

# *Strategic Framework Element*



Approved by:  
Council of the City of San Diego  
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# Preface

*San Diego has the location and the physical foundation in general for an important, perhaps a great, city. Its people are awake to its needs, and are resolved to meet them.*

*John Nolen, 1908*

Planning consultant John Nolen wrote these words as a preface to San Diego's first grand vision statement of the 20th century. He looked at a young city with a population less than 40,000 and imagined what it could become.

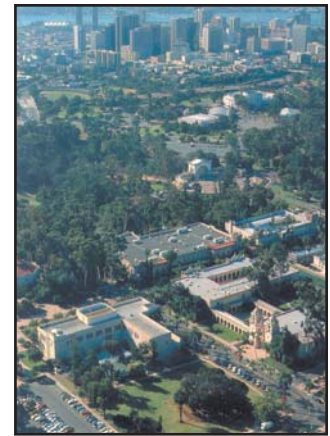
Against the backdrop of what Nolen considered San Diego's "permanent attractiveness beyond all other communities," he envisioned development of a civic center of downtown public buildings, more urban open space, parks and playgrounds, and a bayfront with promenades and public amenities. He urged San Diegans to build a city that capitalized on its many natural assets and enviable climate.

Nolen's goals are still relevant today and they advised many of the planning decisions that shaped San Diego in the past century.

Since the Nolen Plan was commissioned, San Diego grew from a small border town to a thriving metropolis. Our economic base evolved from tourism and defense to include high-technology research and manufacturing and international trade. Our population grew to nearly 1.3 million people and we spread across the land, creating the many distinct neighborhoods in which we live and work today.

San Diego is still envied for its climate and natural landforms. It is not uncommon to hear the region described as a "paradise" of beaches, bays, canyons, mountains and deserts. The latter part of the 20th century saw unprecedented efforts in environmental preservation as San Diego worked to preserve open space for critical species and habitat.

A century after Nolen, San Diego is once again anticipating its future and defining a new strategy for the way we will live on the land for the next 20 to 50 years. The challenges of the 21st century will require new approaches, innovative solutions, and sound public policies.



In 2002, less than ten percent of our developable land remained for future construction. In the future, development will no longer occur on the fringes of the city. San Diego will begin a process, familiar to mature cities, of turning inward, revitalizing our older communities and accommodating our inevitable future growth within our existing neighborhoods. There is strong consensus that future development must respect the city's natural landforms and preserve valuable open spaces.



In the coming years and for the first time in our City's history, our population will increase more from natural increase (births minus deaths) than from migration. The 2000 Census also confirmed there is no ethnic majority in San Diego. San Diego is a truly multicultural city that will become even more diverse in the future.

So, how do we plan for the changes and challenges ahead? Through continued collaboration.

# *Planning Ahead, Together*

The specific strategy outlined in the Strategic Framework Element is the product of intensive public collaboration over a three-year period from 1999 to 2002. More than 40 citizens of diverse and accomplished backgrounds worked to shape the recommendations herein. Thousands of others provided valuable input in public hearings, public workshops, local community planning group meetings, public forums, and through a City of Villages website.

The heart of the City of Villages strategy is in its mission: to preserve and build upon what is good in each of San Diego's unique neighborhoods.

San Diego is ranked among the largest and most vital cities in the world. The challenges we face are shared by major cities here and abroad. As a result, planning in San Diego is shaped by national research, policies and trends, yet our solutions must be local. They must capitalize on the unique and treasured assets of our communities. They must strengthen neighborhoods, not diminish them.

San Diego needs a well defined strategy for investing finite City resources for the greatest public benefit. This strategy will help to accomplish that objective and ensure the future prosperity of the City and its residents. If successfully implemented, the City of Villages strategy will be a testament to Nolen's original vision of San Diego.

This Strategic Framework Element contains a shared vision of tomorrow's San Diego: a City that is a thriving metropolis, yet, at its heart, remains a City of Villages.



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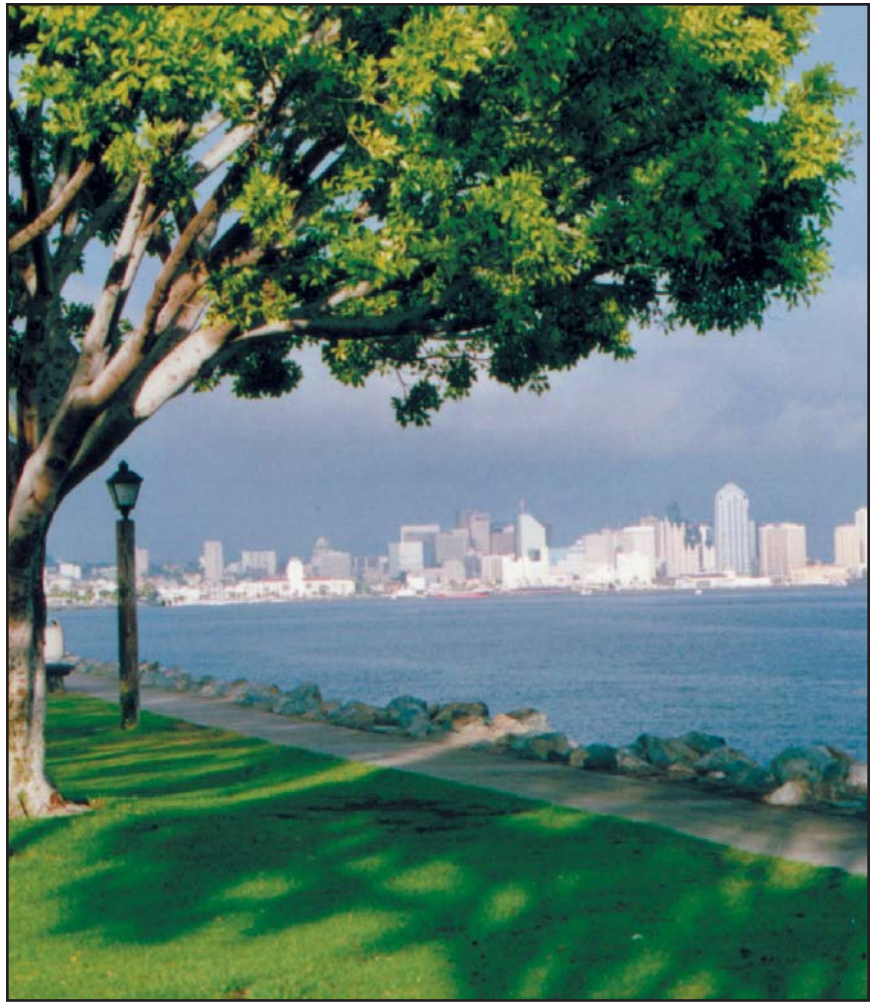
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# *I. Executive Summary*

## *Background*

Timely and effective planning is critical to assist a city in its evolution, as well as to protect the health, safety and welfare of its residents.

Recognizing this, the State of California requires that each city have a general plan to guide its future growth and development. The State also requires each city to update its general plan periodically to ensure relevance and utility.

The City of San Diego is initiating an update to its *Progress Guide and General Plan* with the Strategic Framework Element, which begins the first comprehensive update since 1979. Several factors that influenced the timing of this update include:

- Population forecasts indicate that the City's population will continue to increase.
- Less than 10% of the City's land is vacant and available for new development, meaning the City must shift from developing vacant land to reinvesting in existing communities.
- The City faces a significant shortfall in public facilities and services.
- The need to address traffic congestion and other quality of life concerns.
- Housing is increasingly unaffordable and unavailable.

## *The Strategic Framework Element*

This planning effort affords the City an opportunity to prepare a comprehensive strategy to address its challenges so that it can achieve its primary goal: to improve the quality of life for current and future generations of San Diegans.

This Strategic Framework Element provides the overall structure to guide the General Plan update, including future community plan updates and amendments and implementation of an action plan. The Strategic Framework Element represents the City's new approach for shaping how the City will grow while attempting to preserve the character of its communities and its most-treasured natural resources and amenities.

## *City of Villages Overview*

The essence of the Strategic Framework Element is the City of Villages strategy, a wide-ranging approach to improving the quality of life for all San Diegans. The strategy addresses the urban development trends of the past and the challenges of the near future, while outlining implementation strategies for the continued growth of the City beyond the year 2020. The focus of the strategy is determining where and how new growth and redevelopment occur to ensure the long-term environmental, social, and economic health of the City and its many communities.

The strategy seeks to target growth in village areas. Conceptually, the City of Villages reinforces and enhances the existing patterns of development found in the City's communities. It draws upon the strengths of San Diego's natural environment, neighborhoods, commercial hubs and employment centers and utilizes existing and new village centers for further intensification. The City's single-family neighborhoods are unaffected as higher-density redevelopment is directed into five distinct land use districts or village types.

The strategy defines a village as the heart of the community, where residential, commercial, employment and civic uses are integrated. Villages are to be pedestrian-friendly and have inviting public spaces for community events. Villages will offer a variety of housing types and densities and be supported by excellent transit service and public facilities such as schools and parks. No two villages will be alike—each will be unique to the community in which it is located.





## *Vision and Values*

The City of Villages is based upon a vision and a set of core values that were shaped by the people of San Diego. Prior to adoption of the Strategic Framework Element, the City undertook a comprehensive public outreach effort involving thousands of citizens who have participated in nearly 200 meetings since 1999. The vision and core values for the City of Villages were crafted through input from these citizens and the guidance of a 40-person citizen committee. The fourteen core values encompass broad areas such as the physical environment, the economy, culture, and society. These core values provided the foundation for the policy direction found in the City of Villages strategy.





## *Policy Direction*

Some of the main policy recommendations based upon the vision and core values include:

### **Urban Form Policy Recommendations**

- Allow the natural environment to define and shape the City's form.
- Create diverse village centers to accept intense commercial and residential development.

### **Neighborhood Quality Policy Recommendations**

- Maintain the distinctive character of communities and preserve single-family neighborhoods.
- Increase walkability in City neighborhoods.

### **Public Facilities Policy Recommendations**

- Facilitate development patterns that can be served by adequate infrastructure.
- Focus infrastructure investments in communities that demonstrate a need for such resources.

### **Conservation and Environmental Policy Recommendations**

- Conserve, protect and restore natural resources.
- Encourage efficient land use and development.

### **Mobility Policy Recommendations**

- Integrate land use and transportation planning to improve mobility.
- Support plans that make transit a viable option for peak and non-peak trips.

### **Housing Supply and Affordability Policy Recommendations**

- Ensure that the housing supply accommodates future population growth.
- Balance the distribution of affordable housing among communities.

### **Economic Prosperity and Regionalism Policy Recommendations**

- Retain and attract businesses that diversify the economic base and offer high-quality employment opportunities.
- Lead regional collaboration and strengthen border relations.

### **Equitable Development Policy Recommendations**

- Create and maintain stable, economically and socially diverse communities through means that distribute equitably the costs and benefits of development.
- Ensure that residents can afford to remain in their community when it is improved.

## *Regional Collaboration*

The City of Villages is designed to complement and support other long-range, growth-management strategies in the region. The City continues to work closely with the County of San Diego and regional planning entities, including the San Diego Association of Governments (SANDAG) and the Metropolitan Transit Development Board (MTDB). In fact, MTDB's strategic plan for future transit service, Transit First, is intrinsically linked to the City of Villages strategy. Two examples of the benefits of the regional coordination associated with the City of Villages are: 1) the real potential to limit sprawl in outlying areas of the county, and 2) a significantly superior transit system that can provide more choices for San Diegans to move about the City.

## *City of Villages Implementation*

### *The Strategic Framework Action Plan*

The core values and policies serve as guiding principles for the goals and implementation actions identified in the Strategic Framework Element Action Plan. The Action Plan is a companion document to the Strategic Framework Element. It outlines the work program proposed to implement the City of Villages strategy. The Action Plan identifies actions to be taken, the lead department(s) to further the action, whether staff funding is available to work on the item, potential public and private sector partners who should be involved, and which action items have the highest priority for implementation. Major actions identified in the Action Plan include updating other elements of the General Plan and the City's community plans. It also recommends actions to revise, reexamine, and create new City policies, regulations, standards, and processes so that they are consistent with the Strategic Framework Element. In addition, the Action Plan directs that a financing strategy be prepared and that new revenue sources be secured to implement key components of the Strategic Framework Element, such as infrastructure improvements and increased village amenities.

## *Identification of Villages*

Implementation of the policy recommendations of the strategy will require locating and categorizing villages based on the following framework:

- 1) **The Regional Center** (Downtown San Diego) is the administrative, legal, and cultural center of the region, and is an appropriate location for the highest density housing and most intense, mixed-use development served by multi-modal transportation systems.
- 2) **Subregional Districts**, such as Mission Valley and Otay Mesa, are major employment or commercial districts with adjacent multifamily residential uses, served by major transportation systems.
- 3) **Urban Village Centers**, such as Hazard Center in Mission Valley, are more focused development areas within Subregional Districts that have an intense mix of employment, commercial and higher density residential uses near transit hubs.
- 4) **Neighborhood Village Centers**, exemplified by the Uptown area and found in most communities in the City, are neighborhood-oriented areas of varying sizes featuring local commercial, office, personal services, public gathering spaces, and a variety of multifamily residential uses.
- 5) **Transit Corridors**, such as El Cajon Boulevard and Garnet Avenue, are the commercial “main streets” found in many urbanized communities that can be revitalized to serve as linkages between village centers.



## *Pilot Villages*

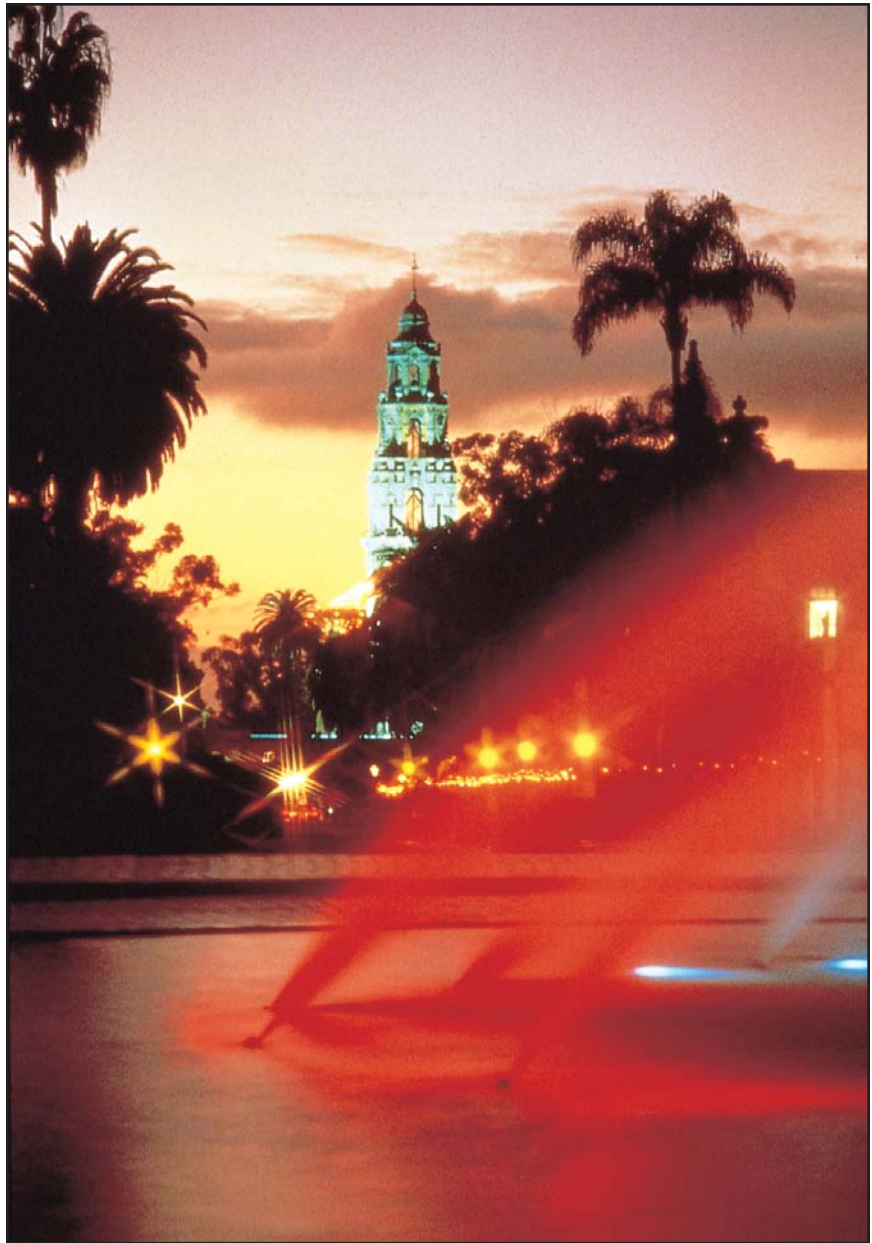
The City of Villages will be phased in over a 20-plus year period, starting with approximately three pilot projects. The City Council will choose three sites based upon the results of a two-part selection process. These sites will exhibit the best features of the City of Villages concept and are expected to be fully functioning village centers in three to five years. The City will partner with communities, government agencies, private property owners, and developers to implement the City of Villages strategy in a timely fashion in the selected locations. The designation of additional villages and preparation of detailed plans for districts, village centers and transit corridors will occur through a public and broad based community plan update and amendment process.



## *Financing*

One of the greatest challenges in implementing the City of Villages will be providing the necessary public facilities and services for growing neighborhoods. Local community planning groups and citizens indicate that any higher density development must be accompanied by sufficient parks, schools, police services, sewer lines, and public transit. Furthermore, the City faces an approximate \$2.5 billion (2001 dollars) shortfall in public facilities and infrastructure already identified in current community plans. The City estimates that more than \$100 million in additional revenue per year over the next 20 years will be needed to finance this shortfall.

