LAND USE POLICY PROGRAMMATIC UPDATE February 27, 2012

Chief Administrative Office providing a status report and requesting discussion and direction on the Land Use Policy Programmatic Update (LUPPU) including the following:

- 1) Targeted General Plan Amendment;
- 2) Housing Element Amendment;
- 3) Zoning Ordinance Update; and
- 4) Travel Demand Model Update.

Direction by the Board of Supervisors is requested on the following items:

Chief Administrative Office recommending the following be analyzed under the Project Environmental Impact Report (EIR) to provide an adequate level review for a range of options for future Board decisions:

- 1. The inclusion of the Agriculture District Boundary Expansion within the Project EIR.
- 2. Review and update the Housing Element as needed to reflect recent finding in the General Plan 5-year review, changes in state law and changes in development patterns. This is not intended to be a comprehensive update to the Element.
- 3. Accept as one option for the base analysis the draft zoning map based on the zoning map criteria reviewed in October 2010, and subsequently modified to address elimination of the AE/AP zones and further refinements by the Agriculture Department and EDAC, including the "Opt-In" process. This option provides a predominately status quo revision to the zoning map that minimizes changes and the level of analysis required.
- 4. Additional options between the base analysis and full consistency would be required to fully analyze identified options adopted in ROI's 183-2011 (Comprehensive Zoning Ordinance Update) and 184-2011 (Timber Production Zone-TZP Ordinance).
- 5. As one of the alternatives required by CEQA, a full consistency alternative should be developed to analyze the impacts of bringing all parcels into consistency with the land use designation, as identified in the adopted 2004 General Plan Table 2-4.

BACKGROUND:

Targeted General Plan Amendment

On April 4, 2011 the Board adopted a Resolution of Intention (ROI 051-2011) for a Targeted General Plan Amendment, a County initiated amendment following findings from the first fiveyear review of the General Plan. On July 25, 2011, Development Services presented to the Board of Supervisors a list of key issues and options for addressing identified General Plan amendment components that were discussed on April 4, 2011 as part of the General Plan 5-year review. The Board directed staff to return with a comprehensive ROI, including previously adopted ROI's to amend the General Plan, and directed staff to include items outlined in the July 25, 2011 Staff Report. On November 14, 2011 the Board adopted the Targeted General Plan ROI 182-2011 (See Attachment B) and directed the Chief Administrative Office to proceed with the preparation of all necessary documentation and CEQA review requirements for the Targeted General Plan Amendment and Comprehensive Zoning Ordinance Update.

One issue requiring Board direction on today includes processing of the Agriculture District Boundary Expansion General Plan Objective 8.1. This Objective supports the conservation of Agricultural Lands and sets objectives for conserving Agricultural lands from projects encroaching on existing operations. General Plan Policy 8.1.1 sets the criteria for identification of Agricultural Lands and specifies how the criteria are applied in identifying lands suitable for agriculture and inclusion in Agricultural districts. Implementation Measure AF-B requires periodic review of other suitable lands to consider for inclusion into the Agricultural Districts. There are approximately 4,000 acres of crop lands located primarily within 50,000 acres of agricultural districts. These districts are proposed to be expanded to 70,000 acres. On January 25, 2011 the Board adopted ROI 013-2011 to expand the Agriculture District Boundaries.

Staff had previously recommended the General Plan amendment to expand the Agriculture Districts proceed separate from the Targeted General Plan Amendment. However, it has been determined that the amendment should be included into the Project EIR to ensure an adequate and interconnected analysis can be completed.

Housing Element Update

The Housing Element is a comprehensive report by the County of El Dorado describing the housing needs of the unincorporated area. The Element provides plans, policies, programs and regulations to facilitate the development, improvement and preservation of housing for all economic segments of the community. The Housing Element is one of the seven General Plan Elements mandated by the State of California, as required in Sections 65580 to 65589.8 of the Government Code. State law requires that the Housing Element identify and analyze existing and projected housing needs. The Housing Element must include a statement of goals, policies, quantified objectives, and scheduled programs for the preservation, improvement and development of housing.

