CITY OF CHICO MEMORANDUM

TO: CITY COUNCIL (Mtg. of 1/25/05) DATE: January 18, 2005

FROM: CITY MANAGER (x4802) TL FILE: G-CP-2-1-19/PS-51-43/Chrono

SUBJECT: BIDWELL RANCH GENERAL PLAN AMENDMENT AND REZONE TO OPEN SPACE

SUMMARY:

At the City Council meeting of October 5, 2004, the City Council took no action on the Planning Commission recommendation to designate and zone Bidwell Ranch to open space. After the vote was taken several of the Council members who voted to oppose the rezone indicated their desire to receive additional information and potentially revisit the issue. To date, questions have been received from Mayor Gruendl and Council member Herbert.

BACKGROUND:

Attached as Exhibit "A" is a copy of the memorandum dated September 24, 2004, which provides background information as to the General Plan and zoning changes as well as a summary of the Planning Commission's action of September 16, 2004. The Commission voted 5-1 to both rezone the property and to recommend the development of a Comprehensive Use and Management Plan.

Set forth below are staff's responses to questions received from Mayor Gruendl and Council member Herbert.

1. **Pros and cons related to open space versus park land.**

   The designation of the property as open space versus parkland is not a significant distinction. The implication is that open space would have a different level or type of management and access. Given the sensitive environmental resources on the Bidwell Ranch property, should the City Council determine it appropriate to designate an open space or park use, it would be appropriate to develop a management plan which would speak to the issues of access and utilization.

2. **Process that would be utilized to determine what level of public access there would be (perhaps an identification of what the scope of the management plan for the parcel would be.)**

   The level of public access would be determined by the development of a management plan. While the scope of such a plan would need to be determined, it clearly would include the location and identification of sensitive resources, the management of those resources including appropriate uses of control burns and grazing, and identification of the portion of the property which may be less sensitive and more appropriately open to more activity and access points. Given the location of the property it does not appear that there would be any

reason to treat it to dissimilarly from the adjoining portion of upper Bidwell Park which has very limited access (one to two trails through it) and is largely a passive open space.

3. Amount owed on the property, estimated time until completely paid and source of funding.

While seemingly a straight-forward question, there are a number of complications associated with it. The original purchase and payments on Bidwell Ranch have assumed the repurchase of the original sum capacity for 4,666 units. As of June 30, 2004, there is an outstanding principal balance of $1,052,432 on the north east Chico sewer bonds applicable to the property. These bonds would be paid off in 2011 for a total cost of $1,600,791. At the current sanitary sewer trunk line fees, the fee for these 4,666 units is $4,367,376. However, the City has completed a draft sanitary sewer master plan which will be in front of the Finance Committee within the next six months. Its initial proposal would include $1,440 per unit for trunk line fees or a total of $6,719,040 to buy the sanitary sewer trunk line capacity from Bidwell Ranch to use elsewhere.

The second issue involves wetland mitigation where the Redevelopment Agency purchased mitigation rights on Bidwell Ranch for $1.5 million. At this point in time it is simply not known whether or not with the designation of the property as open space, the Army Corps of Engineers would recognize mitigation value for the west side of the airport. It is certainly possible that we will not be able to utilize Bidwell Ranch and would have to repay these funds to the Agency.

In either case, should the Council decide to designate the property as open space, I would propose using the Bidwell Park land acquisition fee and adjusting it as necessary to pay for any outstanding costs of the property.

4. Potential for mitigation banking for both the airport master plan and for private developers.

While this is largely answered above, the City extended the 404 permit on the property until October 2005 and will be seeking an additional extension of time. It is simply unknown how the Corps will react should the property be designated as open space. Again, it is certainly possible that the property, since it would already be protected as open space, would lose its mitigation value. There is also discussion in the community as to whether or not the creation of wetland resources is appropriate on Bidwell Ranch in any case as opposed to simply using and protecting the existing wetlands for mitigation purposes.

