



TO: City Council and Planning Commission

FROM: Brendan Vieg, Principal Planner (879-6806)
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RE: CHICO 2030 GENERAL PLAN UPDATE: DRAFT GENERAL PLAN ELEMENT REVIEW (INTRODUCTION, SUSTAINABILITY AND LAND USE ELEMENT)

REPORT IN BRIEF

The June 22nd meeting is the second in a series of five special joint Council/Commission meetings that will take place monthly through the summer and into the fall. During these meetings, the individual elements of the General Plan will be presented, the community will have an opportunity to provide input, and the Council and Commission will provide direction. Clear policy direction from Council and Commission is critical to refining and improving the Plan as it moves toward final adoption in 2011. This report summarizes key element issues and public feedback on the Introduction, Sustainability Element, and Land Use Element of the draft 2030 General Plan.

Recommendation:

The Interim Planning Services Director recommends that the City Council and Planning Commission accept staff's report and provide direction to the Project Team on potential modifications to the Introduction, Sustainability Element, and Land Use Element of the draft 2030 General Plan.

FISCAL IMPACT

The City's General Plan consultant budget of \$1,543,838 is being paid according to the terms of the Professional Services Agreement. To date, the consultant has been paid \$1,387,238. Staff is reviewing invoices as they are received to ensure that all required tasks will be completed within the remaining budget of \$156,600.

BACKGROUND

At the joint Council/Commission meeting on May 11th, the project team presented an overview of each element in the draft Plan. The Council and Commission agreed to the suggested process for reviewing the draft General Plan, including the use of "The Filter", a decision support tool. The Filter (**Attachment A**) can be helpful when deciding whether a suggested modification or addition is appropriate for the 2030 General Plan.

INTRODUCTION CHAPTER

The Introduction provides overall context to the 2030 General Plan. It describes the organization of the elements, introduces the Plan's Strategy of Sustainability and Guiding Principles, and explains how the Plan is to be used. Below are two noteworthy points from the Introduction that are intended to resolve disagreements on General Plan interpretation:

- “Given the broad scope of the General Plan, not all goals and policies are obviously complementary, and yet they all support the overarching vision for the City. When making decisions, goals and policies should be examined comprehensively, not individually. It is not the intent of the General Plan to predetermine decisions, but rather to help guide the decision-making process.” (Introduction, p. 1-1)
- “Future actions will be evaluated for consistency with the General Plan through a review of relevant General Plan goals, policies, and actions. It is important to note that some policies and actions use an imperative verb tense which means they are mandatory, and must be followed strictly unless there is an exception clause. Other policies and actions are more flexible and intentionally allow for interpretation or discretion in their application.” (Introduction, p. 1-13)

SUSTAINABILITY ELEMENT

The 2030 General Plan breaks new ground with one of the first Sustainability Elements in California. The element sets the overall sustainability theme of the Plan, and addresses aspects of sustainability that are not covered in other elements. On April 19th, the Sustainability Task Force provided feedback to staff on the element, and on May 5th, the General Plan Advisory Committee (GPAC) met to provide feedback on several elements, including Sustainability. Notes summarizing the input and feedback from those meetings are provided in **Attachment B**. Public comments on the Sustainability Element are included in **Attachment C**. Substantive additions or modifications based on these suggestions that the project team plans to include in the final draft of the General Plan are listed in **Attachment D**. There will not be time at the June 22nd meeting to review every suggestion. It will, therefore, be necessary for you to review the notes in advance of the meeting. If you would like to discuss an item from the attachments, please raise the subject during the meeting. In addition to items listed in **Appendix D**, the project team has identified the following four topics that would benefit from discussion and direction from the Council and Commission.

