

Agenda Report

TO: CITY COUNCIL

DATE: SEPTEMBER 24, 2007

FROM: CITY MANAGER

SUBJECT: A RESOLUTION ESTABLISHING GUIDELINES FOR IMPLEMENTATION OF THE DEVELOPMENT INTENSITY STANDARDS IN THE LAND USE ELEMENT OF THE GENERAL PLAN

RECOMMENDATION

It is recommended that the City Council adopt a resolution establishing guidelines for implementation of the development intensity standards in the Land Use Element of the General Plan.

PLANNING COMMISSION RECOMMENDATION

On May 23, 2007, the Planning Commission considered initiating amendments to the Land Use Element to establish the administrative procedures outlined in this resolution. The Planning Commission voted to recommend that the City not establish these procedures and instead recommended that they be considered in the next Land Use Element update.

The Commission was concerned that changing the time of allocation from the building permit to the first discretionary approval would allow property owners and developers to hold on to their allocation without actively pursuing the project. The Commission recommends that this issue was better addressed in the next scheduled Land Use Element update.

The Commission did not believe that there was a need to preserve units for the vacant parcels of the housing-only areas of the Central District. They recommended that this could be done in the next update of the Land Use Element and that because the housing market is slowing down, it was likely that units would remain available in the Central District for these parcels.

BACKGROUND

The Land Use Element established intensity standards for net new housing units and net new non-residential square footage in each of the seven Specific Plan areas. In each Specific Plan area, these units and square footage are currently allocated to a project at the time of issuance of a building permit. This is a policy that is not in the General Plan, Zoning Code or Specific Plans, except that the West Gateway Specific Plan specifies that the allocation of units and square feet will take place when a building permit is issued.

On February 28, 2007 and March 19, 2007 respectively, the Planning Commission and the City Council reviewed alternatives for the remaining Central District housing intensity standards. In the Central District the General Plan allocated 5,095 net new housing units; approximately 62% of these allocated units have received building permits and another 30% could be used by projects in the pipeline (See Attachment 1.) If all these projects are completed, there will be 425 units available for future projects. Concerns were raised by property owners and business district representatives at the Planning Commission and City Council meetings that allocation of units and square feet at the building permit stage is too late in the process and could result in developers investing substantial time and money into a project only to find out that there are no units or square feet available to them at the building permit stage.

To provide increased certainty for property owners and developers in the Central District and other Specific Plan areas, this resolution will establish a procedure that allocates the units and square feet earlier in the process, when a project receives its first discretionary approval, such as a conditional use permit, variance, or concept design approval. This allocation would be conditional and would expire if the project fails to proceed through the permitting process in a timely fashion. Conditional use permits and concept design approval expire after one year, with a one-year extension possible under certain conditions. Final design review expires after two years.

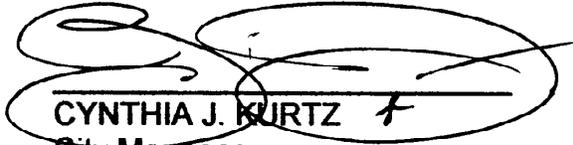
There are some areas of the Central District that only allow residential development or allow a small amount of non-residential development if part of a mixed-use project that includes housing. On vacant lots in these areas, if there are no more housing units available for allocation, there may not be a viable option for the property owner to use the property. On March 19, 2007, the City Council expressed support for reserving some of the remaining units in the Central District for vacant lots in these areas. This resolution establishes a policy that 60 housing units are reserved for existing lots that are currently vacant in the Central District.

The West Gateway Specific Plan specifies that the housing units and square footage are allocated to a project when it receives a building permit. This policy can only be changed through an amendment to the specific plan. Therefore, the administrative policies outlined in this resolution will not apply to the West Gateway Specific Plan.

FISCAL IMPACT

There will be additional staff time involved in the record-keeping that is necessary to track projects through various discretionary approval processes. It is anticipated that this additional staff time can be accommodated in the existing work plan.

Respectfully submitted,


CYNTHIA J. KURTZ
City Manager

Prepared by:



Laura Fitch Dahl
Senior Planner

Approved by:



Richard Bruckner
Director of Planning & Development

Enclosure: Resolution establishing guidelines for implementation of the development intensity standards in the Land Use Element of the General Plan

Exhibit A to the Resolution: Guidelines for the implementation of the development intensity standards in the Land Use Element of the General Plan

Attachment 1: Quarterly Summary Report on Housing Production in the Central District

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA
ESTABLISHING GUIDELINES FOR IMPLEMENTING THE DEVELOPMENT
INTENSITY STANDARDS IN THE LAND USE ELEMENT OF THE GENERAL PLAN**

WHEREAS, the revised Land Use Element of the Comprehensive General Plan was adopted in November of 2004; and

WHEREAS, the Land Use Element calls for the preparation of seven Specific Plans as an implementation strategy for the Land Use Element; and

WHEREAS, the Land Use Element established development intensity standards by allocating a maximum number of net new housing units and net new non-residential square feet to each of the specific plan areas; and

WHEREAS, there is a need to establish a procedure for the allocation of the net new housing units and net new non-residential square feet for the specific plan areas.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Pasadena, as follows:

The guidelines for the implementation of the development intensity standards of the Land Use Element of the General Plan, attached hereto as Exhibit A and incorporated herein by reference, are hereby approved and shall take effect immediately.

