

# THE CITY OF SAN DIEGO REPORT TO THE CITY COUNCIL

DATE ISSUED:	February 14, 2007	REPORT NO:	07-033			
ATTENTION:	Council President and City Council Docket of Febuary 20, 2007					
SUBJECT:	Phase I Reformat of Planned District Ordinances					
REFERENCE:	PC-01-076					

## **REQUESTED ACTION:**

Introduce and adopt the Phase I reformat of the City's Planned District Ordinances (PDOs) that involves conversion of the PDOs from Chapter 10, Article 3, Divisions 1-7, 9-15, 17, 20-22 into the format of the Land Development Code in Chapter 15, Articles 1-4 and 7-20. No substantive changes are included as a part of this action.

## **STAFF RECOMMENDATION:**

Introduce and adopt the Phase I reformat of the Planned District Ordinances.

#### SUMMARY:

In accordance with the Mayor's goal for consistent development regulations and predictable permit processes, the PDO regulations have been reorganized into a format consistent with the LDC, to facilitate consolidation into a single regulatory framework as part of the two-phase PDO project. Approval of Phase I is the action currently requested and does not include any substantive changes. Phase I is a straightforward reorganization of the PDOs from the old Chapter 10 zoning code into a new format consistent with the Land Development Code (Chapter 15). The Phase I reformat allows for comparative analysis of the duplicative administrative, permit process, zoning, and supplemental regulations between the 19 PDOs and the LDC.

Phase II is anticipated to occur during the comprehensive community plan update process. In consideration of community input, staff will make recommendations regarding which PDO regulations should be folded into the LDC, and identify where new zones or regulations should be created to preserve truly unique resources, with an overall goal to consolidate the duplicative mini codes into a single regulatory framework in the Land Development Code.

<u>Environmental Impact</u>: This activity is not a "project" and is therefore not subject to the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15060(c)(3).

#### **BACKGROUND:**

The goal of the PDO update process is to consolidate the City's duplicative mini codes into a single regulatory framework within the Land Development Code. Since adoption of the Land Development Code, the Land Use and Housing Committee reviewed and provided input regarding the Planned District Ordinances at multiple meetings (February 15, 2000, March 28, 2001, and March 10, 2004) including recommendations for approval of the Phase I reformat and prioritization of Phase II though the LDC work program. The LDC work program is the vehicle for bringing code amendment issues forward related to land use regulations, policies, and procedures. On March 29, 2006, staff provided an informational report to LU&H regarding the Mayor's prioritization of the LDC work program, including the Phase I reformat of the Planned District Ordinance's consistent with previous Council direction.

The PDO update process was originally envisioned as a component of the Zoning Code Update process that occurred between 1991 and 2000. The ZCU process was directed by the City Council to revise the organization and content of all codes relating to land development with the following goals: 1) simplify development regulations and processes, 2) make regulations more objective, 3) make the code adaptable to future change, 4) eliminate redundancies and contradictions, 5) standardize the format, and 6) increase predictability in the application of land development regulations. However, in recognition that comprehensive code updates are complex processes, the PDO portion of the analysis was postponed. Work continued on the ZCU with the understanding that the end product (Land Development Code) would provide a regulatory framework to accommodate a future folding of the PDO regulations into the LDC.

On January 1, 2000, the Land Development Code became effective. Subsequently, in February 2000, LU&H approved a two-phase PDO update work program and directed staff to begin work on the Phase I reformat and reorganization. Staff involved the community planning groups by attending individual planning group meetings, and provided an informational report to the Community Planners Committee on January 23, 2001. The Phase I reformat of the PDOs was presented to various groups and received unanimous recommendations of approval from the Code Monitoring Team (March 14, 2001); the Land Use and Housing Committee (March 28, 2001); and Planning Commission (April 13, 2001). Since that time, the LDC section has been impacted by various policy and work priority changes, in addition to a reduction in staffing levels within the Development Services Department and the City Attorney's office. In 2006, work on the Phase I reformat was resumed and reorganization of draft ordinances into Chapter 15 of the LDC was prepared for Council approval as attached.

