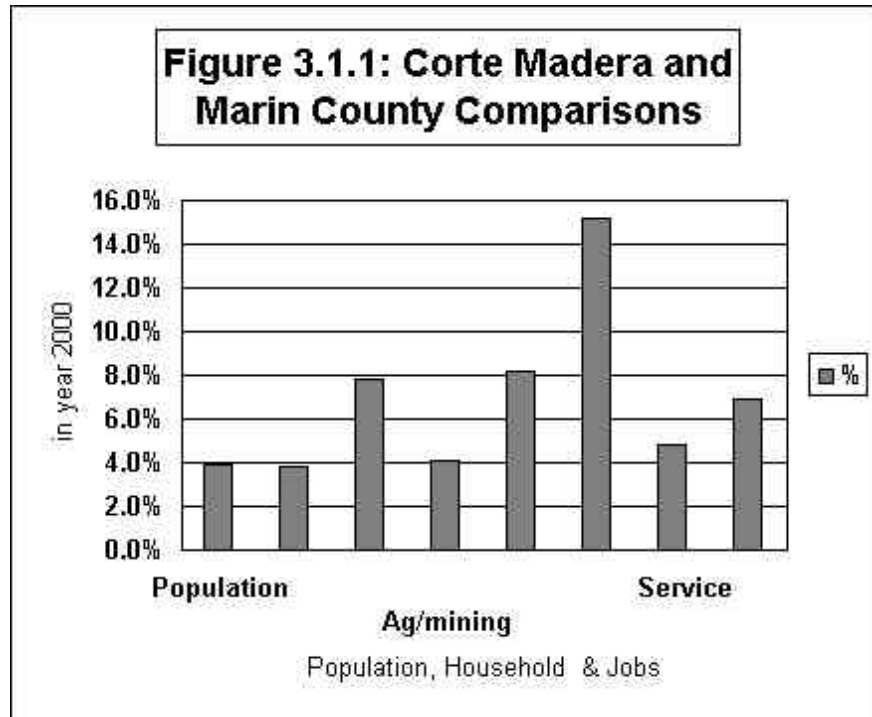

3.0 SOCIOECONOMIC CONDITIONS

3.0 SOCIOECONOMIC CONDITIONS

3.1 Introduction and Findings

This section of the Background Report provides statistical and related information on economic trends and opportunities in Corte Madera.

Key findings are that Corte Madera provides twice as many jobs per household as does Marin County, and almost four times as many jobs in the retail sector as the County. These findings are illustrated in **Figure 3.1.1**.



	Corte Madera	Marin Co.	CM's Share
Population	9,234	235,803	3.9%
Households	3,850	100,650	3.8%
Total Jobs	9,630	122,960	7.8%
Ag/mining	30	740	4.1%
Mfg & W/sale	780	9,530	8.2%
Retail	4,030	26,580	15.2%
Service	2,690	55,700	4.8%
Other Jobs	2,100	30,410	6.9%

3.0 SOCIOECONOMIC CONDITIONS

In 2000, Corte Madera had:

- a population of 9,234 residents, 3.9% of Marin County’s total,
- 3,850 households, 3.8% of the County’s households,
- 9,630 jobs, 7.8% of the County’s total jobs,
- 42% of its jobs in the retail sector (accounting for 15.2% of the County’s retail jobs), and generated \$4.42 million in sales tax revenues.

These ratios are not expected to change dramatically over the next 25 years, according to Association of Bay Area Governments (ABAG) projections. However, analysts anticipate increasing regional competition, with cities to the north on the Highway 101 corridor providing more large shopping centers. Corte Madera has little remaining room to expand economic development and office operations as the Town nears build-out; it is expected to retain its success as a high-end retail area, but some retail spaces will convert to office and service uses, gradually reducing the Town’s sales tax revenues.

3.2 Demographic Trends

Population

Population changes in Corte Madera are summarized below. Historic State Department of Finance data shows that the most notable are increases during the 1950-1970 period, when the Town grew from 1,933 to 8,464 residents, a nearly 450 percent increase in just 20 years.

<u>Year</u>	<u>Population</u>
1940	1,098
1950	1,933
1960	5,962
1970	8,464
1980	8,074
1990	8,272
2000	9,234

Table 3.2.1 shows demographic information for Corte Madera and Marin County in 1990, 2000 and projected data for 2025. (The population information and projections are from ABAG.) As shown, the population of Corte Madera has grown an average of 1% per year from 1990 to 2000, and is projected to grow to just over 10,000 by 2025 (an average of only 0.4% per year).

