



CITY OF CHICO MEMORANDUM

TO: Mayor Morgan and Members of the City Council
DATE: September 28, 2018
FROM: Mike Sawley, AICP, Senior Planner
SUBJECT: Additional Information Regarding Stonegate

The purpose of this memorandum is to provide the Council with correspondence from Mr. Richard Harriman that was received on 09/25/18 (see attached), following completion of the Stonegate agenda report. In the letter, Mr. Harriman asserts that the Final EIR for Stonegate should have included *“the proposed Doe Mill/Honey Run development in the analysis of the potentially significant cumulative adverse impacts on the environmental setting and the hydrological system up-gradient from the StoneGate project’s proposed open space preserve for vernal pool and Butte County Meadowfoam habitat. Since the City’s application for its SOI amendments was filed prior to the completion of the Response to Comments included in the FEIR reviewed at the Planning Commission hearing on August 30, 2018, this information should have been disclosed to the public prior to or at the City Council hearing on September 18.”*

Staff Response:

First, the City initiated its Municipal Service Review and Sphere of Influence (SOI) Update with the Butte Local Agency Formation Commission (LAFCo) per a Letter Agreement in October 2015. This is a long-range planning effort that has been underway for several years that simply seeks to amend the City’s SOI to be consistent with the proposed SOI shown on the City Land Use Diagram approved by the City Council as part of the comprehensive 2030 General Plan update in April 2011. The proposed SOI amendment includes the Doe Mill/Honey Run Special Planning area (SPA-5), as well as other SPA areas and clean-ups, but does not reflect proposals for new development.

Further, inclusion of the Doe Mill/Honey Run Special Planning Area (SPA-5) in the Stonegate EIR’s cumulative impacts analysis was previously raised and addressed under Response to COOTS-5 in the Final EIR, which states:

The commenter states that given the lapse of time between publication of the NOP and the DEIR, new projects should be included within the cumulative impacts analysis. The commenter specifically cites the Doe Mill/Honey Run SPA (also referred to as the Valley’s Edge) as not being included.

The commenter is correct that CEQA requires that a cumulative impact section produce a list of past, present, and reasonably anticipated future projects. The DEIR, as noted by the commenter, provides such a list on page III-25 of the DEIR (Table III-5). As noted before the table in the DEIR, the table includes “an exhaustive list of approved, proposed, projects currently under construction in the City of Chico at the time the Notice of Preparation for this EIR was released (June 2016).” No formal applications have been submitted to the City of Chico for the

Valley's Edge project, however the DEIR cumulative traffic analysis did account for an assumed buildout of Special Planning Area 5 – Doe Mill Honey Run to analyze cumulative traffic impacts for the Stonegate project.

It is still the case that there are no active City applications for the Valley's Edge project. Appendix C of the Chico General Plan remains the primary source for identifying the extent of anticipated development of the SPA-5 area. Both the Land Absorption Study and SOI amendment application that Mr. Herriman references in his letter use development assumptions from the General Plan, not any specific development proposal, to characterize anticipated future development of SPA-5.

Consistent with CEQA Guidelines section 15130, the Stonegate EIR considered cumulative impacts that could arise from the project when viewed in addition to approved projects under construction, approved projects not yet under construction, and unapproved projects under environmental review with related impacts or which result in significant cumulative impacts.

The Cumulative Effects chapter of the Draft EIR for Stonegate addressed cumulative impacts pertaining to hydrology using the entire City of Chico as the study area and the Chico General Plan Land Use Diagram (including SPA-5) as the guide for anticipated future development.

Specifically regarding cumulative hydrology impacts, Page V-7 of the Draft EIR states that, similar to the storm water regulations that apply to the Stonegate project: "NPDES permit requirements apply to the cumulative projects as well as the proposed project. As such, a reduction in runoff and overall pollutant loads in stormwater in the vicinity of the project site is anticipated over time, thereby reducing cumulative impacts."

Therefore, development of the SPA-5 area was considered in the cumulative impacts analysis of the Stonegate EIR and no new information has been provided to support or justify using a more-detailed approach to the analysis than was derived from the General Plan.