The Housing Element sets forth the County's strategy for enhancing and preserving the housing stock, for expanding housing opportunities for various economics segments, and along with the Land Use Element, provides policy guidance for decision-making related to housing. The Housing Element also provides the implementation strategies for effectively addressing the housing needs of the unincorporated area during the 2008-2013 planning period.

The revision to the Housing Element is an update, not a comprehensive rewrite. The update will take into account revised allocations based on the Regional Housing Needs Allocation (RHNA), review and consideration of recent housing studies, including but not limited to the 2011 General Plan 5-year review, the El Dorado Business Alliance sponsored Development Feasibility Study and the County's Exterior Housing Conditions study. In addition, a review of the success in meeting the goals and objectives of the previously adopted element will be

analyzed. Goals, policies, and implementation measures of the Housing Element will be reviewed and updated as needed to reflect recent changes in state law and changes in development patterns.

Comprehensive Zoning Ordinance Update

The Zoning Ordinance (Title 17 of the El Dorado County Code) is one of the principal means to implement the General Plan. Land Use Element Implementation Measure LU-A and several other measures direct the County to update the ordinance to bring it into conformance with the General Plan and implement several policy directives.

Additionally, the update is intended to improve the functionality of the ordinance and address any inconsistencies with state and federal laws.

While there are still several outstanding issues that will be analyzed in the EIR, much of the detail of the zoning ordinance text has been updated. Since the update process was reactivated in 2006, numerous public hearings, workshops and interest group meetings have been held to help inform the ordinance. The Planning Commission has held a total of 32 workshops. Staff has also met almost weekly with the EDAC Regulatory Reform Subcommittee and various working groups formed within that subcommittee for the past two years. At each of these hearings, workshops and meetings, directions, recommendations and suggestions have been made, many of which have been incorporated into the draft Zoning Ordinance.

There has been less review of the draft zoning map.

As the draft zoning map is readied for consultant review in the EIR, a few remaining questions have arisen that require Board direction. This section of the report is intended to provide an update on the development of the Zoning Ordinance text, and to identify mapping issues that need to be resolved in order to move into the next phase of the project.

On October 18, 2010 the Board held a workshop (Legistar file 10-1086) where it reviewed the work completed by staff up to that time and concurred with the direction toward which staff was working. Among the main points made at that workshop was that the amendment proposed to General Plan Table 2-4 (Attachments E & F) was appropriate. General Plan Table 2-4 identifies the compatibility of certain zones with the General Plan land use designations. On this date, the Board concurred with the proposed new and deleted zones, found that the basic structure of the Zoning Ordinance update would be functional and an improvement over the existing Title 17 organization, and agreed upon deferring major revisions to ensure the timely completion of the ordinance.

The Development Services Department (DSD) reported in the 2010 workshop, based on the draft Zoning Ordinance prepared and presented, it was anticipated the project would take another six to eight months to complete the public review and CEQA process and return to the Board for adoption hearings. DSD also anticipated, as stated in the staff report, that the draft Zoning Ordinance as prepared could be completed with a Negative Declaration or a Mitigated Negative Declaration.

After the October 18, 2010 workshop, the Board held at least 7 public meetings (Legistar file 11-0019 and Legistar file 11-0356) that reviewed zoning text and zoning mapping, including the following issues for optional consideration:

- Optional treatment of riparian setbacks from edge of bank or mean high water mark or from edge of riparian habitat;
- Multiple commercial zones to direct specific activities (including mixed use, main street, large retail, etc.) to specific areas of the county;
- Multiple industrial zones;
- Alternative treatment of open space requirements within HDR and more intense land uses within community regions;
- Expanded Home Occupations modeled on San Bernardino ordinance which sets standards based on such factors as land size;
- Optional treatment of TPZ ranging from residency by right to requiring a residence be necessary to grow trees;
- Expanded rural land uses, Ag homestays, expanded Ag support, Ag "Opt-In" process for Ag zoning in rural residential land uses, right to farm etc.