Given this scenario, delivering any new services while financing current facility shortfalls will require new funding sources and may require refocusing City resources into communities with the highest concentrations of jobs or housing. With the guidance of the Strategic Framework Citizen Committee, City staff is preparing financing strategies to address the shortfall and identifying potential funding sources for new or upgraded facilities. Ultimately, however, San Diego voters will choose how to finance public facilities and infrastructure needs.



## II. Introduction

Planning is critical to assist a city in its evolution, as well as to protect the health, safety, and welfare of its residents. Recognizing this, the State of California requires each city to have a General Plan to guide its future, and mandates through the Government Code that the plan be periodically updated to assure relevance and utility. In 1979, the City Council adopted the *Progress Guide and General Plan* to guide its future through a comprehensive set of polices that addressed major public concerns including housing, redevelopment, land conservation, public safety, parks, streets, libraries, and other public facilities. The Strategic Framework Element will guide the update of the entire 1979 *Progress Guide and General Plan*, including future community plans, and implementation of an Action Plan. The Strategic Framework Element contains a strategy called the “City of Villages” to direct future growth as San Diego shifts from an era of building upon abundant open land to one of reinvesting in existing communities.

The *Guidelines for Future Development*, which this Element replaces, primarily addressed development of vacant land and was largely successful in ensuring that new communities were built with adequate public facilities. However, the *Guidelines* did not focus on an implementation program to provide public facilities upgrades concurrent with infill growth in the older communities. As of 2002, development has consumed the majority of developable vacant land within the City’s limits. The *Guidelines*, therefore, are out of date, and are largely irrelevant for directing future growth and development. New strategies are needed to address existing public facilities shortfalls and growth pressures. The Strategic Framework Element provides guidance to meet housing and employment needs and to preserve and enhance San Diego’s neighborhoods. The Element describes how the City can enhance its many communities and neighborhoods as growth occurs over time. This Element does not encourage or mandate a specific amount of growth.

The Strategic Framework Element offers new policy directions in the areas of urban form, neighborhood character, historic preservation, public facilities, conservation, mobility, housing affordability, economic prosperity, and equitable development. It addresses the urban development trends of the past and the challenges of the future. It also outlines implementation strategies and considers the continued growth of the City beyond the year 2020.

Most important, the strategy is based upon the vision and core values of those who shaped it: the people of San Diego.

## *Partnerships in Planning: A Regional Approach*

The City of Villages strategy is designed to complement and support long-range growth management strategies throughout the region. The City continues to coordinate and work closely with regional planning entities including the San Diego Association of Governments (SANDAG) and the Metropolitan Transit Development Board (MTDB). The objective of increasing residential and employment concentrations in areas with the best existing and future transit connections supports SANDAG's regional planning goals and MTDB's transit vision.



The *County 2020 Plan* proposes to focus development in existing or planned towns and to decrease growth in rural areas. The general plans for several of the smaller cities in the region also call for intensifying development near existing downtowns and activity centers. Concepts similar to those in the City of Villages strategy are being used to plan developing communities in other cities and the unincorporated areas of the county.

The City of San Diego plays a leading role in regional planning. This role includes working with other cities and agencies in refining the regional arterial transportation network, expanding transit services, developing a long-term airport solution for the region, assuring availability of adequate sources of water and utilities for urban needs, and achieving goals for a regional open space network. Beginning in the 1990s, officials representing the cities of San Diego and Tijuana entered into an unprecedented partnership to collaborate on issues that impact citizens on both sides of the U.S./Mexico border.



## *Enhancing Quality of Life*

San Diego takes pride in its distinctive neighborhoods as well as the beauty and character of the City as a whole. Targeting growth into focused areas and thoughtfully planning for needed facilities and infrastructure provides the best opportunity to preserve individual neighborhood character, historic, cultural, and natural resources, and amenities citywide.

Making communities better through the City of Villages strategy will involve leveraging growth in ways that provide amenities for new development and adjacent neighborhoods that already exist. Through this strategy, quality of life can be enhanced as new or upgraded neighborhood centers are created throughout the City. Finding opportunities to achieve the core values of San Diego's citizens and maximizing the positive aspects of planned growth as it occurs can help accomplish these benefits.



## *Building Upon Our Existing Communities*

### **Preserving Community Character Through Revitalization**

A major focus of village development will be the implementation of community-specific urban design guidelines to preserve and enhance community character and identity. Community revitalization can occur through the City of Villages strategy by establishing a series of community centers that provide walkable destinations - and a sufficient population base to support neighborhood businesses and services.



Creating street level activity and vitality, providing public art and spaces, such as pocket parks, squares, greens, plazas, and amphitheaters can enhance a sense of community and neighborhood identity. Walkable, street-oriented urban design required by the City of Villages strategy will improve safety by increasing “eyes on the streets.” Neighborhood schools will be promoted and designed as centers for community life.

### **Preserving Single-Family Neighborhoods**

Directing growth into specific commercial infill areas where a high level of activity already exists will preserve single-family neighborhoods.

## *Making Housing More Affordable*

### **Provide Housing Options**

The foundation of the strategy is to provide housing for all San Diegans. By increasing the overall supply through targeted density increases, the strategy increases housing opportunities for existing and future residents, meets the needs of a diverse population, and potentially reduces household expenses by allowing San Diegans a choice about living closer to their place of employment.

### **Reduce Residential Overcrowding**

Increasing the housing supply is virtually the only way to combat a growing Southern California phenomenon – two and three families occupying a home intended for one family. Residential overcrowding has a negative impact on families and neighborhoods, as the provision of facilities and infrastructure is based upon population calculations that assume one family per household.

## *Increasing Environmental Quality*

### **Reduce Development Pressure on Rural Areas**

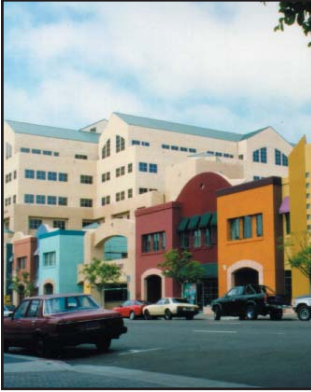
San Diego has nearly reached its current plan build-out. Less than ten percent of the developable land within the City is still vacant. By increasing development potential and encouraging growth in existing urbanized areas within the City's municipal boundaries, implementation of the Strategic Framework Element will reduce pressure to develop areas of unprotected open space and rural portions of San Diego County. Reducing the need for families to locate outside of the region in search of housing can also lessen congestion on regional and local roadways.



### **Preserving Open Space and Natural Resources**

Policies and efficient land use patterns as envisioned in the strategy support the conservation and restoration of natural and imported resources such as energy, open space, wildlife, habitat, biodiversity, geographical features, soils, coastal features, wetlands, watersheds, waterways, water quality and supply. It encourages the development of “green buildings” and increased protection of human health.

## *Increasing Opportunities for Economic Prosperity*



### **Using Employment Lands More Efficiently**

Job growth can be sustained by utilizing employment lands more efficiently. Opportunities for the retention and expansion of middle-income industries, such as manufacturing will be preserved through this more efficient use. Village development can revitalize communities through the strategic location of employment centers and new commercial development in Subregional Districts, Urban and Neighborhood Villages, and Transit Corridors.

### **Developing Existing Business**

The strategy proposes to retain and expand local businesses, which provide the overwhelming majority of jobs in the region. These same businesses also account for a majority of the local wealth creation, and, directly or indirectly, most of the tax revenues that pay for public investments and services.

### **More Equitable Opportunities**

The City of Villages strategy provides for a more equitable distribution of economic opportunity, access to educational facilities, and the retention and creation of middle-income job opportunities.

### **Strengthening Border Relations**

The strategy recognizes the need for increased collaboration to remedy border infrastructure problems. Implementation of the strategy will result in more coherent land development policies for the border area. These policies will enable the City to better utilize the remaining supply of employment land near the border.

## *Enhancing Mobility*

### **Walkable Neighborhoods and Support for a World-Class Transit System**

The City of Villages strategy creates an opportunity for increased mobility options by linking mixed-use villages to an expanded transit network. Villages would combine commercial, office, public, and residential uses to become neighborhood centers accessible by foot, bicycle, and transit. Targeted infill and redevelopment of urban villages on existing commercial sites and transit corridors would further support improved transit service, encourage neighborhood walkability, and reduce auto dependence. Such improvements would exceed those anticipated through the planned densities and types of transportation improvements projected with currently approved community plans.

The policies of the Strategic Framework Element are essential components of the Transit First strategy developed by the Metropolitan Transit Development Board (MTDB). They foster the creation of activity centers with a mix of land uses and density that support transit and increase community wide access, integrate transit into future village design, promote walkable communities, increase bicycle opportunities, and support transit priority measures on City streets. It is unlikely that the Transit First network could be effectively implemented in the absence of the land use coordination and transit priority measures included in the City of Villages strategy.



### **Reducing the Growth of Congestion**

Implementation of the Strategic Framework Element will reduce the need for families to locate outside of the region in search of affordable housing opportunities and link villages with improved transit to lessen future congestion on area freeways. Combined with Transit First and multi-modal improvements such as High Occupancy Vehicle Lanes, Transportation Demand Management, and Transportation Systems Management, the strategy will further provide greater mobility options for people and result in a decrease in congested freeway miles. Consider the following other mobility improvements:

- In 2020, nearly one in five citywide peak-hour, home-to-work trips will be made by using transit, walking, and bicycling. This major achievement still understates the improvement in the congested corridors where the most intensive transit improvements are planned. Congestion has the most impact on people's lives in key corridors, during peak commute times. Transit is ideally suited for these critical peak periods and along key corridors, because there are many people traveling the same route, at the same time.

- Approximately ten percent of all trips will be made using transit, walking, and biking. This dramatic increase in citywide transit use is especially noteworthy given that the number of homes built under the City of Villages strategy are sited on less than five percent of the City's land area, and represent less than five percent of the City's total number of units anticipated to be on the ground in 2020.
- Transit ridership generated by City of Villages developments and a state of the art transit system would likely be even higher than the citywide average, due to the villages' walkable community designs, mixed-use development, higher densities, and accessibility to the best regional transit services. These improvements offer preferred alternatives to the automobile for many trips in the region through enhanced opportunities and infrastructure for carpooling, walking, transit, and biking.



## *Investing in Our Communities*

### *Enhancing Public Facilities*

The City of Villages strategy will provide the public facilities and services that growing neighborhoods require. The voices of community planning groups and citizens are clear: higher density development must be accompanied by sufficient public facilities and services. Implementation of the strategy through prioritization of citywide and community facility needs, building in public amenities to village projects, encouraging the use of shared resources, and identification of additional user fee and taxation measures can provide the additional benefit of enhanced facilities and services, such as parks, libraries, fire facilities, schools, police services, sewer lines, public transit, and local roadway improvements and amenities.

### *Using Fiscal Resources More Efficiently*

Regionally beneficial development and land use patterns allow for the regionalization of infrastructure expenses. The City of Villages strategy recommends that City resources will need to be focused in communities with the higher concentrations of jobs and housing.

## III. Our Values

The following values provide the foundation of the City of Villages strategy. These values were developed with the guidance of the Strategic Framework Citizen Committee and through a year-long dialogue with San Diegans in numerous community forums.

### *Our Physical Environment*

#### *We Value:*

- The natural environment.
- The City's extraordinary setting, defined by its open spaces, natural habitat and unique topography.
- A future that meets today's needs without compromising the ability of future generations to meet their needs.
- The conservation, preservation, and environmental quality of natural resources.
- Parks and public spaces, accessible by foot, transit, bicycle, and car, as areas for neighborhood, community and regional interaction and convenient recreation.
- The availability of public facilities, infrastructure, transit, information infrastructure, and services as essential to neighborhood quality and as necessary companions to density increases.
- A compact, efficient, and environmentally sensitive pattern of development.
- Walkable communities with tree-lined streets.
- A convenient, efficient, aesthetically pleasing, and multi-modal transportation system.



## *Our Economy*

### *We value:*

- The health, economic prosperity, and well-being of our citizens.
- A diverse economy to achieve a rising standard of living for all San Diegans.
- Mutually beneficial cultural and economic ties with Mexico and our neighbors in Latin America.
- Regional coordination to resolve regional growth issues, and regional collaboration to meet economic prosperity goals.



## *Our Culture and Society*

### *We value:*

- Social equity.
- Safe and secure neighborhoods.
- The physical, social and cultural diversity of our City and its neighborhoods.
- Housing affordability throughout the City and an overall diversity of housing types and costs.
- Schools as an integral part of our neighborhoods and equitable access to quality educational institutions.
- The City's multiplicity of arts, cultural, and historical assets.

These core values will provide the foundation for future policy decisions and implementation actions. Quality of life indicators will be established to measure San Diego's progress toward enhancing quality of life in the City. The indicators will be developed and monitored through coordination with various City departments and other public agencies.



## *IV. City of Villages Strategy*

### *A. Overview*

What is a village? The term “village” is defined in the strategy as the mixed-use heart of a community where residential, commercial, employment, and civic uses are all present and integrated. No two villages are alike. They are unique to the community in which they are located. A high quality of urban design will achieve the maximum possible integration with the surrounding community fabric and the transit system. Villages are pedestrian-friendly and have inviting streets and public spaces for community events. These spaces could include public parks or plazas, community meeting spaces, outdoor gathering spaces for residents and visitors, passive or active open space areas that contain desirable landscape and streetscape design amenities, or attractive outdoor dining and market activities. They offer a variety of housing types and rents/prices. Villages will be linked citywide by excellent transit service integrated into a regional transit system and will be required to incorporate an attractive, efficient, and accessible pedestrian circulation system. They often focus on public facilities like schools, libraries, and police services to meet community needs. Villages often have pedestrian-scaled and accessible centers with diverse shops serving local daily needs.



The City of Villages strategy draws upon the strengths of San Diego’s natural environment, neighborhoods, commercial centers, institutions, and employment centers. The strategy focuses on the long-term economic, environmental, and social health of the City and its many communities. It is a strategy for each neighborhood to consciously determine where and how new growth should occur, and requires that new public facilities be in place as growth occurs. It builds upon existing neighborhoods while retaining their unique character by intensifying and enhancing their community centers. The strategy seeks to target growth in village areas, but is not linked to a particular rate of growth.

If current land development trends and policies continue and new development is not targeted into villages, auto-dependent activity centers and residential projects would likely remain the City’s dominant form of development. As a result, we may also see larger household sizes as families double up in homes due to rising housing costs, and a diminishing supply of housing units. Our transportation system would consist of an increasingly congested road and highway system due to regional sprawl and a limited transit, bicycle, and pedestrian network.

The City of Villages strategy described in this document consists of three components: the City of Villages policies, the framework for identifying villages, and the Action Plan which is contained fully in a separate document.

## *B. The City of Villages Policies*

The City of Villages strategy represents a comprehensive approach to guiding future development. The policies have been separated into categories for purposes of clarity, but they are closely interrelated.



### *1. Urban Form*

San Diego is one of a few major metropolitan areas built upon and around a canyon system. The City's urban form is loosely based upon a naturally connected system of open space, characterized by valleys, canyons and mesas. These natural features also define the boundaries and gateways into the City's distinct neighborhoods. As San Diego grows, its urban form must increasingly respect the existing natural template, provide stronger linkages between communities, and create diverse village centers.

Key policies for urban form include:

#### **Respect the Natural Base**

- Allow the natural environment to define the City's form.
- Ensure that the natural form of the City (topography, river valleys, coastal edges, hillsides and promontories) is legible from crossing points in the circulation system, and distinguished with appropriate landmarks.
- Define neighborhood and community edges by either natural open space or urban enhancements (streetscape improvements, public art, landscape and architectural themes) to celebrate gateways and entrances.
- Preserve distinctive neighborhood character to ensure that buildings and landscapes reflect the endemic natural environment of each community.
- Protect urban canyons, significant hillsides and ridgelines.
- Encourage rural and open space preservation throughout the San Diego region.
- Ensure the protection of other community open spaces that have been designated in community plans for long-term open space use primarily because of their value in protecting landforms, providing buffers within and between communities or potentially incompatible land uses, providing visually appealing open spaces, and protecting habitat and biological systems of community importance that are not otherwise included in the Multiple Species Conservation Program (MSCP) Open Space category.

### **Create Diverse Village Centers**

- Focus more intense commercial and residential development in new or redeveloped mixed-use village centers in a manner that is pedestrian-oriented and preserves the vast majority of single-family neighborhoods.
- Design village centers, public facilities, and other new developments to be integrated into existing neighborhoods through more pedestrian-friendly site grading, building orientation and design, and the provision of multiple pedestrian access points, while respecting the existing community character.
- Provide the focus for neighborhood identity by designing village centers as focal points for public gatherings through public spaces (e.g. plazas, public art spaces, streetscape, transit centers, urban trail heads, parks, and pocket parks) and publicly-oriented buildings (civic buildings and monuments, public facilities and services, social services, and retail centers).
- Develop and apply building design guidelines and regulations that create diversity rather than homogeneity, and improve the quality of infill development.
- Preserve and create community landmarks.



## 2. Neighborhood Quality

As San Diegans, we value the distinctive character, safety and security, diversity, and sense of community in the City's many neighborhoods. Many of our older communities are loved for their architectural style, mix of uses, tree-lined streets and distinctive shopping districts. Others are drawn to newer suburban locations due to their excellent schools and public facilities, and new home choices. The City's strategy must preserve the best qualities of our neighborhoods, improve elements that do not function well, and provide for the needs of future generations. Neighborhood and urban centers will contain various mixes of commercial, employment, and housing uses. Centers will also include public gathering spaces, civic or educational uses, walkable, tree-lined streets, and opportunities for arts and culture. Historic resources will be addressed in a comprehensive manner and, where present, will be incorporated into many of the village centers.