Finally, discussion of proper CEQA interpretation and implementation from the California Natural Resources Agency website states that:

"Subsection (b)(1)(B) [under CEQA Guidelines 15130] authorizes a lead agency to limit its analysis of probable future projects to those which are planned or which have had an application made at the time the NOP is released for review. This describes a reasonable point in time at which to begin the cumulative impact analysis. Without this guideline, the cumulative impact analysis may suffer frequent revision as new, incremental projects are identified. If additional projects are identified later, they may be addressed during completion of the final EIR." <http://resources.ca.gov/ceqa/guidelines/art9.html>

In this case, the SOI amendment application with LAFCo does not affect the Stonegate EIR's analysis of cumulative impacts because both were based upon General Plan assumptions for build-out of the SPA-5 contained in the General Plan.

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September 25, 2018

VIA EMAIL TRANSMISSION

[dpresson@chicoca.gov and vince.ewing@chicoca.gov]

Mayor Sean Morgan
City Council
c/o Deborah Presson, City Clerk
City of Chico
411 Main Street
Chico, CA 95928

Re: Northern California Environmental Defense Center/City of Chico
Stonegate Project Application for Entitlements for
Stonegate Subdivision and General Plan Amendment/Rezone Project
General Plan Amendment 15-02; Rezoning 15-02, Subdivision 15-05 and
Use Permit 18-14
APNs: 002-190-041, 018-510-007, 018-510-008, and 018-510-009
Request to Place Matter on City Council Agenda for October 2, 2018 Meeting

Honorable Mayor Morgan and Council Members:

As you know, I appeared at your City Council hearing of the above-referenced matters and the Final Environmental Impact Report on Tuesday, September 18, 2018 at the request of residents of the City of Chico and other members of the Chico community and on behalf of the Northern California Environmental Defense Center.

At that time, I submitted a written summary of comments and objections to the FEIR and the other entitlements sought by the Applicant for the above-mentioned entitlements. [A copy of that letter, dated September 18, 2018, is attached hereto.]

During the one minute allotted to me by the Mayor for my oral presentation, I stated that the City Manager and other Staff appeared at the Butte County Local Agency Formation Commission hearing on September 6, in support of the City's application for an amendment of the City's Sphere of Influence ("SOF") to include the Doe Mill/Honey Run project and that there was an active application for this project pending with the City.

Upon reviewing the City's Land Absorption Study, released in July of this year, it appears that my statement that there is an "active application" for this project may have been in error. However, the City's SOI amendment application does include Special Planning Area 5 (the proposed Doe Mill/Honey Run aka "Valley Edge" project), which includes 1,448 acres and 2,095 dwelling units, described at pages 42-44 of the City of Chico's "BAE Land Absorption Study" (July, 2018); see Table 26. [Copies of pp. 42-44 attached hereto.] In the Notes to Table 26, the Study states, "(c) The Doe Mill/Honey Run area is currently proposed for development. The estimated buildout potential above is reported in the Chico 2030 General Plan. Sources: City of Chico, 2018; BAE, 2018."

Therefore, the FEIR should have included the proposed Doe Mill/Honey Run development in the analysis of the potentially significant cumulative adverse impacts on the environmental setting and the hydrological system up-gradient from the StoneGate project's proposed open space preserve for vernal pool and Butte County Meadowfoam habitat. Since the City's application for its SOI amendments was filed prior to the completion of the Response to Comments included in the FEIR reviewed at the Planning Commission hearing on August 30, 2018, this information should have been disclosed to the public prior to or at the City Council hearing on September 18.

I am including a copy of the editorial published in the Sunday, September 23, edition of the Chico Enterprise-Record, entitled "Decent project gets indecent council hearing," for the record. On behalf of the public interest and my clients, I join in the editorial characterization of the deficiency in the Council's public hearing procedure and its own Rules. My clients and I object to the violation of the Chico public's right to due process and its right to have a fair hearing on the FEIR and the proposed StoneGate project land use entitlements.

