

DATE ISSUED:

REPORT NO:

ATTENTION:

Committee on Land Use and Housing  
Docket of , 2009

SUBJECT:

Map and Permit Extension Ordinance

REQUESTED ACTION:

Recommend City Council approval of an ordinance amending tentative maps, development permits, and construction permit expiration dates.

STAFF RECOMMENDATION:

Recommend to the City Council adoption of the map and permit extension ordinance.

SUMMARY:

Under current state and local regulations, map and permit applications and permits have automatic expiration dates. This proposed ordinance would automatically extend those expirations in order to assist property owners to respond to the current economic downturn.

ENVIRONMENTAL IMPACT:

This activity is exempt pursuant to CEQA Section 15060(C)(2).

BACKGROUND:

This ordinance is in response to the current economic crises gripping San Diego, the State, and the world. As a result of this crisis, many development projects that were in the process of review, permitting, and construction have been delayed by the lack of available institutional financing or the market's impacts on personal finances.

Many of these project owners have made significant investments to investigate and purchase property; hire design professionals to prepare studies and design their projects; pay for City review and permitting; and to engage contractors to construct their projects. The City estimates that hundreds of projects have been stopped or delayed at some stage in this often lengthy and complex process.

In order to address these impacts, this ordinance extends the time between permit application and permit application expiration and the time between permit approval and permit expiration for a variety of permit types.

#### DISCUSSION:

If this ordinance is approved, the City will grant the additional one year Tentative Map extension to all maps that State Senate Bill 1185 allows (projects approved prior to July 15, 2008 that would expire after July 15, 2008), in addition to the one year map extension automatically granted by the bill. These extensions include any associated development permits that were approved with the map. Three years is the normal period of time between map and permit approval and expiration. The combination of this ordinance and SB 1185 makes this time period 5 years.

Approval of this ordinance would also grant a one year extension to any projects that have only City development permits (Neighborhood Use, Conditional Use, Neighborhood Development, Site Development, Planned Development, and Coastal Development Permits and Variances) issued prior to July 15, 2008 that would expire after July 15, 2008. Three years is the normal period of time between development permit approval and expiration. This ordinance change would make this 4 years.

This proposed ordinance would also add an additional factor that is considered by the City to constitute initial utilization of a map or development permit. If a project owner has made a valid building permit application that has been deemed complete and that has not expired, the City will consider the map or permit to be initially utilized under the Municipal Code. This will prevent project owners that spent significant funds to prepare construction drawings but that cannot obtain construction financing from losing their map or development permit while still having a valid building permit application in process at the City.

In addition to maps and development permits, this ordinance proposes to automatically extend the time between a Building Permit, Electrical Permit, Plumbing Permit, and Mechanical Permit application date and the date it would expire per the Municipal Code in addition to any other extensions allowed by the Code. This extension would be granted for any active or expired permit application that was deemed complete on or after July 1, 2007. The normal time between the permit application date and the date the application expires is 1 year with a 6 month extension allowed by the code. This ordinance would grant up to 2 ½ years before expiration.

The proposed ordinance would provide project owners with Building Permits, Electrical Permits, Plumbing Permits, Mechanical Permits, Grading Permits, and Public Right-of-Way Permits issued on or after July 1, 2007 an additional 545 day extension in addition to any other extension permitted by the Municipal Code. The normal time between permit issuance and permit expiration is 2 years for certain projects and 4 years for other projects. Two extensions of 6 months each are also provided under the current Municipal Code. This ordinance would allow the total time between permit issuance and expiration to be up to 4 ½ years for certain projects and 6 ½ for all others.

Projects that receive permit application and permit extensions under the proposed ordinance would still be subject to any applicable emergency building standards and new fire safety standards.

This ordinance would also allow any project owner that has received building permits on or after July 1, 2007 and that has completed foundation installation to proceed with the construction of the remaining structure in reliance on the building code in effect at the time the foundation permit application was deemed complete. This allows project owners that have invested significantly in the construction of a portion of their building to complete the remaining portion in reliance on the regulations in place when the project was originally designed.

(Note: In addition to the Tentative Map extensions noted above, bills are currently working through the State Legislature and propose to grant additional automatic extensions of time to maps and associated permits.)

FISCAL CONSIDERATIONS:

Administration of the map and permit review process is based upon a fee for service paid for by applicants in the development process.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

The proposed concept of extending maps and permits was presented as part of the Land Use and Housing Committee discussion regarding the San Diego Regional Chamber of Commerce Housing Committee report on March 11, 2009.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

Numerous individuals have made requests for extensions including home owners, small businesses, and large scale project owners.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

The Development Services Department has been inundated with requests for extensions on maps and permits by property owners experiencing financial hardships and delays as a result of economic crisis. This ordinance would provide an additional tool to respond to these requests and allow additional time in hopes for improvement in the economic climate.

CONCLUSION:

The proposed ordinance in combination with State law takes an important step towards insuring that development can occur when the economy improves.

Respectfully submitted,

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Kelly Broughton  
Director, Development Services

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Jay Goldstone  
Chief Operating Officer

Attachment: Proposed Ordinance