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COUNTY OF EL DORADO

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TO: Board of Supervisors
FROM: Roger Trout, Director
DATE: April 4, 2011
RE: General Plan Five-Year Review

INTRODUCTION

Previous General Plan reports have focused on the implementation program contained in the Plan and on housing information relative to meeting the County's share of regional housing needs. This report, required under General Plan Goal 2.9, discusses a more comprehensive review and assessment of how effective the implementation has been since adoption. This report includes:

1. State and local requirements for a General Plan review.
2. New information received since the adoption of the Plan, including:
 - a. Recent Changes in State Law;
 - b. Recent Economic Development Studies;
 - c. Economic and Planning Systems Housing Development Feasibility Study;
 - d. EDAC Regulatory Reform General Plan review;
 - e. 2010 Census population results; and
 - f. Current economy assessment.
3. General Plan Five-Year review as delineated by General Plan Objective 2.9.1, including:
 - a. Land Inventory;
 - b. Rate of Development;
 - c. Community Region/Rural Center Changes options; and
 - d. General Plan Mitigation Monitoring Program Review.
4. A summary of findings from the review.

BACKGROUND

The El Dorado County General Plan was adopted on July 19, 2004. On March 8, 2005, the voters of El Dorado County approved Measure B, the referendum on the General Plan adopted by the Board of Supervisors. This provided the opportunity for the County to return to the Sacramento County Superior Court to have the writ of mandate lifted in the matter of El Dorado County Taxpayers for Quality Growth, et al. v. El Dorado County Board of Supervisors. On September 1, 2005, the Court ruled that the County had satisfied every term of the writ and the

writ was discharged. This became the effective date of the 2004 General Plan. On June 30, 2009, staff presented a more comprehensive review of the assumptions of the General Plan, population, job growth and land use trends. Items presented to the Board on June 30, 2009, included the following:

- Overview of General Plan Assumptions and Objectives;
- Assessment of whether those Assumptions are still valid;
- Implementation measures that have been adopted and major programs instituted;
- Policy amendments made;
- Identification of changes desired by the public; and
- General Plan priorities.

The Board directed staff to return in the Spring of 2011 for the General Plan five-year review and to work with the Economic Development Advisory Committee (EDAC) Regulatory Reform Subcommittee in preparation for the review. On January 10, 2010, EDAC returned to the Board with their review. Based on the findings made by EDAC, the Board directed staff to return on February 15, 2011, with a Resolution of Intention to amend the General Plan but continued the item until April 4, 2011, to follow staff's General Plan review.

STATE AND LOCAL GENERAL PLAN MONITORING AND REVIEW

State Government Code and the County's General Plan require periodic reviews be prepared on the status of the General Plan and progress on its implementation. The General Plan recognizes that development patterns in the County will change, new laws affecting land use will be passed, events will occur that will require changes, and imperfections will be discovered as the County implements the General Plan.

Section 65400 of the State of California Government Code states the purpose of annual reports and a five-year review is to:

- Provide information to allow for an assessment of how the General Plan is being implemented in accordance with its adopted goals and objectives;
- Provide information that can identify necessary course adjustments or modifications to the General Plan as a means to improve local implementation;
- Provide a clear correlation between land use decisions that have been made during the reporting period and the goals and objectives contained in the general plan; and
- Provide information regarding local agency progress in meeting its share of regional housing needs and local efforts to remove governmental constraints to the development of housing (as defined in §65584 and §65583(c)(3)).

General Plan Objective 2.9.1 outlines the process for monitoring the implementation of the General Plan and provides procedures for updating the General Plan, if found necessary upon completing the required reviews.

NEW INFORMATION

Since the adoption of the General Plan, the Board has had many opportunities to hear from other agencies and organizations regarding concerns with some General Plan policies and particular implementation programs as they directly affect the County's ability to meet stated goals and adopted State objectives. Recent information received includes:

1. **AB32/SB375 Progress:** In 2006, the approval of State Executive Order S-3-05 began the succession of new objectives for land use development. The primary objective is to support higher density developments around multimodal transit options in an effort to reduce Vehicle Miles Travel (VMT) by automobiles and light trucks, as they have been determined to be the largest contributors to air pollutants including Green House Gas (GHG). As required under the new law created by the passage of AB32, the California Air Resource Board has adopted Green House Gas (GHG) reduction targets for regional areas of California. These targets are in the process of being implemented as part of required Regional/Metropolitan Transportation Plans under SB375. This law seeks to incentivise three distinct planning areas into one comprehensive program: regional housing needs, transportation infrastructure development, and Statewide air quality goals. The law builds upon existing regulatory structures and, through required General Plan updates, encourages local jurisdictions to support compact development and project review streamlining targeted to reducing vehicle miles traveled (VMT). Some funding programs have been available for jurisdictions undergoing General Plan updates that include a focus on SB375 priorities. All funding is allocated through a competitive processes. The County has applied for funding to assist in a targeted General Plan Update; no grants have been received to date.

Since the adoption of AB32/SB375, the State Attorney General's (AG) office has taken a leadership roll in the State's effort to implement the statute by working with local governments to ensure that local land use planning processes take account of global warming and to plan for a more sustainable future. The AG's office has provided numerous comment letters to other local jurisdictions when adopting amendments to their General Plans. These comments target inadequate mitigation measures, general plan policies, and implementation programs that are found to be less than specific and enforceable and "are unlikely to achieve the County's objectives, and likely will not provide the CEQA streamlining benefits that an adequate and thorough programmatic document can deliver" (<http://ag.ca.gov/globalwarming/ceqa/comments.php>). The County can expect the AG will review proposed General Plan amendments and related CEQA analysis against State objectives to ensure conformity.

2. **Economic Development Studies:**

On October 5, 2010, the Board of Supervisors received two economic development studies, the Buxton's Retail Site Assessment Study and the Center for Strategic Economic Research (CSER) El Dorado County Industry-Focused Economic Development Study.

The CSER Study recommended the County:

- a. Engage stakeholders in a collaborative process to create a more comprehensive Economic Development strategy and build capacity;
- b. Further analyze opportunities within major sectors and clusters;

- c. Make reducing uncertainty and disjointed nature of permit process a center of attention;
- d. Embrace SACOG's Rural Urban Connector Strategy (RUCS) strategy for rural areas;
- e. Identify, survey and support entrepreneurial business ventures;
- f. Allocate resources for creating external exposure for local and county firms;
- g. Encourage partnerships to address strengths, weaknesses, opportunity and trend issues; and
- h. Regularly gather and consolidate information on the economic and demographic features and trends in the County and its core communities.

The Buxton Site Assessment study recommended the County:

- a. Be a proactive partner to the local business community and collaborate with trade groups offering business intelligence counseling;
 - b. Focus limited resources on helping local business owners make informed product decisions;
 - c. Focus on recruiting specific retailers, not represented in area, that match the trade area's consumers; and
 - d. Move from singularly "gut-feel" decision-making to decisions based on statistical and quantitative analysis, and predictive modeling as elements of a competitive economic development strategy.
3. **Housing Development Feasibility Study:** On December 7, 2010, Economic and Planning Systems (EPS) presented a report funded by the County Business Alliance and made the following findings: for most entry-level and mid-range housing products, current infrastructure costs and fees exceed feasible ranges. Site improvement requirements and resulting costs also contribute to the infeasibility of new development. The result is that new development for a large segment of potential homebuyers is infeasible. In most areas in the County, current cost structure makes single-family products below \$425,000-\$450,000 infeasible. Multifamily products below \$250,000 are also infeasible given current cost structure.
 4. **EDAC Workshop:** EDAC has worked with staff to identify regulatory issues related to the 2004 General Plan. On January 10, 2011, EDAC presented their analysis of the General Plan to date. EDAC recommended the Board begin a targeted General Plan Amendment process with a focused EIR that accepts the General Plan growth projections. The Update would review and amend specific General Plan policies and the land use maps to address deficiencies in the development of moderate/affordable housing, creation of jobs, retail sales tax leakage and the protection of the Agriculture industry.
 5. **2010 Census:** The Federal Department of the Census has released some population figures from the 2010 census, with additional data scheduled to be released over the next several months. The County's population has increased by approximately 25,000 between 2000 and 2010. This is a 14 percent increase in population or roughly about the same increase seen between 1990 and 2000. The unincorporated area of the County grew by 17.5 percent. The General Plan forecasts the County's unincorporated population to be 200,000 by 2025.

