CITY OF YUBA CITY STAFF REPORT

Date: May 18, 2021

To: Honorable Mayor & Members of the City Council

From: Development Services Department

Presentation By: Benjamin Moody, Development Services Director

Summary:

Subject: Rescind 2005 City Growth Policies

Recommendation: Adopt a Resolution rescinding Resolution No. 05-049, City Growth Policies

for the City's Sphere of Influence, including the Development of Specific and Master Plans, prior to annexing to the City with the finding that the 2005 policies are no longer applicable and/or necessary, with the associated CEQA Categorical Exemption determination per CEQA Section

15601(b)(3)

Fiscal Impact: Policies pertaining to costs remain in affect with other relevant documents

Purpose:

To update the City's Growth Policies to be relevant and legal to assist in the controlled development of Yuba City.

Background:

On December 2nd, 2019 Council conducted a special meeting on impact fees and held a high-level workshop to review the 2005 adopted "12 Growth Policies" as to how they impact development and the changes that have occurred since their adoption.

When the Growth Policies were adopted in 2005, the City was experiencing rapid population growth, limited/undermined impact fees, a lack of master and specific plans for roadways and utilities, etc. The Growth Policies were put in place to establish a check on uncontrolled growth and to bring development into compliance with the goals of the City's new General Plan.

On March 2nd, 2021 Council provided staff direction to proceed with reviewing and updating the City's Growth Policies to determine if and how the policies need to be updated to align with current information and needs.

Analysis:

The 2005 Growth Policies were put in place to ensure the City's recently adopted 2004 General Plan was utilized, while also providing time for the City to finalize pending updates to impact fees, zoning ordinance changes, and utility studies.

With the passing of time, completion of new applicable studies, legal changes, and the implementation of new Council policies, the 2005 Growth Policies either no longer applicable, legal, and/or redundant.

The City's adopted General Plan addresses and regulates City growth through a series of Guiding and Implementing Policies in the various General Plan Elements. Key among these policies are:

Land Use:

- 3.4.G-2 Maintain a well-defined compact urban form, with a defined urban growth boundary and urban development intensities on land designated for urban uses.
- 3.4-I-3 Require preparation of City initiated Specific Plan or developer master plans for strategic new growth areas with complex land use programs.
- 3.8-I-1 Establish use regulations, development standards, and minimum performance requirements in the Zoning Ordinance, consistent with the General Plan, and amend the Zoning Map to be consistent with the Land Use Diagram.

Community Design:

- 4.2-G-1 Establish a clear distinction between the urban growth area and the surrounding rural and agricultural land.
- 4.4-I-1 Design new residential streets with sidewalks, planting strips and traffic-calming elements to create a pedestrian-friendly environment.
- 4-5-I-3 Using a developer's master plan or City-initiated Specific Plan, create two new Regional Activity Centers; one center northwest of the intersection of Route 99 and Bogue Road and one center on Route 20 between George Washington and Township Roads...

Transportation:

- 5.2-G-5 Maintain acceptable levels of service and ensure that future development and circulation are in balance.
- 5.2-I-5 Continue to require that new development pays a fair share of the costs of street and other traffic and transportation improvements based on traffic generated and impacts on service levels.
- 5.2-I-6 Require city-wide traffic impact fees on all new development to ensure that transportation improvements keep pace with new development.

Parks, Schools and Community Facilities:

- 6.1-G-3 Ensure adequate funding for parks and recreation facilities acquisition, development, and maintenance.
- 6.1-I-3 Require residential developers to either build parks or pay in-lieu fees in order to contribute to the City's park system.

- 6.2-G-2 Ensure that adequate school sites are made available in conjunction with new growth in the planning area.
- 6.2-I-3 Cooperate with school districts to ensure that, within the limits of the law, educational facilities with sufficient permanent capacity are constructed to meet the needs of current and projected enrollment.
- 6.2-I-4 Require that residential development pay fees to school districts for the acquisition of school sites to provide adequate, permanent classroom space or, alternatively, provide land.
- 6.3-I-13 Use existing City collected, library-specific impact fees for the development of new library facilities.

Public Utilities:

- 7.1-G-2 Ensure that necessary water supply infrastructure and storage facilities are in plan prior to construction of new development.
- 7.1-I-1 Evaluate the adequacy of water infrastructure in areas where intensification of land use is anticipated to occur, and develop a strategy to implement projects in the Water Supply Master Plan to offset deficiencies in capacity.
- 7.1-I-4 Establish equitable methods for distributing costs associated with providing water service to development, including impact mitigation fees where warranted.
- 7.2-G-2 Evaluate the adequacy of sewer infrastructure in areas where land use intensification is anticipated to occur, and develop a strategy to address potential deficiencies in capacity.
- 7.2-I-5 Establish equitable methods for distributing costs associated with providing wastewater services to development, including impact mitigation fees where warranted.

