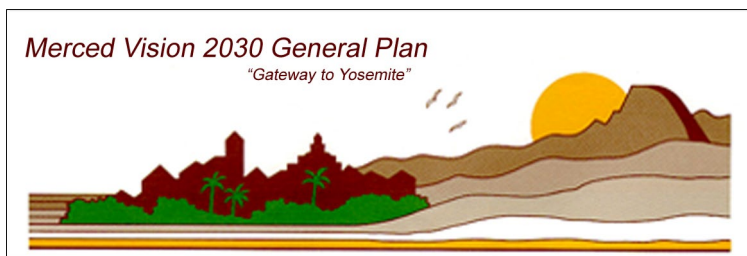


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Chapter 3

Land Use

3.1 INTRODUCTION AND AUTHORIZATION

The Land Use Chapter of the *Merced Vision 2030 General Plan* establishes land use goals and policies, supported by implementation actions, for the manner in which new development will occur and existing uses and resources will be preserved in the City of Merced. The future land use configuration of the City will be shaped through the implementation of this chapter. Since it regulates how land is to be utilized, most of the issues and policies contained in all other plan chapters are integrated and synthesized by this chapter.

Goals, policies and action programs of the Land Use Chapter are intended to support and reinforce the current quality of life in the City. The Chapter accomplishes this through the Land Use Diagram, narrative text, and quantifying tables. The key element of Land Use policy is the General Plan Land Use Diagram (**Figure 3.1** included in a pocket at the back of this document), which depicts the location of the permitted type and density/intensity of all land uses within Merced's SUDP/SOI. The land use policies contained in this Plan establish order and focus for the City's land use pattern and provide the framework for future land use planning and decision making in the City of Merced.

Government Code Section 65302(a) requires that a General Plan include a Land Use Element which designates the "general distribution and general location and extent of various types of land uses." The Land Use Element also needs to include a statement of "the standards of population density and building intensity" for the various districts and other territory covered by the General Plan.

The *Merced Vision 2030 General Plan* Land Use Chapter covers four major issue areas:

- 1) **Residential Neighborhoods** (Section 3.4) dealing with the preservation of existing neighborhoods and future neighborhood planning;
- 2) **Economic Environment** (Section 3.5) covering economic development and commercial and industrial land uses;
- 3) **Urban Growth and Design** (Section 3.6) outlining mixed-use and transit-oriented concepts to be applied in the City's new growth areas; and,
- 4) **Community Plans** (Section 3.7) discussing the City's adopted and proposed community plans.

3.2 SETTING

The Merced City Specific Urban Development Plan (SUDP)/Sphere of Influence (SOI)/ area established by the *Merced Vision 2030 General Plan* encompasses approximately 28,000 acres (or 44 square miles) (**Figure 3.2** illustrates the City's SUDP/SOI.)

Regional access to the City is provided by State Highways 99, 59, and 140. Highway 99 is a major roadway linking southern California with the northern portions of the state and the Pacific Northwest. Highways 140 and 59 provide linkages to Interstate 5, another north-south transportation corridor in the state. Highway 140 to the east also serves as one of the principal access points to Yosemite National Park and the Sierra recreation areas to the east.



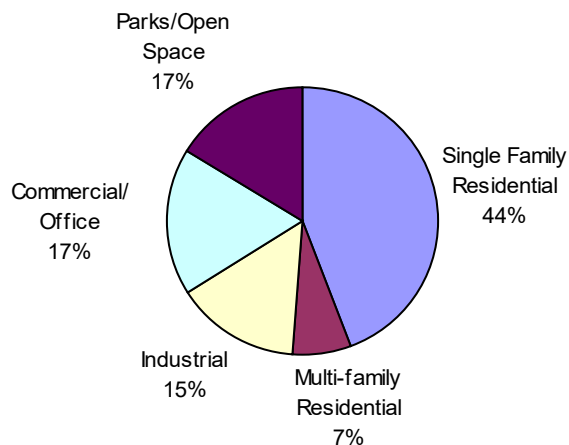
The City of Merced was founded as an agricultural community and continues to be an important agricultural center. It also serves as the Merced County seat of government and a regional service center,

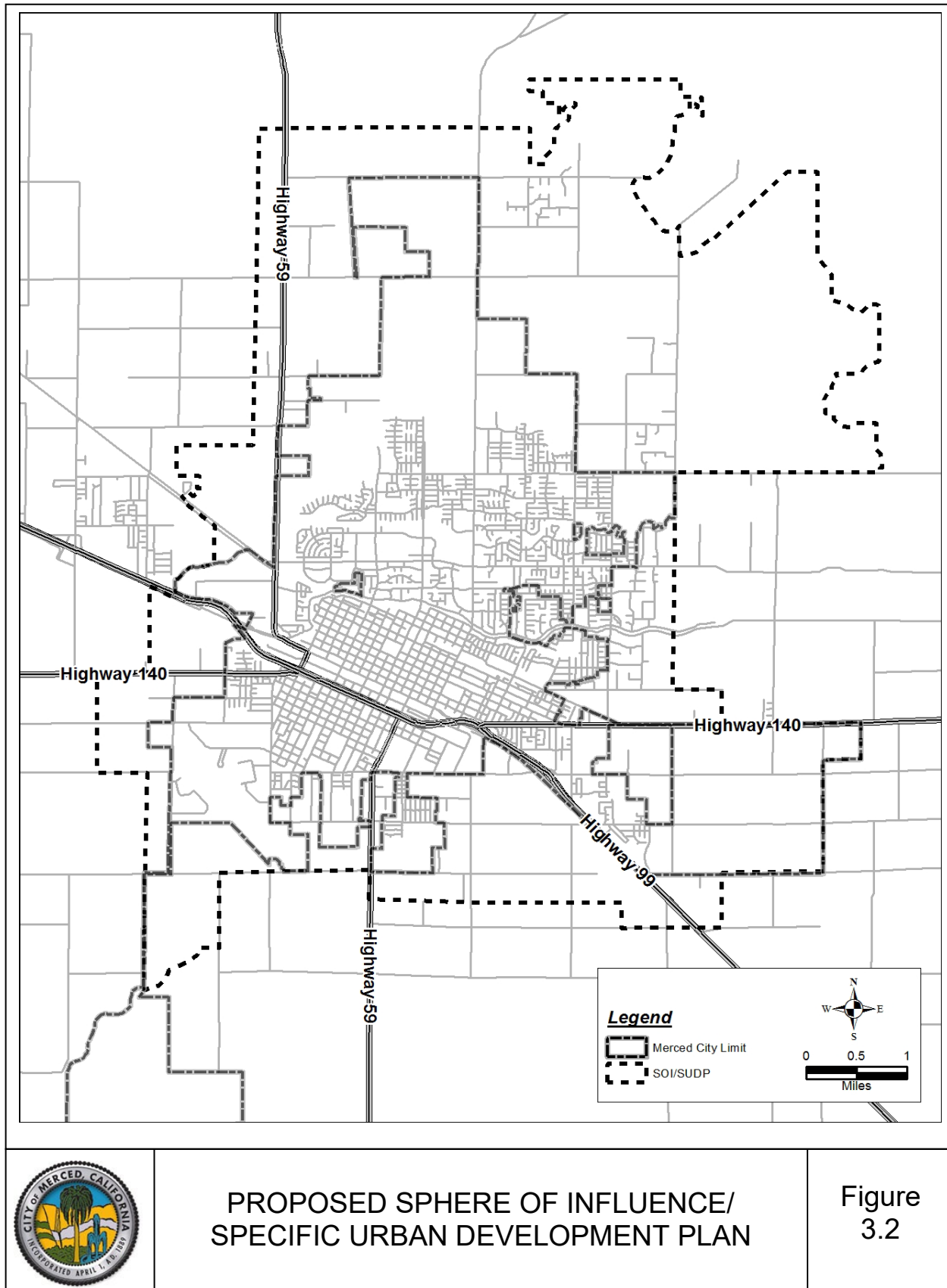
providing a variety of retail goods and services, health care services, etc. for the surrounding area.

In 2007, a land use/zoning inventory of the City disclosed that 5,600 acres (44%) of the incorporated City area was designated for single-family residential uses. Multi-family residential uses occupied an additional 917 acres (7%) in the City. Industrial land occupied 1,900 acres (15%) with commercial areas (including office and business parks land) occupying an additional 2,200 acres (17%). Parks, open space and other public uses occupied an additional 2,100 acres (17%). See **Figure 3.3**.

Table 3.1 provides the acreage planned for the various land use designations in the *Merced Vision 2030 General Plan* in comparison with the *Merced Vision 2015 General Plan*. In consideration of the land devoted to the various land uses within the City in 2007, the *Merced Vision 2030 General Plan* clearly provides ample land to accommodate the projected 2030 population, and allow for market forces.

Figure 3.3
City of Merced
2007 Land Use Distribution
(City Limits)





3.3 LAND USE PLAN IMPLEMENTATION

The Land Use Element is implemented primarily by means of the development review process and the required general plan consistency findings which are required for various types of discretionary development permits in California.

3.3.1 The Land Use Diagram

The City's Land Use Diagram (**Figure 3.1**), which is attached separately at the back of this document, is an integral part of the General Plan. The Land Use Diagram presents the proposed general distribution of the uses of land within the City of Merced and its Specific Urban Development Plan/Sphere of Influence (SUDP/SOI) boundary. The word "Diagram" is distinguished from "Map" in the context of a California Attorney General Opinion (67.Ops.Cal.Att.Gen.75) to provide a certain limited degree of flexibility in applying the Land Use Designations to specific parcels of land. A "diagram" shows the approximate arrangement of and relationships between land uses rather than the precise location and detailed boundaries of land uses which a "map" (like a zoning map) would show.

The diagram and text together specify the number of people and dwelling units per net acre of land for each property planned for residences, and the building intensity for all other proposed development. This building intensity is expressed in terms of a floor area ratio, which is the gross floor area permitted on a site divided by the total net land area of the lot. Other pertinent features of the Land Use Diagram include the locations of

existing and proposed parks, public schools, and other public facilities such as fire stations.

3.3.2 Land Use Development Capacity

Within the Merced SOI/SUDP, sufficient land has been set aside to accommodate the City's projected growth needs through the year 2030. Additional growth capacity has been accommodated in the SOI/SUDP to minimize the potential adverse effects of creating a limited urban land inventory. Further potential growth capacity is located within the Area of Interest boundary, should it be needed.

When projecting growth needs in future years, it is recognized that circumstances may arise which could not be reasonably predicted. Growth may occur at a more rapid or at a much slower pace than projected. *The Merced Vision 2030 General Plan* has been prepared to accommodate the most optimistic growth projections to assure that adequate infrastructure can be planned for optimum buildout of the City.

At the same time, annexations of unincorporated areas within the SUDP/SOI are to be reviewed in light of available infrastructure such as streets, sewer collection lines and capacity, water system capacity, storm water drainage systems and other necessary infra-structure needs.

Table 3.1 compares the distribution of planned land uses on **Figure 3.1**, the *Merced Vision 2030* Land Use Diagram, with the *Merced Vision 2015 General Plan* Land Use Diagram (1997).

Table 3.1

Merced Planned Land Use Summary
(2015 General Plan SUDP vs. 2030 General Plan SUDP/SOI)

<i>Land Use Classification</i>	<i>2015 GP SUDP</i>		<i>2030 GP SUDP/SOI</i>		<i>Percent Change</i>
	<i>Acres</i>	<i>Percent of Total</i>	<i>Acres</i>	<i>Percent of Total</i>	
RR (Rural Residential)	280	1.35	2,285	8.00	816.0
AG (Agriculture)	149	0.72	149	0.52	0
<i>Total Agricultural Residential</i>	<i>429</i>	<i>2.07</i>	<i>2,434</i>	<i>8.52</i>	<i>566</i>
LD (Low-Density Residential)	7,792	37.62	8,066	28.23	3.5
LMD (Low-Medium Density)	1,209	5.84	1,256	4.39	3.8
<i>Total Single-Family Residential</i>	<i>9,001</i>	<i>43.46</i>	<i>9,322</i>	<i>32.62</i>	<i>3.5</i>
HMD (High-Medium Density)	775	3.74	800	2.80	3.2
HD (High Density Residential)	92	0.44	116	0.40	25.5
RMH (Residential Mobile Home)	80	0.38	79	0.28	0.0
<i>Total Multi-Family</i>	<i>947</i>	<i>4.56</i>	<i>995</i>	<i>3.48</i>	<i>5.1</i>
P/G (Public/Government)	535	2.59	576	2.01	7.5
CO (Commercial Office)	713	3.44	713	2.49	0.0
<i>Total Office</i>	<i>1,248</i>	<i>6.03</i>	<i>1,289</i>	<i>4.50</i>	<i>3.1</i>
IND (Industrial)	2,542	12.27	2,542	8.90	0.0
IND-R (Industrial Reserve)	150	0.73	1,223	4.28	813.0
<i>Total Industrial</i>	<i>2,692</i>	<i>13.00</i>	<i>3,765</i>	<i>13.18</i>	<i>39.8</i>
BP (Business Park)	631	3.05	709	2.48	12.2
BP-R (Business Park Reserve)	328	1.59	328	1.15	0.0
<i>Total Business Park</i>	<i>959</i>	<i>4.64</i>	<i>1,037</i>	<i>3.63</i>	<i>8.0</i>
CG (General Commercial)	566	2.73	566	1.98	0.0
CN (Neighborhood Commercial)	268	1.30	291	1.02	8.5
CT (Thoroughfare Commercial)	219	1.05	392	1.37	79.0
RC (Regional/Community)	706	3.41	707	2.47	0.0
<i>Total Commercial</i>	<i>1,759</i>	<i>8.49</i>	<i>1,956</i>	<i>6.84</i>	<i>11.2</i>
OS-PK (Open Space/Park)	870	4.20	1,022	3.58	16.0
<i>Total Open Space</i>	<i>870</i>	<i>4.20</i>	<i>1,022</i>	<i>3.58</i>	<i>16.0</i>
<i>Total School</i>	<i>731</i>	<i>3.53</i>	<i>1,725</i>	<i>6.04</i>	<i>236.0</i>
<i>Total Other Lands*</i>	<i>2,075</i>	<i>10.02</i>	<i>2,074</i>	<i>7.26</i>	<i>0.0</i>
<i>Community Plan Areas</i>	<i>0</i>	<i>0.00</i>	<i>2,957</i>	<i>10.35</i>	<i>N/A</i>
TOTAL SUDP/SOI AREA	20,711	100.00	28,576	100.00	

Note: Open Space Inventory for the 2030 SUDP/SOI includes arterial street rights-of-way

*"Other Lands" includes "Village Residential," "Residential Reserve," "Commercial Reserve," "Future School," & "Future Park"

Source: Figure 3.1-Land Use Diagram as calculated by Quad Knopf, Inc., 2011

3.3.3 Summary of General Plan Land Use Designations

The Land Use Chapter establishes the proposed general distribution and extent of land uses within the City of Merced and its SUDP/SOI. This section contains the Land Use Diagram and a summary of the Land Use Designations for the *Merced Vision 2030 General Plan*. (More detailed definitions can be found in **Section 3.9**.) This section was developed in compliance with Section 65302(a) of the California Government Code.

The following Land Use Designation descriptions define the Land Use Areas depicted on the Land Use Diagram of this General Plan. These General Plan Land Use Designations describe the extent of the uses of land within the Merced SUDP/SOI including standards of population density and building intensity (**Table 3.2**) as required by Section 65302(a) of the California Government Code.

RESIDENTIAL

RR (Rural Residential)

(1 to 3 dwelling units per acre (du/ac))

To provide single family homes on large lots in a semi-rural environment, and as a buffer between agricultural land and other environmentally sensitive or resource areas and the City's urbanized areas.

LD (Low Density Residential)

(2 to 6 du/ac)

To provide single family residential dwellings served by City services throughout the City. Primarily single-family detached housing, but options such as condominiums and zero-lot-line units can be developed.

LMD (Low-Medium Density Residential)

(6 to 12 du/ac)

To provide duplexes, triplexes, four-plexes, condominiums, zero-lot-line as well as single-family detached units on appropriately sized lots.

HMD (High-Medium Density Residential)

(12 to 24 du/ac)

To provide areas for multi-family development such as apartments, higher density triplex/fourplex units and condominiums.

HD (High Density Residential)

(24 to 36 du/ac)

To provide for the highest multi-family residential densities typically found only in limited areas of the City.

RMH (Mobile Home Park Residential)

(6 to 10 du/ac)

To provide designated areas within the City for the establishment of Mobile Home Park residential environments.

VR (Village Core Residential)

(7 to 30 du/ac for a minimum average of 10 du/ac)

To provide for the development of mixed-use, medium-density urban "village" centers in the undeveloped portions of the Merced SUDP/SOI.



COMMERCIAL

CO (Commercial Professional Office)

To provide for a wide range of office commercial uses within the City. The array of relatively small-scale office activities range from professional uses (such as medical, dental, law, engineering, counseling, and architecture) to typical commercial/business office activities like real estate agencies and insurance agencies, financial institutions (banks, and savings and loans), and travel agencies.



CN (Neighborhood Commercial)

To provide sites for retail shopping areas, primarily in shopping centers, containing a wide variety of businesses including retail stores, eating and drinking establishments, commercial recreation, auto services, etc., to serve residential neighborhoods.



RC (Regional/Community Commercial)

To provide community and regional commercial centers to serve the full depth and variety of retail goods, general merchandise, apparel, and home furnishings, with one or more major department stores as key tenants.

CT (Thoroughfare Commercial)

To accommodate auto-oriented commerce and the needs of people traveling on highways. Large recreational facilities and some "heavy commercial" uses are also common. Typical uses include motels, gas stations, truck stops, restaurants, automobile sales, auto repair shops, bowling alleys, driving ranges, skating rinks, souvenir shops, carwashes, and plant nurseries.



CG (General Commercial)

To provide areas for general commercial uses which are land-intensive commercial operations, involving some light manufacturing, repair, or wholesaling of goods. Typical activities include lumber-yards, automobile repair shops and wrecking yards, farm equipment or mobile home sales, and building supplies and machine shops.

INDUSTRIAL

IND (Industrial)

This designation provides for the full range of industrial activities, including but not limited to manufacturing, food processing, trucking, packing, and recycling, as well as related office and production facilities.



BP (Business Park)

To provide areas for a mix of commercial, office, and industrial uses with shared access and parking facilities. Uses could include a wide variety of light manufacturing, warehousing, office, research and development, and service business activities.



RESERVE

RES-R (Residential Reserve)

To provide areas for future urban density residential expansion within the Merced SUDP/SOI. This classification, along with the other reserve classifications described below, is to be combined with an interim use classification, such as Agriculture, which maintains existing use practices in the area but establishes expected future uses based on need.



COM-R (Commercial Reserve)

To provide areas for future commercial expansion within the Merced SUDP/SOI.

IND-R (Industrial Reserve)

To provide areas for future industrial expansion within the Merced SUDP/SOI.

BP-R (Business Park Reserve)

To provide areas for future business park expansion within the Merced SUDP/SOI.

AOI (Area of Interest)

This designation is applied to areas located outside the City's SUDP/SOI, proximate to City territory, but not currently planned for annexation or City service, whose development may impact City planning efforts and that may be added to the SUDP/SOI in the future. (See Section 2.3.3 for further information.)

OTHER

P/G or SCH (Public/Government or School)

To provide public facilities such as schools, fire stations, police stations, public buildings (libraries, courthouse, public offices, etc.) and similar types of public uses and facilities.



OS-PK (Open Space-Park/Recreation)

To provide public and private open space for outdoor recreation both passive and active. OS-PK areas may be designated in areas containing public parks, golf courses, greens, commons, playgrounds, landscape areas and similar types of public and private open spaces.



CP (Community Plan)

Identifies areas where large-scale development projects are proposed, or have undergone significant developer-driven planning efforts. The "Community Plan" would allow a full-spectrum development, including the complete range of residential densities, commercial services and job centers. The "Village Concept" design requirements would be incorporated into these developments, as would specific land uses unique to the physical setting of the community plan sites. For example, Research and Development Parks would be included in the "Bellevue Corridor Community Plan." (See Section 3.7 for information regarding the development of Community Plans.)



Table 3.2
Standards of Population Density and Building Intensity

<i>Land Use Designation</i>	<i>Zoning</i>	<i>Residential Density (Units/Gross Acre)</i>	<i>Average Net Floor Area Ratio (FAR)</i>	<i>Residential Average Persons/ Housing Unit</i>	<i>Population Person/ Acre (Range)</i>
Residential					
Rural (RR)	P-D**	1.0 to 3.0		3.02	3.0-9.1
Low Density (LD)	R-1-5, R-1-6, R-1-10, R-1-20	2.0 to 6.0		3.02	6.0-18.1
Low-Medium Density(LMD)	R-2	6.1 to 12.0		3.02	18.4 to 36.2
High-Medium Density (HMD)	R-3-1.5, R-3-2	12.1 to 24.0		3.02	36.5 to 72.5
High Density (HD)	R-4	24.1 to 36.0		3.02	72.8 to 108.7
Mobile Home Park (RMH)	R-MH	6.0 to 10.0		3.02	18.1 to 30.2
Village Core Residential (VR)	RP-D**	7.0 to 30.0 (Avg. 10.0)		3.02	21.1 to 90.6
Commercial					
Commercial/Professional Office (CO)	C-O		0.50		
Neighborhood (CN)	C-N		0.35		
Regional/Community (RC)	C-C		0.35 to 6.0		
Thoroughfare (CT)	C-T		0.35		
General (CG)	C-G		0.35		
Business Park					
	P-D**		0.40		
Industrial					
	I-L, I-H		0.30 to 0.50		
Reserve*					
Residential	A-1-20	2.0 to 6.0*		3.02*	6.0-18.1*
Commercial	A-1-20		0.35*		
Industrial	A-1-20		0.30 to 0.50*		
Business Park	A-1-20		0.40*		
Area of Interest	A-1-20		0.10*		
Other					
Community Plan	P-D				
Public/Government (P/G)	All				
Open Space-Park/ Recreation Facility (OS-PK)	All		0.10		

*Does not apply until area is re-designated from "Reserve."

**New Zoning District(s) may be created for these land uses.

3.3.4 Development Review Process

Implementation of the land use policies and standards set forth in the *Merced Vision 2030 General Plan* relies primarily on the City's development review process. Within the City's incorporated limits, review of zoning permits, subdivision maps, and other discretionary development/construction permits requires a finding be made that the application or permit is "consistent" with the General Plan.

Within the unincorporated areas of the City's SUDP/SOI, development permit review must be initiated with an annexation application and is subject to review and approval of the Merced County Local Agency Formation Commission (LAFCO). Within these areas, development shall be generally consistent with the type and extent of land uses described in this Land Use Element.



Within the unincorporated expansion areas of the SUDP/SOI, development shall be considered timely only if adequate infrastructure is in place or can be provided within a reasonable time frame relative to the approval of the annexation and development proposal. Phasing development in such a manner as to assure development of all elements of the land use concept is strongly encouraged.

Schools and parks should be dedicated concurrent with commercial and residential uses. Furthermore, areas must be set aside for land uses that will be needed in later phases but where market demand needs to

mature, such as commercial and higher density housing areas.



"Urban Villages" (Section 3.6.2) represent relatively large projects which typically involve multiple land owners and will need to be executed over several years. The phasing of the project is critical to its success, both as a financial undertaking and as a mechanism to encourage transit use. In order to encourage the public service agencies to provide public facilities in a timely manner to serve the needs of residents, developers are asked to dedicate sites designated for public uses concurrent with development of commercial and residential uses. Developers should also work with the City to ensure that the recommended mixture of land uses is achieved in a timely manner.



Development proposals within the unincorporated areas of the City's SUDP and Sphere of Influence will be guided by the terms of the City/County property tax-sharing agreement adopted in 1997, discussed in Section 2.3.4, and any subsequent amendments.

3.4 RESIDENTIAL NEIGHBORHOODS

The “neighborhood” is the focus of the residential environment in the City of Merced. Neighborhoods typically reflect various stages of the City’s development over the years. The evolution of the City has resulted in the development of residential areas served by commercial centers which have been traditionally located at the intersections of two arterial streets. The City’s “Village Concept” shifts the commercial centers to mid-block locations.

Merced’s neighborhoods tend to be unified by architectural style which reflects the period within which most of the houses in the neighborhood were built. Over the years, planning efforts have attempted to develop “neighborhood” focused schools and recreation facilities. Various housing programs have resulted in rehabilitation of some older residential neighborhood housing and improving neighborhood infrastructure (drainage, sidewalks, streets, etc.).



3.4.1 Background & Scope

The “Neighborhood” focus of the *Merced Vision 2015 General Plan* is continued and enhanced in the *Merced Vision 2030 General Plan*. In early Merced City planning efforts, the focus of residential

policy was to guide development and maintenance policy with the goal of improving the residential environment or the character of “neighborhood” living environments in Merced.



Housing is a very important issue in the City of Merced, as it is throughout the State. State law establishes housing as a primary concern of planning by means of requiring a Housing Element within the General Plan (Chapter 9). Beyond the requirement of the Housing Element, however, is the City’s overall interest in preserving and enhancing its residential neighborhoods. This focus, past, present, and future, is what makes Merced a “Special Place” to live and work.

The character of Merced is closely related to its older, well established residential neighborhoods. The implementation of Merced’s “Urban Village” concept will continue to guide the development of Merced’s future neighborhoods.

3.4.2 Housing Element

State law establishes minimum requirements for a general plan. The law requires that the plan contain a Land Use Element which focuses on issues of urban design and development, residential densities, and intensities of use. At the same time, the law

requires that a city or county adopt a Housing Element.

The Housing Element must be prepared to a very exact standard to comply with state law and focuses primarily on identifying a strategy for meeting the various housing needs in a community and improving the quality of the existing housing stock. Current law calls for the Housing Element to be updated every 5 to 7 years. The *City of Merced Housing Element* (Chapter 9) was adopted in 2011.

While the Housing Element focuses primarily on the housing stock in a community, this section of the Land Use Element focuses on the residential neighborhoods within which this housing stock is located or is to be developed.