Key policies to preserve and enhance neighborhood quality include:

### **Celebrate Public Spaces**

- Include significant public spaces in village developments and ensure that the design of these spaces accommodates pedestrians and builds upon the unique qualities of the City's diverse populations.
- Develop partnerships with neighborhoods in the site selection, planning, design, and building of public facilities, including parks and schools, to ensure they invite community use and function as centers for the community.
- Maximize the opportunities for community-oriented public spaces through public-private partnerships.

### **Provide Accessible and Integrated Parks**

- Develop a citywide park master plan to address shortfalls and provide remedies.
- Develop alternative methods of providing parks and recreational areas to meet the needs of urban and built-out communities, recognizing available land constraints and seizing opportunities for the creation of more accessible parks and the integration of public space and recreation. Some examples include additional or enhanced structures within park and recreational areas, public plazas, pocket parks, urban trails, linear parks, and joint use facilities.

## Promote Safety and Security

- Promote police/neighborhood partnerships and problem solving.
- Reduce the incidence and fear of crime through implementation of Crime Prevention Through Environmental Design (CPTED) concepts and measures in the built environment, including:
  - ◇ Surveillance – Use open structures, walkways, streets, and other spaces to enhance visibility and increase the detection of intruders; measures also include the use of exterior lighting, and windows and doors facing the street.
  - ◇ Access Control – Use security measures to create a perception of risk to offenders and deny them easy access to facilities; provide safe paths and common areas.
  - ◇ Territoriality – Delineate private and semi-private spaces to express ownership and control of the environment; create public spaces that are beautiful and meet the needs of the people living in the neighborhood.
  - ◇ Maintenance – Take care of properties to help maintain the effectiveness of the measures employed for surveillance, access control, and territoriality.
- Balance the needs of emergency vehicles with everyday traffic concerns such as vehicle speeding and pedestrian safety through street design.

## Increase Pedestrian, Bicycle and Transit Opportunities

- Transit, sidewalks, pathways, and crosswalks should ensure the mobility of all users by accommodating the needs of people regardless of age or ability.
- Promote streetscape, bicycle facilities, urban trails, paths and pedestrian connection projects, and retrofits to develop or increase the pedestrian- and bicycle-orientation of each neighborhood and the City as a whole.
- Promote an interconnected street network, which includes pedestrian and bicycle access, where topography and landform permits. Private streets and driveway aisles within village developments should also be designed in this matter.
- Facilitate the planting and maintenance of street trees and median landscaping.
- Design and locate neighborhood and community commercial uses to be accessible and convenient by foot, bicycle, and transit, as well as by car.



- Implement transit priority measures on City streets and seek dedicated transit rights-of-ways to increase the speed and attractiveness of the transit system.
- Promote an active streetscape to create a more attractive and safe pedestrian environment.



### **Promote Arts, Culture and History**

- Enrich individual neighborhoods and the City as a whole by integrating arts and culture into community life, supporting the region's diverse cultural assets, and highlighting San Diego as an international cultural destination.
- Ensure the preservation of a varied stock of historic and prehistoric resources representative of San Diego's historical record.
- Preserve historically significant resources that have been identified through local, state or federal historical designation processes.
- Incorporate historic resources as key components of mixed-use developments to enhance the development of existing and future villages, and to provide an important link with the past.
- Apply appropriate zoning and regulatory tools to preserve historic resources.
- Incorporate public art opportunities, including performing and visual arts, in capital improvement projects and private development projects.
- Support neighborhood festivals and celebrations.

### 3. Public Facilities and Services

The provision of adequate infrastructure and public facilities is the key component for the entire strategy. Public facilities like schools, parks, and police services must keep pace with population growth and development. In order to achieve progress in remedying existing public facilities shortfalls and to provide high quality public facilities and services in the future, new growth must have a more compact urban form, greater joint use efficiencies must be achieved, new sources of revenues must be secured, and facilities and services must be better tailored to meet the needs of diverse communities.



A framework for providing the needed facilities will occur through an update of the Public Facilities Element of the General Plan and preparation of expanded Community Facilities Elements in community plans. The Public Facilities Element will set forth a strategy for prioritizing public facilities needs on a citywide basis while Community Facilities Elements establish overall policy direction on the character, prioritization, and mix of needed facilities for each community. Community Facilities Elements will provide policy guidance for the development of Community Facilities Financing plans. The Facilities Financing plans will identify existing and future facilities needs in each community, and available funding sources that could be used to meet those needs. A wide range of community input will be required to determine which type of facilities best suit the needs of each community, taking into account unique neighborhood character and urban form.



When determining the phasing of new development and the preparation of public facilities plans, key policies to address include:

- Provide for the future population according to the fair share abilities of the City's communities to accommodate new residents commensurate with the public facilities to support them.
- Focus infrastructure investments in communities that have a demonstrated need for such resources.
- Take an active leadership role in state and local fiscal reform proposals that could benefit the City.
- Consider alternative methods of financing to provide public facilities (see Section V.C).
- Establish a consistent approach to evaluating and reporting the long-term fiscal impact of public policy decisions to ensure a sound fiscal base.
- Use citywide resources to ensure that community facilities, open space, and infrastructure improvements are provided concurrent with intensification.
- New development will contribute to public facilities commensurate with the level of impact.
- Design schools as community learning centers, recognize them as an integral part of our neighborhoods, and encourage equitable access to quality schools and other educational institutions.
- Promote the joint-use of facilities, including schools, parks, libraries, childcare facilities, and other public facilities and services.
- Focus efforts and resources on undergrounding utilities.
- Reduce travel demand and increase equitable access to lifelong education through greater use of information infrastructure.
- Establish service standards for public facilities and infrastructure that are flexible, but provide an equivalent level of service.
- Protect and enhance regional parks through planning and acquisition.
- Village development should assist in reducing the public facility shortfall.
- Encourage private investment to finance village projects.





- Maintain service levels as population growth occurs.
- Efficiently utilize existing community facilities and infrastructure.
- Provide public facilities and services to assure that adequate levels of service standards are attained concurrently with development.



## ***4. Conservation and the Environment***

San Diego's beauty and character is in large part due to its unmatched natural resources. San Diego's mountains, beaches, bays, canyons, and other natural landforms define the City. Some of the most unique, and unfortunately threatened and endangered, plants and animals in the nation are concentrated in this region. Our future quality of life hinges on the protection of these natural resources to safeguard San Diego's beauty and biodiversity, and to ensure an adequate supply of resources such as energy and water for the future.

The City of San Diego is committed to protecting and restoring natural resources, preventing harm to the environment and human health, and promoting a sustainable future that meets short-term objectives without compromising San Diego's long-term needs. Environmental quality is a key to the City's quality of life and long-term economic prosperity. The City of San Diego's commitment to conservation and the environment shall guide future decision-making, policies, and programs.

### **Protecting Resources and Preventing Pollution**

- Conserve and restore natural and imported resources, such as energy, open space, wildlife, habitat, biodiversity, geographical features, soils, coastal features, watersheds, wetlands, waterways, and water quality and supply through the continuation and enhancement of existing programs and policies, and through the development of programs and policies which utilize proactive measures in addition to corrective actions.
- Conserve renewable and nonrenewable resources, such as natural materials, energy, and water through greater efficiency of use, reuse, use of recycled water, and recycling to reduce the City and region's reliance upon expansion of supply and importation.
- Protect environmental and public health by reducing or eliminating the use of hazardous and toxic materials by residences, businesses, and public agencies, and by taking actions to minimize the levels of pollutants entering the air, soil and water.
- Take an active leadership role in promoting rural and open space preservation throughout the region.

### **Encourage Efficient Land Development**

- Work toward the citywide development of sustainable, or “green”, buildings that use renewable energy and conserve energy through design, location, construction, and operation while increasing the comfort, health, and safety of the people who live and work in them.
- Conserve and restore natural and imported resources, such as energy, land, wildlife, biodiversity, open space, soils, geographical features, air quality, and water quality and supply through efficient land use patterns.
- Increase landscaping and emphasize the use of deciduous trees and native plants to conserve energy, water, and reduce urban runoff.
- Incorporate urban heat island reduction measures into the appropriate site and street design guidelines, landscape standards, and building codes to reduce peak energy demand.

### **Ensure Social Equity**

- Ensure that environmental impacts and costs of protecting the environment do not unfairly burden or omit any one geographic or socio-economic sector of the City.

### **Promote Environmental Education**

- Lead in the creation and sponsorship of environmental education opportunities in cooperation with schools, colleges, museums, and community groups so that individuals, organizations, and businesses become aware of and assume more responsibility for their own impacts on the environment.



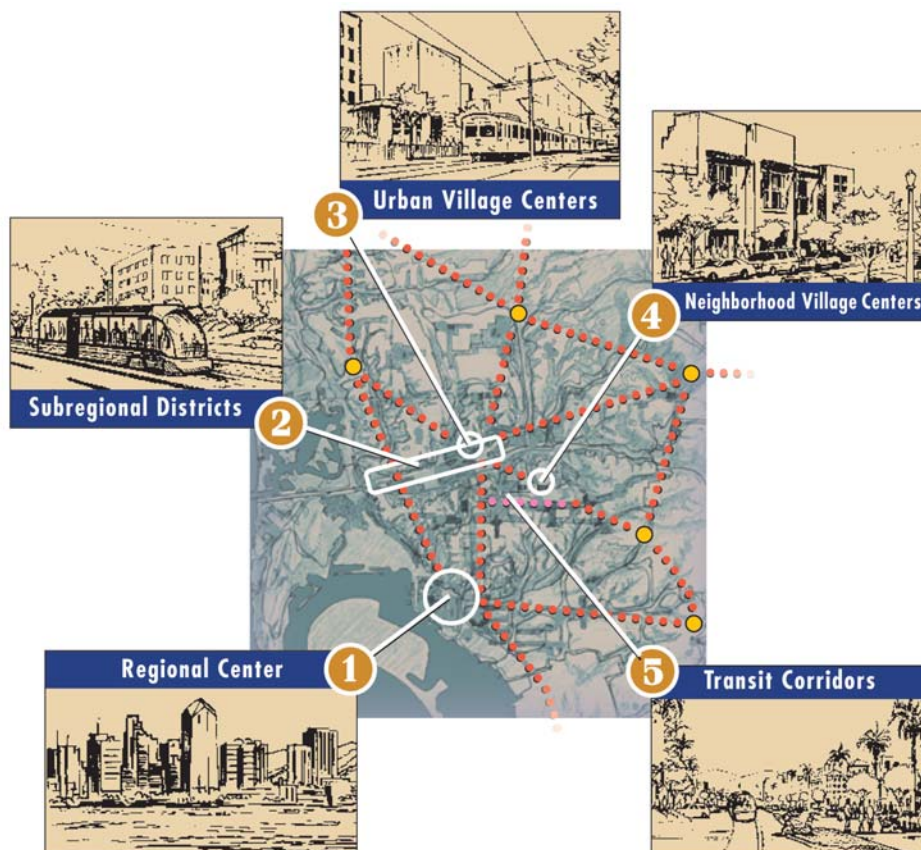
## 5. Mobility

The City of Villages strategy calls for a convenient, efficient, and attractive multi-modal transportation system that encourages trips to be made by pedestrians, bicyclists, and transit riders. This system should improve mobility for San Diegans by providing faster, competitive, even preferred, alternatives to the automobile for many trips in the region.

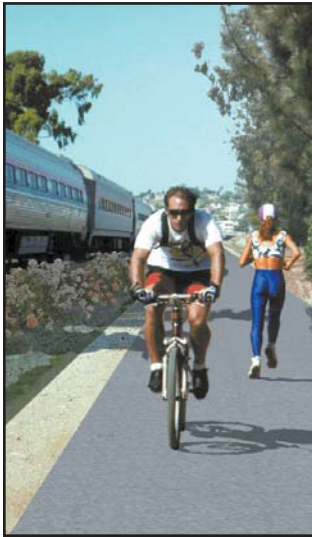


To realize this vision, transportation and land use planning must be closely linked. This includes retrofitting and redeveloping portions of existing neighborhoods and roadways and designing new streets and centers to fully integrate land use, circulation, and urban design. The goal is to maximize the ability of people to move about comfortably and efficiently by foot, bicycle and transit, and to reduce automobile dependence. Thoughtful land use planning may also reduce the need for vehicular travel, because goods and services would be conveniently located near homes and jobs.

For San Diegans to enjoy freedom of mobility in the future, dramatic improvements to our transit system and focused improvements to streets and highways need to be made. Future road improvements to enhance the connectivity of the transportation network will need to be balanced with goals of protecting neighborhood character and environmental resources.



While villages are intended to have a variety of uses and services that meet many of the daily needs of the people living and working within them, villages are not expected to be self-sufficient enclaves. San Diego's most dense neighborhoods, urban centers, and corridors will be linked to each other and to the region through high quality, rapid transit services designed in accordance with the Transit First strategy. The Transit First vision is the product of a market-based, strategic planning program undertaken by the Metropolitan Transit Development Board (MTDB). This vision is characterized by: a rich network of high-speed routes, ten-minute service frequencies, extensive use of transit priority measures, walkable community designs, stations integrated into neighborhoods, and customer focus in services and facilities. The goal is to create a world-class transit system that is competitive with the automobile. The strategy also seeks to improve walkability and bicycle-friendliness within the villages and the City as a whole.



SANDAG is incorporating the Transit First plan into the Regional Transit Vision, which is a part of the 2030 Regional Transportation Plan (RTP). The RTP is the region's long-range blueprint for transportation improvements.

Key policies to implement this vision include:

#### **Link Land Use and Transportation**

- Integrate land use and transportation planning as part of a long-term strategy to improve mobility.
- Require transit-oriented development and urban design in village centers.
- Support and advance a regional network based on a multi-modal public transit system.
- Design and locate mixed-use centers, civic uses, and neighborhood and community commercial uses to be accessible by foot, bicycle, and transit, in addition to the car.
- Promote design accessibility for children, the elderly, and people with disabilities.

#### **Improvements to Streets and Highways**

- Promote pedestrian, bicycle and transit-friendly design of City streets.
- Provide capacity and operational improvements to streets and highways to minimize congestion with a focus on persons and goods, not just vehicles. Include desired improvements in the 2030 RTP being prepared by SANDAG.

### **Manage Parking Resources**

- Develop innovative regulations, and parking management programs and districts, that encourage shared parking and more efficient use of parking resources.
- Provide community parking facilities that serve multiple users.

### **Put Transit First**

- Support Transit First as a system that makes transit a viable mode of travel for many of the trips in the region and the first choice for many of these trips.
- Support incorporation of the Transit First system into the Regional Transit Vision for inclusion in the 2030 RTP. Use the Transit First strategy and the Regional Transit Vision as the basis for transit planning, development and land use coordination. (See Appendix A of the Action Plan for the City of Villages Opportunity Areas Map with Draft Regional Transit Vision.)
- Implement transit priority measures such as separate guideways, dedicated lanes, and traffic signal prioritization on streets and highways to make transit travel times competitive with the automobile.
- Prioritize transit service investments in villages.
- Pursue reauthorization of the current or an increased TransNet local sales tax that would help fund the Transit First system.
- Ensure that the design and location of transit stations and centers respect neighborhood character and enhance the users' personal experience of each neighborhood.



### **Create Walkable Communities**

- Promote walkable, tree-lined streets.
- Promote an interconnected street/trail network and retrofit existing neighborhoods to enhance walkability, bicycling, and distribution of traffic.



## 6. *Housing Affordability*

Increased housing opportunities (in terms of amount of land, location, density, type, size, and cost) are needed to accommodate future population growth, changing demographics, and to enable the workforce to live near employment centers. The provision of affordable housing also assists the City of San Diego in meeting social equity and economic prosperity goals.

Key policy measures to ensure a variety of housing types and range of affordability options include:

- Provide a sufficient range of housing opportunities by facilitating the maintenance and development of an overall diversity of housing types and costs.
- Improve housing affordability throughout the City.
- Initiate public education efforts to help reduce opposition to affordable transitional and multifamily housing proposals.
- Concentrate future residential density increases in the Regional Center area, Subregional Districts and Urban and Neighborhood Village Centers. Future community plan updates shall include residential density minimums where there are no stated residential minimum densities in the current community plan.
- Establish policies to allow areas within the Subregional Districts to collocate employment and higher density residential uses and adopt design standards to mitigate land use conflicts.
- Aggressively pursue and secure funding and legislation at all governmental levels to increase housing affordability in San Diego.



## 7. *Economic Prosperity and Regionalism*

To address the shortage of available land used for employment, the land appropriate for future employment uses should be designated in key areas throughout the City, including recognizing underutilized land that could be redeveloped for employment uses. Subregional Districts and Urban Village Centers (further defined in Part C of this section) will play an important role in the City's economic prosperity strategies by providing the appropriately designated land and infrastructure needed to support business development and a variety of employment and housing opportunities.



Key strategies to increase economic prosperity include:

### **Use Employment Lands Efficiently**

- Increase the allowable intensity of employment uses in Subregional Districts and Urban Village Centers that will be better served by transit. This can be achieved by increasing the permitted floor area and lot coverage standards.
- Identify other underutilized employment lands that could also intensify where transit exists or is planned.
- Locate regional employment uses in the Downtown area or in Subregional Districts.
- Identify areas in Subregional Districts where collocation of employment and residential uses could occur.
- Concentrate commercial development in areas best able to support those uses such as urban and neighborhood centers and mixed-use corridors. Subregional Districts and Transit Corridors may also limit the amount of retail commercial in favor of industrial or residential uses.
- Make available underutilized City-owned land where transit exists or is planned and that has the potential for use as employment land.
- Limit the redesignation of employment land except where it will mitigate existing land use conflicts, or when it meets specific criteria to be established with the adoption of the Economic Prosperity Element. These criteria should relate to the availability of land to meet the City's economic development goals, parcel characteristics, adjacency to transit, and urban design.