Environmental Conservation:

8.2-I-2 Facilitate the continuance of agricultural activities within the City's urban growth area until the land is needed to accommodate population and employment growth. During this interim, minimize conflicts between agricultural uses and urban/suburban uses through site design techniques (not necessarily structural barriers).

The General Plan, based on these growth-related policies, sought to adequately anticipate and offset any potentially adverse impacts related to new development through regulation of land use, new development, and corresponding programs, to ensure development of the necessary supporting physical infrastructure and public services, including requirements for new development to pay its fair share of these costs. These policies continue to be applied by the City in response to new development applications.

Growth Policy Review

The following is a list of the 12 adopted Growth Policies, along with staff analysis associated with each of the policies.

- 1. School Mello Roos: Prior to the City finalizing a development agreement, the developer will have a letter from the affected school district stating that the developer has satisfied their requirements for school infrastructure. This would generally apply to any developments over 4 residential units. The School District would expect, at a minimum, that all residential developments enter into a Mello Roos District and that depending on the size of development, land dedication and school development may be an alternative, subject to negotiation with the District.
- Staff Response: School Districts are independent of the City's jurisdiction related to the determination and implementation of school impact fees or other possible measures to reduce impacts. A City policy that restricts the School District's options as to how fees are collected and/or requiring other mitigation measures conflicts with jurisdictional authority.

Developers are required to meet YCUSD and State requirements regarding satisfying school infrastructure needs, and mitigating any impacts to the school district resulting from future students generated by the project that they may voluntarily agree to with the district. The intent of this policy is met as the City requires evidence from affected school districts that developers have paid applicable school fees prior to issuance and/or finalizing building permits. For larger subdivisions, the City ensures that affected school districts are included at every stage of the entitlement process.

2. **Affordable Housing**: All residential subdivisions will include an affordable housing component that meets the minimum production standard of affordable housing outlined in the regional compact with SACOG adopted by the City of Yuba City in November 2004. There are a variety of options of how best to meet the affordable housing requirement. These options would be subject to negotiations between the City and developer.

Staff Response: This policy is limiting and potentially conflicts with current local and regional housing implementation requirements.

To qualify as "affordable," a housing unit must meet affordability limitations enacted for the region through the State's Housing and Community Development Department, based on average annual median income (AMI) for the region. The City has not enacted citywide regulations or inclusionary affordable housing regulations. One consideration for this is that housing in Yuba City continues to be more affordable than most areas around the Sacramento region, allowing competitive pricing to help meet affordable housing needs.

The City is currently updating its Housing Element, addressing a housing cycle from 2021 – 2029. The updated Housing Element is required to be adopted in 2021. The General Plan Housing Element update will further discuss and address affordable housing issues and policies in the City.

3. **Drainage**: Drainage Plans shall be provided for all subdivisions of land and shall comply with the City and County's master drainage plans.

Staff Response: This policy is met as drainage plans are required with all major subdivisions in the City, and reviewed to determine consistency with current City drainage design standards and master drainage plans.

4. **Development Agreement**: All developments proposing pre-annexation zoning to the City will enter into a Development Agreement with the City. At a minimum, the Development

Agreement will address the financing of roads, parks, public facilities, sewer, water, drainage, and surrounding infrastructure as established in the General Plan.

Staff Response: This provision is potentially impractical and may have legal constraints with the requirements for "all" developments, and creating a situation where there is a requirement for another party to enter into an agreement.

Staff finds that not all new development projects will warrant the use of a Development Agreement, depending on the significance of the development. Standard conditions of approval for Tentative Maps also address most key issues associated with new development and provision of necessary infrastructure.

5. **Residential Design**: All residential subdivisions shall meet the minimum standards for residential design as established by the City Council.

Staff Response: The City applies the zoning code, residential design policies, and guidelines to new development. In the case of new, large developments, residential design standards and guidelines are typically included and specific to the projects.

6. **Sewer and Water Fees**: Sewer and water fees, including connection fees and the installation of major trunk lines from both plants, shall be incorporated into the cost of development and shall be part of the Development Agreement.

Staff Response: See to the response to Policy #4; the term "shall" and the requirement of a Development Agreement may prove impractical or unnecessary. Additionally, this policy is redundant with the implementation of the City's impact fee program.

