

# Development Potential

Over the next 20 years, Visalia is expected to attract a substantial number of new residents and new jobs, given the growth prospects described in Chapter 3. Historical and recent trends give some indication of the amount and type of physical development that Visalia can expect to see. One of the purposes of the General Plan update is to determine how much land for housing and employment new growth will require, and determine how and where the demand for land should be accommodated. This analysis has two sides: demand and supply. Estimates of demand for new land are driven by demographic and economic projections for Visalia and the region as a whole, as presented in Chapter 3; the supply side is determined first by looking at current and proposed development in the “pipeline” and then identifying sites within the planning area that are appropriate for new development. Comparing buildout scenarios under the current General Plan with reasonable assumptions about future growth rates can then inform discussions with the GPURC and the community about planning alternatives and the best way to achieve the community’s vision for the future.

## 5.1 Current and Proposed Development

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As of January 2010, approximately 2,785 acres of land in Visalia were in the process of being developed, in a range of projects from those with only subdivision or parcel map approval to those nearing completion of construction. Development projects are briefly summarized below, by land use type.

### Residential Development Projects

About 1,950 acres were in the residential development “pipeline,” for a total of 6,755 single family lots and multifamily units in subdivisions. These are comprised of approved tentative maps, final maps, and proposed but currently unapproved tentative maps. The current residential pipeline accounts for 22 percent of the total number of housing units needed to accommodate projected population growth over the 20-year planning horizon, as described in Chapter 3.

Of the units and lots in current development projects, 5,975 were single-family and 780 were multi-family units (88 percent and 12 percent, respectively). Gross densities of single-family developments average 4.0 units per acre, multi-family developments average 9.9 units per acre. Most of the projects are on sites large enough to require new public streets and infrastructure, meaning that average density on a *net* basis—excluding land needed for public purposes—will be higher. Table 5-1 summarizes the current residential development projects.

Many of the pipeline projects are part of larger development projects, master plans, or specific plans that are in the process of being built out. Projects under construction include phases or

units of Shannon Ranch, Fieldstone Oaks, Ashley Grove, Riverwood, and some 40 other subdivisions.

**Table 5-1: Summary of Current Residential Development Projects, July 2010**

Type	Total Site Acres	Single Family Lots	Multifamily Units	Average Density – Single Family Lots (units per gross acre)	Average Density – Multifamily Units (units per gross acre)
Residential Subdivisions – Approved Tentative Maps	903	3,551	620	4.6	9.9
Residential Subdivisions – Final Maps	1,071	1,828	160	3.5	9.9
Residential Subdivisions – Unapproved (Proposed) Tentative Maps	NA	596	0	NA	NA
<b>Total</b>	<b>1,947</b>	<b>5,975</b>	<b>780</b>	<b>4.0</b>	<b>9.9</b>

Source: City of Visalia; Dyett & Bhatia, 2010

### Non-Residential Development Projects

About 840 acres of land are currently in the pipeline to be developed with about 3.8 million square feet of commercial, office, industrial, public, and community uses. In fact, the amount of building area is under-stated, because data was not available for all pipeline projects. Table 5-2 summarizes current and proposed non-residential development in Visalia.

**Table 5-2: Summary of Current Non-Residential Development Projects**

Type	Total Site Acres	Total Non-Residential Sq. Ft.	Average FAR
Commercial	352	1,714,906	0.16
Industrial	171	1,109,549	0.24
Office	57	314,104	0.45
Mixed Use	7		
Public or Community Uses	251	727,037	0.10
<b>Total or Average</b>	<b>838</b>	<b>3,865,596</b>	<b>0.23</b>

Source: City of Visalia; Dyett & Bhatia, 2010

Retail or service commercial uses account for slightly less than half the acreage and proposed square footage for new non-residential development. Projects include large shopping centers, stand-alone restaurants and entertainment businesses, supermarkets, and gas stations. These commercial development projects are planned at an average Floor Area Ratio (FAR) of 0.16. FAR is the ratio of building area to site area: considered simply, an FAR of 0.16 translates to a one-story building occupying 16 percent of its site, with the remainder used for landscaping, parking, loading, storage, and so on.

Industrial uses, including warehouses and storage buildings as well as manufacturing facilities, are proposed or under development for 171 acres in Visalia. These projects would be built at an

average FAR of 0.24, for a total of over 1.1 million square feet. Medical and other office buildings are planned or being developed on 57 acres; unlike general commercial and industrial buildings, proposed office buildings tend to be two to three stories, and have a higher average FAR of 0.45. Finally, public or community uses are planned for 250 acres, and include two elementary schools, a fire station and training facility, and several churches. **Figure 5-1** shows current development projects in Visalia by type.

## 5.2 Redevelopment and Housing Plans

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### Current General Plan Housing Element

In California, the Department of Housing and Community Development (HCD) determines the need for housing over a seven-year period, and allocates this need to each region. Regional Councils of Government in turn allocate housing needs by income category to cities and counties based on a methodology requiring each jurisdiction to provide its “fair share.”

#### *Housing Need*

Visalia’s General Plan Housing Element, updated in 2009, analyzes housing needs and identifies ways in which those needs can be met. For the 2007-2014 period, Visalia’s Regional Housing Needs Allocation (RHNA) was for an additional 13,835 units, with specific proportions affordable for households at a range of incomes. After units built between the beginning of the planning period and March 2009 are accounted for, the Housing Element identifies a need for 11,079 new units.

#### *Housing Capacity*

The Housing Element catalogues vacant sites in the City zoned for residential development, along with sites in the Downtown and East Downtown areas and the Mooney Boulevard corridor which have residential redevelopment potential. For analytical purposes, land zoned for low density is assumed to develop as above moderate income housing, land zoned for moderate density (R-1-4.5) is assumed to develop as moderate income housing, and land zoned for medium and high density residential development is assumed to develop with a housing affordable to low, very low, and extremely low income households. Finally, the City’s policy of encouraging second units is assumed to produce some new housing. The Housing Element states that Visalia has adequate capacity to produce needed housing on existing, available land for the planning period ending in 2014. While the projected need for moderate-income housing is not fully met, it can be satisfied by a surplus of housing capacity for lower-income households. Table 5-3 summarizes Visalia’s housing needs and capacity. Of note is the “surplus capacity” which is the remaining residential development potential within the City limits (1,939 units) that could meet post-2014 housing needs.

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**INSERT** *Figure 5-1 Current Development Projects and Redevelopment Area*

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<b>Table 5-3: Visalia Housing Needs Through June 2014</b>				
	<i>Household Income Category</i>			<i>Total</i>
	<i>Low<sup>1</sup></i>	<i>Moderate</i>	<i>Above Moderate</i>	
<b>Housing Need (Units)</b>				
RHNA	4,156	2,279	7,400	13,835
Built and Approved Projects	137	347	2,272	2,756
Adjusted Need	4,019	1,932	5,128	11,079
<b>Potential Units on Housing Sites</b>				
Vacant Sites	2,928	816	5,213	
Underutilized Sites				
Downtown	904	-	-	
East Downtown	1,397	-	-	
Mooney Boulevard	1,662	-	-	
Second Units	-	98	-	
<b>Total</b>	<b>6,891</b>	<b>914</b>	<b>5,213</b>	<b>13,018</b>
Remaining Need	(2,872)	1,018	(85)	
Surplus Capacity, Available to Meet Post-2014 Housing Needs				1,939

<sup>1</sup> Low-Income category includes Extremely Low and Very Low Income categories as pertain to Regional Housing Need Allocation (RHNA).

