Lompoc City Council Agenda Item

City Council Meeting Date: January 31, 2012

TO: Laurel M. Barcelona, City Administrator

FROM: Lucille T. Breese, AICP, Planning Manager

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SUBJECT: CITY COUNCIL DISCUSSION AND DIRECTION REGARDING THE

SCHEDULE, TOPICS AND FORMAT OF THE CITY COUNCIL'S REVIEW PROCESS FOR THE GENERAL PLAN UPDATE PHASE 1

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RECOMMENDATION:

That the City Council consider the proposed meeting schedule and provide direction.

DISCUSSION:

At the January 3, 2012 City Council meeting, staff presented a proposed schedule of meetings for City Council review of the General Plan Update Phase 1. Following testimony from the public and discussion of the Zoning consistency issue, the City Council determined that an initial meeting would be held on January 31, 2012 to consider timing and a schedule on how to proceed with the General Plan Update.

At the January 17, 2012 meeting, the Mayor presented a draft schedule for review and consideration on January 31, 2012 (attached). The material presented shows an aggressive schedule of meetings by the City Council and Planning Commission wherein certain changes would be proposed to the Zoning Ordinance (text and map), the Architectural Review Guidelines, and the General Plan Phase 1 Elements (text and map). Staff received the material at the Council meeting and has not had the opportunity for a thorough analysis of all steps that the draft schedule would require.

Listed below is a brief preliminary analysis noting some issues of concern. The primary focus of the staff report is to respond to the direction of the January 3 City Council meeting where the direction was "staff to provide proposals and/or recommendations on changes to the Zoning Ordinance and a timeline for the discussion of information in the General Plan Update Phase 1."

<u>General Plan Update – Phase 1</u>

The General Plan is the basic long-range planning document for the community. The State of California requires that "Each planning agency and the legislative body of each county and city shall adopt a comprehensive long-term general plan for the physical development of the county or city and of any land outside the boundaries which in the planning agency's judgment bears relation to its planning..." (GC Section 65300). The material contained within the General Plan is generally outlined, including the seven (7)



mandatory elements – land use, circulation, housing (the only element required to be reviewed and certified by the State of California Housing and Community Development Department), conservation, noise, open-space, and safety. Other elements may be included at the discretion of the community. Each element shall contain Goals, Objectives, Policies, and Implementation Measures to assure the intent of the document is carried out. The General Plan may be amended four (4) times per year.

The Zoning Ordinance (ZO) is the main implementation document of the General Plan. The ZO contains the Development Standards that allow orderly development of the community consistent with the Goals, Objectives, and Policies of the adopted General Plan.

A brief recap of the status of the City of Lompoc General Plan Phase 1 Update is as follows:

- 2007 The City Council directed staff to proceed with a Comprehensive Update to the General Plan and a contract was authorized with Rincon Consultants to undertake the work.
- 2008 A series of public workshops/hearings were held to engage and inform the community and to reach consensus with the public, Planning Commission, and City Council regarding land use/growth scenarios for evaluation in the Environmental Impact Report (EIR) and as a basis for policy development for the various General Plan elements.
- 2009 The EIR was prepared and circulated pursuant to the California Environmental Quality Act (CEQA).
- 2010 The Planning Commission held public hearings in summer of 2010 and made recommendations regarding adoption of the General Plan Phase 1. The City Council held meetings in the fall of 2010 and in October 2010 adopted the Housing Element and certified the EIR for the Housing Element.
- 2011 -- The City Council returned the General Plan to the Planning Commission for additional hearings. An Addendum to the EIR was prepared and circulated for public review and the Planning Commission held public hearings in the summer of 2011.

Recommendations were formulated by the Planning Commission at its October 2011 meeting and are ready to be presented to the City Council for review and action. All of the material necessary for the City Council review of the General Plan Phase 1 Update is ready to be distributed for consideration.

Environmental Impact Report

The EIR was certified by the City Council on October 10, 2010 for the Housing Element. The studies upon which the document is based were conducted in 2008-2009 and are becoming dated. Significant changes to the project description (e.g., major new land use scenarios or changes to growth assumptions not yet evaluated in the EIR) would

require additional work by the consultant to assure compliance with CEQA and consistency with the Land Use, Circulation, and Housing Elements.

An Addendum on the Greenhouse Gas issue and "should" vs. "shall" policy language was prepared. In October 2011, the Planning Commission recommended it be adopted. The information in the Addendum is current and consistent with accepted developments in the field, however, this is a newly emerging technology and changes occur rapidly. A delay of a few months in adopting this Addendum could result in the need to do additional analysis and would require additional funds.

