

SCHEDULED MATTER

SUBJECT: URBAN BOUNDARIES AMENDMENT UPDATE

SOURCE: COMMUNITY DEVELOPMENT – PLANNING DIVISION

COMMENT: On September 16, 2008, the City Council received information from staff on the process to update the City's urban growth boundaries in order to more effectively implement the goals and policies of the 2030 General Plan adopted by the City in April 2008. Staff framed a process of coordination and consultation with the County of Tulare (County) and the Local Agency Formation Commission (LAFCo). Unfortunately, the process was significantly delayed due to the legal challenges between the City and the County. Due to the fact that information sources have been updated, growth rates adjusted from that of the rapid growth period during which the General Plan was prepared, and negotiations with the County have substantially progressed, staff has reinitiated the process of updating the City's urban growth boundaries.

Staff is proposing revisions to the City's boundaries previously authorized by Council. The proposed amendments are responsive to negotiations with the County as well as the City's General Plan development projections, current economic development and housing demand trends, and State/Federal mandates. The proposed boundaries are in general alignment with adopted LAFCo policies with the exception that the land supply inventory for residential exceeds the desired ten (10) year inventory by approximately 5.2 years. A significant factor in exceeding this threshold is that staff is working toward smoothing out development and jurisdictional boundaries around the periphery of the City resulting from decades of irregular growth. At this time, staff is seeking to complete negotiations with the County and move forward to the formal consultation with LAFCo required to submit an application to change the boundaries. No annexation applications are proposed concurrent with this proposal.

A description of the proposed boundaries and the desired changes are as follows:

1. Urban Area Boundary (UAB)

This is the general area surrounding the City that is also referred to as the Planning Area in the City's 2030 General Plan. Even though there is no expectation of annexation in the near future, these areas are included within the UAB because they are of particular interest to the City. The proposal includes an expansion to the UAB, which includes the study area of the General Plan, so that the City may have the opportunity to comment on development projects near the community that may affect City residents and business owners. The most significant change to this boundary is the inclusion of the hillside areas east of Porterville.

DDB Appropriated/Funded N/A CM J

Item No. 18

2. Urban Development Boundary (UDB)
The UDB serves as the County-adopted 20-year growth boundary. Areas that are in the County, but fall within this boundary, are areas that can be annexed into the City, provided they are also within the LAFCo adopted Sphere of Influence (SOI). It is the interest of the City, County and LAFCo that the UDB and SOI be coterminous. The revised proposal eliminates the request to add strategic areas east of the City (the Community of Interest adjacent to Lake Success) and selected areas to the north and west where development is not yet anticipated.
3. Sphere of Influence (SOI)
The SOI serves as the 20-year growth boundary on which LAFCo assesses growth and service implications associated with proposed annexations. It is the City's, County's and LAFCo's collective interest that the UDB and the SOI become coterminous, which will eliminate the confusion over differences between growth boundaries.

ANALYSIS: Staff has proposed revisions to the Boundary Amendment Map, previously approved by Council, based on revised growth assumptions resulting from the new economy, and comments from the County over the last six (6) years. The goals and policies contained in the City's 2030 General Plan seek to balance economic/employment development with adequate levels of quality housing. Consequently, staff prepared studies of current economic and housing trends as well as analysis of regional plans and State/Federal mandates which affect City development needs. Because much of the information used in the Regional Transportation Plan (RTP) Sustainable Communities Strategy (SCS) update focuses on the latest growth projections and assumptions, staff utilized this methodology in proposing the revised boundaries for Council consideration.