### **Increase Middle-Income Employment Opportunities**

- Preserve areas for middle-income employment uses including manufacturing, research and development, distribution, and wholesale trade by limiting or excluding multiple tenant office uses and corporate headquarters that do not have a research and development or manufacturing component.
- Identify additional areas for the location of middle-income uses.
- Encourage high technology business facilities in locations that are more broadly geographically distributed throughout the City.

### **Retain and Expand Business**

- Most of the region's economic growth comes from the expansion of existing businesses and from entrepreneurial innovation rather than from attracting other businesses to the area. Establish land use policies and regulations that are sufficiently flexible to meet the needs of a mixed, diverse, and rapidly changing economy.
- Evaluate economic conditions on an ongoing basis and identify the industry clusters that are key to both the growth and stability of the local economy. The goal is to provide a diverse economic base, maintain environmental quality, and provide high quality employment opportunities.
- Develop business incentives that encourage reuse and infill for key employment clusters in existing urban areas.
- Continue and expand, where appropriate, Redevelopment Areas and Enterprise Zones.

### **Promote Education and Job Training**

- Provide equitable access to educational opportunities, which result in a highly qualified and productive labor force.
- Develop public/private partnerships and pursue local, state, and federal grants to provide high technology education and job training at all levels.

### **Lead Regional Collaboration**

- Assume an active leadership role in planning and implementing infrastructure investments on a collaborative regional basis.
- Collaborate with state and federal agencies to implement alternate investment policies that support growth in urban locations.





- Regional capital facilities that provide the most significant positive economic impact to the City will be targeted for investment. The highest priority should be given to infrastructure investments that are fundamental to our future needs and provide leverage for our competitive advantages.



### **Strengthen Border Relations**

- Continue to increase trade capabilities with Latin America in part by developing a comprehensive economic development strategy with Mexico.
- Increase coordination with Mexico to plan and implement mutually beneficial cross border facilities.
- Develop a unique and festive binational village adjacent to the international border combining employment, retail, entertainment, and cultural uses connected by a pedestrian bridge to a similar zone in Tijuana.



## 8. *Equitable Development*

Implementation of the City of Villages carries a risk of gentrification. The term gentrification has various definitions. The definition used here is “the process by which higher income households displace lower income residents of a neighborhood, changing the essential character and flavor of that neighborhood.”<sup>1</sup>

Gentrification is a process that is neither wholly good nor bad, and the negative aspects of gentrification can be minimized if equitable development is achieved. Equitable development is defined as “the creation and maintenance of economically and socially diverse communities that are stable over the long term, through means that generate a minimum of transition costs that fall unfairly on lower income residents.”<sup>2</sup> If carefully framed, gentrification can help meet the goal of equitable development by creating a greater income mix in a neighborhood and providing new economic opportunities. By improving the housing stock and job market in older urban neighborhoods, gentrification can also help fight urban sprawl by helping older neighborhoods successfully compete with the suburbs for investment dollars. Both public and private sector partners must act early in the revitalization process to promote equitable development and to ease or eliminate the adverse consequences of gentrification.



On a community-by-community basis, strategies may be adopted to achieve the following goals:

- Develop village plans with the involvement of a broad range of neighborhood, business, and planning groups.
- Strategically invest in public infrastructure and offer development incentives that are consistent with the neighborhood's vision.
- Build affordable housing to retain a diverse income mix in neighborhoods.
- Reduce overall market-wide housing pressures by increasing the supply of market-rate housing.
- Continue efforts to revitalize neighborhood-serving business areas.
- Recognize the important role that schools play in neighborhood life and look for opportunities to form closer partnerships among local schools, residents, neighborhood groups, and the City with the goal of improving public education.

The City of San Diego can take a leadership role in defining and implementing some of these strategies. Others require action by the private sector, other government agencies and community-based partners. In fact, many of the most successful programs have been initiated and implemented by the residents of affected areas. Neighborhood-specific action plans should expand upon and further define these general strategies based on the needs of individual neighborhoods, available resources and willing partners. These action plans will be adopted as a part of village master plans or other long-range plans as appropriate.



1. Maureen Kennedy and Paul Leonard, *Dealing with Neighborhood Change: A Primer on Gentrification and Policy Changes*, (The Brookings Institution Center on Urban and Metropolitan Policy, April 2001), p. 5.
2. Kennedy and Leonard, p. 4.

# *C. Identification of Villages*

## *1. Village Categories*

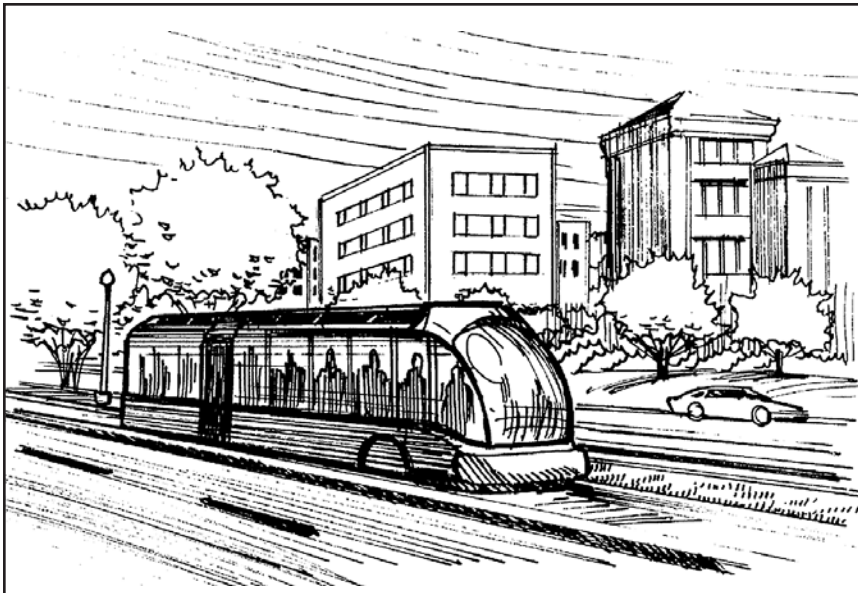
To implement the strategy, sites must be made available for village development. The following categories of villages and development areas loosely define associated land use characteristics and residential densities. They should be used as a framework for implementation of the City of Villages concept and policy recommendations. The categories can include both new target growth areas, as well as areas already designated for growth in community plans that could redevelop with a village design. The precise boundaries, specific mix of uses, specific density and intensity ranges, and the amount and definition of required public or civic space within proposed village areas will be determined through the community plan amendment process.

### **Regional Center (Downtown)**

The Centre City community plan area has a unique role to play in the 21st century development of the San Diego region. Downtown has remained the administrative and legal center of San Diego County and it has recently reemerged as the most important cultural and entertainment center in the region. Development of the Gaslamp Quarter, San Diego Convention Center, and Horton Plaza has resulted in downtown becoming an increasingly important destination for visitors to this region. Downtown offers the most convenient and extensive transit connections and one of the most exciting pedestrian environments in the region.

The City of Villages strategy encourages the further intensification of Downtown to increase its role as a regional hub by maintaining and enhancing its role as the pre-eminent business center in this region and developing as a major urban residential center with the largest concentration of high density multifamily housing in the region.





### **Subregional Districts**

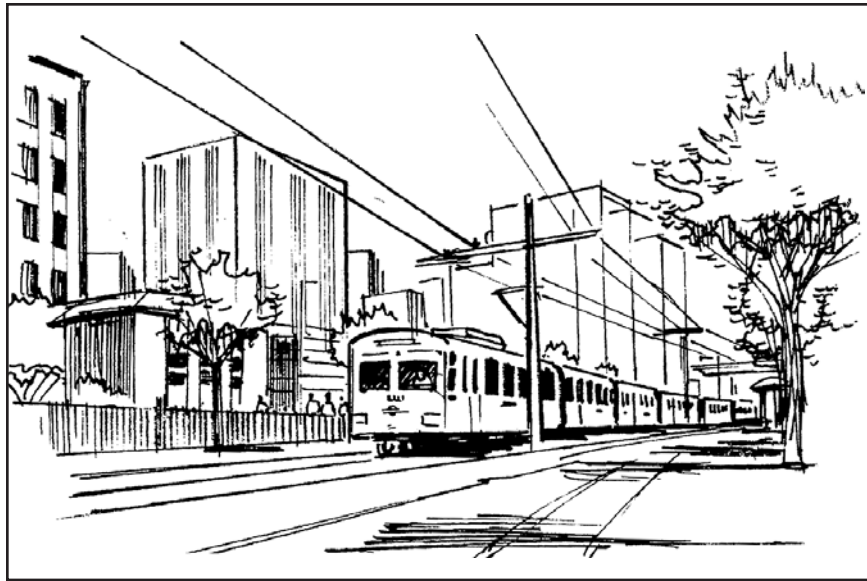
A Subregional District is a major employment and/or commercial district within the region containing corporate or multiple-use office, industrial, and retail uses with some adjacent multifamily residential uses. Existing Subregional Districts could include the Mission Valley/Morena/Grantville and North University City areas. Emerging districts could include Otay Mesa, Midway/Pacific Highway, Kearny Mesa, and Sorrento Mesa/Sorrento Valley.

The City of Villages strategy encourages further intensification of employment uses throughout these large areas. Where appropriate, the collocation of medium to high density residential uses with employment uses could occur. Subregional Districts also include more focused high density/intensity growth areas known as Urban Village Centers.

### **Urban Village Centers**

Urban Village Centers will have a cluster of more intensive employment, residential, regional and subregional commercial uses to maximize walkability and support transit. The Urban Village Center will contain public gathering spaces and civic uses. Urban Village Centers vary in size and could support medium to high density residential uses. These densities will apply to that portion of the site designated for residential or mixed-use.

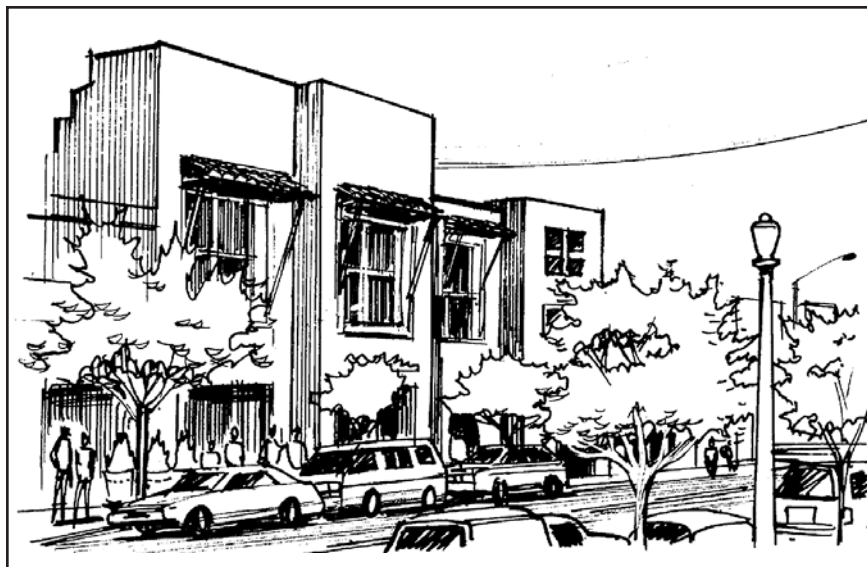
University Towne Center and the higher density development surrounding it are an example of an existing Urban Village Center.



### **Neighborhood Village Centers**

Neighborhood Village Centers should be located in almost every community. They are neighborhood-oriented areas with local commercial, office, and multifamily residential buildings, including some buildings with office or residential over commercial. Neighborhood Village Centers will contain public gathering spaces and/or civic uses. Uses will be integrated to the maximum extent possible in order to encourage a pedestrian-oriented design and encourage transit ridership. Neighborhood Village Centers range in size from approximately three acres in the most urbanized portions of the City to more than 100 acres in vacant or redevelopable areas.

Residential density and commercial intensity will vary according to each center's size, location, surrounding community character, and availability of public facilities, particularly transit. Most villages will include a low-

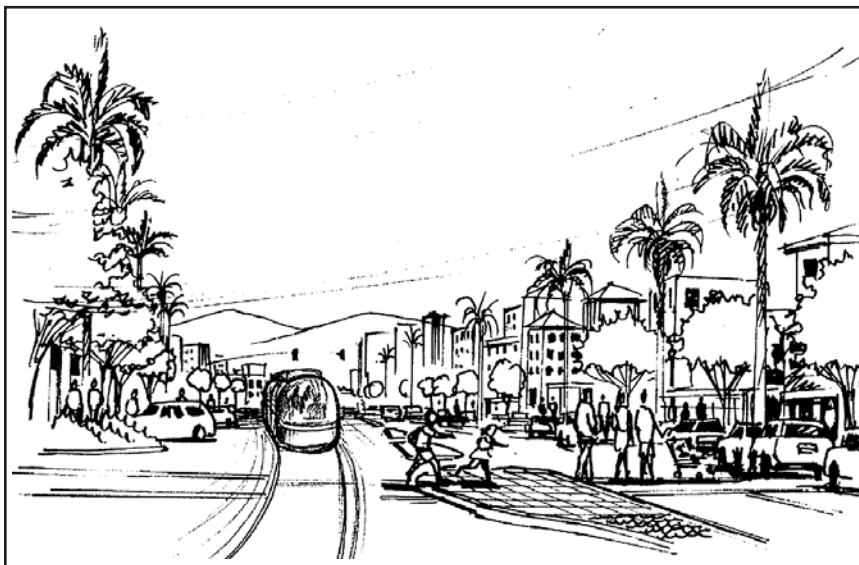


medium to medium-high density range in a variety of building types. These density ranges apply to portions of the site developed as residential or mixed-use.

The Uptown District in Hillcrest, at about 45 dwelling units per acre on the residential portion of the site, and downtown La Jolla are examples of existing Neighborhood Village Centers. The strategy recommends that many of the proposed Neighborhood Village Centers should be located on older underutilized shopping centers and strip malls.

### **Transit Corridors**

The City contains a significant number of commercial corridors in urbanized communities that offer reuse potential and provide important linkages between village centers. Some of these corridors are “Main Streets” in that they are lively and vital, pedestrian-friendly, and home to a rich variety of small businesses and restaurants. However, in some cases these corridors are unsightly commercial strip malls struggling to compete with more upscale centers. The revitalization of these corridors will be assisted through plan designations and zoning that permits a higher intensity of mixed-use development. The mix of uses could include some combination of residential over commercial development, employment uses, commercial uses, or higher density residential development. The applicable density ranges are medium to high density for residential uses.



In addition to providing valuable new housing, increased residential densities provide a built-in population base to support the local street level businesses. A high level of transit service and a variety of streetscape improvements will also characterize corridors.

## *2. Village Locational Criteria*

Through the Strategic Framework Element public review process, opportunity areas for village development were identified. For reference, these areas are shown on the City of Villages Opportunity Areas Map (Action Plan Appendix A). This map should be included in a new Land Use Element of the General Plan. These opportunity areas should be confirmed, refined, removed, or added as community plans are amended. Development that occurs in villages should be leveraged to implement quality of life goals and amenities. These goals and amenities can include safe public parks and plazas, walkable neighborhoods, world-class transit, local employment, vital business areas or “Main Streets,” and opportunities for senior citizen and entry-level housing. Another citywide goal is to provide an equitable approach to distributing growth throughout the City by locating villages in each community if possible.





Input from community planning groups will be a key factor in determining village locations. In addition, the following factors should be used as criteria for selecting villages:

- Existing village-like and/or mixed-use areas that could benefit from revitalization.
- Sites already identified by the existing community plan as community or mixed-use centers that may have adjacent existing or planned residential development to support a village.
- Town or community centers in newer communities that could be enhanced or expanded.
- Sites that are not designated as open space or single-family residential in the community plan.
- Locations identified through public input.
- Vacant or underutilized land which could be made available in the next 20 years for other types of uses.
- Sites with adequate access or transit possibilities.
- Areas that can be developed consistent with existing development and market trends.
- Sites without significant topographic, environmental, or other physical constraints.
- Areas with advantageous locations with regard to views and natural features.
- Sites that can accommodate development which is compatible with the character of existing surrounding development with regard to use, design, bulk and scale.



## *V. Implementing the Strategy*

This section summarizes the broad measures that the City will use to implement the City of Villages strategy. Collectively, these measures comprise the Strategic Framework Action Plan, a separate document that contains the work program.

### *A. The Strategic Framework Action Plan*

The Strategic Framework Action Plan is a companion document to the Strategic Framework Element. It outlines the work program proposed to implement the City of Villages strategy. The Action Plan identifies actions to be taken, the “Lead Department(s)” to further the action, whether staff funding is available to work on the item, potential public and private sector partners who should be involved, and which action items have the highest priority for implementation. Major Actions identified in the Action Plan include updating other elements of the General Plan and the City’s community plans. It also recommends actions to re-examine, revise, and create new City policies, regulations, standards, and processes to be consistent with the Element. In addition, the Action Plan directs that a financing strategy be prepared and new revenue sources be secured to implement key components of the Strategic Framework Element, such as infrastructure improvements and increased village amenities. Finally, the Action Plan’s Monitoring Program will measure the Sustainable Community Program Indicators, individual Action Items, and economic indicators.

The Action Plan recommends a heightened level of inter-departmental and agency cooperation, and greater partnerships with the development industry and citizen groups. These partnerships will be needed to increase joint use of public facilities, phase in the Transit First plan, streamline permits, and increase equitable access to educational and job opportunities, among other efforts. Partnerships are also essential to increase the supply of affordable, or workforce, housing. This housing is needed to reach the City’s balanced communities, social equity, and economic prosperity goals.



