

**BELLEVUE CORRIDOR COMMUNITY PLAN
AD-HOC CITIZENS ADVISORY COMMITTEE**

MINUTES

COUNCIL CHAMBERS AND
SAM PIPES CONFERENCE ROOM
678 W. 18TH STREET
MERCED, CALIFORNIA

THURSDAY
MARCH 14, 2013

(A) CALL TO ORDER

Chairperson SPRIGGS called the meeting to order at 1:38 p.m.

(B) ROLL CALL

Present: Committee Members:

Susan Gerhardt
Melbourne Gwin, Jr.
Dan Holmes
Sharon Hunt Dicker
Walt Lopes
Carole McCoy
Jeff Pennington (left at 3:00 p.m.)
Ken Robbins (arrived at 1:40pm)
Steve Simmons
Justi Smith
Bill Spriggs
Greg Thompson
Steve Tinetti
Diana Westmoreland Pedrozo (arrived at
1:45 pm)

Absent: Committee Members:

Jerry Callister (excused)
Richard Kirby (excused)
Lee Kolligian (excused)
UC Merced Representative (tbd)

Staff Present:

Kim Espinosa, Planning Manager
Bill King, Principal Planner
Julie Sterling, Associate Planner
Vicci Lane, Secretary

(C) APPROVE MINUTES OF NOVEMBER 1, 2012, AND JANUARY 31, 2013

M/S LOPES-SIMMONS and carried by unanimous voice vote (three absent, one late), to approve the Minutes of November 1, 2012, as submitted.

M/S SIMMONS-LOPES and carried by unanimous voice vote (three absent, one late) to approve the Minutes of January 31, 2013, revised to include a remark to have the High-Speed Rail Commission re-evaluate the proposed location of the Merced high-speed rail station.

(D) ORAL COMMUNICATIONS

A question was raised about steps to annex the Plan area. Chairperson SPRIGGS responded stating that the City does not annex, and that property owners initiate annexation proposals. There is no plan at this time to annex the Plan area. The purpose of the Plan is to designate future land uses so that at such time the landowner wants to annex, the land uses are in place. Mr. WALSH asked if this Plan has any statutory authority. Chairperson SPRIGGS noted that it will be a part of the City's General Plan. Mr. WALSH asked if that included zoning. Chairperson SPRIGGS responded, no. Ms. HENDRICKS encouraged the Committee to include child care as they think about important infrastructure so that families in need of such service do not have to drive long distances.

(E) DRAFT BELLEVUE COMMUNITY PLAN CHAPTERS

Principal Planner KING gave an overview of the agenda items as they relate to the workshop in the later part of the meeting. The agenda includes a discussion of the community plan, urban villages and then a recap of the consultant's initial land use concept.

The Community Plan is a high-level document and includes items such as a land use plan and chapters addressing urban expansion, transportation, open space, and public facilities, among others. The planning effort will help to refine the very conceptual land use ideas expressed in the City's General Plan for the Bellevue Corridor Plan area. It will discuss broad topics such as future location of bike paths. The Plan will look at where open space corridors are situated. What does the street structure look like? The plan will have a policy set; the Committee will review and comment on draft language as it is prepared. The Plan framework refers to topics and sub-topics that are derived from public comment and from City policies. For example, Project-related public comments emphasize the need to provide neighborhood compatibility

and development sites for research and development, to name a few. Similarly, the General Plan includes a City position statement as to future growth in the University Community Plan (UCP).

The General Plan includes specific language as to the future growth in the Plan area, for example, use of the urban village model, including employment generating uses such as research and development, mixed-use, transit corridors, and connectivity to UC Merced. Mr. KING also displayed images of: 1) the Merced Loop Road; 2) an image of land use types that are distributed throughout the City, for example, industrial, school, and regional commercial districts, the image also showed locations of current and future villages in the City's sphere of influence; and, 3) the proposed transit alignment along Mandeville Road.

Committee Member GWIN noted a local newspaper describing a freeway or transit-way beginning in Atwater and in the planning area. Chairperson SPRIGGS noted that it would connect into Bellevue Road. Committee Member DICKER stated that the parkway alignment shown in the presentation was inaccurate. Mr. KING noted the image is in error as it does not reflect approved changes in the actual alignment, and that the images in the Bellevue Corridor Community Plan will be accurate. Mr. BRYAN inquired about the transit-way alignment, notably about the part south of Yosemite. Mr. KING noted that the alignments are conceptual ideas and are subject to change. Committee Member TINETTI noted the West Hills Estates Project abuts the Callister Project, and noted that the Callister plan shows multifamily residential abutting next to the West Hills Estate project. He asked if all the Callister Project has been approved. Mr. KING noted that the Callister Project, while not zoned, is part of the adopted General Plan Land Use Map.

