

DATE ISSUED: July 11, 2001

REPORT NO. 01-140

ATTENTION: Land Use and Housing Committee and Planning Commission
Docket of July 18, 2001

SUBJECT: Strategic Framework Element Workshop

REFERENCE: Planning Report Nos. P-00-012, P-00-035, P-00-072, P-00-88, P-00-191,
Memos dated June 29, 2000, August 9, 2000, and January 22, 2001.

THIS IS AN INFORMATIONAL REPORT. NO ACTION IS REQUIRED.

BACKGROUND

A New General Plan

The Strategic Framework Element is a proposed new chapter of the City's *Progress Guide and General Plan* (General Plan) that sets forth a strategy for growth and development of the City. The element proposes a "City of Villages" strategy to focus growth in compact, mixed-use centers linked by transit. It has been forecast that the City of San Diego will require approximately 50,000 additional dwelling units over our adopted community plan capacity to meet the needs of our population over the next twenty years. The proposed Strategic Framework Element does not encourage or discourage growth, but would accommodate the City's forecasted population growth when and if it occurs. As forecasted population growth is realized, over the next 10, 20 or 50 years, the proposed village design concept would enable growth to be located in such a way that the quality of life for City residents is maintained or improved.

The Strategic Framework Element would replace the existing "Guidelines for Future Development" chapter of the General Plan. The Guidelines for Future Development mainly addressed how vacant land within the City was to be replaced by development. However, less than 12 percent of the City's 331 square miles is currently available for new development, which now renders this existing General Plan chapter obsolete. The new strategy is to encourage high quality infill development designed to enhance existing neighborhoods and meet future needs.

The Strategic Framework Element will act as a basis for updating the other General Plan elements and will be accompanied by a Five-Year Action Plan. The Action Plan is a separate document that sets the City's work program in motion following City Council adoption of the element.

Public Participation

The Strategic Framework Element was initiated by the City Council in 1998. Since then, the

foundation of the work program has involved extensive public outreach and education meetings through the City Council, Planning Commission, a four-member steering committee, a 40-member Citizen Committee, community planning groups, and the general public. The Citizen Committee was initially organized into four subcommittees: Urban Form and Environment, Public Facilities and Infrastructure, Economic Prosperity, and Neighborhood Quality.

More than 150 public meetings were held over a two year period to inform the public of the region's growth projections and related issues, and to gather public input on the evolving growth strategy. Staff established a telephone hotline and developed a website to offer more venues to encourage a steady stream of public comment and review. Additionally, educational cable television programs focusing on topics such as urban form, infrastructure and public facilities, neighborhood quality, and economic prosperity have been produced and repeatedly televised on the City Access cable channel. The Strategic Framework public outreach program has also engaged community stakeholders such as the Building Industry Association (BIA), the Taxpayers Association, and the Chamber of Commerce.

Most recently, Mayor Murphy and the Planning Department have completed a series of 20 workshops with community planning and Centre City groups to provide information on the City of Villages strategy and gather input from individuals on where there are opportunities to implement the strategy in their communities.

The Strategic Framework Citizen Committee has played a key role in defining and drafting the Strategic Framework Element. In February of 2001 the Strategic Framework Citizens Committee took on additional members and restructured itself to reflect the current work program. The Citizen Committee is now composed of five subcommittees including: Strategic Framework Element, Action Plan, Finance, Pilot Villages, and Public Outreach. The work of these committees is described below.

DISCUSSION

Strategic Framework Element and Village Map

The October 2000 working draft of the Strategic Framework Element has been revised to add sections including:

Beyond 2020 - this section describes how the City of Village strategy could evolve over time and meet the City's needs into the future.

Conservation, Sustainability, and Energy - new core values and policies have been drafted to address conservation, sustainability and energy goals.

Definitions - new land use categories including: regional center, subregional districts, urban village centers, neighborhood village centers, corridors, and future transitional areas and village expansion areas have been described.

Completion of the Distribution of Growth section is on hold until the Community Planners Committee (CPC) completes their review of the Village map.

