



ADMINISTRATIVE REPORT

AGENDA

ITEM: _____

MTG

DATE: _____

TO: James G. Marshall, City Manager

FROM: Kim Espinosa, Planning Manager

DATE: February 19, 2008

**SUBJECT: Joint Planning Commission/City Council Study Session on
General Plan Update and Sphere of Influence**

RECOMMENDATION:

The agenda for the Study Session is as follows:

- 1) Review & Discussion of Draft Guiding Principles
- 2) Briefing regarding December 2007 LAFCO Meeting and Proposed Changes to Land Use Diagram and Sphere of Influence Boundary
- 3) Review & Discussion of Draft Circulation Map and Draft Sewer Map
- 4) Brief Overview of Modifications to Existing General Plan Policies
- 5) Briefing on Input from the General Plan Update Technical Advisory Committee
- 6) Next Steps and Schedule for General Plan Update & EIR

After review and discussion, it is recommended that:

- a) The Planning Commission recommend to City Council the February 2008 Draft Land Use Diagram and Sphere of Influence recommended by staff or with modifications by the Commission; and,
- b) City Council approve a Draft Land Use Diagram and Sphere of Influence for the purpose of consultant and staff preparation of the Draft General Plan document and Draft Environmental Impact Report (EIR); and,
- c) The Planning Commission and City Council provide direction on the other Study Session topics.

DISCUSSION

Background

The General Plan Update process first began in 2005. During 2006 and 2007, much of the work was focused on defining the General Plan Update Study Area and a smaller Sphere of Influence. Because of the large size and population capacity of the General Plan study area, it was necessary to define a smaller boundary to accommodate the next 20 years of growth. Currently the City's Specific Urban Development Plan (SUDP) boundary and the Sphere of Influence (SOI) boundary are different boundaries with the SUDP reflecting a 20-year growth plan and the Sphere of Influence defining a longer time frame. However, since the City's SOI boundary was adopted by the Local Agency Formation Commission (LAFCO) in 1997, new criteria has been put in place by LAFCO that will require the City to demonstrate how we can provide services to all areas within the SOI. Because of that criteria, staff and the consultants recommended that the SUDP and SOI boundaries be co-terminus and that a larger Area of Interest (AOI) be defined that represents long-term growth areas. Areas within the SUDP/SOI will have City land use designations, but areas within the AOI will not. However, there will be criteria included in the General Plan defining how areas within the AOI can be added to the SUDP/SOI as time goes on. (See Draft Policies in Attachment 7, Action UE 1.3.g on page 6.)

In September 2007, a Draft Land Use Diagram and Draft Sphere of Influence (Attachment 2) was released for public review. Since that time, public input was received on the Diagram from property owners and stakeholders, both at a September 6 Stakeholders Meeting and through comment cards and letters submitted; from the general public at a Public Forum on September 12, 2007; from the General Plan Update Technical Advisory Committee at meetings in September 2007 and February 2008; and from the Local Agency Formation Commission (LAFCO) Board in December 2007 (see below).

Guiding Principles

The current General Plan contains many goals, policies, and implementing actions and the Update will likely include more, but the foundation for most of those goals and policies are a set of Guiding Principles or major goals that the City wants to achieve. A draft set of Guiding Principles can be seen at Attachment 1. These Guiding Principles address quality of life issues, the expansion of the City, the provision of public services and who pays for them, the desire for mixed-use,

transit-friendly urban villages, economic development, transportation and circulation, housing, etc.

The draft Guiding Principles were reviewed by the General Plan Update Technical Advisory Committee on February 7, 2008, and they had the following suggestions for additions to those guiding principles:

- Encouraging Sustainable and “Green” Development
- Planning for the provision of infrastructure ahead of development
- Maintaining Merced’s high quality of life and keeping it a nice place to live
- Encouraging new research parks and the use of new technologies
- Protection of the Merced Municipal Airport as an important community asset
- Maintaining a quality educational environment for pre-school, K-12, and higher education
- Maintaining our quality parks and recreation systems, including the bike path system
- Encouraging a healthy community through improved medical facilities, air quality, parks & recreation opportunities, etc.