Source: City of Visalia, 2009

## Consolidated Plan

As an “entitlement city,” Visalia receives annual grants from the U.S. Department of Housing and Urban Development. The grants are intended to give local jurisdictions the means to provide decent, affordable housing and to promote economic development. To receive grants, cities are required to have plans for how to use grant funds: consolidated plans for five-year periods and action plans each year.

The Visalia Community Redevelopment Agency’s current Implementation Plan (2009-14) was adopted in 2010. The Community Redevelopment Agency maintains separate funds for each of the three major funding sources for affordable housing: Community Development Block Grant and Housing Investment Partnership Grants, and Low and Moderate Income Housing Fund from the Redevelopment Project areas. The two plans summarize projected revenues and expenditures for each over a five-year period, and describe how proposed programs meet the City’s critical housing and economic development needs. For the 2010-15 period, the Consolidated Plan calls for continuing to support second mortgage financing for homebuyers; providing gap financing for both single family home construction and multifamily construction for both families and seniors; as well as continuing to support minor home repairs for seniors and persons with disabilities. Both plans also support economic development and revitalization efforts. See Chapter 7’s discussion of housing assistance for more detail.

## Redevelopment

### *Redevelopment Agency*

The Redevelopment Agency was created in 1968 to bring investment to older areas of the city using authorities granted to cities and counties under the California Redevelopment Law. This law enables local governments to designate Redevelopment Project Areas, where economic, physical, social, or other “blighting” conditions can be identified and demonstrated to need public assistance.

Redevelopment agencies are authorized to undertake activities which would not occur without their involvement. These may include facilitating rehabilitation, assembling land for redevelopment, and providing infrastructure improvements. At least 20 percent of tax revenues allocated to redevelopment agencies must be used to develop or improve affordable housing, unless that level of need can be demonstrated to not exist or be met in other ways.

### *Tax Increment Financing*

Tax increment financing (TIF) is the key mechanism used to fund redevelopment projects. With TIF, bonds may be issued and loans taken out, with proceeds used to create improvements in Project Areas. These improvements contribute to increases in assessed property values, and the resulting increase in property tax revenue—the tax increment—is diverted from the General Fund to the Redevelopment Agency for the specified period of the Plan. These funds are used to repay bonds and loans.

## Redevelopment Implementation Plan

The Redevelopment Agency oversees four Redevelopment Project Areas: Downtown, East Visalia, Mooney, and Central Visalia. California Redevelopment Law requires that agencies maintain five-year Redevelopment Implementation plans and formally review these plans once during the plan period. The Visalia Redevelopment Agency adopted its fourth Implementation Plan in 2010. As of June 2007, the Redevelopment Agency had a total indebtedness of \$20.8 million, and sufficient revenues to cover annual debt service on bonds and other loans. Fiscal shortfalls at the state level have led to “take-aways” from local redevelopment agencies and other sources, and this may continue.

The goals and current status of each of the four redevelopment areas are summarized below, based primarily on the most recent Midterm Review. The Midterm Review separately assesses the Agency’s progress on *housing* goals and requirements citywide. Housing activity for which the Redevelopment Agency is responsible will be discussed after the summary of Redevelopment Areas.

### *Downtown Redevelopment Project*

The Downtown Redevelopment Project was the first established, in 1970, and comprises only seven acres. The district is scheduled to expire in 2011, with debt repayment by 2021. The downtown project is intended to foster economic vitality, higher density development, historic preservation, and improvements to public facilities and infrastructure.

### *Accomplishments and Proposed Projects*

Between 2005 and 2008, two public parking structures were built on West and East Acequia Avenue to support local businesses and office users. The garages cost an estimated \$21.9 million, including about \$1.2 million in Redevelopment Agency funding. The Agency plans to support

more projects in the Downtown Project Area, including upgrades to downtown lighting and infrastructure, a Visitor Center inside the Convention Center, and improvements to the Garden Street Pedestrian Plaza to stimulate greater use and activity there. The Agency will continue to promote private investment Downtown.

### *East Visalia Redevelopment Project*

The East Visalia district was created in 1986, covering 650 acres adjacent to downtown as far east as Ben Maddox Way and in the Oval area. The Plan period ends in 2017, with debt repayment by 2027. Like in the downtown district, East Visalia is intended to bring economic vitality, produce higher density development, and feature public improvements. High density urban development including mixed use with new housing is also a focus.

#### *Accomplishments and Proposed Projects*

Between 1999 and 2004, the Agency made significant land purchases, including the 22.7-acre Union Pacific property and the nine-acre Southern California Edison property. Project bond revenues were also used to buy a smaller industrial property, demolish a warehouse, and construct a new surface parking lot. The costs of these actions were partly offset by land sales.

The Redevelopment Agency does not have the capacity to fund any additional projects in East Visalia. However, investments have been made in recent years using other funding sources. The Civic Center Master Plan and Parks and Infrastructure Master Plan were completed, and final design work is underway using Measure R and Civic Center funds. An EPA grant is being used to remediate environmental contamination. Transit funds are supporting improvements to a City-owned parking lot at Tipton and Oak streets. Since the 2008 Midterm Review, a Santa Fe Avenue overpass of Highway 198 was completed using Measure R funds.

Completion of the proposed Civic Center will require significant public funding. These projects include a new Public Safety building; a new Civic Center Park; and a new City Hall. The City also intends to complete a development plan for the seven-acre former Caltrans site, and to continue to develop parking throughout the area. The City aims to sell land in the Project Area to private developers for mixed-use development which would both achieve the goals of the district and provide needed revenues.

### *Mooney Redevelopment Project*

The Mooney district was created in 1987, and amended in 1990. It covers 372 acres of land in the Mooney Boulevard corridor between Highway 198 and Packwood Creek. This project is active through 2018, with debt repayment by 2028. The Mooney project aims to facilitate new development through site assembly, business recruitment, and other strategies; upgrade public infrastructure; and enhance retail viability in this key corridor.

#### *Accomplishments and Proposed Projects*

Agency-supported work is anticipated for the Mooney Project, including a planning study to determine zoning or other means of stimulating development, and assistance to the owners of Sequoia Mall and the former Costco and Homebase buildings in tenant recruitment, rehabilitation or redevelopment.

### *Central Visalia Redevelopment Project*

Central Visalia, established in 1989, is the largest of the Redevelopment Areas, covering 1,438 acres including much of the downtown area outside the Downtown Project Area, and adjacent

neighborhoods to the north and south. The Plan is active through 2030, with debt repayment by 2040. Goals for the Central Visalia district include occupation of upper floors in downtown buildings; streetscape improvements and street widening; housing renovation and infill development; and hospital expansion.

#### *Accomplishments and Proposed Projects*

The Central Visalia Project Area contributed toward downtown projects noted earlier, including the West Acequia parking structure, the downtown marketing study, and assistance to the PBID. The Agency played a role in facilitating the expansion of Kaweah Delta Hospital in recent years, and the Hospital has long-range plans for further growth on its downtown campus in the future. The Project Area benefited from several other significant public and private investments in recent years, including a new Transit Building, complete renovation of the downtown library, and construction or renovation of several office, retail, restaurant, and mixed-use buildings. Most recently, a traffic study was completed for the Oval Park area, funded mainly by a grant from Caltrans.