The draft Village map represents a first attempt to map villages and corridors. The initial mapping was based on input received at community planning group workshops, field work, consultation with community planners, review of existing community plans, and consideration of existing and proposed transit service. The map is being revised as more detailed input is gathered from individual community planning groups and CPC as a whole.

Even with the additional input from planning groups, the Village map is intended to provide a general overview of potential and existing village locations. More refined boundaries would be set at the community plan level. Community plan amendments, rezonings, preparation of master plans, and environmental review would still need to occur for individual village sites in the future.

As an interim implementation measure, staff is considering that the Council adopted Transit-Oriented Development Design Guidelines (TOD Guidelines) be applied to designated village and corridor sites in the villages map. However, the TOD Guidelines would only apply where there is an existing requirement for discretionary review.

Five Year Action Plan

The Action Plan is the implementation program for updating the General Plan and executing the "City of Villages" growth strategy. The Action Plan organizes action items under major goals, which are in turn linked to one or more of the "Core Values" included in the Strategic Framework Element. Some of the high priority action items recommended for implementation in the first two years following adoption of the Strategic Framework Element include:

Amend five to eight community plans to designate and plan specific village sites.

Update the Circulation Element of the General Plan to incorporate the Metropolitan Transit Development Board's Transit First network of projects.

Update the Urban Design Element of the General Plan to provide guidance on the design of mixed use centers, street layouts, big box and super-centers, civic spaces, pocket parks and other features.

Update the Conservation and Energy elements to address urban runoff, sustainable development, resource conservation, and other environmental goals.

Revise the City's Street Design Manual to greater support walkability, environmental, and energy conservation goals.

Monitor implementation of the City's Housing Element to increase the supply and distribution of affordable housing, and to ensure that social equity goals are met with implementation of village plans.

Process Land Development Code amendments to allow more mixed use and intensity in subregional district employment lands.

More work still needs to be done on the Action Plan to fill in gaps, consult with other departments and agencies, and identify staff funding. Implementation of many of the items in the Action Plan are contingent upon revenues being available for needed public facilities, services, programs and amenities.

Financing Strategy

Overcoming existing public facilities and infrastructure shortfalls and meeting future needs is a major challenge facing the City with or without the City of Villages growth strategy. However, the City of Villages strategy allows for greater efficiencies in the provision of infrastructure due to the compact nature of the development. The Finance Citizen Subcommittee has worked with staff to lay the groundwork for development of a financing plan to support the City of Villages strategy. A financial advisor has recently been retained to augment the committee's work by completing the following tasks:

Review the funding sources currently used to finance capital improvements and facilities and the degree to which they have been fully utilized.

Examine the City's tax burden and compare this tax burden with that of other major California and western cities.

Perform a comparative study of financing techniques used in other major California and western cities to provide capital improvements and facilities.

Recommend changes in the utilization of current funding sources.

Recommend new funding sources, financing mechanisms, and additional revenues that might be available.

Discuss the limitations of any new funding sources.

Discuss the policy and legislative implications of recommended financing alternatives.

Develop a report to the Finance Citizen Committee summarizing the above analysis.

The Citizens Committee and staff will use this information to draft a financing strategy for City Council consideration.

Pilot Villages

For many, the village concept is still unfamiliar and is difficult to visualize. The Pilot Village program will involve the selection of three sites around the City to demonstrate how a village can be built and, how it will evolve and function depending on the neighborhood and community in which it is sited. The City will partner with communities, agencies, and developers to implement the Village strategy, in a timely fashion, in these three locations. It is hoped that this process will serve as a catalyst in the development and evolution of the strategy around the City. Over the past four months, the Pilot Village Subcommittee has worked with staff to develop and test criteria and a two-tier process to assist in the selection of the three sites.

Now that the criteria and process have been drafted, the Subcommittee recommends that the next steps be taken to complete site selection:

Develop an incentive package to facilitate the design and timely construction of a pilot village.

Conduct a public outreach program to explain and publicize the Pilot Village Program and selection process, and to generate enthusiasm in all of the City's neighborhoods and communities.