Land Use and Circulation Elements

The proposed Land Use Element identifies Land Use Designations consistent with the fabric of the existing community and the Zoning Ordinance Land Use Districts are consistent with those Designations. Changes to the ZO districts would require re-writing the Land Use Element to assure consistency. Major changes in allowed density would require a review of the traffic analysis prepared for the Circulation Element and may require additional work by the Traffic Consultant and EIR Consultant. In addition, such changes would require review of the policy framework of the Phase 1 General Plan Elements for consistency.

Housing Element

The Housing Element of the General Plan is the only Element required to be reviewed and accepted by the State. The State of California Housing and Community Development Department (HCD) accepted the City of Lompoc Housing Element on February 10, 2011. The analysis and calculations in the certified Housing Element were based upon the existing Land Use Element map and the densities attached to the various residential Land Use designations. The City has land available that is properly zoned to meet the Regional Housing Needs Assessment (RHNA) for the planning horizon January 1, 2007 through June 30, 2014. Significant changes to the allowed densities would require a review of the Housing Element by the consultant to assure continued compliance with State Housing law and possibly re-submittal to the State for review.

Santa Barbara County Association of Governments (SBCAG) is currently working on a Regional Transportation Plan (RTP) and a Sustainable Communities Strategy (SCS) as required by SB 375. Planning and Engineering staff are involved in this process as part of the Technical Planning Advisory Committee (TPAC), Technical Transportation Advisory Committee (TTAC), and Regional Transportation Plan / Sustainable Communities Strategy Ad Hoc Committee. SBCAG staff will be requesting preliminary RHNA numbers to support this effort in 2012 and will begin the process of distributing the actual numbers to the member jurisdictions in 2013. Updated Housing Elements will be required in 2014.

General Plan Update Phase 2

Following adoption of General Plan Update - Phase 1, staff recommends that the City Council and the Planning Commission immediately hold a workshop to provide direction on the General Plan Update - Phase 2. This will consist of review of the six (6) remaining General Plan Elements (Conservation and Open Space, Noise, Safety, Parks and Recreation, Public Services, Urban Design). Workshops would include the City Park and Recreation, Safety, Utility Commissions, and interested members of the community.

Review and adoption of Phase 2 including the required Environmental Review is scheduled for completion by the end of 2012.

Cost Estimate

Work on the General Plan Update is currently on budget and the remaining funds allocated are adequate to complete Phase 1 (including the EIR Addendum, the revised Elements, and the meetings necessary for adoption).

Staff had a preliminary discussion with the consultant and based on a limited understanding of the scope of work that would be necessary if significant changes to the Zoning Ordinance and proposed Land Use Element are made has indicated that if there is substantial additional dwelling unit potential proposed there may be new physical impacts that would be identified beyond what is in the current EIR.

If there is a limited increase in proposed densities, it is possible that an Addendum may be all that is necessary and that could be done at an approximate cost of \$30,000 on a two (2) month timeline. If a new EIR is required, based upon new impacts, the cost could be approximately \$80,000 in additional funds plus six (6) months to update technical studies, prepare a supplemental CEQA document, circulate the document for public review, and respond to public comments. Following a clearer understanding of the scope of work required, a formal proposal would be presented by the consultant.

Zoning Ordinance Update

The current 1974 Zoning Ordinance has been incrementally amended over the life of the document. A comprehensive updated has been identified on the Planning Division work plan during many of the past budget cycles. The Zoning Ordinance is intended to implement the Goals and Policies of the General Plan, and there are specific Implementation Measures that direct that the Zoning Ordinance be updated. Following adoption of the General Plan, staff does implement the policies of the General Plan during the development review process for new development, even though the Zoning Ordinance and/or other implementation documents have not officially been changed.

After briefly reviewing the comments provided by Mayor Linn, staff agrees that revisions to some of the commercial designations may be appropriate. It is apparent that the use lists should be reviewed and updated. It should be noted that the Planned Commercial Development (PCD) Zoning District is intended to be the most flexible zoning district for commercial. It is recommended that holding a joint workshop at the City Council and

Planning Commission, following adoption of Phase 1 of the General Plan, and inviting the Chamber and the business community to consider possible updates would provide the most effective input to the commercial portion of the ZO.

The proposed H Street Overlay zone in the General Plan Update would allow a residential component in the Overlay zone in a refurbished shopping center. Development standards would need to be added to the Zoning Ordinance to allow this use. A more thorough understanding by staff of the Council's concerns may result in more information on how the existing Zoning Ordinance addresses the concerns.

A brief survey of local jurisdictions shows that the existing number of Zoning districts in the City of Lompoc is within the average number.

