

CHAPTER II: ASSETS AND CHALLENGES

During the strategic planning process, community members identified several principal assets and challenges for the Sonoma Valley. Understanding these conditions — taking into account the physical, social and economic opportunities and constraints of the area — provides a basis for identifying improvement actions later in the plan.

The assets and challenges are divided the following categories:

Community Character and Residential Environment describes the physical and cultural environment of the area’s residential neighborhoods.

Commercial Corridor and Activity Hubs focuses on the conditions along Highway 12 and the activity centers that line the corridor.

Transportation, Parking and Neighborhood Connections explains traffic and circulation patterns, and the status of the area’s pedestrian, bicycle and automobile facilities.

Parks and Community Facilities discusses the condition and amount of the area’s open space and recreational amenities.

Programs, Services and Neighborhood Organizations highlights the public service and assistance programs that currently serve the area and identifies additional community needs.

Market Overview analyzes demographic and real estate conditions in the Redevelopment Project Area to provide a sense of the strengths and weaknesses in the local economy.

Community Character and Residential Environment



Modest-sized bungalows characterize the Redevelopment Area's housing stock.

The Redevelopment Project Area consists of primarily a mix of retail stores, offices and residences. Sonoma Valley Charter School is located toward the northern edge and several other schools, such as Flowery School, El Verano Elementary and Altimira Middle School, are located in the vicinity. Housing is characterized by small lots and modest-sized, low-rise bungalows.

Assets

The Redevelopment Project Area's ethnic and social diversity are sources of pride that help to create a distinctive community identity. The Redevelopment Project Area is home to both long-time residents and recent immigrants to this country.

The area has a vibrant mix of residential, retail and commercial uses. The commercial corridor exhibits a Latino flair that reflects the influence of the Hispanic population. Retail services are varied and contribute to an eclectic ambiance. The district boasts a rich history related to agriculture, tourism and local hot springs.

Some residents are able to invest in the community and to build closely-knit neighborhoods. Many generations of the same family choose to purchase a home together so that they can save money and maintain tight familial bonds.

Challenges

Many of the residences, originally constructed as summer vacation homes, lack necessities, such as insulation and heating, and suffer from deferred maintenance. These substandard conditions present fire and emergency preparedness concerns. There are also a number of underutilized, blighted, or vacant properties and lots in the area, both in residential neighborhoods and along the commercial corridor.

Not every family can afford to own their home in the area. Absentee landlords, limited code enforcement in residential neighborhoods, and a lack of curbs, gutters and sidewalks throughout the area contribute to a negative perception of the area's safety and security. Some problematic areas, such as Larson Park and behind the Sonoma Valley Charter School, could benefit from additional police surveillance. An expedited permitting process could also be a streamlined method of improving the physical appearance of the area.



Vacant properties limit the vitality of the Redevelopment Area's residential neighborhoods.

Commercial Corridor and Activity Hubs

Highway 12 is the commercial spine in the Redevelopment Project Area, an approximately two and a quarter-mile corridor featuring a mix of both neighborhood and regional-serving uses such as local-owned businesses, bodegas, restaurants and small offices.

There are three primary activity hubs along the corridor. One is located toward the south end of the Redevelopment Project Area at Fiesta Plaza, where an ‘L’-shaped configuration of retail stores surrounds a surface parking area. Another activity hub is centrally located in the project area near the Post Office (at Boyes Boulevard), Fairmont Sonoma Mission Inn & Spa, the Big Three Café, and the Barking Dog Café. At the north end, the Sonoma Valley Charter School, Flowery School, the Mentoring Alliance, the Teen Center and a number of small markets and business generate activity in a concentrated area.

Assets

The Highway 12 corridor features several local and Latino-owned businesses that offer a mix of community-serving and destination retail. The low start-up business costs help to fuel an entrepreneurial spirit in the community.

The prestigious Fairmont Sonoma Mission Inn & Spa is situated adjacent to the Redevelopment Project Area, just west of the Post Office. The Inn is an aesthetic and economic asset to the community, employing 500 workers (some of whom reside in the area) and attracting 100,000 guests each year. The owners of the Inn are committed to rejuvenating the surrounding neighborhood. They not only opened a popular café in the Redevelopment Project Area, but have also collaborated with nearby property owners, donating paint to improve building exteriors.



Local businesses line the Highway 12 corridor.



Many building facades along the corridor reflect the area's Hispanic population.



The Fairmont Sonoma Mission Inn & Spa is a economic and commercial anchor for the area.



Low-rise strip commercial development along the corridor detracts from the area's sense of place.