3.0 SOCIOECONOMIC CONDITIONS

**Table 3.2.1: Population Comparisons of
Corte Madera and Marin County**

	1990	2000	2025	% growth per year	
				90-00	00-25
Corte Madera					
Population (1)	8,374	9,234	10,100	1.0%	0.4%
Households	3,625	3,850	4,260	0.6%	0.4%
Population per HH	2.31	2.40	2.37		
Employed Residents	4,685	5,378	6,000	1.5%	0.5%
Total Jobs	8,070	9,630	11,980	1.9%	1.0%
Jobs / Housing Ratio	2.23	2.50	2.81		
Mean Household Income	\$84,900	\$105,900	\$131,100	2.5%	1.0%
Marin County					
Population (1)	221,548	235,803	269,400	0.6%	0.6%
Households	95,006	100,650	114,530	0.6%	0.6%
Population per HH	2.33	2.34	2.35		
Employed Residents	127,579	140,955	165,200	1.0%	0.7%
Total Jobs	107,410	122,960	163,270	1.4%	1.3%
Jobs / Housing Ratio	1.13	1.22	1.43		
Mean Household Income	\$98,900	\$123,200	\$145,300	2.5%	0.7%
Corte Madera's Share of Marin County					
Population (1)	3.8%	3.9%	3.7%		
Households	3.8%	3.8%	3.7%		
Employed Residents	3.7%	3.8%	3.6%		
Total Jobs	7.5%	7.8%	7.3%		
Mean Household Income	85.8%	86.0%	90.2%		

(1) Includes all persons living in households (excludes prison population)

Source: ABAG Projections 2002

During the same period, Marin County has grown from 221,500 (in 1990) to 235,800 (in 2000), and is projected to reach 269,400 by 2025 – an average growth of 0.6% per year.

3.0 SOCIOECONOMIC CONDITIONS

Corte Madera’s population represents 3.9% of the County’s total. This share has not changed significantly from 1990, and is expected to reduce only slightly (to 3.7%) by 2025.

The age distribution of the Corte Madera, Marin County, and Bay Area populations is shown below in **Table 3.2.2**. The population of Corte Madera is older than the population of the entire Bay Area but younger than the population of Marin County. As Table 3.2.2 reveals, Corte Madera’s population under the age of 17 constitute approximately the same percentage (25 percent) of the Town’s total population as the same group in the Bay Area as a whole. By contrast, this age group comprises a smaller percentage of Marin County’s population. Relative to the Bay Area, Corte Madera’s higher median age is attributable to the higher percentage of persons 65 years of age and older.

**Table 3.2.2 Age of Population in 1990 and 2000:
Corte Madera, Marin County and San Francisco Bay Area**

Age	Corte Madera		Marin County		SF Bay Area	
	1990	2000	1990	2000	1990	2000
Percent Under 5 Years	5.9	7.0	7.3	5.4	8.4	6.5
Percent 5 to 17 Years	13.3	16.4	10.8	14.9	14.5	17.1
Percent 18 to 64 Years	68.6	63.4	68.5	66.2	66.2	65.2
Percent 65 and over	12.2	13.2	13.4	13.5	10.9	11.2
Median Age (Years)	40.4	40.7	38.2	41.3	33.7	36.6

Source: ABAG, 1990 and 2000 Census

Of the approximately 9,200 residents of Corte Madera in 2000, approximately 53.2 percent were female. The majority (87.7 percent) of residents were white; the remaining 12.3 percent identified with other race categories as follows:

American Indian and Alaska Native	0.3
Asian and Pacific Islander	6.3
Black or African American	0.9
Other race	1.3
Two or More Races	3.6

Approximately 4.8 percent of the City's population identified itself as Hispanic or Latino. These percentages indicate that Corte Madera is less racially diverse than both Marin County and the rest of San Francisco Bay Area, for which non-white races constitute 21.5% and 41.9% of the population, respectively.

3.0 SOCIOECONOMIC CONDITIONS

Households

Corte Madera currently has 3,850 households (an increase of 0.6% per year since 1990) and is expected to grow to 4,260 households by 2025 (a growth rate of 0.4% per year). There were an average of 2.4 people per household in Corte Madera in 2000.

Marin County, meanwhile, has grown from 95,000 households in 1990 to 100,650 in 2000, and is expected to grow to 114,530 by 2025 (an average of 0.6% per year during both time periods). Corte Madera represents 3.8% of Marin County’s households, virtually the same share as for residential population.

Between 1990 and 2000, Corte Madera added 133 new housing units. The increase constitutes a 3 percent increase in the total housing stock, due in part to the Town’s built out environment and small area. At the same time, the Town’s vacancy rate decreased from 3.8 to 1.9 percent. This residential vacancy rate (rental and homeowner units) is lower than vacancy rates for both the County (4.1 percent) and the Bay Area (3.4 percent).