Zoning district comparison by jurisdiction						
Jurisdiction	Population	Zoning Districts				
	•	Residential	Commercial	Industrial	Other	
Lompoc	42,434	5	5	1	7	
San Luis Obispo	45,119	4	6	3	8	
Paso Robles	29,793	7	7	2	9	
Buellton	4,828	4	3	1	4	
Santa Barbara	88,410	13	11	3	7	
Solvang	5,245	3	4	1	4	

Zoning consistency has been an issue of concern with the public since the General Plan Update process began in 2006. Staff was attempting to resolve the internal inconsistency between the Land Use Element Map and the Zoning Map that was adopted with the 1997 General Plan as required by State Law. Staff recommends an Southside Residential Overlay zone to allow the existing legal uses to remain without the legal non-conforming label, yet retain the existing residential character of the area.

Direction to proceed with a Text Amendment to develop this language could be returned to the Planning Commission for hearings, which would allow the Council to continue to work on approval of the General Plan, including the discussion of the future expansion areas, and would not require a change to the EIR.

Another option is for the Council to direct staff to change the General Plan Land Use Map to be consistent with the Zoning Map in the Southside Residential Area. This would require additional notice to the property owners who would have a change that has not been previously discussed. An analysis would be necessary to assure the densities do not impact the information in the Housing Element.

If, following discussions at the Planning Commission, densities were changed that significantly affected the EIR analysis, the language could be included in the Supplemental EIR that will be prepared for the Phase 2 elements and a General Plan Amendment would be made to the Land Use Element as necessary. Because the General Plan can be updated four (4) times a year, this would not cause any significant problem.

Timeline

A number of other changes discussed in the Mayor's handout have not been analyzed by staff so we are unable to comment in depth regarding the proposal. However, the timeline and process is of some concern generally. The initial direction from Council would require staff to prepare a staff report and draft Ordinance language to be returned to the Planning Commission. Following Planning Commission review, hearings, and recommendations, staff again has to notice a hearing and prepare a staff report and Ordinance for City Council consideration. An environmental document would need to be prepared for a Text Amendment. The Planning Commission would have to make a recommendation and the City Council review would have to be properly noticed.

A hypothetical timeline for a Text Amendment is shown below, with only one hearing at the Planning Commission and one hearing at the City Council:

Jan 31	Council direction	
	Staff prepare analysis and documentation	
Feb 27	Notice of PC hearing (10 day notice)	
Mar 7	Planning Commission hearing / adopt Reso	
Mar 23	Notice of City Council hearing (10 day notice)	
April 3	City Council hearing/introduce Ordinance	
April 17	City Council adopt Ordinance (30 day period)	
May 17	Ordinance effective	

Individual text amendments are time consuming and labor intensive. A comprehensive update, prepared by a consultant following adoption of Phase 2 of the General Plan, would incorporate General Plan policy, be legally defensible, and internally consistent.

Staffing

The 2011-13 adopted City budget has reduced the number of professional planners to two (2), the Planning Manager and Principal Planner. Staff was directed to utilize consultants when the work can be billed to a specific project and staff is currently in the process of setting up a contract with a planner who will act as a staff planner on an asneeded basis under the supervision of the current planning staff.

Projects that have been recently submitted include:

- <u>Lompoc Hospital Re-habilitation</u> Plans have been submitted, staff is working with the applicant and preparing a staff report for Planning Commission review. Additional work will be required during building phase of the project plan check, inspection, and mitigation monitoring.
- Zotovich Winery -- Plans have been submitted for a revised project application, staff
 is working with the consultant on preparing the appropriate environmental review
 document; prepare the project for Planning Commission review, including staff report
 and revision to Conditions of Approval; process building permit request including
 plan check; and monitor project during construction phase for Conditions of Approval
 and Mitigation Monitoring.
- <u>Pocket Park in Old Town</u> Review for substantial conformance with approved plan, possible re-processing of project – application in process
- <u>DS Ventures proposed Land Swap</u> Prepare appraisal scope of work and constraints analysis for City Council review of a proposed land swap -- application in process
- <u>Text Amendment for Wine Overlay</u> Amend Zoning Ordinance to allow flexible activities supporting the wine industry specifically in the Wine Ghetto (Sobhani Industrial Park) – proposed to be staffed by consultant – application pending
- Annexation Request / Development Plan Review Request has been submitted for an application, development review, zone change, general plan amendment, environmental review for a 10-acre parcel at the north east corner of Highway 1 and Purisima Road.
- <u>Burton Ranch Specific Plan Amendment</u> Review proposed amendment to the Burton Ranch Specific Plan and an Addendum to the EIR for the project. There are circulation changes that are proposed that will require work with the consultant and review by City Council.