Challenges

The economic development potential of the area has been overlooked. The character of the corridor is predominantly older, low-rise strip commercial that lacks a sense of arrival and coherency. Some buildings and facades are abandoned, poorly maintained or underutilized. Despite the nearby Albertsons, some residents feel an even more accessible pharmacy and grocery store would serve the neighborhood.

Another limited factor is the predominance of small lots. The corridor is mostly built out, and the remaining parcels are too small to encourage large-scale investment. Though targeted infill opportunities do exist, lot consolidation would help make private investment in the area more attractive.

Blighted buildings, as well as a number of vacant lots, along the corridor negatively impact the perception of the commercial corridor. In addition to the negative physical perception of the area, illegal activity including crime, drugs, and gang activity present real issues that need to be addressed.

The lack of pedestrian destinations and pedestrian-friendly connections make the corridor intimidating and unwelcoming to people on foot. There is also a perceived need for more parking for the Fairmont Sonoma Mission Inn & Spa and other area businesses. Highway 12 links the City of Sonoma, south of the Redevelopment Project Area, to the City of Santa Rosa to the north.

Transportation, Parking and Neighborhood Connections

Assets

The foot and bicycle traffic demonstrate a willingness of residents to walk and bike to destinations in the area.

Challenges

Pedestrian and bicycle safety are critical concerns in the community. Despite high traffic volume and narrow shoulders without sidewalks or bicycle lanes, many residents travel by foot or by bicycle throughout the area. The typical volume of traffic on Highway 12 makes many intersections difficult for crossing, and the lack of sidewalks and bike lanes along the Highway creates a dangerous and uncomfortable environment. The corridor would benefit from universally accessible and ADA-compliant pedestrian crossings, as well as bike safety and traffic controls for the sight- and hearing-impaired.

The arterial draws a heavy volume of commuters and regional visitors through the area and frequently spills cut-through traffic onto residential streets. Residential neighborhoods in the Redevelopment Area also lack sidewalks, and there are few pedestrian or bicycle-friendly connections in the Redevelopment Project Area as a whole, especially east-west connections. The community is in need of designated footpaths and bike paths that can provide safe routes to schools, recreational resources and retail destinations.

Parking is insufficient along certain segments of the corridor and in some residential neighborhoods, due in part to people parking illegally. However, parking on residential streets may create a barrier for emergency vehicle access.

Public transportation is provided via bus to nearby destinations, such as nearby downtown Sonoma and regional destinations, however, residents would prefer more frequent service and additional transit amenities.



Traffic congestion is a persistent problem along Highway 12.



Parking is insufficient in some residential neighborhoods.



Many portions of Highway 12 lack sidewalks, forcing pedestrians to walk on the shoulder of the road.

Parks and Community Facilities

Assets

Maxwell Farms Park is partially contained within the Redevelopment Project Area’s southern boundary, adjacent to the Boys & Girls Club, and contains active sports fields and facilities, and passive open space. Larson Park, located just west of the area, serves the greater neighborhood and is a major asset to the community. Other recreational and community resources within the Redevelopment Area include: sports fields, the Valley of the Moon Boys & Girls Club, a Teen Center, and Flowery Elementary School.



Maxwell Farms Park includes the Macdougald Skateboard Park.

Challenges

Despite large amounts of open space in the region, there are limited usable parks the Redevelopment Project Area, nor are there pedestrian and bicycle-friendly connections to access these resources. The location of Maxwell Farms Park at the extreme southern end of the Redevelopment Project Area makes it difficult to access for some residents. Residents are concerned about safety and security issues at Larson Park, the Flowery School, and the Sonoma Valley Charter School. Larson Park also needs to be improved so that it is not flooded by Sonoma Creek during the rainy season.



The Valley of the Moon Boys & Girls Club is located at the southern end of the Redevelopment Area.

Programs, Services and Neighborhood Organizations

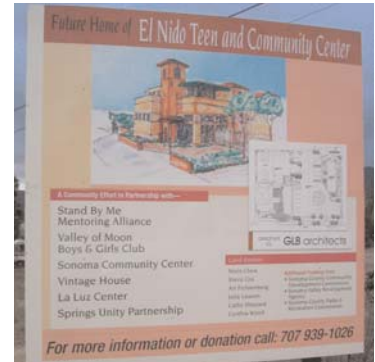
Assets

Residents appreciate their many strong community-based organizations that are committed to enhancing the area and addressing community concerns. Active neighborhood organizations and committees include: La Luz, STFCC, Vineyard Workers Services, Verano Springs Association, Sonoma Valley Community Health Center and many others.