3.4.3 Neighborhood Preservation

Neighborhoods

Neighborhoods are the foundation of the City. Strong, healthy neighborhoods are vital to the overall well-being of the community. A “neighborhood” is a group of homes that share some common identity because of location, building style, density, or the people who live there.

Neighborhoods give people a sense of belonging, of comfort, and of refuge. They allow people to connect with their neighbors informally, to meet others casually, to share interests, and to experience the diversity of cultures, ages, and ways of living that add to the richness of the community.

Physically, neighborhood characteristics usually include a “walkable” area, a mixture of uses that relate to one another--for example, housing and a neighborhood shopping center--and a focal point like a school or park that gives identity to an area.



Each “neighborhood” in Merced has a distinct character, depending on when it was built, the style and mixture of homes, and where it is located. Preserving the individual character of the City’s neighborhoods is an important concern for Merced residents, but there currently exists no formal structure in which this can be accomplished. No formal neighborhood boundaries have ever been established within the City and that makes addressing the concerns of individual neighborhoods more difficult.

Neighborhood Planning

As the City grows and becomes more diversified, the City can help guide residents in coordinating their activities to deal with neighborhood issues if the residents wish. Such coordinated efforts are usually more effective in solving problems than individual actions would be. Individual neighborhood plans can even be formulated, with the input of neighborhood residents, and coordinated by City staff to address specific problems or improvements.

As the City grows, neighborhood associations can also substitute for more formal City government action. For example, neighborhood associations can use block meetings and peer pressure to correct neighborhood problems rather than seek City adoption and enforcement of ordinances to deal with neighborhood concerns. A neighborhood approach can be better tailored to resolving the particular problems of an area than can city-wide government action.



Neighborhood Preservation

One of Merced's major assets lies in its older, well-established residential neighborhoods. These neighborhoods often lie in close proximity to commercial or office areas and are subject to pressures for conversion to non-residential uses. Serious impacts from traffic, parking, and noise can intrude into these otherwise stable neighborhoods.

Changing patterns of ownership in older residential areas can also be a threat to neighborhood stability. As more units become rentals, that can lead to reduced maintenance and care for the housing units. As time goes by, this can lead to reduced property values and cause more owners to leave the neighborhoods.



However, the City has recognized these disturbing factors and is taking steps to prevent the deterioration of its well-established neighborhoods through strong neighborhood preservation policies (Policies L-1.5 and L-1.8), interface regulations in the Zoning Ordinance, and housing rehabilitation programs (Housing Element, Chapter 9).

Creating New Neighborhoods

With the same concern, the City is striving to carefully evaluate all new development in order to create new neighborhoods with the same valued characteristics which are a part of Merced's older residential areas. Some of these characteristics, which are often pointed to with pride, are streets lined with a canopy of mature trees, a variety of architectural styles, well-maintained exteriors and landscaping, controlled traffic levels, and convenient location of schools and parks. Merced's "Urban Village Concept," explained in detail in Section 3.6 and Chapter 6, is one way of creating such neighborhoods.



3.4.4 RESIDENTIAL NEIGHBORHOOD GOALS, POLICIES, AND ACTIONS

The goals and policies which follow reflect the City of Merced's desire to maintain and enhance the quality of the City's residential neighborhoods.

Goal Area L-1: Residential & Neighborhood Development

GOALS

- **Housing Opportunities in Balance with Jobs Created in the Merced Urban Area**
- **A Wide Range of Residential Densities and Housing Types in the City**
- **Preservation and Enhancement of Existing Neighborhoods**
- **Quality Residential Environments**
- **Mixed-use, Transit and Pedestrian-Friendly Residential Environments**
- **Ensure Adequate Housing is Available to All Segments of the Population**

POLICIES

- L-1.1** Promote balanced development which provides jobs, services and housing.
- L-1.2** Encourage a diversity of building types, ownership, prices, designs, and site plans for residential areas throughout the City.
- L-1.3** Encourage a diversity of lot sizes in residential subdivisions.
- L-1.4** Conserve residential areas that are threatened by blighting influences.
- L-1.5** Protect existing neighborhoods from incompatible developments.
- L-1.6** Continue to pursue quality single-family and higher density residential development.
- L-1.7** Encourage the location of multi-family developments on sites with good access to transportation, shopping, employment centers, and services.
- L-1.8** Create livable and identifiable residential neighborhoods.
- L-1.9** Ensure connectivity between existing and planned urban areas.

Policy L-1.1

Promote Balanced Development Which Provides Jobs, Services and Housing.

The long term economic vitality of the City is enhanced by maintaining housing opportunities that accommodate a diversely skilled labor force. At the same time, residential development must have adequate and appropriate services which are accessible. The balance between job growth, housing opportunity and services not only supports stable economic growth in Merced, it also reduces vehicle trips for work commutes and service, and enhances the overall quality of life for Merced residents.

Implementing Actions:

1.1.a Promote mixed use development combining compatible employment, service and residential elements.

Mixed use development plans would typically be proposed in the new growth areas of Merced in accordance with the Urban Villages development standards. The City should continue reviewing its zoning and development codes in the established areas of the City to determine if policies and programs could be proposed which would facilitate the location of appropriate employment centers and services, including knowledge-based research and development and green industries.

1.1.b Periodically review job growth statistics in the Merced urban area compared to new residential development.

The City should continue to maintain and monitor housing cost data for different types of housing in the Merced Metropolitan area and for different parts of the City. This data would need to be periodically compared to existing employment opportunities to determine if there is a reasonable relationship between housing and jobs and determine if increased housing costs in a sector or area indicates demand for a particular type of housing. A shortage of available housing can lead to lost economic opportunities so that should be monitored as well.

1.1.c Determine the types of housing opportunities needed for the type of employment opportunities being created in the City.

The City should periodically review State employment statistics for the Merced Metropolitan Area and determine if new housing construction has been occurring in relative balance with job growth. Value and type of housing should be somewhat related to the types of jobs being created and the needs of a diversely skilled labor force. Over time, if it appears that normal market forces are not matching housing growth with employment, the City may need to take action to promote the appropriate type of housing development by type and location.

Policy L-1.2

Encourage a Diversity of Building Types, Ownership, Prices, Designs, and Site Plans For Residential Areas Throughout The City.

With a diverse population of ages, races, incomes, and lifestyles, Merced's housing stock must reflect that diversity as well.

Implementing Actions:

1.2.a Encourage higher-density residential developments within walking distance (approx. 1/4 mile) of commercial centers.

The Urban Villages Concept calls for higher-density residential developments within walking distance of village commercial cores. A wide range of densities, including small-lot single-family, townhouses, and apartments, can be allowed in these "Village Core Residential" areas to achieve an overall average density of at least 10 units per acre. This residential development will help ensure greater support for transit and the economic viability of the commercial uses. These principles should be applied to most of the City's new growth areas and financial incentives explored for promoting their use.

1.2.b Encourage residential and/or office above retail in the downtown area and in neighborhood commercial cores.

The City's Central Commercial (C-C), Neighborhood Commercial (C-N), and Office Commercial (C-O) zones currently allows residential uses as well as commercial uses. Most of the zoning downtown is C-C. Traditionally, retail uses outside of the downtown area are in single-story buildings. Additional upper floors with residential or office uses should be encouraged in order to provide a higher degree of street security at night, concentrated pedestrian activity, increased support for transit, and a greater number of lunch-time and after-work shoppers.

1.2.c Continue to allow second units in single-family areas.

The City's Zoning Ordinance currently allows the second units in single-family areas without discretionary review in accordance with State law. Second units which can be rented to students and entry-level staff and faculty could provide an important housing resource to the UC campus.

1.2.d Encourage duplexes on corner lots in low-density residential areas.

The City's Zoning Ordinance currently allows duplexes on corner lots in single-family residential areas with a conditional use permit. Such duplexes should be encouraged.

1.2.e Consider density increases for existing residential sites where the necessary conditions exist for higher densities.

Areas where such density increases should be considered would be areas along major transit corridors (such as the M Street transitway), areas within walking distance of commercial services, and infill sites.

1.2.f Create a new zoning category to correspond with the "Village Core Residential" land use category for mixed densities in residential areas within walking distance of neighborhood commercial centers.

The "Village Core Residential" land use category does not have a corresponding zoning category. (This category is known simply as "Village Residential" on the Land Use Diagram, Figure 3.1.) Residential Planned Development zoning has been used on an interim basis (Table 3.2). A new zoning category should be created which would allow a mix of densities and housing types (small-lot single-family, townhouses, duplexes, apartments) in order to achieve a minimum average density of 10 units per acre.

1.2.g Encourage a diversity of building types, ownership, prices, designs, and site plans for residential areas as spelled out in the South Merced Community Plan. These same policies should be applied to other Village Residential areas of the City as well.

The South Merced Community Plan was adopted in 2008 and contains implementing actions regarding residential densities and their distribution in various areas throughout the Community Plan area. These actions include reserving Village Residential areas for higher densities and locating small-lot single family developments in Low Medium Density areas; ensuring a mix of higher density housing types, such as town homes, condominiums, and apartments in Village Residential areas; and requiring minimum densities of 10-20 units per acre in Urban Villages.

Policy L-1.3.

Encourage a Diversity Of Lot Sizes In Residential Subdivisions.

To encourage a wide variety of housing types to meet the City's diverse housing needs, the City shall promote the following implementing actions.

Implementing Actions:

1.3.a Continue the use of Residential Planned Developments to provide for smaller lot sizes in single-family developments.

The City's Low-Density Residential (R-1) zones currently have 5,000-, 6,000-, 10,000-, and 20,000-square foot minimum lot sizes. With the use of Residential Planned Developments, smaller lot sizes and other options (zero-lot-line, cluster housing, etc.) can be allowed, thus offering a variety of housing choices to meet the City's diverse housing needs.

1.3.b Continue to retain large lot parcel zoning (10,000 to 20,000 square feet) along Bear Creek and in areas adjacent to the urban fringe.

Larger residential and estate lots have traditionally been required along Bear Creek Drive to preserve its rural and scenic nature. Larger lots and estate lots adjacent to the urban fringe provide a good transition from higher urban densities to adjacent agricultural or rural residential uses. The City should review its policies and standards to make sure no barriers exist to developing larger lots within the City limits to meet market demand.

1.3.c Continue to use the "Random-mixed Lot" ordinance (MMC 20.10.065) to allow a mix of lot widths and lot sizes in R-1-6 (single-family residential-- 6,000 square-foot minimum lot size) zones.

This ordinance allows a mixture of lot widths ranging from 45 to 65 feet in single-family residential areas. The smaller lots are required to be "mixed-in" with the other lot widths with no more than two of these lots adjacent to one another. Up to 40 percent of the lots in a subdivision may be of this smaller width as long as 25 percent of the remaining lots are at least 65 feet wide. This allows a greater variety of housing designs while rewarding the developer with a small percentage of additional lots.

Policy L-1.4

Conserve Residential Areas That Are Threatened by Blighting Influences.

Many of Merced's existing residential neighborhoods are threatened by blighting influences. Merced's neighborhoods are the life blood of this community and considerable effort must be made to avoid their deterioration.

Implementing Actions:

1.4.a Conduct a study of non-conforming land uses and determine if the land use designations/ zoning should be changed to conform to the existing use or if changes should be made to the Zoning Ordinance restrictions on non-conforming uses.

There exist a number of land uses throughout the City which are “non-conforming,” meaning that the existing use of the property would not be allowed under the current zoning even though the use was allowed under the zoning which was in place when it was built. For example, an area which was once residential has been converted to a commercial district. Over time, most residences were torn down and replaced with commercial development, but some “non-conforming” residences continue to exist.

Under the provisions of the City’s Zoning Ordinance (MMC 20.60), these non-conforming uses may continue to exist, but their survival is not encouraged. This means that they cannot be enlarged or extended nor can they be rebuilt if they are substantially destroyed. Non-conforming structures often have trouble obtaining insurance and financing because of these restrictions, which can lead to blight. For the most part, these non-conforming uses should not be encouraged. However, a study of these uses should be conducted to see if there may be some existing non-conforming uses which may merit special consideration. This special consideration may lead to a change in land use/zoning designation or possible changes to the Zoning Ordinance restrictions.

1.4.b Consider policies and programs to address the current inventory of un-built subdivision lots and foreclosed homes

In 2010, the City of Merced currently has a significant inventory of over 2,500 lots, which are within approved subdivisions but have not yet been built on. In addition, the City has significant numbers of foreclosed homes. The City should consider developing incentives to spur the development of these undeveloped lots, including reduced development fees for “in-fill” areas and expedited processing of development applications for construction on “infill” lots, in addition to reviewing the City’s current annexation policies to make sure that such “in-fill” development is favored over new “Greenfield” development in outlying areas. The City should continue to require that developers demonstrate the marketability and fiscal viability of their developments in order to assure that necessary City infrastructure can be built and maintained over time.

1.4.c Support Redevelopment efforts to preserve and enhance Downtown residential neighborhoods.

The City’s Redevelopment Agency has invested substantial resources in preserving Downtown residential neighborhoods and to bring new residential developments to the Downtown area. These projects include the Downtown Lofts project and other prospective projects in the Midtown neighborhood. These efforts should be continued.

(Notes: For additional implementing actions, please refer to the Housing Element (Chapter 9)

Policy L-1.5

Protect Existing Neighborhoods From Incompatible Developments.

Merced’s existing neighborhoods should be protected from incompatible commercial and industrial uses which may cause adverse impacts on the residences.

Implementing Actions:

1.5.a Continue to use the Interface Overlay Zone regulations for the review of proposed land uses adjacent to residential areas.

The Interface Overlay regulations (MMC 20.52.010) require conditional use permits for commercial, and industrial developments directly adjacent to residential uses. The purpose of the use permit is to ensure that the residential areas are protected from possible negative effects

such as obtrusive lighting, traffic, noise, loss of privacy, etc., from adjacent higher-intensity uses. Expanded setbacks, landscape buffers, height limits, restrictions on lighting and access, limited store hours, and other measures can be applied to these developments to make them better neighbors.

1.5.b Evaluate traffic and circulation generated by large scale development projects and seek to limit their impacts on residential areas to the extent feasible without sacrificing the need for connectivity between land uses.

Sometimes residents in adjacent neighborhoods raise concerns over potential negative impacts of large projects. Traffic is a particular concern as employees or customers pass through neighborhoods. Through the City's Development Review process, the City should watch for circulation patterns which may encourage such pass-through traffic and make alternatives available to limit the impacts. Changes to collectors and other streets that may cause existing traffic to take new routes should also be monitored. However, the connectivity between various land uses is also highly encouraged, so a balance between these two goals needs to be achieved.

1.5.c Continue to implement City Council Resolution #84-105 establishing policy for zone changes in the Central Residential Area of the City (bounded by 18th Street on the south, Glen Avenue on the east, and Bear Creek on the north and west).

- This resolution declares the City's desire "to protect and preserve the single-family character of the City's Central Residential Area by discouraging any application of a zone change which would result in the creation of additional commercial or multi-family residential uses within the area unless the applicant establishes, by clear and convincing evidence, that the benefits of the rezoning outweigh the perceived detriment to the City."
- The following impacts are to be considered criteria for evaluating a zone change request:
 - 1) negative or economic impacts on existing residential properties;
 - 2) impacts on the City's Redevelopment Area goals and objectives;
 - 3) impacts on the number of owner-occupied dwellings; and
 - 4) the impact on the availability of affordable single-family housing in the area.
- The resolution additionally requires that public hearing notices for such zone change requests be sent to all property owners within 500 feet of the property instead of the State-required 300 feet.

Policy L-1.6

Continue to Pursue Quality Single-Family And Higher Density Residential Development.

To ensure the quality of the City's residential areas, the City shall pursue the following actions:

Implementing Actions:

1.6.a Continue to review proposed subdivision designs to ensure the provision of adequate circulation, public improvements, common open space, landscaping, maintenance, etc. through the Development Review process.

Subdivision maps are reviewed by City staff and the Planning Commission prior to approval through the public hearing process. The maps are reviewed to ensure that adequate circulation (auto, bicycle, and pedestrian), public improvements, open space, landscaping, etc. are provided.

1.6.b Continue to require multi-family projects to comply, at minimum, with the adopted standards and design guidelines contained in the "City of Merced Multi-Family Design Standards and Guidelines."

Multi-family projects of three or more units are subject to the *City of Merced Multi-Family Design Standards and Guidelines* (MMC 20.54.290 to 20.54.310). There are different standards for planned development projects, non-planned development projects of six or more units, and non-planned development projects of three to five units. Standards are set for building design, setbacks, signs, mechanical equipment, trash collection areas, fencing, landscaping, parking areas, and addressing.

1.6.c Continue to encourage residential subdivision projects to comply, at minimum, with the standards and design guidelines contained in the "City of Merced Small Lot Single Family Home Guidelines."

These Guidelines are intended to guide development on lots in Planned Developments designated Village Residential or Low Medium Density.

Policy L-1.7

Encourage the Location of Multi-Family Developments on Sites With Good Access to Transportation, Shopping, Employment Centers, and Services.

Multi-family developments are crucial to meeting the housing needs of Merced's growing population. They need to be located in appropriate areas where services are readily available to serve the needs of residents in an efficient manner.

Implementing Actions:

1.7.a Designate areas adjoining arterial streets, major transportation routes and commercial areas for multi-family development.

Through the general plan process, sufficient areas for multi-family residential development should be designated. Locations appropriate for such development include areas adjoining arterial streets, major transportation routes, and commercial areas. On a yearly basis, the City should determine if the inventory of available multi-family property will be sufficient to meet the City's needs. Potential multi-family sites which are too distant from necessary services should be discouraged.

1.7.b Use the Urban Village Concept to promote higher density residential development adjacent to commercial services and transit.

Multi-family development should be located in Village Core Residential areas for ready access to commercial services and transit.

Policy L-1.8

Create Livable and Distinct Residential Neighborhoods.

Implementing Actions:

1.8.a Encourage Neighborhood Watch programs and other neighborhood associations throughout the City which facilitate concern for and contact with one's neighbors.

Continue to promote Neighborhood Watch, and other such programs which lead to increased interaction between neighbors.

1.8.b Define specific neighborhood boundaries using natural or man-made features, such as creeks and roads, or by common community facilities (parks, schools, shopping centers). Ethnic and economic boundaries are discouraged.

As part of a neighborhood planning process, specific neighborhood boundaries may need to be determined. These neighborhood boundaries should be based on the above criteria as much as possible.

1.8.c Develop a neighborhood planning process by which the concerns of specific neighborhoods can be addressed through neighborhood plans.

After adoption of the General Plan, the City should explore various options for creating a neighborhood planning process to address the needs of individual neighborhoods. These options could include the formation of new neighborhood associations or councils or the use of existing community-based associations. These plans should strive for a high-level of public participation at the neighborhood level.

Policy L-1.9

Ensure Connectivity Between Existing and Planned Urban Areas.

In order to foster a sense of community among all citizens of Merced, and avoid separate "enclaves" within the City, all development should be required to extend access and access to services to surrounding existing community areas or vacant land.

Implementing Actions:

1.9.a Ensure multiple points of access for all new development.

Maximizing access between new development and adjacent existing neighborhoods (or vacant land) promotes interaction between residents.

1.9.b Discourage large-scale gated developments within Urban Villages and within Central Areas of the City.

Gated developments typically isolate neighborhoods from each other, serve to "balkanize" the City, and can actually decrease public safety. Neighborhoods should be connected via public streets and residents should be free to travel between neighborhoods freely without having large areas of the City gated off from one another. If gated communities were approved in more isolated areas along the urban fringe, their streets and other infrastructure should be privately owned and maintained and access for emergency services and other City services should be maintained.

3.5 ECONOMIC ENVIRONMENT

3.5.1 Background & Scope

Economic Environment

The City's first Economic Development Business Plan for Merced was adopted by the City Council in 1992 and has been revised several times upon the recommendation of the Economic Development Advisory Committee. The latest version of the Plan was adopted in 2006 and is known as *Prosper Merced*. The plan identifies Merced's comparative advantages over other Valley communities, target industries, our competition for those industries, and a marketing strategy and action steps for bringing new businesses to Merced. The information below is excerpted from that document.

Merced is a rapidly-growing city that has traditionally relied on its agricultural base, combined with light industry and a role as the regional center for trade and services. Merced's population is very diverse and one of the youngest in the nation. Although the community's past has been characterized by low incomes, high unemployment and low educational levels, Merced is entering a period of rapid transition. Merced's unemployment rate in 2006 was nearly the lowest in 20 years.

Merced is:

- A mid-sized, rapidly growing community, serving as the center of its region.
- Located in Central California, on major trucking and rail transportation routes, with an airport and regularly scheduled air service, with easy access to major California markets.
- Midway between larger metropolitan markets in Fresno and Modesto. This also means Merced shares a regional labor market, and commuting is common both in and out of Merced County.

The opening of the University of California Merced campus in Fall 2005 introduced significant economic opportunity for Merced, as well as the possibility of profound community change. Merced is well prepared for this change with community planning and infrastructure systems, although some systems are nearing capacity and require significant expansions. As transition occurs over the next decades, Merced has an opportunity to improve the quality of its development and community institutions.



Strengths, Limitations, Opportunities, & Threats

Strengths:

Merced is home of the University of California Merced. The presence of the University opens possibilities for Merced which were simply not available prior to 2005. Merced will become attractive to companies in the high-technology and knowledge-based industries, particularly since the campus will offer strong science, engineering and technology programs.

Merced has excellent access to other higher education resources in the region. Not only is the University of California being established in Merced, but the community is also home to Merced College, and is within easy reach of CSU Stanislaus and CSU Fresno, as well as several other small colleges and professional schools.

Merced is close to major markets. This is particularly important for distributors and manufacturers who are interested in serving the large California markets in the Bay Area and Southern California. Merced has pricing and distribution advantages for companies serving these markets.

Merced is on major transportation routes. Merced is on Highway 99, close to I-5, and on the main lines of both the Union Pacific and Burlington Northern Santa Fe Railroads.



Merced's local government is user-friendly and motivated for economic development. The City government and the community as a whole has made enormous strides in streamlining permit systems, and in accommodating business expansion and location more readily.

Merced has a selection of available, serviced, ready industrial sites. Other communities of Merced's size frequently lack serviced and ready industrial sites. Merced has fully-serviced industrial parks "ready to go." More sites will need to be brought on line.



Merced has an abundance of agricultural resources. The County is the fifth largest agricultural producer in the nation, and other San Joaquin Valley counties are also leaders in agriculture. This is attractive to food processing and other ag-related industries.

Merced has a good water supply. Merced has ample ground water for its expected growth. While water conservation measures are in place, Merced's water situation is much better than many California cities which are facing long-term water shortages.

Merced is a well planned community close to many major attractions. Merced has been well planned, without the endless commercial strips or visual clutter presented by other Valley cities. Merced is within two hours' drive of Yosemite, the Sierras, San Francisco Bay Area, and beach destinations.

Limitations:

Merced's labor force is not yet highly skilled or educated. Compared to national and State norms, Merced's labor force is not as educated or skilled. However, Merced can draw a labor force from a broad surrounding area. Some industries requiring high skills levels will have limited interest in Merced. To address this issue, Merced County provides award winning job training programs through its Department of Workforce Investment.

Merced schools are experiencing significant challenges. The school systems are struggling to cope with various issues. Currently, schools are a quality-of-life issue which does not attract to the community. Decision-makers may be discouraged from locating certain types of corporate facilities in Merced due to school issues.

Merced experiences a perceived and real crime problem, which is reflected in publicly visible ways such as graffiti and gang activity. Merced experiences crime rates in excess of the national average, although lower than several other principal Central Valley communities. Community perceptions are that crime is a significant issue, although the areas of the community perceived as most troubled by crime are in fact relatively safe.

Transportation problems from railroad obstacles need to be resolved. Merced's north-south circulation is impeded by barriers including two mainline railroad tracks and several creeks. Increasing rail traffic in recent years has caused growing problems in track blockages.

Merced has a low-income consumer base for retail, constraining the types of retail which can be recruited. While not critical to manufacturing, Merced's low income levels affect retail development. "Upscale" retailers are not interested in the community's current demographic profile, restricting the overall shopping available in the community.

The regulatory environment, including air quality regulations, limits the types of industrial growth Merced can accommodate. The unified San Joaquin Air Quality District "levels the playing field" among Valley communities competing for industry, but also limits the community's

ability to target certain industries due to air permitting issues.

Some areas of Merced are blighted and need revitalization. While Merced has made significant progress in redevelopment of central and south Merced, and Downtown, much remains to be done.

Development of adequate student housing may be a constraint. The University projects at least 50% of its students need to be housed off-campus. The community does not have a well-developed supply of housing specific to students.

Opportunities:

The University of California will provide spin-off benefits. Research-based universities bring economic spin-offs through (1) Attraction of related companies; (2) Direct creation of spin-off companies formed by university faculty and staff; and (3) Indirectly attracting enterprises and people because of community quality changes

The completion of the Mission Interchange at Highway 99 opens commercial, industrial, and office opportunities. The project provides access to significant industrial areas in southeast Merced, and will provide freeway commercial sites. The interchange also links to the west, improving access to the Merced Regional Airport and the Airport Industrial Park.

The Mission Interchange was completed in 2009. The interchange will draw development interest to southeast Merced and will be the connection point to Highway 99 for southwestern Merced and eventually the University of California campus.

The new Mercy Hospital will improve the health care situation, as will the planned UC Merced medical program. Merced's

medical services may expand markedly with the opening of the new Mercy hospital. In addition, the University is developing plans for a medical school, which departs from a traditional medical school model that will strengthen area medical services.



The Merced Regional Airport is renewing itself and expanding. The Airport is expanding scheduled air service, adding more corporate hangars, and growing in general aviation facilities. This activity will support industrial and commercial development.

Diversity provides a vibrant and interesting community. Merced is an interesting place for its size, offering different cultural and ethnic experiences. These are possible due to the community's diversity, reflected in aspects of community ranging from restaurant choices to festivals.



