



# Agenda Report

**MEETING DATE:** Tuesday, November 15, 2022

**TO:** City Council

**FROM:** COMMUNITY DEVELOPMENT DIRECTOR MERRIAM  
PRINCIPAL PLANNER JUSTIN MEEK, AICP

**THROUGH:** CITY MANAGER MENDEZ

**SUBJECT:** AUTHORIZATION AND DIRECTION TO THE CITY MANAGER AND  
CITY ATTORNEY TO NEGOTIATE AND EXECUTE A CONTRACT  
BETWEEN THE CITY OF WATSONVILLE AND SARGENT TOWN  
PLANNING, A CORPORATION, FOR COMPLETION OF THE 2050  
GENERAL PLAN UPDATE AND ASSOCIATED ENVIRONMENTAL  
IMP

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## RECOMMENDED ACTION

Staff recommends that the City Council adopt a Resolution authorizing and directing the city manager and city attorney to negotiate and execute a contract between the City of Watsonville and Sargent Town Planning, a corporation, for completion of the 2050 General Plan update and associated environmental impact report (EIR); in an amount not to exceed \$1,980,000 and appropriating funds from the ARPA fund in the amount of \$1,100,000 and General Fund in the amount of \$880,000

## BACKGROUND

A local jurisdiction's general plan serves as the legal underpinning for land use decisions. California state law requires each city and county to adopt a general plan "for the physical development of the county or city, and any land outside its boundaries which in the planning agency's judgment bears relation to its planning" ([Gov. Code § 65300](#)). In addition to its legal importance, a general plan represents a vision about how a community will grow, reflecting community priorities and values in shaping the future of the community.

The City is currently operating under the direction of the Watsonville 2005 General Plan, which was originally adopted in 1994 (Resolution No. 137-94 CM). This document is nearly 30 years old yet continues to serve as the primary source for planning for the community's future.

It is not uncommon for local jurisdictions to have general plans that are decades old. Often, this is because the process of adopting a general plan is very time consuming and costly. In some cases, the process can be beset by legal challenges.

In 2003, the City undertook a comprehensive update of the Watsonville 2005 General Plan, known as the Watsonville VISTA 2030 General Plan, this updated version was fraught with legal challenges, in both 2006 and then 2013, at which time the court directed the City to rescind its approval of the 2030 General Plan until specific issues were addressed, including concerns about infill and population growth projections, the adequacy of mitigation measures for Highway 1 traffic, project alternatives in the EIR, and compliance of the general plan with the State Aeronautics Act. In 2014, the City formally rescinded the 2030 General Plan (Resolution No. 137-14) and thereafter has not based any action on or engaging in any activity pursuant to the 2030 General Plan.

Because nearly 20 years has elapsed since the City last started a comprehensive update and less than 10 years remain in the 2030 General Plan planning horizon, the City is choosing to prepare an update to the draft 2030 General Plan with a planning horizon of 2050. This will provide for a longer-range vision, while incorporating many elements from the draft 2030 General Plan, but including updated goals and policies relating to land use, transportation, airport compatibility, among many others topics. In addition, this will allow the City to not only address all elements required by state law to be included in the general plan, but also address new considerations concerning equity, health and climate issues. A summary of required general plan elements are included as Attachment 1.

In June 2022, the City issued a Request for Proposals (RFP) for consultants to prepare a general plan update, with a 2050 planning horizon. The City received proposals from three qualified consultant teams, and after interviews by staff from the City Manager's Office, Community Development Department, Parks & Community Services, Public Works & Utilities, and the Airport, the Sargent Town Planning team was chosen as the team to assist the City in developing the General Plan Update and associated EIR.

## **DISCUSSION**

### General Plan Update Contract & Team

Sargent Town Planning is part of the Downtown Watsonville Specific Plan (DWSP) consultant team, and have developed the form-based land use regulations for the DWSP. Sargent Town Planning has been providing planning consultant services for 25 years, and will lead all of the urban planning, design work, project management, community engagement, and deliverables for the project.

Additional members of the General Plan update consultant team include:

- Circlepoint (public outreach, engagement, and environmental review)
- Placeworks (information management, writing, editing, and CEQA coordination)
- Fehr & Peers (transportation and mobility analysis, multi-modal planning and policy)
- Economic & Planning Systems (market analysis, economic development policy)
- Mead & Hunt (airport land use planning, engagement with the WPA)
- CSW/ST2 Engineering (utility systems analysis, sustainable infrastructure)

A copy of the proposed scope of work and schedule is included as Attachment 2.

### Separate Housing Element Effort

One of the key components of a general plan is the housing element, a separate chapter that is required by state law to be updated every five to eight years, as determined by the Department of Housing and Community Development (HCD). The City is on the eight-year cycle, and the current Housing Element will conclude at the end of 2023, at which time the 6<sup>th</sup> cycle Housing Element must be submitted to HCD for review and approval. When the General Plan update RFP was issued, staff was unsure whether the timing of the General Plan update would coincide with the Housing Element update, and so the decision was made to issue separate RFPs for consultant firms to prepare the housing element and general plan separately. Now, both projects are moving forward on a similar timeline, whereas the general plan will take several years, and the housing element must be done by the end of 2023.

City staff have chosen a separate consultant team to prepare the Housing Element update. While this team is not part of the General Plan update consultant team, many of them have worked together in the past and are actively coordinating to align their project schedules, public engagement plans, and timeline so that both the general plan update and housing element are completed in a complementary fashion, and meet the December 2023 housing element deadline.