The growth rates include 1.6% per year for residential growth and 1.5% per year for commercial/industrial growth. The growth rate assumed in the 2030 General Plan was 3.7% annually, which was an aggressive projection made to ensure that adequate land was available for growth after accounting for market and regulatory constraints such as a willingness to sell or holding land under a Williamson Act contract. The other alternatives evaluated are as follows:

- A. General Plan Growth Rate (3.7%) - Residential and Commercial
This rate is significantly beyond the adjusted growth rate that is represented in the new economy (following the era of unmatched growth).
- B. TCAG 2005 Projection (2%) – Commercial
These projections were made in the height of the development boom and have adjusted downward significantly.
- C. TCAG 2013 Averaged Projection (1%) – Residential and Commercial
Staff and other planners and analysts in the County believe this rate is too limited. In fact, the State Department of Finance is projecting 60% greater growth.
- D. 2013 Sector Specific Projection (-0.6% to 4.9%) – Commercial
The specificity of the projections by employment sector is much too detailed,

problematic, and limiting to use in planning for land availability for employment growth. In a monocentric employment environment it may be viable but not in a rural Central California community. The weighted growth weight is 1%. Again, this is too restrictive.

While determining Residential and Commercial/Industrial land supply needs for future growth, staff also took a holistic approach to improve the existing irregular UDB. Vacant land was cataloged in the proposed UDB area, and any area containing a Williamson Act contract was removed from the inventory. Vacancy was determined by Assessor's Land Use Coding, \$0 Improvement Assessed Value and verified with aerial photography for vacancy and/or underutilization. All governmentally and publicly held parcels were also omitted for clarity. From there, Residential and Commercial/Industrial growth rates were calculated based on the City's adopted General Plan land use designations to determine required inventory needs.

Residential Analysis.

At the time the General Plan was written, it was anticipated that there would be much more robust growth for the City with population increases estimated to be at an annual rate of up to 3.7%. However, the State Department of Finance projections conveyed to the City through the SCS process, more closely resemble an anticipated population growth rate of 1.6% per year. This equates to an annual increase of roughly 1,850 more people, at 3.28 people per house (2010 Census) creating a demand for 564 additional residences per year.

The acreage requirements for each General Plan Land Use designation was then calculated based on a density of 80% of the maximum allowed by the General Plan per land use category (to take a conservative approach to estimated growth and to account for associated residential infrastructure). The appropriate density reductions of vacant parcels residing in the Hillside Overlay Zone were also considered as required by the City's Development Ordinance since a significant percentage of the available residential acreage is in the northeast portion of the City, which is in the Hillside Overlay Zone.

Residential inventory demand was calculated for each General Plan Land Use designation by dividing the needed acreage per year by available vacant acres in the Proposed UDB for a total years to build-out time frame. When all General Plan Land Use designations were averaged together, the residential inventory in the Proposed UDB equated to 15.20 years, which is similar to the sunset date of the current General Plan (2030). While the LAFCo policy generally desires ten (10) year inventory of residential capacity and the proposed plan exceeds the recommendation by approximately 5.2 years, LAFCo has indicated the smoothing of the irregular boundaries is consistent with their policy and this residential capacity excess would be acceptable in this case.

Commercial/Industrial Analysis.

In analyzing potential employment/economic growth for the City, staff considered several growth models to account for the difference between previous economic conditions at the time the General Plan data was developed (2005) and current

economic conditions and best growth projection data currently available. The TCAG 2013 Averaged Projection model inputs assume a uniform rate based on current County-wide economic growth projections (1.5%). Staff applied this growth rate to each generalized land use designation to show aggregate commercial inventory demand for general Land Use Designations. Because this model most accurately reflects the assumptions and direction anticipated in Tulare County's RTP and SCS processes, staff utilized this 1.5% growth rate for the revised Boundary Amendment Map. It also aligns fairly well with the residential growth rate used in this analysis, which will assist in maintaining a Jobs/Housing balance in the community. The estimated acreage was adjusted to reflect a conservative figure of 80% of Floor to Area Ratios (FARs) projected in the 2005 General Plan and further reduced to eliminate acreage specific to associated roadway/other supportive infrastructure acreages.

RECOMMENDATION: That the City Council authorize staff to proceed with presenting and negotiating the updated Boundary Amendment Map to the County and to formally consult with LAFCo.