My clients and I base our objection on the right to have a reasonable opportunity to be heard guaranteed by both the Fifth and Fourteenth Amendments to the U.S. Constitution and Article I, section 7(a) of the California Constitution. In addition, we object on behalf of the public to the City Council's violation of their right to have a meaningful opportunity to participate in the environmental review process, pursuant to the California Environmental Quality Act (CEQA) and the CEQA Guidelines (California Code of Regulations, Title 14, section 15000 et seq.), section 15201, which provides, in relevant part:

"Public participation is an essential part of the CEQA process. Each public agency should include provisions in its CEQA procedures, in order to receive and evaluate public reactions to environmental issues related to the agency's activities..."

In fact, the City Council has adopted a procedure which controls this process. My clients and I object on behalf of the public interest to the City Council's violation of its own Rule, which restricts the agendaizing and continuing public hearings after 10:30 p.m. when it is clear that there will not be adequate time for the public to be heard in a meaningful fashion on the merits of major project applications, such as the StoneGate project, or for the Council to deliberate and consider its decisions and actions on the action items so late in the evening.

My clients and I adopt the facts, reasoning, and analysis set forth in the E-R editorial attached hereto, regarding the lack of a fair public hearing process. We serve this formal demand on the Council to re-schedule and re-open the public hearing on the StoneGate project FEIR and the other land use entitlements. There was clearly inadequate time for meaningful testimony by the public. Likewise there was inadequate time for the Councilmembers to have a reasonable opportunity to ask questions of City Staff and the public participants who testified. There was inadequate time for the Council to discuss, deliberate, and consider all of the items and to make informed decisions in a judicious and thoughtful manner. And, there was inadequate time to make informed decisions through motions, findings, and actions through resolutions properly crafted by the Council to discharge its duty as Trustees acting in the public interest.

As the E-R editorial opines, irrespective of whether the final decision and action by the Council would be the same if the matter were re-heard, the public has a constitutional right to due process and a statutory right to meaningful public participation under CEQA, including a reasonable opportunity to be heard. Procedural and substantive due process requires the Council, sitting as Public Trustees, to re-schedule and re-open the public hearing on the FEIR and the land use entitlements applied for by Epick Homes.

The failure of the Council to do so will result in the loss of public confidence in the integrity of the City Council, due to the actions of the majority of the Councilmembers who proceeded improperly at the City Council hearing in the late evening of September 18, 2018, and will violate a major policy of CEQA---political accountability of the publicly elected decision-makers.

By transmitting this demand to all Councilmembers, my clients are exercising their and the public's First Amendment right to petition for redress of grievances, as well as their constitutional and statutory rights to due process and meaningful participation in the CEQA environmental review process. Therefore, my clients, acting on behalf of the public interest, hereby urge all of you to request the Clerk to set this matter on the Agenda for the October 2 Council meeting to re-schedule and re-open the public hearing on the adoption and certification of the FEIR and the approval of the land use entitlements set forth herein or at a special meeting of the Council to consider and take action on these matters, only.

Please expedite consideration of and action on these requests. We look forward to receiving written notice that this matter has been set on the Council Agenda for October 2, 2018, or at a special meeting and timely written notice given of the hearing of these matters to the public and to the undersigned.

Respectfully submitted,

/s/ *Richard L. Harriman*
RICHARD L. HARRIMAN

Enclosures: Copy of 9/18/18 Summary of Comments & Objections
Copy of 9/23/18 E-R Editorial
BAE Land Absorption Study (July, 2018), pp. 42-44

cc: All Councilmembers

David Little, Editor, Enterprise-Record
Chico News and Review
Laura Shively, Project Manager, USACOE
Barbara Vlamis, AquAlliance
Natalie Carter, Butte Environmental Council
Woody Elliott, California Native Plant Society
Elizabeth Devereaux, Friends of the Foothills
Allen Harthorne, Friends of Butte Creek
Northern California Environmental Defense Center
John Hunt, Northern California Land Trust
Grace Marvin, Sierra Club
Mark Stemen
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Mike Trolinder
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Distribution List
Clients

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Special Planning Areas

As part of the 2030 General Plan, the City of Chico identified five Special Planning Areas, or SPAs, which are largely undeveloped areas with significant new growth potential that require “master” planning prior to development (i.e., a specific plan, planned development, or other comprehensive plan). The intent is that each of these areas, shown in Figure 5 on the following page, would develop as an integrated, complete neighborhood that incorporates a mix of housing types and job-generating uses. Although the entitlement process necessary to develop these areas will require more time and expense to their developers, these areas represent the largest concentrations of developable land within the City’s proposed Sphere of Influence. Table 26 summarizes the buildout potential identified in the conceptual land use plans for each area. Due to the special planning requirements associated with these areas, the final buildout of these areas may or may not differ significantly from these estimates. For a more detailed description of the location and characteristics of each SPA, please refer to Appendix E.

