



5/17/84

# N O R T H E R N N E W S

Volume 5  
Number 9  
May 1984

## Environment and Enterprise

### HEALDSBURG'S "TOP FLIGHT" MANAGEMENT TEAM PROVIDES FOR GROWTH AND PRESERVES ENVIRONMENTAL QUALITY

#### Development Opportunities Spur Growth of No. Cal Small Town

#### Where the Wine and Water Flow

During the last five years the City of Healdsburg has been responding to significant changes that have affected its economic development. A major reason for the continued success of Healdsburg's overall economic and community development program is the way in which the city has responded to the various changes and has taken advantage of the opportunities those changes offered.

#### Taking Stock

A small city of 7,600 residents located in Sonoma County's wine country, Healdsburg experienced major changes in the 1960's and 1970's that revealed new opportunities for economic growth and identified weaknesses in the economic base. A dramatic increase in wine-orientated tourism, caused by a shift in the town's agricultural emphasis from prunes to grapes, and development of Warm Springs Dam and Lake Sonoma recreational project to be completed in 1986, heightened awareness of the economic benefits of the wine and recreational tourist industry. Local geyser activity also offered increased opportunities for development of geothermal support firms.

Concurrently, a deteriorating downtown business district, problems of demolished buildings surrounding the central historic plaza, and dependence on two major employers, Boise Cascade and Fairchild Electronics, for more than one-third of the city's sales tax revenues and close to 40% of the utility revenue, forced the city to take stock of itself and seek a new framework and direction for economic development and stability.

#### Tools and Projects

Between 1978 and 1980, through what City Manager Mike McDonald admits began as a shotgun approach, Healdsburg began to assess various financial tools available to address those economic weaknesses and strengths and took positive steps to deal with those issues.

(continued on next page)

## APA/AIA Joint Seminar

### OVERCOMING OBSTACLES TO HIGHER-DENSITY HOUSING

Most planners, architects, housing advocates, and business organizations agree that higher densities of housing are necessary to meet the housing needs of the Bay Area. While this coalition may agree on the theory of higher density, in practice, they have had difficulty implementing it.

What can be done? How can those planners, architects, and others who recognize the need for increased residential density allay the fears and concerns of the neighborhood groups who oppose it, and of the elected officials who often are subject to and reflect those fears?

**David Burness** of the Housing Committee of the San Francisco Chapter, AIA; **Dan Marks** of People for Open Space; and **Brad Inman** of the Bay Area Council will present some of the lessons they've learned from their examinations of how to promote higher-density housing. The panel discussions will be moderated by **Paul Sedway** of Sedway/Cooke.

All members and guests of the AIA and APA are invited to attend this jointly-sponsored professional development seminar, which will be held May 23, from 7-9 pm at the SPUR Conference Room, 312 Sutter Street (fifth floor), San Francisco. (Parking is available at Sutter/Stockton Garage; transit: BART, MUNI, 3 blocks from Market.)

Wine and cheese will be served before and after the seminar. To register, please call Mr. Chi-Hsin Shao at 415/558-5423. and send your check (\$5/members, \$6/non-members, payable to APA) by May 21 to **Mr. Chi-Hsin Shao, 2447 32nd Ave., San Francisco, 94116.**

### SECTION ELECTIONS

Northern Section, Cal Chapter, APA is now accepting nominations for the positions of Director, Director Pro Tem, and Secretary/Treasurer. Candidates' statements should be 100 words maximum and must be submitted by **May 30** to Northern Section Election HQ, c/o Moore, Iacofano, Goltsman, 1824 A Fourth Street, Berkeley, 94710. The election will be held by ballot in the June issue of *Northern News*.

# HEALDSBURG

(continued)

By 1982, a full spectrum of new economic programs were put into place. A Community Redevelopment Agency (CRA) and an Industrial Bond Authority (IBA) were formed to encourage and assist in downtown development and to deal with development on a more competitive basis with larger cities having the same resources. Also, the Small Business Administration (SBA) certified Local Development Corporation (LDC) created ten years before was reactivated. Through the CRA, a \$100,000 fund of leverage capital has been made available to use as 10% injection in SBA 502 loan projects. SBA 7(a) and 503 loans are arranged through the Los Medanos Fund (Pittsburg Economic and Housing Development Corporation), Pittsburg, California, which is under contract to Healdsburg's LDC. The City Council serves as directors of the CRA and city staff is under contract as staff to all agencies.

Members of what Kurt Hahn, Healdsburg's Finance Director refers to as a "top flight" management team include City Manager Mike McDonald; the Public Works Director, a UDAG Specialist, City Bond Attorneys, the developer, and Mr. Hahn himself. Over 600 hours of city staff time that involved more than 40 out of town meetings went toward packaging the financing for the project. Hahn also credits the anchor tenants for highly skilled participation. The Safeway Corporation guaranteed the CRA financing and Thrifty Drug & Discount Store financed its store and a share of the public improvements.