ATTACHMENTS:

1. Urban Boundaries Staff Report – September 16, 2008
2. Porterville Boundary Update Study Map (2008)
3. Revised Porterville Boundary Amendment Map (2014)

CONSENT CALENDAR

SUBJECT: URBAN BOUNDARIES AMENDMENT UPDATE

SOURCE: COMMUNITY DEVELOPMENT DEPARTMENT – PLANNING DIVISION

COMMENT: City staff is currently in the process of updating the City's urban boundaries to better implement the goals and policies of the recently adopted Porterville General Plan. Staff has had several meetings with Tulare County Local Agency Formation Commission (LAFCO) staff to present our desired changes informally, before submitting a formal application to the board. LAFCO staff responded favorably to our suggestions and provided direction in addressing potential challenges.

A description of the proposed boundaries and the desired changes are as follows:

1. Urban Area Boundary (UAB)
Areas that are in the County, but fall within this boundary are areas that are of particular interest to the City, even though there is no expectation of annexation in the near future. Staff is proposing that this boundary be enlarged to include the study area of the General Plan so that the City may have the opportunity to comment on development projects near the community.
2. Urban Development Boundary (UDB)
Areas that are in the County, but fall within this boundary are areas that can be annexed into the City. Staff is proposing the addition of strategic areas east of the City, in proposed industrial areas near the airport and in selected areas to the north and west where development is expected in the near future.
3. Sphere of Influence (SOI)
Similar to the Urban Development Boundary. This is also known as our twenty (20) year growth boundary. Staff is proposing that this be enlarged to match our Urban Development Boundary.

The next steps include receiving formal comments back from LAFCO regarding our request and application instructions. We expect this to happen about a week from the City Council meeting. We will then meet with the County Chief Administrative Office to seek an agreement on terms of the boundary amendment, during the first week in October. Thirty days after that, we will be submitting a formal application that will ultimately end up before the LAFCO board for action.

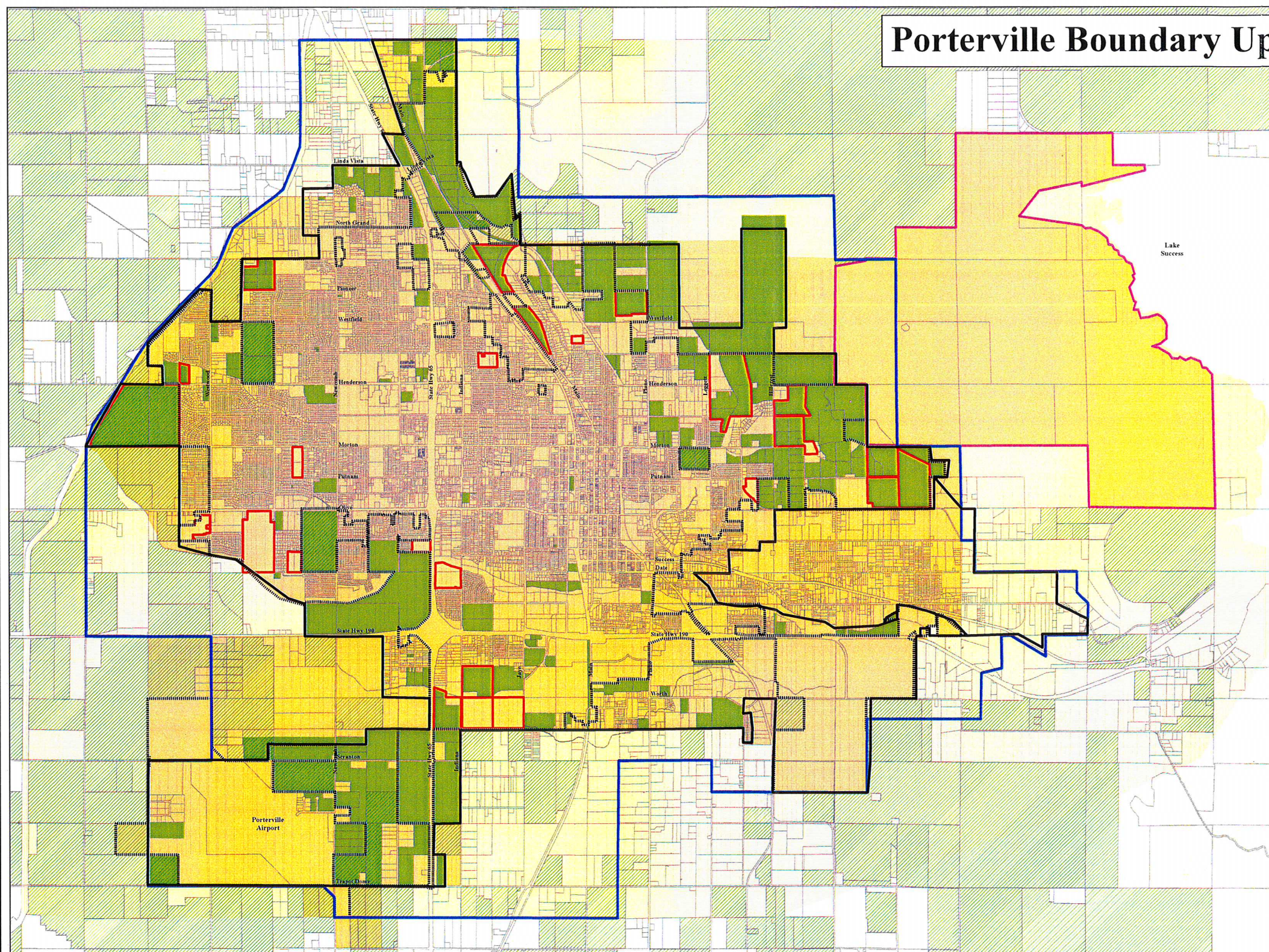
RECOMMENDATION: For information purposes only.