Threats:

The State's ongoing budget problems may limit funding for the growth of UC Merced. UC Merced's development is dependent upon state bond issues and support for operating budgets. If the State's budget picture tightens in coming years, it will be important to be vigilant to support ongoing funding for the University.

Infrastructure limitations are being approached, particularly in wastewater treatment. The City has traditionally offered ample wastewater treatment capacity, but recent changes in regulation have had the effect of diminishing available capacity. Growth has also absorbed much of the previously available capacity, and there is a need for expansion of the wastewater treatment plant, which has now been accomplished. The plant now has 12 mgd capacity.

The supply of industrial land is dwindling and needs diversification of ownership. The present industrial land supply consists of a few remaining parcels at the Airport and Western Industrial Parks, and large holdings at the University Industrial Park. Rapid development since 2002 has absorbed much of the industrial land supply. Most land is in the hands of two key owners.

Development threatens the Regional Airport with encroachment problems. The City's Airport in southwest Merced has not traditionally faced growth pressures. However, with residential expansion since 2002, various proposals are now being made which could encroach upon the Airport and harm its operations.

Comparative Advantages

Merced's comparative advantages lie in what Merced has that others do not. Based on the discussion in the previous section, Merced has advantages for users seeking:

- a growing UC campus
- a growing local population
- easy access to markets
- abundant low-skilled labor
- secure future water supplies

Merced will be attractive to manufacturing companies from higher-cost areas, primarily California. Merced is likewise attractive to companies dependent upon the agricultural base and to industries which do not pose air quality problems. Due to labor force characteristics, Merced will be attractive to companies performing traditional manufacturing tasks.

Merced will also be attractive to certain kinds of "tech-led" companies willing to invest in Merced in the early years of the University's presence.

3.5.2 Industrial Development

Industrial Setting

Since the 1959 General Plan, industrial development in the City has been focused in three main industrial areas:

- 1) The Santa Fe Industrial Park (also known as the Eastern Industrial Area), reserved for heavy industry, located south of Highway 140 along Kibby and Tower Roads;
- 2) The Airport Industrial Park, reserved for light manufacturing, surrounding the Merced Regional Airport in South Merced; and,
- 3) The Southern Pacific Industrial Park (also known as the Western Industrial Area) on the west side of Highway 59 between Santa Fe Drive and Highway 99.

In 1980, the City lacked much large scale industrial development, so no new industrial areas were proposed in the 1980 General

Plan. During the 1980's 1990's, and 2000's, however, Merced's industrial base has grown and has begun to diversify away from the traditional agricultural base. Total manufacturing jobs have increased and important new industries (printing and publishing, boat building, warehousing and distribution, and containers and packaging) have developed.

Retaining Existing Industry

It is one of the primary goals of this General Plan to properly utilize the existing industrial areas in Merced and to protect them from encroachment by non-industrially related uses which may affect their continued growth and expansion. Existing industries must be encouraged to expand and grow (adding new jobs) to remain competitive. Several policies later in this chapter (Section 3.5.6) address ways to achieve this goal.

Developing New Industrial Areas

As well as retaining existing industry, the City must recruit new industry to bring much needed jobs to the community. Unlike housing and some retail business, industrial development needs early attention in a comprehensive plan. The locational requirements and land needs of modern industrial facilities cannot be satisfied with land "left over" after all other uses have been designated on the land use diagram.



Few firms are free to locate wherever they choose. Site selection for major capital investments is influenced by many factors

including wage scales, local cost of living, utility rates, tax levels, and transportation costs. Resource based manufacturing and processing plants must also be near raw materials, and have access to processed material suppliers and fabricators of components used in the industry. Where transportation represents a major element of production cost and where other factors permit it, industries tend to select sites close to the markets they serve. The availability of a suitable labor force is also a significant determinant in site selection for many specialized industries. All of these tangible factors play a major role in site selections; some can be influenced by the General Plan, and others cannot.

The *Merced Vision 2030 General Plan* Land Use Diagram designates approximately 4,100 acres for industrial use, which should support the projected job growth through 2030 and beyond. No significant increase over what was provided in the *Merced Vision 2015 General Plan* is proposed since that Plan contained a significant increase in industrial land that has yet to develop.

Business Parks

Within this General Plan, the City is recommending that industrial areas remain flexible. Because of increasing air quality and traffic concerns, it is becoming desirable to provide many commercial and service activities convenient to industrial activities for easier accessibility by industrial employees. If restaurants, health clubs, daycare centers, auto services, some offices, limited retail activities, and other land uses that are needed by industrial employees could be located convenient to such zones, it could have substantial traffic and air quality benefits to the community as well as making it easier for industrial employees to conduct business, run errands, etc. without having to drive across town.

The City currently does not encourage or even allow in some cases these kinds of uses. The City, therefore, proposes to make some adjustments to the City's Zoning Ordinance to allow such uses in industrial areas.

The land use category, "Business Park," also reflects the idea of having mixed-use industrial areas. "Business parks" would allow a mix of heavy commercial type uses, office, research & development, and industrial uses with shared access and parking facilities. These business parks would be located mostly along major transportation corridors. It is assumed that on the average approximately one-third of the land uses in these business parks will be heavy commercial, one-third office, and one-third industrial and/or research & development.

Most retail uses that would normally be found in a shopping center would not be appropriate in these areas, however. Retail sales of large products (such as building supplies, appliances, and furniture) and most heavy commercial uses would be appropriate; but department stores and grocery stores would not. These parks would not likely be attractive for most professional offices like medical offices or clinics but they could be allowed on a very limited basis. Most commercial offices, research & development and information-based office uses, and all regional ("back") offices would be encouraged. Light industry would be appropriate, but heavy industry would not.

According to "Prosper Merced: Economic Development Strategy" (adopted in 2006), an inventory of serviced, appropriately-zoned sites is especially important to Merced's competitive position for business and industry. Because Merced's economic

structure will be changing over the next decade with the growth of UC Merced, the phrase “employment generating” land should be used because traditional boundaries between industrial, commercial, and office designations may be blurred or redefined. This is especially true in the case of technology-led development, which prefer “campus-like” environments for their facilities, which means “research-technology parks” rather than traditional industrial parks. The City’s “Business Park” designation should be broadened to encourage the development of such “research-technology parks.”

Overall Community Quality

Another key role of the General Plan in the development of industry pertains to less tangible elements which are crucial in promoting economic growth. Many business enterprises are strongly influenced by the character of the community when choosing a location. Among paramount concerns are an adequate housing supply, freedom from deterioration and blight, the quality of schools and other public facilities and services, and the availability of cultural and recreational resources. For example, industries will not pick sites where their operations are likely to result in complaints from nearby residents, or where a firm’s own employees and vehicles must strongly compete with other traffic using the same routes.

In this respect, the City’s overall success in carrying out the goals of all the General Plan chapters will be important to promoting economic growth. The comparative economics of Merced’s competitors will continue to make industrial promotion a challenge. However, Merced’s ability to maintain a high quality of life for its residents, to present a clean, attractive appearance, and to provide efficient service

levels and infrastructure will give Merced an advantage over many of its competitors.

3.5.3 Commercial Development

Commercial Setting

The 1959 General Plan concentrated major commercial uses in the downtown and along G Street. Neighborhood commercial centers were spread throughout the community. In the 1968 General Plan, there was an attempt to eliminate many existing commercial areas by designating them for residential uses.

In the 1981 General Plan, commercial policies were directed at improvement of existing commercial areas of the City. Commercial activity was concentrated in the Downtown area, the Merced Mall area, and along the G Street and Yosemite Park Way corridors. A new retail commercial area was proposed near the Childs Avenue interchange with Highway 99. Office development was concentrated in those same areas as well as in the area around the County offices and Mercy Hospital. The community felt that Downtown Merced should remain the primary retail commercial center of the City and that no new shopping areas should be established.

In the 1990’s, due to Merced shoppers not being able to find the goods they needed at a price they wanted to pay, the City significantly expanded its inventory of available commercial sites along the freeway and in North Merced. Subsequently, a number of large retailers opened for business in Merced.



With the adoption of the *Merced Vision 2015 General Plan* in 1997, the City proposed a number of new commercial locations and each “Urban Village” was anchored by a commercial core of varying size. From 1997 to today, commercial expansion in Merced continued with nearly 600,000 square feet of new retail stores generating over 1,000 new jobs.

The *Merced Vision 2030 General Plan* proposes the development of new commercial areas as well as the improvement of existing commercial areas. These new commercial areas are varied, and include: (a) new Neighborhood Commercial sites throughout the proposed SUDP/SOI developed in accordance with the “Village Concept” and oriented towards the local neighborhood, and able to accommodate multiple transportation options; (b) regional commercial sites in Southeast Merced adjacent to the new Mission/99 Interchange; (c) commercial sites within the University Community Plan and along the Bellevue Corridor designed to meet the unique setting of UC Merced and adjacent neighborhoods; and, (d) commercial sites within other Community Plans.

It is the intent of the General Plan to encourage the development of commercial areas which conveniently serve the residential population, provide employment

opportunities, form an attractive segment of the community, and contribute to the community’s tax base.

Commercial Classifications

The functional classification of commercial uses by the market they serve and the size and characteristics of their operations form the basis for the commercial segment of the General Plan. Five categories of commercial land use are defined in the General Plan (see Sections 3.3.3 and 3.9). Issues regarding each type of commercial use are discussed in the following sections.

1) Thoroughfare Commercial

The primary function of thoroughfare commercial areas is to accommodate auto-oriented commerce and the needs of people traveling on highways. Thoroughfare commercial areas should be located along highways and arterials leading into and through the City.

While thoroughfare commercial areas contain a wide mixture of uses, some commercial uses are more appropriately located in other areas. Uses that often prove inappropriate include neighborhood retail functions, professional offices, and heavy commercial uses.



The visual image created by these areas usually represent the motorist’s first and lasting impression of the City. These areas are often called “strip commercial” areas

which carry a number of negative connotations, including excessive signs, poor or no landscaping, unscreened storage and loading areas, and disruptive vehicle access. This creates a disjointed appearance which has the compounding effect of making each new use compete for visual identity through larger signs or a flashy appearance. Therefore, it will benefit the City to ensure that these areas attempt to project an image of well designed and maintained development.

To facilitate a coordinated design approach to improve several of the existing thoroughfare commercial areas, specific corridor plans may be prepared as a follow-up action to the General Plan. Corridor plans for Yosemite Park Way and Martin Luther King Jr. Way/South Highway 59 could be prepared in conjunction with the “Gateways Redevelopment Project.” The “16th Street Design Standards” (developed in 1988) is an example of such a corridor plan. With the development of the Merced-Atwater Expressway, the northern section of Highway 59 is also a candidate for becoming a commercial corridor in the longer term.

On the south side of Merced, Mission Avenue will provide the major east-west access. It forms the southern boundary of the recently adopted South Merced Specific Plan, and has potential to be another significant commercial corridor.

2) Neighborhood Centers

Neighborhood centers are designed to provide for the sale of convenience goods (food, drugs, and sundries) and personal services which meet the daily needs of an immediate neighborhood trade area. (See Section 3.9 for a more detailed definition.) A supermarket is usually the principal tenant in a neighborhood center. Geographical convenience is the most important factor in

the shopper’s choice of facility in this commercial category. The appropriate market area for neighborhood centers is usually a one-half to one-mile radius.

The variety of goods and services offered is usually quite similar between neighborhood centers, unless more than one center is allowed to locate within the same drawing area. If this occurs, the competition for floor space may begin to attract other uses, such as home furnishings, appliances, clothing sales, and business services. At this point, the facilities begin to take on a community center function for which they may be improperly located or designed to handle.



In addition, the “strip commercial” effect can be caused by multiple neighborhood centers located in close proximity along major thoroughfares. This dilemma can be seen in the area of G Street and Olive Avenue. Often, it would be more appropriate for the non-neighborhood uses to locate in a community/regional center, thereby lessening the impact on the adjacent residential areas and the traffic load on major streets.

3) Community and Regional Centers

Often cities define two distinct categories of major retail centers, community centers and regional centers. Because of Merced’s present population and size, these categories are grouped together. The major retail centers in Merced serve the community and

also attract customers from a wider regional market.



There are four areas of the City which have been designated as regional commercial centers: a) Merced Mall/Olive Avenue corridor; b) Downtown; c) the area adjacent to the new Mission/Highway 99 interchange; and, d) within the Bellevue Ranch Master Development Plan at M Street and Bellevue. Other areas with the potential to be regional commercial centers in the future are the University Community Plan area in Northeast Merced and land adjacent to the proposed Atwater-Merced Expressway in Northwest Merced. The viability of these regional centers will depend on construction of major transportation corridors linking them to Highway 99 and the rest of Merced.

The community and regional centers are distinguished from the downtown area because in general they are facilities built on a single site or a combination of adjacent sites, managed as a single operating unit with on-site parking provided.

The definitive feature for a community or regional center is major tenant classification and the amount of auxiliary facilities. A community center has a junior department store and/or variety store as the major tenant

or combination of major tenants. The regional center provides shopping goods, general merchandise, apparel, and home furnishings in full depth and variety, with one or more major department or specialty stores as the key tenants. In Merced, the Westgate Shopping Center could be defined as a community center and Merced Mall and Merced Marketplace as regional centers.

4) General (Heavy) Commercial

General commercial uses, also known as “heavy commercial” uses, are typically land-intensive commercial operations that involve some light manufacturing, installation and repair, or the wholesale sale of goods. They may involve the transport of materials by heavy trucks and can require large loading and docking areas, which can create interface issues with other retail commercial uses. Typical uses include lumberyards, automobile repair and wrecking yards, farm equipment or mobile home sales, building supplies, heavy equipment repair, warehousing, machine shops, print shops, nurseries, kennels, and cemeteries.

In Merced, most general commercial uses are located in areas away from residential areas with good access to transportation routes, such as highways, major streets, and railroad tracks, such as 16th Street, Martin Luther King Jr. Way, and South Highway 59.

Within the *Merced Vision 2030 General Plan*, no new areas for general commercial purposes have been proposed. The amount of land available for such uses appears to be sufficient (about 500 acres) and with future annexations along the South Highway 59 corridor, some new areas will be added to the City limits in the future. Many heavy commercial uses are also expected to locate in Business Park areas instead.

5) Commercial and Professional Office

As a land use category, commercial and professional offices function in a variety of locations in the City. In some cases, they will tend to congregate as a result of the immediate surroundings, as seen around the County Courthouse, the Merced Mall and along Yosemite Avenue between G Street and Parsons Avenue. In other situations, they are grouped by zoning or in the desire to locate in planned office complexes.



In the Downtown area, offices and financial institutions are an integral element in maintaining the viability of the central business district as an economic center for the City and County. Therefore, regional commercial and government-related offices should be encouraged to locate in the downtown area whenever possible. Professional offices which serve local interests should be directed toward the neighborhoods which they serve. “Back office” functions and regional headquarters which have large space needs that can’t be accommodated downtown are encouraged to locate within “Business Parks” or the M Street transitway.

Large areas are designated for commercial office use (about 1,100 acres) on the Land Use Diagram, mostly across arterials from Village Core Commercial Centers. This land use is also expected to occur in the various Community Plans, especially along the Bellevue Corridor.

Location is critical for these uses. Office uses need to be near retail services and prime access routes, and “back offices” have large space needs which cannot be accommodated elsewhere. By 2030, there will be a need for significantly more office land along these major streets in the future due to growth in the area and to the influence of the UC Merced campus. These sites must be reserved for office use at this time because it would be extremely difficult to designate them in the future, once residential growth occurs around them. If it turns out that the land is not needed for offices, it can easily be converted to residential use in the future.

3.5.4 Redevelopment and Economic Development

Central Business District/ Downtown

Throughout the early years of Merced’s history, Downtown was the center of community life. This began to change during the 1960’s and 1970’s when Downtown lost its dominance with the development of North Merced. Throughout the 1980’s and 1990’s efforts towards rebuilding Downtown were focused on creating a niche for Downtown within the community.

Downtown revitalization has been in progress for more than three decades. It began in the 1970’s in response to high vacancy rates that were caused by the new commercial developments that were built in North Merced. It was during this time that Project Area 2 was formed (**Figure 3.4**).

In the 1980’s, redevelopment efforts were focused on revitalizing key areas of Downtown. Major projects included Westgate Shopping Center and Bob Hart Square.

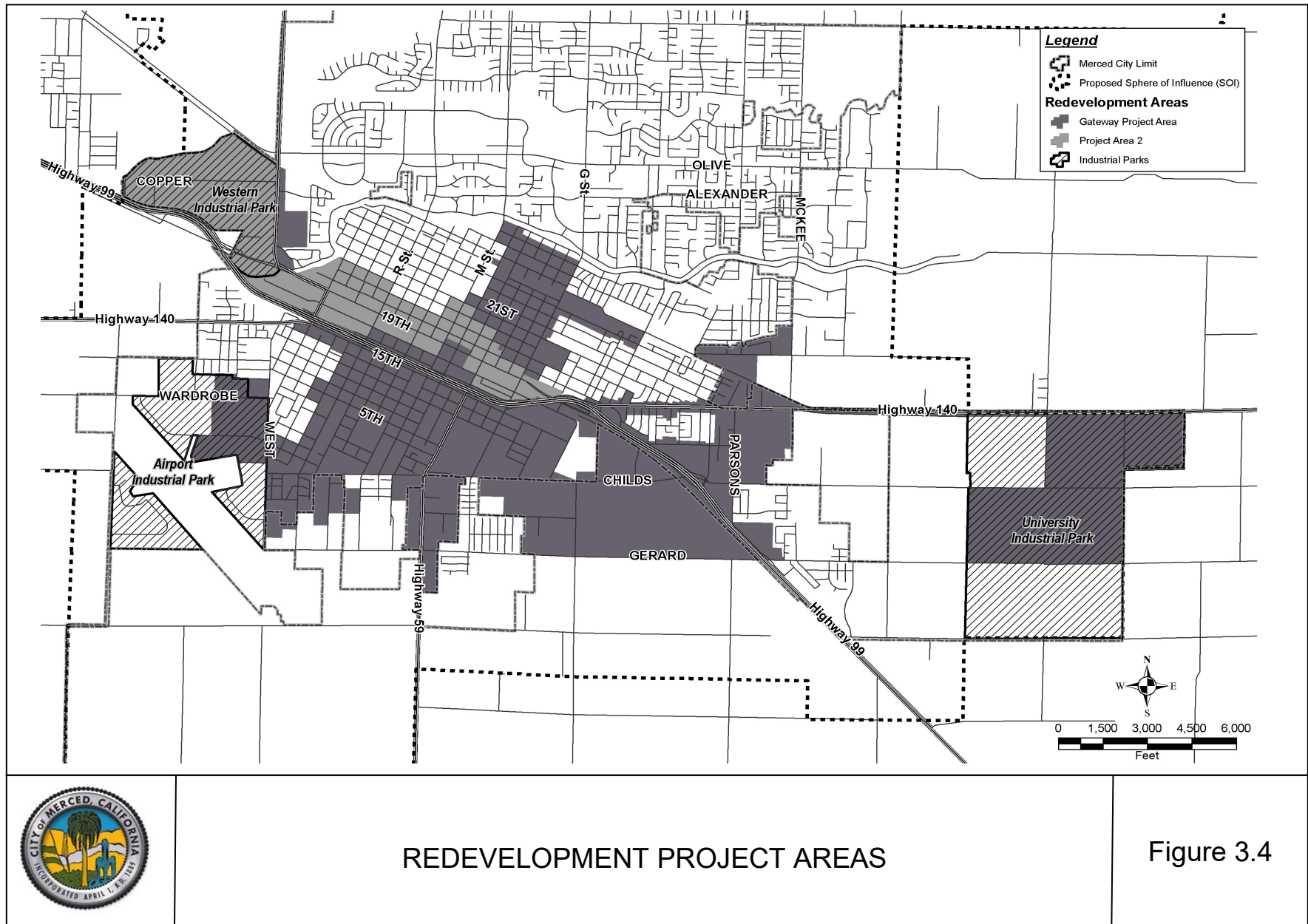
The 1991 Downtown Strategy sought first to maintain Downtown as the governmental and financial center of the City. Second, it sought to expand commercial activity through additional office development, boutique recruitment and construction of an education center. Thirdly, the Strategy laid out a vision of establishing a greater regional draw by creating freeway oriented retail and major discount retail centers along the western side of downtown. Fourth, it envisioned the creation of new community facilities including a youth center, senior center and arts center. Lastly it explained the need to strengthen the transportation system throughout the Downtown.

In 1999, a new Downtown Strategy was developed. This strategy encouraged the development of new smaller retail spaces, the sighting of major anchor tenants throughout Downtown and the creation of a Downtown Cineplex. Several items were continued from 1991 including the construction of a business class hotel and development of a youth center. It included constructing additional pedestrian oriented facilities, open spaces and various public improvements. Several items meant to improve the appearance of Downtown were also included. The plan also mentioned the need to improve neighboring residential areas and to create new housing in the Downtown area. During the same time period, 16th Street Design Guidelines and a Downtown Lighting Strategy were developed.

According to the latest Downtown Strategy adopted in 2007, Downtown is experiencing a renaissance. Downtown became the center for the entertainment, arts, and government and strengthened its position as the region's financial district. For the first time in decades, private investment, spurred by governmental investment, returned to

Downtown. Despite this progress, Downtown is still confronted with a demographic shift as Merced's affluent population continues to move north. In addition, significant new retail projects are on the horizon, increasing Downtown's competition.





The 2007 Downtown Strategy established guidelines and goals for the next five to seven years. The Downtown Strategy Task Force developed six strategies:

1. Create a superior ambiance.
2. Create exceptional Downtown residential neighborhoods.
3. Build a distinguished Downtown.
4. Solidify Downtown's role as the arts, entertainment and dining destination.
5. Adopt and enforce policies to protect and enhance Downtown.
6. Connecting Downtown to the rest of the community.

These strategies have been translated into General Plan policies and actions (see Policy L-2.8).



Gateways Redevelopment Project Area

In July 1996, the Merced City Council adopted the Gateways Redevelopment Project. The project is a 30-year plan to improve a 1,700-acre area around two “gateway” arterials into the City--Yosemite Park Way (Highway 140) and Martin Luther King Jr. Way (*Figure 3.4*). These “gateways” are important entrances into the City from Yosemite National Park and

Mariposa County to the east and Highway 59 and Highway 152 from Los Banos and the Bay Area to the south.

The goal of the Plan is to eliminate blight by providing needed public improvements; by encouraging rehabilitation and repair of deteriorated structures; by facilitating land assembly and development which will result in housing opportunities, employment opportunities, and an expanded tax base; and by promoting development in accordance with the General Plan. A Gateways Project Area Committee made-up of area residents was formed to help oversee the Plan.

In pursuit of the above goal, the following priorities were established:

- 1) Develop basic neighborhood and village services through additional retail centers;
- 2) Improve the physical image of the Gateways arterials and areas;
- 3) Improve the streets and transportation network along with storm drainage facilities;
- 4) Develop more affordable housing and promote rehabilitation;
- 5) Assist in industrial development to create new employment opportunities;
- 6) Carry out other public improvements; and,
- 7) Create family entertainment centers and youth program facilities.

Enterprise Zone

In December 1991, the City of Merced along with the City of Atwater and parts of Merced County were designated as an Enterprise Zone by the State of California. This zone designation, which covers most of the commercial and industrial land within the City (see *Figure 3.5*), provides tax benefits and other financial incentives for

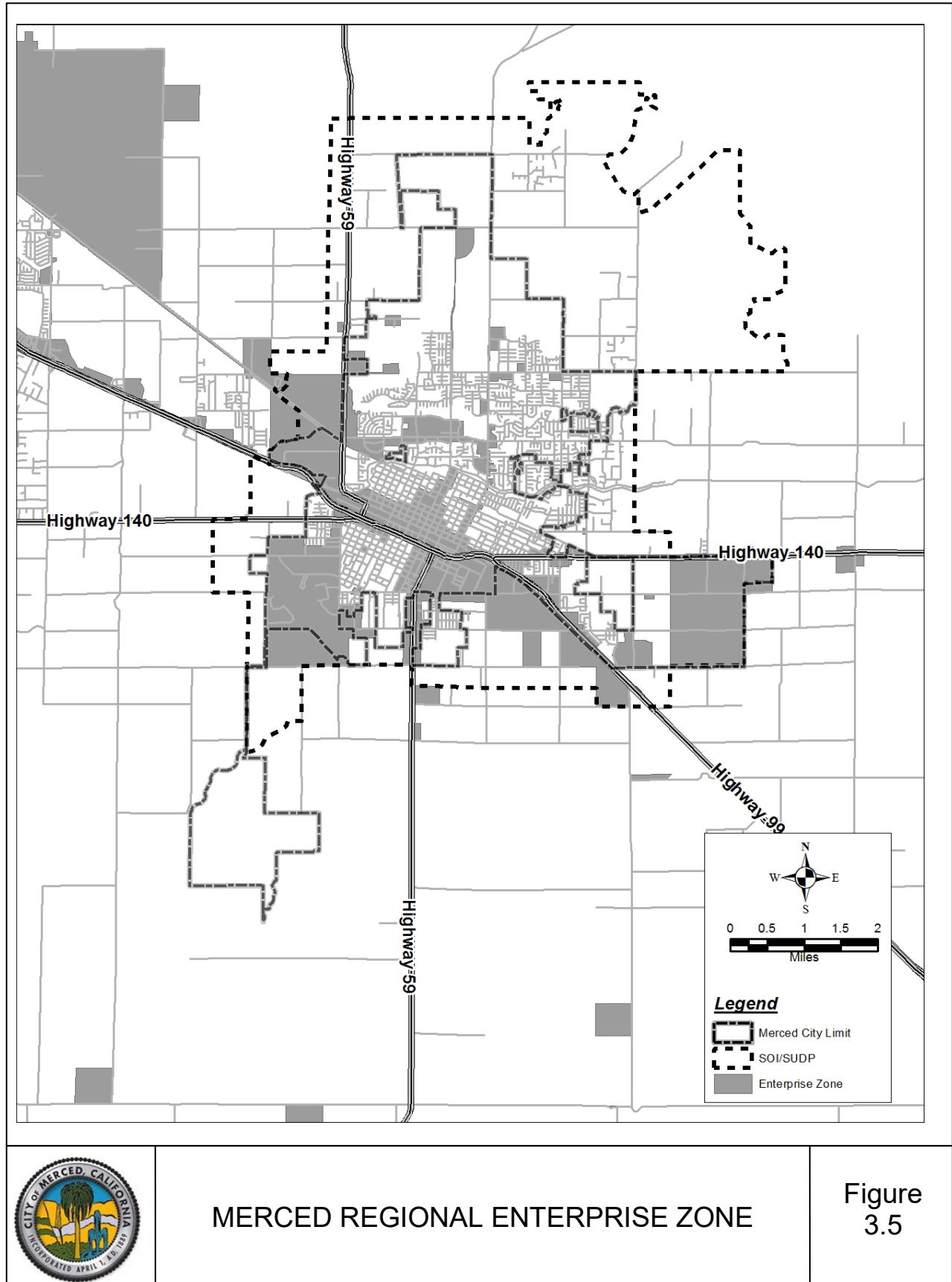
businesses to create new jobs and make business investments within the community. These benefits include tax credits, tax deductions, hiring assistance, fast-track permit processing, price reductions on City-owned land, discounts on public improvements, and the use of improvement districts.