The reviews and discussion at the workshops covered policies within the General Plan the current and draft Ordinance, and the Land Development Manual. The review recommended options for revisions to the draft Zoning Ordinance options in support of General Plan goals and objectives. Policy amendments to the General Plan were also identified, as was the need for an update to the County's Traffic Model to ensure the Board will have the necessary information upon which to base future decisions.

Based on the workshop discussions, it was recommended that the County consider a comprehensive review of all the documents and analyze a range of options through an Environmental Impact Report (EIR) that would allow the Board to consider the best way to implement the General Plan. This was supported by the Board with the adoption of ROI 183-2011 (Zoning Update) and ROI 184-2011 (TPZ Update) in November 2011 (Attachments C & D).

The ROI's identified the components that are to be included in the draft Zoning Ordinance as well as several optional items to be developed. The purpose of the optional items is to provide a range of policy options for analysis in the EIR, so that when final action is taken by the Board at the end of the environmental review and public hearing process, the choices available to the Board are not so limited that they are precluded from exercising some discretion on development standards, permitted uses, and other provisions of the ordinance. The following is a summary of the options to be analyzed to enable the Board to act:

 <u>Multiple Commercial Zones, including a Rural Commercial Zone</u>, to direct specific uses to specific areas of the County. These multiple zones have been identified and defined and a draft map has been prepared for analysis. Mixed Use Development (MUD) II areas are identified and safe <u>Traditional Neighborhood Design (TND) standards</u> "safe harbor" or standard plans have been proposed. The analyses will allow the Board to make decisions ranging from the draft map with limited commercial zones to the wider range of commercial options such as appropriate areas for MUD II. Also as part of the analysis for the expanded commercial zones is the elimination of the Neighborhood Services zone due to its similarity with the Limited Commercial zone being proposed.

In addition, the consultant will analyze the effect of zoning all lands identified as commercial in the General Plan as commercial. The option is illustrated by the draft map which leaves many lands planned for commercial as residential or other zones. This range of analyses will enable the Board to identify, what lands general planned as commercial the Board wants to zone commercial.

- 2. <u>Commercial Uses in the Rural Lands</u> will be analyzed to consider a broad range of light industrial, agricultural support, recreational, and commercial uses to be included as permitted uses, or permitted by use permit. This has become part of the draft Zoning Ordinance.
- 3. Provide for Detached Dwelling Units in the Multi-unit Residential (RM) Zone; Allow 15% of Project Area to be Commercial for Mixed Use Projects in the RM Zone The provisions for detached units was a part of the previous drafts of the Zoning Ordinance. Optional text has been developed for commercial use in the RM zone for mixed use projects. Lands designated as Multi Family Residential (MFR) are critical to meeting State Housing Element Law requirements. The optional mapping analysis will consider General Plan MFR as zoned MFR. The analysis will allow the Board to determine what, if any, lands designated MFR should be zoned MFR.
- 4. <u>Create Multiple Industrial Zones</u> The EDAC Industrial working group has reviewed the industrial sites and zones and based on the fact that the General Commercial (CG) zone serves as the County's light industrial zone, found that further splitting the Industrial zone (I) does not seem necessary, but would serve to only restrict potential industrial development on existing industrial land. They have recommended that we keep the single industrial zone. Staff concurs with this recommendation.
- <u>Create Alternatives to Mandatory Open Space Requirements</u> for Planned Development Projects – The draft Zoning Ordinance contains language that implements the applicable policies from the General Plan regarding open space and planned developments. In addition, alternate in-lieu fee option has been created and other options are being considered for analysis.
- Add a Historic Overlay District to Diamond Springs and El Dorado Proposed boundaries were reviewed by the Board on July 25, 2011 and will be included in the project. The Historic Design Control Combining Zone is included in the draft ordinance. Existing Historic Design Guidelines may be used until such time as they can be revised.
- 7. <u>Riparian setbacks</u> will be analyzed from the bank as set forth in the interim guidelines through setting back from the edge of riparian habitat as approved by the Planning Commission, as requested by EDAC for inclusion into the Zoning Ordinance. This will provide the range of options for future Board decisions.
- 8. <u>Develop Provisions for Residential and other Compatible Uses on Timberland</u> <u>Production Zone (TPZ)</u> – Alternative language that expands the possible uses in the

TPZ have been developed utilizing recommendations from the EDAC rural residential and timber working groups, including residences by right.