ATTACHMENTS: Urban Boundaries Study Map

~~DETA~~ Appropriated/Funded CM

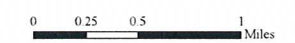
**ATTACHMENT
ITEM NO. 1**

Porterville Boundary Update Study Map



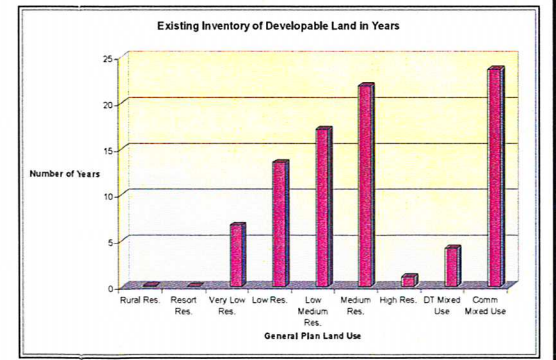
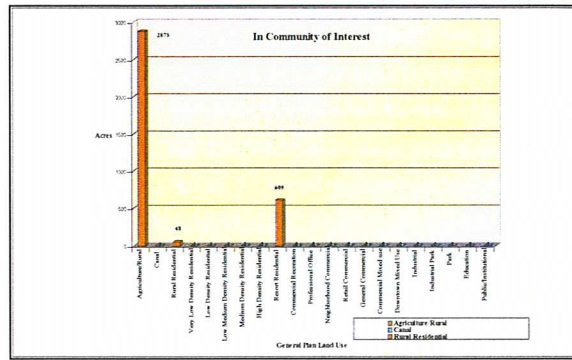
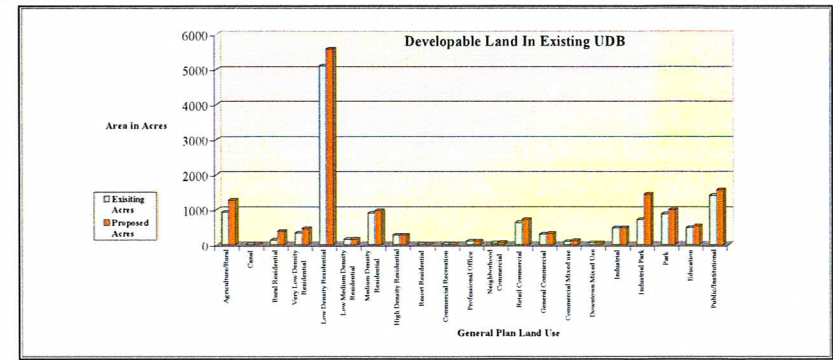
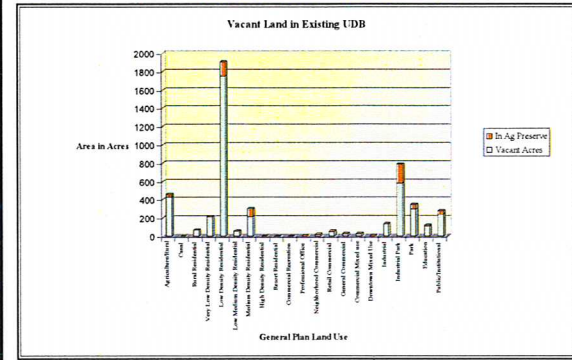
Legend

