

TO: HONORABLE CHAIRMAN AND PLANNING COMMISSIONERS
FROM: WARREN FRACE, COMMUNITY DEVELOPMENT DIRECTOR
SUBJECT: BORKEY AREA SPECIFIC PLAN AMENDMENT / RIVER OAKS II EXPANSION

GENERAL PLAN AMENDMENT 13-002
REZONE 13-001
SPECIFIC PLAN AMENDMENT 13-001
MASTER DEVELOPMENT PLAN ADOPTION

APPLICANT: WES WILLHOIT, ESTRELLA ASSOCIATES - APN: 025-390-009

DATE: MAY 24, 2016

Needs: For the Planning Commission to consider an application filed by Wes Willhoit on behalf of Estrella Associates, requesting a General Plan Amendment (GPA), Zoning Map Amendment (rezoning / RZ)), Borkey Area Specific Plan Amendment (SPA), and adoption of a Master Development Plan (MDP) to allow for 271 single-family (sfr) units, and expansion of the Paso Robles Hot Springs Spa and River Oaks neighborhood development.

- Facts:**
1. The project, known as River Oaks II, is located in the northeastern area of the City of Paso Robles, within the Borkey Area Specific Plan area, north of State Route 46 East, west of Buena Vista Drive, and east of the Salinas River. See Attachment 1 – Project Location Map.
 2. In order to accommodate the proposed development project, it is necessary to amend the General Plan - Land Use Element, land use designation diagram, Circulation Element diagram, Zoning Map, the Borkey Area Specific Plan, and adopt a Master Development Plan as follows:
 - a) General Plan Amendment
 1. Amend the General Plan Land Use Element Map to re-designate approximately 85 acres of land from Agriculture (AG) to Residential Single Family (RSF-4). A portion of the property (18 acres) located adjacent to the Salinas River (to the west of North River Road) is designated as Parks and Open Space (POS), and is proposed to remain POS, and an approximately 26 acre area of the property would retain the existing AG land use designation. See Attachment 3 – General Plan - Land Use Map Amendments.
 2. Amend the General Plan Circulation Element to eliminate a planned 2-lane arterial road connection (Dry Creek Road) with a future road alignment

through the River Oaks II planning area, from Buena Vista Drive to North River Road. See Attachment 4 – Circulation Element Map Amendment.

b) Specific Plan Amendment

An amendment to the existing Borkey Area Specific Plan (BASP) Subarea A is proposed to reflect the proposed changes to the existing land use designation and zoning. The proposed project includes numerous amendments to development standards and several other text amendments in Chapters 2, 3, and 4 of the BASP to provide consistency with between the project proposal and the applicable standards. See Attachment 6 – BASP Subarea A Map and Text Amendments.

The Specific Plan Amendment shall also include a new requirement to adopt a Master Development Plan and a Design Manual for the River Oaks II subarea, to ensure orderly future development of the project area.

The Specific Plan Amendment also includes a request to deviate from the City's existing grading regulations in the Zoning Code. The City is concurrently in the process of modifying the City's grading regulations. It is anticipated that the modified regulations will allow Specific Plan areas including the BASP to implement grading methods unique to each Specific Plan area.

c) Zoning Amendment

Amend the existing Agriculture (AG) zoning of the site to reflect implementation of the General Plan amendments. This includes rezoning approximately 85 acres to Residential Single Family (R-1). The area adjacent to the river (18 acres) would be rezoned from AG to POS for consistency with the General Plan designation. Additionally, a 26 acre area of land within the development area will remain zoned Agriculture, but add a Resort Lodging Overlay (AG-R/L), for consistency with the General Plan. See Attachment 5 – Zoning Map Amendment.

d) Master Site Development Plan

The proposed amendments allow for master planning of the project site for the future development of 271 single-family residential (sfr) units on 129 acres. This includes expanding the Traditions senior neighborhood with 144 sfr lots, and 127 sfr standard-sized lots, similar to the Classics and Vineyards neighborhoods. The project also includes expanding uses at the existing River Oaks Hot Springs development, pavilion and outdoor amphitheater, and introducing a neighborhood agricultural activity area. The project also includes dedicating property within the Salinas River corridor to the City for public open space uses. See Attachment 2, River Oaks II Master Site Development Plan and Design Manual.