## *B. Update Adopted Land Use Plans and Policies*

### *1. Relation Between the General Plan and Community Plans*

A Land Use Element will be prepared to identify community plans as components of the General Plan, and to provide guidance on the framework and content of community plans. It is one of the mandatory elements as required by State law. The policies in the General Plan Land Use Element, together with more than forty community and land use plans, constitute the Land Use Element of the General Plan. The adopted community, specific and precise plans address the development of land within the City of San Diego's jurisdiction and provide more detailed land use, design, roadway and implementation information than is found at the general plan level. Such a structure recognizes the diversity of each of San Diego's community plan areas while allowing the General Plan to focus upon citywide development issues.

All of the City's adopted land use plans must be consistent with the overarching goals, objectives and policies of the General Plan. Because no one element may take precedence over another, internal consistency is required. Although community plans will be updated or amended to reflect the goals and policies in the General Plan, the opportunity exists for each community to be the "architect" of its own distinct village(s). Additionally, the General Plan includes provisions related to noise, seismic safety and other issues that apply to the entire City, although an individual community plan may not need to specifically address these issues.

# Community Planning Areas

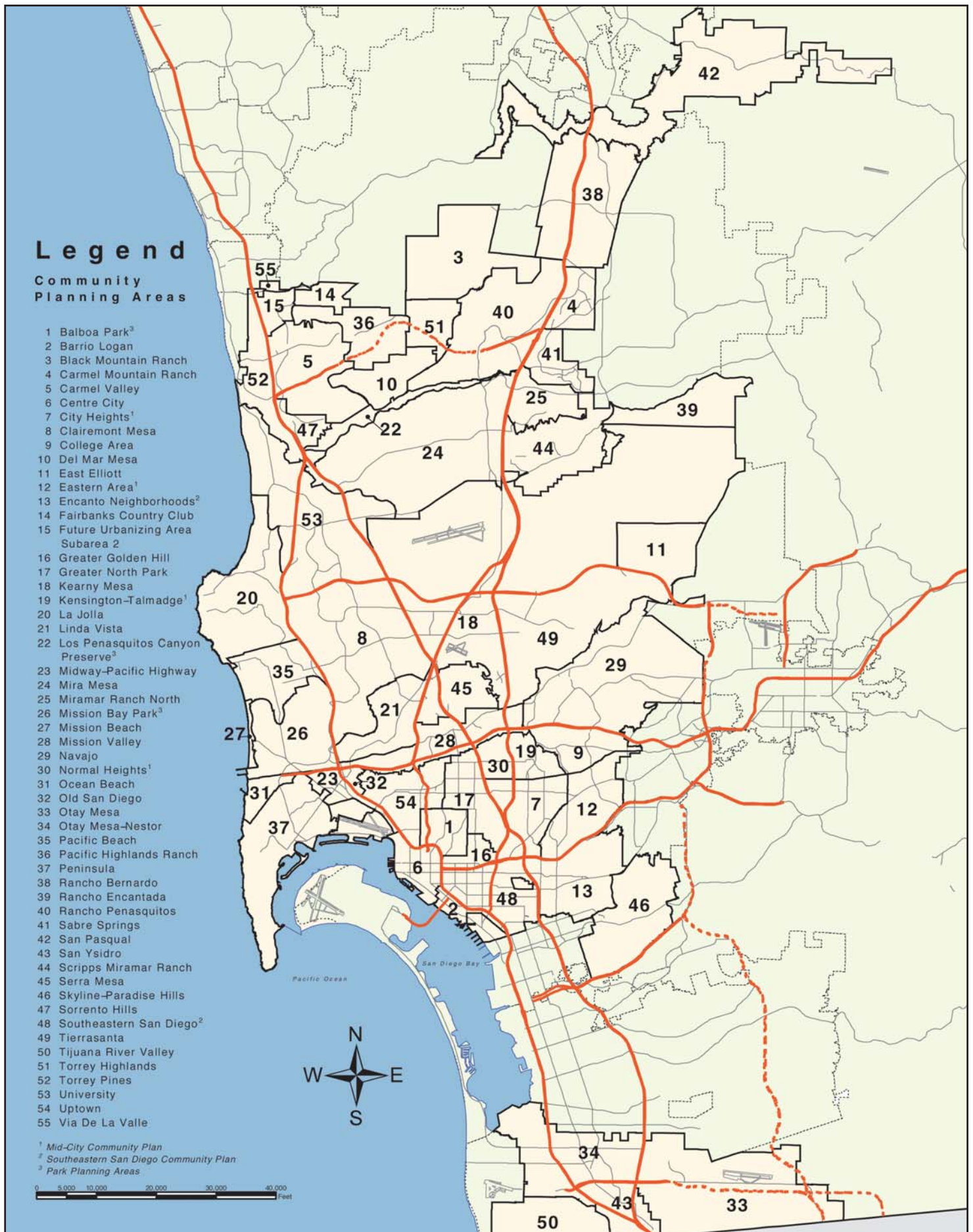
## Legend

### Community Planning Areas

- 1 Balboa Park<sup>3</sup>
- 2 Barrio Logan
- 3 Black Mountain Ranch
- 4 Carmel Mountain Ranch
- 5 Carmel Valley
- 6 Centre City
- 7 City Heights<sup>1</sup>
- 8 Clairemont Mesa
- 9 College Area
- 10 Del Mar Mesa
- 11 East Elliott
- 12 Eastern Area<sup>1</sup>
- 13 Encanto Neighborhoods<sup>2</sup>
- 14 Fairbanks Country Club
- 15 Future Urbanizing Area Subarea 2
- 16 Greater Golden Hill
- 17 Greater North Park
- 18 Kearny Mesa
- 19 Kensington-Talmadge<sup>1</sup>
- 20 La Jolla
- 21 Linda Vista
- 22 Los Penasquitos Canyon Preserve<sup>3</sup>
- 23 Midway-Pacific Highway
- 24 Mira Mesa
- 25 Miramar Ranch North
- 26 Mission Bay Park<sup>3</sup>
- 27 Mission Beach
- 28 Mission Valley
- 29 Navajo
- 30 Normal Heights<sup>1</sup>
- 31 Ocean Beach
- 32 Old San Diego
- 33 Otay Mesa
- 34 Otay Mesa-Nestor
- 35 Pacific Beach
- 36 Pacific Highlands Ranch
- 37 Peninsula
- 38 Rancho Bernardo
- 39 Rancho Encantada
- 40 Rancho Penasquitos
- 41 Sabre Springs
- 42 San Pasqual
- 43 San Ysidro
- 44 Scripps Miramar Ranch
- 45 Serra Mesa
- 46 Skyline-Paradise Hills
- 47 Sorrento Hills
- 48 Southeastern San Diego<sup>2</sup>
- 49 Tierrasanta
- 50 Tijuana River Valley
- 51 Torrey Highlands
- 52 Torrey Pines
- 53 University
- 54 Uptown
- 55 Via De La Valle

<sup>1</sup> Mid-City Community Plan  
<sup>2</sup> Southeastern San Diego Community Plan  
<sup>3</sup> Park Planning Areas

0 5,000 10,000 20,000 30,000 40,000 Feet



## *2. Relation Between Adopted Land Use Plans and Adopted Regulations*

The City's adopted land use plans (primarily community plans, specific plans, and precise plans) contain policies, recommendations and maps that specify development standards and the proposed location of uses within a community. These uses include, but are not limited to, residential, commercial, industrial, public facilities, and open space. Land use plans may also identify the need for focused regulations to implement community-specific recommendations for uses or the character of development.

It is the City's policy that the Municipal Code contain adequate regulations, in the Land Development Code chapters, to ensure that the policies and recommendations of adopted land use plans (the community, specific, and precise plans, as well as the General Plan) are clearly applied to new development. The adopted land use plans provide guidance and set the framework for the implementing regulations found in the Land Development Code. The Land Development Code regulations will, based on the adopted plans:

- Implement the policy recommendations of the General Plan;
- Implement the land use designations of the community plans;
- Implement other policies and recommendations of the community plans, including, but not limited to provisions that address urban design and natural resource preservation; and,
- Contain tailored zone and development regulations to implement community-specific policies and recommendations.

It is also the City's policy that when a land use plan update is adopted, or amendments to a land use plan are made, that the zoning will be reviewed and changed as appropriate to assure that revised land use designations or newly-applicable policies and recommendations can be implemented through zoning and development regulations.

## *C. Develop Financing Strategies*

A financing strategy will be developed to identify potential municipal funding sources for new and upgraded public facilities. It would take a state constitutional amendment to permanently return to the City the substantial portion of property taxes and subventions that were shifted to state control and allocation in the 1980s and 1990s. Until such action occurs, the City is faced with significant and increasing shortfalls in providing public facilities and infrastructure.

As of 2002, the revenue shortfall required to fund and construct facilities for development under current community plans is an estimated \$2.5 billion. The City of Villages strategy focuses revenue first on communities that have a demonstrated need. This citywide prioritization will be followed by the determination of priorities on a community-by-community basis and tailoring standards to meet specific community needs.

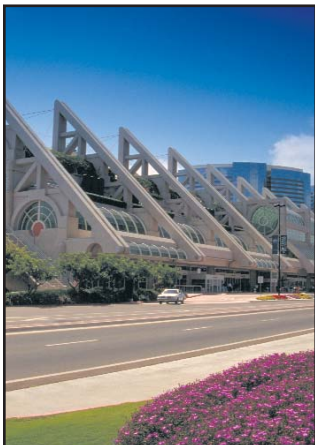


The Finance Subcommittee of the Strategic Framework Citizen Committee identified four approaches toward achieving the needed City infrastructure and public facilities. These four approaches complement each other and should be pursued concurrently.

1. **Fiscal reform at the state and local level** - Especially critical is the need to address the inequitable redistribution by the State of property tax proceeds that renders the City of San Diego share well below that of other large California cities, including San Francisco and Los Angeles. The potential for greater use of redevelopment as a tool should also be considered, including reexamining the ways that redevelopment dollars are allocated to neighborhoods, as well as new

legislative approaches for tax increment financing to assist funding of public facilities. Other mechanisms that can be useful as local community funding sources include assessment districts, community facility districts, and Community Development Block Grants. Local community funding could be employed to partially match citywide investment for certain community facilities.

2. **“Regionalization” of infrastructure expense** - Greater steps should be taken toward “regionalization” of the infrastructure expense borne by the citizens of the City of San Diego. For example, to the extent the City is able to achieve transit-oriented development, an enhanced amount of regional transportation funding should be forthcoming in support of such regionally beneficial land use and transportation patterns.
3. **Efficient use of shared resources** - The efficient use of shared resources can help the City provide facilities needs. Coordination between the City and other local agencies, including school districts, the parks and recreation and library systems, and utility providers can create or enhance opportunities for the joint use and functioning of public facilities and activities.
4. **Additional user fee and revenue measures** – In addition to pursuing the above approaches, user fee and revenue options should be considered in order to make funding available for needed facilities. A portion of general fund dollars currently used by the City for other purposes, such as residential trash collection, could be replaced by user fees similar to the fees applied by all other cities in the region. The Finance Subcommittee reviewed the findings of an independent municipal financial advisor, which led to completion of a facilities financing study. The resulting City of San Diego Financing Study concluded that there are several major revenue options available. The financial advisor has projected the need for an annual revenue stream of \$95 million to finance and build the facilities within the 20-year planning horizon. It could be carried out by the flexible application of some mix of these identified sources, and financed through the use of bonding, based on a “quality of life” or similar measure before the voters. This would allow the City to leverage the revenue stream.
  - *Residential Refuse Collection fee requiring a majority vote* – A refuse collection fee is applied by all other cities in the region, as well as by the County of San Diego in the unincorporated area. It could generate over \$30 million annually to the City’s general fund at the moderate monthly rate of \$9.00 for residences currently served by the City collection.



- *Utility User tax* – Most similar cities in the state apply a utility users tax. This funding source, requiring a majority vote, could generate over \$18 million annually for each one percent levied.
- *Transient Occupancy tax* – The hotel room tax in San Diego, if increased by a majority vote to within one percentage point (from 10.5% to 13%) of that applied by the cities of Los Angeles and San Francisco (both 14%), could generate an additional \$23 million in revenue.
- *Real Property Transfer tax* – Increasing by majority vote the real property transfer tax to a moderate level, below that of San Francisco, Oakland, and Los Angeles, to \$2.75 per \$1000 of sale valuation, could generate about \$21 million annually.

In addition to the five types of revenue measures recommended for consideration above, options that could also be considered include other types of Cost Recovery fees, greater use of temporary taxes (for example, the TransNet transportation sales tax is currently a 20-year voter approved revenue), and Business License Fees on a par with other major cities. Infrastructure Assessment Districts could provide for specific improvements in communities or other subareas, and consideration of Port Revenue may arise if there is a change or consolidation of agencies associated with legislative proposals involving regional governance that may become relevant. There remain additional measures, such as reinstatement of Right-of-Way fees for the placement of water and sewer lines that generated \$14 million five years ago, and have since been phased out. These and other potential measures remain as potential options for consideration.

Recognizing the interdependence between the City of Villages and key regional infrastructure needs, the City of San Diego will support and advance the strategy of linked regional funding for the Transit First mobility network, funding for the MSCP and other regional open space programs, and funding to meet the requirements of the Regional Water Quality Control Board Municipal Permit. Funding these regional needs will be strategically linked to funding to meet the City's infrastructure deficit.

“Linking” funding for these regional needs means that a comprehensive funding strategy will be developed that will insure that funding in one area (for example, transportation) will not move forward in isolation. Not only is it impossible to solve one of these problems in isolation, but also such efforts often exacerbate the problems in the other issue areas.



## *D. Phasing Future Development*

The Residential Growth Management program, the predecessor of the City of Villages strategy, divided the City geographically into three tiers or phases of growth: Urbanized, Planned Urbanizing, and Future Urbanizing areas (see Section VII.B for a more detailed description of the tier program). In 1997, the City Council adopted the Multiple Species Conservation Program that established a Multiple Habitat Planning Area (MHPA). The MHPA defines natural open space lands to be preserved.



As of 2002, most of the City falls within either the Urbanized or Planned Urbanizing area tiers. Many of the older Planned Urbanizing areas such as Mira Mesa and Rancho Bernardo have reached plan build-out, and are beginning to experience limited redevelopment.

In 1985, the electorate adopted Proposition A, an initiative amending the *Progress Guide and General Plan* to require approval of majority vote of the people for shifting of land from Future Urbanizing to Planned Urbanizing Area. The ballot measure further provided that the “provision restricting development in the Future Urbanizing Area shall not be amended except by majority vote of the people except for amendments which are neutral or make the designation more restrictive in terms of permitting development.” The full text of the initiative is included in the Strategic Framework Element as Appendix A.

Proposition A continues to apply to properties that are not candidates at this time, or maybe anytime, for urban or suburban levels of development. Those properties are subject to the provisions of Proposition A that require a majority vote of the people to amend any of the provisions restricting development in the Future Urbanizing area. The Future Urbanizing Areas include military and other lands not subject to the City's jurisdiction. In the past, the City Council has chosen to follow the development intensity restrictions and phase shift vote requirement specified in Proposition A upon receipt of jurisdiction over former military installations. If and when additional military and other areas become subject to the City's jurisdiction, planning for reuse should follow a public planning and voter approval process. It may include an amendment to the General Plan to address the land use distribution and village locations, if any.

The City will develop an alternative development phasing proposal to address all of the tiers after adoption of the Strategic Framework Element to implement the City of Villages strategy while maintaining compliance with Proposition A. Until that alternative phasing proposal is adopted, Sections VII through X of the *Guidelines for Future Development, Managing Growth Through the Tier System*, will continue to apply. These sections address the phasing of development concurrent with the provision of public facilities and infrastructure, and also include the Phased Development Areas map and the Community Planning Areas map.

The Future Urbanizing Areas also include military and other lands not subject to the City's jurisdiction. In the past, the City Council has chosen to follow the development intensity restrictions and phase shift vote requirement specified in Proposition A upon receipt of jurisdiction over former military installations. If and when additional military and other areas become subject to the City's jurisdiction, planning for reuse should follow a public planning and voter approval process. It may include an amendment to the General Plan to address the land use distribution and village locations, if any.