- City Limits
 - Parcels
 - Existing UDB
 - Existing UAB
 - Proposed UDB
 - Proposed UAB
 - Communities of Interest
 - Proposed Subdivisions
 - Williamson Act Ag Contracts
- Areas Proposed for Development in the General Plan
- Vacant (by Property Boundary). Note that some areas within this designation may not be developable by reason of topography or other constraint.

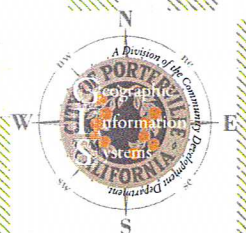


General Plan Land Use	Vacant Acres	In Ag Preserve	Existing UDB	Proposed UDB
Agriculture Rural	426	29	925	1,300
Canal	1	0	4	4
Rural Residential	68	0	131	459
Very Low Density Residential	212	0	337	454
Low Density Residential	1,750	156	5,099	6,060
Low Medium Density Residential	59	0	146	156
Medium Density Residential	218	82	896	983
High Density Residential	1	0	275	275
Retail Residential	0	0	0	0
Commercial Recreation	0	0	9	9
Professional Office	2	0	100	100
Neighborhood Commercial	21	0	45	70
Retail Commercial	54	0	633	736
General Commercial	28	0	299	322
Commercial Mixed Use	29	0	91	115
Downtown Mixed Use	4	0	53	53
Industrial	134	0	481	484
Industrial Park	578	208	719	1,445
Park	297	49	873	1,002
Education	106	13	486	561
Public Institutional	239	36	1,407	1,562
Total	4,233	573	12,999	16,150

Total Acreage of Proposed Urban Area Boundary: 23,985 acres
 Total Acreage of Proposed Urban Development Boundary: 12,756 acres