Based on historical growth trends through 2010, the County is on target for meeting its growth projections under the General Plan. The County's slower growth trend over the past two years did not cause a statistically significant difference in the forecast. Should this trend continue, the County's population forecast may not be realized until after 2025.

- Economy:** Forecasts in the General Plan did not take into account the severe recession experienced over the past three years. The recession hit government and land development sectors the hardest. Since the adoption of the General Plan, population growth remained on track, but the unemployment rate for El Dorado County has gone from 5.2 percent in 2004 to 12.9 percent in February 2011, a 250 percent increase. Construction and its related employment sectors (finance, real estate, construction suppliers, etc.) sustained the largest loss in employment due to the mortgage crises that lead to a housing market crash. The largest employment sector for residents of El Dorado County is government. A recent reduction in force across the Sacramento region in government and related industries is another primary cause for the increase in unemployment in El Dorado County.

The County's housing starts dropped annually from 2,104 in 2004 to 83 new permits issued in 2010. New housing starts are one of the County's largest revenue generators. This has a direct affect on other sectors of the economy, such as reduced sales tax generation from retail closure, leaving a large amount of commercial and retail space vacant in the County. This caused a reduction in the collection of Traffic Impact Mitigation (TIM) fees and property tax revenue. Reduced TIM fee collection affects the implementation timeline for the County's Capital Improvement Projects (CIP) program.

The County has seen in recent quarters a slight increase in land use development applications. However, it is not anticipated that the County will see growth at the same rate it experienced between 2001 and 2005. Other factors that may slow the housing projections of the General Plan include new home financing options and recent changes in the California Fire Code. These changes will most likely affect the number of houses built. The sizes of the homes may be smaller, density of development greater, and the location of homes more concentrated in developed areas of the County with existing and adequate roads and infrastructure. It is expected in the short-term that housing accommodations will be achieved with existing housing stock and existing job growth through existing employers. In the mid to long term, new housing starts and new jobs are anticipated to grow slowly, thereby affecting the General Plan forecast, possibly extending the life of the General Plan beyond the 2025 horizon.

The Center for Strategic Economic Research (CSER) is an economic research group specializing in Sacramento regional analysis. The organization has been engaged in economic research activities for over 30 years in the Sacramento region and began as the research institute affiliated with California State University, Sacramento, known as the Real Estate and Land Use Institute (RELUI). CSER provides quarterly updates on the region's economy and projections for housing and jobs. CSER shows in its analysis how California lags behind the rest of the country in recovery, and how the Sacramento area trails even further behind. CSER finds that, although a recovery is underway, the Sacramento region's

governmental jobs are still decreasing, private employers are slow to re-hire, and meaningful growth for the region will not be felt until late 2011.

The information from the first four reviews above made common findings and included references to issues addressed in items five and six. Each review discusses high priority areas for the County, such as moderate/affordable housing, jobs, retail sales tax revenues and the protection of the County's Agriculture and Natural Resource industries. Each identifies concerns with the future of the County if there is no action addressing deficiencies in these areas. Each made recommendations for reducing or eliminating barriers to achieving desired outcomes through General Plan amendments. The Board has the opportunity to make necessary course adjustments or modifications to the General Plan as part of the five-year review and amendment process as a means to improve local implementation and meeting local goals. Links to reports discussed in items one through four above are included in this item as Attachments D, E and F.

2011 GENERAL PLAN FIVE-YEAR REVIEW

General Plan Goal 2.9, General Plan Monitoring and Review, outlines the timing and format for monitoring and review of the General Plan to ensure the document continues to address and meet the needs of El Dorado County. Staff met with EDAC's Regulatory Reform Committee over the past year to complete the five-year review, providing relevant data, maps, and guidance throughout the review process. Information provided by EDAC in January regarding population, housing, jobs and development patterns since the adoption of the General Plan are consistent with staff analysis. Due to time constraints, some analysis was not completed in time for EDAC's presentation and will be addressed in this review. New items included in this analysis are:

1. Multi-Family land use development and remaining capacity;
2. Commercial/Industrial/R&D land use inventory; and
3. Report on the General Plan Mitigation Monitoring program.