Social Equity

Some members of the GPAC and City Council expressed concern with the term “social equity.” It was communicated that rather than implying fairness, “equity” suggests regulating to ensure citizens’ equal status, something beyond the City’s role and beyond the actual intent of the concept for the purposes of the General Plan. The concept of social equity described in the draft General Plan does not imply that the City would assume an equalizing role, but the project team has heard a number of concerns regarding the terminology and therefore propose an alternate term. In reviewing the definition of social equity on page 2-3 of the draft General Plan, it is clear that the word equity is not necessary to convey the concept. The project team recommends that the word “society” be used to more concisely convey this concept of sustainability. Ultimately, “society” is more semantically balanced with the other components of sustainability, “economy” and “environment”. The modified definition of “society” proposed for the Sustainability Element is:

Society. A sustainable, or healthy, society is one where residents have fair access to housing, transportation, jobs, services, education, and recreation, and where all citizens can fully participate in the political and cultural life of the community. A healthy society depends on a diverse local economy that provides a wide range of work opportunities for people of all ages and skills and a healthy environment with clean air and water, open spaces to recreate, and protection from potential hazards. In turn, promoting a healthy society supports the other two sustainability components of economic vitality and environmental protection. Strategies in this General Plan that promote a healthy society include ensuring housing for all income levels; providing an open government that values public participation; promoting local goods and services; celebrating arts and cultures; assisting the more vulnerable members of the community; supporting the development of complete neighborhoods;

promoting public health through protection from hazards and the provision of a safe multimodal circulation system; and providing parks and quality public services to all members of the community.

In response to related requests for the three components of sustainability to be clearly defined, the definitions in the Sustainability Element will be added to the General Plan Glossary.

Compost

Both the Sustainability Task Force and GPAC members brought up the importance of composting and recommended that the Sustainability Element be amended to include policies or actions to improve the availability of compost facilities and services city-wide. Their interest in curbside collection of food waste materials for composting generated discussion among City staff who agree that there are opportunities to address composting in the General Plan. While waste reduction in general, and composting specifically, are certainly of concern for sustainability, the subject of solid waste disposal and recycling is addressed in the Parks, Public Facilities, and Services (PPFS) Element. Therefore, the project team suggests delaying discussion of compost facilities or services until the joint meeting on the PPFS Element, scheduled for August 21st.

Economic Sustainability

The project team received feedback that the Sustainability Element does not provide the same emphasis on the economic component of sustainability as it does on the environmental component. All of the goals, policies and actions in the 2030 General Plan are intended to support the overarching goal of sustainability, and the Sustainability Element became the venue for goals, policies and actions that did not have a logical home within the other Plan elements. Because the General Plan includes an optional element dedicated specifically to Economic Development, the Sustainability Element does not include a focused policy framework specific to economic development. As highlighted in **Attachment D**, the project team supports adding cross-references in the Sustainability Element to the Economic Development Element to emphasize connections between the two elements.

Stronger Language

Several members of the Sustainability Task Force expressed concern that the goals of the element would not be met if the policy and action language were not made stronger. In addition to general comments on the Element's need for more compulsory language, specific policies and actions were highlighted as needing strengthening, including: Policies 1.5 (Sustainability Partnerships), 4.3 (Green Development Practices), 5.1 (Energy Efficient Retrofits), and 5.2 (Energy Efficient Design), as well as Actions 3.3.1 (Municipal Recycling), 4.1.2 (City-Funded Green Projects), 4.3.1 (Green Development Checklist), and 5.2.1 (Integration of Energy Efficient Technology).

In response to the Task Force concern, the project team has proposed several edits and additions that are listed in **Attachment D**. If Council or Commission members would like to make additional changes to strengthen the policies and actions, they should raise the item(s) at the meeting. While considering changes to Policy 4.3 and its actions, recall that Council, at its meeting on May 13, 2009, directed the use of a hybrid approach for promoting green development using a combination of incentives and mandatory provisions. The draft Sustainability Element uses more mandatory language for green development in public projects and directs education and encouragement for private projects.

At last month's joint meeting, the project team highlighted the pros and cons associated with mandatory language and incentive language. The argument for mandates is their lack of ambiguity, but the counter argument is that flexibility is needed in order for the document to be useful over the long term given the unique factors of each matter. The main argument for using incentives is they inspire people to do the right thing, but the counter argument is that no one may respond to the offers. There is no single "right" answer for each case. A mix of these two strategies is found throughout the Plan consistent with Council's previous direction. The Plan also takes a "wait and see" approach as there is a growing trend at the State-level for mandating increasingly stringent environmental regulations. Simply keeping up with and enforcing the changing regulatory landscape is a challenge, with annual updates to building standards, strict new water efficiency requirements, and legislation to reduce greenhouse gases.

