert J. Pendoley (Town of Corte Madera)



APPLICATION

Local Housing Incentive Program Transportation Capital Program (HIP Capital)

The HIP Capital application consists of two stages and involves the use of two forms:

1. The HIP Capital Application (this document) consists of questions designed to determine if a housing development qualifies for HIP Capital funds. Local agencies submit this form initially. Submit 5 copies and one electronic copy of your application to TAM. This form is available as an editable Word file for download from the TAM website at www.tam.ca.gov.
2. After TAM has reviewed the HIP Capital application and verified eligibility of the housing development, the local agency is then requested to use the Local TLC Application to provide information to TAM about the transportation project it proposes to construct with the HIP Capital funds, prior to receipt of HIP funds.

HIP Capital Application

This initial HIP Capital application consists of three parts: 1) Basic Information; 2) Housing Development Readiness; and 3) Housing Development Eligibility. Detailed transportation project information is not required at this time. Refer to the Program Description for full details about the application process. **Refer to the attached HIP Application Attachment 1 for full details about the Housing Development Eligibility, Housing Development Readiness Criteria, and Basic Eligibility Criteria for the HIP Capital Transportation Project.**

Part 1: Basic Information

1.1. Project Title:

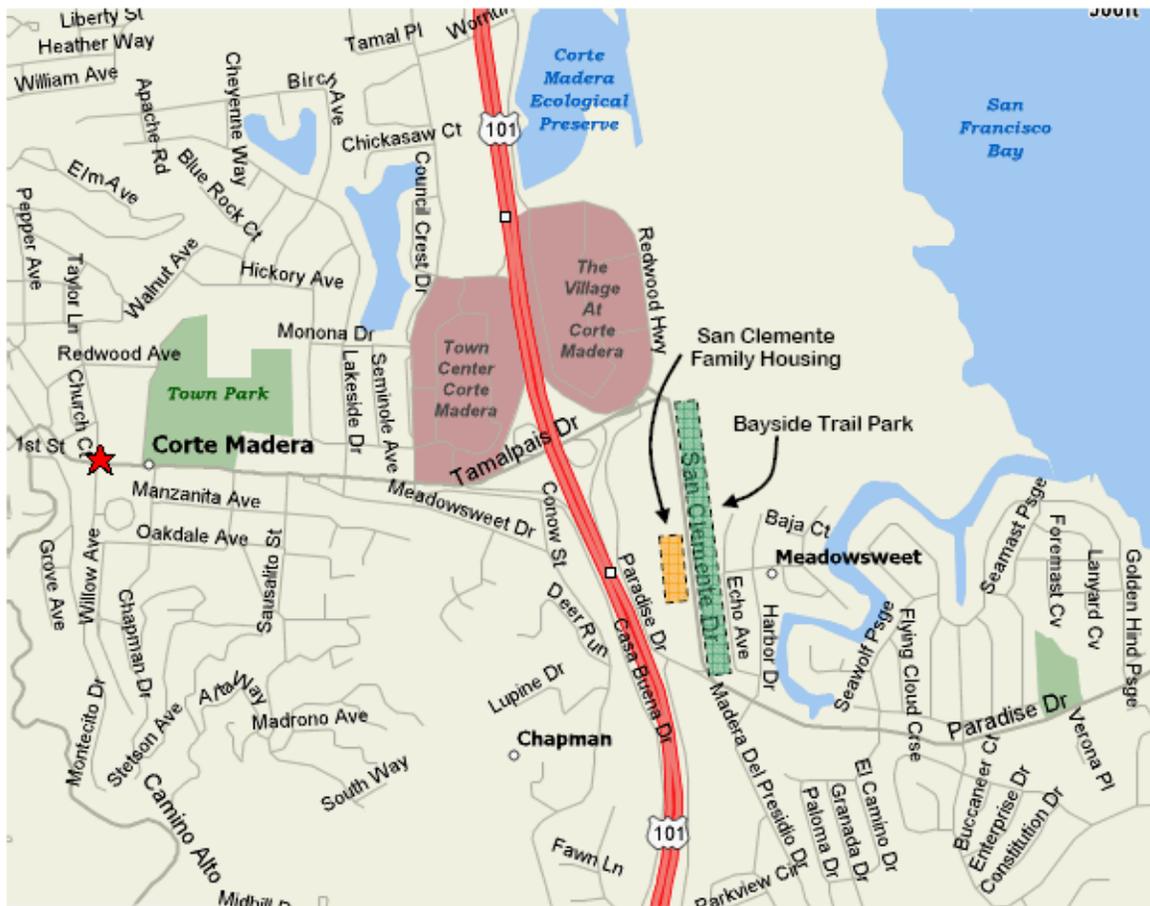
Bayside Trail Park Improvements

1.2. Transportation Project Description:

The Bayside Trail Park Improvement Project will complete a partially developed segment of the San Francisco Bay Trail. This trail segment will provide bicycle and pedestrian transportation and recreation options for residents of San Clemente Family Housing, a 79-unit 100% affordable (low- and very low-income family housing) that is under construction directly across the street from the trail. San Clemente Family Housing is part of a mixed use project described in Part 2 of this application.

The Bayside Trail Park is a ½ mile-long strip of the former Northwestern Pacific Railroad right of way that runs parallel and adjacent to the east side of San Clemente Drive in Corte Madera (see Project Location map below). The trail, which runs the length of the park, is a segment of the San Francisco Bay Trail. Portions of the park have been landscaped, but most of the area is undeveloped and burdened with invasive species. The trail, which is planned to serve both pedestrians and bicyclists, is not improved to CalTrans standards. The Bayside Trail Park Improvement Project would improve the trail segment to CalTrans standards and landscape the park.

Figure 1 Project Location Map