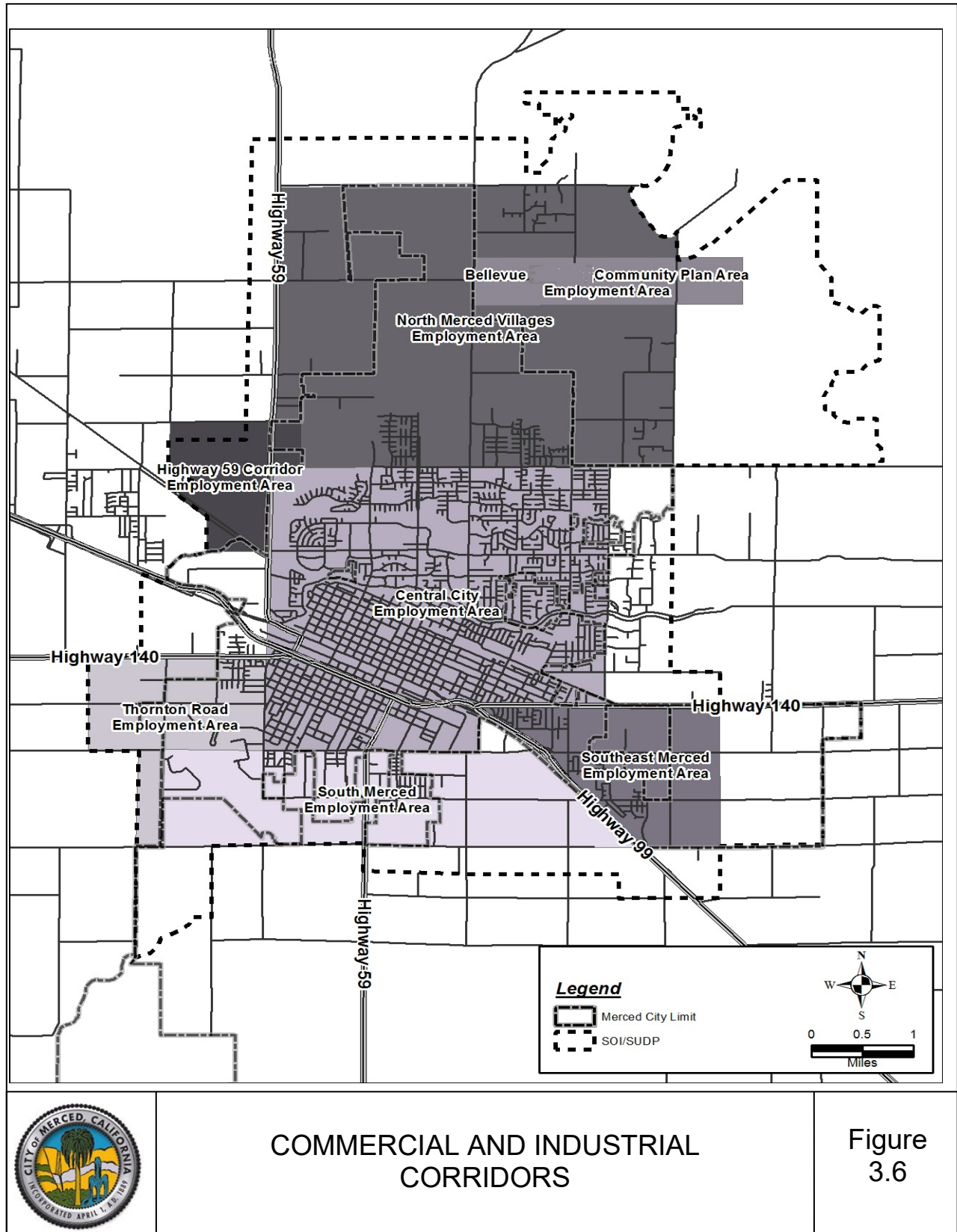
A Recycling Market Development Zone designation was added in 1992 to stimulate markets for recycled material within the Enterprise Zone area. The Enterprise Zone has been expanded in recent years to include the Cities of Dos Palos, Gustine, Livingston, and Los Banos in addition to the original members, and is now known as the Merced Regional Enterprise Zone.

3.5.5 Commercial and Industrial Employment Corridors

The General Plan Land Use Diagram proposes several employment areas with heavy concentrations of commercial and industrial development. These areas, seen in **Figure 3.6**, are generally described as follows:

- 1) Central City – Within the area, generally bounded by Yosemite Avenue to the north, McKee Road to the east, Childs Avenue to the south, and Highway 59 to the west. This area includes the downtown core, the Olive Avenue commercial corridor, the G Street and Yosemite Parkway commercial corridors, the Merced Airport Industrial Park, as well as neighborhood commercial uses located with the planned urban villages along the east-west oriented arterial streets. No significant expansion of these areas is expected except for an expansion of the Airport Industrial Park to the south.
- 2) Highway 59 Corridor – Along the east and west sides of Highway 59 from Belcher Avenue to Olive Avenue. Significant business-park and industrial development (including expansion of the existing Western Industrial Area) was planned along this corridor in the *Merced Vision 2015 General Plan* when a proposed Highway 59 Western Beltway was being planned. Because of the shift from Highway 59 to alignments further west of the City as part of the Atwater-Merced Expressway project, the Highway 59 Corridor's potential as a job-generating corridor has been diminished due to constrained access to Highway 99. Therefore, as part of the *Merced Vision 2030 General Plan*, several areas along the Highway 59 Corridor which had been planned for business parks and commercial development have been changed to residential land uses or placed in a "Reserve" category for future consideration.
- 3) North Merced Villages – The area generally bounded by Yosemite Avenue to the south, Lake Road to the east, Old Lake Road to the north, and Highway 59 to the west. This area will support various neighborhood commercial, office, and community commercial development along the major east-west arterials throughout the area. These commercial cores will be surrounded by higher-density residential development and will emphasize transit and pedestrian access.





- 4) South Merced – Generally the area south of Childs Avenue, west of Highway 99, north of Mission Avenue, and east of Thornton Road. The South Merced Community Plan was adopted for this area in 2007. In addition to substantial residential development, the Community Plan identifies two areas for significant industrial development along Highway 99, and near the Airport, as well as a major commercial corridor along Highway 59 between Childs Avenue and Mission Avenue. Neighborhood Commercial sites are placed near population centers, and a 40-acre Regional Commercial site is positioned near Highway 99 and Mission Avenue.



- 5) Southeast Merced – The area generally bounded by Highway 140 to the north, the Fairfield Canal to the east, Highway 99 to the west, and Mission Avenue to the south. Southeast Merced houses the Santa Fe Industrial Park which extends from Highway 140 to Mission Avenue, east of the Campus Parkway. A

neighborhood commercial center along Childs Avenue is proposed. Significant highway-oriented commercial and business park development has been designated for the areas adjacent to the new Mission Avenue/ Highway 99 Interchange.



- 6) Thornton Road “Industrial Reserves – Several areas within the SOI/SUDP in the vicinity of the Merced Regional Airport and Castle Airport are identified as future development sites for industrial uses. Thornton Road, north and south of Highway 99 will be developed as an arterial road and be the primary transportation route to this area. These areas are a natural extension of the current industrial uses within the Merced Regional Airport Industrial Park.
- 7) The Bellevue Community Plan Area – This area is generally located on the north and south sides of Bellevue Road between G Street and the UC Merced Campus east of Lake Road. This area has been identified as a “Community Plan” area (see Section 3.7.4) and contains significant amounts of job-generating uses that wish to be located in close proximity to the UC Merced Campus.

3.5.6 COMMERCIAL AND INDUSTRIAL GOALS, POLICIES, AND ACTIONS

Goal Area L-2: Economic & Business Development

GOALS

- Increased Employment Opportunities for the Citizens of Merced
- A Diverse and Balanced Merced Economy
- Preservation and Expansion of the City's Economic Base
- High Quality Industrial Areas, Including Technology Parks
- More High-Quality Research & Development Parks
- Ready Access to Commercial Centers and Services Throughout the City
- A Distinguished Downtown

POLICIES

- L-2.1** Encourage further development of appropriate commercial and industrial uses throughout the City.
- L-2.2** Locate new or expanded industrial, research & development, technology, and business parks in appropriate areas.
- L-2.3** Promote the retention and expansion of existing industrial and commercial businesses.
- L-2.4** Provide a range of services adjacent to and within industrial areas to reduce auto trips.
- L-2.5** Maintain attractive industrial areas and business parks.
- L-2.6** Provide neighborhood commercial centers in proportion to residential development in the City.
- L-2.7** Locate and design new commercial development to provide good access from adjacent neighborhoods and reduce congestion on major streets.
- L-2.8** Encourage a mixture of uses and activities and reinvestment that will maintain the vitality of the downtown area.
- L-2.9** Identify locations and develop standards for campus-type research and development parks.
- L-2.10** Encourage well-planned freeway-oriented developments

Policy L-2.1

Encourage Further Development of Appropriate Commercial and Industrial Uses Throughout the City.

In order to further develop and expand the City's economic and job base, new areas for commercial and industrial development must be designated. In addition to designating such land, the community needs to be actively involved in recruiting new industries and businesses.

Implementing Actions:

- 2.1.a** Designate adequate amounts of commercial and industrial land to serve the City's employment needs through 2030 and beyond.

Based on employment projections and employee per acre ratios, the amount of land needed to accommodate commercial, office, and industrial uses can be determined. The General Plan Land Use Diagram contains sufficient amounts of appropriately designated land to meet these needs. Since these projections will change over time with changing market conditions, it will be necessary to update this information on a regular basis in order to ensure that the City's supply of commercial and industrial land remains adequate.

2.1.b Maintain an inventory of vacant commercial and industrial land and make this inventory available to the public and the development community.

Several sources for such information currently exist. The City of Merced Economic Development Department maintains such an inventory and other web-based site search programs backed by the Geographic Information System (GIS) are available.

2.1.c Continue the City's Economic Development activities.

Work closely with the Small Business Development Center, Chambers of Commerce, Merced County Economic Development Corporation, the State of California, the Economic Development Advisory Committee, etc. to implement the City's Economic Development Business Plan and any subsequent updates.

2.1.d Develop incentives as appropriate to encourage new commercial and industrial development.

Work with agencies involved in economic development activities to develop incentives such as those offered through the Enterprise Zone to encourage new commercial and industrial development.

2.1.e Specifically target South Merced as an area that needs more commercial retail and office development.

South Merced's large residential population is currently underserved by retail commercial and office uses. Except for some scattered convenience commercial uses, this area lacks even the most basic services. Because of the low average incomes of this area, it is difficult to entice major commercial users to locate in South Merced even though most of the available land is located in the Enterprise Zone. The City will need to make considerable effort to turn this situation around. The Gateways Redevelopment Area provides some of the tools to help this occur. Strategies contained in the South Merced Community Plan (2007) and South Merced Strategy (2004) should also be utilized.

Continue to apply the policies and implementation measures of the *South Merced Community Plan*, notably:

- Promote SR 59 south of Childs Avenue as a major auto service/agricultural service corridor, but be flexible to allow for neighborhood-serving retail where appropriate;
- Maintain industrial land use designations east of the Merced Regional Airport;
- Provide commercial and office zoning currently absent in the Community Plan area;
- Develop regional-commercial near the Mission Avenue/SR 99 interchange within the Community Plan area;
- Support Business Park land uses located at the intersection of R Street and Gerard Avenue; and,
- Develop an urban village on Mission Avenue, east of Tyler Road.

2.1.f Promote industrial development that offers full-time, non-seasonal employment.

Merced's traditionally agriculture-based economy has led to large swings in unemployment due to the seasonal nature of agriculture. The City should, therefore, target new industries

for recruitment purposes who can offer year-round employment.

2.1.g Maintain a list of target industries for economic development purposes.

The City's Economic Development Business Plan outlines target industry sectors for both industrial and commercial development. These are intended to be impermanent target choices which will be reviewed and modified as economic conditions change by the City's Economic Development Advisory Committee. Choice of target industries does not mean that other users are excluded from the community; it only indicates where it is believed active development recruitment efforts will be the most effective. Geographic target markets are also defined and prioritized for recruiting efforts in the Business Plan.

2.1.h Evaluate the role of the Merced Regional Airport and the desirability of expanding uses in the Airport Industrial Park to further promote tourism uses dependent on aviation access.

The City should promote tourist-related services in the area surrounding the Merced Regional Airport to take advantage of Merced's status as the "Gateway to Yosemite" and being the nearest airport to Yosemite with commercial passenger service.

2.1.i Actively market the benefits of the Merced Regional Enterprise Zone and Recycling Enterprise Zone.

The City of Merced will continue to support local Enterprise Zone activities by marketing its benefits to local businesses located within the Enterprise Zone. Seminars and presentations will also be conducted on a periodic basis. The City will also highlight the benefits of the Enterprise Zone in its marketing brochures and other promotional material.

2.1.j Create opportunity for small business development, entrepreneurship, innovation, technology transfer, and commercialization.

The City's Office of Economic Development has programs to encourage small business development, entrepreneurship, etc. The creation of a Business Assistance Center to support new and existing small businesses is under consideration.

Policy L-2.2

Locate New or Expanded Industrial Parks, Research & Development, Technology, and Business in Appropriate Areas.

It is important to designate areas for new industrial, research & development, and technology development ahead of other uses due to the area and access needs of industry as well as the need to avoid planning for incompatible uses adjacent to industrial areas which might interfere with continued industrial operations.

Implementing Actions.

2.2.a Industrial and business park areas should be located where they will have good access to air transportation, rail transportation, or major highway transportation links.

Merced's three existing industrial parks are located where they have good access from air, rail, and/or highway transportation. New and expanded industrial areas shown on the Land Use Diagram are also located to take advantage of good access. Any future industrial areas should follow this criteria.

2.2.b Industrial reserve areas should be protected from non-industrial use or premature development through agricultural zoning until such time as the land is needed for industrial development.

The City will work closely with the County to assure that industrial reserve areas are protected from premature or incompatible development. Generally, areas designated as “Industrial Reserve” will be combined with an interim use classification, such as Agriculture on the County General Plan, which maintains existing use practices in the area but establishes expected future uses based on need. Industrial reserve areas are designated on the Land Use Diagram within southwest Merced.

2.2.c Parcels of land in industrial reserve areas should remain as large as possible in order to accommodate a variety of plant sizes and types in the future.

Lot splits should be discouraged in industrial reserve areas until such time as they are ready for development in order to provide maximum flexibility for future uses. The City will work with the County to ensure that industrial reserve areas are zoned for the appropriate Agriculture Zones which require 20-acre or 40-acre minimum parcel sizes.

2.2.d Develop an action program which outlines priorities for annexing new industrial and commercial areas and includes plans for providing services and infrastructure to these future industrial/commercial areas.

With the advice of the Economic Development Advisory Committee and the Planning Commission, the City should establish an action program for annexing new industrial and commercial areas which would include plans for providing infrastructure. Since it takes time to bring industrial sites “on-line”, it is imperative that this be done in a timely manner. Special attention should be given to areas within the northeastern portion of the City as job centers for businesses seeking a location near UC Merced.

Policy L-2.3

Promote the Retention and Expansion of Existing Industrial and Commercial Businesses.

In order to maintain the City’s economic base, it’s not enough to attract new businesses. Existing businesses, if taken for granted, can leave the area, go out of business, or stop growing. By reaching out to existing businesses, the City can make sure that their current and future needs are being met as well as promote their expansion.

Implementing Actions:

2.3.a Protect industrial areas from encroachment by non-industrially-related uses and from incompatible uses within the industrial zones themselves.

Designate buffer areas (which may include open space areas, business parks, commercial development, and/or heavily-landscaped roadways or parkways) between industrial and residential uses. Guidelines should be established for these buffer areas to address their minimum size, development standards, etc. Often incompatible uses, such as schools, churches, etc, which create conflicts with industrial uses, would like to locate in industrial zones. These uses should be strongly discouraged in order to protect the economic viability of the industrial areas.

2.3.b Continue to improve the permit approval process to ensure that industrial development projects are approved in a timely manner.

The Development Services Department has made considerable effort to streamline the permit approval process for residential, commercial, and industrial projects. These efforts are expected to continue on an ongoing basis. The development of design guidelines for

commercial and industrial projects could be developed to make the City's expectations clearer.

2.3.c Maintain a business outreach program to ensure that the needs of existing businesses are being met.

The City's Office of Economic Development along with the Economic Development Advisory Committee and the Small Business Development Center, participate in various programs which contact local businesses regarding retention and expansion opportunities.

2.3.d Review and update as necessary the City's Zoning and Sign Ordinances in order to streamline and make the development process more business-friendly and understandable.

The City's Zoning Ordinance, adopted in the 1960's, has only been periodically updated over the years and has never been comprehensively updated. The City's sign ordinances, adopted in the 1970's, is also in need of a comprehensive update (refer to Policy UD-2.2.j). Neither ordinance addresses "modern" concepts (i.e. mixed-use zoning, signs that use LED technology, etc.), and there is much interpretation by City staff involved for land uses that are not specifically described in the ordinance because they did not exist at the time the ordinance was written (i.e. dialysis centers, internet cafes, etc.) A comprehensive update of both the Zoning and Sign Ordinances are needed to make them more user-friendly and easier to understand for City residents and prospective and existing businesses. Many cities have found form-based zoning codes to better meet the needs of their communities and the City will consider implementing such a form-based zoning code as part of this Update process.

Policy L-2.4

Provide a Range of Services Adjacent to And Within Industrial Areas to Reduce Auto Trips.

By providing services adjacent to or within industrial areas so that employees do not have to leave the area to eat lunch or run errands, the number of noon hour auto trips may be reduced.

Implementing Actions:

2.4.a Establish a new zoning designation called "business park" which would allow a mix of heavy commercial, "back office," and light industrial uses.

The Merced Vision 2015 General Plan introduced a new land use designation, "Business Park." Planned Development zoning has been used on an interim basis, but a "business park" zone should be established which would allow a mix of heavy commercial, "back office," and light industrial uses. By allowing this mix of uses, the number of auto trips may be reduced within these areas.

2.4.b Continue to allow services, such as restaurants and other retail commercial uses which mainly serve industrial employees, to locate in industrial zones as discretionary uses.

The City's Light Industrial Zone allows restaurants which serve employees and are located in main buildings as accessory uses. Retail commercial uses which are deemed appropriate by the Planning Commission are allowed as conditional uses.

2.4.c Consideration should be given to provide attractive, efficient, and affordable means of mass transit between industrial areas and residential areas of the City.

Transit routes should serve industrial areas so that employees can reach their jobs by means other than the private automobile. The location of industrial areas and other major employment centers will be considered as transit routes are established.

2.4.d Consideration should be given to making changes to the Zoning Ordinance which allow for some commercial and service activities in and/or convenient to industrial areas.

Because of increasing air quality and traffic concerns, it is becoming desirable to provide commercial and service activities convenient to industrial activities for easier accessibility by industrial employees. If restaurants, health clubs, daycare centers, auto services, some offices, and limited retail activities that draw primarily from industrial areas could be located convenient to such zones, it could have substantial traffic and air quality benefits to the community as well as making it easier for industrial employees to conduct business, run errands, etc. without having to drive across town.

The City currently does not encourage or even allow in some cases these kinds of uses. Changes to the Zoning Ordinance will be necessary to achieve this objective.

Policy L-2.5

Maintain Attractive Industrial and Business Park Areas.

For the purpose of recruiting new businesses and retaining existing businesses and for overall City image and appearance, attractive industrial areas should be maintained.

Implementing Actions:

2.5.a Continue to require Site Plan Review of new industrial development and the application of standards regarding landscaping, appearance, circulation, access, and parking. However, consider developing performance standards for industrial development to replace the Site Plan process in the future.

The City currently requires Site Plan Review for new industrial development and the expansion of existing industries. This staff-level review applies consistent standards regarding landscaping, access, etc. to ensure that industrial areas are developed in an attractive manner while still recognizing that industrial development standards need to be flexible to balance aesthetic needs with operational practices. The emphasis should be placed on maintaining an attractive appearance along the perimeter of industrial areas where they are visible to other land uses and the public. The City will consider developing performance standards for industrial development in place of the Site Plan Review process in order to streamline the process for locating new businesses in Merced, while still addressing potential environmental and aesthetic impacts of new industrial development.

2.5.b Consider requiring the planting of parking lot trees in industrial areas, perhaps at a reduced standard instead of the one tree for each six parking spaces required in other areas, to provide shade, reduce glare, and reduce reflective heat.

Residential and commercial development throughout the City is required to provide one tree for each six parking spaces in parking lots to provide shade, reduce glare and reflective heat, and to promote a more attractive appearance. Industrial areas are not required to do the same even though they often have large expansions of asphalt which would benefit from the

introduction of trees. The City should consider requiring the planting of parking lot trees in industrial areas but at a reduced rate so as not to create an undue burden on industrial development.

2.5.c Require the removal or screening of all rubbish, abandoned buildings, processing wastes, old equipment, or other forms of blight in industrial areas.

Through the Site Plan Review process, the City requires the screening of unsightly areas from view from the public streets.

2.5.d Investigate the possibility of regulating industrial development on the basis of or in combination with performance standards instead of strictly by definition of specific allowable uses as in the Zoning Ordinance.

Performance standards, if they can be made applicable, have the capability of translating the classified industrial categories (light and heavy industrial) into a well-defined and meaningful system for identifying possible impacts of different industrial uses. Under such a system, industrial land uses can be located and administered in a more effective and flexible manner.

2.5.e Require high quality architectural, site (signs, lights, walls, etc.), and landscape designs for industrial developments that abut Highway 99.

As the City grows to the west and southeast along State Route 99, current and future industrial and business park uses need to be constructed to a high standard in order to enhance the visual quality of these areas.

Policy L-2.6

Provide Neighborhood Commercial Centers In Proportion to Residential Development in the City.

Residents of the City should have ready access to commercial services in close proximity to their homes for convenience and to eliminate the need for excessive automobile trips. Neighborhood centers with grocery, pharmacy, and other stores which serve the needs of surrounding residents should be distributed throughout the City to serve most residential areas.

Implementing Actions:

2.6.a Neighborhood commercial centers should be located approximately one mile apart along major arterial streets adjacent to residential areas throughout the City.

A one-mile radius is the standard service area for neighborhood commercial centers. Therefore, in order to ensure that most residents in Merced have ready access to commercial services, neighborhood commercial centers should be located at regular intervals (approximately one for each square mile of residential development) along major streets within the SUDP/SOI. The Land Use Diagram attempts to meet this standard, but additional sites may need to be designated in the future.

2.6.b Special emphasis should be placed on encouraging the development of neighborhood commercial center(s) in the general vicinity of the South Highway 59 corridor to serve the needs of South Merced residents.

The South Merced area is currently underserved by commercial services. Many South Merced residents need to travel to Central and North Merced for even their basic shopping needs because of the lack of neighborhood commercial services in South Merced. Although several areas have been designated for such development, little actual development has taken place thus far. (New commercial developments, including the Rancho San Miguel, have developed along Highway 140 and Childs Avenue in Southeast Merced and significant development interest has been shown in several South Merced commercial sites in recent years.) The City will continue to explore alternatives for encouraging more neighborhood commercial services in the area.

Continue to apply the policies and implementation measures of the *South Merced Community Plan*, notably, Policy CE 1.2, which states: "While it is important to promote SR 59 south of Childs Avenue as a major auto service/agricultural service corridor, be flexible to allow for neighborhood-serving retail, and where feasible, require such development to be consistent with urban village design principles."

2.6.c Efforts should be made to encourage the development of a neighborhood commercial center in the area east of G Street between Yosemite Avenue and North Bear Creek Drive.

This nearly 2-mile-square-mile area is almost entirely built-out with single-family development, with some scattered duplex development. The only commercial services in the area are located along the far edge of this area, G Street, leaving those residents who live on the eastern edges (Parsons and McKee) over one mile or more from commercial services. There are very few vacant sites left in this area which would be suitable for commercial development. Additionally, residents may be concerned about the impacts of commercial uses on their neighborhoods. Efforts should be made, perhaps through a neighborhood planning process, to determine if there is a suitable commercial site in the area which would be supported by neighborhood residents.

Policy L-2.7

Locate and Design New Commercial Developments To Provide Good Access from Adjacent Neighborhoods and Reduce Congestion on Major Streets.

Neighborhood, Regional, and Community Commercial areas throughout the City serve many adjacent neighborhoods. Their locations along major arterials also offer these commercial areas good visibility from passing motorists, which allows them to serve more than just their immediate neighbors. Sometimes, however, this leads to the reduced efficiency of these arterials if commercial driveways are allowed to proliferate in areas near major intersections. These problems can be minimized if commercial developments are located and designed carefully.