LAND USE ELEMENT

The Land Use Element provides the policy basis for decisions about where and how the City will grow and change over time. At the May 11th meeting, the project team provided a general overview of the Land Use Element. Notes on the Land Use Element from the May 5th GPAC meeting are provided in **Attachment B**. Comment letters from the public regarding the Land Use Element are provided in **Attachment C**. Additions or modifications based on these suggestions that the project team plans to include in the final draft of the General Plan are listed in **Attachment D**. Please review the notes in advance of the meeting. If you would like to discuss any item from the attachments, please raise the subject during the meeting. Below are five policy areas in the Land Use Element the project team would like to highlight as there has been some revised thinking on these issues since they were originally shared with Council and Commission.

Residential Infill

The goal of accommodating future housing and job needs within a compact urban form requires successful infill and redevelopment. Policies and actions in every element of the Plan are supportive of a comprehensive infill and redevelopment strategy. There are several actions in the Land Use Element that the project team would like to highlight as they represent important refinements to the City's existing infill strategy.

Action LU-4.2.1 directs staff to amend the recently adopted Design Guidelines Manual to include residential infill guidelines that address compatibility between new and existing development. This effort will result in design tools and strategies that will be incorporated into future projects, and will provide greater certainty for neighbors and developers alike in the project review process.

While infill design guidelines will be applied consistently to all applicable residential infill projects, the Plan also recognizes that there are differences in how infill should be considered based on location. The Plan identifies "Areas of Potential Change", or Opportunity Sites, where there is high infill potential. These areas include underutilized transportation corridors, regional retail centers, areas in the City's core, and other residential, light industrial, and mixed-use areas that can accommodate growth. The policy framework for these areas requires that infill be developed at or above the midpoint of the allowable density and intensity range (see Action LU-5.1.2). The General Plan's message is clear, infill and redevelopment are strongly desired and can be accommodated at these locations to maximize the use of the land.

At the same time, the Plan recognizes "Areas of Stability", which predominantly refers to existing

residential neighborhoods. Older, established neighborhoods generally do not possess the infrastructure or space to support significant infill. When projects do occur in these areas, they need to be more closely scrutinized to ensure compatibility with the neighborhood. Proposed infill projects in existing neighborhoods have historically resulted in significant acrimony and divisiveness in the community. The housing potential on vacant and underdeveloped land in the older neighborhoods is not significant and fully developing these sites is not critical for the City to meet its future housing needs. To this end, Action LU-4.2.2 (Emphasis on Neighborhood Compatibility) states that “[f]or residential infill projects outside of Opportunity Sites and Special Planning Areas, maintaining neighborhood character may take precedence over meeting density goals. It may be necessary to limit project density within the allowable density range to ensure compatibility.” This action is intended to acknowledge that project design cannot always resolve compatibility issues associated with infill, and that in some cases lowered density may be necessary to protect and preserve neighborhoods.

Airport Compatibility

The City's current 1994 General Plan is not consistent with the Butte County Airport Land Use Compatibility Plan (Airport Compatibility Plan), which was adopted in 2000. Pursuant to state law, the City had 180 days to either amend its General Plan to be consistent with the Airport Compatibility Plan or to adopt overrides as provided for in state law. The City did not pursue either route, resulting in inconsistencies between the 1994 General Plan and the Airport Compatibility Plan. As a result of this inconsistency, the City is currently required to refer major land use actions (as defined in the Compatibility Plan) to the Butte County Airport Land Use Commission (ALUC) for review and approval. There are both programmatic inconsistencies (such as the City not requiring noise-resistant construction by ordinance in airport overflight areas) and location-specific land use inconsistencies (such as a site designated by the General Plan for 14 to 22 units per acre, while simultaneously being designated for no more than 1 unit per 5 acres by the Airport Compatibility Plan). Inconsistencies also likely exist between the proposed 2030 General Plan Land Use Diagram and the Airport Compatibility Plan.