#### **DISCUSSION:**

The Land Development Code was adopted by the City Council on September 28, 1999, certified by the California Coastal Commission on November 4, 1999 and became effective on January 1, 2000. The LDC applies to all premises within the City of San Diego. The 19 Planned District Ordinances and General Provisions are an additional layer of regulations that apply to approximately one-third of the communities throughout the City. At least one PDO applies within each Council District except for District 5 (Attachment 1).

## **City of San Diego's Planned District Ordinances**

:	Barrio Logan Carmel Valley	:	Gaslamp Golden Hill	•	Mid-City Mission Beach	•	Otay Mesa San Ysidro
•	Cass Street	•	La Jolla	•	Mission Valley	•	Southeastern San Diego
:	Central Urbanized Centre City	:	La Jolla Shores Marina	•	Mount Hope Old Town	•	West Lewis

The PDO regulations were created in the seventies and eighties during a period when it was common under national planning trends for groups to request and have special regulations applied to individual communities instead of addressing the issues on a citywide basis. In some cases, the City of San Diego approved PDOs that applied to areas as small as 17 properties (West Lewis). The 19 PDOs and General Provisions have unique methods of defining terms, calculating and measuring standards, and reviewing and processing development and construction permits. The inconsistency between these basic administrative processes has unnecessarily lead to confusion for applicants, neighbors, staff, and decision makers who attempt to understand and become an expert in each of these mini codes in addition to the Land Development Code, and become frustrated when the expected development process outcome is not achieved.

Other jurisdictions have also come to realize that this type of planning unnecessarily complicates the development process. For example, Portland, Oregon, and Chicago, Illinois, have each identified a surplus of special zoning districts as an issue that complicates the development process for their respective cities. As identified in Portland's Regulatory Rethink Paper (March 2006), Portland is looking to emulate Chicago who has already successfully reduced the number of special districts down to the minimum necessary to protect unique resources (from 24 down to 6 districts).

San Diego is also moving forward to simplify development review processes and fold the PDOs into citywide zoning, as was anticipated in the nineties during the LDC approval process. Many of the specialized PDO regulations including urban design principles were previously analyzed and incorporated into the citywide regulations in 2000 to facilitate the future conversion of the PDOs into the Land Development Code. New regulations would only be considered where they implement community plan and general plan policies within the existing user friendly format of the LDC, while achieving consistent and predictable outcomes. To accomplish this goal, staff is in the process of a two-phase PDO update project to simplify the City's 19 Planned District Ordinances (PDO) and General Provisions into a single Land Development Code that implements City policy.

#### Phase I

Phase I includes the reformatting of the City's PDOs into Chapter 15 to be consistent with the format and philosophy of the Land Development Code. The Central Urbanized Planned District

(Chapter 15, Article 5) and the Centre City Planned District (Chapter 15, Article 6) were already reformatted under separate projects. The remaining 17 PDOs and the PDO General Provisions have been reformatted to Chapter 15, Article 1-4 and 7-20 as a part of this project to complete the conversion of all PDOs into the updated Land Development Code format. The Phase I reformat allows for a comparative analysis to identify regulations that should be converted to citywide zoning, and new regulations or community plan amendments that may be necessary to protect unique resources under a single regulatory framework.

Phase I does not include any substantive changes. Each PDO from Chapter 10 of the Municipal Code (old zoning code portion) was assigned its own Article number in Chapter 15, and further divided into four Divisions representative of Chapters 11-14 of the Land Development Code. Regulations were reorganized into the new format as follows:

- Division 1 "General Rules" corresponds to LDC Chapter 11 Geographic areas of applicability, applicable regulations, decision making authority, and definitions.
- *Division 2 "Permits and Procedures" corresponds to LDC Chapter 12* Permit types, financing and review procedures, and other administrative procedures.
- Division 3 "Zoning and Subdistricts" corresponds to LDC Chapter 13 Zoning permitted uses, and development regulations.
- Division 4 "General and Supplemental Regulations" corresponds to LDC Chapter 14 Grading, drainage, fences, landscape, offsite development impacts, storage, screening, loading, signs, historic resources, parking, and other supplemental regulations.