Implementing Actions:

2.7.a New retail commercial designations shall be located along arterials at their intersections with collector streets (at 1/4 mile or 1/2 mile locations) in new growth areas. These commercial areas should not be located at the intersections of two arterials, except under very unique circumstances.

Locating commercial developments at the corners of two major streets is fairly common practice in cities throughout the country. However, these locations, while offering maximum visibility to drive-by traffic, often lead to access and circulation problems. Commercial developments tend to develop on all four corners of an arterial intersection

because once the decision is allowed to zone one corner for commercial development, it is very difficult to turn down requests for commercial development on the other corners. Conflicts often arise between slower motorists entering or leaving these commercial areas and motorists using the arterials for higher speed cross-town trips. These conflicts not only decrease the efficiency of the intersection over time (the number of vehicles able to pass through the intersection within a certain period), but can lead to increasingly difficult access to and from these centers by customers. Locations away from these major intersections but still along arterials at collector street intersections offer the combined benefits of high visibility and easier access for both drive-by traffic and for adjacent residential areas.

On the Land Use Diagram, new Urban Village commercial centers are located along major streets at their intersections with collector streets at the 1/2 mile point on a mile grid of major arterials. Traffic signals will likely be required at these intersections, providing a full range of turning movements into the shopping areas. Several examples of such developments already exist (Merced Market Place, Olivewood Center, Bear Creek Plaza, etc.).

Although the City believes that new commercial centers should not ideally be located at the corner of two arterials, the City will consider extremely limited exceptions for large-scale (minimum of 20 acres), high-quality projects which agree to abide by strict access and land use restrictions in proximity to the intersection (i.e. no freestanding pads with multiple curb cuts and no driveway cuts on arterials—only on internal streets), provide internal access and strong connectivity from the adjacent neighborhood, provide a mix of uses and residential densities throughout the project, provide good transit and pedestrian access, provide high-quality architecture, landscaping, site design, and signage, and provide significant public improvements. Such exceptions would need to be negotiated as part of a development agreement and through the use of Planned Development Zoning.

2.7.b Commercial centers shall be designed to provide direct vehicular and pedestrian access from surrounding neighborhoods. In no case shall trips which could be internal (from adjacent neighborhood to center) be forced onto an arterial.

Commercial centers should allow vehicular and pedestrian access from adjacent neighborhoods through the use of internal street access, driveways off of residential streets, and pedestrian paths.

2.7.c The number of commercial driveways on arterials shall be minimized and located in areas where they will cause minimal conflicts with traffic flow on major streets and through intersections.

Commercial driveways should be kept to a minimum on major streets and located in areas away from intersections where they can cause conflicts with intersection turning movements, traffic flow, and signal loop/detection areas. When possible, they should be placed adjacent to whichever property lines are the farthest distance from the intersection.

2.7.d Cross-access and shared driveways between adjacent commercial uses shall be provided as much as feasible.

Adjacent commercial uses should allow access between them without customer traffic having to go back out onto the public streets to travel between uses. Driveways off major streets should be shared as much as feasible between adjacent businesses to minimize the number required on major streets. This should be applied to all new development as much as feasible and to existing development whenever possible.

2.7.e Commercial developments shall be designed to encourage pedestrian, bicycle, and transit access.

Sidewalks, pedestrian accessways, bike racks and/or lockers, on-site transit stops, and transit shelters are among the design features that can be used in commercial areas to encourage alternative modes of access for their customers.

2.7.f Continue to implement City Council Resolution #93-10 establishing policy for the location of retail and service related uses in North Merced.

This resolution states that “the City desires to establish a policy which balances the need for commercial growth with the need to preserve the capacity of arterial streets and achieve long-standing planning objectives.” The resolution sets forth the following guidelines for the location of retail and service-related uses in North Merced (north of Bear Creek):

- 1) “Freestanding retail and service-related uses on arterial streets in North Merced are discouraged in order to minimize the number of driveways and to better control location of driveways in relation to signalized intersections, with the objective of improving safety and not reducing capacity.”
- 2) “Clustering of retail and service-related uses in shopping centers is encouraged for convenient pedestrian circulation, simpler internal circulation, and as a contribution to energy-efficient circulation and improved air quality (less start-and-stop car hopping).”
- 3) “Freestanding retail and service commercial land uses in North Merced should be located either: a) inside shopping centers (subject to the provisions below); or b) outside shopping centers if limited to professional offices, financial institutions, and restaurants.”
- 4) “Freestanding uses in shopping centers and sites which can be integrated with shopping centers are appropriate locations for offices and financial uses, restaurants, auto-oriented uses such as service stations and fast-food restaurants, and retail and service commercial uses providing these uses are consistent with the General Plan and Site Utilization Plan or zoning district.”
- 5) “Uses on freestanding pads should: a) be compatible and consistent in design, materials, and colors with the main building complex; b) have circulation and access consistent with the Site Utilization Plan (SUP) if located in a Planned Development; and c) share common driveways with no new driveways on arterial streets.”

2.7.g Locate commercial nodes in new growth areas to avoid the aesthetic and circulation issues associated with “strip commercial” development through the implementation of the policies of the Urban Design chapter (Chapter 6), particularly the Core Commercial principles.

In order to ensure high-quality commercial developments and to avoid typical “strip commercial” development, the policies and guidelines in the Urban Design chapter should be implemented for new developments. The City’s Zoning Ordinance should be updated and revised to implement these principles.

Policy L-2.8

Encourage a Mixture of Uses And Activities That Will Maintain the Vitality of the Downtown Area.

In 2007, the Downtown Strategy Task Force (a 20-member group representing a broad range of community interests) was formed to develop a consensus on the proper direction for Downtown. They developed the following strategies for achieving the goal of maintaining Downtown as the City’s center of cultural and civic activity, finance, and government.

Implementing Actions:

2.8.a Solidify Downtown’s role as the arts, entertainment and dining destination.

Strategies for achieving this include encouraging the creation of a strong Arts and Entertainment Committee, developing a program to increase the amount of public art throughout Downtown, and recruiting fine dining, clubs, and outdoor dining.

2.8.b Retain all existing and attract new financial service businesses, office uses, and government-related offices in Downtown Merced.

The identification of sites for additional financial activities and the recruitment of new institutions (especially back office functions, data centers, and regional headquarters) is a top priority. Existing City and County government offices should be encouraged to remain Downtown and new government-related offices should be encouraged to locate in the Downtown.

2.8.c Ensure that the Downtown is connected to the rest of the City through improved bus service, better bicycle/ pedestrian connections, and enhanced connections between Downtown and Merced College and the UC campus.

Attempts will be made to create unified store hours, recruit restaurants and apparel retailers, intensify the downtown promotion program, and cluster retail uses in a more compact area of downtown (generally bounded by 19th Street, O Street, the Southern Pacific railroad tracks, and Martin Luther King Jr. Way).

2.8.d Create exceptional Downtown residential neighborhoods.

Efforts will be made to develop policies to encourage Downtown housing development, developing the Mid-Town neighborhood as a premiere residential district with historic character, and to build additional housing units throughout the Downtown.

2.8.e Develop more office space Downtown through renovation and new construction

The City will attempt to create more office space Downtown for all types of businesses and services concentrated near the retail core. Renovation of upper floors of existing buildings for office use will also be encouraged and a business recruitment program to attract new Downtown businesses will be considered.

2.8.f Strengthen transportation systems to support Downtown's economic base

Creation of an internal Downtown transit system, improvements to the City transit system, and expansion of Downtown arterial street capacity would be sought.

2.8.g Encourage Downtown educational and training facilities and activities

Strategies included the development of a consolidated education center (including Merced College, satellite locations for higher education, and adult education and training), which has been completed, and a Downtown day care center, which has yet to be developed.

2.8.h Continue to use Redevelopment funds to upgrade Downtown's appearance and infrastructure, to develop new public projects to implement the Downtown Strategy, to assist in the development and financing of private projects, and to market the Downtown area.

The Merced Redevelopment Agency has been used for all these purposes in the past and should continue to pursue these goals. Focus redevelopment resources on key properties identified in the 2007 Downtown Strategy.

2.8.i Create a superior ambiance and build a distinguished Downtown.

Efforts identified in the 2007 Downtown Strategy to achieve this goal include enhancing the pedestrian environment, enhancing lighting, increasing open space, creating gateway monuments, establishing a commercial recruitment program, addressing Downtown parking

needs, encouraging outdoor dining, and creating a significant City Center anchor to complement the Mainplace Theater.

Policy L-2.9

Identify Locations and Develop Standards for Campus-type Research and Development Parks.

With the location of the UC Merced Campus by Lake Yosemite, there is a need to designate future sites near the Campus for research and development parks. One of the economic benefits of having a major research university is the “spin-off” businesses that develop from the research conducted by professors and students at the University.

Implementing Actions:

2.9.a Plan for job centers in the northeastern portion of the City capitalizing on the proximity to a research university, UC Merced.

As part of the development of the northeastern area, research and development campuses should be encouraged. The size and precise location would need to be determined through a market/economic study. However, as with retail commercial uses, research and development parks should be focused at the ¼ or ½ mile transit nodes along the arterials to avoid traffic congestion at the intersection of two arterials. Business parks to accommodate research and development, technology, light industry, and business uses complimentary of the UC Merced Campus research could also be located on appropriately-designated properties along the Bellevue Corridor and other transportation corridors in the vicinity of the UC Merced Campus if the market exists for such uses.

2.9.b. Develop zoning and development standards for campus-type research and development parks.

The City’s Zoning Ordinance does not currently contain zoning standards for campus-type research and development parks. Such standards will need to define permitted and conditionally permitted uses, taking into account desired uses in such districts, which might include restaurants and hotels to serve the employees and clientele; setbacks, building heights, etc.

Policy L-2.10

Encourage Well-Planned Freeway-Oriented Developments

With new regional commercial centers proposed along Highway 99, the City has a significant interest in making sure these are high-quality developments since they are often the first or only impression that highway travelers receive of the City.

Implementing Actions:

2.10.a Implement the following policy per City Council Resolution #2007-89 regarding Freeway-Oriented Commercial Developments”:

The Resolution, which deals with other policies regarding commercial development, reads, in part, as follows:

- (1) The City acknowledges the substantial public investment in the new Mission/Highway 99 Interchange and the proposed Campus Parkway and needed for other Highway 99

connections in Merced. As required by the California Environmental Quality Act and the General Plan, the City intends to review potential traffic impacts and other connecting streets in a careful manner before making any land use decisions in the freeway corridor; and,

- (2) Consistent with General Plan Policy UE 1.3, Ensure that the sequencing of freeway commercial development shall be done so in an orderly manner based upon access to public services and facilities.

2.10.b Review and update the Zoning and Sign Ordinances as necessary to ensure quality freeway-oriented development.

In order to ensure that new freeway-oriented developments are built to high standards, the City should review and update the Zoning and Sign Ordinances as necessary to address architectural design, landscaping, pedestrian/bicycle/transit access, signage, etc., for such developments. Of particular note would be the possible use of “regional” freeway-oriented signs to consolidate signage for multiple parcels on one or two high-quality signs.

3.6 URBAN GROWTH AND DESIGN

In 1990, *Merced 2030-How Should We Grow?* analyzed the various growth and expansion options available to the City (Section 2.2.2). As a result of this study, it was determined that the urban design of these expansion areas should be based on mixed use, pedestrian- and transit-friendly design principles.

Application of mixed-use, pedestrian- and transit-friendly design principles will be encouraged in all new growth areas of the City, through the use of Merced's "Urban Village" model. These same principles have broader implications, however, and can also be applied to developed areas, as feasible, when new development or redevelopment is proposed.

It should be noted that pedestrian- and transit-friendly design does not mean that the automobile is excluded. It simply means that more consideration is given to more effectively accommodating pedestrians, bicycles, and transit as well as the private automobile. Efficient circulation of automobiles will continue to be emphasized, but not to the exclusion of other forms of transportation.

Mixed-use land use principles are discussed below, followed by a brief description of Merced's "Urban Village" land use concepts. (More details regarding villages are contained in Chapter 6, Urban Design.) Policies regarding the promotion of mixed-use, pedestrian- and transit-friendly neighborhoods are addressed in Section 3.6.3.

3.6.1 Mixed Uses

Promoting the development of "mixed-use" (residential, services and employment) centers helps to minimize reliance on the automobile. Merced's land use planning

philosophy promotes development of a mixed use plan which locates commercial, employment, and residential development in relatively close proximity to each other. The City's use of "planned development" zoning, which allows for a mix of uses, illustrates the City's longtime commitment to these principles.

This mixed-use approach, as reflected on the Land Use Diagram, takes the typical elements of urban growth--retail centers, single family and multifamily housing, roads, and public services--and reorganizes them to form a more efficient and pedestrian-friendly development pattern.



3.6.2 Merced's Urban Villages

The fundamental building block for establishing mixed-use, pedestrian- and transit-friendly areas is the *Urban Village*, also known as Transit-Ready Development. Urban Villages are compact, mixed-use districts that will accommodate projected growth, help maintain Merced's present quality of life, and help ensure its continued economic vitality.

Villages achieve these goals by encouraging pedestrian and transit travel, and by planning for more than single-use, low density developments that can generate traffic congestion, air pollution, a scarcity of affordable housing, monotonous landscapes and poor utilization of environmental and land resources.



Guiding Principles

The *Urban Village* and other land use and design concepts will continue to be implemented in the *Merced Vision 2030 General Plan* through the following guiding principles (discussed in more detail in the Urban Design chapter, Section 6.2):

- Conserve natural resource areas that give form and character to the community.
- Promote an urban form that integrates housing, shops, work places, schools, parks and civic facilities.
- Reinforce the elements of the community which give Merced its unique identity.
- Expand the City's non-vehicular transportation network.
- Promote convenient pedestrian and vehicular access to transit, commercial, recreation, and residential places.
- Reinforce the Downtown as a focus point in the City.
- Conserve the special qualities of existing neighborhoods and districts.
- Focus residential, commercial, and employment center development to encourage public transit use.
- Maximize the use of City streets as public spaces.
- Assure that development takes place in a balanced manner in order to promote the economic vitality of evolving areas.

Inner Villages

The *Inner Village* is a mixed-use community within an average 1/4 mile walking distance of a transit stop and *Core Commercial* area. All Inner-Villages include a mixture of parks, shops, medium density homes, and civic uses. Inner Villages combine these uses within a comfortable walking distance, making it convenient for residents and employees to travel by transit, bicycle or foot as well as by car. The Inner Village areas are also known as *Village Core Residential Areas*.

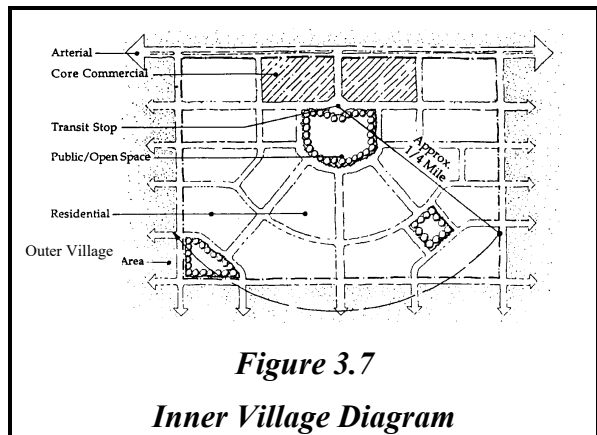


Figure 3.7

Inner Village Diagram

Core Commercial Areas

Each Village must have a mixed-use *Core Commercial* area located immediately adjacent to the Inner Village or Village Core Residential neighborhoods. At a minimum, this core area should provide convenience retail and civic sites. Larger cores may also include major super-markets, professional offices, day care, restaurants, service commercial, entertainment uses, comparison retail and other retail stores. A transit stop and village green should be located between commercial uses and Village Core Residential areas.



Outer Villages

Less compact areas surrounding the Inner Villages contain traditional single-family housing, some office uses, schools, and open space. These areas are known as the *Outer Village*. The Outer Villages are tied to the Inner Villages by a local network of connector streets. This convenient network eliminates the need for local trips on area arterials, thereby reducing demand on these roads. The local street system, on the other hand, is designed to be inconvenient for through traffic, providing safe paths for pedestrians and bicyclists.

These Outer Village areas are simply traditional single-family neighborhoods, except that an emphasis is placed on convenient access to the mixed-use areas. The majority of land in the “Villages” on the Land Use Diagram is Outer Village areas.

Distribution of Villages

Villages should be distributed in a pattern that allows the greatest number of residents access to a variety of shopping opportunities. Villages should also be located to permit residents to walk to retail and public facilities without having to cross an arterial street. Villages need locations that take advantage of main transit lines and existing retail market demand.

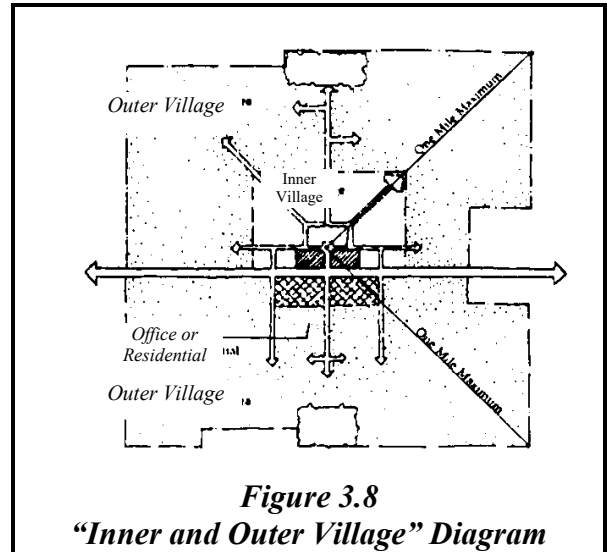


Figure 3.8
“Inner and Outer Village” Diagram

Villages should be located to maximize access to their Core Commercial areas from Outer Village Areas without relying on arterial streets. Villages with major retail centers should be spaced at least one mile apart and distributed to serve various growth sub-areas. Generally, there should be one Village for each full square mile bound by arterial streets, except in rural areas.

Bellevue Urban Design

The composition and pattern of land uses near UC Merced within the Bellevue Community Plan have unique designs and functions due to the economic opportunities and connectivity to the university. Components of the Bellevue Community Plan are discussed in greater detail in Section 3.7.4.



3.6.3 URBAN GROWTH AND DESIGN GOALS, POLICIES, AND ACTIONS

Goal Area L-3: Urban Growth and Design

GOALS

- Living Environments which Encourage People to Use a Variety of Transportation Alternatives
- A Compact Urban Village Design for New Growth Areas
- Self-sustaining, Mixed-Use, Pedestrian-Friendly Neighborhoods
- Transit-Oriented Development Adjacent to the High Speed Rail Station

POLICIES

- L-3.1** Create land use patterns that will encourage people to walk, bicycle, or use public transit for an increased number of their daily trips.
- L-3.2** Encourage infill development and a compact urban form.
- L-3.3** Promote site designs that encourage walking, cycling, and transit use.
- L-3.4** Build identity, character, and enhanced community design in the South Merced Community Plan area.
- L-3.5** Develop a Transit-Oriented Development Overlay Zone adjacent to the planned High Speed Rail Station in Downtown Merced
- L-3.6** Require community plans for large new development areas within the City's SUDP/SOI prior to development.
- L-3.7** Implement policies and principles to conform to the intent of the San Joaquin Valley Regional Blueprint.

Policy L-3.1

Create Land Use Patterns That Will Encourage People to Walk, Bicycle, or Use Public Transit For an Increased Number of Their Daily Trips.

Existing land use patterns in some of the City of Merced, like many other urban areas in the San Joaquin Valley, are not conducive to walking, cycling, and transit use. Many office developments have low employment densities and are often isolated from commercial services, forcing people to drive to eat lunch or to complete errands. High-density residential projects often have little if any commercial development nearby or discourage pedestrian access to commercial uses with block walls and large parking lots. The most common single family lot size of 6,000 to 10,000 square feet leads to population densities too low to support frequent and direct transit service. The predominant suburban development patterns force all local trips for shopping, recreation, school, as well as commute trips onto the arterial street system. This leads to ever wider, more congested arterial streets which in turn discourage people from walking or cycling to even nearby destinations.

Implementing Actions:

3.1.a Encourage pedestrian or transit-friendly designs at suitable locations.

Most of the new growth areas in North and South Merced would be appropriate for pedestrian- and transit-friendly developments. Encourage the preparation of a specific or community plan for large scale new development which incorporates the goals and policies of the City's Urban

	Design Chapter.
3.1.b	<p>Work to preserve and enhance existing neighborhoods and commercial districts which have transit and pedestrian-friendly designs and protect them from development that is incompatible in design, scale, or use.</p> <p>Pursue redevelopment projects to improve the image of pedestrian-friendly neighborhoods and shopping districts (pedestrian amenities, street trees, transit facilities, etc.). The City will need to make sure that existing pedestrian-friendly projects are not compromised by allowing developments within them or adjacent to them that do not fulfill the same principles.</p>
3.1.c	<p>Plan areas for higher density development within 1/4 mile of locations identified as transit hubs and commercial centers.</p> <p>Review and revise as necessary the City's development and the Zoning Ordinance standards and maps designating high-density land uses in areas planned for transit hubs and commercial centers.</p>
3.1.d	<p>Encourage higher housing densities in areas served by the full range of urban services.</p> <ul style="list-style-type: none"> • Encourage high and medium-density housing at sites within walking distance of transit and neighborhood commercial services during general plan updates and developer initiated general plan amendments. • Consider higher housing densities for areas around existing and planned transit hubs. • Encourage developers to take advantage of density bonus provisions of the Zoning Ordinance for projects located around transit hubs on existing or planned transit corridors.
3.1.e	<p>Encourage mixed-use developments that provide commercial services such as day care centers, restaurants, banks, and stores near employment centers.</p> <p>Establish mixed-use zone district standards. Tailor the allowed uses to those best suited for a pedestrian environment.</p>
3.1.f	<p>Work closely with school districts to help them choose school site locations that allow students to safely walk or bicycle from their homes.</p> <p>When specific plans or subdivisions propose school sites for dedication, accept sites that emphasize the ability of students to safely walk or bicycle to school. Incorporate school sites into larger neighborhood activity centers where practical; this concept could include parks, day care facilities, and neighborhood commercial uses. Schools will be encouraged to locate adjacent to Village Core Residential Areas.</p>
3.1.g	<p>Encourage regional shopping malls/centers at sites capable of support by a full range of transportation options.</p> <p>Identify sites with access by freeway or major arterial and public transit. The site could be a regional transit hub and major pedestrian-oriented activity center to increase transit mode share.</p>
3.1.h	<p>Consider air quality and mobility when reviewing any proposed change to the land use pattern of this community.</p> <p>This step is part of the CEQA process established by the City of Merced in reviewing development applications.</p>

Policy L-3.2

Encourage Infill Development and a Compact Urban Form.

Sprawling, low-density and discontinuous development discourages the use of alternative transportation modes and increases travel distances. Infrastructure costs and most environmental impacts are less when development is more compact.

Implementing Actions:**3.2.a Encourage infill of vacant parcels.**

- Conduct a survey of vacant lands through the Geographic Information System (GIS). Develop strategies and incentives for encouraging their development with appropriate uses, including expedited processing and reduced fees.
- Encourage infill projects that are determined to be compatible with existing development.
- Encourage growth to occur in and around activity centers, transportation nodes, underutilized infrastructure systems, and redevelopment areas.
- Work with land owners to re-designate vacant lands suitable for higher densities or for transit/pedestrian-oriented developments during general plan updates and periodic reviews.

3.2.b Encourage infill and redevelopment projects within the urban area that could enhance the effectiveness of the transit system.

- Encourage projects that increase pedestrian activity and mixed-uses.
- Encourage commercial uses that are complementary to urban employment centers.
- Strategically locate high-density development to provide good transit access.

(Notes: Please refer to the Urban Expansion Chapter for policies relating to keeping a compact urban form while promoting urban expansion.)

Policy L-3.3***Promote Site Designs That Encourage Walking, Cycling, and Transit Use.***

Most developments are designed to provide the most direct and convenient access by car at the exclusion of other modes of transportation. It is possible to design sites in ways that encourage less polluting transportation modes and still support access by motor vehicle.

Implementing Actions:**3.3.a Encourage project designs which increase the convenience, safety and comfort of people using transit, walking or cycling.**

Review the City's Zoning Ordinance for possible amendment to include air quality design standards. Design standards must be general enough to apply under all but the most unusual circumstances to avoid the need for numerous zone variances and modifications. Some design measures like sidewalk widths and landscaping requirements are very appropriate for design standards. Design measures dealing with parking lot designs and building facades may be better left as guidelines because of site to site differences.

3.3.b Encourage all subdivision street and lot designs, commercial site plans, and multi-family site plans to improve access by transit, bicycle, and walking.

Review the City's development review procedures and modify, as appropriate, to include policies that accommodate access and internal circulation by alternative transportation modes. Develop design guidelines that illustrate preferred designs.

Just a few examples of design measures that could be recommended during design review include:

- Direct access to commercial centers from surrounding neighborhoods.
- Intra-development designs that incorporate integrated street patterns rather than designs which limit ingress and egress options to the development and restricts traffic to a limited number of arterials.
- Primary ground floor commercial building entrances should orient to plazas, parks, or pedestrian-oriented streets, not to interior blocks or parking lots as feasible.
- Promote the use of trees and plants in travelway landscaping and residences.
- Building facades should be varied and articulated to provide visual interest to pedestrians.
- Street trees should be placed in planter strips or tree wells. Tree species should be selected to create a unified image for the street and provide an effective canopy.
- Sidewalks should provide an unobstructed path. Larger sidewalk dimensions are desirable in commercial areas where pedestrian activity will be greatest.
- Encourage the use of front porches, bay window, and balconies which face onto the street to increase social interaction and provide heightened security for residential streets.
- Identify locations suitable for street furniture, and encourage its use.