Table 26: Special Planning Area Development Capacity (a)

The SPAs generally represent long term development opportunities. According to City staff, two of the five SPAs are likely to experience development activity over the next five to ten years. The largest of these is the Doe Mill/Honey Run SPA.

Staff indicate that they expect to receive a formal development proposal for Doe Mill/Honey Run in 2018, with preliminary indications that the project could include around 2,350 new residential units (mostly single-family) and nearly 360,000 square feet of non-residential development. The area is subject to development constraints, including lava cap and BCM;

Buildout Potential

Acreage Dw elling Non-Residential

Name Owners Gross Net (b) Units Square Footage

Bell Muir ~50 398 251 644 n.a.

Barber Yard 1 137 112 1,096 403,882

Doe Mill/Honey Run (c) 1 1,448 1,287 2,095 374,247

North Chico 2 340 377 1,899 1,070,225

South Entler 3 232 238 949 1,348,754

Total, All 2,555 2,265 6,683 3,197,108

Notes:

(a) Buildout capacity of the Special Planning Areas is as reported in Appendix C of the Chico 2030 General Plan.

Final buildout of these areas may differ from these estimates as development within a Special Planning Area requires a specific plan or master plan.

(b) Excludes the estimated acreage necessary to accommodate required rights-of-way.

(c) The Doe Mill/Honey Run area is currently proposed for development. The estimated buildout potential above is reported in the Chico 2030 General Plan.

Sources: City of Chico, 2018; BAE, 2018.

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Figure 5: Special Planning Areas and Opportunity Sites

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however, the BCM surveyed on the site is contained within a small area, which will facilitate mitigation. Development will require a major sewer extension and consideration of traffic impacts at key intersections in the vicinity of the project site, among other matters. Potential barriers to development include some general citizen opposition to development in the foothills and neighborhood concerns about traffic congestion along existing roadways. The other SPA with anticipated near-term development activity is the Bell Muir area, which features scattered existing rural residential development. The conceptual land use plan for Bell Muir estimates full buildout of 644 residential units at a density of 2.6 units per acre. However, as the area continues to build out under County jurisdiction, the average density of new development is much lower. Challenges facing the area include limited storm water and roadway infrastructure, determining who would lead the master planning effort for the area,

and the need to engage more than 100 landowners in a master planning process. Possible solutions include relaxing the SPA requirements for master planning, such that Bell Muir could be annexed and built out in the City with smaller subdivisions in an ad hoc approach. This approach, however, would not resolve, and may likely complicate, the area's infrastructure challenges.

The Barber Yard SPA represents an important infill opportunity and is the only SPA currently located within the existing City limits; however, the property owner has not expressed significant interest in proceeding with development.

The North Chico and South Entler SPAs are located outside the City limits, and would require significant infrastructure investments to make these areas marketable for development. As a result, these areas represent longer-term opportunities that will likely build out after other existing infill opportunities have been largely exhausted.

Comparison with Projected Demand

The SPAs represent an important part of the City's long-term land reserve. Based on BAE's land use demand projections, the City does not strictly need the SPAs to develop in order to have sufficient land available to accommodate anticipated residential and non-residential demand through 2035. Nonetheless, these areas do represent important reserves of land that can be developed in the event that growth exceeds what is currently anticipated, or if other approved and proposed development, and vacant land, does not develop as anticipated. Also, the City currently has opportunities to promote development of some of the SPAs in the near term. Doe Mill/Honey Run, for example, may reasonably begin to develop over the next ten years or so, and represents an important opportunity to further meet the City's residential and commercial demand. Bell Muir also represents a possible near-term development opportunity, if the master planning requirements are removed and the area is allowed to develop at densities that are compatible the City's R1 (Low Density Residential) zoning. Development could also continue under County jurisdiction, albeit at lower densities, and still help meet the City's residential demand.