9. <u>Agricultural Zoning "Opt-In" Process</u>: One of the directives of Resolution 183-2011 (Comprehensive Zoning Ordinance Update) was to create an opt-in process for rural land owners to have an agricultural zone considered for their property. Working with Agriculture Department staff and the agricultural working group of EDAC, a set of criteria was established to notify such parcel owners of this option. Approximately 1800 property owners will be notified. This process will address Agriculture (A) and Residential-Agriculture (RA) zoned land that could be Residential Estate 10-Acres (RE-10), Rural Land (RL), or an agricultural zone. It will also address RE-10 parcels located in the Agricultural Districts and rolled out Williamson Act lands.

One of the reasons that the "Opt-In" process was created was to ensure that land owners who are conducting, or plan to conduct agricultural operations, would be afforded the protections of those provisions. Property owners will be given a limited amount of time to respond to the notification, and then staff from Planning and Agriculture Department will review the responses and adjust the draft zoning map accordingly. The zoning map recommendation will reflect both property owner desires as well as the appropriateness of the zone vis-à-vis surrounding zoning and land use patterns. The primary concerns are the effect of agricultural setbacks and right-to-farm provisions on smaller, rural residential parcels in agricultural areas.

The optional items which are not already included in the draft Zoning Ordinance will be compiled and provided to the consultant for inclusion in the environmental analysis.

Zoning Maps Criteria – Bringing the zoning maps into conformance with General Plan is critical for consistency with the Plan, and to eliminate difficulties caused by that inconsistency in day-to-day operations of property owners and development project applicants. The land use designations of the General Plan provide the basic framework for densities and intensities of land uses. The zoning refines those designations, often with several zones within a single designation. An example of this is that there are several existing commercial zones consistent with the single Commercial land use designation (i.e. CPO, C, CP and CG).

There are two basic mapping rule sets that will be analyzed:

1. The draft zoning maps are based on criteria that Planning staff presented to the Board in October 2010. The criteria used were to replace the obsolete zones and to address zones that were inconsistent with the land use designations. The basic criteria were that unless the existing zone was clearly inconsistent with the land use designation, it would not be changed; changes would be minimized as much as possible; and where required, the change would be made to the zone closest in density or intensity of use to the existing zone while making it consistent with the plan. These criteria (see Attachment G) were referred to as "rule sets" (GIS terminology for the computerized mapping exercises.) Where a zone was being replaced, such as the RA zone with a new zone, Rural Land (LZ), the minimum parcel size would remain the same. For example, RA-20 acres would become RL-20acres, unless the General Plan required a lower density in the Natural Resources land use designated areas.

The adopted General Plan Table 2-4 identifies some zones as "Consistent" as others as "Compatible." The staff recommendation, accepted by the Board in 2010, was to consider both as being in conformance with the General Plan. This relates to Policy 2.2.5.6, which permits lower density zones to remain in place until infrastructure becomes available. Some have argued that only "Consistent" zones are compatible, unless the zone is not changing at all. This is particularly important in areas designated Low Density Residential (LDR) on the General Plan Land Use Map. This designation calls for future development to be in the range of 5- to 10-acre parcels. Many of these areas are presently zoned agricultural or residential-agricultural, with 20-, 40, or even 80-acre minimum parcels sizes. The draft zoning maps show those minimum parcels sizes to remain in place, even if the name of the zone is changing.

2. A second option for analysis was reviewed and discussed after staff presented the October 2010 mapping criteria. The draft zoning map is a part of the project description that will be reviewed by the EIR consultant. As with some of the text options, a range of options or alternatives will be provided with the map. The EIR provides the opportunity to analysis a full consistency option as well as additional options between full consistency and the minimal zoning changes proposed on the 2010 version of the draft maps.