3.3.c Encourage all development projects proposed within 2,000 feet of an existing or planned light rail transit, commuter rail, express bus or transit corridor stop, to incorporate site design measures that improve accessibility to the transit system.

Analyze existing land use patterns and constraints around transit facilities to identify appropriate design measures

Policy L-3.4

Build Identity, Character, and Enhanced Community Design in the South Merced Community Plan area.

The South Merced Community Plan, adopted in 2008, outlines strategies for building community character in the South Merced area.

Implementing Actions:

3.4.a Create and enforce codes that will foster the development of an aesthetic environment and beautify and enhance the design of "Gateway" roads.

Strategies discussed in the South Merced Community Plan include development of a new South Merced sign code; promoting Planned Development zoning with an emphasis on solar-orientation, open space, affordable housing, and architecture; increased Code Enforcement; improving the image of the Fairgrounds; and requiring high-quality designs for developments along Highway 99.

3.4.b Beautify and enhance the design of Gateway roads in the South Merced Community Plan area.

This would involve requiring design treatments to enhance the aesthetic quality along Childs Avenue, Mission Avenue, Tyler Road, and South Highway 59. Encouraging businesses to make façade and landscaping improvements, installing landscape medians, and establishing design guidelines would be among the strategies considered.

3.4.c Utilize the City’s Urban Village Concept, policies, and designs guidelines for development in the South Merced Community Plan area.

This would include the development of an urban village on Mission Avenue, east of Tyler Road, and promoting neighborhood-serving retail along the South Highway 59 in addition to the major auto services and agricultural services already developed.

Policy L-3.5

Develop a Transit-Oriented Development Overlay Zone Adjacent to the Planned High Speed Rail Station in Downtown Merced

Implementing Actions

3.5.a Develop a “Transit-Oriented Development” Overlay Zone for the area adjacent to the planned High Speed Rail Station in Downtown Merced.

The California High Speed Rail project will provide passenger service from Los Angeles to San Francisco at speeds which would rival air service. A proposed High Speed Rail Station is planned for Downtown Merced, which will serve as a major transition point between different legs of the High Speed Rail service--The Merced-Bakersfield segment, the Merced-San Jose segment, and the future Merced-Sacramento segment. Although the precise location has yet to be determined, several options are under consideration for this multi-modal transit facility.

Once the Station location is selected, the City will need to develop a “Transit-Oriented Development” overlay zone in order to take advantage of this opportunity to enhance and improve the Downtown area. Within this Overlay Zone, several concepts would need to be considered, including mixed-use development, increased residential and commercial densities, reduced parking requirements and managed parking strategies, an emphasis on pedestrian/bicycle/transit access, increased entertainment, retail, dining, hotels, research, and office facilities, and others. Some of the same principles and policies contained in the City’s Urban Village model (Chapter 6) may be utilized in the proposed “Transit-Oriented Development” overlay zone for the High Speed Rail Station, but a denser urban model would be needed to take advantage of the proposed ridership of the High Speed Rail.

3.5.b Review and update as necessary the Downtown Strategy, Economic Development Strategy, and other planning documents after the selection of the High Speed Rail station location to reflect the City’s development goals adjacent to this important facility.

Once a station location has been selected, the City will need to review and update as necessary its relevant planning documents in order to make sure that this important facility is taken into account into development and redevelopment efforts.

3.5.c Consider changes to the City's Urban Village Concept in order to better reflect its status as "Transit-Ready Development" instead of "Transit-Oriented Development."

Although the City's Urban Village Concept has been described as "Transit-Oriented Development," a more accurate description would be "Transit-Ready Development" since the necessary transit system to serve these developments is not yet in place. The City's mixed-use Urban Villages are proposed at residential densities (a minimum of 10 du/ac) that would support an express bus system, but would not support a light rail system or the proposed High Speed Rail (see L-3.5.a above). The City's Urban Village Concept policies and principles should be reviewed to make sure that they reflect realistic goals for future transit facilities.

Policy L-3.6

Require Community Plans for Large New Development Areas within the City's SUDP/SOI Prior to Development.

The Community Plan process is envisioned as an important implementation tool in the Merced Vision 2030 General Plan for large-scale new developments. It is important to note, however, that it is intended to be a flexible tool that accomplishes a definite planning purpose yet does not unnecessarily frustrate the development process.

Implementing Actions:

3.6.a Require the development of Community Plans for large-scale new developments within the City's SUDP/SOI prior to development.

As envisioned in this plan, a "Community Plan" may or may not conform with the requirements of Government Code Section 65450 for "Specific Plans.". The Community Plans proposed are intended to recognize specific projects that have undergone significant developer-driven planning efforts but need to fit in with the Merced Vision 2030 goals and objectives. These projects will undergo additional detailed planning and environmental review when formally proposed to the City for development.

The Land Use Diagram proposes the establishment of five new Community Plan areas (Figure 3.9). These areas are as follows:

- 1) The University Community Plan (*Section 3.7.3*);
- 2) The Bellevue Community Plan (*Section 3.7.4*);
- 3) South Thornton (or "Five Bridges") Community Plan (*Section 3.7.5*);
- 4) South Mission Community Plan (*Section 3.7.6*).
- 5) Yosemite Lakes Community Plan (*Section 3.7.7*)

In the above sections, each of these Community Plan areas will be described along with issues associated with the future development of these Community Plans. An illustrative plan of each of these Community Plan areas has been included in Section 3.10, *Appendix*. These illustrative plans are not adopted plans and are only included to inform the public of preliminary land use concepts under consideration in each of the Plan areas.

3.6.b Make use of guiding principles in developing Community Plans.

Community Plan Guiding Principles

The following guiding principles should be used in developing these community plans:

- 1) The “Urban Villages” concept should be incorporated into the planning of these areas as much as feasible.
- 2) Community Plans which include or are adjacent to established neighborhoods will address the needs of these neighborhoods and potential adverse impacts resulting from plan implementation.
- 3) The Community Planning process should be focused on the planning issues or concerns which need to be resolved for that planning area and, to this degree, provide data, information or policy clarification necessary to carry out the goals of the *Merced Vision 2030 General Plan*. Public participation by area residents and property owners in the planning process will be emphasized.
- 4) Community Plan areas need connectivity with existing and planned urban areas. This includes all modes of transportation, including vehicles, bicycles, public transit, etc.
- 5) Community Plans will include a land use and infrastructure phasing plan.

The City may undertake the development of these Community Plans subsequent to the adoption of the General Plan or require developers to complete such plans. The costs of developing the plans may be assessed to those property owners, builders, and developers who will benefit from the plans as development takes place.

Policy L-3.7

Implement Policies and Principles to Conform to the Intent of the San Joaquin Valley Regional Blueprint.

In 2006, the eight Councils of Governments in the San Joaquin Valley (representing the counties of San Joaquin, Stanislaus, Merced, Madera, Fresno, Kings, Tulare, and Kern) came together to develop a coordinated valley vision, the San Joaquin Valley Regional Blueprint. In April 2009, the San Joaquin Valley Regional Policy Council adopted a Preferred Blueprint Growth Scenario and a list of Smart Growth principles to be used by local jurisdictions in updating their General Plans. Conformity to Regional Blueprint plans are likely to be required per California Senate Bill (SB) 375 in the future.

Implementing Actions:

3.7.a Review the City’s General Plan and other policy documents to ensure that they conform to the Preferred Blueprint Growth Scenario, “Scenario B+,” and the preferred density of 6.8 average dwelling units per acre.

Upon initial analysis, the *Merced Vision 2030 General Plan* generally conforms to the principles and preferred density of the Preferred Blueprint Growth Scenario, known as “Scenario B+.” However, a more comprehensive analysis will be required in order to ensure that the City’s General Plan and other policy documents conform to the Blueprint.

3.7.b Continue to implement City policies and programs that conform to the Smart Growth Principles of the San Joaquin Valley Regional Blueprint

In April 2009, the San Joaquin Valley Regional Policy Council adopted Smart Growth Principles to be used as a basis for Blueprint planning in the San Joaquin Valley. The policies include:

- 1) Create a range of housing opportunities and choices.
- 2) Create walkable neighborhoods.
- 3) Encourage community and stakeholder collaboration.
- 4) Foster distinctive, attractive communities with a strong sense of place.
- 5) Make development decisions predictable, fair, and cost effective.
- 6) Mix Land Uses
- 7) Preserve open space, farmland, natural beauty, and critical environmental areas.
- 8) Provide a variety of transportation choices.
- 9) Strengthen and direct development toward existing communities.
- 10) Take advantage of compact building design.
- 11) Enhance the economic vitality of the region.
- 12) Support actions that encourage environmental resources management.

The *Merced Vision 2030 General Plan* contains many policies that relate to the above principles, which are spread throughout the General Plan Elements, including Land Use, Transportation, Public Facilities & Services, Urban Design, Open Space & Conservation, Sustainable Development, etc.

Policy L-3.8

Implement the 2023 University Community Plan (UCP) and Virginia Smith Trust (VST) Specific Plan as Adopted by the County of Merced

Editor's Note: No specific text for this policy or Implementing Actions were part of General Plan Amendment #23-04, adopted by the City Council on January 16, 2024. Please see Section 3.73 on page 3-71 for more information on the VST Specific Plan, which was also adopted by the City Council and incorporated by reference into the General Plan per City Council Resolution #2024-14,

3.7 DEVELOPMENT PLANS/ COMMUNITY PLANS

In 2010, the City of Merced has five adopted “Specific or Community Plans” and one “Master Development Plan.” These plans were developed as a way of master-planning large areas under consideration for development. Most of these plan areas were under the ownership of a single property owner or a limited number of property owners at their time of adoption. The plans include detailed descriptions of land use, circulation, public improvements, and open space for the area as well as conditions of approval regarding the developer’s obligations for installing needed infrastructure.

The ‘Specific Plans’ may or may not be a ‘specific plan’ as contemplated by Government Code Section 65450 *et seq.* They were developed as a guide for infrastructure development and to provide the land owners some direction with respect to City intentions and concerns for these areas. This planning practice is legally consistent with the City of Merced’s status as a charter city.

3.7.1 Adopted Specific or Community Plans

For the adopted Specific or Community Plans described below, please refer to the Specific Plan or Community Plan documents (available from the City Planning Division) for details regarding the Plans.

1) Fahrens Park Specific Plan

The *Fahrens Park Specific Plan* was originally adopted in 1984 and was substantially amended in 1990 and 1996. The specific plan area includes approximately 300 acres bounded by R Street to the east, Yosemite Avenue (extended) to the north, Highway 59 to

the west, and Black Rascal Creek to the south. The specific plan calls for single-family residential development, open space (including Fahrens Community Park and a flood control channel), along with a small amount of medium-density residential development and a small mini-storage facility. As of 2010, most of the Plan area has been developed.



2) Campus North Specific Plan

The Campus North Specific Plan was originally adopted in 1985 and was substantially amended in 1990 and 1997. The specific plan area includes 78 acres generally located west of G Street, north of Black Rascal Creek, and south of Donna Drive. The plan calls for approximately 200 single-family homes on standard and small lots and 18 acres of office (with some restaurant uses) development. As of 2010, most of the Plan area has been developed.

3) Northeast Yosemite Specific Plan

The *Northeast Yosemite Specific Plan* was adopted in 1989 and has undergone several revisions since that time. The specific plan covers the square mile (640 acres) bounded by Yosemite Avenue to the south, G Street to the west, Cardella Road to the north, and Gardner Road to the east. The plan currently calls for mostly single-family residential

development with some duplex and multi-family development. Other uses include the new Mercy Medical Center and associated office sites, the Mercy Cancer Center, three church sites, Cruickshank Middle School, an elementary school, two park sites, the Promenade Neighborhood Shopping Center, and a small undeveloped neighborhood commercial site. The Plan area is approximately half developed.



4) Bellevue Ranch Master Development Plan

The *Bellevue Ranch Master Development Plan* was adopted in 1995. The master plan covers 1,365 acres, generally bound by Old Lake Road to the north, G Street to the east, Cottonwood Creek, Merced College, and Lehigh Drive to the south, and the future extension of R Street to the west. The plan calls for single-family residential and multi-family residential development as well as a substantial amount of retail commercial and professional office development adjacent to the east-west arterials running through the site. Other uses include two or perhaps more elementary school sites, and nearly 200 acres of park land and open space.

The Bellevue Ranch project was designed in accordance with the “Urban

Villages Concept,” which allows for an integration of residential, commercial, open space, and public facility uses within the framework of a transit-oriented circulation system. The Master Development Plan is the tool for implementation of the *Merced Villages Design Guidelines* and the policies of the General Plan while serving as a bridge between the two policy documents. This guides the overall development of the project, coordinates the mix of land uses, provides for adequate circulation between uses, and identifies the required infrastructure and public facilities. As of 2010, the Plan area has only partially developed.

5) Fahrens Creek Specific Plan

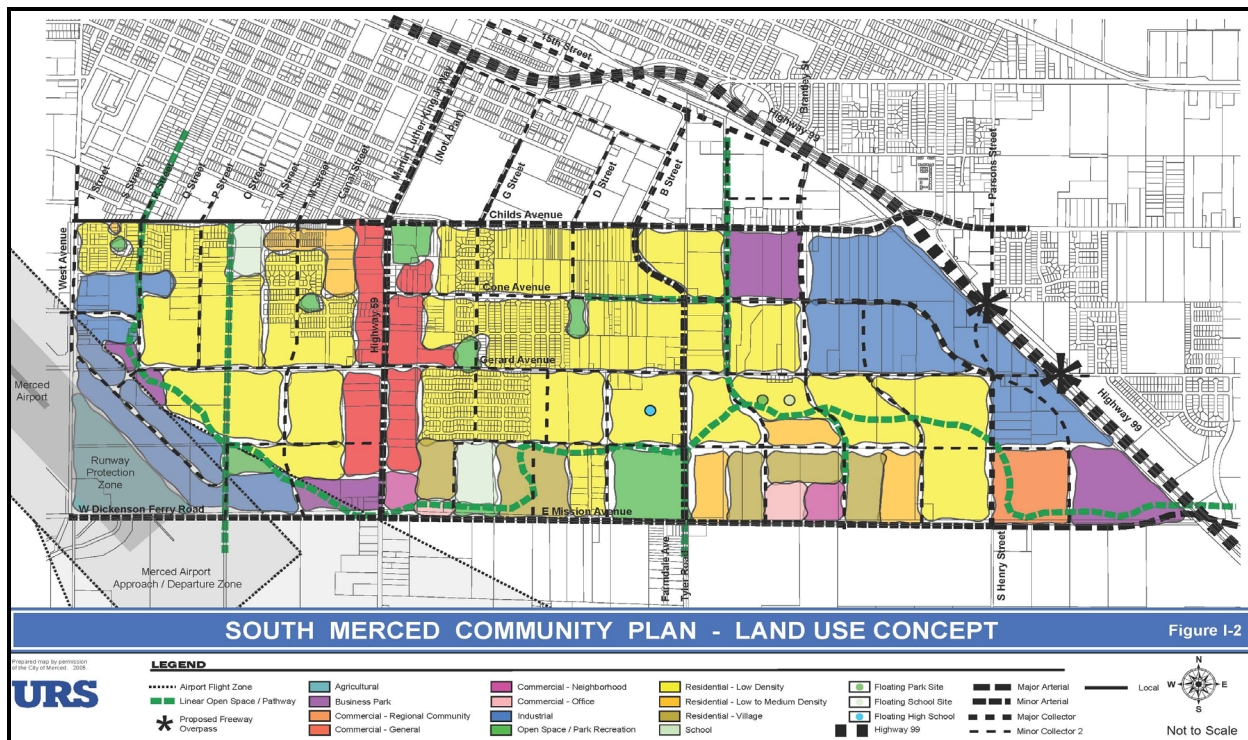
The *Fahrens Creek Specific Plan*, adopted in 2001, occupies one square mile, bounded by Highway 59 to the west, Yosemite Avenue to the south, R Street (extended) to the east, and Cardella Road (extended) to the north. The Plan calls for single-family residential development, two “Urban Villages” with retail commercial centers, adjacent offices, and medium density residential (one on Yosemite Avenue and one on Cardella Road), and business park development along Highway 59. As of 2010, the Plan area has only partially developed.

6) South Merced Community Plan

The *South Merced Community Plan* is a long-range plan that is used to guide urban growth in a 2,010-acre area bounded by State Highway 99 (on east); Mission Avenue/Dickenson Ferry Road (on south); Childs Avenue (on north); and the Merced Regional Airport (on the west).

The preparation of the plan was identified as an important implementation action of the *Merced Vision 2015 General Plan*. Development of the plan was based on substantial public input, which began in 2004 with the drafting of the *South Merced Strategic Plan*. Development of the Community Plan land use and circulation concepts had its foundation from the *Merced Vision 2015 General Plan* and *South Merced Strategic Plan*. The key features of the plan include a land use diagram; conceptual circulation plan; off-street bike path plan; and

development policies. These were developed based on multiple traffic studies and discussions with the public about the opportunities, constraints and vision for the area. A Citizens Advisory Committee that met throughout 2006 and 2007 with City Planning Staff and the City's consultant to help craft the plan. The Merced City Council adopted the South Merced Community Plan on January 24, 2008.



3.7.2 Proposed Community Plans

The Community Plan process is envisioned as an important implementation tool in the *Merced Vision 2030 General Plan*. It is important to note, however, that it is intended to be a flexible tool that accomplishes a definite planning purpose yet does not unnecessarily frustrate the development process.

As envisioned in this plan, a ‘Community Plan’ may or may not meet the requirements of a ‘specific plan’ contemplated by Government Code Section 65450 *et seq.* The Community Plans proposed are intended to recognize specific projects that have undergone significant developer-driven planning efforts but need to fit in with the *Merced Vision 2030* goals and objectives. These projects will undergo additional detailed planning and environmental review when formally proposed to the City for development.

The Land Use Diagram proposes the establishment of five new Community Plan areas (**Figure 3.9**) as follows:

- 1) The University Community Plan (*Section 3.7.3*);
- 2) The Bellevue Community Plan (*Section 3.7.4*);
- 3) South Thornton (or “Five Bridges”) Community Plan (*Section 3.7.5*);
- 4) South Mission Community Plan (*Section 3.7.6*).
- 5) Yosemite Lakes Community Plan (*Section 3.7.7*)

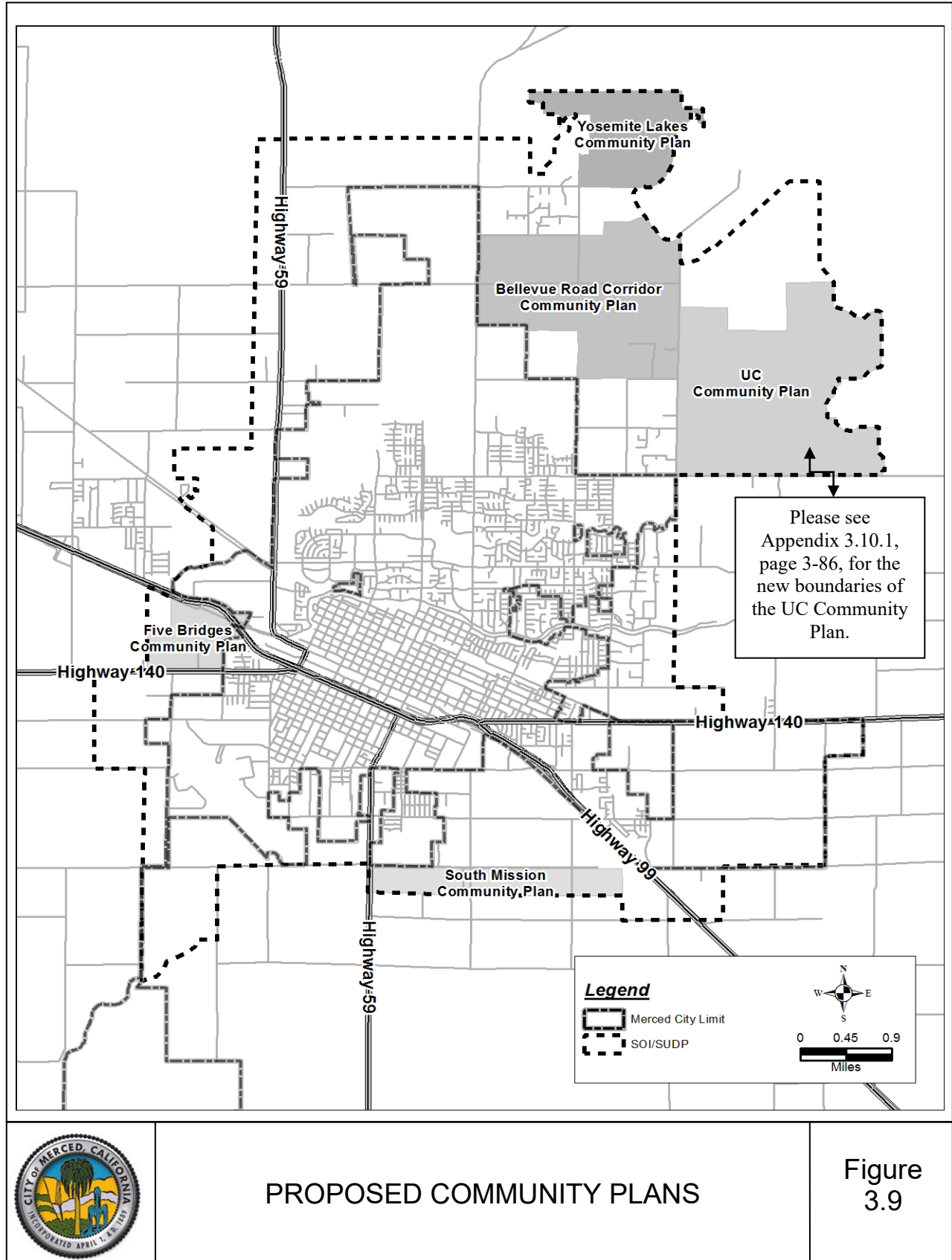
In the following sections, each of these Community Plan areas will be described along with issues associated with the future development of these Plans. An illustrative plan of each of these Community Plan areas

has been included in Section 3.10, *Appendix*. These illustrative plans are not adopted plans and are only included to inform the public of preliminary land use concepts under consideration.

Community Plan Guiding Principles

The following guiding principles should be used in developing these community plans:

- 1) The “Urban Villages” concept should be incorporated into the planning of these areas as much as feasible.
- 2) Community Plans which include or are adjacent to established neighborhoods will address the needs of these neighborhoods and potential adverse impacts resulting from plan implementation.
- 3) The Community Planning process should be focused on the planning issues or concerns which need to be resolved for that planning area and, to this degree, provide data, information or policy clarification necessary to carry out the goals of the *Merced Vision 2030 General Plan*.
- 4) Public participation by area residents and property owners in the planning process will be emphasized.
- 5) Community Plan areas need connectivity with existing and planned urban areas.
- 6) Community Plans will include all elements determined necessary to ensure consistency with the General Plan. These elements may include but not be limited to Land Use, Circulation (including all modes of transportation), Open Space, and infrastructure phasing.



The City may undertake the development of these Community Plans subsequent to the adoption of the General Plan or require developers to complete such plans. The costs of developing the plans may be assessed to those property owners, builders, and developers who will benefit from the plans as development takes place.

3.7.3 University Community Plan

The University Community Plan is approximately 1,950 acres in size generally bounded by the University of Merced Campus to the north, Lake Road to the west, Yosemite Avenue to the south, and the Fairfield Canal to the east.

Unlike the other Community Plans discussed in this Section, the University Community Plan (UCP) has already been adopted by Merced County. The City's 1997 Sphere of Influence includes the UC Merced Campus, although the Campus' footprint has been revised since 1997. The City of Merced assumes implementation of a Revised UCP at some future date.



History

In 2002, the University of California Board of Regents adopted a Long Range Development Plan (LRDP) and associated environmental impact report for the 910-acre, 25,000-student University of California Merced campus, which opened in the Fall of 2005. The LRDP also called for a 340-acre Campus Land Reserve and a 750-acre Campus Natural Reserve

In December 2004, the Merced County Board of Supervisors adopted the UCP (also called a "Specific Urban Development Plan" or "SUDP") and associated environmental impact report for the development of an adjacent university community. In 2004, when the SUDP was adopted by the County of Merced, the UCP covered 2,133 acres and consisted of high-, medium-, and low-density housing; commercial buildings; buildings to house research and development; and parking, parks, schools, and open space.

The 2004 UCP has been adopted as part of the Merced County General Plan and includes goals, objectives, policies, and implementation programs to address the development of the University Community. The UCP is designed to provide over 11,000 housing units and house over 30,000 people. Although the 2004 UCP includes a land use diagram showing the approximate locations of all major land uses, it is noted that the diagram is illustrative and that it does not designate any areas within the UCP specifically for any particular use. Instead a designation of "Multiple Use Urban Development" is applied to the entire UCP. (See Section 3.10, *Appendix* for these illustrations.)

2009 Revisions

After the 2002 adoption of the LRDP, UC Merced applied for a CWA Section 404 permit to fill approximately 78 acres of wetlands on the campus site. During discussions with various federal agencies, the University proposed an alternative to reduce the Campus' impacts on wetlands by reducing the size of the developed portion of the Campus from 910 acres to 815 acres and shifting the Campus boundary south into an area that was to be occupied by the University Community and shifting the Community boundary east. This proposed

change brought about the need to revise the UC Merced LRDP and the University Community Plan, for which UC Merced officials prepared applications and an associated EIR, adopted by the University of California Board of Regents in 2009.

After that adoption, the University Board of Regents had indicated that it intended to submit an application for a University Community Plan Update to Merced County, which has land use jurisdiction over the University Community. Although this application has not yet been submitted to the County, the City of Merced has chosen to acknowledge the revised 2009 external boundaries for the University and the University Community North within the *Merced Vision 2030 General Plan* since the environmental impacts of those boundaries have been fully analyzed in UC's EIR, which involved the participation of the University, the County of Merced, and the City of Merced.