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September 18, 2018

City Council
City of Chico
411 Main Street
Chico, CA 95928

Re: Northern California Environmental Defense Center/City of Chico
Stonegate Project Application for Entitlements for
Stonegate Subdivision and General Plan Amendment/Rezone Project
General Plan Amendment 15-02; Rezoning 15-02, Subdivision 15-05 and
Use Permit 18-14
APNs: 002-190-041, 018-510-007, 018-510-008, and 018-510-009
Summary of Objections

Honorable Mayor Morgan and Council Members:

This office has been requested to appear in the public interest this evening by residents of the City of Chico and other members of the Chico community and on behalf of the Northern California Environmental Defense Center, a California non-profit corporation, having its principal place of business in Chico, to summarize their objections to the certification of the Final Environmental Impact Report (FEIR), the adoption of Findings of Overriding Consideration (FOC), and the approval of the above-referenced project entitlements applied for by Epick Homes.

The parties for whom I am appearing join in all of the comments and objections set forth by AquAlliance, Butte Environmental Council, California Native Plant Society, and all other persons or entities which have submitted written opposition and/or oral comments before the Planning Commission.

1. Objection to Certification of Final Environmental Impact Report and Adoption of Statement of Overriding Considerations (SOC) re Avoidance and Mitigation of Energy Use and Green House Gas (GHG) Emissions

As stated at the Planning Commission Hearing on September 6, 2018, the City cannot make the finding that the significant adverse impacts from the use of fossil fuel energy for power and light cannot be avoided or mitigated. There is no substantial evidence in the record that the

use of Photovoltaic and Photo-thermal solar energy panels and technology is not readily available and feasible to avoid and reduce the use of fossil fuel energy for lighting, heat, and vehicles for all single-family residential, multi-family residential, retail commercial, and office uses proposed by the applicant.

In fact, Chico has over twenty (20) successful and competitive solar energy businesses who are ready, willing, and capable of providing the necessary solar energy equipment, installation, and financing for all uses proposed by the applicant. Further, various public buildings, such as schools, have already installed solar energy equipment on their roofs and parking structures. The fact that there has been legislation considered by the State Legislature mandating the use of solar energy on all structures commencing in 2020 is evidence of the availability and feasibility of this technology.

Also, the use of solar energy installations to make electric vehicle transportation more readily available and convenient for the residents of the new single-family and multi-family residences, as well as retail customers at the retail/commercial businesses, offices, and other public buildings cannot be disregarded as a further ground for requiring solar energy installations on all new structures in the proposed development.

Finally, the mandatory requirement of such readily available and feasible mitigation measures is further supported by the economic benefits to the community, based on the fact that the additional cost to a home buyer or owner of having solar energy installation included in the purchase price of the new residential buildings proposed by the applicant reduces the utility costs to the buyer/owner, thereby providing additional disposable income for the residents and increasing the multiplier effect of such local expenditures that are not paid to outside businesses, such as PG&E.

Therefore, your Council may not lawfully certify the FEIR or adopt the Statement of Overriding Consideration proposed in the Resolutions before the Council, based on public health and safety, in addition to the economic grounds set forth above, because no legally adequate quantified economic analysis of the costs and benefits to the public has been included in the FEIR or the SOC.

**2. The Approval of the Project Entitlements Sought by the Applicant Will
Constitute a Derogation of the Council's Duty as Public Trustees in its
Interpretation and Implementation of the Land Use Element and Sustainability
Provisions of the General Plan**

If the Council makes a finding of consistency with the City General Plan necessary to approve the General Plan Amendment and Rezoning, this finding will create a bad precedent for the next similar multi-use project, because the density of dwelling units per acre will not be sufficient over the lifetime of the current General Plan to reduce substantial adverse cumulative effects to air quality. In addition, your approval will not support the General Plan mandate of a "compact urban form". In the San Joaquin Valley, cities, such as Modesto, are achieving densities as high as 7.8 dwelling units per acre. But, if your Council does not require the

applicant to have a greater diversity of residential dwelling units, the build-out capacity of the City of Chico will be substantially less than will be needed to meet the need for affordable housing or the sustainability goals and objectives for air quality and reduction of GHGs.