The park consists of three parcels that are average 90 feet wide and which extend approximately ½ mile. Total acreage is approximately 4.42 acres. The trail generally meanders through the center of the parcels. The Bayside Trail Park Improvement Project would maintain the general alignment of the trail. Trail improvements would consist of replacing sub base where needed, widening, and paving. Landscaping would be predominantly native species appropriate to the local environment. Amenities such as seating and trash containers would be installed.

1.3. Total Project Cost:

Total project cost is estimated at \$420,000.

Cost breakdown:

1. <i>Design</i>	\$50,000
2. <i>Permitting & Environmental Review</i>	\$20,000
3. <i>Construction</i>	
Topsoil	\$40,000
Grading and drainage:	\$97,000
Irrigation system:	\$59,000
Soil preparation:	\$36,000
Plant materials	\$45,000
Mulch	\$16,000
120 day maintenance	\$22,000
Contingency	<u>\$35,000</u>
Sub Total	\$350,000
<i>Total</i>	\$420,000

1.4. HIP Capital Funds Requested: \$371,826

1.5. Local Match: \$48,174

1.6. Sponsoring Agency: Town of Corte Madera

1.7. Co-Sponsoring Agency/Organization: None

1.8. Other Project Partners: None

Part 2: Housing Development Readiness

2.1. Planning Status of the Housing Development:

The housing project that is the basis of this grant application is part of the San Clemente Mixed Use Development, which is located on San Clemente Drive in the Corte Madera. This mixed use project has two parts:

- Village Self-Storage; and
- San Clemente Family Housing, a 79-unit rental apartment complex in which all of the units are affordable.

2.A.i. The Housing Development Site

The San Clemente Mixed Use Development project site comprises 3.51± acres at 25 San Clemente Drive. The property has 614 feet of frontage on San Clemente Drive, and is generally about 300 feet deep. The site is approximately one-quarter mile south of Tamalpais Drive, and about 300 feet east of US 101. The Bayside Trail Park and the Corte Madera State Ecological reserve are on the east side of San Clemente Drive, directly across from the housing site (see Fig. 1).

The project site is essentially flat, ranging in elevation from 0 to +6 feet NGVD, with a seven-foot drainage ditch crossing the site from east to west. A majority of the property has been used as a retail lumberyard, which ceased operations several years ago and was demolished in 2005.



Figure 2 Mixed Use Site, Looking North.

This view shows the self-storage facility under construction. The vacant area immediately to the right will be the residential portion of the mixed use project

The majority of the uses in the area around the mixed use project site are commercial in nature, and include large equipment rental, automobile and motorcycle sales and services, home furnishing sales, self-storage facilities, medical, professional and administrative offices, retail outlets and a restaurant. There is also a Sanitary District pump station, a California Highway Patrol Office, several vacant parcels, and some vacant buildings along San Clemente Drive. A public trail/path is located across San Clemente Drive, which is bordered by the Marina village and Marina Cove neighborhoods (developed with single-family residential homes that are primarily one-story).