7. **Roadways**: Development will be required to pay their fair share of major roadwork as part of their development and, in some cases, construct improvements of collectors and arterials that will adequately address infrastructure concurrent with their proposed development. This would be negotiated as part of the Development Agreement.

Staff Response: See response to Policy #4 regarding the requirement of a Development Agreement. Additionally, this policy is redundant with the implementation of the City's impact fee program.

8. **Impact Fees**: Payment of impact fees, which incorporate the public improvements necessary to implement the General Plan, will be required and will be part of the Development Agreement. These fees will be estimates and final payment will be based on a formally adopted impact fee study approved by the City Council. In addition to the park impact fee, the Quimby Act will also apply.

Staff Response: See response to Policy #4 regarding the requirement of a Development Agreement. Additionally, this policy is redundant with the implementation of the City's impact fee program which includes a park impact fee. The Quimby Act applies to pert state law regardless of the Growth Policies.

9. **Levee Fee**: Payment of a fee to address levee improvements and potential flood issues will be required as part of the Development Agreement.

Staff Response: See response to Policy #4 regarding the requirement of a Development Agreement. This policy is redundant with the implementation of the City's Flood Control Fee in

the impact fee program. Additionally, since the Growth Policies were adopted, the Sutter Butte Flood Control Agency has been established, creating an assessment district for flood protection work and constructing levee improvement work in the region.

10. **Community Facilities District**: All developments will enter into a Community Facilities District (CFD) to assist in funding police, fire and park maintenance.

Staff Response: The wording regarding "all" developments and only referencing a CFD for a financing mechanism is impractical. The policy is set regardless of size, significance, and benefit to the City and does not provide options for other financing mechanisms. In accordance with the General Plan policies, staff conditions residential development to provide financing mechanisms for ongoing maintenance of police, fire, street, and park maintenance

11. **Community Design**: All developments will address the community design policies in the General Plan including walkable, livable concepts and address the village concept as provided for in the General Plan.

Staff Response: This policy is met through application of the General Plan policies and zoning code through the plan review processes. All new residential subdivisions continue to be reviewed, to address design issues related to walkability, bicycle access, and connectivity to neighborhood shopping and parks.

12. City Services and Annexation: It will continue to remain the policy of the City that City services will not be extended to unincorporated areas of the Sphere of Influence without first annexing to the City. As in the past, exceptions can be granted for serious health and safety related problems.

Staff Response: The growth policy is outdated and does not reflect the City Council's March 19th, 2019 adopted policy related to providing extraterritorial utility service outside the City limits.

Master Plans and Specific Plans

The 2005 Growth Policy resolution requires designated areas to create Master Plans and Specific Plans prior to annexation. Since the adoption of the Growth Policies, the City has developed and updated specific infrastructure master plans that guide the implementation of water, sewer, storm, roadways, and other key infrastructure improvements. Requiring additional Master Plans or Specific Plans can be repetitive and unnecessary. Additionally, new development projects are required to submit detailed improvement plans as part of the application review process.

Requiring the preparation of Specific Plans or Master Plans place additional costs on new development, and result in significant time delays for developers in completion of these plans that may not be applicable for all developments.

Review Summary

General Plan Guiding and Implementing policies address many of the issues outlined in the 12 Growth Policies. These General Plan policies remain in place, and are applied to new development projects to ensure the orderly, planned development of the City.

With the passing of time, completion of new applicable studies, legal changes, and the implementation of new Council policies, the 2005 Growth Policies either no longer applicable, legal, and/or redundant.

Staff believes the City Council could act to rescind the 2005 Growth Policies while still ensuring appropriate regulation of future growth.

Fiscal Impact:

There are no adverse fiscal impacts anticipated for the City in regards to rescinding the Growth Policies resolution. Staff anticipates that by rescinding these outdated policies, it will lead to greater time efficiencies, cost savings to the community, and help streamlining development, while still ensuring development meets the needs of the community.

Environmental:

Staff has performed a preliminary environmental assessment of the proposed activity/project of rescinding the City's Growth Policies – Resolution No. 05-049. As the repeal deals with either purely administrative items, or is redundant such that it has no impact on the current environmental baseline, the project is found to be exempt from CEQA per CEQA Guidelines Section 15061(b)(3). The activity is covered by the common-sense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

Alternatives:

- 1. Provide staff with further direction to modify and/or update the polices individually.
- 2. Do not rescind the growth policies at this time.