This coordination takes time, and as staff works with the consultant teams to refine the scope and schedule, the City will also need to compensate both teams for their work, hence the need to authorize the City Manager and City Attorney to negotiate and execute a contract now rather than later. Staff anticipates that public outreach for the housing element will begin as early as January 2023. A further description of the coordination efforts is in the staff report for 6<sup>th</sup> Cycle Housing Element.

### **CEQA**

The appropriation of funding for the completion of the 2050 General Plan Update is exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with CEQA Guidelines Section 15378(b)(5), in that adopting a Resolution approving the Contract with Sargent Town Planning does not meet CEQA's definition of a "project," because the action does not have the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment, and because the action constitutes organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment and if a "project," is exempt under the "common sense" exception (14 Cal. Code Regs. § 15061(b)(3)) because it can be seen with certainty that there is no possibility that this action may have a significant effect on the environment.

### **STRATEGIC PLAN**

The purpose of the City of Watsonville's 2021-2023 Strategic Plan is to help the City prioritize its efforts, allocating both fiscal and human resources to achieve a shared vision and goal. The 2021-23 Strategic Plan identifies seven goals, concerning (1) housing, (2) fiscal health, (3) infrastructure and environment, (4) economic development, (5) community engagement and well-being, (6) public safety, and (7) efficient and well-performing government.

Approval of a contract with Sargent Town Planning to complete the 2050 General Plan Update is consistent with the City Council's 2021-2023 priorities, in that a update to the current 2005 General Plan and draft 2030 General Plan is needed to help guide future land use decisions, including increasing housing options, strengthening and diversifying the City's economy, engaging community members and stakeholders on important issues that affect the quality of life in the community, their aspirations for the future, and exploring growth opportunities and policies that will allow for smart and sustainable community growth and development.

Of special note is as the General Plan considers and addresses the 7 strategic goals and others that may be identified, it will be important to explore a Health-in-All-Polices (HiAP) mindset and approach as a potential framework. Your Council has discussed this in the past and the General Plan work is a great opportunity to consider and evaluate this framework.

## **FINANCIAL IMPACT**

The preparation of the 2050 General Plan Update and associated EIR in an amount not to exceed \$1,980,000 would involve an appropriation request from the following two accounts:

- ARPA funds - \$1,100,000 (account no. 0262-990-7361-02019)
- General fund - \$880,000 (account no. 0150-901-7361-02019)

Please note that proceeds from the sale of the Porter Building in the amount of \$800,000 are recommended to be applied to this effort, which is an appropriate use of this one-time funding. This would result in a gap of \$80,000 which would be cover through the use of General Fund Balance.

As your Council may recall, at the August 16, 2022 Council meeting, utilizing the proceeds from the sale was recommended for this effort, with no action taken. The ensuing discussion revolved around using some of these proceeds for more tangible items. While that is certainly very appropriate, the reality is that the General Plan Update is of paramount importance for the future of Watsonville for all the reasons listed above and as such the use of these funds for this purpose is strongly recommended. As it pertains to the use of funds for tangible purposes, the City does have a lot of investment currently underway or programmed and/or planned for the near future in parks, streets, public works, etc. In addition, just recently your Council received a presentation on the Wayfinding Sign Program that already has a planned investment from ARPA funds and while still not final nor certified, the likely passage of Measure R will generate significantly more resources to invest in tangible infrastructure projects, programs, and initiatives to:

- Expand and create new youth programs;
- Fix aging and deteriorating streets and sidewalks;
- Improve, enhance and add parks;
- Expand library hours and community access to all services;
- Enhance community services

It is also important to realize that an updated General Plan not only will facilitate investment opportunities in all areas but will provide guidance on reaching the future envisioned through 2050 and beyond which as we start 2023 is critically needed by the City.

## **ALTERNATIVE ACTION**

The City Council may decide not to authorize approval of the consultant services agreement with Sargent Town Planning at this time.

## **REFERENCES**

City of Watsonville. 1994. Watsonville 2005 General Plan. Available at:  
<https://www.cityofwatsonville.org/160/2005-General-Plan>

City of Watsonville. 2012. Draft WatsonvilleVISTA 2030 General Plan. Available at:  
<https://www.cityofwatsonville.org/DocumentCenter/View/19981/Watsonville-Vista-General-Plan-Update---June-2012-rescinded>

City of Watsonville. 2022. Final Draft Downtown Watsonville Specific Plan. Available at:  
<https://www.cityofwatsonville.org/DocumentCenter/View/19990/Draft-DWSP-10-19-22>

Resolution No. 137-14 (CM) - A Resolution of the City Council of the City of Watsonville rescinding Resolution No. 12-13 (CM) to withdraw certification of the Final General Plan Environmental Impact Report; rescinding Resolution No. 13-13 (CM) to withdraw the adoption of the Watsonville Vista 2030 General Plan; and rescinding Resolution No. 63-13 (CM) to withdraw the revisions of the Watsonville Vista 2030 General Plan to comply with the court ruling. Available at:  
<https://www.cityofwatsonville.org/DocumentCenter/View/4640/CM-Reso-137-14?bidId=>

## **ATTACHMENTS**

1. Summary of Required General Plan Elements
2. STP's proposed scope and schedule