There are a variety of public programs based in the area that provide valuable services to residents, such as healthcare, food and clothing distribution and career mentoring assistance.

Challenges

There is an overall lack of healthcare services, adult education programs, or enrichment and evening recreation programs for the community's youth. In addition, few community members are aware of the resources that are currently available to them.



Planned facilities, such as the El Nido Teen and Community Center, will help to fill a need for additional programs and services.

Market Overview

In addition to the physical assets and challenges of the Sonoma Valley, the area's existing and future economic conditions influence redevelopment potential. Analysis of the demographic make-up and real estate conditions within the Redevelopment Area and the surrounding neighborhoods helps to set expectations for the magnitude of change that is possible in the Sonoma Valley.

Demographic Conditions

To account for the local context that contributes to the market within the actual Redevelopment Project Area, the "Market Area" (including land inside the County's Urban Service Boundary that extends north from the Sonoma city limit) contains the Redevelopment Area as well as its related neighborhoods that fall outside the Redevelopment Area boundary, but are still historically and demographically connected to the Redevelopment Project Area.

According to the 2000 Census, the latest year for which detailed demographic data is available for the census designated blocks that most closely conform to the Market Area; the Market Area has roughly 15,200 residents, or three percent of the County's total population. Compared to the rest of the County and the City of Sonoma, the Market Area has a relatively high concentration of Hispanic population, accounting for 32 percent of the total population compared to 17 percent for the County and seven percent for the City of Sonoma. The Census Bureau's 2005 American Community Survey (ACS) indicates the proportion of Hispanic household residents has risen from a 16 percent share of Countywide household population in 2000 to 21 percent (or higher) today; comparable ACS estimates are not yet available for the City of Sonoma or the Market Area.

The population in the Market Area is relatively young compared to that of the City of Sonoma. Population between the age of 30 and 49 and those under 18, two groups that typically make up family households, represent 59 percent of the total population. The average household size in the Market Area is 2.73, larger than the countywide average of 2.60 residents per household, and much larger than the average household size of 2.07 for the neighboring City of Sonoma. Housing ownership rate in the Market Area is 58 percent, less than the County average of 64 percent or the City of Sonoma's 62 percent.

According to the 2000 Census data, the average household income for the Market Area was \$73,200 in constant (2005) dollars. However, the income level varies widely even within the Market

Area. For example, the areas closest to the Redevelopment Project Area boundary reported average household income in the \$50,500 to \$74,750 range while those on the periphery of the Market Area reported higher average household income levels, ranging up to \$130,800 in constant (2005) dollars.

Real Estate Conditions

As described in the “Community Character and Residential Environment” and “Commercial Corridor and Activity Hubs” sections of this chapter, the Market Area can be characterized as a stable residential neighborhood with neighborhood serving commercial establishments along the Highway 12 frontage. Except for a few small vacant parcels, the area is generally built out. The housing stock has a mix of single-family detached and low-density condominium/townhome units as well as several low-rise apartment units.

There are small eateries, cafes and mini grocery shops along Highway 12 primarily catering to the local residents and a number of auto-related service shops and some professional office space. The Fairmont Sonoma Mission Inn & Spa, a luxury hotel and spa, helps to draw visitors to the area and provides jobs to local residents. However, because it is located outside the Redevelopment Area boundary, tax revenues generated by the Inn are directed towards the County.

Current median housing price for the City of Sonoma and its surrounding areas is \$630,000, or \$430 per square foot.¹ Because the Market Area is located further away from the urban center, housing prices in the area may be lower than comparable housing units closer to the center of the City of Sonoma. However, an interview with a local broker indicates that the price difference, though real, is not significant.² There are a number of housing units from the Market Area currently on the market. The asking prices range from \$400 to \$500 per square foot.³

There are also a few vacant parcels along Highway 12 within the Market Area currently on the market. Both parcels are located on the northern portion of the Market Area. The first one is a 1.1 acre parcel zoned for rural residential, which allows up to three housing units per acre. There are two homes on the property in dilapidated condition, and the asking price is \$850,000.⁴ The second parcel is roughly 0.75 acres in size and an entitlement process is in place for eight office/apartment units. At the time of this writing, the current asking price is \$395,000.⁵



Blighted buildings present infill development and revitalization opportunities.



Vacant and underutilized lots can accommodate demand for new retail and commercial space.

Future Development Prospects

Given these conditions—and the largely built out character and competition from other markets in the region—it is unlikely that substantial land use changes of any kind will occur.