Redevelopment funds from the Central Visalia Project Area are planned to be contributed toward a downtown traffic study and a reuse study of City Hall West and the current Public Safety building, which would be vacated after completion of new facilities. The City is in the process of assisting the owner of the Fox Theater in rehabilitation, and in selecting a developer to acquire City-owned lots for medical office and mixed-use development at West Acequia and Conyer.

#### *Low and Moderate Income Housing*

Each Redevelopment Area is required to set aside at least twenty percent of its tax increment revenue for preservation and development of housing for low- and moderate-income households. These funds are now aggregated in a single Low and Moderate Income Housing Fund, giving the Agency more flexibility in meeting affordable housing needs citywide. Through the ten-year compliance period ending in 2014-15, the Fund was projected to have revenues of \$23.0 million and total expenditures of \$11.7 million on debt service, leaving a fund balance of \$11.3 million for programs and projects.

#### *Inclusionary Housing Requirements*

State law requires that a proportion of new or substantially rehabilitated housing units in Redevelopment Areas be set aside for low- and moderate-income households. This proportion is 30 percent for projects developed with assistance from the Redevelopment Agency, and 15 percent for projects developed entirely by the private sector. In either case, at least 40 percent of these “inclusionary” units must be for very low-income households. According to the 2008 Midterm Review of the Redevelopment Implementation Plan, a total of 348 inclusionary units had been developed in the redevelopment areas during the implementation period, while only 84 were needed.

The Agency’s Midterm Review identifies six housing programs and three proposed housing projects taking place between 2005 and the end of 2009. Redevelopment revenues have been used toward development of the 72-unit Mill Creek Parkway Apartments for low-income families; four infill ownership housing units for very low-income households and three rental units for developmentally disabled tenants in the Central Visalia Project Area; and support for scattered site acquisition by Habitat for Humanity. Agency funds have also partially supported the Paradise & Court project, rehabilitation and new construction of 20 units for low-income households in Central Visalia.

According to the 2009-2014 Implementation Plan, approximately \$12 million will be allocated to fund infill housing development in the East Visalia Project Area (former Caltrans site and lumber yard site); downtown conversion of upper floors to residential; affordable live/work units; and continued collaboration with Habitat for Humanity to either construct or acquire single family residences for low-income homebuyers.

### 5.3 Development Capacity and Potential Development Sites

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Within Visalia’s planning area, land that can accommodate new growth and development over the next 20 years falls into a number of different categories. These include vacant land within the city limits, underutilized parcels that may be candidates for change or redevelopment in the future, developable land under the existing General Plan outside the city limits but within the current Urban Development Boundary (UDB), as well as in Goshen. The West 198 corridor is also included as a potential opportunity site where a range of uses, from agricultural enterprises, to housing and mixed use or institutional development such as a new 4-year college might be accommodated. The existing General Plan also designated Urban Reserve land, to the east, north of the St. Johns River, and along the City’s southern limits. Some of this land may eventually be appropriate for development as urban uses, but a case also may be made for retaining large portions of this land in agricultural use or as a community open space separator if not needed for development for the 20-year planning period. By identifying and aggregating these sources of available land for both residential and non-residential development, the total amount of capacity that Visalia has for future growth can be determined and options for expansion beyond the current City limits discussed in relation to projected land demands.

#### Potential Development Sites

*Figure 5-2* shows the location of vacant and large, under-utilized sites that have been identified as potential development sites, color-coded by their existing General Plan land use designation. Table 5-4 summarizes the number of acres of each designated land use, categorized by their location.

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**INSERT** *Figure 5-2 Vacant and Underutilized Sites by General Plan Designation*

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**Table 5-4: Development Capacity by Area and Existing General Plan Designation**

Existing General Plan Land Use Designation	Acres			Total
	Inside 129,000 UDB	Urban Reserves <sup>1</sup>	West 198 Corridor	
Rural Residential	240		20	260
Low Density Residential	4,022	2		4,024
Medium Density Residential	338			338
High Density Residential	102			102
Convenience Commercial	8			8
Neighborhood Commercial	58			58
Community Commercial	83			83
Regional Retail Commercial	131			131
Highway Commercial	5			5
Service Commercial	259		25	285
Shopping/Office Commercial	146			146
Central Business District	27			27
Professional/Administrative Offices	144			144
Business Research Park	92			92
Light Industry	159		68	226
Heavy Industry	1,233			1,233
Public/Institutional	442			442
Park	140	21	12	173
Conservation	380	196	59	634
Urban Reserve		4,027		4,027
Regional Retail Reserve		100		100
Heavy Industry Reserve		611		611
Agriculture			1,057	1,057
<b>Total</b>	<b>8,009</b>	<b>4,957</b>	<b>1,241</b>	<b>14,207</b>

1. Urban Reserves are located north of the St. Johns River, east of City boundary, north of the industrial park area, and south of Caldwell Avenue and Visalia Parkway.

Source: Dyett & Bhatia, 2010

## Capacity for New Housing

The categories of land where residential development may take place are as follows:

- Vacant or underutilized parcels within the city limits, as identified by the recent Housing Element Update;
- Additional vacant or underutilized parcels with residential General Plan designations within the city limits, beyond what was identified in the Housing Element;
- Vacant land with residential development potential in Goshen;

- The West Highway 198 corridor; and
- Urban Reserve land identified in the existing General Plan, including an area north of the St. Johns River.

Where land has a current residential General Plan land use designation, the existing mix of rural, low, medium, and high density development was assumed. The typical gross density assumptions were used to calculate the number of units for each housing type, as shown in Table 5-5:<sup>1</sup>

<b>Table 5-5: Residential Density Assumptions</b>	
<i>Residential Land Use Type</i>	<i>Typical Gross Density (du/ac)</i>
Rural Residential	1.8
Low Density Residential	5.0
Medium Density Residential	12.0
High Density Residential	17.5

Source: City of Visalia; Dyett & Bhatia, 2010

For areas where there are no current residential General Plan land use designations, but where residential land could still occur in the future (i.e. West 198 Corridor and Urban Reserve), the assumptions made for a potential mix of housing types (by acreage) are shown in Table 5-6. Alternatives that would not provide for housing in these areas will also be considered during the alternatives phase of the General Plan Update, as will alternatives that include different mixes of housing beyond what is presented here.

<b>Table 5-6: Land Use Assumptions for West 198 Corridor and Urban Reserve (for illustrative purposes)</b>		
<i>Land Use</i>	<i>Potential Distribution for West 198 Corridor – Percent of Total Acreage</i>	<i>Potential Distribution in Urban Reserve – Percent of Total Acreage</i>
Rural Residential	5%	0%
Low Density Residential	45%	50%
Medium Density Residential	5%	5%
High Density Residential	5%	5%
<b>Total Residential</b>	<b>60%</b>	<b>60%</b>
Balance (Non-residential development, agricultural enterprises, or conservation)	40% or more depending on alternatives	40% or more depending on alternatives

Source: Dyett & Bhatia, 2010

<sup>1</sup> Consulting economists Economic & Planning Systems (EPS) point out that changing demographics, (including an aging population and increased numbers of young couples and young families) as well as the current state of the economy in general and the housing market in particular, may contribute to a shift in housing type preferences and home ownership rates. Over the course of the planning period (through 2030), higher density and more rental housing may come to make up a greater share of new residential development, and this will be evaluated in the Alternatives phase. However, this analysis maintains the current trends of housing mix and allowable densities.