According to Census data, of the Town’s 3,776 occupied housing units in 2000, 72.5 percent were owner-occupied and 27.5 percent were renter-occupied. The low homeowner vacancy rates and rental vacancy rates of 1990 further decreased in 2000, to 0.3 percent for homeowner vacancies and 1.9 percent for rental vacancies. The average household size of owner-occupied and renter-occupied units increased only slightly over the 10-year period to 2.47 and 2.25 persons, respectively, in 2000 (Table 3.2.3).

Table 3.2.3: Housing Occupancy and Tenure, Town of Corte Madera, 1990 and 2000

	2000		1990	
	Count	Percent	Count	Percent
Total Housing Units	3,850	100	3,717	100
Occupied housing units	3,776	98.1	3,577	96.2
Owner-occupied housing units	2,738	72.5	2,490	69.6
Renter-occupied housing units	1,038	27.5	1,087	30.4
Vacant housing units	74	1.9	140	3.8
For seasonal, recreational, or occasional use	14	0.4	8	0.7
Homeowner vacancy rate (percent)	0.3	--	2.4	--
Rental vacancy rate (percent)	1.9	--	4.6	--
Average household size of owner-occupied unit	2.47	--	2.35	--
Average household size of renter-occupied unit	2.25	--	2.24	--
Units with over 1 person per room	--	--	37	--

3.3 Other Housing Issues

3.0 SOCIOECONOMIC CONDITIONS

Housing Stock

In 1990, the majority of homes were built between 1950 and 1970 (50.5 percent); with the additional 133 units added between 1990 and 2000, the median age of homes changed very little. The majority of housing stock in 1990 was single-family, detached, representing 66.8 percent of all housing units (**Table 3.3.1**). (Note: While the State Department of Finance estimated number of housing units for 2000 shown in Table 3.3.1 is higher than the actual 2000 census count and differ slightly from ABAG figures, they provide the best picture of changes in housing stock during the 1990s.)

Of the 189 *estimated* new units, 164, or 86.8 percent, are shown to be single-family detached homes. The remaining *estimated* 13.2 percent of units are comprised of 2-4 unit structures and attached single-family units. There was no estimated increase in the number of mobile homes or multifamily dwellings of 5 or more units. Preliminary building permit information indicates that indeed, the majority of housing units constructed between 1990 and 2000 were single-family homes; however, no information currently indicates whether these units are attached or detached.

In reality, the number of new units built during the 1990s is much smaller – only 133 units. Actual and estimated vacancy rates for the Town reflect this: Department of Finance estimates predicted a vacancy rate of 3.74 percent while the reported 2000 vacancy rate was 1.9 percent.

Table 3.3.1: Changes in Housing Stock, Town of Corte Madera, 1990 to 2000

Dwelling Type	2000		1990		1990-2000
	Units	% of Total	Units	% of Total	% Change
Single family, detached	2,646	67.7	2,482	66.8	6.6
Single family, attached	467	12.0	460	12.4	1.5
Multifamily, 2 to 4 units	212	5.4	194	5.2	9.3
Multifamily, 5 or more units	580	14.8	580	15.6	--
Mobile Homes, trailers	1	0.0	1	--	--
Total Units	3,906	100.0	3,717	100.0	5.1

Household Income

Corte Madera, like the majority of communities in Marin County, remains affluent as measured by household income. Corte Madera had a mean household income of \$105,900 in 2000, having risen at an average of 2.5% per year since 1990. This mean income is projected to rise to \$131,100 by 2025, an average of 1% per year. (All of these figures are in constant 2000 value dollars.)

3.0 SOCIOECONOMIC CONDITIONS

The mean household income County-wide is substantially higher, at \$123,200 in 2000. The growth rate since 1990 has been the same as Corte Madera's, at 2.5%, but is projected to slow to 0.7% per year between 2000 and 2025.

As shown, Corte Madera's mean household income is 86% of the County's figure. By 2025, that difference is expected to narrow to 90%.

Worker Housing

Approximately 28,000 workers commute into Marin County daily. The average cost of renting an apartment in Marin County is high compared to income levels, such that the average Marin worker cannot afford to live in Corte Madera.

As in most of Marin County, local wages are not keeping up with housing costs. Approximately 85% of the employed residents in Corte Madera work outside the Town, and 48.4% work outside Marin County. Out-of-town commuters usually hold higher-paying positions than the locally employed.