Announce the Pilot Village Competition after the City Council adopts the Strategic Framework Element, Five-Year Action Plan and Financing Strategy.

Establish a Pilot Village Evaluation Panel, selected by the Steering Committee, to review pilot village submittals and make recommendations to the City Council.

Select three Pilot Village sites.

Environmental Review

A Notice of Preparation of a Draft Environmental Impact Report (EIR) was issued on June 18, 2001, officially initiating the California Environmental Quality Act (CEQA) process. Based on the CEQA Initial Study conducted by the Environmental Analysis Section of the Development Services Department, it has been determined that the proposed project may result in significant environmental impacts. The scope of work for the draft EIR identifies issues to be addressed related to land use, neighborhood character, public services, utilities (water resources, sewer, storm water drainage, solid waste disposal, electrical power and natural gas), transportation/circulation, water quality, air quality and others. A public meeting will be held on July 19, 2001, to answer questions about the scope of work and overall CEQA process. Comments on the Notice of Preparation are due July 27, 2001.

MTDB Coordination

The Metropolitan Transit Development Board (MTDB) and City of San Diego Planning Department staffs have been closely coordinating development of the Transit First program with the Strategic Framework Element. Transit First is an ambitious program that was defined through MTDB's TransitWorks strategic plan program. Implementation of Transit First would result in a world-class transit system for San Diego where transit would be such a convenient and efficient form of travel that a majority of people would make transit their first choice for many types of trips.

The Transit First program and the development of a City of Villages are mutually dependant on each other for success. The City's villages will need improved transit to mitigate anticipated traffic and parking impacts, and Transit First relies upon compact, walkable neighborhoods to make transit a more convenient and heavily used travel option.

Key areas of staff coordination include:

Strategic Framework Element Policies - Villages are designed to provide a land use mix, density, and urban design that are highly supportive of transit with prominent civic spaces and transit stops/stations. A central theme of the City of Villages strategy is to make communities more walkable through interconnected streets, more street trees, a lively streetscape, and public gathering spaces. The draft Strategic Framework Element contains numerous references to the importance of transit and specifically supports MTDB's Transit First program, including the implementation of transit priority measures on city streets.

City of Villages and Transit First Network Map - MTDB and City staff are holding ongoing meetings to link the evolving City of Villages map with the proposed Transit First network of projects. We are in the process of overlaying the two maps to get a clearer picture of where discrepancies still occur.

Five-Year Action Plan - outlines specific actions needed to implement the policies, such as amending the City's Street Design Manual, and updating the Circulation Element of the General Plan to include the Transit First network.

Staff coordination has also occurred through participation of the Pilot Village Subcommittee, attendance at Transit First working groups meetings, and through SANDAG.

SANDAG Slow Growth Study

On April 17, 2001, the San Diego Association of Governments (SANDAG) distributed the second draft of a report entitled "Evaluation of Growth Slowing Policies For the San Diego Region." This report examined several potential governmental policies that have been suggested as methods for slowing the rate of population growth in the San Diego region. These include placing limits on housing development, attempting to limit job growth, targeting public expenditures to adjust the makeup of the economy and thereby slow population growth, and attempting to reduce population growth rates directly by reducing fertility rates and international immigration.

The report concludes that none of the suggested population growth reduction techniques will significantly reduce population growth rates and that although the precise rate and timing of growth cannot be predicted, substantial growth will continue to occur in the San Diego region. SANDAG contends that reducing fertility rates should be addressed by national family planning policies, and further concludes that the region must plan for an inevitable increase in population.

The Planning Department concurs with the basic conclusions of the SANDAG slow growth policy evaluation. As noted in the introduction to this report, The Strategic Framework Element and City of Villages concept assume the inevitability of continued population increase in San Diego although the timing and rate of growth may change over time. However, the Department has suggested to SANDAG that future research should focus on examining potential revenue sources to fund the infrastructure necessary to support increased population. In addition, while we agree with SANDAG that reducing fertility rates should be addressed by national family planning policies, we note San Diego's history of supporting community-based social services and education programs. We believe that San Diego can continue this role and impact population growth by focusing support on policies and education programs which discourage unwanted teen pregnancies.

