



Community Development Department

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DATE: April 4, 2016

TO: Gabriel A. Gonzalez, City Administrator

FROM: Rebecca Tolentino, Interim Planning Manager
Stan Ketchum, Senior Planner

SUBJECT: Consequences of Postponing Adoption of the Gilroy 2040 General Plan
and Associated Environmental Impact Report

RECOMMENDATION: It is recommended that the City Council direct staff to postpone processing of the 2040 General Plan Environmental Impact Report (EIR) and adoption of the 2040 General Plan for an unspecified period of time.

POLICY ISSUE: Should the City postpone the completion of the 2040 General Plan and the associated EIR.

BACKGROUND: At its March 21, 2016 meeting, Council reviewed a memo describing the proposed revised schedule for completion of the Gilroy 2040 General Plan EIR and adoption of the General Plan. Based on that discussion, the Council directed staff to prepare a report for the April 4, 2016 Council meeting outlining consequences of delaying completion of the EIR and adoption of the 2040 General Plan in relation to the proposed Urban Growth Boundary Initiative and to identify potential cost implications. The Council also requested information on the potential impacts on other related projects should adoption of the 2040 General Plan and EIR be delayed, including the update of the City's Infrastructure Master Plans and the subsequent update of the Development Impact Fee Nexus Study.

DISCUSSION:

Consequences if the Initiative Passes

The passage of the Initiative would require the approved language and revised maps to be inserted into the 2020 General Plan as of the effective date of the Initiative. This would require editing the text and revising maps, accordingly. The cost to produce the revised General Plan would include consultant time to prepare the revised document and the number of copies to be produced. This process could cost up to \$10,000. The 2020 General Plan would be in effect until the 2040 General Plan is adopted.

The approved Initiative language would also need to be incorporated into the 2040 General Plan. There is minimal, but adequate time to complete the Draft 2040 General Plan EIR and adopt the Plan prior to the election, should the City Council authorize work

to recommence immediately. The decision to proceed with completion of the EIR and General Plan would need to be made by the April 18, 2016 City Council meeting. After that date, there will not be adequate time to complete the EIR and adoption of the General Plan prior to the November 8 election.

There are uncertainties regarding the potential effects of the passage of the UGB Initiative that should be considered by the City Council prior to a decision on proceeding with the 2040 General Plan. There is the possibility that additional changes to the 2040 General Plan, beyond those from the Initiative, would need to be considered. Such changes cannot be clearly identified at this time, but could include changes in land use mix, density, and transportation policies, among others. The Elections Code 9212 Report to be prepared will analyze such issues, as well as the economic implications to the City from passage of the Initiative. There may be the need to consider reconvening the General Plan Advisory Committee to reevaluate the proposed 2040 Plan.

Consequences if the Initiative Does Not Pass

If the Initiative does not pass, and the EIR and General Plan are completed prior to the election no additional process would be required. The adopted 2040 General Plan would remain in effect.

If completion of the 2040 General Plan and EIR processes are postponed until after the election and the Initiative does not pass, an additional approximately \$5,000 in administrative costs for the General Plan and EIR consultants would be required to re-start the project and complete preparation and certification of the EIR and adoption of the 2040 General Plan.

Fiscal Implications

The remaining budget for the 2040 General Plan project is \$169,230, which includes \$58,358 for completion of the EIR and \$110,872 for completion of the General Plan Policy text and maps.

The estimated additional costs for revising the EIR and Draft 2040 General Plan and to reflect only the Initiative provisions are as follows:

<u>New Costs</u>	
EIR (including Air Quality/Greenhouse Gas)	\$80,000
Traffic Analysis	25,000
Noise analysis	5,000
Water Analysis	<u>none</u>
EIR Total	\$110,000
Costs for project restart and completion of revised 2040 General Plan	\$20,000
Revise 2020 General Plan & republish	<u>\$10,000</u>
Total Additional Costs	\$140,000

The original cost for the project is \$1,129,856. With the additional \$140,000, the approximate revised total project cost for the EIR and General Plan would be \$1,269,856. Other revisions to the 2040 General Plan and EIR would require revisions to the above costs.

Conclusions

Delay of the General Plan and EIR may not affect the schedules for the Infrastructure Master Plans and Impact Fee Nexus Study which are scheduled to be completed following the adoption of the updated Downtown Specific Plan as modified by the High Speed Rail Station Area Plan, tentatively scheduled for September, 2017.

Based on the uncertainties discussed above, and the potential costs for revising the 2040 General Plan and EIR to reflect the Initiative, and possibly additional unknown changes, it is recommended that the City Council direct staff to postpone processing of the 2040 General Plan Environmental Impact Report (EIR) and adoption of the 2040 General Plan for an unspecified period of time.

Based on the results of the November election, staff will prepare an updated work program, budget and schedule for completion of the 2040 General Plan for consideration by the City Council.

COUNCIL GOALS CONSISTENCY: The completion of the Gilroy 2040 General Plan is consistent with the council goal to *“Create a More Livable Gilroy Community for All.”*

PUBLIC OUTREACH: No specific public outreach was conducted for this item. The General Plan Advisory Committee (GPAC) membership is included in the City Council Agenda distribution and will be notified of this item on the April 4, 2016 City Council agenda.

HUMAN RESOURCES IMPACT: Adequate staff was available to prepare this analysis and report. Delay in the completion of the 2040 General Plan and EIR could require additional staff resources, potentially delaying other projects, including the Comprehensive Zoning Code Update.