The Proposed Revised University Community Plan area consists of two areas – Community North and Community South. Community North consists of 833 acres and is owned by the University Community Land Company LLC, a not-for-profit organization composed of the Virginia Smith Trust and the University of California. Community South is 1,118 acres and is owned by LWH Farms, LLC.

2023 Amendments—VST Specific Plan

After the 2009 Amendments, the University Community Plan was further amended. The amendments included substantial revisions to the UCP policies text to reflect the current regulatory conditions, annexation the City of Merced as the preferred form of development, reduction of the planning area from 2,133 acres to 1,841 acres to include only those areas outside of the boundaries of the LRDP (and subject to local land use

regulations), modification of the land use program to reduce the number for dwelling units from 11,616 to 9,680), a reduction of the amount of commercial development from 2,022,900 square feet to 1,246,150 square feet, and a modification of the circulation diagram. The modification of the circulation diagram included changes to the alignment of Campus Parkway. A revised land use diagram was also adopted and is included in Appendix 3.10.1. A Specific Plan was developed for the Virginia Smith Trust (VST) property concurrent with the update of the UCP.

3.7.4 Bellevue Community Plan

The *Bellevue Corridor Plan* (BCP), incorporated into the General Plan by reference, is located to the northeast of the City of Merced, and covers an area of approximately 2.4 square-miles. (The Plan was adopted by the City Council on April 6, 2015.) The planning area is generally bounded by G Street on the west; Farmland Avenue on the north; Lake Road on the east and Cardella Road on the South (between Lake Road and Gardner Road), and generally ½ mile south of Bellevue Road (between Gardner Road and G Street).

The BCP is a long-term document with a tremendous amount of uncertainty. To counter this, the plan has a policy framework for future master planning that is comprehensive and is supported by the community. The policy and development framework will deliver an interconnected transit-oriented development pattern, clarity of urban character and flexibility of use to respond to changing markets. Included in the BCP is a dynamic “neighborhood master plan” process that ensure that each new increment of development is well-connected to existing and future adjacent development, while responding to market. The framework for new development is a clear and

interconnected – yet flexible – network of complete streets and community open spaces. The “Neighborhood Master Plan” process acts as the fundamental tool to ensure that the overall physical community structure is developed as envisioned in the BCP.

Key features and issues addressed in the plan include:

Economics/Market

Investment Certainty: While the BCP provides a broad range of uses and densities that could occur, it also emphasizes the development of a great sense of place with investment certainty. The BCP is geared to make projects that are connected to their neighbors and to the transit spine with complete, walkable streets. The BCP envisions a systematic development pattern where the next development is framed by the preceding development site that implements the overall vision, rather than a smattering of projects.



A Strong Downtown: Downtowns are sensitive to market forces, particularly to urban growth in other areas. Initially, an identity distinct from Downtown Merced will need to be fostered by the City to develop a separate and non-competing center in the BCP plan area. Over time, as the market expands, greater flexibility in land uses may be achieved.

Job Attraction: Following the lead of the General Plan, the BCP includes a “Research and Development Park Character Area” that could accommodate up to 2.9 million

square-feet of Research and Development floor space. The Plan is flexible, supporting the size of this land use to adjust depending upon market conditions. The Research and Development employment corridor is infused with innovation hub design elements to attract new firms and industry wishing to locate near the campus.

Housing: The BCP relies on the housing-related narrative, images, diagrams and policies of the *Merced Vision 2030 General Plan* to guide planning, provision and development of future housing units in anticipation of Merced’s increased population. The BCP includes a wide variety of housing types ranging from rural residential estate homes to high-density multi-family dwellings.

Land Use

The Bellevue Urban Design: Certain features of the planning area have strongly influenced the land use structure of the BCP; and include:

- 1) proximity to UC Merced and associated compatibility needs;
- 2) anticipated job-based land uses attracted by a university climate;
- 3) the regional attributes of Bellevue Road as part of the Merced Loop Road; and,
- 4) the community-wide transit corridor linking UC Merced to Downtown and beyond.

The influence of these features is revealed in the amounts and location of land uses. For example:

- 1) the amount of low-density residential has dropped while the amount of land set aside for research and development parks have increased, resulting in a more balanced jobs-to-housing ratio;
- 2) as specified in the BCP, the placement of retail uses may locate at a corner of two arterial roads, expanding sites beyond

just the corner of a collector and arterial road;

- 3) dense housing and retail may locate within one-quarter mile of the Mandeville Transit Corridor between G Street and Lake Road, and not be confined to a single node surrounded by low-density housing; and,
- 4) a vertical and horizontal mix of land uses may occur throughout most of the plan area.

Thus, a land use design unique to the planning area and distinct yet compatible with the General Plan's Urban Village Concept is presented in the BCP.

Open Space: The BCP includes several active parks including three neighborhood parks, a community park and several urban plazas. Neighborhood parks are recommended to be combined with future school sites to serve the anticipated population, and urban plazas will add open space opportunities to high-density populations along Mandeville Lane. Open space corridors featuring pedestrian and bicycle pathways connect to parks and other destinations.

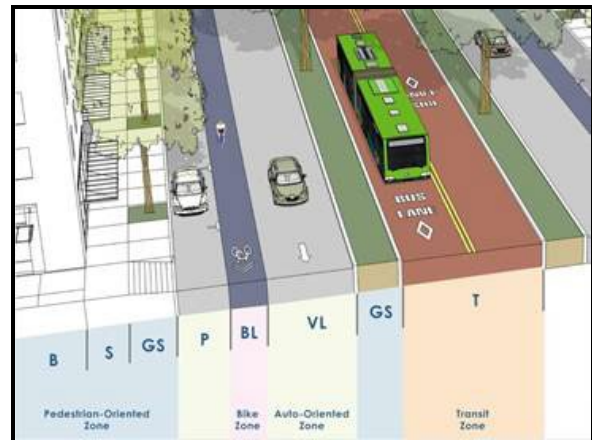
Environment

Conservation Lands: The Open Space Master Plan of the BCP establishes several open space corridors that include sensitive habitats. These may shrink or expand depending upon the findings and actions state and federal permitting agencies.

Transportation/Circulation

Mobility Choices: Along Bellevue Road, the goal is to emphasize smooth traffic flow and provide access to adjacent uses at appropriate intervals and through innovative means, while also creating a distinct gateway appearance through attractive building designs and associated landscaping.

Within the Mandeville Lane Transit Corridor, which links the planned transit stations in Bellevue Ranch and UC Merced, new development should be organized in the form of complete neighborhoods and districts and be oriented to pedestrians and transit. Higher-intensity development and activities should be concentrated near planned transit stops. This arrangement supports regional automobile trips on Bellevue Road, while creating a pedestrian-oriented corridor along Mandeville Lane, and enhances the value of the research and development area that is to be located between these roads.



Numerous bikeways connect to destination sites, as well as UC Merced to existing and planned communities.

3.7.5 South Thornton (or “Five Bridges” Community Plan

The South Thornton (or “Five Bridges”) Community Plan is approximately 350 acres, bounded by Highway 99 to the north, 1/4 mile west of Thornton Avenue to the west, Highway 140 to the south, and Massasso Road to the east.

Private interest to develop within the Community Plan area began in 2004. During 2004 through 2008, City Staff worked with these interests and the neighborhood to examine various land use,

circulation and phasing concepts. The concept land use plan contains the commercial and residential components of a Merced Urban Village, a school site and neighborhood park site. The land use of the area between Bear Creek and 16th Street was originally Regional Commercial, but is now being evaluated for less intense land uses such as Light Industrial and General Commercial. A conceptual land use plan for illustrative purposes only, submitted by the developer, is included in Section 3.10, *Appendix*.

Various circulation concepts have been presented and studied, including a full access interchange with State Highway 99. The most recent proposal simply extends Thornton Road to 16th Street. However, this smaller improvement still requires two bridges, the undergrounding of El Capitan Canal as well as elevating 16th Street.

The area presents several challenges to development, including nearby congested roads and intersections; physical barriers (a creek and railroad); historic flooding events; and significant capital improvement needs. Since 2008, the project has been on hold at the request of the developers, but the City remains committed to working with development interests and the neighborhood to craft a feasible plan that is compatible with the neighborhood and brings needed land uses to this part of Merced in the future.

3.7.6 South Mission Community Plan

The South Mission Community Plan encompasses a little more than ½ square-mile in a linear orientation along the south side of Mission Avenue between State Highway 59 (South) and ½ mile east of Henry Street. This area was within the City's 1997 Sphere of Influence and should be planned for development after the South Merced Community Plan has substantially

developed. No illustrative plan yet exists for this area.

3.7.7 Yosemite Lakes Community Plan

The Yosemite Lakes Community Plan encompasses approximately 655 acres and is located west of Lake Yosemite, north of Old Lake Road, and north and east of the Merced Golf and Country Club.

Background

The Merced County Board of Supervisors approved a Guidance Package for the Yosemite Lake Estates SUDP application in June 1998. This document is required by the County in order to establish a new urban area under the County's General Plan policies.

Prior to the Board's approval of the Guidance Package, the project had been referred to the City for comments. On May 4, 1998, the City Council adopted a motion for conditional approval of the Guidance Package, subject to modification of "potential planning issues" and the "schedule" to provide for solicitation of comments from the University Community Planning Group for consideration by the Board of Supervisors. , It was specifically noted in the Council's action that "this represents approval of a process and not land use per the City-County Tax Sharing Agreement provisions."

With the County as the Lead Agency, an Environmental Impact Report (EIR) was prepared for the project and circulated for public review twice from January to April 2003. On March 24, 2004, the County Planning Commission recommended to the Board of Supervisors certification of the EIR and approval of the General Plan Amendment. On April 27, 2004, the Board of Supervisors certified the EIR, but did not take action on the general plan amendment. It has previously been agreed that the project

would be referred to the City of Merced for review and comment prior to the Board considering the General Plan Amendment.

In August 2004, Merced County referred an application for the establishment of the Yosemite Lake Estates Specific Urban Development Plan (SUDP) Study Area Boundary (General Plan Amendment) to the City for review and comment under the terms of the City/County Tax Sharing Agreement.

On September 7, 2004, the City Council sent a letter to the Board of Supervisors with the following conclusion:

“In summary, the City has a number of concerns regarding the establishment of the Yosemite Lake Estates SUDP Study Area. The City strongly feels that the Yosemite Lakes Project should be included in the study area for the “Bellevue Corridor” that the County and the City have committed to prepare to address the impacts of the University Community on this “intervening area” and our ongoing discussions regarding urban and fiscal issues. The City is also more than willing to work with the project proponents as well as other property owners in the area and interested citizens during the City’s General Plan update process to ensure that their concerns are addressed. The City would also like to move forward with a “pre-annexation/development agreement” between the City, the County, and the project applicant to address issues associated with the eventual annexation of his property to the City. The City believes that consistent with the theory behind both the property tax and sales tax agreements between the City and County, urban uses and urban development should only occur within incorporated cities. As such, the City believes that when urbanization is to occur on this property, that it should be within the City’s SUDP and ultimately within the City itself.”

In October 2004, the Board of Supervisors approved the General Plan Amendment with the understanding that a Community Specific Plan (CSP) would be prepared, consistent with County General Plan requirements, which would provide development policies for the new community, identify specific land uses and design guidelines, and implementation measures including detailed urban infrastructure and public service requirements.



As of 2010, the CSP process had not yet begun. Per previous Council direction, the Yosemite Lakes project area was included in the City’s SUDP/Sphere of Influence in anticipation of future development of the project within the City.

Although there is no specific development proposed at this time, it was estimated that the Project area could accommodate approximately 1,262 dwelling units and approximately 187,340 square feet of commercial development. No illustrative plan yet exists for this area, but a map showing the project boundaries is included in the Appendix.

3.8 ISSUES FOR FUTURE STUDY

There are areas within the City's Planning Area which will require future study. These areas are not expected to build-out during the 20-year life of this General Plan, but they will affect the future growth of the City.

3.8.1 Campus Parkway Area of Interest

This area was part of the original Study Area for the *Merced Vision 2030 General Plan*. It is impacted by a number of constraints, included floodplain, prime agricultural soils, and a lack of public infrastructure potential. It is located south of Yosemite, north of Highway 140, and east of current city limits. A portion of the area has seen significant rural residential development, and this developed area has been included in the SUDP/SOI, but the majority of the area is included in the Area of Interest.

3.8.2 Mission Avenue Corridor

The City's proposed SUDP/SOI boundary ends a quarter-mile south of Mission Avenue, and two miles south near the airport. South of this boundary, and east of Highway 59 represent a future growth area for Merced. Such development would occur after substantial amounts of South Merced located north of Mission Avenue has been developed in order to provide efficient services therein; to minimize infrastructure costs; and to reduce the amount of unincorporated areas currently bounded and surrounded by the City. The South Mission Avenue Corridor area is designated as a Community Plan area while the remainder of the area is included in the Area of Interest, and warrants further study as this General Plan is implemented.

3.9 GENERAL PLAN LAND USE DESIGNATIONS

The following Land Use Designation descriptions define the Land Use Areas depicted on the Land Use Diagram of the *Merced Vision 2030 General Plan*. These General Plan Land Use Designations describe the extent of the uses of land within the Merced SUDP/SOI, including standards of population density (dwelling units per acre) and building intensity (floor area ratios)¹ as required by Section 65302(a) of the California Government Code.

1) Residential Land Use Designations

A) RR (Rural Residential)

a. Purpose and Intent: To provide single family homes on large lots in a semi-rural environment and provide a long term low-density residential buffer between agricultural land and other environmentally sensitive or resource areas and the urbanized areas of the City of Merced.

b. Locational Criteria: Older RR areas were designated along the interface between the more urban areas of the City of Merced and the boundaries of the City's SUDP/SOI and/or lands adjacent to Agricultural or other Open Space areas within the City's SUDP/SOI. The primary areas appropriate for this designation were the west and east sides of the City's growth area. This land use is not an efficient use of land and the City does not propose to designate any new RR's, but must recognize the existing ones in the SUDP/SOI. The City would consider up-zoning these RR areas if the majority of residents agree.

¹ See definition at the end of this section or in Chapter 12, Glossary.

c. Land Use Density and Intensity of Use: The density within the RR area is one dwelling unit per gross acre. Up to three dwelling units per acre are allowed if public sewer/water systems are available.

B) LD (Low Density Residential)

a. Purpose and Intent: To provide single family residential dwellings served by City services throughout the City of Merced. This designation consists primarily of single-family detached housing, but a diversity of single-family housing types, such as condominium and zero-lot-line residential units, can be developed.

b. Locational Criteria: LD areas may be designated throughout the City with lower densities outside “Village Residential” areas. This residential classification can also be applied along special planning areas such as scenic corridors and Open Space areas.

c. Land Use Density and Intensity of Use: The Residential Density within the LD land use classification is 2.0 to 6.0 dwelling units per gross acre.



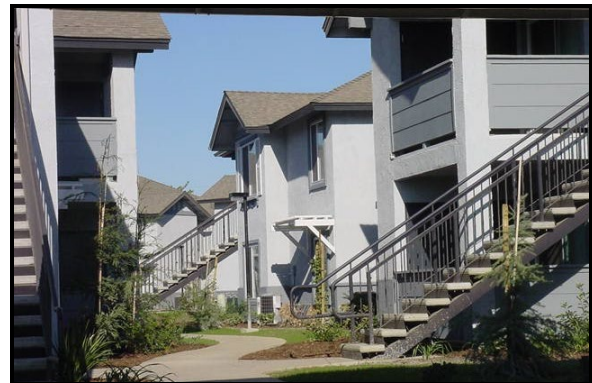
C) LMD (Low-Medium Density Residential)

a. Purpose and Intent: To provide duplexes, triplexes, four-plexes, condominiums, zero-lot-line as well as

single-family detached units on appropriately sized lots.

b. Locational Criteria: LMD areas are typically designated close to commercial or other services and adjacent to parks and playgrounds. This land use classification should be applied in areas near major streets and thoroughfares for convenient access and on in-fill sites.

c. Land Use Density and Intensity of Use: The Residential Density within the LMD land use classification is 6.1 to 12.0 dwelling units per gross acre.



D) HMD (High-Medium Density Residential)

a. Purpose and Intent: To provide areas for multi-family development such as apartments, higher density triplex/fourplex units and condominiums.

b. Locational Criteria: HMD areas may be applied to areas near commercial centers or other similar uses and areas with convenient access to a major thoroughfare and/or public transportation.

c. Land Use Density and Intensity of Use: The Residential Density within the HMD land use classification is 12.1 to 24.0 dwelling units per gross acre.

E) HD (High Density Residential)

a. Purpose and Intent: To provide for the highest multi-family residential densities typically found only in limited areas of the City.

b. Locational Criteria: HD areas may be designated in close proximity to employment centers and UC Merced, the Downtown area of Merced or other suitable sites near public transportation and services.

c. Land Use Density and Intensity of Use: The Residential Density within the HD land use classification is 24.1 to 36.0 dwelling units per gross acre.

F) RMH (Mobile Home Park Residential)

a. Purpose and Intent: To provide designated areas within the City for the establishment and maintenance of Mobile Home Park residential environments.

b. Locational Criteria: RMH areas may be designated on large parcels of land with good access to City streets and State highways. RMH sites should be well buffered from traditional single-family residential neighborhoods and may be considered appropriate low maintenance, low to medium priced senior citizen housing.

c. Land Use Density and Intensity of Use: The Residential Density within the RMH land use classification is 6.0 to 10.0 dwelling units per gross acre.



G) VR (Village Core Residential)

a. Purpose and Intent: To provide for the development of “urban villages” in the undeveloped portions of the Merced SUDP/SOI. The VR designation is intended to provide general guidance for development of the residential areas within 1/4 mile of designated Village Commercial Core areas. This category is titled simply “Village Residential” on the Land Use Diagram.

b. Locational Criteria: The VR designation is to be applied within a 1/4-mile radius of designated “Village Commercial Core” areas on the Land Use Diagram. A range of densities and dwelling types are permitted in Village Core Residential areas as long as the average minimum density (10 du/ac) is met.

c. Land Use Density & Intensity of Use: Villages are mixed-use areas. Residential densities within Village Core Residential areas must be a minimum of 7 units per acre, an average minimum of at least 10 units per acre, and a maximum of 30 units per acre.

H) RES-R (Residential Reserve)

(See Section 5 under “Reserve”)

2) Commercial Land Use Designations

A) CO (Commercial/Professional Office)

a. Purpose and Intent: To provide for a broad range of office commercial uses within the City of Merced, recognizing the changing character and needs of professional office users with the advent of improved information processing technology and the overall economic base of the City and the region.

b. Locational Criteria: CO areas should be encouraged as employment centers adjacent to established commercial areas and residential centers to minimize trip generation and vehicle trip length.

c. Land Use Intensity: The land use intensity within the CO land use classification is an average Floor Area Ratio (FAR) of 0.50 square feet of building area per square foot of net acreage of an individual site (or 0.39 when applied to gross acres). Lower FAR's are appropriate for large commercial business office complexes and regional office centers.

d. Typical Commercial-Professional Office Uses:

Professional Office: Typical professional activities are medical, dental, law, engineering, counseling, and architectural offices on a relatively small scale with few employees and where the public is usually seen by appointment only. Many of Merced's professional offices are located Downtown, along the Olive Avenue, G Street, and Yosemite Avenue corridors, and in other developing areas.

Commercial/Business Office: Commercial/ business office activities include real estate agencies, insurance agencies, financial institutions (banks and savings and loan), and travel agencies on a relatively small scale and where the public is welcomed without

appointment. Merced's commercial offices locate in most of the same areas as professional offices, but they tend to concentrate more along the heavily traveled corridors.

Regional/"Back" Office: Large office uses with a large number of employees come in two varieties. Traditional "back" offices, have large numbers of employees working in a central location processing applications, orders, loans, etc. from a large regional area with little or no public contact. These offices can be located almost anywhere as long as there is enough land and the site has good access. Government and public utility regional offices, such as the City of Merced, the Merced County Courts and Administrative Complex, and PG&E's M Street office, also house large numbers of employees in a central location, but also have frequent interactions with members of the public. These types of regional offices are often located Downtown.



B) CN (Neighborhood Commercial)

a. Purpose and Intent: To provide sites for retail shopping areas, primarily in shopping centers, containing a wide variety of businesses including retail stores, eating and drinking establishments, commercial recreation, auto services etc., to serve residential neighborhoods.

b. Locational Criteria: CN areas should be designated within planned

Village Centers and adjacent to neighborhoods in the Merced urban area, spaced approximately 1 mile apart along arterials.

c. Land Use Intensity: The land use intensity within the CN classification is an average Floor Area Ratio (FAR) 0.35 square feet of building area per square foot of net acreage of an individual site (or 0.27 when applied to gross acres).

d. Typical Neighborhood Commercial Uses: Under the City's current zoning, neighborhood centers are designed to provide for the sale of convenience goods (food, drugs, and sundries) and personal services, which meet the daily needs of an immediate neighborhood trade area. Grocery stores, bake shops, drug stores, beauty shops, dry cleaners, video rental stores, offices, banks, and restaurants are typical uses.

Existing neighborhood centers in Merced vary in size and scale, including Bear Creek Galleria, Bear Creek Village, Riteaid Plaza, Raley's Shopping Center, Rancho San Miguel Center, and smaller centers along G Street at Alexander Ave., Brookdale Dr., and 16th St.

C) RC (Regional/Community Commercial)

a. Purpose and Intent: To provide community and regional commercial centers to serve the full depth and variety of retail goods, general merchandise, apparel, and home furnishings with one or more major department stores as the key tenants. They are distinguished from one another in that regional centers draw from the larger regional market area outside the City. Merced Mall and the Downtown are considered regional centers whereas Westgate is more of a community center.



b. Locational Criteria: RC areas are designated in areas with central access to the surrounding region by means of major City thoroughfare or expressway. Since regional centers draw their customer base from a broad area, there is only limited need for development of new regional centers within the Merced SUDP/SOI. Market feasibility should be part of the justification for any proposed Regional Commercial centers beyond the Downtown area, Merced Mall/Olive Avenue area, Bellevue Ranch, Mission/99 Interchange area, and the University Community Plan Town Center.

c. Land Use Intensity: The land use intensity within the RC classification is a Floor Area Ratio (FAR) of 0.35 square feet of building area per square foot of net acreage of an individual site (or 0.27 when applied to gross acres).

For the Downtown, FAR's of up to 6.0 would be allowed within the Downtown Parking District without any discretionary approval. Any buildings over 60 feet in height require a conditional use permit in the Central Commercial (C-C) Zone, which most of the Downtown is zoned. The C-C zone has no required setbacks, so large FAR's would be allowed. Even higher intensities would be allowed in the High Speed Rail Overlay Zone.

D) CT (Thoroughfare Commercial)

a. Purpose and Intent: The primary function of this land use classification is to accommodate auto-oriented commerce and the needs of people traveling on highways. Large recreational facilities and some "heavy commercial" uses are also common. Typical uses include motels, gas stations, truck stops, restaurants, automobile sales, auto repair shops, bowling alleys, driving ranges, skating rinks, souvenir shops, car washes, and plant nurseries.



b. Locational Criteria: CT areas may be along Highway 99, Highway 59, and Highway 140.

c. Land Use Intensity: The land use intensity within the CT classification is an average Floor Area Ratio (FAR) of 0.35 square feet of building area per square foot of net acreage of an individual site (or 0.27 when applied to gross acres).

E) CG (General Commercial)

a. Purpose and Intent: To provide areas for general heavy commercial uses which are typically land-intensive commercial operations and involve some light manufacturing, repair, or wholesale sale of goods. They may involve transport of materials by heavy trucks and can require large loading and docking areas, which create interface problems with retail uses. Typical uses include lumberyards, automobile wrecking yards, farm equipment or mobile home sales, building supplies, heavy equipment repair, warehousing, machine shops, print shops, nurseries, kennels, and cemeteries.

b. Locational Criteria: CG areas may be designated in a variety of locations with good highway access and in the vicinity of established industrial centers. Most general commercial uses in Merced are located along 16th Street, Martin Luther King Jr. Way, and South Highway 59.

c. Land Use Intensity: The land use intensity within the CG classification is an average Floor Area Ratio (FAR) of 0.35 square feet of building area per square foot of net acreage of an individual site (or 0.27 when applied to gross acres).

3) Business Park Designations

A) BP (Business Park)

a. Purpose and Intent: To provide areas for a mix of heavy commercial, office, research and development, and industrial uses with shared access and parking facilities. Uses could include a wide variety of light manufacturing, warehousing, office, information-based and service business activities.

b. Locational Criteria: BP areas may be designated in a variety of areas with good access, close to residential population centers and urban service centers to minimize vehicle traffic generation and trip length.

c. Land Use Intensity: The land use intensity within the BP classification is a average Floor Area Ratio (FAR) of 0.40 square feet of building area per square foot of net acreage of an individual site (or 0.17 when applied to gross acres).



4) Industrial Land Use Designations

A) IND (Industrial)

a. Purpose and Intent: To provide for industrial uses in the Merced SUDP/SOI. This designation provides for the full range of industrial uses, including but not limited to manufacturing, food processing, trucking, packing, and recycling, as well as those enterprises which may want to combine office and production aspects of their business in the same complex.

b. Locational Criteria: IND areas may be designated in a variety of locations which are served by a state highway or major arterial, rail and/or air transportation access.

c. Land Use Intensity: The land use intensity within the IND Land Use Classification area is a average Floor Area Ratio of approximately 0.30 to 0.50 square feet of building per square foot of net acreage of an individual site (or around 0.17 when applied to gross acres).

d. Use Classifications: Several types of industrial uses can be proposed within an area designated IND and appropriately zoned. Compatible industrial use types include:

Light Industrial: Light Industrial uses encompass most types of light manufacturing, wholesale, and storage activities, such as warehousing/distribution facilities, packaging, light fabrication and assembly, soft drink bottling, manufacturing of electronic devices, lumberyards, public utility substations, corporation yards, and plant nurseries. The Western Industrial Park and Airport Industrial Park are Merced's two existing light industrial areas. Light industrial uses are usually compatible

with surrounding commercial and residential development.