3. Development of 271 new residences (720 residents) is consistent with the existing build-out scenario of the General Plan Land Use Element, which plans for a future City population of 44,000 residents.
4. In accordance with City Council Resolution No. 13-057, the Land Use Element incorporated a 5% vacancy rate and an average population per household ratio of 2.66, that collectively raised the number of dwelling units that could be built within the 44,000 population threshold by 594 units. These additional 594 units are not assigned to specific development projects. If approved, this project would utilize 265 units of these units.
5. The City's General Plan, Parks and Recreation Element includes policies that support dedication and improvement of property within the Salinas River corridor for public open space and recreation purposes. Improvements identified include parks, trails, active and passive recreational uses. The Plan also includes policy support to conserve and restore natural resources within the river corridor.
6. This application for a GPA, RZ, and SPA was submitted in January 2013. A significant portion of the first two years of the project review process was used to assess water resources and potential agricultural resource impacts, and to determine the appropriate environmental review process.

Once these issues were clarified (July 2015), it was determined that pursuant to the Statutes and Guidelines of the California Environmental Quality Act (CEQA) and the City's Procedures for Implementing CEQA, all impacts could be mitigated to a less than significant level. This is supported with an Initial Study, and based on the analysis it was determined that a Mitigated Negative Declaration (MND) could be prepared for this project. A MND was prepared and circulated for public review and comment. See Attachment 13 – Draft MND. Comments on the MND are provided in Attachment 14. The 30-day public review period for this project began on April 11, 2016 and is extended through May 24, 2016.

Analysis

and

Conclusion:

General Plan Amendment

As noted, the proposed project includes a set of amendments to the City General Plan, Zoning Code and other regulations. These amendments are “legislative acts” and are entirely discretionary. The City is not compelled to consider or approve them. Should the Planning Commission and City Council entertain consideration of these amendments, it should recognize that they do not have the same legal requirements, nor should they be treated the same, as “quasi-judicial” entitlements that require action on behalf of the City, including a direct “nexus” for conditions of approval, (e.g. Conditional Use Permits or Subdivision Maps). When reviewing legislative amendments, it is incumbent upon the City to consider community-wide

benefits, and determine the extent to which the proposed amendments meet overarching goals of the community. These include, but aren't limited to: (1) protecting the public health, safety, and welfare - including existing and future residents, and surrounding properties; (2) careful use of natural resources; (3) minimizing environmental effects; (4) providing affordable housing; and (5) providing for orderly growth and development.

The applicant's primary goal for this project is to expand the existing River Oaks neighborhoods to create a cohesive, unified extension of the River Oaks community. To enable this development, amendments to several plans and policies are necessary. Currently, the project site is part of a larger, agricultural area in the upper northeast area of the City, and is considered an urban/rural transition area between existing residential development and agricultural land to the north. Except for the River Oaks Hot Springs development located at the north end of Clubhouse Drive, and the lake area and pavilion which are used for passive recreational purposes, the project site is undeveloped. The property was previously used for dry-crop farming.

Project Components

Master Development Plan/Design Manual

As noted in the "Facts" above, the project proposes to extend the existing River Oaks neighborhoods, as shown in the proposed Master Development Plan (MDP) and Design Manual in Attachment 2. The MDP provides a development plan for site layout; land uses and circulation. The Design Manual provides: design guidelines; development standards; landscape and architectural themes; infrastructure plan; and a phasing and implementation plan (including a development review process) for the MDP. As a component of a Specific Plan, development standards and guidelines unique to a particular development and provide flexibility to deviate from adopted zoning standards may be considered.

Land Uses

The project includes planning for an extension of the existing active adult Traditions Neighborhood on the west side of Clubhouse Drive. This area is proposed to continue development of 144 lots that would be age-restricted, single-family detached, market-rate housing in a gated neighborhood. This area is proposed to be planned for a density of eight (8) dwelling units per acre. It includes a private bluff top walking trail that would connect to an existing trail within the existing Traditions development, rear lanes/alleys, and the owners would have access to use of the pavilion for community events, and other amenities outside of their immediate neighborhood.