(F) URBAN VILLAGE DESIGN

Planning Manager ESPINOSA noted that this presentation is meant to provide a description of an urban village and to answer questions that the Committee may have. Ms. ESPINOSA described the key elements of an urban village including: 1) interconnected streets; 2) a commercial core – including public uses, retail, and office uses; 3) high-density residential near the commercial core and close to transit service; and, 4) lower density housing, open space, schools and parks farther out. She presented illustrations showing the mix of uses described above, including job-generating uses; bike and pedestrian friendly designs to support transit options. Ms. ESPINOSA showed images of existing sample communities such as Orenco Station and Hercules and Kingsfarm. Locally, downtown Merced is a village, as is the College Green project, with apartments near the shopping and pedestrian connections

between these uses. She also noted Bellevue Ranch as a village. The General Plan includes many policies supporting future growth areas to be modeled after the urban village. The General Plan points to the use of the urban village model in the Bellevue Corridor Community Plan area, and that it would include job-generating land uses, more so than others, since it is adjacent to UC Merced.

Ms. ESPINOSA described several variations in the Bellevue Corridor Community Plan from the typical urban village model, including: 1) job-generating uses; 2) having a series of centers; 3) the ability to have a large R&D site; 4) having a ½ mile walking area instead of the ¼ mile area; and, 5) including transit priority projects. Ms. ESPINOSA also noted that the Bellevue Corridor Community Plan offers flexibility in terms of size and location of different land uses.

Ms. ESPINOSA also noted that while the Merced Vision 2030 General Plan encourages commercial sites to be located at the corner of an arterial and collector street, there is flexibility in the General Plan to provide for situations to put urban villages/commercial development at the corners of two arterials. Ms. ESPINOSA listed several design flaws that would need to be avoided, including traffic congestion, too many turning movements, and multiple curb cuts, but for access from the adjacent neighborhoods to be provided, through site design. Ms. ESPINOSA showed many sites where the City currently has commercial sites at arterial and collector street intersections, such as: the Merced Market Place, Hobby Lobby, and the Promenade.

Committee Member ROBBINS asked staff to describe transit priority projects and how they relate to the project. Mr. KING described these as mixed use developments with at least 20 units per acre. Committee Member DICKER noted that the FAR (floor area ratio) for non residential would need to be at least 0.75. Mr. MUMMERT commented that it would be wise to leave the core commercial where they are, especially since the Bellevue Ranch Master Development Plan (BRMDP) already has one where the commercial core is on the half-mile collector and stays away from the arterial. He stated that if you propose a large retail center at G Street and Bellevue Road, that it would mess up the continuity of the BRMDP that has a commercial core only ½ mile away. Mr. LAKIREDDY asked about the benefits of the ¼ mile versus ½ mile walk-ability radius. Ms. ESPINOSA replied that the ¼ mile is the standard most people are comfortable walking. Some are comfortable walking longer distances. Mr. KING noted that the transit circles placed on Mandeville Road are ¼ mile, but because they are centered on this planned pedestrian-friendly road, the width of the walking zone is ½ mile. This is compared to a village placed on

Bellevue Road, where pedestrians on the north side of the road are less likely to cross the major roadway.

Mr. LAKIREDDY stated that he loves the Urban Village concept on paper and that the project he brought here is designed after this model, but what scares him is the history of it. He believes there needs to be a transition time for Merced to get used to this type of living, and that it is going to come slowly, and the plan needs to think about how to accommodate it. For example, Merced zoning does not allow for high density, and in order to drive retail prices to the same prices you'll get at the corner of two arterials (that would make sense for a developer), you need to have that higher density. 20-units per acre is not a high enough density to drive those retail rents to be on par with those rents would be on the corner of two arterials. Thus, there needs to be an adjustment so that the whole plan works.

Committee Member WESTMORELAND PEDROZO stated that she likes leaving the loop road around Merced to allow a fast-paced movement (not stop light after stop light). In response to the comments above, she stated that the university is going to bring in a little faster pace than we might expect. She stated we have to step out of our box and noted that the village concept in Modesto was a disaster, but that is because the City didn't hold to their design and lowered the impact fees. The Bellevue Community Plan is an opportunity to tap into development that will go on with the university. She'd hate to see Bellevue Road become a Herndon Avenue where it used to be that you could get to Fresno State in a very short time.