Table 5-7 shows the total number of low, medium, and high density housing units that could be built within each of the “tiers” or categories of available developable land. For categories that are within the current UDB (129,000 population), potential development sites have existing General Plan land use designations, and units are calculated by multiplying acreage by typical gross densities (Table 5-5). The units in the 2009 Housing Element Sites category are taken directly from the inventory presented in that document. For categories without current land use designations, but where residential development may occur in the future (West 198 Corridor and Urban Reserve), possible housing units are calculated based on the percentages of land use types assumed in Table 5-6.

<b>Table 5-7: Residential Development Capacity (Housing Units)</b>				
	<i>Rural and Low Density</i>	<i>Medium Density</i>	<i>High Density</i>	<i>Total</i>
<b>Within Current Urban Development Boundary (129,000 Population UDB) – Sites with Existing Residential Land Use Designations</b>				
2009 Housing Element Sites	5,213	914	6,891	13,018
Other Vacant Land with an existing Residential General Plan within the City	8,068	839	467	9,392
Vacant Land With Residential Development Potential in Goshen	697	-	-	697
Vacant Land With a Residential General Plan Designation Elsewhere in UDB	10,790	1,095	877	12,762
<i>Subtotal</i>	<i>24,787</i>	<i>2,848</i>	<i>8,235</i>	<i>35,870</i>
<i>Percentage</i>	<i>69%</i>	<i>8%</i>	<i>23%</i>	
<b>West 198 Corridor and Urban Reserve – Sites without Existing Land Use Designations</b>				
West 198 Corridor	2,510	634	925	4,069
Urban Reserve	9,765	2,344	3,418	15,526
<i>Subtotal</i>	<i>12,275</i>	<i>2,978</i>	<i>4,343</i>	<i>19,595</i>
<i>Percentage</i>	<i>63%</i>	<i>15%</i>	<i>22%</i>	
<b>Total Development Capacity</b>	<b>37,061</b>	<b>5,826</b>	<b>12,578</b>	<b>55,465</b>
<b>Percentage</b>	<b>67%</b>	<b>11%</b>	<b>23%</b>	<b>100%</b>

Source: Dyett & Bhatia, 2010

Within the current UDB (129,000 population), approximately 35,900 housing units could be developed, with 69 percent low density and 31 percent medium and high density under the existing General Plan and today’s zoning. While this percentage breakdown represents a departure from Visalia’s current built inventory and pipeline projects (which are at approximately 84 percent low density and 16 percent medium and high density) the number of units in each category—for land within the UDB—is based upon how available unbuilt sites are *currently designated*, and these land use designations’ typical densities. Contributing most heavily to the high proportion of high density units are the sites that were identified in the City’s recently updated Housing Element in 2009. Sites accommodating around 13,000 housing units were identified, 6,900 of which (53 percent) are high density. In the Alternatives phase, these housing mix assumptions can be reexamined over the long term (beyond the time frame of the current Housing Element).

Outside the current UDB (129,000 population), approximately another 19,600 units could be accommodated using the mix assumed in Table 5-6. Even with only 5 percent of land assumed to develop with medium density and 5 percent with high density residential uses (see Table 5-6), when multiplied by the allowable densities in these categories, this acreage could accommodate 7,320 units. The Alternatives Analysis will consider a broad range of possible allocations of land uses in these areas, which may differ from the assumptions used in this calculation.

Adding together the areas within the 129,000 population line and outside of it, the overall residential development capacity is around 55,500 units, with 67 percent low density and 33 percent medium and high density.

It is important to note that the development capacities expressed for both the residential and non-residential analyses are not intended to limit the range of options that would be considered in devising the land use alternatives. Rather, they represent a baseline buildout scenario, providing an understanding of existing conditions, a starting point for alternatives development, and a check point for the appropriateness of planning boundaries and areas as defined.

### Capacity for New Commercial, Office, Industrial, and Community Uses

Land for non-residential uses is similarly divided into categories, both within and outside of the current UDB. In order to convert acres into the potential gross floor area for non-residential development, assumptions of intensity of development, expressed as FARs, were used. Table 5-8 lists the typical gross FARs for each land use type.

<b>Table 5-8: Non-Residential Development Intensity Assumptions</b>	
<i>Non-Residential Land Use</i>	<i>Typical Gross FAR<sup>1</sup></i>
Convenience Commercial	0.175
Neighborhood Commercial	0.175
Community Commercial	0.175
Regional Retail Commercial	0.175
Central Business District	0.60
Shopping/Office Commercial	0.25
Professional/Administrative Offices	0.30
Highway Commercial	0.15
Service Commercial	0.15
Business Research Park	0.20
Light Industry	0.25
Heavy Industry	0.20
Public/Institutional	0.10

<sup>1</sup>FAR = Floor area to site area ratio, used to calculate amount of gross floor area that could be developed.

Source: City of Visalia, Dyett & Bhatia, 2010

Similarly to residential development, in the areas without current General Plan land use designations, a mix of development types were assumed to facilitate calculations of development capacity. These assumptions are shown in Table 5-9:

<b>Table 5-9: Non-Residential Land Use Mix Assumptions for West 198 Corridor and Urban Reserves (for illustrative purposes)</b>		
<i>General Plan Land Use Designation</i>	<i>Mix for West 198 Corridor</i>	<i>Mix for Urban Reserve</i>
Neighborhood Commercial	5%	5%
<i>Subtotal</i>	5%	5%
Agricultural Enterprise	5 - 20%	-
<i>Subtotal (Average)</i>	12.5%	-
Public/Institutional	10-25%	10 - 25%
<i>Subtotal (Average)</i>	17.5%	17.5%
<b>Total Non-Residential</b>	<b>30 - 40%</b>	<b>15 - 30%</b>
Balance (Residential, reserve, conservation)	60 - 70%	70 - 85%

*Source: Dyett & Bhatia, 2010*

Overall, land within the planning area designated for possible future non-residential development could support over 37 million square feet of commercial, industrial, and public/institutional development (Table 5-10). Approximately 23.1 million square feet, or 63 percent, is in the current UDB, with a mix of 38 percent commercial/office, 54 percent industrial, and 8 percent public/institutional. Land in the West 198 corridor and in the current Urban Reserve area could support around 13.7 million square feet, or 37 percent of the total. The proposed mix of development in this area would be 19 percent commercial, 55 percent industrial, and 26 percent public/institutional.