Finally, from a land use policy perspective, the approval of this project as proposed will be inconsistent with the well-planned Meriam Park project and the Doe Mill project on the northwest and northeast corners of Bruce Road and E. 20th Street. Both of these projects were supported by BEC and the environmental community and have proved to be successful and profitable projects. The fact that no “jobs/housing balance” calculations were made for the proposed project supports the objection that the proposed project needs to be re-designed from both an environmental and land use perspective.

3. Conclusion

For the foregoing reasons, and others presented at the hearing by other opponents, your Council should remand this matter to City Staff to work with the applicant and the community to revise and amend the FEIR and the project design to create a truly 21st century project that will be consistent with the unique character and sustainability that Chico deserves.

Thank you for the opportunity to submit these objections and comments to your Council.

Respectfully submitted,

/s/ Richard L. Harriman
RICHARD L. HARRIMAN

OPINION > EDITORIALS

Editorial: Decent project gets indecent council hearing

By **EDITORIAL BOARD** |

September 23, 2018 at 6:37 am

Four members of the Chico City Council probably thought they were doing the proposed StoneGate development a favor by fast-tracking it through the process, with final approval on Tuesday night. (Or was it Wednesday morning?)

In reality, the council did the project no favor at all. Because now, and 15 years from now when it's finally finished, it'll be forever known as the development that had little public input and was ramrodded through in a 4-3 vote at midnight when most sane people were asleep.

We're not saying StoneGate is a bad development. Quite the contrary. It's a wise use of a 313-acre parcel along Bruce Road that's part of the city and would get developed sooner or later. It's cattle grazing land with not much soil and no trees.

We wouldn't call it ugly. In the spring, like most parts of Chico, it's quite lovely. The open space is nice.

But the fact is, it's private land, not a public park, and Chico needs housing. StoneGate will add 423 houses, roughly 188 apartments, 22 acres of commercial development along Bruce Road, and most important will preserve nearly half of the property as open space.

The developers, longtime Chico builders Epick Homes, could have proposed 313 acres stuffed with homes but recognized that a compromise would make for a nicer development and stand a better chance of getting approved by the city, and state and federal environmental agencies.

While some in the community love to complain about development, the fact is, we need homes, our children need homes and future residents need homes. If Chico is going to grow — and it will, despite the unrealistic wishes of some — we'd rather see developments in the city limits, on cattle grazing land, than see an orchard paved over or the foothills carved up into one-acre lots.

In other words, there's much to like about StoneGate.

City government, though, saddled the development with baggage from a lousy process.

The development was approved after one meeting of the City Council. One meeting? This is a city that has had more than a dozen hearings about a single recycling business (Chico Scrap Metal), a dozen or more about a single retail store (Walmart), and far more than that about a single disc golf course. The best they could muster was just one City Council meeting about one of the more significant developments in Chico recently?

Maybe one meeting would have been enough, but not when councilors appeared hurried and cranky. The discussion started at 10 p.m. By the time citizens were allowed to speak, it was about 11. By then it was so late, Mayor Sean Morgan said citizens were allowed to give input for only one minute rather than the customary three.

It was a lousy process.

Anyone could have looked at the agenda Tuesday and realized it was too stuffed with controversial items, with StoneGate near the end. The city has to do a better job of recognizing that in advance. There's no reason StoneGate couldn't have been heard on Oct. 2.

We realize the council majority wanted to get it approved before December, when a new council is seated and new councilors might not be as receptive to things like building homes. The majority knew it had enough for a 4-3 passage now. But the vote still would have been 4-3 on Oct. 2. So why ramrod it though?

Two of the councilors, Randall Stone and Karl Ory, voted to deny the project. Both said they like the project but not the process, and that's why they voted no. Maybe that's lip service. Who knows if they ultimately would have voted in favor of StoneGate. But they had a good point about late and truncated public involvement in the process.

In the end, years from now, we think StoneGate will be an asset to the city. But it will always be remembered as a project that the council approved in the dead of night when few people were watching. It didn't need to be that way.