EDAC recruited specialists familiar with regulatory areas of the County, including fire, engineering, agriculture, housing, etc. and worked with staff to conduct a comprehensive review of the County's approximately seven-year experience with the General Plan and related actions and regulations. EDAC's review utilized General Plan Objective 2.9.1, "Procedure for ongoing monitoring of the General Plan and periodic review and update if necessary," as an outline for the analysis and this format has been carried forward in this report.

Land Use Inventory

"Policy 2.9.1.1 – The County shall monitor, on an annual basis, the rate at which the land inventory is developed, the population and employment growth of the County, and other useful indicators of the County's growth."

The 2004 General Plan accommodates the growth of 32,491 new dwelling units for a projected population of 200,000 estimated to occur by 2025, analyzed from a base year of 1999. The

General Plan estimated the number of jobs to be created by 2025 based on the anticipated square feet of non-residential development estimated to be built by 2025. Below is the summary table showing actual growth compared to General Plan 2025 forecast.

EL DORADO COUNTY 2004 GENERAL PLAN GROWTH ASSUMPTIONS							
	Existing Supply ¹	Existing Commitment ²	Actual 2010 ³	2010-2025 ⁶ Remaining Forecasted Growth	General Plan 2025	% of 2025 Planned	% Remaining of 2025 Growth Estimate
Residential Units							
Single Family		14,276	11,109	16,260	27,369	41%	59%
Multi Family		289	822	4,300	5,122	16%	84%
Total Units	44,708	14,565	11,931	20,560	32,491	37%	63%
Population	120,200	-	149,266	24,860	200,000	31%	69%
Jobs^{4&5}	30,434	-	5,695	36,507	42,202	13%	87%
Jobs/Households Factor	0.68	-	0.48	1.78	1.30		
Non-Residential		-	5,493,804	31,953,925	37,447,729	15%	85%

¹ 1999 El Dorado County Planning and Building Divisions and California Department of Finance
² El Dorado County Planning Division Existing Development Agreements as of 2002
³ El Dorado County Building Division 2000- Oct.2010
⁴ 1999 California Employment Development Department Labor Market Information Division
⁵ Actual Jobs based on Building Permit data and sq.ft./emp. as determined in EPS 2002 study Table B-6 equals 14,650; Actual job growth to be approximately 5,695 (EDD 2009 Estimate for unincorporated El Dorado County)
⁶ General Plan Forecast as analyzed in the EIR less growth since 2000

The final column demonstrates that at around five years into the life of the adopted General Plan, there are no categories in jeopardy of exceeding growth projections as analyzed in the adopted General Plan EIR. The second to last column “% of 2025 Planned” does show that County has grown more rapidly in some areas, such as single-family housing, and trended slower in others, such as multi-family housing, jobs and non-residential development. To understand how this growth pattern relates to growth assumptions, it is important to understand where and how the development has occurred.

Single-Family Dwelling Units

EDAC’s presentation on January 10, 2011, demonstrated through data provided by the County’s Department of Transportation (DOT) that approximately 80 percent of residential development had occurred within Community Regions defined by the General Plan as areas where the urban and suburban land uses shall be developed. All but one of the Community Regions, Camino/Pollock Pines, has public sewer facilities allowing for higher density development. The spike in single-family development was anticipated due to approved Development Agreements

(DA) located in Community Regions on the far western portion of the County nearest the Sacramento metropolitan area. These DA's were in place when the General Plan was adopted and set to sunset early in the General Plan forecast. Therefore, most of the single-family detached residential development growth has occurred in the far western portion of the County within adopted Specific Plan areas.

On December 10, 2009, the Board adopted a new Mixed Use Development policy. The Board amended the Commercial land use designation to increase residential developments as part of mixed-use developments from 10 units per acre to 16 units per acre and to allow for parcelization of the residential units. The Housing Element of the General Plan supports mixed-use development at a maximum density of 24 du/ac within Commercial zones by right with the adoption of standards that encourage compact urban form, access to non-auto transportation, access to transit, and increase energy efficiency. The Board decided that until a more comprehensive environmental study could be completed and development standards adopted for mixed-used development, only 16 units will be allowed per acre and any application for a mixed-use project will require a planned development application. The Board directed staff to return with an update to the mixed-use policies that considers varying options for types of mixed-use development that would fit best into communities throughout the County. SB375 requires mixed-use development to allow for at least 20 units per acre to meet State objectives. Currently the County does not meet this objective, as there are no land uses that allow mixed-use development at 20 units per acre.