Existing residential areas are largely developed and there are no large tracts of land yet to be developed; thus future residential development will focus upon limited infill opportunities and reconstruction of existing homes. Redevelopment efforts will largely focus on small residential development opportunities and improving building conditions rather than large-scale new construction.

Without a substantial number of new housing units in the Market Area, there will be little additional demand for new commercial space. Demand from visitors to the area is expected to remain strong due to the affluence of the Bay Area region in general and attractiveness of the Sonoma Valley. Thus the demand for additional visitor-serving businesses (lodging, retail, etc.) can be expected to increase over time. Marketing, branding and other public improvement investments that make the Sonoma Valley even more desirable destination can further increase this demand.

Along with limited residential growth opportunities, competition for larger, regional-serving commercial development from the nearby cities of Sonoma and Santa Rosa will limit commercial development. Additionally, there are only a few vacant parcels of any size designated for commercial development. However, there is a considerable number of existing underutilized and aging commercial properties, and it can be expected that some redevelopment and revitalization of this existing retail and service commercial space will continue to occur over time.

This upgrading of existing commercial space is likely to be slow given that the existing retail uses, even as underutilized, are generating positive cash flow and the imputed land value may make it infeasible to replace existing retail uses with new, higher intensity retail uses.

Under these constrained land supply and market conditions it is unlikely that any substantial net new commercial development will occur in the Market Area. For example, another full size grocery store, which typically occupies a 10-acre site to accommodate a standard grocery size of approximately 55,000 square feet and an additional 30,000 square feet of in-line shop space, and requires as many as 5,000 households within its trade area for its sales (over \$25 million annually), is unlikely simply due to lack of adequate demand and competition from existing shopping areas in nearby communities. In addition to land use constraints, infrastructure limits including sewer treatment capacity and traffic will also constrain urban intensification in the Market Area.

Facing these constraints, future residential development in the Sonoma Valley will likely consist of:

- Infill of remaining residential parcels;
- Property rehabilitation; and
- Reconstruction and intensification (higher density development replacing existing lower density development) where zoning allows the higher density development

Commercial redevelopment will likely consist of:

- Expansion of visitor-serving facilities; and
- Reuse and redevelopment of existing commercial uses, including various new neighborhood-serving and specialty retail uses.

Footnotes

¹ Data Quick, San Francisco Chronicle Chart for the month of November 2005.

² Personal communication with a broker from Coldwell Banker, January 24, 2006.

³ Coldwell Banker Multiple Listing Service.

⁴ Personal communication with a broker from Griewe Real Estate, January 24, 2006.

⁵ See Footnote 2.



This site, located adjacent to the Flowery School, is slated for residential development.

Table 1 (revised January 11, 2007)
Summary of Existing (Year 2000) Demographic Conditions
Sonoma Valley Redevelopment Project Strategic Plan, EPS#15107

Item	Market Area (1)		Sonoma County		City of Sonoma	
	Number	% Total	Number	% Total	Number	% Total
Total Population	15,205		458,614		9,128	
Hispanic (2)	4,906	32%	79,511	17%	625	7%
Population by Age Cohort						
Under 18	4,062	27%	112,153	24%	1,694	19%
18 to 29	2,497	16%	67,882	15%	822	9%
30 to 49	4,951	33%	145,294	32%	2,556	28%
50 to 64	2,233	15%	75,308	16%	1,843	20%
Over 64	1,462	10%	57,977	13%	2,213	24%
Population in Households	15,110		447,512		9,037	
Average Household Size (3)	2.73		2.60		2.07	
Total Dwelling Units	5,826		183,153		4,671	
Vacancy Rate	5.1%		5.9%		6.4%	
Households						
Owner Occupied	3,217	58%	110,475	64%	2,706	62%
Renter Occupied	<u>2,310</u>	<u>42%</u>	<u>61,928</u>	<u>36%</u>	<u>1,667</u>	<u>38%</u>
Total	5,527	100%	172,403	100%	4,373	100%

(1) The Market Area is defined as a contiguous group of Census 2000 blocks that contain the Sonoma Valley Redevelopment Area, adjoining County land, and the unincorporated Boyes Hot Springs, El Verano and Fetters Hot Springs-Agua Caliente Census Designated Places (CDPs).

(2) The Census 2000 counts of populations formally defined as 'Hispanic' have been disputed for several enumeration areas, and the Hispanic count/percentage composition for the Market Area may be reported as higher in alternative sources.

(3) Population living in households divided by number of households. Excludes Group Quarters residents.

Source: Census 2000, Bureau of Labor Statistics, and Economic & Planning Systems, Inc.