For example, LDR is general planned for 5 to 10 acre parcels. The draft map does not zone any lands 5 or 10 acre parcels. The optional mapping criteria provides for analysis of LDR as 10 acres with the exception of the lands clearly outside of the planning horizon for this General Plan. This analysis will allow the Board to determine what, if any, lands designated LDR should be zoned consistent with Land Use.

This approach allows for a full range of options for the Board to consider when approving the final ordinance and map. Optional analysis to enable the Board to decide after analysis what lands if any should be zoning consistent with the Land Use Designation would include the following:

- a. Where new commercial zones should be located.
- b. Identification of best locations for MUD II.
- c. What lands General Planned for commercial or multifamily but currently zoned for residential should be zoned consistent with the land use.
- d. Analysis of the Agriculture "Opt- In".
- e. Analysis of the effect of alternative Home Occupation proposed standards.
- f. Analysis of consistent zoning for LDR.
- g. Analysis of lands in Rural Residential at appropriate range densities.

EDAC has provided comments raising concern that the public draft of the Zoning Ordinance was not prepared to be consistent with the adopted General Plan. Staff's recommendation for further Board direction (items 4 and 5 above) are believed to address EDAC's concerns and are consistent with the ROI's.

Travel Demand Model Needs Assessment

On December 19, 2011 the Board received a Travel Demand Model Needs Assessment. The assessment highlighted areas where the existing model could be improved. On January 24,

2012, the Board authorized the update of the Travel Demand Model (TDM) through a contract with Kimley-Horn and Associates, Inc.

The new Travel Demand Model is essential for:

- Implementing General Plan goals
- Updating the Zoning Ordinance
- Planning of new roadways for the Capital Improvement Program
- Updating Traffic Impact Mitigation Fees
- Analyzing the adopted Resolutions of Intention to Amend the General Plan (ROI 182-2011) and Comprehensive Zoning Ordinance Update (ROI 183-2011)

The Scope of Work for the TDM update includes the following components:

- Update Travel Demand Model to 2010 Baseline
- Environmental Impact Analysis for Targeted General Plan Amendment and Zoning Ordinance Update
- Land Use Forecast for Traffic Demand Model (TDM)

At the January 24, 2012 Board Hearing, two members of the public raised questions regarding the Travel Demand Model Scope of Work. The comments were as follows:

 Serrano Associates LLC had the following comment: Land use forecasting should not only consider anticipated growth based on recent economic trends but also the form and location of development based on other constraints or desires. The current General Plan did not consider mixed-use development opportunities or place emphasis on locating development close to existing or planned infrastructure. Land use assumptions (growth, form, and location) directly affect vehicle travel (vehicle trips and trip length), infrastructure needs, and cost.

In response to Serrano Associates LLC's comment, the Scope of Work was revised to include the following language in Task 3.1:

"The CONSULTANT shall consider mixed use development opportunities and place emphasis on locating development close to existing or planned infrastructure. The CONSULTANT shall also consider the form and location of development based on constraints and General Plan and State objectives."

2. Additional comments received included how the County can make this a transparent and rapid process, trip generation vs. size of dwelling units, if the assumptions used in the model would be defensible, and how staff will provide clear links between growth that can be shown in the 10 and 20 year CIP projects.

Staff has provided information demonstrating where most of the answers could be found within the existing tasks in the Scope of Work. Some of the questions will be answered during the EIR process.

Additional comments were received after the January 24th Board hearing from Fehr & Peers,

EDCTC and SACOG. Fehr & Peers addressed questions regarding model sensitivity, compliance with the Complete Street Act, analysis of alternative modes, greenhouse gas analysis, and growth projections within Community Regions. The Scope of Work has been revised including the addition of a task to address these issues. Furthermore, additional modifications were made to the Scope of Work to provide better information for the Regional Transportation Plan (RTP) and the Metropolitan Transportation Plan (MTP).