## Focusing Effort/Gaining Support

It became apparent to city officials in 1982 that concurrent projects needed an overall plan to tie them together, to generate a consensus of community support and to more closely focus endeavors for future development. To accomplish this, the City Council requested technical assistance from the Regional/Urban Design Assistance Team (R/UDAT) sponsored by the American Institute of Architects. The team, comprised of a landscape architect and ecologist, rural planners, and economist, architects and designers, donated four days of their time to Healdsburg citizens, interest groups and city officials. They assessed Healdsburg's socio-economic base and geography, as well as current and potential projects. After intense evaluation and discussion, the team provided the city with an assessment and advisory report.

The R/UDAT report responds to the planning issues outlined by the community in ways that take advantage of growth opportunities without sacrificing Healdsburg's small town character or quality of life.

The report surmises that a population of 10,000—a responsible growth ceiling—would not give the city an economic base sufficient to compete with Santa Rosa, population 88,800, as a regional shopping area. The R/UDAT team recommended that Healdsburg focus its development efforts on stimulating the "destination tourist" industry, which they divided into two groups: one oriented to day-use of recreation facilities at Lake Sonoma/Warm Springs Dam, and one focused on the wine industry, which draws 300,000 visitors to the area annually. Strip commercial development along Dry Creek Road east of Highway 101 could service the Lake Sonoma tourist (as is currently addressed by the Dry Creek

Inn development). For six acres of vacant land immediately west of the town's central plaza, the report recommended that a first-class hotel and restaurant complex be sought to cater to wine tourist tastes. The team also advised the city to promote its wineries—three in the city and 85 in the area.

The R/UDAT report was well received by the entire community. According to City Manager Mike McDonald, one of R/UDAT's most valuable contributions to Healdsburg was involving all the citizens in the urban planning process. It also gave the City Council confidence and support which served as a springboard to pursue an aggressive planning and economic development program.

The R/UDAT study increased community efforts to promote tourism and the Healdsburg area as a whole. A tourism task force comprised of local merchants, travel and wine industry representatives and city officials made formal recommendations for development of a marketing strategy. The city Design Review Commission also began efforts to develop design guidelines for the downtown area.

## Keys to Success

Hahn cites three denominators common to all the city's successful economic development projects: (1) City officials give projects complete political support. (2) City officials and staff maintain close contact with all players in the development process, making themselves available to developers, architects, and attorneys, etc., to answer questions and resolve problems. (3) The city staff is well-coordinated, experienced and capable.

Healdsburg's staff oversees a \$14 million budget that has remained in the black despite the lean years of Proposition 13. City Manger McDonald considers the city's leadership and staff to be one of its best assets for doing business.

When one considers what Healdsburg has done in five years and what it plans to do in the next five, one understands that successful economic development isn't limited by population size. Healdsburg has put in place all the financial tools available to a municipality for creating projects, and has developed projects as sophisticated and innovative as any generated in a city fifty times its size. McDonald believes that the overall success of the city's economic development program may well be its ability to involve the entire community in the planning process, including very diverse interest and ethnic groups. Because community input is encouraged, the residents themselves design, direct and manage the growth of their own town. Acknowledging limitations as well as resources, recognizing opportunity, planning for and enacting programs—that's the pattern of action Healdsburg has adopted for effective economic development.

*This article was written by Pat Noyes of the Pittsburg Economic and Housing Development Corporation (PEHDC), with the cooperation of the staff of the City of Healdsburg.*

## Correx . . .

Names of several panel participants in the APA/AEP joint seminar were misspelled in the last *Northern News*. Corrections: **Barbara Sahn; Marty Abell; and Attorney Zane Greshan.**



# Northern News UPDATE...

The Northern Section Awards Banquet will be held June 20 at the Fort Mason Officer's Club in San Francisco. Details will be provided in the June newsletter.

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The Environmental Design Research Association's fifteenth annual conference will be held June 28 and 29 in San Luis Obispo.

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RFP for research on the professional needs of APA Northern Section members is being developed. Interested individuals should contact Section Director Steve Orlick for details.

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A goal-setting process for Northern Section was initiated last month at a special meeting of the Board last month in Sonoma County. A full report will appear in the next issue of Northern News.

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## Northern NewsMAKERS !!

Lois Jones has now joined the staff of the City of Santa Rosa Planning Department . . . Gail Odom, formerly of Jefferson Associates, has taken a position with the State Coastal Conservancy in Oakland . . .

### AICP Coordinator Sought

Northern Section is looking for AICP members to serve as AICP coordinator. The major activity once a year is the scheduling of a review seminar to assist AICP candidates to prepare for the examination. This is an excellent networking opportunity. For further details, please contact Section Director Steve Orlick at 707/664-2414.

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## EDITOR'S NOTE

### Address Changes

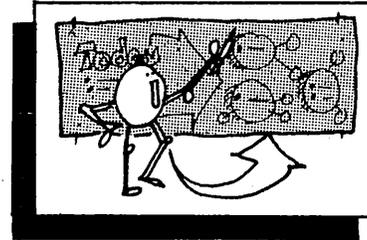
If you have a change of address and are an APA member, please report the change to the National APA Office, as we do not have the facilities here for altering the computer list of members.

If you are not an APA member, you may send your change of address to:

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