Figure 3 Mixed Use Site, Looking South.

The self-storage facility under construction at the left edge of this photo The vacant area in the center will the residential portion of the mixed use project

2.A.ii. Housing Development Project Description

The mixed use development will consist of a 79-unit affordable apartment complex and a 68,665 square foot self-storage facility. The components of the project are described below. Figure 4 (following page) is a site plan for the mixed uses development showing the foot prints of the San Clemente Family Housing buildings and the self storage facility described below.

San Clemente Family Housing

The apartment component of the mixed use project will cover approximately 2.74 acres of the site (78% of the site area). Three apartment buildings totaling 68,820 square feet of floor area and a 3,000 square foot community building will surround a 16,000 square foot outdoor recreation area. The outdoor recreation area will include children's play structures, tables, benches, barbecues and a turf area. The 3,000 square foot, single-story community building will be adjacent to the outdoor recreational space. The community building will include a community room with a kitchen, computer class room, lounge, restrooms and management offices.

Two of the three apartment buildings (Buildings I and III) will be two and three story wood-frame structures. The third apartment building (Building II), located closes to and parallel to San Clemente Drive, will be a two-story wood-frame structure. Each of the residential buildings will be built on concrete podium decks at elevation +7 feet NGVD. From a finished grade of approximately +7 NGVD, Building II would be approximately 30 feet to peak, and Buildings I and III would be approximately 38 feet to peak.

