

**COUNTY OF SACRAMENTO
CALIFORNIA**

ADDENDUM # 2

For the Agenda of:
March 31, 2009
Timed: 9:30 am

TO: BOARD OF SUPERVISORS

FROM: PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT

**SUBJECT: WORKSHOP ON THE JACKSON HIGHWAY AND GRANT LINE EAST
VISIONING STUDIES**

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PROJECT DESCRIPTION

Overview

This addendum presents additional information requested by the Board of Supervisors at the November 19, 2008 workshop on the Jackson Highway and Grant Line East Visioning Studies. During this workshop, staff presented an overview of the process, outreach, results and documents associated with the Visioning Studies. Public comment was taken and Attachment A provides staff response to that testimony as requested by the Board. In addition, this addendum provides information in response to comments and questions made at both the Policy Planning Commission and the Board of Supervisors.

This addendum begins with a discussion on how the Vision studies can be used to guide future development. Next, this addendum discusses the character and timing of development near the Urban Services Boundary (USB) with a staff recommendation that the Board not accept and/or approve proposals for additional agricultural-residential development between the UPA and USB until the Connector and the SSHCP are approved/adopted. Finally, this addendum updates growth projections and touches upon the County's growth accommodation strategies. This last item will likely be a focus of discussion during adoption hearings on the Draft 2030 General Plan, as the Visioning studies are intended to be independent of a buildout timeframe.

Recommendation

1. **Receive and File** the results of the Visioning studies and use this information to guide future planning processes in the Jackson Highway and Grant Line East areas and decisions pertaining to adoption of the Draft 2030 General Plan.

I. FUTURE USE OF THE VISIONING STUDIES

On November 19, 2008, Planning staff presented the results of the Jackson Highway and Grant Line East Vision Studies to the Board of Supervisors. This workshop focused on reviewing the process, outreach, results and documents associated with the Visioning Studies. The primary product of the Studies is the *Policies for Jackson Highway and Grant Line East Visioning Areas* document, a preliminary assessment of economic opportunities, conceptual land use maps, and maps illustrating existing conditions, opportunities, and constraints. This product is intended to a) guide future planning efforts in the future Jackson Highway and Grant Line East new growth areas, and; b) assist in decision making on the General Plan Update process, particularly decisions related to identifying the location of new growth areas. Since the Vision Studies were not intended to be adopted projects nor subject to the California Environmental Quality Act (CEQA), the results of these studies will be used to provide background information and context for future planning efforts and decisions but will not serve as official County policy in the same manner as the General Plan, community plans and other Board-adopted planning documents.

While the Visioning Studies were an excellent first step toward exploring possibilities in the Jackson Highway and Grant Line East Areas, they were never intended to lead directly to development. As such, a more detailed planning process is necessary to bridge the gap between the General Plan/Vision Studies and individual applications for development within new growth areas. Therefore, should the Jackson Highway and/or Grant Line East areas (or portions thereof) be adopted as new growth areas through the General Plan Update process, the next logical step would be to initiate a community plan, specific plan or other comprehensive planning effort that would provide sufficient detail regarding infrastructure, financing, etc. to support acceptance of individual applications and eventual buildout. Planning staff will explore all available options and discuss them with the Board as part of the General Plan adoption hearings.

The Draft Environmental Impact Report (DEIR) for the Draft 2030 General Plan is scheduled to be released in May. Public adoption hearings for the Draft General Plan will be scheduled with the Planning Commission (approximately May to July) and then with the Board of Supervisors (approximately August to December).

II. VISIONING STUDIES: LAND USES NEAR THE USB

An issue was raised during the workshops to form the draft General Plan related to the ultimate density, intensity and timing of non-agricultural uses along the edge of the USB, particularly between Grant Line Road and the Deer Creek/Cosumnes River floodplain in the Jackson Corridor Visioning study area. The conceptual land use maps presented to the Policy Planning Commission and the Board of Supervisors illustrate the concept of “stepping down” the density and intensity of development as it approaches the Urban Services Boundary (USB). However, while the Visioning study explored options for this area, the underlying question of the timing and character of such development has not been entirely resolved by this Visioning study.

The Draft 2030 General Plan retains existing agricultural designations for the area between Grant Line Road and the USB, as it is outside of the proposed UPA expansion area. Therefore, this area would not be available for urban development during the 2030 planning period of the updated General Plan. However, several recent applications (including the approved Sheldon Hills project and the pending Sloughhouse Reserve and Matsuoka projects) propose to convert some of this land to agricultural-residential uses.

The Land Use Element of the General Plan includes a number of policies that directly address expansion of agricultural-residential land uses within the USB (LU-42 through LU-49). In particular, LU-43 states that additional agricultural-residential areas may be provided as part of a Community and/or Specific Plan prepared for urbanizing areas. The Planning Department determined that the recent applications mentioned above did not meet the intent of these policies and rejected the applications. However, this decision can be appealed to the Board of Supervisors and the Board may direct Planning staff to accept the applications, as was the case with the aforementioned projects. Since the Draft 2030 General Plan does not propose to substantially change the policy language that addresses acceptance/rejection of such applications, this pattern of rejecting and appealing applications in a piecemeal fashion may continue into the future.