# Phased Development Areas

## Legend

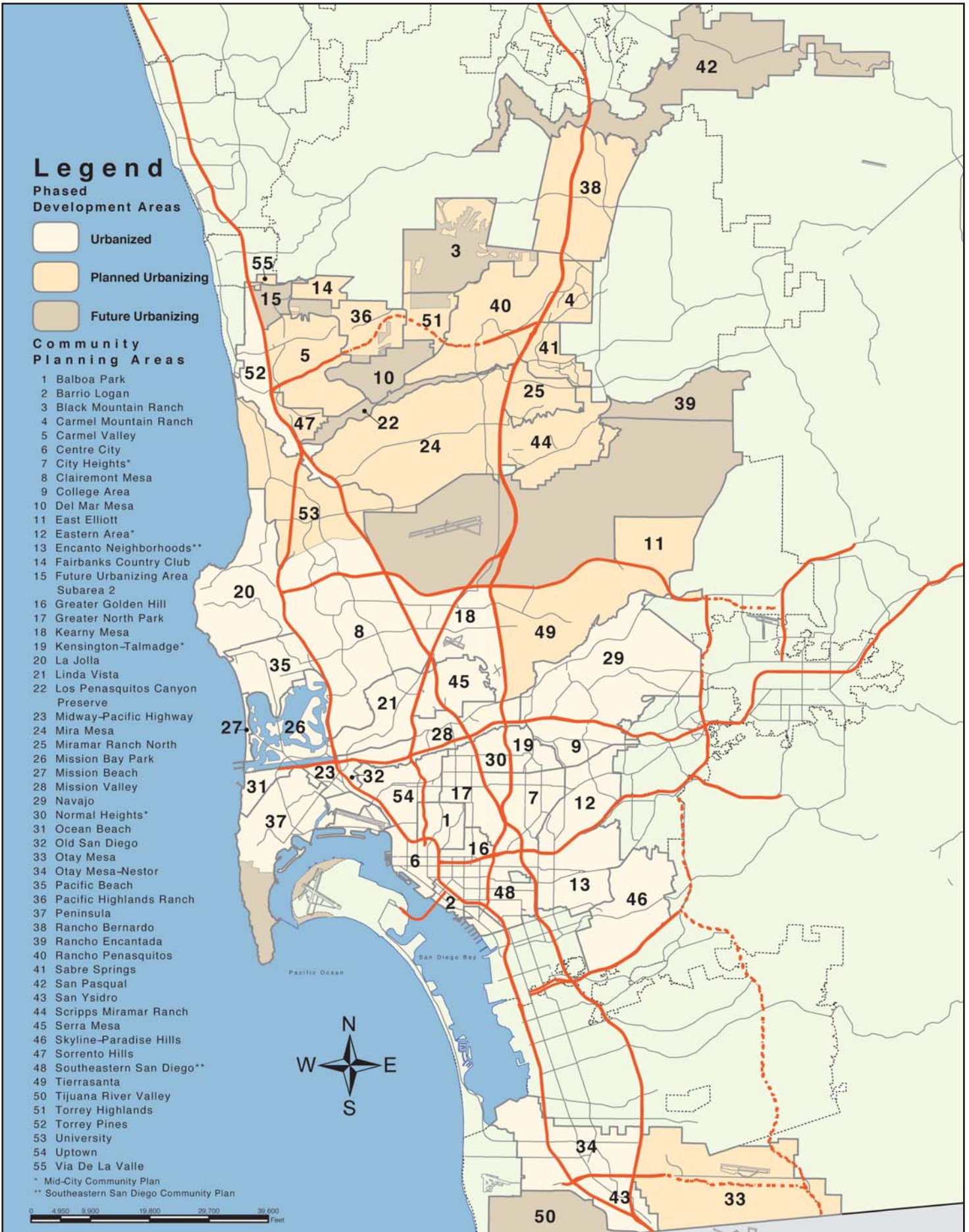
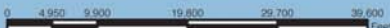
### Phased Development Areas

- Urbanized
- Planned Urbanizing
- Future Urbanizing

### Community Planning Areas

- 1 Balboa Park
- 2 Barrio Logan
- 3 Black Mountain Ranch
- 4 Carmel Mountain Ranch
- 5 Carmel Valley
- 6 Centre City
- 7 City Heights\*
- 8 Clairemont Mesa
- 9 College Area
- 10 Del Mar Mesa
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- 36 Pacific Highlands Ranch
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- 38 Rancho Bernardo
- 39 Rancho Encantada
- 40 Rancho Penasquitos
- 41 Sabre Springs
- 42 San Pasqual
- 43 San Ysidro
- 44 Scripps Miramar Ranch
- 45 Serra Mesa
- 46 Skyline-Paradise Hills
- 47 Sorrento Hills
- 48 Southeastern San Diego\*\*
- 49 Tierrasanta
- 50 Tijuana River Valley
- 51 Torrey Highlands
- 52 Torrey Pines
- 53 University
- 54 Uptown
- 55 Via De La Valle

\* Mid-City Community Plan  
 \*\* Southeastern San Diego Community Plan



## *1. Prospective Annexation Areas*

The City of San Diego plays a leading role in regional planning. This role includes working with other jurisdictions and agencies in refining the City's boundaries. The expansion of City boundaries can help discourage urban sprawl by providing organized and planned growth, the efficient delivery of urban services, such as police, fire, water and sanitation, and the preservation of open space. By discouraging sprawl, the City can limit the misuse of land resources and promote a more cost-efficient delivery of urban services. Both the State and County support the expansion of cities to provide urban services, rather than the expansion of special districts.

Under the authority of the State, the Local Area Formation Commission (LAFCO) regulates, through approval or denial, any boundary changes proposed by a city. Although LAFCO does not have the power to initiate boundary changes on its own, LAFCO coordinates the orderly development of a community through reconciling differences between city and county plans, so the most efficient urban service arrangements are created for the benefit of area residents and property owners.

A "Sphere of Influence" which is used to determine the most logical and efficient future boundaries for cities, is the physical boundary and service area that a city is expected to serve. In 1985, LAFCO determined the City of San Diego's Sphere of Influence to be co-terminus with its jurisdictional boundaries. It is still in the City's interest, however, to identify prospective annexation areas for long-range planning purposes to: avoid duplication of services with special districts, promote a more cost-efficient delivery of urban services to both existing areas that already have urban services and future development areas that require urban service extensions from contiguous City areas, and promote orderly growth and development and preserve open space, as necessary, on its periphery. These areas shown on the Prospective Annexation Areas map include both islands of unincorporated land within the City, and unincorporated areas that share common geographic features and are bordered by the same natural boundaries as the contiguous City area.

See Appendix B for a more detailed description of the annexation process.

# *Prospective Annexation Areas*



## *E. Pilot Villages*

The Action Plan calls for the City of Villages strategy to be implemented on a pilot basis in approximately three targeted areas. The Pilot Village program will 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 Council will choose the sites based upon the results of a two-part selection process. The City will partner with communities, other agencies, and private developers to implement the City of Villages strategy, in a timely fashion, in these locations. It is hoped that this process will serve as a catalyst in the development and evolution of villages around the City.

## *F. Interim Transit-Oriented Development Design Guidelines*



As an interim measure until affected community plans are updated, the City will encourage the use of elements of the Transit-Oriented Development (TOD) Design Guidelines, within centers and corridors identified on the City of Villages Opportunity Areas Map (Appendix A, Action Plan). The TOD Design Guidelines will not supercede the land use or density recommendations of the applicable community plan. The Transit-Oriented Development Design Guidelines were approved by the San Diego City Council on August 4, 1992, by Resolution No. R-280480. The Guidelines were created to reduce automobile dependence, improve air quality, and create pedestrian-oriented, interactive neighborhoods. A TOD is a compact land use pattern with housing, public parks and plazas, jobs, and services located along key points on the transit system. Applying the TOD Design Guidelines will help preserve opportunities to, in the short term, realize the walkable village center envisioned in the City of Villages strategy.

## *VI. Beyond 2020*

The City of Villages concept and accompanying growth strategies are intended to guide future development in San Diego well beyond the year 2020. This is a long-range proposal that will not be fully implemented in many parts of the City until after 2020. Some of the urban nodes contemplated as future villages are currently experiencing demand for intensified use and have infrastructure in place. These nodes could develop in accordance with the City of Villages strategy in the next few years while other areas will not achieve urban village characteristics until much later.

### *A. Village Evolution*

Over the next few years, the greatest share of redevelopment and village development will initially occur in the older developed central communities. However, it is anticipated that there will be a gradual shift to newer suburban areas as communities developed after World War II begin to age and experience redevelopment pressure. After 2020, it is anticipated that a significant share of redevelopment and village development will occur in the northern portion of the City, particularly in those areas that experienced initial development after 1970.

Some of the most significant potential urban village locations that may become available in the long term are on sites that are now used for military and airport uses and are not currently planned for urban development. These sites could include Lindbergh Field, Brown Field, Montgomery Field, the Marine Corps Recruit Depot, and portions of Miramar Marine Air Station. Lindbergh Field, for example, has been suggested as a site that could, if the airport is relocated, support a variety of uses that could take full advantage of bay views and proximity to Downtown. Redevelopment of these airport and military sites is currently uncertain and would likely occur after 2020.

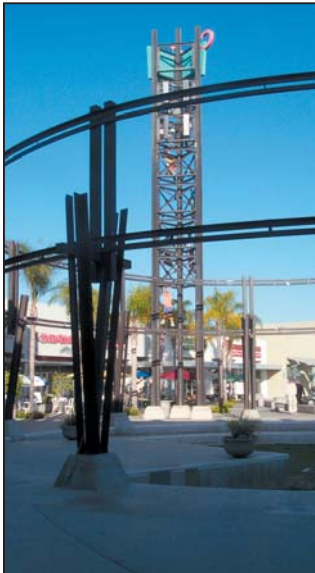
An even more important trend anticipated after 2020 than establishment of new urban villages will be the continued evolution of existing villages. In the dynamic process of urban development, some villages, including the pilot projects, will begin to form during the next decade, combining residential and retail uses. Within several years, these villages may add local office uses such as doctors and dentists offices. Still later they may include larger scale employment components. A common feature of all the villages will be ease of walking between residential units, transit stops, public facilities, and basic commercial uses. However, as the villages become more fully developed, their individual personalities will become more defined and their development patterns will become more varied and distinctive.



It is anticipated that the functions of most individual villages will develop in a gradual organic manner rather than be quickly established through the construction of a few large projects. After 2020, some of the villages may take on specialized functions that cannot even be predicted at the present time. For example, some villages could eventually contain regional entertainment centers while other villages gain renown as specialized shopping districts. Still other areas will have a wide mix of uses with no particular emphasis.

## *B. The Rate of Village Development*

Infrastructure that is currently lacking must be in place before some of the areas identified as potential villages can begin to accept higher density residential development and/or additional commercial uses. Transit is currently inadequate in many of the areas that have been considered as potential village locations. While some of the older communities in the City are already ripe for redevelopment, and intensification could enhance their existing village characteristics within ten to fifteen years, other potential urban village locations are characterized by relatively new shopping centers and housing that will not be ready for redevelopment for fifteen to twenty years or more.



The rate at which the City of Villages concept can be applied throughout the City will be determined largely by the rate at which infrastructure deficiencies can be remedied. Transit will be particularly crucial. As MTDB's Transit First vision is implemented, many potential village locations could begin to develop in accordance with the City of Villages concept. The rate of implementation is dependent upon available funding and political will. However, even if transit deficiencies and other infrastructure needs are fully addressed in the next two decades, it is likely that the transition from the current auto-oriented pattern of development to a more transit and pedestrian-oriented development pattern will take up to forty years to be fully achieved. The current automobile-dominated urban development pattern in San Diego has occurred over several decades and the incremental land use and transportation changes sought will likely take almost as long to realize.

Finally, a significant factor that will influence the pace at which the City of Villages strategy will be implemented is the rate of future population growth in the San Diego region. The pattern of development envisioned in the City of Villages concept will not be impacted by the rate of growth, but the rate of development of individual villages will be dependent in part on the region's population growth rate.



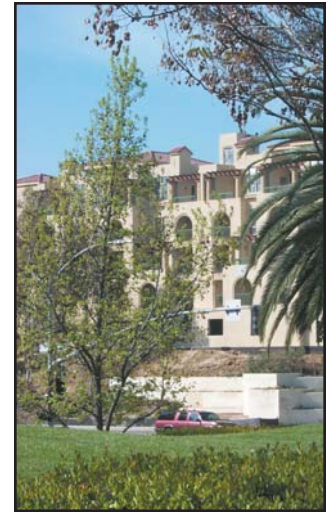
## C. Lifestyle Trends

Certain demographic trends that are already evident in San Diego will be more fully developed by the year 2020 and thereafter. These trends include a steadily increasing elderly proportion of the population and fewer people living in detached single-family units. Many elderly people are unable or choose not to drive. The creation of a more pedestrian and transit-oriented urban pattern around village nodes will provide more options to this population group than the auto-oriented pattern of development that has been prevalent in the recent past. Under the City of Villages strategy, more seniors may not need housing developed that specifically serves senior citizens, instead choosing mixed-use, mixed-income neighborhoods that are accessible by transit or walking to a full-range of services and facilities.

Another trend that is currently in a beginning stage in San Diego, but that will be far more evident in the future, is the desire by an increasing segment of the population to live in an urban, rather than a suburban, setting. By 2030, San Diego will offer a broader choice of residential lifestyles resembling more mature cities such as Chicago and San Francisco. This will be the case in part because the chief advantage of suburbia in the postwar era – a home surrounded by a large yard – has already become unattainable for most San Diego residents due to the high cost and scarcity of land.

Many of the trends that will impact development and planning in the years after 2020 cannot be accurately predicted at the present time. The degree to which shortages of water and energy may impact future growth patterns is unknown. Federal funding levels for regional public facilities cannot be projected. It is already apparent that a shortage of buildable land combined with continued desirability of living in San Diego will result in a continued lack of affordable housing and high rents for office and retail space. The traditional low density pattern of development characterized by single-family subdivisions, auto-oriented retail centers and campus-type business parks will not meet the needs of this City and region in the years after 2020.

The City of Villages strategy is intended to provide a positive response to growth and development trends and an enlightened strategy for the future development of the City – a strategy that builds upon what is good in our communities and ensures a high quality of life for future generations.





## *VII. Behind the Strategy: Trends and Challenges*

The City of Villages strategy was developed after a thorough analysis of the experiences of the past, existing opportunities and constraints, and trends for the future. City staff worked in conjunction with the Strategic Framework Citizen Committee to analyze the impacts of population trends, development patterns and legislative policy decisions of the past and future.

### *A. Population Changes*

#### *Growth Forecasts*

In 2000, the City had a population of 1,223,400 people. This was approximately a 40% increase from 1980. Recent forecasts indicate that the City will continue to grow, but at a slower rate and at a lower percentage increase than we experienced during the last 20 years. For much of the last 20 years, the City has had an annual growth rate over 2%. It is likely that the yearly growth rate will slowly decline from approximately 1.5% in 2000, to approximately 1% from 2010 to 2020, and below 1% after 2020.

#### *Cultural Diversity*

Cultural diversity is an important aspect of life throughout the region and the City. This diversity is reflected in San Diego's arts and culture, architecture, and the social fabric of the hundreds of neighborhoods that comprise the City.

San Diego is becoming increasingly multicultural; the City is one of the most ethnically and culturally diverse places in the nation. Our residents, who have come from all parts of the world to live here, speak more than 100 different languages. Approximately 49% of San Diego's population is White, 25% is Hispanic, 8% is Black, and 14% is Asian. SANDAG predicts that over the next 20 years, San Diego's Hispanic and Asian population will increase significantly. San Diego can be proud that a study by the University of Michigan's Population Study Center ranked San Diego as the fourth least segregated City among the nation's 20 largest metropolitan areas.



## *B. Urban Form Development Patterns*

### *Phased Development Areas and Proposition A*

In 1979, the *Progress Guide and General Plan* established a growth management program entitled, *Guidelines for Future Development*. The guidelines were designed to require a phasing of growth and development in the outlying areas of the City, in accordance with the availability of public facilities and services, and to redirect growth into the central business district and established neighborhoods.

As previously stated, this growth management program established the three tiers of growth: Urbanized, Planned Urbanizing, and Future Urbanizing areas. The General Plan encouraged intensive and varied development in the Urbanized area, a portion of the City consisting of established, built-out neighborhoods and the downtown core. Development in the Planned Urbanizing area's newly developing communities primarily along the I-5 and I-15 corridors could occur, but Council Policies were established which required developers to pay for the construction of all necessary public facilities through either a Facilities Benefit Assessment (FBA) or other financing mechanisms.

In 1979, the Future Urbanizing Area (FUA) located at or adjacent to the City boundaries was largely vacant and zoned for agricultural use. The General Plan discouraged urban and suburban levels of development in the FUA, unless and until the Urbanized and Planned Urbanizing areas were sufficiently built. The intent was to discourage leapfrog development and inefficient use of the City's facilities and services.



As a result, there was a significant increase in the amount of growth in the Urbanized area. Whereas only ten percent of all new residential growth in 1979 occurred in the urbanized area, by 1983, that number had increased to sixty percent. During the late 1980s and throughout the 1990s, the momentum shifted again to the Planned Urbanizing area, but a substantial amount of residential development continued to occur each year in the Urbanized area up through the time of the recession in the early 1990s.

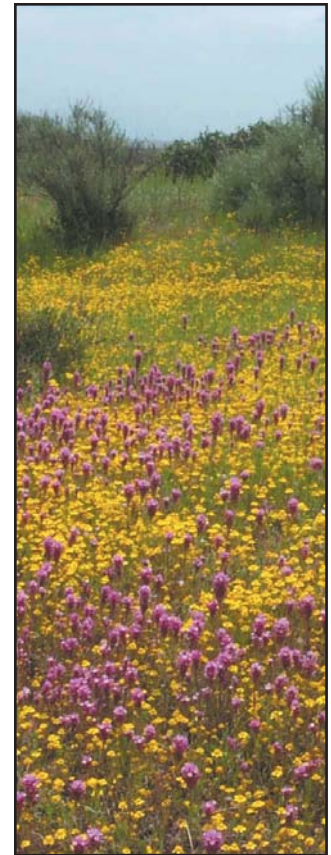
In the mid-1980s, developers began to pursue projects within the northern portion of the City in the North City Future Urbanizing Area (NCFUA). In 1984, the City Council approved a development in the La Jolla Valley at the extreme northern edge of the City. San Diego residents grew concerned that the City would approve such an intense development in apparent conflict with adopted growth management policies, and without the benefit of comprehensive planning.

The City Council's action prompted a voter-initiated ballot measure, Proposition A – the Managed Growth Initiative. This initiative required approval of a majority vote of the people for phase shifts from Future Urbanizing to Planned Urbanizing area, retroactive to the date prior to approval of the La Jolla Valley development. The ballot measure provided that the “provisions restricting development in the Future Urbanizing Area shall not be amended except by majority vote of the people” except for “amendments which are neutral or make the designation more restrictive in terms of permitting development.”

Consequently, after the passage of Proposition A, in the absence of voter approval, development in the FUA continued to be limited to extremely low-density, estate residential projects, a few low intensity recreational uses, and agriculture.