The other residential project component is proposed on the east side of the property, and would include larger-lot neighborhoods with areas for 8,000 sf to 10,000 sf lot and 15,000 to 20,000 sf lots. Neighborhoods in this area, as well as the

general public would have access to a planned multi-purpose pathway system and use of recreational amenities including swimming pools and tennis courts at the expanded spa facility. These areas are also planned to have similar streetscape amenities as the Classics and Vineyards neighborhoods of River Oaks.

The General Plan, Housing Element calls for a diversity of housing types and housing available to all income levels. The development program for this project only includes single-family lots, and does not include multi-family housing or small-lot single-family housing product types. No subsidized affordable housing is proposed with future development in either residential component of this project.

The proposed project includes plans for future development of an internal, private agricultural activity area (to be zoned Agricultural). Uses in this area are planned to include: crop production, a farmstand for sale of locally grown agricultural products, walking trails, and other ancillary uses. Other site amenities include use of the outdoor areas around the lake, amphitheater for passive recreational activities, spa and the pavilion.



Proposed River Oaks II Master Plan of Development

Circulation

The proposed circulation network includes a connected system of streets, sidewalks, lanes, bicycle paths, multi-purpose paths, and walking trails. The project is planned to have connections to the surrounding neighborhoods from Clubhouse Drive, an extension of Waterford Court, and Buena Vista Drive. The main thoroughfare through the east side of the project would connect from Clubhouse Drive to Buena Vista Drive. Several smaller local streets connect individual neighborhood areas. Traffic circles are proposed at major intersections. The site circulation plan is generally well connected. Cul-de-sacs are proposed in locations where the sloping topography would make street connections infeasible. Streets within the project are proposed to be privately owned and maintained, with recorded public access easements.

The proposed Circulation Element amendment would eliminate the arterial road designation from the north end of Buena Vista Drive across the project site, connecting down the west side of the property to North River Road. The connection was included in the last Circulation Element update as a component of the parallel routes program (to provide alternative access for vehicles north of SR 46E, and not encourage local traffic to use the State highway system for circulation). The City Engineer has determined that this particular segment would not save a significant number of vehicles, and would be cost prohibitive to construct. With other parallel route improvements underway, this road connection does not appear to justify the cost of the road extension.

The project draft Conditions of Approval require payment of Transportation Impact Fees to mitigate its pro-rata share project-related traffic impacts on the surrounding network. The project is also conditioned to construct specific improvements in the vicinity of the project. These include reconstruction of the intersection at North River Road and River Oaks Drive, to improve safety at the intersection by slowing down vehicles and increasing sight-distance visibility. Additionally, the project is conditioned to improve Buena Vista Drive north of Cuesta College to the northernmost project entrance, with two driving lanes and bike lanes on both sides of the road. Additionally, conditions of approval are included to require improvement the intersection of Buena Vista Drive and Dallons Drive for pedestrian safety.



Circulation Element Diagram

Water Resources

A Water Supply Evaluation (WSE) was prepared for this project by TODD Groundwater (March, 2016), which is provided as an attachment to the Initial Study/MND in Attachment 17. The WSE estimates the proposed project-related water demand, and water resources available to supply the project in the near-

and long-term horizon, under normal, drought, and sustained drought conditions.

The assumptions in the WSE are based on the planned growth scenario through General Plan build-out as documented in the City's adopted 2010 Urban Water Management Plan (UWMP), as well as current water supply availability from the City's water resource allocations including: groundwater, river water, water from the Nacimiento Water Project and future recycled water. The applicant also has existing rights to use well water from two existing wells within the Salinas River corridor. The applicant will be permitted to continue the use private well water for existing uses, and land zoned for agriculture. Well water is proposed to be used on an interim basis for landscaping in the public right-of-way, until such time as recycled City water becomes available. The project is conditioned to provide easements and to construct a recycled water main from North River Road to the Cuesta College property on Buena Vista Drive.

