

AGENDA ITEM NO: City Manager:

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# CITY of CLOVIS

REPORT TO THE CITY COUNCIL

TO:

Mayor and City Council

FROM:

Planning and Development Services

DATE:

September 10, 2018

SUBJECT:

Consider – Policy direction regarding a request from Wilson Homes, Inc. for Council to consider an amendment to the Sphere of Influence to allow urbanization of approximately +/- 52.4 acres near the northeast corner of Shepherd and Sunnyside Avenues. L. Spensley, owner; Wilson Homes,

applicant/representative.

ATTACHMENT:

Exhibit "A" - Poeschel Letter of June 2018

## CONFLICT OF INTEREST

None

## RECOMMENDATION

For the City Council to provide policy direction regarding pursuing a change to Clovis' current Sphere of Influence for urbanization of +/- 52.4 acres near the northeast corner of Shepherd and Sunnyside Avenues and if warranted, to approve staff to negotiate a Sphere of Influence change with the County of Fresno and Local Agency Formation Commission (LAFCo).

#### **EXECUTIVE SUMMARY**

The City Council is being requested to direct staff to begin negotiations with the County of Fresno to amend the Clovis Sphere of Influence to allow urbanization of the +/-52.4 acre Spensley property located at the northeast corner of Shepherd and Sunnyside Avenues (see Figure 1 Below). This item had been under discussion during the preparation of the 2014 General Plan but for various reasons was not identified for future development in the General Plan. Subsequent discussion has occurred between the applicant, the City, the County of Fresno and LAFCo. There are a variety of issues requiring evaluation under this proposal.



FIGURE 1 - Spensley Properties

# **BACKGROUND**

In 2014, the City of Clovis completed a comprehensive update to its 1993 General Plan, along with an associated environmental impact report. The 2014 General Plan identified specific land uses for the Northwest area (Heritage Grove). Subsequently, in December 2014, an 860 acre Sphere of Influence expansion was sought and approved to align with the boundaries of Heritage Grove: Shepherd, Willow, Copper Avenues and the Sunnyside Avenue alignment.

In June of 2016, staff received a letter from Dirk Poeschel, Land Development Services, Inc., representing Wilson Homes, requesting to allow for the urbanization of the 75 acre Spensley property generally located along the north side of Shepherd Avenue between Sunnyside and Fowler Avenues. This site was not identified for development in either the 1993 or 2014 General Plan, or under the 2014 Sphere of Influence boundary change.

City staff began a cursory evaluation of the proposal with internal staff including the development of an inventory of issues requiring evaluation. Additionally, staff contacted Fresno County and LAFCo staff to discuss a tentative process for consideration of this request if it were to move forward.

Staff received the attached letter dated June 14, 2018 (Exhibit "A") from Dirk Poeschel of Land Development Services, Inc. representing Wilson Homes requesting City Council consideration and direction on beginning a process to amend the City of Clovis Sphere of Influence to allow for the urbanization of a modified 52.4+/- net acre portion of the Spensely property.

### PROPOSAL AND ANALYSIS

The subject site lies outside of the current Sphere of Influence and was not considered as part of the General Plan update of 2014. As such, no land use direction was assigned to this site and no public facilities were analyzed for serving development of this property.

Unlike the Northeast Urban Village where the General Plan provided direction for subsequent land use consideration by way of a Master Planned Community Zone District action or Specific Plan process, the General Plan does not address this site. Consequently the prevailing land use authority falls under the County of Fresno with a land use designation of Rural Residential (one dwelling unit per two acres). This site has not been included in any level of urban facility master planning; however with the recent adoption of Clovis' water, sewer and recycled water masterplans, a more accurate analysis of available services can be conducted.

For this discussion, staff has included some key issues and topics:

- Can the site be serviced with proposed and existing infrastructure?
- Is there a need for additional developable lands?
- Would the plan amendment compromise or require re-analysis of the updated water, recycled water and sewer masterplans and the associated environmental report?
- What are the benefits to the City in including this site within Clovis' Sphere of Influence?
- Would the Sphere of Influence expansion request generate peripheral issues with existing neighborhoods or stakeholders?

The following are preliminary responses to these questions.

# Can the site be serviced with proposed and existing infrastructure?

This is an unknown at this time and would require further analysis. With Clovis' cooperation in developing water banking facilities with the Fresno Irrigation District (FID), some water resources are available for use outside of the FID boundary. Use of these resources at this site will subtract from the resource pool available for the overall community. Further analysis would be based upon the density of development being sought. Physical sewer, water and recycled water infrastructure will be developed in proximity to this site with development in the Heritage Grove area. It is likely that the physical location of these facilities may be reached relatively easily.

Additional analysis would be required with the Fresno Metropolitan Flood Control District (FMFCD) to determine how flood waters would be handled from this site.

# Is there a need for additional developable lands?

Staff has reviewed and calculated the current number of undeveloped residential lots within Clovis outside of Heritage Grove. It appears that there are 2,854 existing or having been approved and not yet developed lots. Based upon the 30 year average of 750 residential units being developed annually, there would be a little under four year supply of lots available for development. Understandably there are many issues related to availability of developable lots including issues with acquisition and thus the lot count could be much less.