<b>Table 5-10: Total Non-Residential Development Capacity</b>				
	<i>Commercial and Office Development Capacity (sq. ft.)</i>	<i>Industrial Development Capacity (sq. ft.)</i>	<i>Public/ Institutional Development Capacity (sq. ft.)</i>	<i>Total Development Capacity (sq. ft.)</i>
<b>Within Current Urban Development Boundary (UDB)</b>				
Vacant Land with Non-Residential General Plan Designation within the City	7,842,603	7,990,924	1,435,777	17,269,304
Vacant Land with Non- Residential Development Potential in Goshen	109,822	2,493,451	40,919	2,644,192
Vacant Land with a Non-Residential General Plan Designation Elsewhere in UDB	896,088	1,983,095	368,912	3,248,095
<i>Subtotal</i>	<i>8,848,512</i>	<i>12,467,470</i>	<i>1,845,609</i>	<i>23,161,591</i>
<i>Percentage</i>	<i>38%</i>	<i>54%</i>	<i>8%</i>	
<b>West 198 Corridor and Urban Reserve</b>				
West 198 Corridor	578,748	2,143,828	772,069	3,494,645
Urban Reserves	2,013,849	5,323,953	2,852,983	10,190,785
<i>Subtotal</i>	<i>2,592,597</i>	<i>7,467,781</i>	<i>3,625,052</i>	<i>13,685,430</i>
<i>Percentage</i>	<i>19%</i>	<i>55%</i>	<i>26%</i>	
<b>Total Non-Residential Development Capacity (sq. ft.)</b>	<b>11,441,110</b>	<b>19,935,251</b>	<b>5,470,660</b>	<b>36,847,021</b>
<b>Percentage</b>	<b>31%</b>	<b>54%</b>	<b>15%</b>	<b>100%</b>

Source: Dyett & Bhatia, 2010

## 5.4 Urban Land Demand

The potential urban land demand is derived from the calculations of projected future growth presented in Chapter 3. Population growth determines the need for residential land, schools and parks, while job growth and retail spending determines the need for non-residential land.

Three scenarios for future land demand are posited for discussion: the first represents “current trends,” which reflects the housing mix, densities, and nonresidential FARs associated with development in recent years, pipeline projects, and other potential development sites within city limits with existing General Plan land use designations. The current trends scenario assumes an annual population growth rate of 2.6 percent, which is derived from the City’s 2010 population of 125,970, estimated by the Department of Finance, and the forecasted 2030 population of 207,600, projected by TCAG. The rate of natural increase (births minus deaths) in the Central Valley is estimated at 1.1 percent, so even 2.6 percent growth represents a significant increase over how the population would grow in the absence of any other forces. For employment,

TCAG projects average annual growth of 1.7 percent, resulting in total employment of 91,400 by 2030.

Another scenario, “compact mix,” uses the same projected rate of growth (2.6 percent annually for population) as the current trend, but assumes that future development patterns have a slightly greater percentage of medium and higher density development, resulting in higher densities overall. A more compact development pattern may correspond to the housing preferences of future Visalia demographics, which will include an aging population.

Urban land demand is also evaluated according to a “higher growth” scenario, which assumes that the city will grow at an annual rate of 3.4 percent for population (similar to the rate of growth in the 2000s). This growth rate would result in a 2030 population of nearly 246,000. If we are to assume that employment would grow at a proportionally higher rate along with population, then we arrive at 2.2 percent annual job growth per year in the high growth scenario and 101,850 jobs by 2030.

These three scenarios are introduced for illustrative purposes only, and they do not represent the only growth scenarios that Visalia could experience. It is also possible that the City will grow at a slower rate than even the current trend, for instance, if the current economic downturn impacts growth. In the next phase of the General Plan update process, the Alternatives evaluation will compare scenarios for different levels of growth and the impacts that more and less growth would have on fiscal stability, infrastructure provision, transportation and air quality, water resources, and other factors.

## Residential Land Demand

Residential land demand is based on the projected number of new households that the planning area is projected to see by 2030, as well as the school and park land needs that accompany new housing. The “current trend” and “higher growth” scenarios assume a future housing mix of 80 percent single family and 20 percent multifamily, with an average residential densities of 5 units per acre for single family and 15 units per acre for multifamily. The housing mix falls in between the current split of 84/16 and the 69/31 split that is suggested by the Housing Element sites inventory and other available residentially-designated land in the city. The densities reflect the average densities of current pipeline development projects and those permitted by the City’s current General Plan and zoning. By contrast, the “compact mix” scenario assumes 70 percent single family and 30 percent multifamily, with average residential densities of 6.5 units per acre for single family and 18 units per acre for multifamily—a 20-25 percent increase over the current trend.<sup>2</sup> Table 5-11 outlines the assumptions used for each scenario in the residential land demand calculation.

<sup>2</sup> By contrast, the Southeast Area Specific Plan (SEASP) envisions average residential densities of 6-7 dwelling units per acre for low density (“Neighborhood Edge”), at 20-25 dwelling units per acre for medium density (“Neighborhood General”), and above 25 units per acre for high density (“Neighborhood Center”). Additionally, the housing type mix for the SEASP is approximately 35 percent low density and 65 percent medium and high density, which would result in a much higher overall density than the “compact mix” scenario analyzed here.

<b>Table 5-1 I: Residential Land Demand Assumptions (for Illustrative Purposes)</b>			
<i>Variable</i>	<i>Compact Mix</i>	<i>Current Trend</i>	<i>Higher Growth</i>
Percent of Single Family Housing	70%	80%	80%
Percent of Multifamily Housing	30%	20%	20%
Density of Single Family Housing	6.5 du/ac	5 du/ac	5 du/ac
Density of Multifamily Housing	18 du/ac	15 du/ac	15 du/ac

Source: Dyett & Bhatia

The demand calculation also includes a “multiplier,” in order to account for vacant land, cushioning, and inefficiencies or fluctuation in the real estate market. We present multipliers of both 1.1 (110 percent) and 1.2 (120 percent), resulting in a range of total residential land demanded for each scenario.

Table 5-12 shows the components of demand for residentially-designated land, the schools and parks that should accompany it, and the total acres demanded in each category. Overall, the land needed for residential development ranges from approximately 4,500-4,800 acres in the compact mix scenario, 6,000-6,500 acres in the current trend scenario, and 8,900-9,600 acres in the higher growth scenario.

<b>Table 5-12: Estimated 20-Year Residential Land Demand</b>			
	<i>Compact Mix (2.6% Annual Growth)</i>	<i>Current Trend (2.6% Annual Growth)</i>	<i>Higher Growth (3.4% Annual Growth)</i>
<b>Residential Land</b>			
2030 Household Population	207,582	207,582	245,854
# of Households (average size = 2.8 persons)	74,855	74,855	87,805
Housing Units Needed by 2030 (5% vacancy)	78,598	78,598	92,195
2010 Housing Units	50,261	50,261	50,261
Housing Units Demand (2030 minus 2010)	28,337	28,337	41,934
Acres Needed for Low Density:	3,542	4,647	6,710
Acres Needed for Medium to High Density:	394	340	559
Multiplier (to account for vacant land, cushioning, and inefficiencies in the real estate market)	1.1 to 1.2	1.1 to 1.2	1.1 to 1.2
<b>Total Residential Land Need (acres)<sup>1</sup></b>	<b>3,876 to 4,229</b>	<b>5,403 to 5,894</b>	<b>7,995 to 8,722</b>
<b>Community Facilities and Schools</b>			
Estimated Number of New Students <sup>2</sup>	23,715	23,715	31,428
Existing School Site Capacity	(7,985)	(7,985)	(7,985)
Student Demand (2030 minus 2010)	31,700	31,700	39,413
Acres Needed <sup>3</sup>	<b>392</b>	<b>392</b>	<b>523</b>
<b>Neighborhood and Community Parks</b>			
Acres Needed (@4.0 ac./1,000 <u>new</u> residents)	182	182	335
<b>Grand Total: Residential Acres Needed by 2030 (Gross Acres)</b>	<b>4,452 to 4,803</b>	<b>5,977 to 6,469</b>	<b>8,854 to 9,581</b>

<sup>1</sup> There are currently 4,700 acres of vacant or underutilized land with residential General Plan land use designations within the current UDB.