Editorial Board

Special Planning Areas

As part of the 2030 General Plan, the City of Chico identified five Special Planning Areas, or SPAs, which are largely undeveloped areas with significant new growth potential that require “master” planning prior to development (i.e., a specific plan, planned development, or other comprehensive plan). The intent is that each of these areas, shown in Figure 5 on the following page, would develop as an integrated, complete neighborhood that incorporates a mix of housing types and job-generating uses. Although the entitlement process necessary to develop these areas will require more time and expense to their developers, these areas represent the largest concentrations of developable land within the City’s proposed Sphere of Influence. Table 26 summarizes the buildout potential identified in the conceptual land use plans for each area. Due to the special planning requirements associated with these areas, the final buildout of these areas may or may not differ significantly from these estimates. For a more detailed description of the location and characteristics of each SPA, please refer to Appendix E.

Table 26: Special Planning Area Development Capacity (a)

Name	Owners	Acreage		Buildout Potential	
		Gross	Net (b)	Dwelling Units	Non-Residential Square Footage
Bell Muir	~50	398	251	644	n.a.
Barber Yard	1	137	112	1,096	403,882
<u>Doe Mill/Honey Run (c)</u>	1	1,448	1,287	2,095	374,247
North Chico	2	340	377	1,899	1,070,225
South Entler	3	232	238	949	1,348,754
Total, All		2,555	2,265	6,683	3,197,108

Notes:

(a) Buildout capacity of the Special Planning Areas is as reported in Appendix C of the Chico 2030 General Plan. Final buildout of these areas may differ from these estimates as development within a Special Planning Area requires a specific plan or master plan.

(b) Excludes the estimated acreage necessary to accommodate required rights-of-way.

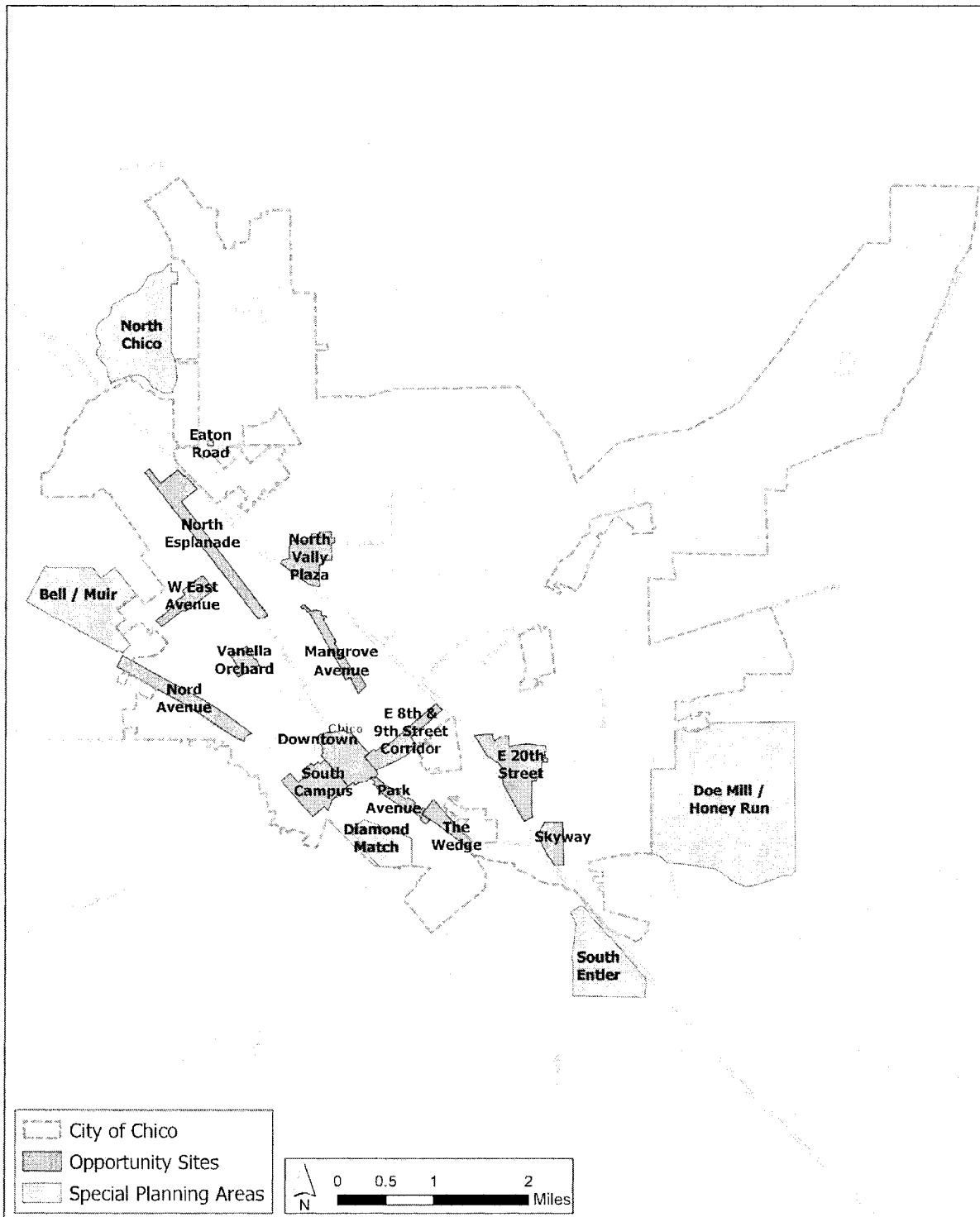
(c) The Doe Mill/Honey Run area is currently proposed for development. The estimated buildout potential above is reported in the Chico 2030 General Plan.

