

COUNCIL AGENDA REPORT

TO: City Council

FROM: Interim City Manager Alex Posada
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SUBJECT: Santa Maria General Plan Update Preferred Land Use Alternative

Description:

The City Council will consider approving the General Plan Update Preferred Land Use Alternative.

Environmental Notice: The activity is not a “Project” as defined under Section 15378 of the California Environmental Quality Act (CEQA) State Guidelines; therefore, pursuant to State Guidelines Section 15060(c)(3), no environmental review is required.

RECOMMENDATION:

By motion, approve the Preferred Land Use Alternative (modified Alternative C – Hybrid).

BACKGROUND:

The City is currently undertaking a multi-year effort to update its General Plan, which will establish vision, goals and policies that support economic development, sustainability, and improved quality of life through the year 2045. The required elements of the General Plan touch nearly all aspects of city governance including, but not limited to land use, traffic and circulation, parks and open space, housing, and public safety.

The General Plan Update is currently in the Land Use Alternatives phase, which is the third of five phases of the planning process. This phase builds off the Vision, Guiding Principles, and Areas of Change and Stability phase that was completed in April 2021. The Land Use Alternatives identify different land use, mobility, and urban design options the City has to achieve the Community’s Vision and future growth projections and will facilitate the final phases of the General Plan Update, which is forecasted to be completed in 2024.

DISCUSSION:

The Alternatives Phase of the General Plan Update consists of an analysis of the land use and density changes that would need to occur in the city to accommodate the projected minimum amount of job and housing growth through the target year of 2045. Though the General Plan horizon is 2045, the analysis anticipated growth needs through the year 2050 to align with growth projections produced by the Santa Barbara County Association of Governments (SBCAG).

Three land use alternatives were designed and analyzed, each accommodating a minimum of 9,270 housing units and aimed to ensure job diversity to achieve a net increase of 16,000 jobs, which exceeds SBCAG job projections by resulting in a jobs to housing ratio of 1:2. The analysis of the three alternatives was based on an understanding of how much housing and employment growth to plan for, which were projected based on potential Regional Housing Need Allocation (RHNA) cycles through the year 2050, SBCAG growth projections, and input from the Technical Advisory Committee (TAC), City staff, and the Department Advisory Group (DAG).

Alternatives growth also considers the growth the city has already planned through adopted Specific Plans and current projects that are approved but not yet constructed. Based on these factors, the three Land Use Alternatives presented in the Alternatives Technical Memorandum (Attachment A) are as follows:

- Alternative A: Annexation. This Alternative assumed annexation of 1,770 acres outside of City limits. No other changes to land use designations within the city were included.
- Alternative B: City Infill. This Alternative intensified housing and job growth on major corridors and opportunity sites within City limits.
- Alternative C: Hybrid. This Alternative is a hybrid of Alternatives A and B and assumed annexation of 720 acres outside City limits located east of Hwy 101.

The Alternatives and results of the technical analysis were presented to the Community for review and evaluation. The City of Santa Maria hosted a variety of engagement activities to gather feedback on the Alternatives, including orientations held on April 5, 2023 (virtual), and April 6, 2023 (in-person), and follow-up office hours on April 18, and 19, 2023. An online survey was available in English and Spanish on the project website from April 5 to May 2, 2023. City staff also had meetings with the TAC and DAG on April 6, and April 10, 2023, respectively, to receive feedback and answer questions on the three alternatives.

The survey results found that Alternative A – City Infill (41 percent) and Alternative C Hybrid (40 percent) were the preferred Alternatives with the most important outcome (desired by almost 40 percent of the survey respondents) to have better walkability to destinations, followed by reduced traffic congestion. Additionally, almost 60 percent of the survey respondents either strongly or somewhat supported allowing more high-density buildings along Broadway and Main Street. Respondents favored densities closer to those assumed in Alternative C: Hybrid.

Recommended Preferred Land Use Alternative

Based on all of the analysis completed and feedback received, the recommended Preferred Land Use Alternative is a modified version of Alternative C: Hybrid. The proposed land uses and densities are intended to balance growth within City limits and include 985 acres of land to the east of current City limits within the unincorporated area of Santa Barbara County that would be planned for annexation. Alternative C was modified to include an additional 265 acres located north of East Main Street to the Santa

Maria River, beyond the 720 acres recommended for annexation. This additional area was included due to the availability of nearby public infrastructure. A full table of the Preferred Land Use Alternative land use designations is found in Appendix B of the attached Preferred Land Use Alternative Memo (Attachment A).