5. If a sale of a portion of the land were to be considered, what is the estimated time and cost associated with making the land available.

If the City Council decided to sell a portion of Bidwell Ranch there are a number of alternative approaches: The first would include simply trying to market the property in an "as is" condition with no warranty as to ability to develop. Based upon very preliminary discussions with several developers, in my opinion it is extremely unlikely the City would receive any value above that for its capacity as grazing land. The second alternative would involve the City doing the necessary environmental review and land use studies to actually

entitle the property. In my estimation, this would conservatively take 18-24 months to complete, and at least $500,000 in up-front costs. Should the property actually receive development entitlements then it would be in high demand, and have a high value.

6. If this remains open space, what does it become?

If the property remains open space, staff's recommendation would be to develop a master management plan. It would be my assumption that it would become largely passive open space with some limited access similar to major portions of Upper Park. However, this would be the subject of the management plan.

7. Who is responsible for maintenance (Park Department, Public Works)?

The City's Park Department would be responsible for maintenance, assisted by the Department of Public Works to attempt to prevent improper access by means such as four-wheel drive vehicles.

8. Access leads to many other issues–liability, protection, enforcement–how are these issues funded?

The access issues related to passive open space probably do not expose the City to a substantial liability, however there already are sizeable concerns regarding protection of the property and enforcement related to illegal activities damaging the environmental resources. These costs would need to be funded from the City's General Fund at the current time.

9. Do plans for leaving this open space allow for any recreational uses such as bike trails, equestrian, or golf course?

It would ultimately be a City Council decision and there are certainly portions of the property which are not environmentally sensitive and could be used for a variety of purposes. The management plan would help determine the appropriate uses, trails, and access to the site.

10. It would be helpful to see a map with various aspects of Bidwell Ranch, the existing wetland preserves, and possible boundary lines at 100, 200, 250 acre development.

Attached as Exhibit "B" is a map which shows the Meadowfoam and wetland areas as well as the developable portions of the site.

11. What configurations of development would allow for the greatest buffers from the entrance to the park (so many people responded to the petition stating that this was at the "entrance" to the park). At the various boundary liues listed above, what is the actual distance to the "entrance" to the park?

As you can see from the maps, the central portion of the site is the only area in which this development could occur based on the need to protect the environmental resources. The closest portion of potential development to the park is approximately three to four tenths of a mile.

12. Under various development configurations, how contiguous would this be to existing development?

The central portion of the site, which was originally proposed for development, is in close proximity to both Foothill Park Unit #9 and areas of Cactus Avenue. Development would require the crossing of Sycamore Creek.

13. At what point will we be assured that we have exhausted all possibilities for FAA overflight?

The FAA policies regarding funding of additional clear zone have been consistently inconsistent. City staff was originally told that this was a high probability for funding using discretionary funds and staff would have expected funding to have occurred prior to now. However, with a significant change in staffing and with the aftermath of September 11, 2001, we are now being told it is improbable the FAA would ever provide funding for the acquisition of this property to ensure its use as a clear zone. Whether or not that opinion changes again is unknown.

In addition, the City has received a letter from the California Department of Forestry and Fire Protection (CDF) which is requesting that the overflight area of Bidwell Ranch be maintained as open space. The letter is attached as Exhibit "C" along with a map staff has prepared illustrating the area the CDF letter discusses.

14. What is the current cost estimate for access over the diversion channel?

The cost for a bridge over the Sycamore Creek diversion channel is estimated to be $1 million to $1.5 million. I would caution that this is an extremely rough estimate at this time.

Attachments

- Exhibit A - Memorandum dated 9/24/04 from Planning staff.
- Exhibit B - Map identifying the Meadowfoam and wetland areas as well as the developable portions of the site.
- Exhibit C - Letter dated 10/28/04 from CDF and map depicting overflight area.

cc: City Clerk (19)
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