These are new projects in addition to the daily work and support to Planning Commission and City Council. On-going daily work includes Code Enforcement activity, front counter response, issuance of minor permits, correspondence, updates to City tracking system, meeting with applicants and other staff regarding on-going projects, etc.

Draft schedule of City Council hearings

Taking into consideration the Council's direction and in an effort to proceed in the most efficient and cost effective manner, it is recommended that the City Council proceed with review and adoption of the Comprehensive Phase 1 General Plan Update. The dates noted below are tentative only and can be changed as necessary. Concurrent with the Council review of the Phase 1 Update, the Planning Commission can hold hearings regarding a revision to the Zoning Ordinance with an Old Town Residential Overlay. This would address the areas of residential inconsistency with minimal effect on the existing General Plan EIR analysis. Any impacts identified as a result of such a Zoning Ordinance revision could be addressed in the Phase 2 EIR Supplement without additional cost.

<u>February 28, 2012</u> – This meeting would cover the background of the General Plan Update and the current status. Since the Environmental Impact Report was certified and the Housing Element adopted on October 19, 2010, the EIR Addendum was prepared and provides additional information on Greenhouse Gas Analysis and policy language of "shall" vs. "should" discussion. An important part of the discussions will be the determination on the four possible future Expansion Areas and adoption of the CEQA Findings of Fact.

March 27, 2012 – This meeting would review the Phase 1 Elements – Land Use and Circulation. A review of the proposed policy language and map request would complete this section of the review.

April 17, 2012 – Staff would return to a regular Council meeting with the Ordinance and Resolutions completing Phase 1 of the General Plan Update.

FUTURE ACTIONS:

Immediately following approval of the General Plan Phase 2 update, staff would request funds for:

- Zoning Ordinance Update The City's 1974 Zoning Ordinance has been incrementally updated since adoption. A comprehensive update is proposed to follow adoption of the General Plan Update Phases 1 & 2. The Zoning Ordinance is the implementation tool for the General Plan and the Implementation Measures adopted in the General Plan must be included in the Zoning Ordinance update.
- Old Town Specific Plan Update The Old Town Specific Plan (OTSP) was adopted in 2000 and there are many elements of the OTSP that need to be reviewed and revised to more accurately reflect the current needs of the community.
- <u>Architectural Review Guidelines (ARG)</u> The current guidelines were adopted in September 1995 and amended in June 2001. The ARG provide general direction to applicants regarding the community's expectation for new development.

Environmental Review must be conducted on each of the above noted documents.

Alternative Approach:

If the City Council would prefer to address the Zoning Ordinance prior to the General Plan Update, the current 1997 General Plan would remain in effect. This includes the 2010 Housing Element Updated that has been accepted by the State.

As previously noted, additional costs may be incurred as a result of delaying action on the FEIR and the Addendum. There will be additional costs to re-write the Land Use and Circulation Elements to assure consistency with any changes to the Zoning Ordinance.

SUMMARY OF RECOMMENDATIONS

That the City Council:

Receive and consider the Planning Commission recommendations for the General Plan Update Phase 1.

Separate the Southside Residential Zoning Consistency Issue from the General Plan Update and direct the staff to return the matter to the Planning Commission to adopt a Text Amendment that will establish a Zoning Overlay the removes the legal non-conforming designation from the properties and allows the uses as they currently exist OR direct staff to work toward amending the General Plan Land Use Map to be consistent with the Zoning Map for the southside areas.

Adopt the General Plan Update Phase 1, the CEQA Statement of Overriding Considerations for the EIR, and the EIR Addendum.

Hold joint workshops of the City Council and Planning Commission, following adoption of Phase 1 of the General Plan.

For commercial and industrial districts invite the Chamber and the business community to suggest updates and/or consolidations to the existing commercial and industrial districts.

For residential districts, invite the real estate community to suggest updates and/or consolidations to the existing residential districts.

Direct staff to prepare a Request for Proposal (RFP) for a Comprehensive Zoning Ordinance Update, utilizing this information.

Adopt the General Plan Update Phase 2 and the Supplemental EIR.

Receive the Planning Commission recommendations and hold public hearings on the Zoning Ordinance Update.

Lucille T. Breese, AICP, Planning Manager
Attachment
1. Hand out presented at January 17, 2012 City Council meeting
APPROVED FOR SUBMITTAL TO THE CITY ADMINISTRATOR:
Teresa Gallavan, Economic Development Director/Assistant City Administrator
APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:
Laurel M. Barcelona, City Administrator