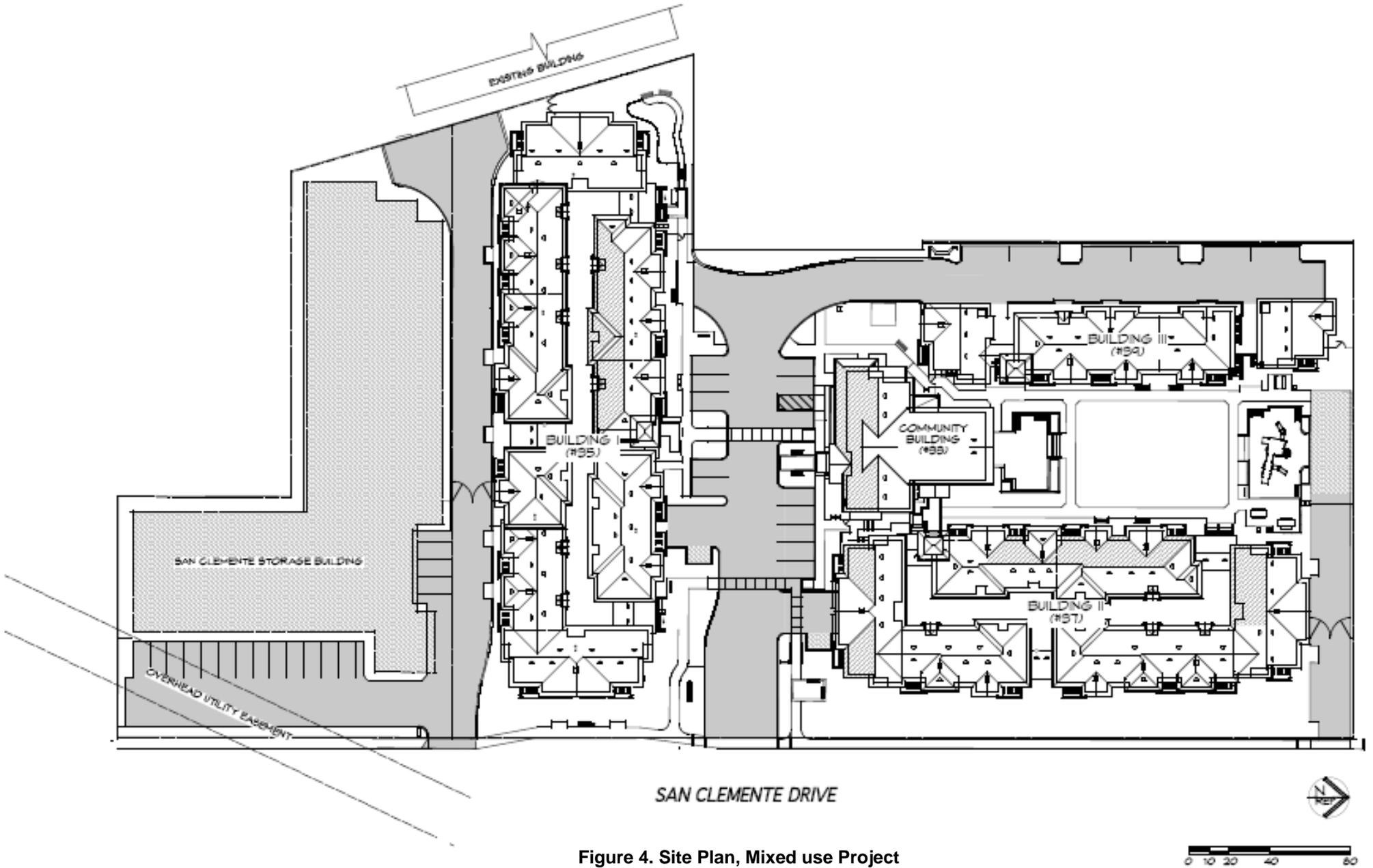


Figure 4. Site Plan, Mixed use Project



Each of the apartment buildings will consist of stacked flat apartments, accessed from a landscaped podium deck or elevated walkway system. An elevator and two stairways will serve each building. The apartment buildings would be constructed over a semi-depressed parking garage (pad elevation of 3+ feet NGVD) Vehicular access to the parking garages and site would be provided by a 24 foot wide entry drive, designed to connect with San Clemente Drive. There will be three unit types in the apartment complex as listed in Table 1 below. Each unit will include a private, outdoor deck or balcony.

Table 1 Unit Types

Unit type	Design	Square Footage	Total Number
A	One bedroom/one bath	680	21
B	Two bedroom/one bath	880	33
C	Three bedroom/two bath	1,020	25
TOTAL			79

The apartment buildings and community building will have horizontal wood lap siding and stucco exterior surfaces, with asphalt single roofs.

All of the apartment units will be rented at below-market rates, serving households earning between 12% and 60% of the County median income, adjusted for household size. Affordability will be maintained for 55 years, based on median income levels and state and federal affordability requirements.



Figure 5. San Clemente Family Housing
Buildings I and II viewed from San Clemente Drive

All of the units will meet the accessibility standards of California Title 24. Five units will be fully equipped to be accessible for residents who are wheel-chair bound or who have other mobility limitations.

Village Self-Storage

The self-storage facility is proposed as an “L” shaped building on 0.77± acres (22% of the site area). The portion closest to San Clemente Drive would have three stories, 31 feet to peak as measured from finish grade at +7 feet NGVD. The remainder of the building will be four stories, 38 feet to the top of parapet from finish grade at +7 feet NGVD. The 68,665 square foot building would

include a 900 square foot rental office and a 1,560 square foot manager's residential unit. An elevator and two stairways will serve each portion of the building. The metal frame building will be clad in cedar shingles with a block base and an asphalt composition shingle roof.

Access and Circulation

The parcels that comprise the mixed use development site have frontage on San Clemente Drive, a five-lane, undivided arterial street. Four lanes are for vehicular travel and there is a center turn lane. There is curb, gutter, and sidewalk on the west side of the street, adjacent to the mixed use project site. The Bayside Trail park, including the partially developed pedestrian and bicycle path, is on the east side of San Clemente Drive. HIP Grant funds will be used to improve this trail to CalTrans Class 1 standards

Vehicular and pedestrian access to the self-storage facility and the apartments will be separate. The apartment project will have a driveway off San Clemente Drive, 24 feet in width, located between Buildings II and III. A bus stop will be constructed in the public right-of-way, adjacent to Building I. Path of travel to this bus stop, and throughout the residential component of the project, will be 100% ADA compliant.

A 21-foot wide driveway off San Clemente Drive will provide access to the self-storage facility.

2.A.iii. Building Permit and Construction Timeline

The building permit for the self-storage component of the mixed use project was issued on February 28, 2005, and the self-storage building is currently under construction.

The building permit for the San Clemente Family housing component was issued on December 30, 2005. Construction started on April 17, 2006.