Recommendation:

Adopt a Resolution rescinding Resolution No. 05-049, City Growth Policies for the City's Sphere of Influence, including the Development of Specific Plans and Master Plans prior to annexing to the City with the finding that the 2005 policies are no longer applicable and/or necessary.

Attachments:

1. Rescinding Resolution

2. Resolution 05-049 (12 Growth Policies)

Prepared By: Submitted By:

<u>/s/ Benjamin K. Moody</u> /s/ Dave Vaughn

Benjamin K. Moody
Development Services Director
Dave Vaughn
City Manager

Reviewed by:

Finance SM

City Attorney <u>SLC by email</u>

ATTACHMENT 1

RESOL	LUTION	NO	
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RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY RESCINDING RESOLUTION NO. 05-049, CITY GROWTH POLICIES FOR CITY'S SPHERE OF INFLUENCE, INCLUDING THE DEVELOPMENT OF SPECIFIC PLANS AND MASTER PLANS PRIOR TO ANNEXING TO THE CITY

WHEREAS, on March 15, 2005, the City Council of the City of Yuba City at a regular meeting introduced, passed, and adopted Resolution No. 05-049, which concerns preannexation zoning applications and twelve "Growth Policies";

WHEREAS, on December 2, 2019, the City Council conducted a special meeting on impact fees and held a high-level workshop to review the adopted, twelve "Growth Policies", reviewing how they impact development and whether changes had occurred such that they were no longer needed; and

WHEREAS, in 2005, the Growth Policies were put in place to ensure the City's recently adopted 2004 General Plan was utilized, while also providing time for the City to finalize pending updates to impact fees, zoning ordinance changes, and utility studies;

WHEREAS, with the passing of time, completion of new applicable studies, legal changes, and the implementation of new Council policies the Growth Policies are either no longer applicable, legal, and/or redundant; and

WHEREAS, recognizing the Growth Policies are no longer needed, the City Council now desires to rescind Resolution No. 05-049.

NOW, THEREFORE, the City Council of the City of Yuba City resolves as follows:

- 1. <u>Recitals</u>. The City Council hereby finds that all of the facts set forth in the recitals above are true and correct and incorporated herein.
- 2. CEQA. The City has performed a preliminary environmental assessment of the proposed activity/project of rescinding the City's Growth Policies Resolution No. 05-049. Per California Environmental Quality Act (CEQA) Guidelines Section 15061(b)(3), the project is subject to the common sense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Here, it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, as the repeal deals with either purely administrative items (which have no impact on the environment), or eliminates redundant policies such that there will be no significant impact on the current environmental baseline given other existing regulations that achieve the same result. Therefore, this project is not subject to CEQA, and the City Council adopts a finding under CEQA Guidelines Section 15061(b)(3) for this project.
- 3. <u>Rescind</u>. The adoption of this Resolution shall have the effect of rescinding and repealing Resolution No. 05-049.
- 4. <u>Effective Date of Resolution</u>. This Resolution shall become effective immediately. The Secretary of the City Council shall certify to the adoption of the Resolution.

Marc Boomgaarden, Mayor
APPROVED AS TO FORM COUNSEL FOR YUBA CITY
Shannon Chaffin, City Attorney Aleshire & Wynder, LLP

The foregoing Resolution was duly and regularly introduced, passed and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on May 18, 2021 by the following

ATTACHMENT 2

RESOLUTION NO. 05-049

A RESOLUTION OF THE CITY OF YUBA CITY CITY COUNCIL ADOPTING GROWTH POLICIES FOR THE CITY'S SPHERE OF INFLUENCE INCLUDING THE DEVELOPMENT OF SPECIFIC PLANS AND MASTER PLANS PRIOR TO ANNEXING TO THE CITY

WHEREAS, the City Council and Planning Commission conducted public Study Sessions on January 25 and February 15, 2005 regarding City growth policies as they relate to future development of the City's Sphere of Influence; and

WHEREAS, the City Council established boundaries for the development of Specific Plans and Master Plans (attached map Exhibit "A"); and

WHEREAS, the City Council recognizes the importance of development paying its own way and that the policies and goals of the 2004 General Plan be fully implemented as the City expands into the Sphere of Influence; and

WHEREAS, the City Council expects development to pay the full cost, including staff time to develop Specific Plans and Master Plans; and

WHEREAS, the Specific Plans and Master Plans would be required to comply with and implement the 2004 General Plan policies; and

WHEREAS, the City is in the process of developing implementation policies for the City's General Plan including impact fees, zoning ordinances, drainage studies, etc. and that these policies will not be fully adopted until 2006; and

WHEREAS, in order to allow development to proceed in an orderly manner within the City's Sphere of Influence the City Council proposes the attached policies including the requirement for a Development Agreement prior to property annexing to the City.