Prior to adoption of the 2030 General Plan by the City Council, the General Plan will be referred to the ALUC for review, and the ALUC will determine whether or not it is consistent with the Airport Compatibility Plan. If the ALUC determines that the 2030 General Plan is consistent, then no further action is needed in relation to airport issues, other than to implement the policies and land use designations in the General Plan.

If the ALUC determines that the 2030 General Plan is inconsistent with the Airport Compatibility Plan, then the City has two choices: either (1) alter the 2030 General Plan to make it consistent in the ways indicated by the ALUC, or (2) override the ALUC's determination of inconsistency by making a finding, supported by substantial evidence, that the 2030 General Plan carries out the intent of both protecting the airport (from encroachment which would jeopardize its air carrier certification) and protecting the general public (from noise and hazards associated with the airport). Such overrides would require a two-thirds (5-2 or greater) Council majority vote.

The project team believes that the 2030 General Plan will be consistent with the Airport Compatibility Plan at a programmatic level. General Plan Action LU-7.1.1 requires that the City amend its Municipal Code to establish airport compatibility overlay zoning districts that conform to the boundaries and general policy direction of the Airport Compatibility Plan's overflight zones. The overlay districts would enforce development standards that closely mirror the standards in the Airport Compatibility Plan, including noise-resistant construction, structure and tree height limitations, density/intensity limitations on the use of land, and establishing infill criteria. Actions 7.1.2 and 7.1.3 direct that the City continue

requiring avigation easements and deed notices and state the City's goal of maintaining Federal Aviation Administration passenger certification for the Chico Municipal Airport.

The City via the General Plan requested that ALUC consider altering the boundary between the C1 and C2 sub-zones on the west side of the Chico Municipal Airport to aid in a determination that the 2030 General Plan is consistent with the Airport Compatibility Plan. In the event that the ALUC does not amend the sub-zones in its Airport Compatibility Plan, a small number of inconsistencies related to density/intensity between the two documents will require that the City Council override the Airport Compatibility Plan at the time of General Plan adoption.

While inconsistencies are not desired, they are anticipated and provided for by state law governing airport operations. The California Airport Land Use Planning Handbook acknowledges that the sole responsibility of an ALUC is to prevent incompatible land use development adjacent to an airport, whereas cities have to balance many, sometimes competing, issues. The 2030 General Plan seeks to balance many goals, including retaining a compact urban form, developing complete and connected neighborhoods, strengthening the local economy, and efficiently utilizing existing infrastructure. These larger community goals need to be balanced against the focused purview of the Airport Compatibility Plan. The project team will continue its dialogue with the ALUC and its staff and will report back to Council and Commission with a summary of that discussion.

Resource Constraint Overlay

The Land Use Diagram identifies three areas with significant environmental resources (i.e., vernal pools and Butte County Meadowfoam) that will likely constrain development. For these areas, the 2030 General Plan has applied an overlay designation to acknowledge the existence of the identified constraints and to set special policy requirements for subsequent study prior to development. Resource Constraint Overlay (RCO) areas are identified on the Land Use Diagram by a dark outline with a dot fill pattern and are labeled A through C.

When this concept was first shared with the Council and Commission during the Preferred Land Use Alternative phase of the project, the project team suggested that the proposed RCO preclude all development potential on these sites. Council directed that the project team look closely at these sites and their boundaries to determine if there was any development potential. Since that time, the project team's thinking on this issue has changed. Under the existing 1994 General Plan, these sites are considered to have 50 percent development potential and landowners in some cases have already paid sewer assessment fees to extend the City sewer system to the area based on anticipated development. Additionally, some affected property owners have specifically requested that they be allowed to pursue development. It is possible that some limited development might be permitted, or that changes in regulations or conditions in the future would allow development to occur. The RCO would allow property owners to explore and pursue development based on these underlying designations.