Within City limits, increased residential development density along Main Street and Broadway would occur through the continued implementation of the Downtown Specific Plan, and the creation of two new land use designations, the Broadway Mixed Use (BMU) and Main Mixed Use (MMU), both of which would allow up to 35 dwelling units/acre in areas on Broadway and Main Street located outside of the Downtown Specific Plan area. This direction is consistent with the SBCAG Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS), which envisions mixed-use development and intensification to complement transportation improvements along primary corridors.

“Opportunity sites” that have a high potential to redevelop during the planning horizon were identified throughout the city in strategic locations that would allow for residential, institutional, and employment growth. Other proposed changes include replacing the Medium Density Residential-10 (MDR-10) land use designation with Medium Density Residential-12 (MDR-12) to allow up to 12 dwelling units per acre (du/ac). This better aligns the MDR designation with the corresponding Zoning District, R-2, which allows up to 12 du/ac. The existing High-Density Residential (HDR) designation would be revised to allow up to 30 du/ac (the current maximum is 22 du/ac), consistent with the current State affordable housing laws. The land use designation on identified parcels would also be revised to reflect project-specific changes, for example, to locate a future high school on Broadway south of Preisker Lane.

The changes proposed with the Preferred Land Use Alternative would result in the need to amend the Downtown Specific Plan to reflect a new maximum density/intensity established by the General Plan. The Entrada Specific Plan would also be amended to reflect the new Broadway and Main Mixed-Use designation, and the Area 9 Specific Plan to allow low-density residential uses along A Street in the undeveloped area that is currently zoned Commercial and Professional Office (CPO).

Planned Annexation areas, designated with by a new “PA” land use designation, would be developed as complete neighborhoods, where residents can conveniently access new neighborhood commercial areas, parks, and public facilities like schools, government facilities, and recreation centers. New employment uses adjacent to Marian Regional Medical Center and Hancock College will create opportunities for expansion of these campuses or co-location of complementary land uses, like medical offices, housing, and retail.

Planning Commission Recommendation

The Planning Commission reviewed the recommended Preferred Land Use Alternative at the September 6, 2023, public hearing. Fifteen members of the public spoke on the item with some in support of the recommended alternative and others in support of Alternative B, Infill. After considering the public comments received and all the information

provided by staff, the Planning Commissioners voted 3-2 to recommend the Preferred Land Use Alternative (Modified Alternative C – Hybrid) to the City Council. The two Commissioners who did not vote in favor of this alternative were in support of Alternative A – Annexation.

Alternative(s)

Should the City Council decide not to approve the recommended Preferred Land Use Alternative, the City Council may direct staff to amend the Preferred Land Use Alternative or select a different Land Use Alternative from the three alternatives presented, or a variation of one of the alternatives.

Fiscal Considerations

A fiscal impact analysis was prepared by Lisa Wise Consulting, which assessed estimated new revenues and expenditures to the general fund based on three land use alternatives (Attachment C). All three alternatives are estimated to have a positive fiscal impact on the City's General Fund. At complete buildout in 2050, Alternative A (Annexation) is estimated to achieve the greatest gains in net revenues. Note the fiscal impact analysis studied the three alternatives, but not the Preferred Land Use Alternative (modified Alternative C – Hybrid) that includes an additional 265-acres of land planned for annexation.

The costs of the General Plan Update are covered under the approved budget for the General Plan Update, which is \$1.7 million from the City's general fund as well as the Regional Early Action Planning (REAP) and the Local Early Action Planning (LEAP) grants.

Impact to the Community

During the next phase of the project, the Preferred Land Use Alternative will inform and complement updated General Plan policies related to land use, urban design, mobility, parks, infrastructure, public facilities and services, and economic development.

ATTACHMENTS

- A: Preferred Land Use Alternative Technical Memorandum
- B: Alternatives Technical Memorandum
- C: Fiscal Impact Analysis