Heavy Industrial: Heavy industry, which in Merced is concentrated in the Santa Fe Industrial Park along Highway 140, allows heavy manufacturing, food processing, metal fabricating plants, railroad yards, truck depots, etc. Such uses are best located away from residential and most commercial development because of potentially undesirable noise, odor, and traffic impacts. Light industrial uses can also be located in heavy industrial areas. However, to use up limited heavy industrial capacity for other land uses could create long-term capacity problems.

5) Reserve Land Use Designations

A) RES-R (Residential Reserve)

a. Purpose and Intent: To provide areas for future urban density residential expansion within the Merced SUDP/SOI. This classification is to be combined with an interim use classification, such as Agriculture, which maintains existing use practices in the area but establishes expected future uses based on need.

b. Locational Criteria: RES-R areas may be designated within the Merced SUDP/SOI along the urban fringe where growth is not expected within the planning period, and within Community Plan areas where additional planning is necessary before precise land use designations are determined.

c. Land Use Intensity: The land use intensity within the RES-R Land Use Classification is the same as for the LD classification (2.0 to 6.0 dwelling units per gross acre). However, this density would not apply until the area is re-

designated as “Residential” and annexed. In accordance with the City/County Tax Sharing Agreement adopted in 1997, the County can continue to implement existing urban zoning if development adheres to adopted City standards; however, lands zoned A-1 (General Agricultural) will remain rural in character until annexed into the City.

B) COM-R (Commercial Reserve)

a. Purpose and Intent: To provide areas for future commercial expansion within the Merced SUDP/SOI. This classification is to be combined with an interim use classification, such as Agriculture, which maintains existing use practices in the area but establishes expected future uses based on need and infrastructure improvements.

b. Locational Criteria: COM-R areas should be designated along major thoroughfares or adjacent to highway interchanges where commercial land use is anticipated beyond the 20-year life of this General Plan.

c. Land Use Intensity: The land use intensity within the COM-R is the same as for the CN classification (0.35 square feet of building per square foot of net area of an individual site). However, this FAR will not apply until the area is re-designated as “Commercial” and annexed. In accordance with the City/County Tax Sharing Agreement adopted in 1997, the County can continue to implement existing urban zoning if development adheres to adopted City standards, however, lands zoned A-1 (General Agricultural) will remain rural in character until annexed into the City.

C) IND-R (Industrial Reserve)

a. Purpose and Intent: To provide areas for future industrial expansion within the Merced SUDP/SOI. This classification is to be combined with an interim use classification, such as Agriculture, which maintains existing use practices in the area but establishes expected future uses based on need.

b. Locational Criteria: IND-R areas may be designated in and around established or designated Industrial areas within the Merced SUDP/SOI, or in areas identified as having unique industrial utility due to factors such as proximity to transportation, utilities or other necessary industrial infrastructure.

c. Land Use Intensity: The land use intensity within the IND-R Land Use Classification is the same as for the IND classification (0.30 to 0.50 square feet of building per square foot of net acres of an individual site). However, this FAR will not apply until the area is re-designated as “Industrial” and annexed. In accordance with the City/County Tax Sharing Agreement adopted in 1997, the County can continue to implement existing urban zoning if development adheres to adopted City standards; however, lands zoned A-1 (General Agricultural) will remain rural in character until annexed into the City.

D) BP-R (Business Park Reserve)

a. Purpose and Intent: To provide areas for future business park expansion within the Merced SUDP/SOI. This classification is to be combined with an interim use classification, such as Agriculture, which maintains existing use practices in the area but establishes expected future uses based on need and infrastructure improvements.

b. Locational Criteria: BP-R areas may be designated in a variety of areas with good access, close to residential population centers and urban service centers, to minimize vehicle traffic generation and trip length where business park use is anticipated beyond the 20-year life of this General Plan.

c. Land Use Intensity: The land use intensity within the BP-R Land Use Classification is the same as for the BP classification (0.40 square feet of building per square foot of net area of an individual site). However, this FAR will not apply until the area is re-designated as BP and annexed. In accordance with the City/County Tax Sharing Agreement adopted in 1997, the County can continue to implement existing urban zoning if development adheres to adopted City standards; however, lands zoned A-1 (General Agricultural) will remain rural in character until annexed into the City.

E) AOI (Area of Interest)

a. Purpose and Intent: This designation is applied to areas located outside the City’s SUDP/SOI proximate to City territory, but not currently planned for annexation or City service, whose development may impact City planning efforts or that may be added to the SUDP/SOI in the future.

b. Locational Criteria: AI areas, designated west, east and south of the City’s SUDP/SOI, are identified as part of the urban growth area for the City through the year 2050. These areas are subject to joint City/County planning and could only be eligible to be brought into the SOI/SUDP after a proposal meets policy requirements (See Urban Expansion Policy UE-1.8.)

c. Land Use Intensity: Development in these Areas of Interest is generally limited to agricultural and open space uses, except for areas where substantial urban development exists. Development proposals creating parcel sizes of less than 20 acres in size would be deemed inconsistent with the purpose and intent of this land use policy except were the parcel is being created for public use or benefit.

6) Other Land Use Designations

A) P/G or SCH (Public/Government or School)

a. Purpose and Intent: To provide public facilities such as schools, fire stations, police stations, public buildings (libraries, courthouse, public offices, etc.) and similar types of public uses and facilities.

b. Locational Criteria: P/G areas may be designated in areas according to demonstrated public need, standard public facility location criteria, and procedures applicable to the type of public use.

c. Land Use Intensity: The lands designated for public facilities and uses are not governed by the normal standards of density and intensity of use applied to other land use classifications.



B) OS-PK (Open Space-Park/Recreation Facility)

a. Purpose and Intent: To provide public and private open space for both passive and active outdoor recreation.

b. Locational Criteria: OS-PK areas may be designated in areas containing public parks, golf courses, greens, commons, play-grounds, landscape areas and similar types of public and private open spaces. "Floating" park and school sites are shown on the Land Use Diagram with asterisks (*) to indicate need for such uses in a general area for which no precise location has been identified.

c. Land Use Intensity: Residential and commercial development is limited within areas classified as OS-PK. Limited service commercial activity may be accommodated within this land use classification, provided it is directly related to the recreation activity conducted on site and the Floor Area Ratio does not exceed 0.10.



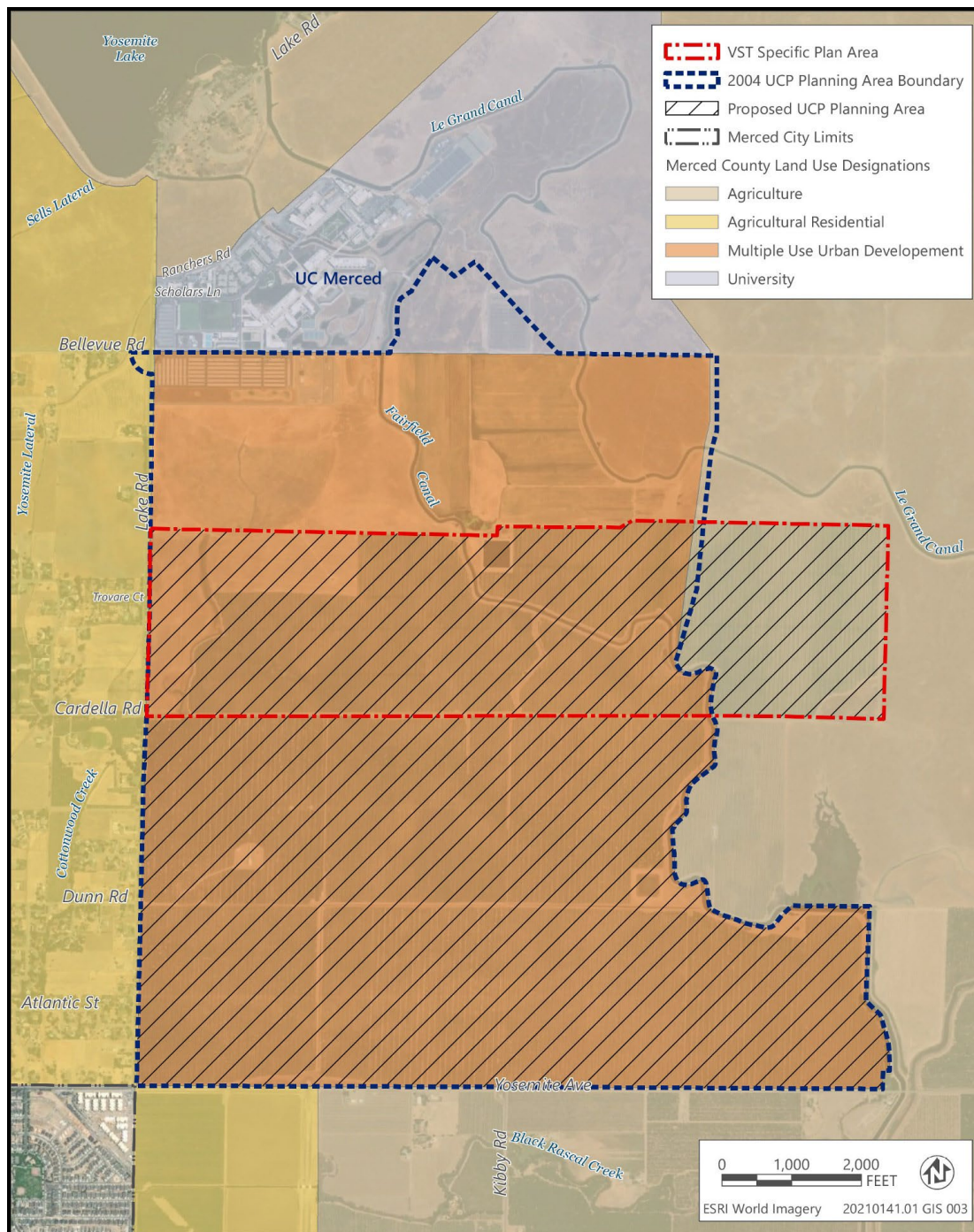
'FLOOR AREA RATIO (FAR): The gross floor area of all buildings on a lot divided by the lot area. For example, a building of 10,000 square feet on a 10,000-square-foot lot would result in a FAR of 1.0. It is a measure of development intensity. In the above example, a 5,000-square-foot building but two stories in height would have the same FAR.

3.10 APPENDIX

3.10.1 Conceptual Land Use Plans for Proposed Community Plans

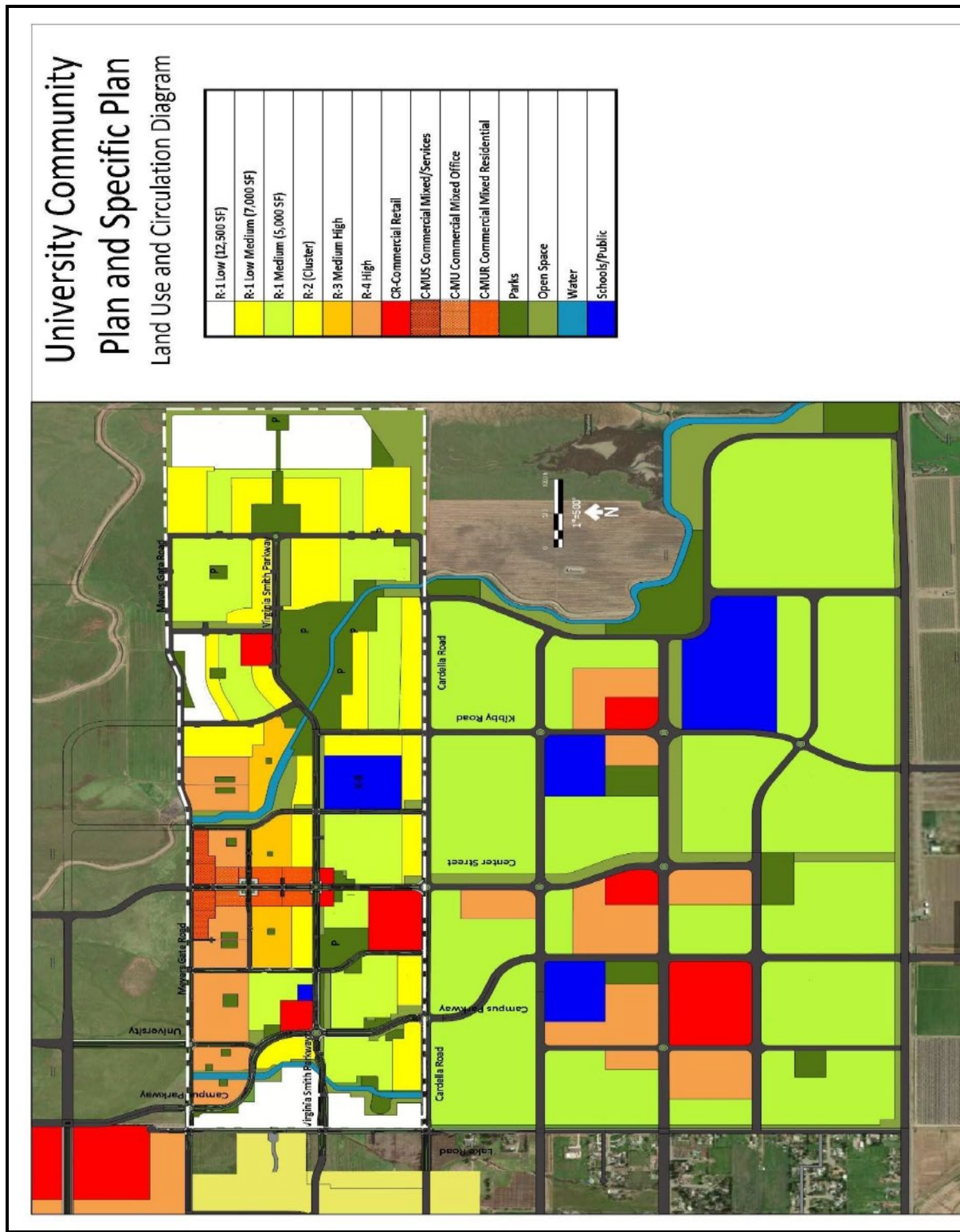
Note: Plans are included here for illustrative purposes only. No land use entitlements are granted by including these plans here.

University Community Plan Boundary (2023)



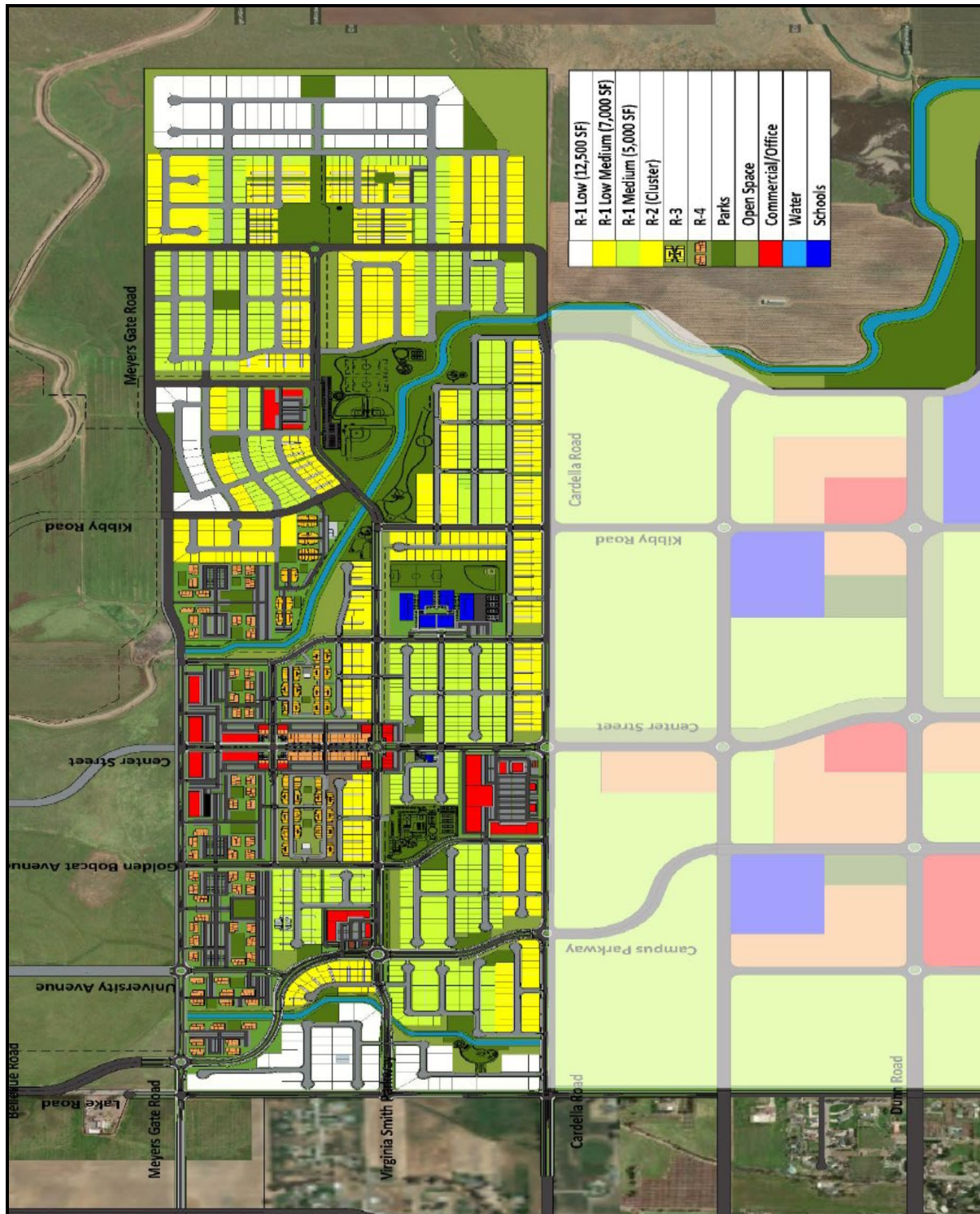
University Community Plan and VST Specific Plan (2023)

Note: Plans are included here for illustrative purposes only. No land use entitlements are granted by including these plans here.



Virginia Smith Trust (VST) Specific Plan (2023)

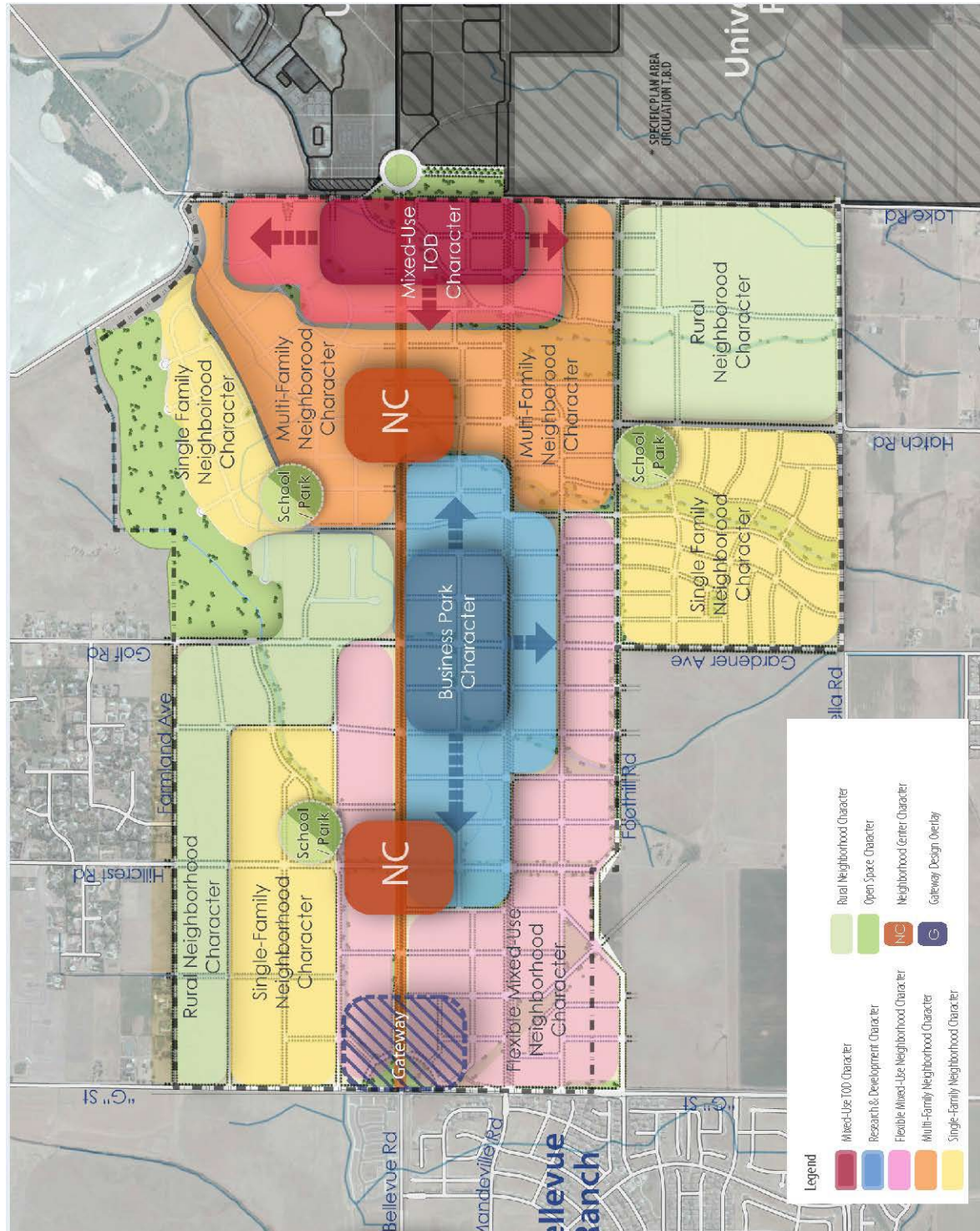
Note: Plans are included here for illustrative purposes only. No land use entitlements are granted by including these plans here.



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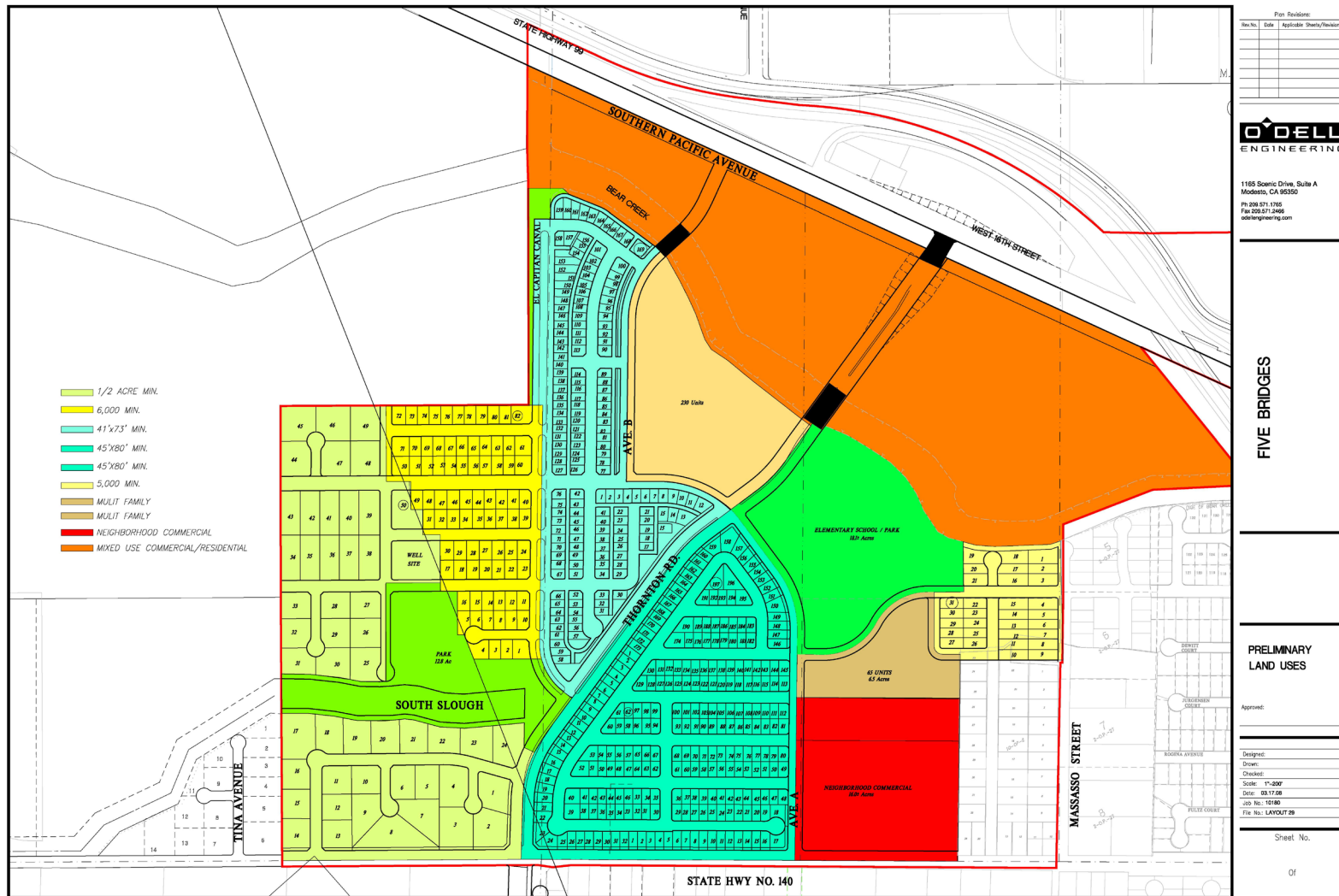
Bellevue Community Plan (Adopted April 6, 2015)

Note: Plans are included here for illustrative purposes only. No land use entitlements are granted by including these plans here.



South Thornton ("Five Bridges") Community Plan

Note: Plans are included here for illustrative purposes only. No land use entitlements are granted by including these plans here.



Yosemite Lakes Community Plan

Note: Plans are included here for illustrative purposes only. No land use entitlements are granted by including these plans here.