Planning staff's recommendation regarding the timing of development between the UPA and USB can be separated into two distinct parts: 1) addressing requests in the near-term (i.e. next few years), and; 2) addressing development in this area over the longer-term (i.e. out to 2030). In the near term, there are a number of efforts currently underway that may affect or be affected by development in this area, most notably the \$800 million Capital Southeast Connector (Connector) project and the South Sacramento Habitat Conservation Plan (SSHCP). To ensure that these two important projects reach fruition and can be successfully implemented, Planning staff recommends that the Board not accept and/or approve proposals for additional agricultural-residential development between the UPA and USB until the Connector and the SSHCP are approved/adopted.

High-level, multi-jurisdictional discussions are currently underway for both projects, and approval of additional development in this general area before these projects are finalized could affect or be affected by the outcome of these projects. In particular, the SSHCP may require a habitat corridor connecting the Sacramento Valley Conservancy area to the Cosumnes River. The exact location and extent of this connection is currently unknown but will likely be defined as part of the ongoing negotiations related to the SSHCP. Additionally, the ultimate alignment and character of the Connector facility has yet to be finalized. Key issues related to the Connector are still being explored, such as general access to the facility, spacing between intersections and the need for grade-separated vs. at-grade intersections. Approval of development projects proposing to take access from Grant Line Road could influence the alignment or performance of the Connector facility. Approval of projects, especially those proposing homes near Grant Line Road and those with direct access to Grant Line Road, could be impacted by noise from traffic along the Connector and complicate efforts to limit access points along the corridor.

Addressing the timing and nature of development over the longer-term is more complex. While there is currently no water or sewer service available to these areas nor is any planned pre-2030, the land is located inside of the USB and thus the potential exists to serve this area with such services in the future. Continuing to approve agricultural-residential proposals now, particularly at densities that can be supported with septic systems and individual wells, precludes future possibilities (such as low density residential or small-scale, neighborhood-oriented commercial) even if urban services eventually become available. The public adoption hearings for the Draft 2030 General Plan are scheduled to begin at the Board of Supervisors in the summer, presenting an opportunity to look at the timing and nature of development along the USB. Regardless of the timing and nature of potential future development in this area, the County should avoid developing this area in a piecemeal fashion.

III. ACCOMMODATING GROWTH THROUGH 2030

While the Jackson Corridor and Grant Line East Visioning Studies have been prepared to consider the possibilities for ultimate development of much of the area remaining inside the USB, the November workshop included public testimony and questions about the original growth demand and supply assumptions from the General Plan update process. This addendum, therefore, revisits this topic and begins to frame a discussion around how to proceed with growth management as part of hearings on the draft General Plan.

Blueprint Vision Growth Allocation vs. MTP Growth Allocation

In 2004, the Sacramento Area Council of Governments (SACOG) adopted a Blueprint Vision for the six-county region. This vision promotes compact, mixed-use development and more transit choices as an alternative to low density development. In 2005, SACOG requested that the County update its General Plan to accommodate growth consistent with the Blueprint Vision (approximately 99,700 additional housing units by 2030). In response, the Board directed Planning staff to use this growth allocation as the baseline for crafting the Draft 2030 General Plan. As such, the four growth management strategies in Sacramento County's Draft 2030 General Plan were crafted to accommodate this 99,700-unit growth allocation.

Since that time, SACOG used the Blueprint Vision as the basis for the Metropolitan Transportation Plan (MTP), the long-range transportation plan for the six-county region. As part of the MTP project, SACOG updated its growth allocations to take into account all jurisdictions' growth plans (which added up to more than the regional growth projection for housing) and adjusting them down based on recent market trends, development activity data, and best information available regarding issues such as flood control and habitat. Based on this new reduced growth allocation, the unincorporated area of Sacramento County would be expected to accommodate approximately 74,397 additional dwelling units by 2030. This allocation is 25,000 units less than the original Blueprint Vision growth allocation used to scope the County's General Plan.

Updated Holding Capacity Analysis

Planning staff prepared a holding capacity analysis in 2004 that showed the existing UPA could accommodate approximately 43,000 additional housing units. Since this analysis is nearly five years old, Planning staff prepared an updated holding capacity analysis which shows an increase in capacity notably from the approval of key projects such as Easton. . This revised holding capacity analysis shows that the current UPA can accommodate approximately 53,000 units. Attachment B provides more detail. However, staff notes that conservative assumptions for infill capacity were used.

The residential capacity inside the existing UPA will be enhanced by the inclusion of all or a portion of the new growth study areas for this draft 2030 General Plan. The current study area, covering more than 20,000 acres of land, has an estimated capacity of 90,000 residential units along with associated commercial and employment, assuming buildout at Blueprint-type densities and intensities. In response to this updated analysis and to comments at the workshops before the Planning Commission and Board of Supervisors, staff continues to explore refinements to addressing growth accommodation in a strategic manner that best benefits the County and County residents.