As noted in the conclusions of the WSE, the additional water supply needed for this project is accounted/planned for in the General Plan and 2010 UWMP. As demonstrated in Table 14 of the WSE, the report indicates that the City has an adequate potable water supply to provide a reliable long-term water supply for the project, and as shown in Table 15, it concludes that the same determination under normal and drought conditions through build-out of the City under the existing General Plan build-out scenario.

Storm Water

The proposed future development project and Tentative Tract Maps will need to address storm water management consistent with all applicable State regulations prior to approval of subsequent subdivision maps and grading plans. The proposed Design Manual references potential methods to manage storm water on the project site. The City received comments from the Central Coast Regional Water Quality Control Board on the draft MND which provides guidance on compliance regulations (provided in Attachment 14). The applicant will need to submit an engineered storm water control plan that provides specific, quantifiable mechanisms to maintain water from each phase of development.

The applicant will need to also comply with applicable State permitting requirements relative to potential drainage impacts affecting waters of the State (e.g. the lake/pond, ephemeral drainages, etc.). The applicants' engineering firm will ensure that the future development of the project complies with all necessary requirements regarding storm water management. Refer to Attachment 12, draft Conditions of Approval.

Agriculture

As noted in the Facts above, the project site is currently designated in the General Plan and Zoned Agriculture. The MND evaluated conversion of this property to

primarily urban land uses. The conclusion is that it would not result in significant impacts to prime agricultural soils, and that given development patterns that it would not likely induce future agricultural land conversion.

The project includes approximately 26 acres of land intended to maintain the AG designation and zoning. This area contains the existing spa, pavilion and lake (which according to the Zoning Ordinance, are permitted with approval of a Conditional Use Permit (CUP)). The existing uses were approved several years ago, however future expansion of these facilities will require amendments to the CUP.

The 26 acres of agricultural property is located toward the center of the site, and is intended to be used for agricultural crop growing in the future. This area is also intended to include a farm stand to sell the agricultural products on the site to local residents. Management of the agricultural activities is intended to be handled by the Homeowner Association to ensure that activities do not create on-site land use conflicts.

In regard to the rural/urban interface between the northern boundary of the site and agricultural land and activities, the applicant intends to include a 75-foot agricultural buffer easement to reduce the potential impacts of agricultural operations on the future residences of the project. The draft MND proposes a 100-foot buffer as mitigation to reduce impacts related to the agricultural/residential interface. However, with an existing 25-foot wide service road located on the adjacent agricultural property, there would be an effective agricultural buffer setback of 100 feet. Since the draft MND that was circulated for public review included a proposed 100-foot wide setback on the applicants' property, a specific "finding" in the proposed resolution for the draft MND is included that references changing this mitigation measure to a 75-foot buffer.

Consistent with General Plan Land Use Element policy LU-2E, Action Item 4, the project is conditioned with a requirement to record a Right-to-Farm covenant on each property title with recordation of each subdivision. This covenant would inform future property owners of the right for the neighboring property owner to the north to conduct farming activities. This is intended to reduce the potential of property owners to complain about farming activities, which has the potential to affect farming operations. In addition, per LU-2E, Action Item 5, the future properties will also be provided a disclosure agreement noticing all properties within 500 feet of agricultural activities of the potential nuisances associated with normal agricultural operations.

Parks and Open Space

The proposed project includes planning for several on-site amenities to provide future residents opportunities for passive and active recreational activity options. These include adding new pools and tennis courts at the existing spa, use of the pavilion (which is planned to be architecturally enclosed for community events),

and use the existing open space area around the lake and amphitheater. Residents will also have access to multi-purpose walking paths throughout the site (except for bluff top trails which are intended to be available to the Traditions neighborhood only). Use of the walking paths would be open to the general public through access easements. All on-site amenities will be maintained by the Homeowner Association. Use of the spa facilities or pavilion by the general public would be available through user fees.

The applicant's parcel extends west of North River Road into the Salinas River corridor, which is included as a part of this project. Consistent with the General Plan Parks and Recreation Element, this property is planned for future public park and open space uses, and would be dedicated to the City. This property may be used for ballfields, and/or other similar uses to be determined. The property would include a future trail connection consistent with the Salinas River Trail Master Plan. Improvements of the trail segment or other public uses would be approved through a public master plan development review process, and would be improved as funds become available.