There is a recognized general lack of affordable housing in Corte Madera. According to the May 2000 Draft Environmental Impact Report for the Corte Madera Housing Element, priority for new affordable housing would be given to Corte Madera workers. The Draft Housing Element would encourage an adequate supply and variety of rental and ownership housing to meet the needs of local employees. When implemented, the Draft Housing Element would improve the jobs/housing imbalance by providing housing for current local employees. *(Note: the Town's Housing Element update is being conducted separate from and in advance of the remainder of the General Plan update. Additional information relative to housing may be found in related studies and documents for the Housing Element update.)*

According to the ABAG Regional Housing Allocation 1999-2006, Corte Madera has a total projected need for 179 housing units, 29 of those being very low income housing, 17 low income, 46 moderate income, 87 above moderate income, with an average yearly need of 24 units. Marin County faces significant challenges if it is to remain an attractive place to work and live. The discrepancy between wage and housing costs puts home ownership out of reach for many.

3.4 Employment Conditions

Of Corte Madera's 9,234 residents in 2000, 5,378 (58%) are employed. This ratio has stayed fairly constant over time and is also very similar to the ratio for Marin County as a whole.

A major difference appears, however, in *total* jobs. Corte Madera provides jobs for 9,630 people in 2000 – almost double the number of its employed residents. Because the town imports workers, it has an unusually high ratio of 2.5 jobs per household (typically referred to by public planning agencies as the “jobs-to-housing balance” or ratio. The number of jobs has increased by an average of almost 2% per year since 1990. While growth in total jobs is

3.0 SOCIOECONOMIC CONDITIONS

projected to slow to an average of 1% per year between 2000 and 2025, the ratio of jobs to housing will be even higher, at 2.8 in 2025, due to the projected slow rate of housing growth.

Marin County, in contrast, had fewer total jobs (123,000) than employed residents (141,000) in 2000. In other words, more of the County's residents work outside the County (e.g. San Francisco) than there are workers coming into the County. The County's ratio of jobs to housing was 1.22 in 2000, only slightly higher than in 1990. By 2025, however, the County is expected to have almost as many jobs (163,300) as employed residents (165,200), and the ratio of jobs to housing is predicted to rise to 1.43.

For the entire time period, Corte Madera has double the County-wide ratio of jobs to housing. As shown in the lower portion of **Table 3.5.1**, while Corte Madera accounts for about 3.8% of the County's population and households, it accounts for 7.8% of the County's total jobs in 2000.

3.5 Employment Trends

Table 3.5.1 also describes employment by sector for Corte Madera and Marin County in 1990, 2000 and projected for 2025. It also compares Corte Madera as a share of Marin County for each job sector over the same time period.

For Corte Madera, with 9,630 jobs in 2000, the lion's share of employment is in the retail sector - almost 42% of the total. The second largest sector (and the fastest growing, at 7.5% per year since 1990) is service, accounting for almost 28% of jobs. The agriculture and mining sector (0.3%) is insignificant; the manufacture and wholesale sector (8.1%) is minor.

In Marin County, with almost 123,000 jobs in 2000, the dominant sector is service, with 45% of the total. Retail trails with less than 22% of County-wide jobs. Agriculture/mining and manufacture/wholesale sectors are minor (similar to Corte Madera's ratios).

Projections of job growth between 2000 and 2025 do not show any dramatic changes. In Corte Madera, overall job growth will slow from 1.9% per year (1990-2000) to an average of 1% per year. None of the sectors will experience a disproportionate share of that growth. (The rapid increase in service jobs over the past decade is expected to level off.)

3.0 SOCIOECONOMIC CONDITIONS

Table 3.5.1: Employment Conditions

Corte Madera	1990	2000	2025	% growth per year		% of Jobs
				90-00	00-25	2000
Agriculture and Mining	40	30	40	-2.5%	1.3%	0.3%
Manufacture and Wholesale	920	780	960	-1.5%	0.9%	8.1%
Retail	3,680	4,030	5,130	1.0%	1.1%	41.8%
Service	1,540	2,690	3,450	7.5%	1.1%	27.9%
Other Jobs	1,890	2,100	2,400	1.1%	0.6%	21.8%
Total	8,070	9,630	11,980	1.9%	1.0%	100.0%
Marin County						
Agriculture and Mining	900	740	740	-1.8%	0.0%	0.6%
Manufacture and Wholesale	11,420	9,530	13,350	-1.7%	1.6%	7.8%
Retail	24,480	26,580	32,680	0.9%	0.9%	21.6%
Service	41,650	55,700	74,030	3.4%	1.3%	45.3%
Other Jobs	28,960	30,410	42,470	0.5%	1.6%	24.7%
Total	107,410	122,960	163,270	1.4%	1.3%	100.0%
Corte Madera's Share of Marin County						
Agriculture and Mining	4.4%	4.1%	5.4%			
Manufacture and Wholesale	8.1%	8.2%	7.2%			
Retail	15.0%	15.2%	15.7%			
Service	3.7%	4.8%	4.7%			
Other Jobs	6.5%	6.9%	5.7%			
Total	7.5%	7.8%	7.3%			