Mr. THURSTON stated that he visited Orenco Station, which was planned with live-work areas, and that the density of housing was more like town-homes, not condos or apartments. It was within walking distance of a light-rail that went into Portland, and there was a giant Intel plant that employed thousands of people. We don't have that here, but may equate it to the UC at some point. Rockville, near Washington D.C., has many large corporations in the area, and Hercules is struggling after dissolution of the Redevelopment Agency. Mr. THURSTON stated his concern is affordability given the state system of tax reimbursement to cities. Decades ago the state took away monies from localities for schools and in some fashion replaced it with sales tax, has us far too dependent on sale tax, but that is a fact. There has been no economic study of this whole thing, and retailers keep telling me and others that they will not locate in these mid-sections with any substantial stores. To get a good suit or pair of shoes, you have to go out of town. This (a plan without regional commercial) is going to keep it that way, and removes the "walkability - don't use your car aspect" when you have to go to Fresno or Modesto to buy good clothes. Half of our

teenagers spend all day Saturday at the Modesto Mall, not ours. There needs to be some economics in this, because the City cannot afford just building buildings (whether offices or places to live) as we won't have money for public safety, and a lot of that is financed by sales tax. If increases in sales tax does not coincide with growth, then we'll be in financial difficulty in the future trying to finance what is being built.

Chairperson SPRIGGS remarked about Orenco, that it looks the same (compared to when he visited earlier), and that the larger perimeter is all apartments, so that there is lower density in the core. Chairperson SPRIGGS noted that the real issue with sales tax is that it doesn't do us any good unless we have people here earning income so they have dollars to spend. A retailer will look at the spendable income in a marketplace. For example, a grocery store will say a typical family spends 5.8 percent of their annual income on groceries, and then look at the incomes in prospective markets and ask if they can afford to put a store there; is there adequate income there to support the store? If the income is not there, then you won't get a grocery store. If you don't have the guy with tie, slacks, and a shirt employed in the area, then you're not going to get a *Men's Wearhouse* in that area; the customer base is not there. The important thing is to pay attention to the employment centers. Mr. THURSTON commented that he agrees with everything Chairperson SPRIGGS said, but we are reminded that we have three retailers who want to come to Merced but don't have a place to be, and that the plan does not show anyplace for the large retailers to locate. The mixed-use only includes little retail community centers, which are not going to generate the sales tax to support what is going to be built. Ms. ESPINOSA noted that the commercial site in Bellevue Ranch that Mr. MUMMERT was speaking of is 50-acres, and there is a large site. Mr. THURSTON commented that retailers do not want to be there, however. Chairperson SPRIGGS commented that he does not necessarily agree, for example, look at Lowes. Mr. THURSTON noted that "M" Street (in the Bellevue Ranch project) is not a major road. Chairperson SPRIGGS noted that retailers are going to go where they can find sites where access to the market is provided. If it happens to be at mid-place, then that is where they will go.

Ms. SPITLER asked if at this point we are overbuilt with retail, and who would want to come in now? Mr. THURSTON stated that is not true, and there are retailers who want to come here, but there are no places that will accommodate them. Ms. SPITLER asked why can't we invest in downtown, the heart of our tax-base. Chairperson SPRIGGS noted that there are multiple property owners and to make

such investments, you'd have to assemble a site; with no redevelopment, you have no tools to do that.

Committee Member GWIN asked Chairperson SPRIGGS who built the lofts and retail underneath, and if it was a success? Chairperson SPRIGGS noted that it was an RDA project, and that the residential is fully tenanted, and there is some retail. Committee Member WESTMORELAND PEDROZO stated you need to look at the economics of today, and recognize that the BCP is a thirty-year plan. Committee Member GWIN noted that the plan around Raley's changed because there was not a market for it, that some of the Bellevue Ranch project was changed for economic reasons, and that money is going to drive development where investments will get a payoff in a reasonable amount of time. Someone should be thinking of that economic impact study that was discussed earlier.

Mr. WALSH asked what is the time period we are looking at; what is the horizon? Ms. ESPINOSA stated the BCP is a long-range plan and the consultants noted it was going to be very long-term. A member of the public, who lives 0.2 miles from the University, stated that she is trying to figure out whether or not to go house hunting.