IV. STRATEGIC PLANNING AND BUILDOUT OF NEW GROWTH AREAS

The Draft 2030 General Plan identifies approximately 20,000 acres for potential new growth in the Jackson Highway and Grant Line East areas. This area will include a variety of urban uses along with several large preserve areas to be identified in the context of the South Sacramento Habitat Conservation Plan (SSHCP). However, staff notes that this is a sizeable geographic footprint, representing an area larger than either the Cities of Rancho Cordova (14,592 acres) or Folsom (15,424 acres). Recent lawsuit settlements from the Attorney General's office have required jurisdictions to balance planning for new growth with infill development and intensification of existing urban areas (such as commercial corridors) to implement the goals and objectives of AB 32. According to a recent agreement between the City of Stockton, the Attorney General's office and the Sierra Club, the City of Stockton will be required to adopt a number of strategies that will balance orderly development in new growth areas with infill development. A summary of this agreement is included in this staff report as Attachment C.

In order to begin the discussion for how the County may address strategic planning and development of these areas, Planning staff has provided four potential scenarios below for the Board's consideration. More information regarding these options is provided in Attachment D.

- Market-Driven Approach: Allow market forces via landowner interest to determine when and where to grow by accepting and processing all proposed applications for development in new growth areas at the landowner's risk of lack of market acceptance.
 - *Pros*: shorter time to project construction; all landowners in new growth areas have equal opportunity to develop in the near term; provides maximum flexibility

to landowners and the market; market forces will determine timing of development and, ultimately, which projects succeed.

- *Cons:* Potential for leapfrog development and inefficient extension of infrastructure and services, resulting in potentially higher development impact fees; potential for significant oversupply; little County input prior to processing applications; lack of opportunity for county to develop overall approach for buildout of new growth areas; potential for uncontrolled negative impact to County general fund to support provision of infrastructure and services; could result in some areas achieving slow buildout with community amenities trailing development.
- **Project Merit Based Approach:** React to individual landowner proposals and evaluate them based on their individual merits (i.e. review landowner requests to submit applications and decide whether or not to accept and process those applications based on how they meet criteria established by the County). See Attachment E for criteria for accepting such applications.
 - *Pros:* Encourages County involvement regarding acceptance of applications; allows for County input on proposed projects prior to application submittal; allows individual property owners to move forward independently; provides landowners and market with flexibility.
 - *Cons:* No overarching plan regarding timing of planning/buildout; potential for leapfrog development and higher cost of service provision; County has less control over directing the orderly development of new growth areas, landowners are subjected to a ‘wait and see’ timeframe as the County reviews multiple applications.
- **Proactive Strategy Approach:** Create a proactive strategy to prioritize when and where the County would grow; evaluate individual landowner proposals on both their individual merits and consistency with the County’s strategy. See Attachment E for criteria for accepting such applications
 - *Pros:* Allows County to create a strategic approach to managing planning and buildout of new growth areas; increased transparency regarding application submittal guidelines; allows for more County input regarding development characteristics including design and implementation of the General Plan and Visioning Studies; balances future unknowns about market demand against need for full General Plan update to move the UPA.
 - *Cons:* Some quality projects may not be able move forward in near term; reduces market and landowner flexibility; landowners may submit applications not knowing whether or not they will eventually be accepted.
- **Land-Constrained Approach:** Target only enough acreage for new growth necessary to accommodate anticipated growth through 2030. This might result in a reduction of new growth area footprint by approximately 10,000-12,000 acres.
 - *Pros:* Creates the most efficient land use pattern for providing services and protecting environmental resources; allows more staff resources be dedicated to planning a smaller footprint of land; ensures the supply of land never is in excess

of demand; focuses development towards infill by constraining greenfield development.

- o *Cons*: Supersedes the opportunity for potential quality projects to move forward that may be outside of designated growth areas; reduces market and landowner flexibility.

During the General Plan adoption hearings to be scheduled this summer, the Board will need to make decisions regarding adoption of the proposed new growth areas (or a portion thereof). As part of this discussion, the Board should also address the strategic planning and buildout of new growth areas to be adopted. Planning staff recommends that the Board implement Strategy #3, the proactive strategy, as it balances flexibility for the market and landowners with the County's desire for orderly development and the creation of high quality and sustainable communities. This approach can be further defined and refined as part of the discussion during the public adoption hearings.

V. CONCLUSION

The Vision Studies have resulted in meaningful public outreach and a better understanding of current and future stakeholders' desires for the Jackson Highway and Grant Line East areas. The studies have produced many documents which will be useful if, in the future after adoption of the General Plan, the Board directs staff to embark on more detailed planning efforts within adopted new growth areas. The Visioning effort has increased our understanding of the unique opportunities and constraints of these two areas, and this information will provide context for decisions that will need to be made during the General Plan adoption hearings.

VI. ATTACHMENTS

- A. Responses to public testimony and Board comments received at the November 19, 2008 workshop
- B. Updated Holding Capacity Analysis and Assumptions
- C. City of Stockton Settlement
- D. More Information Regarding Four Potential Scenarios
- E. Criteria for Accepting Master Plan Applications within New Growth Areas

This addendum was prepared on March 24, 2009.