Adopted at the regular meeting of the City Council on the 24th day of September, 2007, by
the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

**JANE L. RODRIGUEZ, CMC
CITY CLERK**

Approved as to form:



**THERESA E. FUENTES
DEPUTY CITY ATTORNEY**

EXHIBIT A

ADOPTED BY THE CITY COUNCIL ON:

GUIDELINES FOR IMPLEMENTATION OF THE DEVELOPMENT INTENSITY STANDARDS IN THE LAND USE ELEMENT OF THE GENERAL PLAN

I. DEFINITIONS

A. "First Discretionary Action" is the first discretionary approval that a development project must obtain that defines the project. This includes, but is not limited to: concept or consolidated design approval, conditional use permit, variance, master development plan, planned development, 10% or 25% FAR bonus, and affordable housing concession permit. This does not include: tentative tract map, lot line adjustment or other subdivision activity, nor does it include preliminary application conference (PAC), preliminary plan check, zone change or specific plan amendment.

B. "Development Intensity Standard" is defined as the housing units and square feet allocated to each specific plan area in the Land Use Element of the General Plan.

C. "Vacant Parcel" is defined as a parcel that is existing as of the effective date of this resolution and that is vacant on the effective date of this resolution.

II. PROCEDURE FOR ALLOCATING DEVELOPMENT INTENSITY

A. When a development project is submitted within the boundaries of a specific plan area (other than the West Gateway Specific Plan), city staff will determine if there are square feet and/or housing unit available to allocate in the specific plan area.

B. If there is sufficient square footage and housing units to accommodate that development project, the project will proceed through the appropriate review and approval process. When the project has received approval of the first discretionary action, the housing units or square feet are considered conditionally allocated to that project and are no longer available for other development projects within the specific plan area. If a project does not need any discretionary approvals, the units or square feet will be conditionally allocated to that project when it receives a building permit.

C. Affordable housing units – Unless a specific plan specifies otherwise, affordable housing units do not count towards the development intensity standards and no allocation is necessary. Prior to receiving a conditional allocation of housing units, the project will need to specify the number of affordable and market-rate housing units. If the project subsequently reduces the affordable housing units and increases the number of market-rate housing units, there is no guarantee that the additional market-rate housing units will be available for the project.

D. West Gateway Specific Plan – This specific plan specifies that the intensity standards are allocated to development projects upon receipt of building permit. These administrative guidelines will not apply to the West Gateway Specific Plan area.

E. Expiration – If the Director of Planning and Development finds that any discretionary action approval or building permit has expired, the conditional development intensity allocation will also expire and the housing units and square feet will be available for other projects in the specific plan area.

III. PROCEDURE FOR RESERVING UNITS FOR VACANT PARCELS IN THE CENTRAL DISTRICT

A. Sixty housing units of the 5,095 units allocated by the 1994 Land Use Element to the Central District Specific Plan area will be set aside and used only for projects on existing lots that are vacant on the effective day of this resolution in the RM-32 and RM-48 areas within the Central District Specific Plan area and in those portions of the Walnut Street Urban Village precinct of the CD-3 zoning district that permit only housing.

B. These sixty housing units will not be available for projects in other areas of the Central District.

C. Projects that meet these criteria will draw their housing from the pool of sixty housing units first, and then if necessary from the other remaining units in the Central District.

QUARTERLY SUMMARY REPORT, HOUSING PRODUCTION - 04/01/07 THROUGH 06/30/07

Units Completed	<u>New in Quarter</u>	<u>C of O Issued</u>
Within CD		<u>Running Total FY '07</u>
Demolished	-1	-8
New Market	2	420
New Affordable	0	24
Net new units	1	436
Outside CD		
Demolished	-9	-23
New Market	41	149
New Affordable	0	56
Net new units	32	182
Citywide Net New Units	33	618

Units Under Construction	<u>New in Quarter</u>	<u>Permits Open</u>
Within CD		<u>All Outstanding Permits</u>
New Market units	53	See note below * 368
New Affordable	0	6
Net new units	53	374
Outside CD		
New Market units	33	548
New Affordable	0	134
Net new units	33	682
Citywide Net New Units	86	1,056

*Note: Bldg Permits for 3 units expired; no units were constructed, thus, units were added back to the allocation pool.

Central District Land Use Intensity Standards

	<u>Market</u>	<u>Affordable</u>	<u>Total</u>
Net New Units Under CD Plan	5,095		
Net new units complete	2,830	431	3,261
Net new units under construction	368	6	374
Total	3,198	437	3,635
Remaining Capacity	1,897		

Units "In the Pipeline"	<u>In Entitlement Process; No Permits Issued</u>
	<u>As of 06/30/06</u>
Within CD (Net new market units)	1,472
Outside CD (Net new units)	1,271

Units Submitted for PAC	<u>Applications for Entitlement Not Submitted</u>
	<u>Quarter</u>
Within CD (Gross new units)	9
Outside CD (Gross new units)	87
Citywide Gross New Units	96