

**COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS - LAND USE
WEDNESDAY, DECEMBER 06, 2023**

MINUTE ORDER NO. 9

SUBJECT: UPDATE ON THE DEVELOPMENT FEASIBILITY ANALYSIS IN VMT EFFICIENT AND INFILL AREAS OF FOUR COMMUNITIES: BUENA CREEK, CASA DE ORO, SPRING VALLEY AND NORTH EL CAJON/SOUTH LAKESIDE AND ASSOCIATED EXEMPTION TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (DISTRICTS: ALL)

OVERVIEW

Over the past decade, the State of California (State) has passed numerous laws related to development, climate action, housing, and sustainability. In recent years, the County of San Diego (County) Board of Supervisors (Board) has taken actions to ensure that local policies, regulations, and plans comply with these State laws by directing the development of County programs and policies to reduce Vehicle Miles Traveled (VMT), increase the production of housing for all, and be responsive to community needs throughout the unincorporated area. To meet this direction, housing opportunities will need to be focused in more urbanized areas, and planning for the more rural communities will center around economic development, supporting agriculture, and conserving our natural resources. Equity, community, and sustainability will continue to be at the heart of planning throughout the unincorporated area.

On February 9, 2022 (7), the Board directed staff to develop options for a Sustainable Land Use Framework for the unincorporated area, including the identification of sustainable development principles that could inform land use decisions and options for a parcel-by-parcel analysis. The purpose of the parcel-by-parcel analysis was to identify barriers to housing development, potential solutions, and ways the County can support housing and other improvements in our VMT Efficient and Infill areas. To achieve this, the parcel-by-parcel analysis would look at a range of potential barriers to housing production (i.e., lack of infrastructure, small parcel sizes, insufficient density, or zoning allowances) and identify strategies to address those barriers. Subsequently, the parcel-by-parcel analysis was renamed the “Development Feasibility Analysis (DFA)” to reflect the more comprehensive approach needed for identifying housing development potential in key areas.

Staff returned to the Board on March 1, 2023 (7) with an update on the Sustainable Land Use Framework approach including initial principles for sustainable development, and an overview of the approach for the DFA. As part of this return, staff asked that the Board provide input on the initial set of Sustainability Principles and direct staff to continue stakeholder engagement and proceed with the DFA in the four initial communities of Buena Creek, Casa De Oro, North El Cajon/Lakeside, and Spring Valley. The preliminary boundaries for the four initial communities were defined by County staff by identifying where there were opportunities for streamlining new housing development, environmental justice census tracts, Regional Housing Needs Assessment (RHNA) sites identified in the 6th Cycle Housing Element, concentrations of vacant or re-developable parcels, limited environmental constraints, and proximity to major roads and freeways. As part of the action taken at this meeting, the Board also directed staff to return in the fall of 2023 with a finalized memorandum of understanding (MOU) with North County Transit District (NCTD), specific timelines and anticipated cost estimates to complete the DFA in the initial four communities, and the Infrastructure Gap Analysis (IGA) maps and progress report.

Since then, staff has conducted field visits to confirm data related to the four communities (i.e., vacant parcels, currently underway or anticipated County projects, and visible development challenges and opportunities). In addition, outreach was initiated in summer 2023 within the communities through a series of virtual public workshops, Community Planning and Sponsor Group meetings, as well as meetings and tabling events with additional stakeholders and community-based organizations. To conduct the technical analyses required in the second phase of the DFA, staff solicited proposals from consultants in the Planning & Development Services on-call list. Following the review of the proposals, staff contracted with MIG, Inc. (MIG) to help with this effort. MIG will assist staff by conducting more focused outreach to assess community needs and constraints, potential infrastructure improvements, conduct a market and financial feasibility analysis, and generate a final report. For the IGA that will inform the DFA, staff compiled in-house data available for sewer, flood, storm, and road infrastructure. As staff does not provide water service, water infrastructure data will be acquired through coordination with external agencies. To conduct a road infrastructure specific analysis, staff also brought in another consultant to review fourteen (14) road corridors within the four communities to document needed public improvements to promote safe walking, biking, and access to transit facilities in the vicinity of vacant and/or re-developable parcels. The infrastructure gap analysis will also include broadband needs, staff will thread with the Land Use & Environmental Group team overseeing the Broadband infrastructure to assess gaps in network.

The following is a summary of the project timeline and next steps:

Winter 2022	Identified concentration of vacant or re-developable parcels or “hot spots” in VMT Efficient and Infill areas. Identified initial four DFA communities.
Spring 2023	Provided Board with update on completion of Phase I and overview on next steps for Phase II. Developed statement of work for the DFA that was released as a Request for Proposal (RFP) to procure consultant.
Fall 2023	Selected consultant team.
Winter 2023	Update Board on DFA, IGA, MOU with NCTD, and timeline and cost. Begin technical analyses.
Spring 2024	Conduct focused outreach. Continue technical analyses. Phase II of IGA.
Summer 2024	Conduct outreach on results of technical analyses. Continue technical analyses.
Fall 2024	Return to Board with results of technical analyses.