## *Planning and Phase Shifts for Proposition A Lands*

Concern over losing so much of the urban reserve to unplanned, low density development resulted in City Council adoption of a moratorium on NCFUA development, while the City prepared and adopted a comprehensive amendment to the *Progress Guide and General Plan*. This amendment, the *NCFUA Framework Plan*, was adopted in 1992. The plan established an interconnected open space system and divided the NCFUA into five subareas. The plan called for moderate density residential projects in mixed-use centers surrounded by lower density development, the integration of pedestrian-oriented design, and the use of landform grading techniques. By 1998, the voters had approved phase shifts for three major subareas.





The City has also undertaken other planning efforts to address land use in the remainder of the Future Urbanizing area subject to its jurisdiction. In 1995, the City Council adopted a comprehensive update to the San Pasqual Valley Plan that recommended the preservation of San Pasqual Valley for agricultural use and open space. Additionally, in 1996, the City adopted a specific plan for the Del Mar Mesa that limits residential development and sets aside over half of the plan for the purposes of habitat preservation. Furthermore, federal, state, county, and other jurisdictions have participated with the City in planning for open space and habitat preservation in the San Dieguito and Tijuana River valleys, also part of the Future Urbanizing area. As a result of these planning efforts, the City, with voter concurrence, has effectively determined for the most part where future development should and should not occur for the foreseeable future.

One of the primary purposes behind the adoption of the Phased Development areas system was to ensure the timely provision of public facilities as growth occurred. The City developed the Facilities Benefit Assessment (FBA) and other financing programs to assist with the accomplishment of this requirement. Funds collected through these particular mechanisms, however, can only be used for capital expenditures. Once a public facility is constructed, the City must turn to other funding sources for operation and maintenance, primarily the general fund. The public facility phasing and sequencing components of the tier system therefore will no longer be relevant when the City reaches build-out according to community plans.

### *Infill Development*

The City of San Diego's 1979 *Progress Guide and General Plan* was successful in reversing two related trends: rapid growth on the northern periphery of the City, and slowed growth in the central, older core. The growth management strategy, however, had unintended consequences as intensive redevelopment of the older core neighborhoods occurred without sufficient public facilities. Poor architectural design and site planning characterized many of the new projects, since many new apartment buildings were out of scale with the prevailing architectural character of the older neighborhoods. Ultimately, public opposition to infill development resulted in a reluctance to accept additional growth and prompted new multiple-family development regulations to address design issues.

## *Auto-Oriented Development*

Single-family construction of larger homes continued to dominate the market as the century came to a close. This resulted in rapid consumption of land around the periphery of the City, especially to the north. Throughout the 1990s, developers continued to build larger single-family subdivisions, characterized by a hierarchical street layout with cul-de-sacs feeding onto collector and arterial roads, and segregated land uses. Such a development pattern makes an effective transit program difficult to implement, resulting in much of the northern City becoming highly auto-dependent.



## *Open Space*

The City and region have made significant strides with respect to open space preservation. As the 1990s began, San Diegans continued to express concerns regarding the lack of comprehensive open space planning and preservation within the City and throughout the region, and the failure of existing regulations to protect sensitive habitat and land form. Interconnected habitat preservation areas had not been clearly identified, and serious deficiencies in open space management and acquisition funding existed. Habitat preservation occurred on an ad hoc, project-by-project basis, and was scattered around the City. During the second half of the decade, the City engaged in a comprehensive habitat planning program, the Multiple Species Conservation Program (MSCP), to establish an

interconnected open space preserve throughout the region. The MSCP established a preserve area, the Multiple Habitat Planning Area (MHPA), and a specific set of regulations for development adjacent to (and to a limited extent within) the preserve, and developed a funding strategy to acquire key parcels of land.

Despite the tremendous advance in habitat planning and preservation that the MSCP represents, challenges remain. Specifically, some community planning advocates are concerned that the MSCP may have preempted efforts to preserve other open spaces, such as urban canyons and significant landforms, located outside of the MSCP preserve. Additionally, development of sensitive lands, where it is permitted, continues to be marred by poor design and insensitive grading techniques that have resulted in the destruction of ridgelines and other environmental impacts. Finally, open space linkages between communities and the integration of open space, scenic resources, and active recreation into neighborhoods rarely occur.

San Diego has almost reached its current plan build-out, with the exception of Otay Mesa in the southern portion of the City. Here the City wrestles with the conflict between open space acquisition of developable land and the resultant loss of potential urban uses. The outstanding urban form challenge is to accommodate and redirect growth so that it preserves the existing, desirable, characteristics of established neighborhoods and builds character into new neighborhoods. Furthermore, a successful growth strategy must address how to provide the open space and transportation linkages to create a unified structure for the City as a whole, while maintaining and enhancing the diverse character of its individual neighborhoods, and distinctive natural landform.





## C. Public Facilities and Financing

### Infrastructure and Financing

Provision and maintenance of the City's infrastructure and public facilities have been severely strained in the last two decades. Limitations are particularly felt in the older urbanized areas, as the combination of limits on property tax revenues and shifts of local taxes to the State have occurred. The passage of Proposition 13, the Property Tax Limitation Initiative, in 1978, followed by State budgeting actions in the early 1980s and 1990s, further reduced local revenues. The early '80s and early '90s were recessionary times, and the state balanced its budget by appropriating local revenues. State repeals of previous subventions (categories of financial support) to local governments resulted in a drop in cities' and counties' combined share of the local property tax statewide of nearly \$1 billion. Over the past 25 years, voter-approved tax limitations have greatly diminished local government's fiscal powers, reduced revenues, and relegated the allocation of property taxes to the state government. These fiscal constraints have impacted all California cities, but not to the same degree. The post-Proposition 13 allocation of property taxes, as mandated by State Assembly Bill 8, has resulted in Los Angeles and San Francisco receiving a much larger share of the local property tax than is received by San Diego, as indicated in Figure 2.



*Figure 2: Property Tax Allocation*

<i>Los Angeles</i>	<i>% of 1%</i> <i>26.41%</i>
<i>Sacramento</i>	<i>Not Available</i>
<i>San Diego</i>	<i>17.07%</i>
<i>San Francisco*</i>	<i>57.74%</i>
<i>San Jose</i>	<i>15.45%</i>

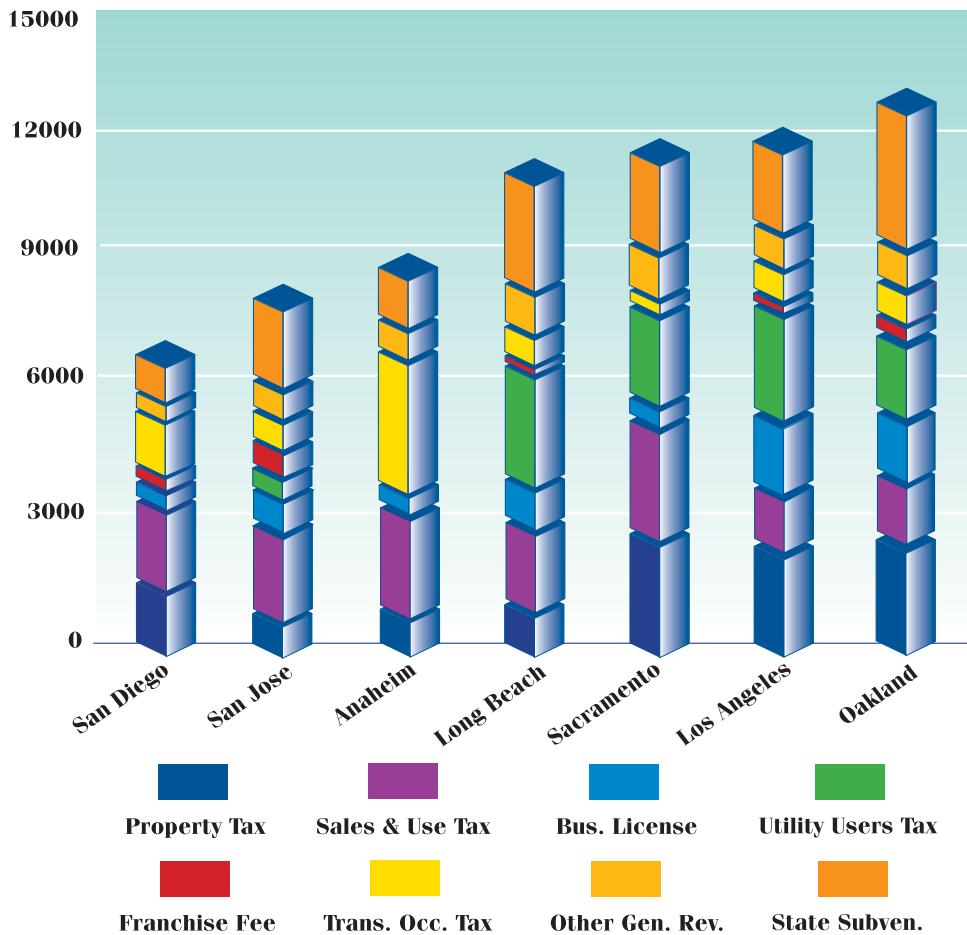
\* San Francisco is a joint County/City. As a comparison, the County of San Diego receives 15.73% bringing the City/County total to 32.8%.

**Figure 3: Comparison of 15 California Cities**

City	Utility User Tax	Residential Trash Collection Fee	Water/Sewer Utility Right-of-Way/ Franchise Fee
<i>Los Angeles</i>	<b>YES</b>	<b>YES</b>	<b>YES</b>
<i>San Diego</i>	<b>NO</b>	<b>NO</b>	<b>NO</b>
<i>San Jose</i>	<b>YES</b>	<b>YES</b>	<b>YES</b>
<i>Long Beach</i>	<b>YES</b>	<b>YES</b>	<b>YES</b>
<i>Fresno</i>	<b>YES</b>	<b>YES</b>	<b>YES</b>
<i>Sacramento</i>	<b>YES</b>	<b>YES</b>	<b>YES</b>
<i>Oakland</i>	<b>YES</b>	<b>YES</b>	<b>YES</b>
<i>Santa Ana</i>	<b>YES</b>	<b>YES</b>	<b>YES</b>
<i>Anaheim</i>	<b>NO</b>	<b>YES</b>	<b>YES</b>
<i>Riverside</i>	<b>YES</b>	<b>YES</b>	<b>YES</b>
<i>Stockton</i>	<b>YES</b>	<b>YES</b>	<b>YES</b>
<i>Bakersfield</i>	<b>NO</b>	<b>YES</b>	<b>YES</b>
<i>Glendale</i>	<b>YES</b>	<b>YES</b>	<b>YES</b>
<i>Fremont</i>	<b>NO</b>	<b>YES</b>	<b>YES</b>
<i>Huntington Beach</i>	<b>YES</b>	<b>YES</b>	<b>YES</b>

San Diego ranks low on general revenue sources, with a dollar amount slightly more than one-half that generated per unit of net assessed value in Los Angeles. The reasons for this difference include both the higher percentage of property taxes allocated by the State to Los Angeles, as well as its utilization of many more sources of revenue. Figure 3 compares fifteen California cities' use of common revenue sources. San Diego does not currently apply several of these commonly utilized municipal revenue sources. Among these are the utility user tax, residential trash collection fee, or water/sewer utility right-of-way franchise fees. Other medium and large cities in the State apply either two or all three of these sources of revenue, as indicated in Figure 4.

*Figure 4: General Revenue Sources Comparison*



### *Fiscalization of Land Use*

In recent years the State Legislature has acted to offset losses resulting from the Education Revenue Augmentation Fund (ERAF) by allocating more money for local government programs. Despite this relief, most cities and counties remain net losers based on a 1999 review by the California Legislative Analyst's Office. Beyond the loss of local revenues as of 2000, this status has fostered instability for California governments, creating divisions among cities, counties, schools, and special districts.

Under financial pressure, there is an incentive to attempt to regain fiscal power through land use policy. New development that produces taxable sales is often seen as most desirable, and favored over housing development. According to a California Planning Roundtable report, many local governments have no incentive to approve such needed housing projects, especially affordable housing projects, because they are money-losers for the local budget.

The consequences are more than the loss of potential homes. In the long term, the fiscal incentive to create more retail jobs is often at odds with long-term prosperity of the citizens of a jurisdiction. Average household incomes benefit when jurisdictions favor the creation of middle-income jobs (e.g., lab technicians, drafters, computer specialists, etc.) over retail sales tax generating jobs. The added household prosperity results in sustained positive effects on the local economy and the municipal budget.

## *Assessments and other Financing Mechanisms*

In the newer Planned Urbanizing communities, Facilities Benefit Assessments (FBA) have been used since the early 1980s to charge new development for its fair share of needed public facilities (streets, parks, libraries, and fire stations). Since 1987, development impact fees (DIFs) have been applied in the Urbanized communities to provide a vehicle for infill development to pay a limited portion of the needed community facilities. Facilities cannot be fully funded by the DIFs because DIFs can only be used to pay for the portion of the new facilities needed by the new developments. DIFs cannot be used to make up facilities shortfalls. In some cases, older communities have initiated self-assessments such as Business Improvement Districts and Landscape Maintenance Districts to help revitalize their communities.

## *Funding Shortfall*

Facilities funding needs in the Urbanized communities through 2020 total approximately \$2.5 billion in the categories of local transportation, parks and recreation, libraries, and fire stations. The estimated need for additional revenues does not include: sewer and water system improvements (these are financed through the user fees charged for the services), future regional infrastructure categories, such as region-serving airports, and projected shortfalls in public school facilities and transit.





## *School Facilities*

Quality education is essential to train San Diego's future workforce and to provide the human capital for the region's growing economy. School facilities are also an important physical component of the community and have great impacts on neighborhood property values, social fabric, and stability. The fostering of equitable, quality education opportunities, and attractive, multi-use school facilities throughout the City are vital components of this growth strategy.

## *School Financing*

Before Proposition 13, schools in the City of San Diego were generally paid for or financed using General Fund revenues. In response to the tax cuts mandated by Proposition 13, school districts turned to development impact fees to help cover the costs of new schools. Impact fees, however, have proven to be an inadequate substitute for property taxes. Compared to the reduction in property taxes caused by Proposition 13, current school fees are extremely low. In the year 2000, developers paid a one-time school facilities fee of \$3,680 on a 2,000 square foot home. In contrast, over a 30-year period, the San Diego Unified School District would have received over \$70,000 in inflation-adjusted dollars from the same home were it not for the decrease in property taxes due to the passage of Proposition 13.

The reduced ability to finance new schools and repair older ones, coupled with increased population growth, has severely strained San Diego's physical stock of schools. The electorate has taken notice of the deteriorating and overcrowded conditions and in some cases approved bond measures by the required two-thirds majorities, to repair, construct, and renovate

schools. Recent voter approved changes statewide have reduced the school bond passage requirement to 55 percent, making future bond issues in this category more achievable.

### *Siting New Schools*

More new schools will be needed to support population growth projections for 2020. Since San Diego's vacant developable land is scarce, much of the projected growth will go in existing neighborhoods. Planning for new schools in existing neighborhoods is more challenging than in new communities where undeveloped land is available for school sites. Because large parcels are typically unavailable, the district must assemble residential and/or commercial land from multiple property owners to achieve minimum campus acreage requirements. Purchasing existing homes is controversial because it displaces people, takes away needed housing, and often reduces the City's affordable housing stock. Reuse of commercial land is also problematic due to the potential environmental hazards that may be present in the soil or groundwater. Alternative school designs for urbanized areas are being examined, including renewed emphasis on two story structures.



### *Joint Use of Public Facilities*

Shared use or joint use of public facilities, including school facilities is a strategy to help meet public facility needs and to enrich the local community. In San Diego, there are many examples of joint use school/park facilities. This concept could be expanded to include sharing of facilities such as libraries, assembly or theater halls, plaza and town greens, community services, and classroom space for lifelong education. In some instances, the benefit of joint use includes land and maintenance cost savings for the affected agencies. In other situations, the reward is community enrichment and closer agency/neighborhood ties.

Joint use also relates to designing public facilities so that they invite community use and function as community centers. Libraries, parks, and schools can become community centers through many of the joint use concepts described above, as well as through siting, urban design and the use of architectural elements to celebrate the neighborhood and welcome the community into the facility. It is also desirable to locate new facilities and schools within convenient and safe walking distances of the residents who will use them. Charter schools offer another innovative strategy for meeting some of the facility needs in the future, as they are not required to meet school district facility standards. Security and cost sharing issues must be addressed to help ensure that many of these ideas can become a reality.

## *D. Conservation and the Environment*

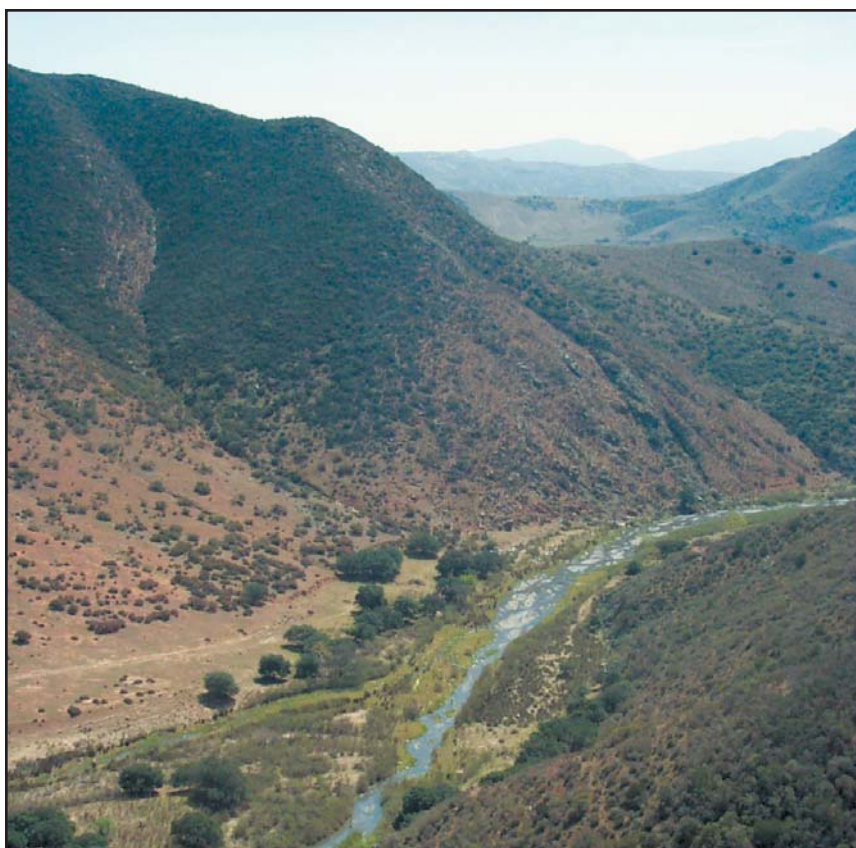
### *San Diego Conservation History and Challenges*

Although the environmental movement is recognized more as a recent phenomenon, San Diego has a long history of planning for open space protection. Beginning in 1868, the City of San Diego Board of Trustees set land aside for a City park, later named Balboa Park. John Nolen's 1908 comprehensive plan for San Diego called for development to conform to and respect the natural environment.