<sup>2</sup> Based on Visalia Unified School District's generation rates for students by housing type and grade level.

<sup>3</sup> Estimated student capacity and site acreage needs based on the Visalia Unified School District's School Facility Needs Analysis (SFNA), May 2009.

Source: Dyett & Bhatia, 2010

**School Sites**

Demand for school sites is approximately 390 acres for the current trend and compact mix scenarios and 520 acres for the high growth scenario. (The values are the same for the current trend and compact mix scenarios because school demand is driven by population, and these two scenarios use the same projected population.) Acres needed for school sites—and the total number of schools—is calculated based on the School District’s student generation rates for different housing types, assumptions on number of students per school, and acres needed for each school type (K-6, 7-8, and 9-12). Tables 5-13, 5-14, and 5-15 show the assumptions and methodology used to derive the school site needs. While student generation rates are applied by housing type, and the housing profiles differ somewhat between the current trend and compact mix scenarios, this analysis does not presume to know what the actual difference in demographic profile might be under a different land use scheme, and therefore, the same profile is used to generate students under each.

Overall, projected future growth under the current trend and compact mix illustrations would ultimately require approximately 28 new schools, including three new middle schools and three new high schools under current trends. Under the higher growth scenario, the future population would require approximately 37 schools, including four new middle schools and four new high schools. The sketch planning process will examine the sizes and types of school locations, and explore neighborhood school versus campus-oriented site approaches.

**Table 5-13: Summary of Projected School Enrollment**

	K-6 Students	7-8 Students	9-12 Students	Special Day	Total
<b>Current Trend and Compact Mix Scenarios</b>					
Single Family	8,814	1,810	3,069	329	14,023
Multifamily	708	84	123	22	937
Current Over-Capacity	4,355	855	2,806	576	8,592
<b>Total under Current Trend and Compact Mix Scenarios</b>	<b>13,878</b>	<b>2,749</b>	<b>5,998</b>	<b>927</b>	<b>23,551</b>
<b>Higher Growth Scenario</b>					
Single Family	13,456	2,763	4,686	502	21,406
Multifamily	1,081	128	188	34	1,430
Current Over-Capacity	4,355	855	2,806	576	8,592
<b>Total under Higher Growth Scenario</b>	<b>18,892</b>	<b>3,746</b>	<b>7,679</b>	<b>1,111</b>	<b>31,428</b>

Note: Uses student generation rates for housing and school types from Visalia Unified School District.

Source: Visalia Unified School District, 2009; Dyett & Bhatia, 2010

**Table 5-14: School Size Assumptions**

School Type	Students	Acres
K-6	650	9.2
7-8	900	20.8
9-12	1,800	39.7

Source: Visalia Unified School District, 2009

**Table 5-15: Total School Site Demand**

School Type	Schools Needed	Acres Needed
<b>Current Trend and Compact Mix Scenarios</b>		
K-6	21	196
7-8	3	64
9-12	3	132
<b>Total under Current Trend and Compact Mix</b>	<b>28</b>	<b>392</b>
<b>Higher Growth Scenario</b>		
K-6	29	267
7-8	4	87
9-12	4	169
<b>Total under Higher Growth</b>	<b>37</b>	<b>523</b>

Source: Visalia Unified School District, 2009; Dyett & Bhatia, 2010

### Park Sites

Similar to demand for schools, demand for parks is also driven by population. Because the current trend and the compact mix scenarios use the same population projections, land needed for parks under these two illustrations is the same: approximately 182 acres. Under the higher growth scenario, 335 acres of parkland would be needed. The current General Plan park standard is 4.0 acres of neighborhood and community parkland per 1,000 residents. If the 182 acres of park space were split into 40 percent neighborhood parks and 60 percent community parks, assuming 5 acres per neighborhood park and 15 acres per community park, the acreage would break down into around seven new community parks and 14-16 new neighborhood parks needed. Assuming higher growth, the required park acreage amounts to around fifteen new community parks and 30 new neighborhood parks. Again, this breakdown is one illustrative example of what these acreage calculations mean on the ground. The alternative sketch plans will explore park type, size, and distribution in more detail.

## Non-Residential Land Demand

Land demanded for non-residential uses is based upon job growth and retail sales. Again, three scenarios are used, which vary in their density assumptions. In the current trends and higher growth scenarios, FARs are 0.4 for office uses, 0.3 for retail, and 0.25 for warehousing and industrial. These are consistent with the average FARs of current non-residential development projects. The “compact mix” scenario assumes FARs that are approximately 20 percent higher: 0.45 for office and 0.35 for retail. FAR for warehouse/industrial stays constant. Additionally, the number of square feet per employee is lower in the “compact mix” scenario for Office/R&D and retail. Other inputs, such as the number of new jobs projected and vacancy rates, are held constant. Table 5-16 outlines the assumptions used for these calculations.

<b>Table 5-16: Non-Residential Land Demand Assumptions (for Illustrative Purposes)</b>			
<i>Variable</i>	<i>Compact Mix</i>	<i>Current Trend</i>	<i>Higher Growth</i>
<b>Net FAR</b>			
Office/R&D	0.45	0.4	0.4
Retail	0.35	0.3	0.3
Warehouse/Industrial	0.25	0.25	0.25
<b>Vacancy Rates</b>			
Office/R&D	15%	15%	15%
Retail	4%	4%	4%
Warehouse/Industrial	4%	4%	4%
<b>Square Feet per Employee</b>			
Office/R&D	325	325	325
Retail <sup>1</sup>	N/A	375	375
Warehouse/Industrial	1,000	1,000	1,000

<sup>1</sup> Retail demand for the “compact mix” scenario is calculated based on projected retail sales rather than square feet per new employee.

Source: Dyett & Bhatia, 2010; EPS, 2010

Table 5-17 shows the total acres needed for each of the three non-residential land use categories (office/R&D, retail, and warehouse/industrial). Acres demanded are calculated by multiplying the projected number of new employees in each building type by the number of square feet needed per employee to arrive at the amount of building floor area needed for these new workers, and then translating square feet of building space into acres needed by using the applicable FAR and assumed vacancy rate. Finally, a “cushioning” multiplier is also applied. Similar to the residential land demand calculation, two multipliers are shown: 110 percent and 120 percent. The only case in which the methodology is different is in retail, where the “compact mix” acreage value is derived from projected future retail sales. That analysis is shown in more detail in Table 5-18 below.

Under current trends, land demanded for office and R&D uses is projected to range from around 201 to 220 acres. Land demanded for retail and business commercial uses is projected to range from around 332 to 362 acres, and land for manufacturing and warehousing uses is projected to range from 841 to 917 acres. Altogether, demand for non-residential land ranges from 1,373 to 1,948 acres if current trends are maintained. With a more compact mix, total

non-residential land demand is estimated to be between 1,100 and 1,250 acres. Under the higher growth scenario, demand would range from approximately 1,900 to 2,060 acres

It is important to note that not all building types and jobs are represented in the land demand calculations presented here. The largest sector of job growth in Visalia is the service industry, which includes many occupations not housed in the spaces described in these categories, and some require no space at all. These could include hotel and restaurant workers, plumbers or electricians, delivery persons, and teachers/educators.