For purposes of calculating overall densities and intensities of General Plan build-out and to conduct the environmental review for the General Plan, development potential is assumed to be 15 percent of the average development assumed for the underlying land use designation. This limited estimate of development capacity will ensure that the City is not overbuilding infrastructure to support development which might never occur, or relying on future development fees that will never be paid. Action LU-2.5.1 guides owners of RCO parcels to conduct more detailed studies, including environmental review, and to coordinate with resource agencies to determine actual development potential. The Plan acknowledges that such potential may be more or less than the assumed 15

percent, but not more than the maximum development potential allowed by the underlying land use designation. Development proposals on RCO parcels for a density or intensity of use above that assumed for the purposes of General Plan projections and the General Plan Update EIR would require additional environmental review.

Special Planning Areas

The Land Use Diagram includes five Special Planning Areas (SPAs). This designation identifies areas with significant new growth potential and requires master planning prior to development. The draft 2030 General Plan (in Appendix C) includes a narrative description of the existing conditions and setting, a conceptual land use plan, and an assumed development capacity for each SPA. The conceptual land use plans do not represent precise proportions or locations for particular land uses. It is expected that the ultimate proportional mix of uses will vary from what is depicted, and that future project designs will deviate from the conceptual land use diagrams in the General Plan.

When the SPA concept was first discussed, a significant amount of energy was spent identifying specific acreage by land use type within the SPAs. This level of specificity may have created a false sense of precision for future planning on these sites. Attempting to specify an exact land use acreage mix or land use plan for sites that will be developed well into the future is unrealistic; for example, even with the flexibility that is afforded under the TND Code for the Meriam Park project, there has been a need for multiple revisions to that project's master plan to accommodate a changing market and unforeseen opportunities such as an affordable housing project and a County courthouse.

The draft policy framework for the SPAs is intentionally flexible to meet changing community housing and jobs needs over the next 20+ years. Action LU-6.2.1 (SPA Planning Requirements) states that during subsequent SPA planning, a project will "[i]nclude the range of uses identified on the SPA conceptual land use plan" and that the conceptual land use plan "is not intended to direct specific acreage requirements, but is to be used as a guide for future land use planning." While the focus remains to create complete neighborhoods with a range of uses, there is a recognition of the need to be adaptable to future community desires. For future development on the SPA to be consistent with the General Plan and General Plan EIR, the project cannot have greater traffic, air quality, and noise impacts than those analyzed in the General Plan environmental analysis.

Norlie Land Use Designation Change Request

Shortly following Council's selection of the Preferred Land Use Alternative, the project team received a land owner request for a land use designation change. While the land owner, Bruce Norlie, missed the opportunity for a change request during the Land Use Alternative phase of the project, staff suggested that he submit his request in writing (**Attachment E**) for consideration at the upcoming June 22nd meeting. Mr. Norlie's request for a change from a medium density residential designation to an office designation is compatible with the office uses on the opposite side of Cohasset Road (see figure in **Attachment E**) and other surrounding land uses. The project team is, therefore, supportive of Mr. Norlie's request and recommends applying the Office Mixed Use designation to parcels 007-560-013, 007-560-012, and 007-120-053 of the draft Land Use Diagram. The current Assessor's Parcel Number for the fourth parcel from Mr. Norlie's letter is 007-560-011, and in consideration of the proposed use by Mr. Norlie, the location of the parcel away from Cohasset Road, and the surrounding land uses, the project team recommends applying the MHDR Medium-High Density Residential designation to this parcel. The requested change is minor and would not affect the environmental and fiscal analysis.

PUBLIC CONTACT

A large display ad notice for the meeting was published in the Chico E-R. An e-blast highlighting the meeting topic, place and time was sent to a distribution of over 10,000 recipients. There have been a series of articles in both the E-R and the CN&R highlighting the date, time and location of this meeting. Finally, the staff report and all background supporting materials are available on the City's dedicated General Plan website (www.chicogeneralplan.com).

Reviewed by:

Approved by:

Mark Wolfe, Interim Planning Services Director

David Burkland, City Manager

DISTRIBUTION:

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ATTACHMENTS:

- A. The Filter
- B. Committee and Public Comments on the Sustainability Element
- C. Committee and Public Comments on the Land Use Element
- D. Additions or Modifications Planned for the Final Draft 2030 General Plan
- E. Supporting Information for Norlie Land Use Designation Change Request