The Planning Commission and City Council should review the draft Guiding Principles and provide any suggestions for changes, additions, or deletions.

Input from LAFCO Meeting on Sphere of Influence

On December 6, 2007, City staff and our General Plan consultants, Quad-Knopf, met with the Local Agency Formation Commission (LAFCO) board to discuss the City’s Draft Sphere of Influence (SOI) boundary. The City had provided LAFCO with a background memo regarding the Draft SOI (Attachment A of Attachment 6) and LAFCO staff had prepared a brief cover memo outlining LAFCO policies regarding Sphere expansions (Attachment B of Attachment 6).

City staff and the consultants were very pleased with the specific feedback and suggestions that we received from LAFCO board members. Public testimony was also accepted and two individuals spoke. In summary, the following issues were raised:

- Concern with protecting the Castle Airport from incompatible land uses
- Encouragement of infill development
- Concern with Area 8 (Mission Lakes) and its impacts on the Merced Municipal Airport

- Questions about what kind of agricultural preservation policies will be included in the General Plan
- Concern with including areas designated “Agriculture” in the City’s plan
- Need for policies to address the “Area of Interest”, especially the Campus Parkway area
- The level of land use and infrastructure detail needed in order to evaluate the “Community Plan” areas and the need to show at least “conceptual” plans for those areas
- The need for phasing and growth policies
- Encouraging the annexation of County Islands
- Need to look at higher densities
- Concern with water supply and flood control issues

Issues Relating to the Land Use Map

Based on the above input, the following issues were identified relating to the Draft Land Use Diagram:

- (1) Difficult to justify large size of Sphere of Influence (SOI) based on LAFCO (Local Agency Formation Commission) policies:
 - Draft map and proposed SOI can accommodate population way beyond normal 20-year horizon. Note: The University Community qualifies under LAFCO policies as a “community of interest.”
 - City needs a plan for public facilities and services to serve the large area – location and financing. Impact fees would need to increase to support more infrastructure.
- (2) With the large size, some of the impacts in the EIR will be more significant, e.g., agriculture land and mitigation, air quality, and traffic.
- (3) Challenges of large Community Plan areas (together over 7500 acres):
 - Significant increase in cost for infrastructure not in Public Facilities Financing Plan
 - Connectivity with existing urban area
 - Need for developer planning adequate to retain Community Plan areas in S.O.I. to be analyzed in the EIR
- (4) What is being done to address the above issues?

- Castle Farms (northwest of Hwy 59 and Bellevue Road) is preparing a conceptual land use map, infrastructure plan, and phasing scheme due in February.
- Developer of Mission Lakes (south of Dickenson Ferry Road) may not have information in time for general plan update schedule.
- Staff is recommending phasing policies for the urban Expansion Chapter – Policy UE-1.8.
- Staff is recommending a smaller S.O.I. and larger Area of Interest for future joint planning.

Changes to Draft Land Use Map and Sphere of Influence

After receiving the input from LAFCO, City staff initiated discussions with the developers of the large projects included in the Draft SOI (Castle Farms, Mission Lakes, and the University Community) regarding how much land use and infrastructure information would be available for their projects in order to address LAFCO's concerns and criteria. After evaluating the input and the level of detail available for the areas included in the September 2007 Draft Sphere of Influence (Attachment 2), City staff and the consultants are recommending that the following changes be made as reflected in the modified Land Use Diagram at Attachment 3:

- Area 5 (South of Mission, East of Doane-Hartley Lateral) designated "Agriculture" on the Sept 07 Draft would be included in the Area of Interest but not in the Sphere of Influence due to lack of detailed land use and infrastructure information to meet LAFCO criteria.
- Portion of Area 6 (South of Vassar and north of Miles Creek) designated as "Agriculture" and "Community Plan" on the Sept 07 Draft would be included in the Area of Interest but not in the Sphere of Influence due to lack of detailed land use and infrastructure information to meet LAFCO criteria. (The portion of Area 6 south of Miles Creek was previously designated as "Area of Interest" and would remain so.)
- Portion of Area 7 (South of Mission between Highways 59 and 99) designated as "Community Plan" on the Sept 07 Draft would be included in the Area of Interest but not in the Sphere of Influence, except for the portion between Mission and Vassar that is included in the City's current SOI which would remain in the SOI, due to lack of detailed land use and infrastructure information to meet LAFCO criteria.
- Area 8 ("Mission Lakes"—South of Mission between Highway 59 and Thornton) designated as "Community Plan" on the Sept 07 Draft would be

included in the Sphere of Influence for now but if the developers are unable to supply City staff with adequate detail by the end of February 2008, it would be shifted from the SOI to the Area of Interest.