2.A.iv. Zoning and Entitlement

Zoning for the mixed use project was completed in 2003. Prior to the 2003 zone change, the property was zoned C-4, Community Service Commercial, a conventional zoning district that allows larger scale commercial uses such as automobile dealerships and building materials sales. On January 21, 2003, the Corte Madera Town Council rezoned the property to AHMU, Affordable Housing Mixed Use. The AHMU district is an overlay zoning district that is placed "over" existing zoning to offer incentives property owners to build affordable housing. The AHMU district provides Floor Area Ratio bonuses for commercial development and residential density bonuses for mixed commercial/residential projects in which 50% or more of the proposed housing is affordable.

The Corte Madera Town Council granted entitlements to the San Clemente Mixed Use Development project on February 17, 2004 when it approved the Design Review permit for the project.

2.B. Housing Development Financial Readiness:

The San Clemente Family Housing project is fully funded (see Table 2).

Table 2
SAN CLEMENTE FAMILY HOUSING PROJECT FINANCING
(Sources of Funds)

Lien Position	Name of Lender/Source	Amount of Funds	Type of Financing: i.e., Residual Receipts, Deferred Pmt.
1	Citibank Tax-Exempt Loan	\$5,667,000	Tax-Exempt Mortgage
2	HCD/MHP loan	\$7,700,000	residual receipts
	MHP NSSS	\$188,679	deferred
3	Marin County HOME	\$1,424,027	deferred
4	Sponsor Loan (Marin Community Foundation funds)	\$2,500,000	deferred
5	Marin County CDBG (put in as GP equity)	\$99,862	
6	City of Corte Madera Grant (put in as GP equity)	\$84,000	deferred loan
	Tamalpais Pacific Grant (put in as GP Equity)	\$200,000	
	City of Corte Madera Fee Waivers	\$1,881,552	fee waivers
	Deferred Developer Fee	\$489,515	
	General Partner Equity	\$1,417,984	
Total Permanent Financing			\$21,652,620
Total Tax Credit Equity			\$12,598,706
Total Sources of Project Funds			\$34,251,325