Committee Member HOLMES commented that after his 30-years of experience working with developers that the problem with multi-family development is the fact that the legislature, about 10 to 15 years ago eliminated the long-term write-offs, and until the legislature allows the reformation of limited partnerships that will allow developers to take those long-term write-offs so that it is not necessary to hold onto them forever, you're not going to get anyone to build them, because they can't finance them. The only way Merced will get multifamily is to put pressure on the federal government to change the tax-structure.

Committee Member ROBBINS stated his cognizance of the need for commercial density regarding driving costs, and that the retailers not coming here that Mr. THURSTON talked about are not coming here because of that issue. Committee Member ROBBINS is also cognizant about keeping the arterials moving. He commented on the City policies that places commercial on arterial-collector street intersections, but that policy does not prevent an arterial-arterial intersection from retail development if it had the appropriate size, etc. He wondered if it would be helpful if more objective criteria were developed, instead of saying that won't be our plan, but you can come in and ask for a waiver, as clients are very suspicious of getting a potential waiver; they like to deal with something a little more specific, for example some objective criteria to plan to.

Committee Member DICKER noted that commercial developments want traffic counts and are not too concerned with traffic coming in the back way. Retailers look for ingress and egress off regular streets, and not from the shallow market behind them. The process needs to have something besides a process to amend the General Plan. An arterial connection must be provided. Ms. ESPINOSA noted that the Merced Marketplace in Merced has two separate signals on either end of their development, which is why the mid-block can be attractive. She also commented that the idea of having specific criteria (regarding placement of commercial at an arterial/arterial street intersection) is a really good suggestion.

Mr. MUMMERT noted that when you are on a mid-block location, you still front an arterial road. Retailers don't want to end up in a situation where they have a bunch of driveways on the arterial and along with congestion. Using the Bellevue Ranch retail site on Bellevue Road as an example, you have core commercial, with higher density next to that and then lower density residential further out, which is exactly what the *Bellevue Corridor Community Plan* is proposing, and that is probably a good thing.

Committee Member HOLMES stated that when he first started working with the City of Merced, a developer proposed a Taco Bell at "G" Street and Olive Avenue, and stated that it had to look like Taco-Bell or they would not build it. The City allowed them to build as they saw fit. Committee Member HOLMES noted that if the City allows McDonalds to go in at "G" Street and Bellevue Road, then we are going to have gridlock. Committee Member HOLMES commented that the Committee needs to basically describe the life-style it wants in Merced, and for the Council to deal with the money it gets. Committee Member HOLMES believes the Committee needs to tell the Council it does not want gridlock. Committee Member GWIN noted the McDonald arches in Sedona Arizona are teal-green.

Committee Member WESTMORELAND PEDROZO noted that the State of California is trying to abide by AB32 and needs to give incentives to economically impacted areas (the shallow market), to accommodate communities to do good planning, and for developers like Sid to do good plans. She stated, now is the time for our elected officials to come together to ask legislators what type of incentives will be given to communities that are trying to do the right thing to abide by the rules and regulations that the state is giving them. This is our opportunity to do things a little differently. The state needs to be put on the spot for what they are trying to get us to do. How can we accomplish this Plan economically?

MARCH 14, 2013

(G) RECAP – INITIAL LAND USE OPTION

Mr. KING provided a review of the initial land use plan created by the consultant.

(H) OVERVIEW OF WORKSHOP PURPOSE AND SETUP

Mr. KING explained the purpose and setup of the workshop.

(I) BREAK/APPROX 2:55 TO 3:10 PM

(J) LAND USE PLAN DESIGN WORKSHOP

The participants sat at workshop tables to fill out the questionnaire by the consultant, and to craft alternative land use maps. Mr. KING also read into the record an email written by Committee Member KOLLIGIAN regarding his concerns about the consultant's initial land use plan. At the conclusion of the workshop, the questionnaire and maps were collected by staff for use in preparing for the next Committee meeting.

(K) NEXT STEPS

No information was presented on this item.

(L) ADJOURNMENT TO MAY 2, 2013, AT 1:30 P.M.

THERE BEING NO FURTHER BUSINESS, CHAIRPERSON SPRIGGS ADJOURNED THE MEETING AT 4:30 P.M. TO THE NEXT REGULARLY SCHEDULED BELLEVUE CORRIDOR COMMUNITY PLAN AD-HOC CITIZENS ADVISORY COMMITTEE MEETING ON THURSDAY, MAY 2, 2013, AT 1:30 P.M.

BY:



BILL KING

COMMITTEE SECRETARY

APPROVED:



BILL SPRIGGS, CHAIRPERSON

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