- Areas 2 & 3 (UC Merced and University Community Plan)—The project boundaries will be modified when the information is made available by UC Merced staff to reflect recent proposed shifts in the Campus and Community boundaries.

The Planning Commission and City Council should review the Draft Land Use Diagram and Sphere of Influence so the consultants can begin preparation of the Draft General Plan document and Draft Environmental Impact Report (EIR).

Draft Circulation and Sewer Maps

Quad-Knopf, in concert with City Staff, has prepared a Draft Circulation Map (Attachment 4) and a Draft Sewer Map (Attachment 5) for review. The draft maps were reviewed by the Technical Advisory Committee on February 7 and their suggested changes are reflected in the maps. The City's General Plan traffic consultant, Fehr & Peers, will begin their review of the Circulation Map to see if it will serve the City's future traffic needs as soon as the Draft Land Use Diagram is finalized, so the draft Map is subject to change.

The Planning Commission and City Council should review the draft Circulation and Sewer Maps and provide any suggestions for changes, additions/deletions, or areas that require further review.

Draft Policies

On February 7, 2008, the General Plan Update Technical Advisory Committee (TAC) began their review of Draft Goals, Policies, and Implementing Actions (Attachment 7). Quad-Knopf began by proposing modifications to the existing policies in the *Merced Vision 2015 General Plan* (adopted in 1997) and also adding goals, policies, and actions where needed to address the new issue areas, such as the new Land Use Diagram, the modified Sphere of Influence, the Area of Interest, adoption of the South Merced Community Plan, City Council's adopted policy on the University Community Plan, and other issues that have arisen since the 1997 adoption of the previous General Plan.

The Draft Goals, Policies, and Implementing Actions are presented in order of the Chapters of the General Plan with Urban Expansion (Chapter 2) coming first, followed by Land Use, Transportation, Public Facilities & Services, Urban Design,

Open Space and Conservation, Sustainable Development, Housing, Noise, and Safety. Because of the length of these draft policies and the fact that they are still being worked on by the consultants and staff and need further review by the TAC and time constraints with this study session, the Planning Commission and City Council should reserve a detailed review of the policies until a later date.

Next Steps in the Process

In order for the consultants to proceed with completing a Draft General Plan document and a Draft Environmental Impact Report, the Draft Land Use Diagram must be finalized to a point where no major changes need to occur. For example, a land use change for one particular piece of property may be fine but enlarging the SOI or including areas not previously included would affect the Draft documents and cause delays. Based on receiving the direction to proceed with the Draft Land Use Diagram as proposed in Attachment 3 at tonight's study session, Quad-Knopf has prepared a revised schedule for the rest of the General Plan Update process, which will be provided at the Study Session. It is still hoped that the General Plan Update process will be complete by the end of 2008.

RESPECTFULLY SUBMITTED: APPROVED:

KIM ESPINOSA
PLANNING MANAGER

JACK D. LESCH
DEVELOPMENT SERVICES DIRECTOR

REVIEWED AND APPROVED:

JAMES G. MARSHALL
CITY MANAGER

ATTACHMENTS:

- 1) Draft General Plan Update Guiding Principles
- 2) Draft General Plan Land Use Diagram (September 2007)
- 3) Revised Draft General Plan Land Use Diagram (February 2008)
- 4) Draft Circulation Map
- 5) Draft Sewer Map
- 6) December 6, 2007 LAFCO Briefing Memo and Background Reports
- 7) Draft General Plan Update Goals, Policies, and Implementing Actions