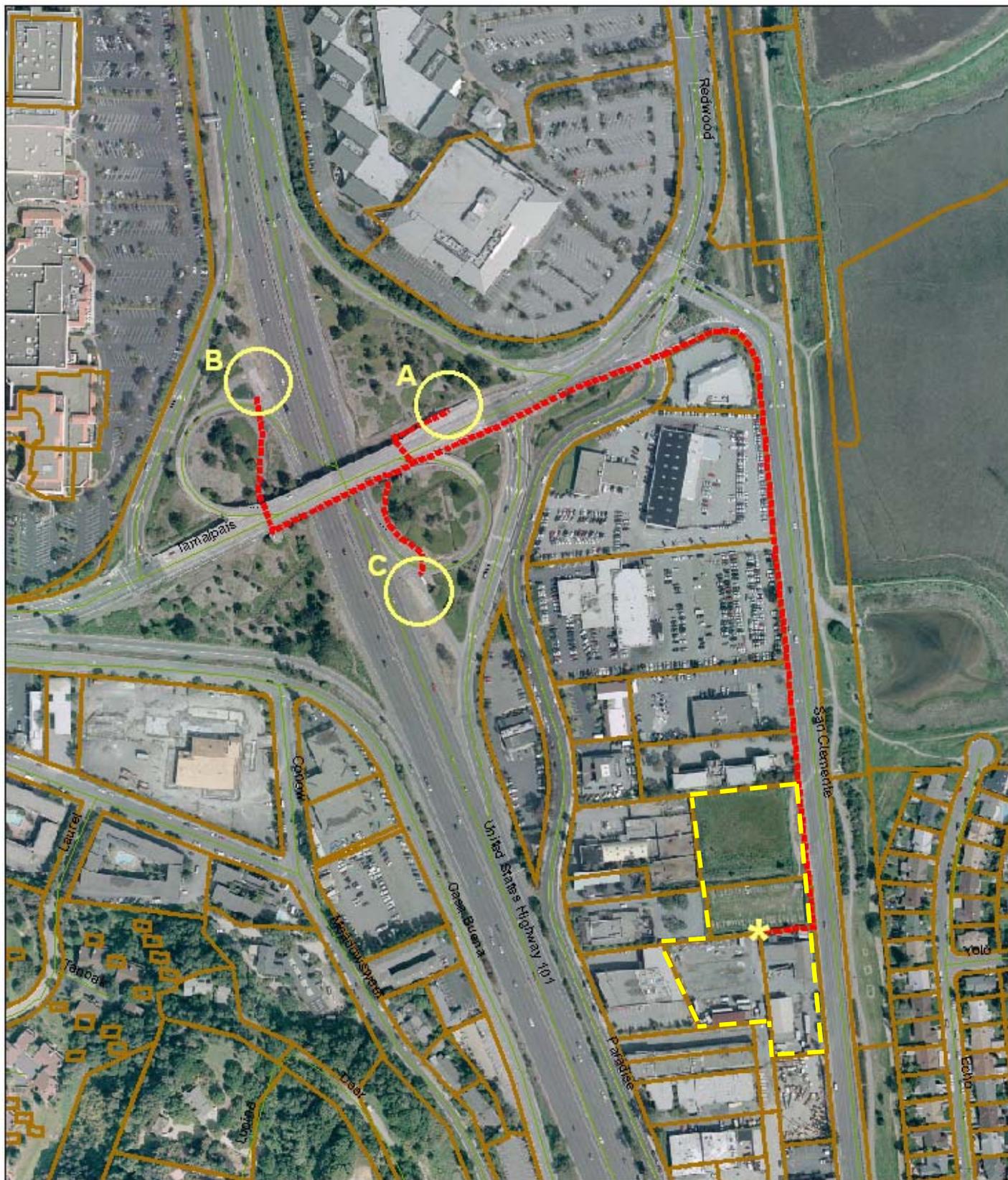
Part 3: Housing Development Readiness

3.1. Walking Distance to Nearest Transit Stop:

Eight transit bus routes provide service at three bus stops within walking distance of the San Clemente Family Housing site (see Figure 6 on the following page). Transit service for the site is provided by the Golden Gate Bridge Highway and Transportation District (GGBHTD) and the Marin County Transit District (MCTD). GGBHTD provides 1) "Basic Bus Route" service between Marin, San Francisco, Sonoma and Contra Costa counties, and 2) "Commute Bus Route" peak period/peak direction service. MCTD provides service within Marin to local destinations as well as to GGBHTD connections. GGBHTD and MCTD service the San Clemente Family Housing project at three locations:

- A. The Tamalpais Drive bus stop located on the Tamalpais over crossing. The pedestrian path of travel from the center of the San Clemente Family Housing site to this bus stop is approximately 2,325 feet. MCTD provides service to this stop with it's #18, 21 and 22 bus routes.
- B. The Paradise Drive Bus pad, south bound, located on the west side of Highway 101 at the Tamalpais Drive overpass. The pedestrian path of travel from the center of the San Clemente Family Housing site to the bus pad is approximately 2,400 feet. This pad is also serviced by the MCTD 24 and 36 bus routes and GGBHTD's 70, 71 and 80 routes.
- C. The Paradise Drive bus pad, north bound, located on the east side of Highway 101 at the Tamalpais Drive overpass. The pedestrian path of travel from the center of the San Clemente Family Housing site to the bus pad is approximately 2,700 feet. This pad is serviced by the MCTD 24 and 36 bus routes and GGBHTD's 70, 71 and 80 routes.

The pedestrian path of travel from the center of the San Clemente Family Housing site to the Paradise bus pads and the Tamalpais over crossing bus stop is shown in Figure 6, on the following page. The project site property boundaries are shown with a dashed yellow line, and the center of the site is marked with an asterisk (*). The pedestrian path of travel from the center of the San Clemente Family Housing site to the three transit stops listed above is shown in red. Please note that the aerial photo was taken prior to site clearance and the start of construction.



1 inch equals 300 feet
 0 75 150 300 Feet
 |-----|-----|-----|



Figure 6. Bus Stops and Path of Travel

The walking distance to the transit stops exceeds the preferred distance of one third of a mile. The distance to transit stops is mitigated by the following factors:

1. The San Clemente Family Housing project includes a bus stop located in the public right of way on San Clemente Drive, immediately in front of Building I of the housing project (see Figure 4). This bus stop is located 130 feet from the center of the project site. The Town required construction of this bus stop as a condition of approving the project.
2. Until recently, GGBHTD operated a commuter bus service route on San Clemente Drive. This service connected to other bus routes and stopped at the Larkspur Ferry terminal. The Town required the San Clemente Family Housing developer to construct the bus stop in order to take advantage of this route, which has since been discontinued.
3. The Town will request resumption of commuter bus service on San Clemente Drive, including the new bus stop upon completion and occupancy of the San Clemente Family Housing project.
4. The bus stop at the San Clemente Family Housing site will be used for school bus service and will be available for services for the disabled such as the Meals on Wheels jitney service.