As shown in the January 10, 2011, EDAC and the EPS presentation of October 2010, higher density single family detached residential achieves cost feasibility for development and is the best option for meeting State objectives in housing for the moderate-income earner. Moderate income is defined as 80 to 120 percent of the County's median income. The County's current median income for a family of four is \$87,700. Currently Multi-Family and Commercial land uses allow densities above five units per acre. Most of the multi-family lands are dedicated to achieving the County's RHNA obligations due to the State "No-net loss" policy, and General Plan policy 2.2.5.19. Should the Board approve a project on lands identified to meet the low and very-low RHNA, it is the responsibility of the County to replace the lost density on comparable lands. RHNA also requires the County to accommodate moderate housing needs. EDAC and EPS made findings that current County densities for High Density Residential (one to five units per acre) are not conducive for building moderate-income homes. Limited land uses available (i.e. commercial and multi-family) to build single-family detached units at densities above five units per acre have constraints limiting the County's ability to meet State Housing Element Law requirement to accommodate moderate housing and could limit the availability of commercial development necessary to support the State's goal of reducing VMT and the County's goal for increasing sales tax revenues and creating jobs.

Multi-Family Dwelling Units

Multi-family housing development has trended slower than anticipated. The State Housing Element law, Regional Housing Needs Allocation requirement, determines the need for housing by income levels for a stated planning cycle. Under current County policies, the County meets RHNA for low and very low income allocations through lands designated and zoned for multi-family. Under the current Housing Element planning cycle (2006-2013), the County is required

to allow for “By-Right” development of 4,009 units for low and very low residents. This is within the remaining capacity of the General Plan forecast for multi-family housing. Attached is the 2010 Housing Element Report required to be submitted by the County to the State by April 1 of each year. This report identifies the number of units built under the current Housing Element planning cycle. (See Attachment 2)

Population

The California Department of Finance and the Sacramento Area Council of Governments (SACOG), the County’s regional planning agency, maintains County growth estimates. Both analyses have found that the County’s population is on target for meeting the 2025 estimated population of 200,000. On March 5, 2002, EPS estimated that growth would remain steady at 2.4 percent annual increase through 2010, slowing to 2.3 percent, and gradually tapering off to 1.6 percent annually by the end of the plan horizon. Actual growth, as reported by the State Department of Finance (DOF), averaged about 2.5 percent through 2008, and then dropped dramatically to about 1.1 percent the past two years. These estimates are based on the 2000 Census. The Federal Census Bureau has just recently begun to release data from for the 2010 Census beginning with population numbers for redistricting purposes. As described in Section 2 of this report, the 2010 census shows the unincorporated area of the County grew by about 17.5 percent between 2000 and 2010, which is in line with the forecast adopted in the EIR for the General Plan. However, if a slower growth trend continues, the County may not meet the forecasted population of 200,000 by 2025.

Jobs, Jobs/Housing Ratio and Non-Residential Development

The area analyzed under the General Plan review that significantly deviated from the projected forecast was in jobs and the non-residential development sectors. This has caused the Jobs/Housing Ratio to vary significantly from projections. The County developed only 15 percent of the projected non-residential square footage, 13 percent of the jobs during the same period approximately and 41 percent of the projected single-family dwelling units were achieved. This is reflected in the jobs/housing ratio that went from .68 prior to the adoption of the General Plan, to .48 in the first few years. To correct this ratio and bring it into alignment with the forecast, 1.78 jobs would need to be created for every new dwelling unit built. Some options for correcting this trend are provided for Board consideration under Policy 2.9.1.2 of this General Plan Review.

Conclusion for Land Inventory: Population and single-family detached housing growth trended as forecasted in the EIR adopted with the General Plan. Development in the areas of multi-family residential housing, jobs, non-residential development (including commercial, industrial, and R&D) trended slower than anticipated. All categories are still within the growth forecasted for this review and are not in jeopardy of exceeding projections analyzed for the planning cycle of the General Plan.

Rate of Development

Policy 2.9.1.2 – *Two years following the adoption of the General Plan and thereafter every five years, the County shall examine the results of the monitoring process for the previous period. If the results of this monitoring process indicate that the distribution of growth varies significantly*

from the major assumptions of this Plan, the County shall make appropriate adjustments to the Plan's development potential by General Plan amendment. Five year adjustments in the development potential may include either additions to or subtractions from this land supply and may result in policy changes."