3.0 SOCIOECONOMIC CONDITIONS

In Marin County, overall growth in jobs will continue at almost the same rate (1.4% from 1990-2000, 1.3% from 2000-2025). The largest sector, service, will slow from an average 3.4% growth rate in the past decade to a 1.3% rate in the next 25 years. Retail will stay steady, at its average 0.9% rate. Manufacture and wholesale are expected to reverse a decade of decline (-1.7% annually from 1990-2000) and grow at 1.6% per year over the next 25 years.

The key differences between the employment picture in Corte Madera and Marin County are illustrated at the bottom of Table 3.5.1:

- Corte Madera accounts for 7.8% of all jobs in the County in 2000 - double its share of the population or housing units, and
- For the retail sector, that imbalance is doubled again, with Corte Madera representing over 15% of the County's retail jobs.

3.6 Retail Sector Analysis

Corte Madera's retail sector is the predominant influence on its economy, as well as generating major sales tax revenues to the town. This section will focus on the data and analysis of trends in this sector.

1990-2000 Statistical Analysis

Table 3.6.1 shows a detailed history of local sales tax revenues generated from Corte Madera's retail centers over the past 10 years. (The town receives 1% of each taxable sale as its share of the sales tax; thus the tax revenues shown here times 100 would show gross taxable sales.) To facilitate analysis, two summary categories were created: freeway-oriented centers vs. local and regional shopping areas. Note that all of these data have been converted to constant 2000 value dollars using the Consumer Price Index for the San Francisco SMSA.

In the year 2000, Corte Madera's retail sector generated a total of \$4.43 million in sales tax revenues. This is a 10% growth over the total in 1990. However, the growth was not steady. In the years 1991-92 to 1994-95, overall sales revenues were below 1990 levels, while they rebounded in the latter half of the decade.

In the freeway centers, the pattern was similar – below 1990 level in the first half of the decade followed by growth, with 2000 sales 13% above 1990. For local and regional areas, however, the pattern is almost reversed – increased sales from 1991-92 to 1993-94, followed by level or declining sales. In 2000, local sales were 88% of the 1990 level, a 12% decrease (all in constant 2000 value dollars).

3.0 SOCIOECONOMIC CONDITIONS

Table 3.6.1: Sales Tax Revenue 1990-2000 - Constant Dollars

	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000
Freeway Location										
The Village (Hann)	\$1,350,382	\$1,234,973	\$1,364,172	\$1,457,702	\$1,520,241	\$1,614,559	\$1,671,435	\$1,748,531	\$1,762,816	\$1,893,211
Corte Madera Center	\$703,039	\$734,407	\$710,196	\$712,254	\$803,660	\$835,589	\$899,891	\$984,131	\$963,222	\$937,446
New Motor Vehicle (1)	\$667,420	\$583,981	\$404,640	\$446,691	\$512,284	\$505,057	\$476,739	\$522,432	\$556,610	\$630,411
Other	\$207,081	\$241,751	\$229,551	\$251,872	\$262,502	\$266,342	\$294,731	\$347,684	\$421,895	\$563,555
Total Freeway	\$2,722,642	\$2,622,359	\$2,589,252	\$2,746,406	\$2,973,569	\$3,114,099	\$3,258,029	\$3,531,797	\$3,662,731	\$4,024,623
% Change from 1990	100%	93%	90%	94%	100%	102%	103%	108%	108%	113%
Local & Regional Serving										
The Market Place	\$104,308	\$114,380	\$128,527	\$131,444	\$117,908	\$98,342	\$100,429	\$105,351	\$112,121	\$124,410
Park Madera Center	\$42,197	\$64,634	\$72,017	\$73,887	\$62,803	\$67,993	\$67,801	\$64,678	\$69,739	\$74,716
Village Square	\$35,123	\$37,447	\$29,814	\$31,400	\$35,057	\$42,506	\$44,500	\$48,510	\$53,436	\$58,514
Tamal Vista/Madera area	\$108,351	\$109,213	\$117,485	\$140,024	\$118,411	\$150,327	\$161,257	\$95,898	\$105,246	\$56,337
Lucky/Nellen area	\$92,412	\$89,095	\$80,172	\$59,364	\$52,883	\$55,475	\$51,040	\$47,033	\$55,770	\$47,983
Paradise Shopping(2)	\$42,613	\$33,043	\$45,203	\$28,481	\$21,835	\$20,997	\$13,810	\$13,520	\$13,062	\$10,990
Home Occupation	\$35,760	\$24,632	\$28,449	\$22,574	\$28,750	\$27,017	\$25,427	\$35,271	\$27,678	\$31,200
Total Local Serving	\$460,764	\$472,444	\$501,667	\$487,174	\$437,646	\$462,656	\$464,263	\$410,262	\$437,052	\$404,150
% Change from 1990	100%	103%	109%	106%	95%	100%	101%	89%	95%	88%
Total All Retail	\$3,075,247	\$2,995,962	\$2,996,543	\$3,148,419	\$3,340,541	\$3,512,312	\$3,671,280	\$3,908,591	\$4,081,108	\$4,428,773
% Change from 1990	100%	94%	92%	95%	99%	102%	103%	106%	106%	110%