Additionally, with the opening of Heritage Grove to development, another 2,560 acres will become available for development as well as additional lands with the phased opening of the Northeast area. It would appear that an inventory of land is available for future development.

# Would the plan amendment compromise or require re-analysis of the water, recycled water and sewer master plans and the associated environmental report?

Clovis has completed and adopted the facilities master planning for water, recycled water and sewer services in conjunction with an environmental impact report in July 2018.

As this site has not been included in this master planning effort it is unclear what the ramifications would be of including this site into the Clovis Sphere of Influence. Further analysis and environmental review is required for consideration of servicing this site.

# What are the benefits to the City in including this site within Clovis' Sphere of Influence?

A significant benefit to the City would be the completion of Shepherd Avenue improvements between Fowler and Sunnyside Avenues. Development of this site would provide for a significant portion of these street improvements and could realign the future Expressway in a manner that preserved existing homes located along the south side of present day Shepherd Avenue. Without development on this site, City and County staffs would need to rely on grants or other funding opportunities in consideration of a cooperative project to improve Shepherd Avenue.

# Would the Sphere of Influence expansion request generate peripheral issues with existing neighborhoods or stakeholders?

Recent development activity including the master planning for the Dry Creek Preserve area and the Lennar subdivision at the northwest corner of Sunnyside and Shepherd Avenues have both solicited for and attracted comments from property owners and stakeholders in the vicinity. The City has heard concerns raised regarding increased traffic and availability

of services such as water. Although a Sphere of Influence expansion would not carry a specific project design or identify a development density, it is likely to generate public comment as to the need for expansion and/or impacts to adjacent areas.

Staff has notified individuals who have requested to be updated on any development activity of this item.

### FISCAL IMPACT

The full fiscal impact is unknown at this time. Should the City Council direct staff to proceed, staff would provide a formal investigation and analysis of costs associated with a Sphere of influence expansion.

#### REASON FOR RECOMMENDATION

Staff is seeking City Council direction on this request to include this site in Clovis' Sphere of Influence. Past discussions with associated agencies have established a general method in proceeding with such a Sphere of Influence expansion.

If directed to proceed, Clovis would become the lead agency in preparing environmental documents with technical material to be supplied by the applicant. Clovis would also negotiate an amendment to the Memorandum of Understanding and tax sharing agreement with the County of Fresno and address requirements of LAFCo.

The larger issue before the Council at this time is will the benefits received by including this site into Clovis' Sphere of Influence such as improving Shepherd Avenue and providing additional developable land be outweighed by peripheral issues that may cost Clovis additional resources.

#### ACTIONS FOLLOWING APPROVAL

If directed by City Council to proceed, staff will meet with affected agencies and interested individuals and prepare a schedule and steps to move forward. This would include:

- A written justification from the applicant on why this site should be brought into Clovis' Sphere of Influence;
- Conduct environmental studies for the preparation of a Master Service Plan and LAFCo application;
- Update the Master Service Plan for the subject property;
- Consider a plan amendment to identify land use and intensity of land use for the property;
- Negotiate an amendment to the Memorandum of Understanding and Tax Sharing agreement with the County of Fresno; and,
- Prepare a Sphere of Influence expansion application to be considered by LAFCo.

City Council Report Wilson Request for SOI Change September 10, 2018

Prepared by:

Dwight Kroll, AICP, PDS Director

Submitted by:

Dwight Kroll, AICP

Director of Planning and Development Services

Land Development Services, Inc.

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June 14, 2018

Mr. Luke Serpa, City Manager City of Clovis 1033 5th St. Clovis, CA 93612

SUBJECT: Request for Council Direction to Allow a Sphere of Influence Change for Urbanization of the Spensley Property

Dear Mr. Serpa,

Reference is made to our recent cooperative efforts to obtain direction from your council to allow an amendment to the City of Clovis Sphere of Influence for the urbanization of the subject Spensley property as illustrated on the attached map. Please see the attached map of the project area. Over the past few months substantial progress has been made to resolve various challenges facing the proposed sphere change.

Representatives of Wilson Homes Inc. met jointly with senior LAFCo, Fresno County and City of Clovis staff to accurately determine the appropriate steps to allow the aforementioned sphere change. Based on the merits of the project, Fresno County Senior Public Works and Planning staff will not object to the sphere change and recognizes substantial benefits associated with request. LAFCo generally believes that the sphere change is de minimis in nature and suggested an annexation strategy that was acceptable to Wilson Homes Inc. City portable water appears to be available through the joint Fresno Irrigation District/City of Clovis water delivery agreement.

For these reasons, I respectfully request the Clovis City Council direct your staff to begin the amendment of the City of Clovis Sphere of Influence to allow the urbanization of the 52.4 +/- net acre Spensely property. Thank you for all of your efforts in this regard. If you have any questions please feel free to contact me.

Die Poeschel

Dirk Poeschel, AICP

Attachment

cc: Mr. Leo Wilson

Mr. Todd Wilson Mr. Jeff Harris

Mr. John Holt

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