Staff created a tracking log to reflect the conversion of regulations from Chapter 10 to Chapter 15 as provided in Attachment 2. In cases where the published Chapter 10 language was modified to correct printing errors or incorrect references, the City Attorney prepared a summary sheet that is included with the associated Chapter 15 Planned District Ordinance. The following are typical types of non-substantive changes that occurred during the Phase I reformat.

- "This Division" or "this District" replaced with specific references to the individual Planned District Ordinance or Planned District, as appropriate to consistently reference the geographical location or regulating document
- Reference sections were modified according to the reorganization.
- Grammar capitalization, and punctuation errors were cleaned up where they would not impact intent
- Words added for clarification where a statement included information that applied to multiple sections. (ie to separate use and development regulations)

# Phase II

While most of the PDOs are just slightly different than the citywide regulations, the Phase II

process is anticipated to take years to accomplish due to the complexity of the regulations and the variety of public and private interests expected to participate in the process. Each PDO will require a comprehensive, time intensive review for consistency with citywide policies such as the General Plan update, potential consolidation to citywide LDC regulations, potential economic or redevelopment opportunities, and other potential streamlining improvements to meet the Mayor's goals.

The PDO update project is a high priority for the Mayors office, however City resources are limited. As a result, two fairly straightforward PDOs (size and complexity) were selected as case studies to begin the Phase II process as they seemed the most manageable in consideration of the City's limited resources. West Lewis PDO includes only 2 blocks (17 properties) and Cass Street includes only 13 blocks. Both PDOs selected are limited to a single commercial land use designation. To date staff has conducted site visits of both PDOs, and has begun a comparative analysis against the existing citywide zoning tools. In addition, staff provided an informational presentation to the Uptown Planners Committee regarding West Lewis on September 5, 2006, and to a subcommittee of the Pacific Beach Planning Group on October 13, 2006. The City will be performing the remainder of the Phase II analysis along with the General Plan and associated Community Plan updates in order to take a comprehensive view of the more complex PDOs, while optimizing staff resources during the broad community participation and public outreach associated with the community plan update process. For example, staff will be addressing the Otay Mesa PDO along with the community plan update that is currently in process.

## FISCAL CONSIDERATIONS:

The Phase I reformat of the Planned District Ordinances is a part of the Land Development Code Update work program for Fiscal Year 2006-2007. Work on this project was funded as an overhead expense in the Development Services Department's (enterprise fund) budget. The LDC section is currently staffed with two full-time Senior Planner positions (account: Dept 1316, Org 1633, Job 1193). The Phase I reformat is anticipated to improve efficiency and reduce costs for the Department by organizing the existing PDO regulations into a more user friendly format at an overall cost savings for the City.

## PREVIOUS COUNCIL and/or COMMITTEE ACTION:

Land Use and Housing: On March 29, 2006, staff provided an informational report to the Land Use and Housing Committee regarding the Mayor's prioritization of the LDC work program, which listed the Phase I reformat of the PDOs as a priority. Prior to the strong mayor form of government, LU&H reviewed and provided input regarding specific items on the work program including the Phase I reformat. The LU&H Council Committee also determined the Phase I reformat to be a priority at previous Committee hearings (February 15, 2000, March 28, 2001, and March 10, 2004).

<u>Planning Commission</u>: On April 13, 2001, the Planning Commission voted unanimously to recommend approval of the Phase I reformat of the PDOs.

<u>Code Monitoring Team</u>: On March 14, 2001, the Code Monitoring Team voted unanimously to recommend approval of the Phase I reformat of the PDOs.