Growth in general is consistent with plan assumptions. There are some inconsistencies with projected rates of development, which may cause necessary adjustments in land supply. Following is an examination of the rate of development by land uses identified in the General Plan to accommodate planned growth.

The General Plan's population growth forecast was used to determine the housing forecast, which in turn determined the non-residential forecast. The amount of non-residential development determined the job forecast. The County is on target with its population and housing forecast. The County has been slow to develop its non-residential (i.e. commercial, industrial and R&D), therefore not producing the jobs as anticipated. The State objective is to locate all new residential development near jobs and services. The County's General Plan supports this type of development as stated in its vision, goals and policies. However, the growth pattern has not followed County and State goals in that the Job/Housing balance has not been achieved, with job-generating types of development significantly lagging housing development over the past 10 years.

The Plan Purpose Statement in the introduction to the General Plan recognizes that the General Plan must meet State planning requirements. The purpose of a review is to determine necessary course adjustments or modifications essential to improving local implementation. Some local implementation programs benefit from State and Federal funding programs. To ensure continued funding, the County must meet State objectives. Therefore, the County would need to consider issues causing slower than forecasted growth in non-residential and job-generating sectors.

As stated above, the objective of SB 375 is to further assist the State in reaching goals established by Executive Order S-3-05 and AB32 to reduce greenhouse gas emissions by encouraging residents to drive fewer miles. This is to be done through changes in land use development patterns and improved transportation systems. The state has identified model policies for local governments to consider as part of their general plans to reach this goal. All policies relate to higher density compact residential (6-12 units per acre) development mixed into commercial/job center areas. The following table identifies vacant land for job creation including commercial, which under County policy can also provide high-density housing.

Vacant Commercial, Industrial and Research and Development (LUD) (Non AP Lands)			
	Parcels	Acreage	Acreage in CR w/Sewer
Total	620	3,767	2,155
Community Region Total	510	2,281	2,155
Commercial	297	712	651
Industrial	154	753	688
R&D	59	816	816
All Other Areas	110	1,486	-
Commercial	98	1,154	-
Industrial	12	332	-
R&D	-	-	-

In total, it appears there is still plenty of vacant land available for compact residential development and job-generating types of development. However, most high-density residential and job-generating types of development require adequate sewer capacity. In addition, transit options require a certain level of density to be successful. Therefore, the lands available to meet State objectives and General Plan vision are those in community regions with adequate sewer capacity. Industrial and R&D lands are available for job creation but do not allow for residential development. Therefore, compact residential developments and retail/services necessary to support the residential development can only be located in commercial lands in community regions with sewer.

Vacant Commercial (LUD) in Community Region w/Sewer (Non AP Lands)				
Parcel Breakdown	% of Total		% of Total	
	Parcels	Parcels	Acreage	Acreage
> 1 acre	145	55%	63	10%
1-3 acres	79	30%	144	22%
4-9 acres	28	11%	162	25%
10-16 acres	7	3%	89	14%
20-57 acres	6	2%	192	30%

There are only 651 vacant acres that meet these criteria. Further analysis of the 651 acres is shown in the table above. The table illustrates that 85 percent of the vacant commercial parcels are three acres or less in size. However, this represents only 32 percent of the total lands. Smaller parcels limit the size of development when other design standards and constraints are applied. The remaining 15 percent of the parcels or 443 acres would be available for larger commercial/mixed-use developments meeting local and State objectives. The 443 acres is located on only 13 parcels. Staff has heard concerns that many of the larger commercial parcels

are not located within marketable commercial areas, further reducing the sites' development potential. This provides very few opportunities for the development of larger retail/mixed use projects limiting the Board's flexibility to meet this demand. Mixed-use development is only one option for commercial lands under County policies and ordinances. Although residential development is an option for commercial lands as part of a mixed-use project, mixed-use development is not required to be built on commercial lands.