Sources: City of Chico, 2018; BAE, 2018.

The SPAs generally represent long term development opportunities. According to City staff, two of the five SPAs are likely to experience development activity over the next five to ten years. The largest of these is the Doe Mill/Honey Run SPA.

Staff indicate that they expect to receive a formal development proposal for Doe Mill/Honey Run in 2018, with preliminary indications that the project could include around 2,350 new residential units (mostly single-family) and nearly 360,000 square feet of non-residential development. The area is subject to development constraints, including lava cap and BCM;

Figure 5: Special Planning Areas and Opportunity Sites



Sources: U.S. Census Bureau, Tiger Files; City of Chico; Esri; BAE, 2018.

however, the BCM surveyed on the site is contained within a small area, which will facilitate mitigation. Development will require a major sewer extension and consideration of traffic impacts at key intersections in the vicinity of the project site, among other matters. Potential barriers to development include some general citizen opposition to development in the foothills and neighborhood concerns about traffic congestion along existing roadways.

The other SPA with anticipated near-term development activity is the Bell Muir area, which features scattered existing rural residential development. The conceptual land use plan for Bell Muir estimates full buildout of 644 residential units at a density of 2.6 units per acre. However, as the area continues to build out under County jurisdiction, the average density of new development is much lower. Challenges facing the area include limited storm water and roadway infrastructure, determining who would lead the master planning effort for the area, and the need to engage more than 100 landowners in a master planning process. Possible solutions include relaxing the SPA requirements for master planning, such that Bell Muir could be annexed and built out in the City with smaller subdivisions in an ad hoc approach. This approach, however, would not resolve, and may likely complicate, the area's infrastructure challenges.

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Comparison with Projected Demand

The SPAs represent an important part of the City's long-term land reserve. Based on BAE's land use demand projections, the City does not strictly need the SPAs to develop in order to have sufficient land available to accommodate anticipated residential and non-residential demand through 2035. Nonetheless, these areas do represent important reserves of land that can be developed in the event that growth exceeds what is currently anticipated, or if other approved and proposed development, and vacant land, does not develop as anticipated. Also, the City currently has opportunities to promote development of some of the SPAs in the near term. Doe Mill/Honey Run, for example, may reasonably begin to develop over the next ten years or so, and represents an important opportunity to further meet the City's residential and commercial demand. Bell Muir also represents a possible near-term development opportunity, if the master planning requirements are removed and the area is allowed to develop at densities that are compatible the City's R1 (Low Density Residential) zoning. Development could also continue under County jurisdiction, albeit at lower densities, and still help meet the City's residential demand.