Next Steps

Community Planners Committee

Strategic Framework staff has been meeting with CPC on a monthly basis since October 2000 to present and discuss the City of Villages strategy and related topics such as transit, urban design, density, and the Five-Year Action Plan. The City Council, through Council Policy 600-9, has charged CPC to assist the Planning Department, Planning Commission and City Council with the preparation, adoption, and implementation of amendments to the Progress Guide and General Plan. CPC has taken this task seriously and has allocated substantial time at their monthly meetings (many times devoting the entire agenda) over the past nine months to study and understand the Strategic Framework Element, and what it means for each of the community plan areas and the City as a whole.

Staff had originally asked CPC to prepare to make a recommendation on the Draft Strategic

Framework Element City of Villages Map at the June 26 meeting. Preparation of the map was based upon many factors, including the planning group workshops conducted over the Spring and early Summer. Subsequently, the CPC representatives requested additional time to discuss the maps with their individual groups, to feel confident about making a recommendation at a future meeting.

At the June meeting, CPC members spent considerable time and effort discussing the proposed map and strategy. Some members identified community specific issues, and asked to work on a more individual basis with Planning Department staff over the next three months to better understand how staff prepared the draft map, and to offer additional input. CPC also volunteered to add a meeting in August (CPC does not meet during the months of August and December) to provide more discussion time for its members, in hopes of taking action on the map at the September meeting. Planning staff will be working with the planning groups over the rest of the summer and early fall, tailoring our assistance based upon the questions and issues raised at the June meeting, including the proposed transit network, public facility funding, urban design, and the community plan process after the adoption of the Strategic Framework Element.

Public Outreach Citizens Committee

The Public Outreach Citizens Committee has been working on a plan for a community event that would highlight the concept of a City of Villages in advance of City Council consideration. Ideas that have been discussed include involving school children, families, and individuals from diverse backgrounds to share their ideas on what would make a village special for them.

Additionally, the Citizen Committee will be involved in planning the fourth phase of public outreach on the Strategic Framework Element. This phase is planned to take place in the Fall to present the latest work on the Strategic Framework Element, Five-Year Action Plan, and EIR.

Timeline

The project timeline has been adjusted to allow additional time for community planning groups to provide input on the draft City of Villages Map. As a result, City Council consideration of the Strategic Framework Element, Five-Year Action Plan, and Environmental Impact Report will be shifted from November of this year to late January or February of 2002.

A revised project timeline has been prepared and is included in the Land Use and Housing July 18, 2001 Update binder. The revised timeline also indicates opportunities for public input on the Strategic Framework Element, Darft Villages Map, Action Plan and the Environmental Impact Report.

Respectfully submitted,

S. Gail Goldberg Planning Director	Approved: P. Lamont Ewell Assistant City Manager
---------------------------------------	--

CLEMENTSON/NSB

Note: The attachments are not available in electronic format. A copy is available for review in the Office of the City Clerk.

Attachment: Land Use & Housing July 18, 2001 Update Binder

-Table of Contents
-1. Meeting Agenda
-2. Staff Report
-3. Timeline
-4. Power Point Presentation
-5. Appendix
 - - Draft Element/Distribution Text
 - - Draft City of Villages Map
 - - *What Does Density Look Like?*
 - - Strategic Framework Element Draft Illustrative Summary
 - - Draft Strategic Framework Action Plan
 - - Draft Financing Strategy
 - - Draft Pilot Village Selection Criteria - Location and Site Matrices
 - - Notice of Preparation of a Draft Environmental Impact Report
 - - Community Planning Group Outreach Report
 - - Strategic Framework Citizen Committee Roster
 - - List of Key Staff Contacts

Note: Due to the size of the attachment, only a limited distribution was made. A copy is available for review in the Office of the City Clerk. Also, copies of some or all of the binder contents can be requested through the Planning Department Strategic Framework Hotline (619) 235-5226.