To increase the potential for commercial/mixed-use developments in order to meet local need as well as State objectives, a comprehensive analysis would be needed. For example, over the past 10 years, the development pattern has been that approximately 25 percent of the development has occurred in rural areas of the County with 75 percent occurring in community regions with sewer and water capacity. To maintain this pattern, the County may need to consider adjustments to commercial lands. For example, assuming an historical average development of .25 Floor Area Ratio (FAR), Community Regions with sewer and water would need to add approximately 1,550 acres of commercial lands to potentially meet the projected forecast for jobs on commercial lands. Another option may be to require development on existing commercial lands to meet a much higher FAR, such as .5 or .75 FAR, to ensure higher and better use of the remaining commercial sites. A third option may be to revisit the General Plan jobs forecast to determine if it should be revised. Combination of the above options may be an approach as well to meeting County and State "jobs/housing balance" objectives. A similar analysis would be needed for industrial and R&D parcels.

Multi-family lands currently meet the requirements of RHNA but, as stated above, there is very little extra multi-family land should the County wish to encourage non-subsidized higher density residential developments on the parcels located in community regions with adequate sewer and water capacity. Should the Board wish to have more flexibility in determining highest and best use of multi-family lands, there may be a need for further analysis to determine if policies may need to be amended or if additional multi-family lands within community regions with sewers are necessary.

The agriculture and natural resource industries are a vital component of the County's economy. Both industries create jobs and contribute tax revenue to the economy that, if not protected and supported through continued review and adjustment, will leave a large gap in the ongoing sustainability of this County. The County Agriculture Department has taken the lead in developing and implementing many of the General Plan policies related to these two industries. Both industries have expressed a desire to develop programs that would implement more of the General Plan policies in support of these industries. However, they understand the difficulty in doing so with limited staff and resources available. Both industries have identified potential amendments to the General Plan that directly support the County's goal to promote and protect the agriculture and natural resource industries. As part of a General Plan amendment process, the definition of agriculture and natural resources in context with related policies would be reviewed and possibly expanded to allow for supporting commercial activities on lands within rural regions, helping to ensure the viability of agriculture and natural resources throughout the life of the General Plan. Another option is to analyze the viability of the rural centers and, if necessary, expand, modify land uses, or create new centers that better support agriculture and natural resources.

Conclusion for Rate of Development: Staff provided a review of the General Plan assumptions on June 30, 2009. A conclusion was made that “*all of the basic assumptions of the 2004 General Plan are still valid, although it will be important to monitor trends in the agriculture and timber industry and water supply.*” Results from this review indicate that the distribution of growth does not vary significantly from the major assumptions of the General Plan. The review does find that future growth may not be accommodated as anticipated due to the limited availability of commercial and multi-family lands in community regions with adequate roads and infrastructure. As discussed in section two of this report, if recent trends are sustained, changes in development financing and changes in both residential and commercial market demand will have a direct affect on the rate of development under this General Plan.

Community Regional/Rural Center Boundary Changes

Policy 2.9.1.3 – *The normal procedure for increasing or decreasing development potential may be by amendment of the Plan at five year intervals as specified in Policy 2.9.1.2. This measure shall not preclude any property owner in El Dorado County from requesting a General Plan amendment upon submission of the required application. Amending development potential and Community Region and Rural Center boundary changes may be changed every five years as directed by Policy 2.9.1.2.*

Policy 2.9.1.4 - *The boundaries of Community Regions and Rural Centers may be changed and/or expanded every five years through the General Plan review process as specified in Policy 2.9.1.2.*

Amendments to the General Plan may be necessary to ensure flexibility for the Board to make appropriate land use decisions that meet local needs and State objectives while providing communities the opportunity to develop in a manner they desire. EDAC, as part of their January 10, 2011, presentation, addressed one policy that might assist in meeting this objective: Policy 2.6.1.4 – Consider commercial development on Highway 50 intersections. This is one option that would expand commercial lands, providing more flexibility in meeting County objectives for creation of jobs, affordable housing and sales tax-generating businesses. Expansion of commercial lands would also support State objectives to create downtown transit-oriented walkable types of communities within priority areas. There are additional policies that, if amended, would reduce identified constraints, thereby expanding the opportunities on existing parcels already identified for these types of uses. An analysis as part of a General Plan Amendment process would allow for a comprehensive review to determine need and possible opportunity sites which the Board could consider.

Conclusion: To provide flexibility in the support of meeting State and local objectives in both community regions and rural centers, as part of a General Plan amendment process, growth boundary lines should be analyzed and potentially amended.