3.2. Pedestrian Path of Travel:

The path of travel from the housing site to the transit stops does not meet ADA accessibility standards. The path of travel is on public sidewalks with marked pedestrian street crossings at the appropriate locations. However, many driveway aprons cross the sidewalk to provide vehicular access to the private properties that front the public right-of-way. The slope of these aprons exceeds ADA standards. Adjusting the aprons to meet ADA standards would require extensive grading on private property. This is not feasible at this time due to the costs and the likely need to condemn private property. This deficiency will be partly mitigated by the construction of a bus stop at the San Clemente Family Housing site in the immediately adjacent public right-of-way. This bus t

3.3. Transit Headways

The San Clemente Family Housing site is served by eight bus routes at three nearby bus stops. Collectively, these routes provide 15 minute headways during the peak commute hours. Table 3 below shows the scheduled service for the morning and evening peak commute hours. This information is taken from "Golden Gate Buss & Ferry Transit Guide," published by the Golden Gate Bridge Highway and Transportation District.

Table 3
San Clemente Family Housing Project

Route #	7:00 to 8:00 AM				8:00 to 9:00 AM			
Marin County Local Routes								
18	7:05	7:25	7:41		8:01	8:26		
21						8:26	8:33	
22	7:10			7:57	8:10			8:56
24								8:49
36			7:34		8:04		8:34	
Golden Gate Basic and Commute Routes								
70	7:08		7:36	8:00	8:10		8:36	9:00
71	7:06	7:30				8:30		
80		7:30	7:40			8:30	8:40	
Route #	4:00 to 5:00 PM				5:00 to 6:00 PM			
Marin County Local Routes								
18				4:54		5:21	5:46	5:59
21		4:26	4:33					
22	4:04			4:56	5:10			5:56
24			4:36	4:53	5:11			
36		4:27		4:57		5:27		5:57
Golden Gate Basic and Commute Routes								
70	4:00	4:30	4:44	5:00	5:10	5:30		6:00
71							5:36	
80		4:30	4:40			5:30	5:40	

3.4. Housing Density

Housing Development Eligibility criteria for the HIP grant require that the housing development must have a minimum density of 20 units per acre. The criteria also state that the density of the housing development must meet or exceed current zoning.

The San Clemente Family Homes project will have a density of 28.8 units per acre. This is substantially in excess of the density allowed by the C-4 Commercial Service zoning on the property. The increased density is a result of density bonuses and other incentives that are allowed by the AHMU Affordable Housing Mixed use overlay zone that also applies to the property.

The following analysis explains how the San Clemente Family Homes project complies with the density and zoning criteria for HIP funding.

Planning and Zoning Background Information

The San Clemente Family Homes site is zoned C-4 Commercial Service and AHMU Affordable Housing Mixed Use.

The C-4 district is a conventional commercial district that allows larger scale commercial uses that would not ordinarily be located in a shopping center, but which require freeway access and may be region-serving.

The AHMU is an overlay zoning district established to implement policies in the Town of Corte Madera Housing Element (adopted by the Town Council in August 2002 and certified by the California Department of Housing and Community Development in November, 2002). The AHMU district allows housing in addition

to the uses permitted by the “underlying” district. The AHMU offers developers the option of increased commercial floor area in return for building housing in mixed use projects. The AHMU also offers housing density bonuses in return for building affordable housing. The AHMU standards are optional. This means that the developer may follow the regulations of the underlying district, but in that case would not be able to develop the uses allowed by the AHMU or take advantage of the AHMU incentives and bonuses.

The Housing Element targeted a site at 25 San Clemente Drive consisting of four parcels and totaling 3.49 acres for rezoning to AHMU with a goal of constructing fifty affordable housing units. The rezoning was completed in 2003. The San Clemente Family Homes project was approved on the site on February 17, 2004. Various incentives and bonuses allowed by the AHMU were applied to the San Clemente Family Homes project.

Zoning Compliance

The C-4 Commercial Service district does not allow residential uses. Accordingly, the San Clemente Family Homes project exceeds the density permitted by the base district.