Grading

The project site is fairly flat on the west side of Clubhouse Drive, although there are with some areas of topographic undulations towards the northwest property boundary. Development in this area will require import fill to this area of the site. The east side of the project is defined with rolling hills. This area will require significant pad grading to develop suitable building sites and streets. The applicant intends to develop this area of the project utilizing mass grading techniques to provide for a seamless continuity between properties and along public right-of-ways.

The current grading regulations do not permit mass grading for subdivisions. However, the amendments to the Borkey Area Specific Plan includes provisions to allow for individualized grading techniques for the unique, site-specific features of this property. Additionally, the City is currently reviewing the City's existing grading standards in the Zoning Ordinance. Based on City Council direction, the grading regulations will be updated in the near future. The proposed project may be the first project to implement the grading ordinance modifications.

Master Plan Phasing

The applicant has proposed a future development phasing plan in within the Design Manual. The project includes four (4) phases for development (see Attachment 2, Phasing Plan). The first and second phases for development include the Traditions Neighborhood. This would be followed by development of the AG properties, and then the larger lots on the east side of the project.

Policy

Reference: General Plan Land Use Element, Zoning Code, Borkey Area Specific Plan, 2006 Economic Strategy, and Oak Tree Ordinance.

Fiscal

Impact: Single-family residential projects require formation of a Community Facilities District (CFD), to cover increased police and fire staffing costs. All streets, landscaping and common area maintenance will be funded by the Homeowner Associations. Based on these requirements, the project is projected to be revenue neutral to the City.

Options: After opening the public hearing and taking public testimony, that the Planning Commission takes one of the four options listed below:

1. a. Approve draft Resolution A, recommending that the City Council certify the project's Mitigated Negative Declaration and Mitigation Monitoring Program (Attachment 7);

b. Approve draft Resolution B, recommending that the City Council approve General Plan Land Use Element Amendment changing the Agricultural land use designation and General Plan Circulation Element Amendment (Attachment 8);

d. Approve draft Resolution C, recommending that the City Council adopt an ordinance amending the Borkey Area Specific Plan (Attachment 9);

e. Approve draft Resolution D, recommending that the City Council adopt an ordinance amending the Zoning Map consistent with the General Plan Amendments (Attachment 10);

f. Approve draft Resolution E, recommending that the City Council approve a Master Development Plan and Design Manual for the River Oaks II subarea of the Borkey Area Specific Plan, subject to Conditions of Approval and Findings (Attachment 11).
2. Amend the foregoing option.
3. Refer back to staff and/or the Development Review Committee for additional analysis.
4. Recommend denial by the City Council of one or more of the resolutions listed above (a-e). Recommendations of denial will be forwarded to City Council for a final decision.

Attachments:

1. Project Location Map
2. Applicants Proposed Project Description and Master Development Plan
3. General Plan, Land Use Element Map Amendment
4. General Plan, Circulation Element Map Amendment
5. Zoning Map Amendments
6. River Oaks II Master Development Plan
7. Draft Resolution A -
Recommending Approval to City Council of a Mitigated Negative Declaration
8. Draft Resolution B -
Recommending Approval to City Council of General Plan Land Use Element and Circulation
Element Amendments
9. Draft Resolution C -
Recommending Approval to City Council of Borkey Area Specific Plan, Subarea A, Map
Amendment Ordinance and Text Amendments
10. Draft Resolution D -
Recommending Approval to City Council of Zoning Map Amendment Ordinance
11. Draft Resolution E - Recommending Approval to City Council the Master Site Development Plan
Map for River Oaks II and the River Oaks II Design Manual, and Conditions of Approval
12. Draft Initial Study/Mitigated Negative Declaration, with Special Studies –
Exhibit A of Resolution A
13. Planning Commission Public Hearing Notice Affidavits

Attachments can be downloaded individually at the following link:

www.prcity.com/government/departments/commdev/planning/pdf/RiverOaks2/05-24-16-PC-SR-Attachments/