(1) Paradise/San Clemente/Casa Buena

(2) Shopping center redeveloped in 2000

Source: Town of Corte Madera Adopted Budget 2001-2002: Pages S40-S41

Consumers Price Index for San Francisco SMSA

3.0 SOCIOECONOMIC CONDITIONS

Table 3.6.2 provides a quick way to view the trends in the town's retail activities. With the total for each year equal to 100%, in the year 1990-91, freeway-oriented centers accounted for 88.5% of sales. The Village alone represented almost 44% of the total; the Corte Madera Center was second at almost 23%, and the cluster of motor vehicle sales businesses third at under 17%. All local and regional-serving centers combined accounted for 11.5% of the total.

Table 3.6.2: Sales Tax Revenue 1990-2000 - % of Annual Total

	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000
Freeway Location										
The Village (Hann)	43.9%	41.2%	45.5%	46.3%	45.5%	46.0%	45.5%	44.7%	43.2%	42.7%
Corte Madera Center	22.9%	24.5%	23.7%	22.6%	24.1%	23.8%	24.5%	25.2%	23.6%	21.2%
New Motor Vehicle	16.6%	15.4%	11.0%	11.7%	12.9%	12.4%	11.6%	12.3%	13.1%	14.2%
Other	5.2%	6.4%	6.2%	6.6%	6.6%	6.5%	7.1%	8.2%	9.9%	12.7%
Total Freeway Freeway Share	88.5%	87.5%	86.4%	87.2%	89.0%	88.7%	88.7%	90.4%	89.7%	90.9%
Local & Regional Serving										
The Market Place	2.6%	3.0%	3.5%	3.4%	3.0%	2.4%	2.4%	2.5%	2.6%	2.8%
Park Madera Center	1.1%	1.7%	2.0%	1.9%	1.6%	1.7%	1.6%	1.5%	1.6%	1.7%
Village Square	0.9%	1.0%	0.8%	0.8%	0.9%	1.0%	1.1%	1.1%	1.3%	1.3%
Tamal Vista/Madera area	2.7%	2.9%	3.2%	3.7%	3.0%	3.7%	3.9%	2.3%	2.5%	1.3%
Lucky/Nellen Area	2.3%	2.4%	2.2%	1.6%	1.3%	1.4%	1.2%	1.1%	1.3%	1.1%
Paradise Shopping (1)	1.1%	0.9%	1.2%	0.7%	0.5%	0.5%	0.3%	0.3%	0.3%	0.2%
Home Occupation	0.9%	0.7%	0.8%	0.6%	0.7%	0.7%	0.6%	0.8%	0.6%	0.7%
Total Local Serving Local Serving Share	11.5%	12.5%	13.6%	12.8%	11.0%	11.3%	11.3%	9.6%	10.3%	9.1%
Total All Retail	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

(1) Shopping center redeveloped in 2000

Source: Town of Corte Madera Adopted Budget 2001-2002: Pages S40-S41

Consumers Price Index for San Francisco SMSA

3.0 SOCIOECONOMIC CONDITIONS

By the year 2000, freeway-oriented centers grew to almost 91% of the total sales, with fairly similar shares represented by The Village (43%), Corte Madera Center (21%), and motor vehicles sales (14%). Local and regional areas shrank to a 9% share of the total.