NOW THEREFORE, BE IT RESOLVED, that it is the intent of the City Council of the City of Yuba City to ensure the future growth in the City is developed in a manner consistent with the adopted General Plan and implementation measures.

That growth policies in the Yuba City General Plan recognize that growth is caused by a wide variety of factors: state of the economy, interest rates, and availability of infrastructure outside of the City's jurisdiction. While most of these factors are out of the control of the City, the City should control the planning of land use and the financing of all new infrastructure including new roads, public improvements, and public safety services. To this end the City can influence the rate of growth, the location of growth, the timing of growth, level of service, and the provision of municipal services including sewer and water and public safety services.

Within the areas identified as "Specific Plan Area," no preannexation zoning shall be accepted until completion of the specific plan.

Within the areas identified as "Master Plan Areas," preannexation zoning requests may be processed pending approval of a Development Agreement that addresses the 12 policies presented below. The six preannexation zoning requests received prior to February 15, 2005 shall be given priority over subsequent preannexation zoning applications for sewer, water and preparation of Development Agreements.

Projects within the City prior to these preannexation zonings shall be given priority for available City services.

Prior to the City processing a preannexation zoning application, the following policies shall be implemented:

- 1. Prior to the City finalizing a development agreement, the developer will have a letter from the affected school district stating that the developer has satisfied their requirements for school infrastructure. This would generally apply to any developments over 4 residential units. The School District would expect, at a minimum, that all residential developments enter into a Mello Roos District and that depending on the size of development, land dedication and school development may be an alternative, subject to negotiation with the District.
- 2. All residential subdivisions will include an affordable housing component that meets the minimum production standard of affordable housing outlined in the regional compact with SACOG adopted by the City of Yuba City in November 2004. There are a variety of options of how best to meet the affordable housing requirement. These options would be subject to negotiations between the City and developer.
- 3. Drainage Plans shall be provided for all subdivisions of land and shall comply with the City and County's master drainage plans.
- 4. All developments proposing preannexation zoning to the City will enter into a Development Agreement with the City. At a minimum, the Development Agreement will address the financing of roads, parks, public facilities, sewer, water, drainage, and surrounding infrastructure as established in the General Plan.
- 5. All residential subdivisions shall meet the minimum standards for residential design as established by the City Council.
- 6. Sewer and water fees, including connection fees and the installation of major trunk lines from both plants, shall be incorporated into the cost of development and shall be part of the Development Agreement.
- 7. Development will be required to pay their fair share of major roadwork as part of their development and, in some cases, construct improvements of collectors and arterials that will adequately address infrastructure concurrent with their proposed development. This would be negotiated as part of the Development Agreement.
- 8. Payment of impact fees, which incorporate the public improvements necessary to implement the General Plan, will be required and will be part of the Development Agreement. These fees will be estimates and final payment will be based on a

formally adopted impact fee study approved by the City Council. In addition to the park impact fee, the Quimby Act will also apply.

- 9. Payment of a fee to address levee improvements and potential flood issues will be required as part of the Development Agreement.
- 10. All developments will enter into a Community Facilities District to assist in funding police, fire and park maintenance.
- 11. All developments will address the community design policies in the General Plan including walkable, livable concepts and address the village concept as provided for in the General Plan.
- 12. It will continue to remain the policy of the City that City services will not be extended to unincorporated areas of the Sphere of Influence without first annexing to the City. As in the past, exceptions can be granted for serious health and safety related problems.

Once the above policies have been completed and checked off by the Community Development Department and approved by the City Manager, a hearing for preannexation will be scheduled before the Planning Commission and City Council for consideration. All of these policies are subject to adequate sewer and water capacity and will be processed on a case-by-case basis. Developments completing the process and receiving preannexation zoning and annexation to the City will be issued building permits based on the City's ability to provide sewer and water at that time.

These policies will be reviewed following the adoption of the implementation legislation, i.e., zoning ordinance, impact fees, etc. for the General Plan sometime in early 2006.

BE IT FURTHER RESOLVED, that the City Council adopts these policies and attached "Exhibit A" outlining the Specific Plan boundaries and Master Plan.

The foregoing resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 15th day of March, 2005.

AYES: Councilmembers Doolittle, Hellberg, Miller, Ramirez and Mayor Cartoscelli

NOES: None ABSENT: None

Attest:

Citv Clerk

Karen Cartoscelli, Mavor

Yuba City Master Plan & Specific Plan Areas.