**Table 5-17: Estimated 20-Year Non-Residential Land Demand**

	<i>Compact Mix (2.6% Annual Growth)</i>	<i>Current Trend (2.6% Annual Growth)</i>	<i>Higher Growth (3.4% Annual Growth)</i>
<b>Office, R&amp;D, and Related Services</b>			
# of new employees <sup>1</sup>	6,400	6,400	9,600
Building Floor Area	1,759,110	2,078,950	3,120,750
Net Acres	103	137	206
Gross Acres (net = 0.75 * gross)	138	183	275
Multiplier (to account for vacant land, cushioning, and inefficiencies)	1.1 to 1.2	1.1 to 1.2	1.1 to 1.2
<b>Total Office Need (acres)</b>	<b>114 to 165</b>	<b>201 to 220</b>	<b>302 to 330</b>
<b>Retail and Business Commercial</b>			
# of new employees	N/A	7,570	10,770
Space in s.f.	1,420,400	2,840,330	4,038,708
Net Acres	97	226	321
Gross Acres (net = 0.75 * gross)	129	301	429
Multiplier (to account for vacant land, cushioning, and inefficiencies)	1.1 to 1.2	1.1 to 1.2	1.1 to 1.2
<b>Total Retail Need (acres)</b>	<b>142 to 155</b>	<b>332 to 362</b>	<b>471 to 514</b>
<b>Warehousing and Industrial</b>			
# of new employees	6,000	6,000	7,985
Space in s.f.	6,001,430	6,001,430	7,985,132
Net Acres	573	573	763
Gross Acres (net = 0.75 * gross)	<b>764</b>	<b>764</b>	<b>1,017</b>
Multiplier (to account for vacant land, cushioning, and inefficiencies)	1.1 to 1.2	1.1 to 1.2	1.1 to 1.2
<b>Total Warehouse/Industrial Need (acres)</b>	<b>841 to 917</b>	<b>841 to 917</b>	<b>1,118 to 1,220</b>
<b>TOTAL Non-Residential Acres Needed to 2030</b>	<b>1,097 to 1,252</b>	<b>1,373 to 1,948</b>	<b>1,892 to 2,064</b>

<sup>1</sup> Employment by sector for current trend and compact mix scenarios based upon TCAG projections, February 2010. Employment under high growth scenario projected by proportional increase of population growth.

<sup>2</sup> Retail demand for "Compact Mix" scenario is generated from anticipated retail sales of new population, and \$350 sales per square foot. See Table 5-18 for more detail.

Source: Dyett & Bhatia, 2010

**Table 5-18: Estimated Sales-Driven Retail Space Demand, Compact Mix Scenario**

Projected Population Increase 2010 to 2030 <sup>1</sup>	65,503
Growth over Existing Base	46%
Existing Sales (Based on SBE data for 2008 inflated to 2010 dollars)	\$1,437,866,111
Existing Retail Sales (Net of non-retail based business to business sales assumed to be 25 percent of total sales)	\$1,078,399,583
Retail Sales from New Population	\$497,142,208
Average sales per square foot	\$350
Supportable additional retail space in square feet	1,420,406
Net Acres needed assuming average intensity of 0.35 FAR and 4% vacancy	97

<sup>1</sup> Based on 2030 population of 207,600.

Source: Dyett & Bhatia, 2010

## 5.5 Land Supply versus Demand

### Acreage Comparison

Acreage estimates of land demanded are now compared to the supply of available land in order to understand the extent to which Visalia will need to physically grow and designate land in order to accommodate projected growth. It also sets the framework for the Alternative Sketch Plans, which will illustrate and analyze several land use scenarios. The purpose of this exercise is not to predict precisely the type and amount of development that will occur over the next 20 years. Rather, the analysis helps evaluate the adequacy of the currently defined UDB, and the existing General Plan designations, as guides for the future growth that projections deem likely to occur. The actual form, intensity, and location of new growth will be considered in depth throughout the Alternate Sketch Plans and throughout the General Plan update process, and ultimately determined by the policies written for the new General Plan.

Table 5-19 summarizes the comparison of available developable land to acres demanded under all three scenarios for both residential and non-residential uses. For the purpose of simplification, the table only shows the acreages projected using the 120 percent multiplier. (If the 110 percent were used, the numbers would be smaller in all categories.)

**Table 5-19: Summary of Land Supply versus Demand (Acres)**

	Gross Acres Available in UDB <sup>1</sup>	Gross Acres Demanded (with 120% multiplier)			Land Needed Outside 129,000 UDB		
		Compact Mix (2.6% Annual Growth)	Current Trend (2.6% Annual Growth)	Higher Growth (3.4% Annual Growth)	Compact Mix (2.6% Annual Growth)	Current Trend (2.6% Annual Growth)	Higher Growth (3.4% Annual Growth)
<b>Residential</b>							
Low Density	4,262	3,662	5,441	8,051	(600)	1,178	3,789
Medium & High Density	440	567	453	671	127	14	231
Schools <sup>2</sup>	442	392	392	523	(50)	(50)	81
Parks	140	182	182	335	42	42	195
<b>Total Residential</b>	<b>5,284</b>	<b>4,803</b>	<b>6,469</b>	<b>9,581</b>	<b>169</b>	<b>1,234</b>	<b>4,216</b>
<b>Non-Residential</b>							
Office/R&D <sup>3</sup>	236	165	220	330	(71)	(17)	93
Retail/Commercial <sup>4</sup>	717	155	362	514	(562)	(355)	(203)
Warehousing/Industrial <sup>5</sup>	1,391	917	917	1,220	(474)	(474)	(171)
<b>Total Non-Residential</b>	<b>2,345</b>	<b>1,237</b>	<b>1,498</b>	<b>2,064</b>	<b>0</b>	<b>0</b>	<b>93</b>

<sup>1</sup> This supply versus demand analysis only compares land demanded to supply available in the current 129,000 UDB that is currently designated for development. An additional 22 acres of Low Density Residential, 25 acres of Service Commercial, 288 acres of Park and Conservation area, and 611 acres of Heavy Industry Reserve are currently designated in the Urban Reserve and West 198 Corridor areas, in total.

<sup>2</sup> Gross Acres Available for schools includes all land designated for Public/Institutional uses. While schools fall into this category, there may be other uses that require this land use designation as well.

<sup>3</sup> General Plan land use designations contributing to the “Office/R&D” category include Professional/Administrative Office and Business Research Park. Offices uses may be permitted in other land use designations.

<sup>4</sup> General Plan land use designations contributing to the “Retail/Commercial” category include Convenience Commercial, Neighborhood Commercial, Community Commercial, Regional Retail Commercial, Highway Commercial, Service Commercial, Shopping/Office Commercial, and Central Business District. Retail uses may also be permitted in other land use designations.

<sup>5</sup> General Plan land use designations contributing to the “Warehousing/Industrial” category include Light Industry and Heavy Industry. Some limited industrial uses may be permitted in other land use designations.

Source: Dyett & Bhatia, 2010

Table 5-19 shows that the supply of land within Visalia's current UDB (129,000 population) that has appropriate General Plan land use designations is largely sufficient to meet the land demand needs of projected employment growth over the next 20 years, even under a higher growth scenario, but that additional land will likely be needed outside the 129,000 UDB to accommodate population growth. The amount of land needed varies significantly depending upon which illustrative growth scenario is considered.