Among the local-serving businesses, The Market Place has maintained a fairly steady share of 2.5% to 3.5% of total retail sales, with the most successful years from 1991-1994. Park Madera Center has gone from a 1% share in 1990 up to 2% in 1992, then held fairly steady ending at a 1.7% share in 2000. Village Square has stayed steady at about a 1% share of total sales. Tamal Vista/ Madera and Lucky/Nellen areas, on the other hand, have both experienced fluctuations and overall decline in retail sales: Tamal Vista/Madera went from a 2.7% market share in 1990 up to 3.9% in 1996, and is now down to 1.3%. Lucky/Nellen, meanwhile, went from 2.3% down to 1.1% in 2000. The smallest of the local areas, Paradise Shopping Center, has held a steady less-than 1% share of total sales.

The location of the Town's commercial centers is shown in **Figure 3.6.1**.

Figure 3.6.1

3.0 SOCIOECONOMIC CONDITIONS

Opportunities and Trends

Overall, Corte Madera has one great advantage and one great constraint on its retail economy:

- The advantage is location. Corte Madera has two freeway exits and shares a third with Larkspur. It is within 10 miles of the Golden Gate Bridge and is the first major shopping area north of San Francisco that has adequate parking and is perceived as being safe, clean, and well maintained.
- The constraint is space. Corte Madera is essentially built out. There is no room for additional commercial developments without removing existing businesses.

Statewide, there has been a trend in retail in favor of the two extremes: small, high-end boutiques at one extreme and the “big box” stores such as Costco are gaining larger shares, while middle-sized stores are losing ground. This trend is reflected in Corte Madera’s mix of retail businesses, for example the loss of the J.C. Penney’s. Upscale specialty stores are still thriving, but Corte Madera has no viable (available) space to expand into the “big box” retail area.

There is increasing regional competition along the Highway 101 corridor. Many other cities (notably Petaluma and Santa Rosa) share the same advantages of ample parking, freeway access, and a perception of safe, clean, well-maintained facilities. They are farther away from San Francisco, but have growing populations of their own and ample developable land. Some cities are also taking a more aggressive proactive stance toward new business (especially those with available land for development), whereas Corte Madera may be perceived as having taken a more neutral position toward new economic development opportunities in the last five to ten years.

Office Space Availability

While retail centers are more prevalent, Corte Madera is beginning to move toward more office and service sector developments and away from its heavy reliance on retail sales business, according to real estate analysts.

Corte Madera’s vacancy rate in retail and office commercial tends to parallel but stay below the San Francisco North Bay Area average. For example, Corte Madera currently has a 10% vacancy rate, while the North Bay Area has close to 17%. This reflects the Town’s favorable conditions within the region.

Neighboring towns to the north, Larkspur and San Rafael, have a higher inventory of Class A office space. Corte Madera has historically had more modest amounts of Class B office space available, although several office development projects in and around the Highway 101 corridor have changed the appearance of Corte Madera’s office space market. Additionally, the region has seen a trend toward converting from older and underutilized retail centers to office businesses.

3.0 SOCIOECONOMIC CONDITIONS

Center-by-Center Analysis

A. Freeway Centers

The Village (Hann) is the highest performing center in Corte Madera. It is a privately held development; lease rates are in the range of \$5/sf, which is high, but reflects the desirable market. In peak seasons, the parking lot is over-full, even with employees parking off-site.

Corte Madera Town Center has lease rates of \$4/sf retail and \$3/sf for office, close to the rates at The Village. It recently underwent a change with J.C. Penney's leaving, replaced with a health club (little taxable sales) and REI store. This is typical of retail trends, with mid-range stores being replaced partially with high-end retail, partly with non-retail (less revenue generating) businesses.

New motor vehicle sales are in four outlets: Team Chevrolet/GMC, Honda, Acura, and Subaru/Saab. Team Chevrolet is planning to move out of the area, which will reduce sales tax revenue from this source unless a replacement dealership is found. All of these are well-maintained, easy access, successful businesses.

Other freeway-oriented businesses include a motorcycle dealership, motorcycle repair and a home improvement center. All of these are perceived as being well maintained and successful.

B. Local and Regional Commercial

The Market Place, originally built in the 1960's by the Berkeley Coop, now has a cross section of retail, bookstores, and restaurants. Lease rate is \$3.50 to \$4/sf. This center is also considered well maintained and successful.

Old Court Village Square is a traditional downtown area with a cross-section of services, retail, and restaurants. Lease rates are \$2.50 to \$2.75/sf.

Tamal Vista/Madera area borders on the freeway but is mostly local serving, including offices, theater, some retail. It also includes a small motel. Lease rates are \$3/sf.

Lucky/Nellen area also leases in the \$2.50-\$3/sf range. It is tending to move from retail toward increasing office uses.