The AHMU Affordable Housing Mixed Use overlay district has a base density of 25 residential units per acre. A minimum of 50% of the units must be affordable to moderate-income, low-income, or very low-income households. Bonus units may be granted up to a density of 31.5 units per acre. At 29 units per acre, with all of the units meeting the affordability requirement, the San Clemente Family Homes project exceeds the density requirements of the AHMU zoning district.

Density Calculations

The San Clemente Family Housing project is the residential component of a mixed use commercial / residential project. The commercial component is a 68,000 square foot self-storage facility. The total site area for both elements is 3.49 acres. Each element is on a separate legal parcel. The San Clemente Family Housing parcel totals 119,172 square feet, or 2.74 acres. The entire site is flat and unencumbered by any constraints to development such as wetlands. Project density is calculated as follows:

$$79 \text{ units} \div 2.74 \text{ acres} = 28.8 \text{ units per acre.}$$

3.5. Affordable Housing Bonus

The San Clemente Family Housing project will have 159 bedrooms affordable to extremely low, very low, and lower income households. Table 4 lists the number of bedrooms available by unit type and affordability level.

**Table 4
Rent, Income, and Bedroom Data**

San Clemente Family Housing

INCOME INFORMATION

All the major financing programs have rent levels based on the Area Median Income (AMI) as defined by HUD. The area used by HUD is the counties of Marin, San Francisco and San Mateo. Incomes are adjusted for family size. HUD also makes a complex adjustment, more or less based on various cost of living calculations, to the overall AMI figures, with the result that the official AMI for a family of four for these purposes, at \$113,100, may be substantially higher (about \$18,000 this year) than the actual household median income in the area as determined by census and other HUD data sources.

Annual Income - Marin County, 2005

% of Median	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person
20%	15,840	18,100	20,360	22,620	24,420	26,240
25%	19,800	22,625	25,450	28,275	30,525	32,800
40%	31,680	36,200	40,720	45,240	48,840	52,480
50%	39,600	45,250	50,900	56,550	61,050	65,600
60%	47,520	54,300	61,080	67,860	73,260	78,720
100%	79,200	90,500	101,800	113,100	122,100	131,200

RENTS

Proposed apartment rents are then structured at various AMI levels to meet the requirements and scoring criteria of the various financing programs (tax credits, tax-exempt bonds, state Housing and Community Development MHP funds being the most important for San Clemente Family Homes). Income limits are adjusted for unit size based on a theoretical number of occupants. "Affordable" rents are set at 30% of the applicable income limits, net of a utility allowance (since residents pay their own gas and electricity bills).

The resulting calculations yield the table below, which defines the maximum rent limits by which it is currently anticipated that the apartments will be regulated. The regulatory limits are the AMI levels; the dollar amounts are the rent that applies to a given AMI in the current year, but may be adjusted annually. There is a final adjustment to ensure all rents are at least 10% below market rents, which affects the 60% units in 2005.

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
Bedrooms Per Unit	# of Units	# of Bedrooms	Proposed Monthly Rent (Less Utilities)	Total Monthly Rents (b x d)	Monthly Utility Allowance	Monthly Rent Plus Utilities	% of Area Median Income	Income Level

Extremely Low, Very Low & Lower Income Units

1	3	3	387	1,161	37	424	20%	Ext. Low
1	4	4	493	1,972	37	530	25%	Ext. Low
1	8	8	1,023	8,184	37	1,060	50%	V. Low
1	6	6	1,150	6,900	37	1,187	60%	Lower
2	5	10	460	2,300	49	509	20%	Ext. Low
2	9	18	587	5,283	49	636	25%	Ext. Low
2	11	22	1,223	13,453	49	1,272	50%	V. Low
2	8	16	1,300	10,400	49	1,349	60%	Lower
3	6	18	530	3,180	58	588	20%	Ext. Low
3	5	15	677	3,385	58	735	25%	Ext. Low
3	9	27	1,412	12,708	58	1,470	50%	V. Low
3	4	12	1,530	6,120	58	1,588	60%	Lower

Subtotal

	78	159		75,046
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Managers' Unit

3	1	3
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Total

	79	162
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Bedrooms

Bedrooms Per Unit	Extremely Low	Very Low	Lower	Manager's Unit	Total
1	7	8	6		21
2	28	22	16		66
3	33	27	12	3	75
Total	68	57	34	3	162