Under the compact mix scenario, only around 170 acres are needed beyond the 129,000 UDB for land associated with residential development. Most of this acreage would be needed for medium and high density housing, and the remainder would be needed for parks. Under the current trends scenario, current supply essentially meets projected demand for medium and high density housing; however, an additional 1,230 acres would be needed for a combination of low density residential development and parks. Under the higher growth scenario, additional land outside the 129,000 UDB (not including the West Highway 198 Corridor) would be needed in every residential category, totaling approximately 4,200 acres.

On the non-residential side, current supply is more than enough to meet the projected needs of each land use type even assuming a 120 percent multiplier under all scenarios. Under the current trends and compact mix scenarios, there is enough land in the 129,000 UDB to accommodate the land demands for all three sectors of job growth; under a higher growth scenario, only around 90 additional acres would be needed for office development, and no additional acreage for retail or industrial uses. For both Retail/Commercial and Warehousing/Industrial uses, supply exceeds demand by over several hundred acres, leaving an adequate cushion.

The acreage comparison also suggests ways in which future adjustments to General Plan land use designations and zoning regulations could help meet Visalia's future land use needs within the 129,000 UDB. For example, while there are shortages in residential land, the excess supply of non-residential land could be allowed to support a mix of uses (both residential and non-residential) and thus accommodate some portion of the housing land demand especially at the higher density end of the spectrum, as medium and high density housing can lend itself to mixed use developments.

The additional land considered in this analysis was the area in the West Highway 198 Corridor (1,060 acres) and the Urban Reserve (3,900 acres). While the West Highway 198 Corridor is geographically located within the 129,000 UDB, it was treated differently in this analysis because it is not designated for development under the current General Plan. Urban Reserve land is in areas outside the 129,000 UDB but within the 165,000 UDB. The total land area demanded under current trends beyond the capacity of the 129,000 boundary (as currently designated) is just over 1,300 acres. Most of the land needed could be accommodated in the West 198 Corridor, or in approximately one-third of the Urban Reserve area, or a combination of the two. The 250 acres needed under the compact mix scenario could also easily be accommodated in these areas. Therefore, the City still has a large amount of flexibility in determining the extent, type, and density of future development, and may accommodate the TCAG projected population of 207,000 within the 165,000 UDB if desired.

On the other hand, if growth in Visalia were to take place at the higher rate of 3.4 percent per year for population and 2.2 percent per year for employment, the approximately 4,400 acres needed beyond the 129,000 UDB (as currently designated) would be able to fit into the West Highway 198 Corridor and Urban Reserve (totaling 4,960 acres) but with considerably less

flexibility and cushion. Buildout would be able to fit into the 165,000 boundary but with only around 500 acres to spare.

## Housing Units and Square Footage Comparison

### *Residential*

Population projections by TCAG indicate that Visalia can expect to see some 28,300 new housing units demanded over the next 20 years. Under a high growth scenario, the City could expect to see approximately 42,000 new housing units. If recent development patterns are maintained (as is assumed for the current trend and higher growth scenarios), the mix of housing types will be approximately 80 percent single family (low density) and 20 percent multifamily (medium and high density). Land within the current 129,000 UDB with residential land use designations could support around 35,900 new housing units, 69 percent of which are on land designated for rural and low density residential development. So, while the GP-designated land could theoretically support more than enough total housing units to meet the needs of the future population under the current trends and compact mix scenario, desired housing type densities, mix, and location will ultimately determine whether the available land is appropriately allocated.

Even though future development under current will likely extend beyond the 129,000 boundary, it can be accommodated within the 165,000 boundary. On the other hand, the 35,900 unit capacity is not enough to accommodate the potential 42,000 new housing units that the City would see with 3.4 percent annual population growth. However, when reasonable assumptions about buildout of the urban reserves and the West 198 Corridor are made (Tables 5-6 and 5-7), an additional 20,000 units could be accommodated, for a total of 55,500 housing units. This is adequate for the higher growth scenario.

### *Non-Residential*

Based on TCAG projections and reasonable assumptions about square footage needs, employment growth over the next 20 years indicates demand for 1.8-2.0 million square feet of office/R&D space, 1.4-2.8 million square feet of retail and commercial space, and approximately 6.0 million square feet of warehousing and industrial space—a total of 9.2 to 10.8 million square feet under the compact mix and current trend scenarios. In a higher growth situation, job growth would generate demand for 3.1 million square feet of office/R&D space, 4.0 million square feet of retail and commercial space, and 8.0 million square feet of warehousing and industrial space—a total of 15.1 million square feet. Land within the UDB with non-residential General Plan land use designations could support the development of over 23 million square feet of non-residential uses, with more than double the demanded amount available for each sector. Visalia is well-equipped to supply its future employment growth needs, and may be able to reallocate some land towards residential or mixed uses as necessary. Again, the development and evaluation of alternatives will explore these options further.

## 5.6 Issues and Planning Implications

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This chapter takes an analytical approach to evaluating the balance of urban land supply (development potential under current General Plan land use designations) and urban land demand (the amount of land needed to support 2030 population and job growth based on projections). This work forms the baseline conditions that the Alternative Sketch Plans, which are the next major phase of the General Plan update process, will build upon.

## Emerging Themes

The following themes and major conclusions from this chapter are outlined below:

- Visalia is well-positioned to accommodate future growth. The comparison of land supply to land demand is favorable and well-balanced, meaning that the City will be able to explore numerous options for accommodating future population and employment growth without sacrificing other goals and priorities. Depending on the type and density of residential development, some land may need to be reallocated from the land inventory for non-residential development in order to accommodate all of the new housing that will be required. Similarly, the boundaries for long-term urban development should be reexamined to ensure that the City can best accommodate its future growth. However, even with today's boundaries in place, a more than sufficient supply of non-residential land provides opportunity for flexibility, and the alternatives can look at re-designating and/or allowing mixed use, where appropriate.
- Recognize the value of compact development. Compact development will play a role in serving the housing needs of Visalia's future population, as well as help accomplish the City's environmental conservation goals by requiring fewer resources and converting less farmland and the City's fiscal goal of maximizing use of existing infrastructure through infill development. However, moving forward, the plan must find a supportable degree of compact development that still has public buy-in and does not fight the real estate market.

## Planning Implications

The major planning “takeaway” from the land demand and development potential analysis is that if the City adds population and jobs at the rates projected by TCAG, the current 129,000 UDB is essentially still adequate as a boundary for future non-residential growth (although minor adjustments may be appropriate) but additional land outside the current 129,000 UDB is necessary to accommodate residential growth. Even though some boundary adjustments will be necessary, the City will have flexibility regarding the future use and designation of land along the West 198 corridor and in the Urban Reserve (as most of these areas will not be required to be used to accommodate imminent growth), and the 165,000 boundary will be sufficient for population growth projected for this planning period. If the City were to add population and jobs at a rate similar to the high rate of growth experienced in the mid 2000s, the 129,000 UDB would no longer be sufficient.

It is important to recognize that the three buildout scenarios explored in this chapter are only three of many possible types and levels of growth that Visalia may experience. The Alternative Sketch Plans will analyze land use type and location options that span a wide range of growth scenarios, from the “current trend” to a more compact mix, higher growth, or potentially a “neighborhood center” concept. This next stage of the planning process will go into more detail on precise density and location options for new growth, as well as the characteristics of new neighborhood centers, open space linkages, and community amenities.