<u>Community Planners Committee</u>: On January 23, 2001, staff provided an informational report to the Community Planners Committee regarding the two-phase PDO work program.

## COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

The Phase I reformat will improve use of the existing regulations with no substantive changes. In 2001, LDC staff members attended community planning group meetings to discuss the twophase PDO work program individually with each planning group. Staff presented the Phase I reformat of the Planned District Ordinances to the Community Planners Committee, Code Monitoring Team, Planning Commission, and Land Use and Housing Committee and received unanimous support. Links were posted to the Development Services Department website to facilitate public review of the proposed ordinances months in advance of the Council hearing.

Staff provided informational presentations to the Uptown Planners Committee on September 5, 2006, and to the Pacific Beach Planning Group subcommittee on October 13, 2006 regarding the West Lewis and Cass Street PDOs which have been identified as potential Phase II pilot projects. For each PDO update under Phase II, the LDC team will research, analyze, and prepare reports on the issues, and coordinate public outreach for input and feedback, before bringing the Phase II PDO Updates forward to the City Council for approval. Following City Council approval, the Phase II PDO updates in the coastal zone will require Coastal Commission certification. Since there are no substantive changes included in Phase I, the reformat will not be required to be certified by the Coastal Commission.

#### KEY STAKEHOLDERS AND PROJECTED IMPACTS:

Potential stakeholders include community groups, consultants, property owners, development industry, public interest groups, land use professional associations, utilities, and government agencies (including redevelopment agencies). The Phase I reformat of the Planned District Ordinances will improve the use of existing PDO regulations. The reformat will also facilitate a comparative analysis of the PDOs for consideration in Phase II to determine which PDOs can be transitioned to citywide zoning for additional simplification and streamlining improvement. The Phase II analysis will be conducted along with the General Plan and associated Community Plan updates to ensure that the updated PDOs implement the long term policy vision for the communities and are consistent with the Mayor's goal for consistent development regulations and predictable permit processes.

#### **CONCLUSION**

The proposed PDO Update project is expected to improve predictability and consistency in application of regulations in the Land Development Code by providing one source for zoning and development permit information. Consolidation into a single regulatory framework is expected to improve the development review process by removing additional staff time

previously attributed to researching multiple sources including some that contained conflicting regulations. Development Services recommends that the City Council adopt Phase I of the PDO Update project.

# ALTERNATIVES:

- 1. The Council may request that the Mayor modify the reformatted Phase I ordinances to incorporate substantive changes to address changing development practices and update the language. While it is agreed that a majority of the PDOs include archaic language, this option is not recommended as such substantive changes would be time intensive to process due to anticipated disagreement within the communities regarding purpose and intent of various sections. Incorporating substantive changes into Phase I would add complexity and time to both phases of the two-phase PDO update project.
- 2. The Council may deny the Phase I reformat of the Planned District Ordinances if the Council determines that the two-phase PDO update is unnecessary. Instead of officially adopting the reformatted ordinances, the language would be further analyzed by staff to complete Phase II before returning to City Council for approval. This option is not recommended since it is not certain how much time it will take to complete the Phase II substantive changes. This would leave the existing Chapter 10 language unchanged in the interim and would not meet the desired goal of clarification of the PDO regulations for community members, staff and the public.

Respectfully submitted,

Marcela Escobar-Eck Development Services Director James T. Waring Deputy Chief Operating Officer of Land Use and Economic Development

# ESCOBAR/KGB/AJL

## Attachments

- <u>1.</u> <u>PDOs by Council District</u>
- 2. Tracking Logs (available at the City Clerk's Office))

Note: Draft Ordinances for each Planned District are available for review in digital and paper format. The digital format can be accessed at http://www.sandiego.gov/development-services/industry/pdo.shtml

Due to the size of the exhibit, a paper copy is not attached to the report, but is available for

review at the Office of the City Clerk located at 202 "C" Street, 2<sup>nd</sup> Floor, San Diego, CA 92101.