Today’s Board Letter provides (1) an update on the DFA effort, (2) an MOU with NCTD for Board approval, (3) specific timelines and anticipated cost estimates to complete the DFA in the four communities, and (4) IGA maps of existing road, sewer, and stormwater infrastructure, a progress report, and an update on the next phase of analysis.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

Planning & Development Services recommends that the Board of Supervisors:

1. Find in accordance with Section 15061(b)(3) and 15378(b)(5) of the California Environmental Quality Act (CEQA) Guidelines that this action is exempt because it has no potential to result in either a direct physical change to the environment or a reasonably foreseeable indirect physical change to the environment.
2. Receive the (1) update on the Development Feasibility Analysis (DFA) effort, (2) a Memorandum of Understanding (MOU) with North County Transit District (NCTD), (3) specific timelines and anticipated cost estimates to complete the DFA in the four communities, and (4) Infrastructure Gap Analysis (IGA) maps of existing road, water, sewer, and stormwater infrastructure, a progress report, and an update on the next phase of analysis.
3. Approve and authorize the Director of Planning & Development Services to execute, upon receipt, two copies of the MOU between the County and the NCTD regarding a formal partnership to pursue grant opportunities to implement improvements in areas where the County and NCTD have mutual jurisdiction.
4. Pursuant to Board Policy B-29, authorize the Director, the Department of Planning & Development Services, or his/her designee, to submit grant applications related to the MOU through June 30, 2028 for Planning & Development Services projects and programs.
5. Waive Board Policy B-29, Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery, which requires full cost recovery for services provided under grants.

EQUITY IMPACT STATEMENT

Access to housing is important to all. Housing affordability and attainability are a challenge for many, with disproportional effects on historically marginalized or underserved communities. To address the urgent housing crisis as soon as possible and support healthy, resilient, equitable communities, housing development will need to occur largely in identified Vehicle Miles Traveled (VMT) Efficient and Infill Areas due to environmental constraints, regulatory requirements, and other challenges that could limit the possibility of large-scale development in most other areas. Conducting a study to understand where and how the County can facilitate and support housing development and foster the creation of balanced communities within the unincorporated County will help to support a variety of housing options in VMT Efficient and Infill Areas and help to reduce inequities caused by development that is not close to jobs and services and the uneven distribution of services, amenities, schools, parks, and affordable housing. The study will identify how, through focused investment and partnerships, the County can address equitable access to housing by ensuring options for various income levels, addressing disparities in infrastructure and service access, minimizing negative environmental impacts, and looking beyond housing and considering how development can support economic growth within the community.

SUSTAINABILITY IMPACT STATEMENT

The Development Feasibility Analysis (DFA) will identify specific parcels in Vehicle Miles Traveled Efficient and Infill areas with potential for housing development, as well as the associated infrastructure or service needed to make these parcels viable for development. The DFA promotes sustainability by

facilitating more sustainable land use patterns, encouraging efficient use of infrastructure, redeveloping within established communities, reducing commute times, and rejuvenating underutilized infill areas. The DFA will provide information about the needs in different communities that will help to inform the Sustainable Land Use Framework. The Sustainable Land Use Framework is a tool to ensure that all unincorporated communities continue to grow in healthy, resilient, equitable ways by taking into consideration the comprehensive needs of a community, including striking a balance of land uses, fostering equity, nurturing social connectivity, and providing essential services and amenities among other considerations. This effort supports the County's "Sustainability" strategic initiative to cultivate a natural environment by supporting more sustainable land use patterns for future generations to enjoy.

FISCAL IMPACT STATEMENT

If approved, funds for this request are included in the FY 2023-24 Operational Plan in Planning & Development Services (PDS) for the development of the Sustainable Land Use Framework and the Development Feasibility Analysis (DFA). These recommendations will result in projected one-time costs and revenue of \$3,660,000 in FY 2023-24. The funding source is one-time General Purpose Revenue.

A waiver of Board Policy B-29 is requested because the proposed grant funding associated with the NCTD MOU may not offset all administrative costs. The total unrecovered cost per Board Policy B-29 for FY 2023-24 is not known at this time; PDS staff will return to the Board in Fall 2024 with unrecovered costs, fiscal impacts and related recommendations. At this time, there is no impact to net General Fund costs, and there will be no additional staff years.

BUSINESS IMPACT STATEMENT

N/A

ACTION:

ON MOTION of Supervisor Vargas, seconded by Supervisor Lawson-Remer, the Board of Supervisors took action as recommended.

AYES: Vargas, Anderson, Lawson-Remer, Montgomery Steppe, Desmond

State of California)
County of San Diego)

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER
Clerk of the Board of Supervisors



Signed
by Andrew Potter