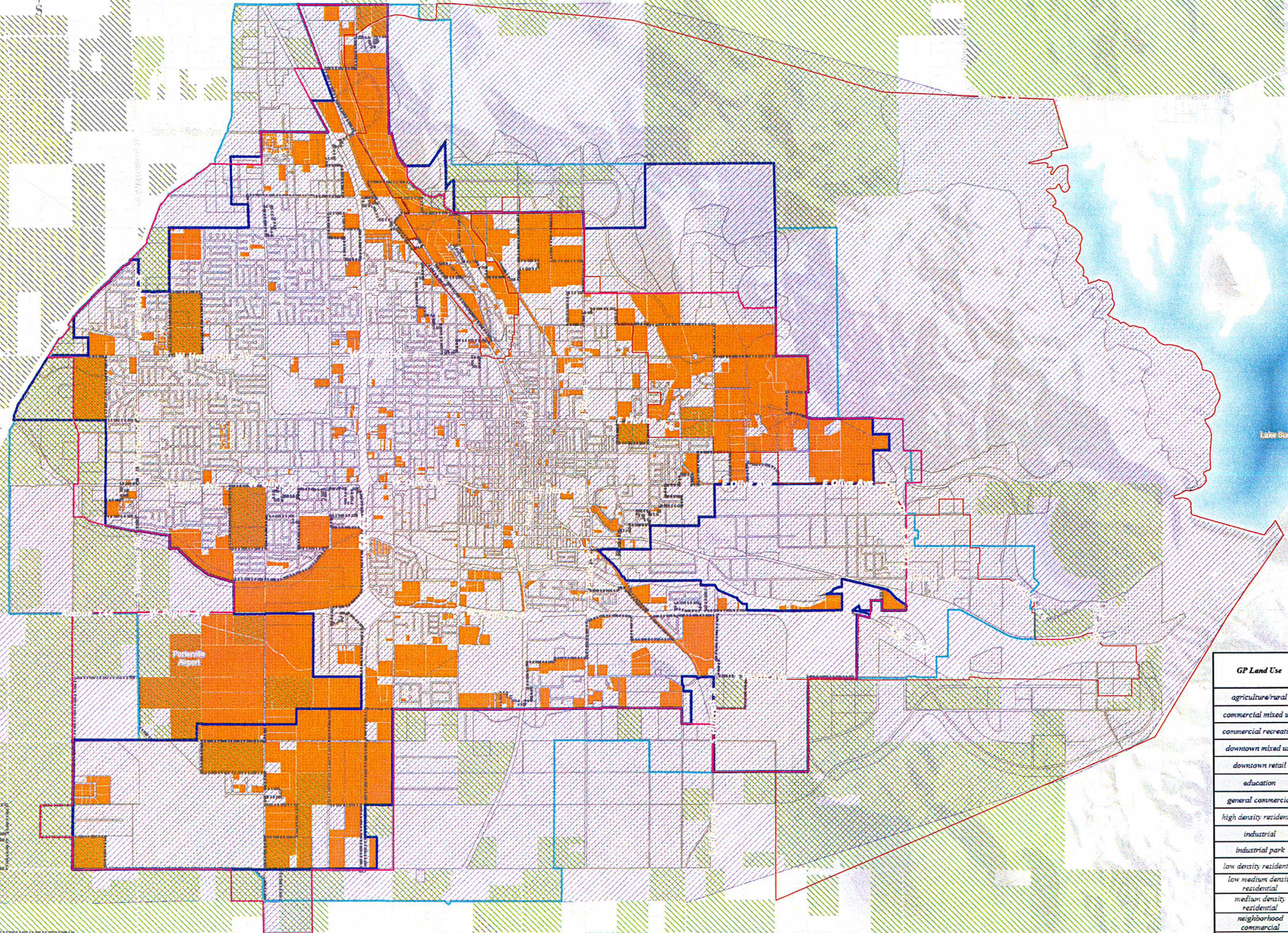
Porterville Boundary Amendment Map



Legend

- City Limits
- Existing UDB
- Proposed UDB
- Existing UAB
- Proposed UAB
- Hillside Zone
- Areas Proposed for Development in the General Plan
- Vacant (by Property Boundary). Note that some areas within this designation may not be developable by reason of topographic, geologic, or other constraint.
- Williamson Act Ag

Base Data provided by Tulare County and others.
Created by J. Blagov - 03/06/2013
Plot Date: 11/20/14 01:20:43
For Reference Only.



GP Land Use	Acres/year	Available acres in UDB	Subtract Agricultural Preserve	For a total Acreage per use type	Divide by acres/year to get total years to build-out
agriculture/rural	94.00	59	30	29	0.31 years
commercial mixed use	3.70	34	0	34	9.09
commercial recreation	9.25	0	0	0	0.00
downtown mixed use	3.70	4	0	4	1.08
downtown retail	2.85	2	0	2	0.70
education	21.47	68	28	40	1.88
general commercial	4.24	64	0	64	15.10
high density residential	0.79	48	0	48	60.39
industrial	7.25	177	1	176	24.28
industrial park	7.25	1161	432	729	100.55
low density residential	64.72	927	167	760	11.74
low medium density residential	2.10	28	0	28	13.35
medium density residential	4.38	169	81	88	20.06
neighborhood commercial	2.85	10	2	8	2.75
park	9.25	248	36	212	22.92
professional office	2.18	10	0	10	4.78
public/institutional	65.88	103	60	43	0.65
resort residential	10.52	0	0	0	0.00
retail commercial	5.69	302	5	297	52.21
rural residential	532.63	17	2	15	0.03
very low density residential	33.44	29	0	29	0.87
Totals (acreage)	888.14	3452	844	2608	16.32 years
Commercial Inventory (Average)					17.78 years
Residential Inventory (Average)					15.20 years