Mitigation Monitoring Program

"Policy 2.9.1.5 – In order to comply with subdivision (a) of Public Resources Code Section 21081.6, the County shall monitor, pursuant to the periodic review under Policy 2.9.1.2, the implementation and application of General Plan policies that have the practical effect of mitigating the significant environmental effects of development and other activities authorized by the General Plan. Such periodic review shall assess the effectiveness of such policies in reducing environmental damage and may include recommendations for strengthening any policies found to be less effective than anticipated."

The California Environmental Quality Act requires public agencies to report on and monitor measures adopted as part of the environmental review process (PRC Section 21081.6 and CEQA Guidelines Sections 15091.d and 15097). The Mitigation Monitoring Plan (MMP), adopted with the County's General Plan, fulfills this requirement.

PRC Section 21081.6(b) and CEQA Guidelines Section 15097(b) allows for monitoring plans to consist of mitigation measures incorporated into the General Plan thereby making the Plan "self-mitigating." The measures are implemented and enforced through the application of the General Plan to land use, planning decisions and the implementation of actions directed by the General Plan.

On May 10, 2010, staff provided a draft matrix of the Mitigation Monitoring Program (MMP) for Board discussion. Staff provided the matrix to EDAC for review on two separate occasions. There are more than 71 individual actions in the MMP. Approximately 40 actions are already in place and addressed through land use approval processes. Many of the measures are to be implemented through the Zoning Ordinance and Land Development Manual. There are eight measures that have not been started as they have not been determined to be a priority and/or funding and resources have not been available. This matrix has been updated and is provided as Attachment B of this report.

Conclusion for Mitigation Monitoring Program: The County is making adequate progress towards implementing the measures. As part of a General Plan Amendment, the Board will have the opportunity to identify specific measures that need to be modified, added or deleted as necessary to better achieve desired goals as was anticipated when adopting the mitigation measure program.

CONCLUSION

The County has a responsibility to develop, adopt, and maintain a legally adequate General Plan pursuant to State planning law. The General Plan must meet State planning requirements and other State and Federal mandates while reflecting technical and financial realities. This report is the first five-year review and staff anticipates returning with the second five-year review in 2016, unless the Board desires the monitoring and review to happen more frequently.

The General Plan has been the subject of a number of amendments and interpretations such as the application of the agricultural buffers, changing the floor area ratio requirements, the provisions for mixed uses, and the re-authorization of and modifications to Measure Y. Attached

is a list of amendments and policy interpretations approved since the adoption of the General Plan (Attachment G). A number of other policies or implementation programs have been identified but are yet to be resolved. Some require a General Plan amendment, but others can meet stated goals through implementation programs delivered through the Zoning Ordinance, Land Development Manual and CIP/TIM Fee program. For example, the Zoning Ordinance will implement 41 specific objectives (approximately 70 different policies) of the General Plan (Attachment H). It is important to identify up front which policies require a General Plan amendment and determine what the amendment is intended to accomplish.

This review presents information that the County's General Plan is still within its growth projections and that basic General Plan Assumptions, Strategies, Concepts and Objectives are still valid, or have not changed so drastically as to require a comprehensive update. The review identifies some land uses developing at a slower rate than forecasted, possibly creating an imbalance which may need to be corrected to ensure the vision of the General Plan is achieved. The General Plan will require amendments to address new laws, changes in the economy, changes in market demand, and a reduction in funding for roads and infrastructure to ensure growth in the County can be adequately accommodated. Staff recommends the Board consider a targeted General Plan amendment process to correct policies found to be constraining the development of housing affordable to the moderate or below income earner, the creation of jobs and tax revenues generating businesses, and policies affecting the agriculture and natural resource industries as reflected in the section three of this report.

RECOMMENDATION

Staff recommends that the Board:

1. Find that the basic General Plan Assumptions, Strategies, Concepts and Objectives are still valid, or have not changed so drastically that the County would need to consider amending them at this time.
2. Receive and file this report as the General Plan five-year review for 2011, with the next five-year review anticipated for 2016.
3. Find that there are areas within the General Plan that may be improved to better address the development of moderate income housing, the creation of jobs, the loss of tax revenues and further promote and protect the agriculture and natural resource industries in the County. This will be further addressed in item three of the Board's April 4, 2011, agenda.