Paradise Shopping Center has recently been renovated, and includes the recent addition of the Paradise Market. It has experienced some traffic/circulation problems but appears successful. Leases range from \$2.75-3.50/sf.

3.7 Town Property and Building Valuations/Town Budget

3.0 SOCIOECONOMIC CONDITIONS

Property Valuation

The total assessed property value in Corte Madera in 2000-01 was \$1,340 million. **Table 3.7.1** is adjusted for inflation using the CPI for the San Francisco metropolitan area, enabling a comparison of property values over time in constant 2000 value dollars.

As shown, total property value in 1991-92 was \$1,088 million, which held quite steady for the next three years. From 1995-96 to 1997-98, values increased, hovering at 5-6% over their 1991 level. After another increase in 1998-99, total value then jumped to 20% greater in 1999-00 than in 1991, and in 2000-01, it increased to 23% above the 1991 level.

3.0 SOCIOECONOMIC CONDITIONS

Table 3.7.1: Property Values - 1991 to 2001

	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01
Nominal Value (\$ million)	\$832.9	\$847.3	\$886.7	\$911.5	\$958.2	\$991.2	\$1,031.0	\$1,106.8	\$1,251.1	\$1,340.0
Constant Value (\$ million) (1)	\$1,088.3	\$1,071.4	\$1,092.1	\$1,104.6	\$1,142.7	\$1,151.7	\$1,158.3	\$1,205.1	\$1,306.9	\$1,340.0
% Change from 1991	100%	98%	100%	101%	105%	106%	106%	111%	120%	123%
<hr/>										
(1) CPI (SF SMSA)	137.9	142.5	146.3	148.7	151.1	155.1	160.4	165.5	172.5	180.2
2000 base year	77%	79%	81%	83%	84%	86%	89%	92%	96%	100%

Source: Town of Corte Madera Adopted Budget 2001-2002
San Francisco SMSA Consumers Price Index

Town Valuation Information Over Time - 1990 to 2000: In constant 2000 Dollars

	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000	2000-2001
A/V - Nominal Dollars	832,867,654	847,269,072	886,688,988	911,470,115	958,156,032	991,240,802	1,031,013,348	1,106,778,983	1,251,050,290	1,340,027,568
A/V - Constant Dollars	1,088,344,824	1,071,423,767	1,092,148,706	1,104,552,217	1,142,685,089	1,151,654,368	1,158,283,075	1,205,085,032	1,306,894,274	1,340,027,568
% increase from 1990	100%	98%	100%	101%	105%	106%	106%	111%	120%	123%
	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000
CPI (SF SMSA)	137.9	142.5	146.3	148.7	151.1	155.1	160.4	165.5	172.5	180.2
2000 base year	77%	79%	81%	83%	84%	86%	89%	92%	96%	100%

3.0 SOCIOECONOMIC CONDITIONS

Building Valuation

Building valuation data indicate a peak in residential permitting during the mid-1990s, after which valuation declined until the 2000-2001 fiscal year. Given that the Town is essentially built out, the valuation figures in **Table 3.7.2** are most likely attributed to improvements to existing residences. Commercial valuation figures follow less of a trend than residential valuation figures; however, they have generally increased since 1992.

**Table 3.7.2: Building Valuation Data, Town of Corte Madera,
1992 – 2000**

Fiscal Year	Commercial Valuation	Residential Valuation
1992 through 1993	\$2,288,600	\$2,403,946
1993 through 1994	\$4,650,695	\$4,333,569
1994 through 1995	\$2,518,313	\$4,282,857
1995 through 1996	\$4,273,343	\$11,185,113
1996 through 1997	\$5,658,252	\$17,001,84
1997 through 1998	\$7,029,337	\$16,728,267
1998 through 1999	\$3,610,770	\$8,411,684
1999 through 2000	\$12,776,256	\$7,570,024
2000 through 2001	\$8,587,965	\$8,362,884

Source: Town Corte Madera Building Department

Town Budget

The adopted Town Budget for the 2001-02 Fiscal Year shows estimated revenues of \$14.1 million, with recurring operating expenses of \$12.0 million. Non-recurring expenses, including Capital Projects, total \$4.4 million. The Preliminary Town Budget for the 2002-03 Fiscal Year shows estimated revenues of \$14.4 million, with recurring expenses of \$13.2 million.

The Town's General Purpose tax revenues have shown steady increases over the last five years, from \$7.1 million received in the 1996-97 Fiscal Year, to \$9.5 million in the 2000-2001 Fiscal Year. Estimates for the 2001-2002 Fiscal Year project \$9.8 million in tax revenues, with sales tax providing 55% and property tax 23% of the totals.