San Diego has had many successful open space planning and preservation efforts. An amendment to the City Charter in 1972 established the Environmental Growth Fund, two-thirds of which could be used as debt service for bond issuance to acquire, improve, and maintain open space for park or recreational purposes. By 1984, these monies had funded the purchase of 10,800 acres of open space. Additionally, San Diego voters approved Proposition C in 1978, which authorized the sale of bonds to purchase open space.

In 1979, with the adoption of the *Progress Guide and General Plan*, an Open Space Element was included that established the goals of providing an open space system for natural resource protection, recreation, public health and safety, urban form guidance, and scenic and visual enjoyment.

In 1987, the City's Residential Growth Management Program included a policy recommendation to allow topography and environmentally sensitive lands to define the City's urban form. In response, the City Council adopted the Resource Protection Ordinance (RPO) in 1989. In 1997, the Environmentally Sensitive Lands (ESL) regulations were created to simplify implementation of both RPO and the Multiple Species Conservation Program (MSCP).



Although the ESL regulations have been instrumental in the City's progress towards its conservation and open space goals, the negative impacts to citywide housing goals and facility financing plans have not been fully analyzed or mitigated. In addition, the development allowed through RPO permits has often not been visually compatible with the adjacent environmentally sensitive lands, especially in terms of grading and building design.

### *State and Federal Resource Protection*

Over the last thirty years, conservation issues have become increasingly more important to the general public. The environmental movement, and in particular, federal and state laws enacted in the late 1960s and 1970s have shaped the planning process to focus on environmental protection. Most state and federal laws currently address specific natural resources. In particular, the Endangered Species Acts (State and Federal), the Clean Air Acts (State and Federal), the Clean Water Act (Federal), the California Environmental Quality Act (CEQA), the Federal Resource Conservation and Recovery Act (RCRA), and the National Environmental Policy Act (NEPA) have affected local efforts towards natural resource protection.



The State Legislature enacted the California Environmental Quality Act (CEQA) in 1970. CEQA requires jurisdictions to inform decision makers and the public about a project's environmental effects, identify ways to avoid environmental damage, prevent avoidable environmental damage, and disclose why a project is approved. CEQA has provided the land use-planning link to resource protection.

Despite increased incorporation of resource protection into the planning process, seamless coordination between local, state and federal agencies has often been difficult to achieve. Locally, however, the Multiple Species Conservation Program (MSCP) is a successful example of coordination between participating jurisdictions, wildlife agencies, property owners, and representatives of the development industry and environmental groups. The plan is designed to meet the habitat needs of multiple species, rather than focusing preservation efforts on one species at a time. Although this is a huge step toward implementing the Endangered Species Act in San Diego, a funding gap for land acquisition, the implementation goal of the MSCP, still exists.



Ray

Other challenges remain to achieve the goals of State and Federal legislation. Environmental protection legislation, including the Clean Air Act and Clean Water Act, has traditionally focused on emission standards, best available practices, and targeted point-source dischargers, such as heavy industry. However, the emphasis is now shifting to reducing the impact of non-point dischargers, which includes households. The region must find meaningful ways to reduce air, water, and land pollution through broad-based solutions such as reducing automobile dependency, safely disposing of household hazardous materials, and reducing pollutants entering the storm drains.

The provision of water and water quality has emerged as a major conservation issue in the San Diego region over the past decade. Scientific and public concern over the dramatic loss of wetlands has led to the passage of legislation aimed at preserving and restoring the remaining wetlands, and preventing urban storm water runoff and non-point source pollution. Watershed planning, the provision of increased urban vegetation, and reducing impervious surfaces (i.e. roads and parking lots) pose potential challenges and solutions for addressing these issues.



## *E. Mobility*

San Diegans value mobility and consider it an important aspect of their quality of life. Most rely on the automobile as their primary means of transportation. Other transportation options have become less viable due to post World War II development patterns and infrastructure decisions that have favored an auto-based transportation network. The transportation system has been developed in accordance with federal and state programs, as well as local programs such as the Regional Transportation Plan (RTP), the City's *Progress Guide and General Plan*, community plans, various council policies, and the City's *Street Design Manual*. The goal of transportation planning has been to anticipate and accommodate future travel demand based on existing needs and future forecasts. Design standards are in place to ensure safe and functional facilities. The emphasis in this region has traditionally been on providing optimal automobile traffic flow.

The effectiveness, cost, and long-term sustainability of our auto-focused system are now being reexamined. For example, freeway widening has been shown to provide only temporary congestion relief as extra lanes draw new vehicle trips to the system that would not have otherwise occurred. In addition, there is a growing recognition that improving automobile circulation must be balanced with other community values, such as preserving neighborhood character and sensitive environmental resources.

During the 1990s, efforts to solve congestion problems with multiple approaches have resulted in greater regional interest in transit and bicycle facilities, and in the development and implementation of programs in the areas of transportation demand management, transportation systems management, and intelligent transportation systems. Better coordination of transit and land use planning, including promotion of more walkable, mixed-use communities as described in the City's Transit-Oriented Development (TOD) Design Guidelines, is also acknowledged as part of the solution. The shift toward seeking multi-modal solutions also occurred at the federal level with passage of the Intermodal Surface Transportation Efficiency Act in 1991.

It is clear that a transportation planning strategy based on providing capacity improvements on freeways and roadways cannot solely meet the increasing travel demand of the region. Not only will congestion increase, but there is also a growing concern that there will be insufficient parking as well as roadway space. By one estimate, if current trends continue, the one million new residents forecasted for the region by the year 2030 will be driving 685,000 cars. These cars will require approximately 3.5 million new parking spaces or the equivalent of 37 square miles of parking lots.

The central challenge for the future is to enhance mobility by creating walkable, mixed-use communities that are linked by superior bicycle and transit systems.

## *F. Housing Supply and Affordability*

Demand for housing options is increasing as the City's developable land is vanishing. San Diego lacks a variety of housing types that are affordable to different income levels. The trend of not developing at the maximum density allowed, or rezoning to lower densities to allow more single-family homes, has reduced the potential housing stock in San Diego. Current residential development is geared toward upper-end single-family and multifamily units. San Diego's demographics suggest a need for attached rental housing with units of more than two bedrooms and entry level, for-sale, multifamily and single-family homes. Accessible housing options for persons with disabilities must also be considered.

A number of issues impact San Diego's housing affordability, including the national and local economy, in addition to local supply and demand. High economic growth tends to negatively impact most people's ability to purchase or rent housing because of market demand and limited supply.



Affordable housing is generally unavailable for lower income households. This is exacerbated during times of increased economic growth. The dominance of single-family and lower-density multifamily units in San Diego County has resulted in an insufficient supply of housing units. Over the next twenty years, the remaining undeveloped, residentially designated land will not accommodate projected growth over the next twenty years.

During the late 1990s, a period of rapid economic growth, housing became less affordable for San Diegans. In 1998, the National Association of Homebuilders ranked San Diego as the fifteenth least affordable homeowner market in the country. In 2000, San Diego was ranked the ninth least affordable. From 1996 to 2000, rents increased in San Diego 36 percent, with a vacancy rate in 2000 of approximately one to three percent.



These trends are not unique to San Diego. The Federal Department of Housing and Urban Development reports that nationwide the number of homes and apartments affordable to families with low-wage incomes is decreasing. Affordable housing opportunities are shrinking with rents rising at twice the rate of general inflation (1999), and the number of people with low-income jobs is increasing. The decline in federal and local assistance for rent and income restricted housing units has also resulted in fewer units affordable to low income households.

Challenges to creating new housing units in San Diego include land availability, financing, traffic constraints, and environmental impacts. San Diego's developable land continues to decrease, meaning that new housing units will have to occur through infill or redevelopment. Infill and redevelopment create a different challenge in increasing the housing stock because both development costs and neighborhood opposition tend to be higher in existing communities.

## G. *Economic Growth*

For most of the 20th century, San Diego's economy has been closely tied to federal defense expenditures. It began with the Navy bases during World War I, followed by the Marines and shipbuilding. Aerospace manufacturing growth followed World War II. In the last quarter of the 20th century, San Diego became a vacation destination due to its climate and natural beauty. The growth of uniformed services, military contracts, and the visitor industry made San Diego the fastest growing major city in the U.S. during much of the 1980s. This growth fueled a volatile real estate market that drove up housing prices and created speculative development, stimulating both residential and commercial sprawl.

When the Cold War ended, San Diego lost nearly 50,000 high technology defense jobs over a period of four years, partially contributing to a downward spiral for the economy. San Diego's economic condition was exacerbated by a worldwide recession resulting from corporate restructuring, and the collapse of the savings and loan industry. Housing construction all but ceased and entire shopping centers failed. School districts and local governments dramatically pared back services as tax revenues diminished, and the State retained a larger share of tax dollars to balance its declining budget. Only the tourism sector of San Diego's economy, with its comparatively low paying jobs, continued to grow in the early 1990s.

San Diego reinvented its economy during the 1990s. While some defense contractors vanished, others found commercial niches for their knowledge-based technologies. Electronics manufacturing growth in Tijuana's maquiladoras stimulated research and development, pilot manufacturing, and office functions in San Diego. The global surge in internet and wireless technologies in the late 1990s made San Diego's combination of high tech development, manufacturing capabilities and high quality of life one of the world's most desirable high technology business locations. By 1998, the loss of defense contracting jobs had been more than replaced with the "new economy" jobs.

The "new economy" comes with an awareness that the City of San Diego is part of a larger economic region, that quality of life and natural resources are economic assets, that there is a need for connected vital centers with more living and working choices, and that the City must be able to adapt quickly to change. The supply of vacant developable employment land has decreased to a critical point in the City, especially in locations preferred by "new economy" industries. Dwindling employment lands must be used more efficiently to sustain job growth, and there will be an increasing demand for reuse-infill development in older areas.



San Diego faces other challenges in promoting long-term economic prosperity. San Diego has been experiencing declining middle-income job opportunities and a concentration of lower income populations. San Diego continues to create more jobs, with knowledge-based jobs fueling the high end of the economic spectrum. However, manufacturing, which has provided the most solid middle class job opportunities, continues to decline as a percentage of employment. The growing visitor industry and retail and business service occupations do not typically offer middle-income jobs with medical benefits. The region's remaining middle class occupations tend to be in government and private business ownership.

Low-income families accounted for 13% of the region's population in 1999. Declining middle-income job opportunities and increasing housing costs add to the problems of concentrated poverty and poor school performance. The social and physical costs of concentrated poverty greatly exceed the limited resources of social programs and redevelopment efforts.

Once the top performing education state, California now ranks near the bottom. The lack of resources for local schools has inhibited their ability to provide a skilled labor force, forcing employers to look outside the region to find quality employees.



The rapid increase in housing prices will steadily increase pressure on salaries. This could cause the regional economy to succumb to inflation, making San Diego less cost competitive as a place to do business.

The capacity of regional infrastructure has been declining. Border infrastructure lags behind the increase in border trade. Despite growth in tourism and international trade, San Diego's airport is less than a third the size of the next smallest airport among major U.S. cities. Both water and power supplies are under pressure to meet the region's growing need.

In summary, an Economic Prosperity strategy for San Diego must encourage a rising standard of living that is equal to or above the national trend as measured by real per capita income.

# Appendix A

## Proposition A

**Proposition A**, an initiative measure approved by the electorate of the City of San Diego on November 5, 1985 amended the Progress Guide and General Plan. The initiative amended the plan by adding the provisions presented below in bold:

**Section 1.** “No property shall be changed from the ‘future urbanizing’ land use designation in the Progress Guide and General Plan to any other land use designation and the provisions restricting development in the future urbanizing area shall not be amended except by majority vote of the people voting on the change or amendment at a Citywide election thereon.”

**Section 2.** Definitions. “For purposes of this initiative measure, the following words and phrases shall have the following meanings:

- (a) “Progress Guide and General Plan shall mean the Progress Guide and General Plan of the City of San Diego, including text and maps, as the same existed on August 1, 1984.”
- (b) “Change in Designation” or change from ‘Future Urbanizing’ shall mean the removal of any area of land from the future urbanizing designation.
- (c) “Amendment” or “amended” as used in Section 1 shall mean any proposal to amend the text or maps of the Progress Guide and General Plan affecting the future urbanizing designation as the same existed in the Progress Guide and General Plan on August 1, 1984 or the land subject to said designation on August 1, 1984, except amendments with are neutral or make the designation more restrictive in terms of permitting development.”

**Section 3. Implementation.** “The City Council, City Planning Commission, and City staff are hereby directed to take any and all actions necessary under this initiative measure, including but not limited to adoption and implementation on any amendments to the General Plan and zoning ordinance or Citywide, reasonably necessary to carry out the intent and purpose of this initiative measure. Said actions shall be carried forthwith.”

**Section 4. Guidelines.** “The City Council may adopt reasonable guidelines to implement this initiative measure following notice and public hearing, provided that any such guidelines shall be consistent with the intent and purpose of this measure.”

**Section 5. Exemptions for Certain Projects.** “This measure shall not prevent completion of any project as to which a building permit has been issued pursuant to Section 91.04.03(a) of the San Diego Municipal Code prior to the effective date of this measure; provided, however, that the project shall cease to be exempt from the provisions of Section 91.02.0303(d) of the San Diego Municipal Code or if the said permit is suspended or revoked pursuant to Section 91.02.0303(e) of the San Diego Municipal Code.”

**Section 6. Amendment of Repeal.** This measure may be amended or repealed only by a majority of the voters voting at an election thereon.

**Section 7. Severability.** “If any section, subsection, sentence, phrase, clause, or portion of this initiative is for any reason held to be invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this initiative and each section, subsection, sentence, clause, phrase, part of portion thereof would have been adopted or passed irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, parts of portions be declared invalid or unconstitutional.”



# *Appendix B*

## *Prospective Annexation Areas*

The City of San Diego plays a leading role in regional planning. This role includes working with other jurisdictions and agencies in refining the City's boundaries. The expansion of City boundaries can help discourage urban sprawl by providing organized and planned growth, the efficient delivery of urban services, such as police, fire, water and sanitation, and the preservation of open space. By discouraging sprawl, the City can limit the misuse of land resources and promote a more cost-efficient delivery of urban services. Both the State and County support the expansion of cities to provide urban services, rather than the expansion of special districts.

Under the authority of the State, the Local Area Formation Commission (LAFCO) regulates, through approval or denial, any boundary changes proposed by a city. Although LAFCO does not have the power to initiate boundary changes on its own, LAFCO coordinates the orderly development of a community through reconciling differences between city and county plans, so the most efficient urban service arrangements are created for the benefit of area residents and property owners.

A "Sphere of Influence" which is used to determine the most logical and efficient future boundaries for cities, is the physical boundary and service area that a city is expected to serve. A Sphere of Influence study is completed prior to the adoption of the Sphere of Influence boundary to determine which governmental agencies can provide services in the most efficient way to any given area. LAFCO is required to update Spheres of Influence at least every five years. LAFCO also encourages jurisdictions to evaluate their current operations and options for reorganization, to improve services and to reduce operational costs by avoiding the overlapping and duplication of services.

In 1985, LAFCO determined the City of San Diego's Sphere of Influence to be co-terminus with its boundaries. It is still in the City's interest, however, to identify prospective annexation areas for long-range planning purposes: to avoid duplication of services with special districts, promote a more cost-efficient delivery of urban services to both existing areas that already have urban services and future development areas that require urban service extensions from contiguous City areas, and promote orderly growth and development and the preservation of open space, where appropriate and necessary, on its periphery. These areas, as shown on

the Prospective Annexation Areas map, include both islands of unincorporated land and unincorporated areas that share common geographic features and are bordered by the same natural boundaries as the contiguous City area.

Land within the areas designated on the map could be reviewed for the possibility of annexation upon the initiative of either the landowner or the City. In either case, the City will use the following factors in determining whether the City should submit an annexation application to LAFCO:

- The present and planned land uses for the proposed annexation
- The present and future need for urban services and facilities
- The fiscal impact of the proposed annexation to the City
- Whether the proposal represents an orderly and logical extension of City boundaries
- The ability of City to provide urban level services
- Whether the proposal would induce residential growth
- Whether the proposal would provide provisions for affordable housing
- Whether the proposal would provide provisions for open space
- The effect of the annexation to any relevant social or economic communities of interest
- The level of support on the part of affected property owners and area residents

LAFCO will determine if the proposed annexation requires an amendment to the Sphere of Influence, or if a Sphere of Influence study is needed prior to an amendment. In either case, LAFCO will use the above-mentioned factors as part of its decision making process. Upon annexation, areas will be included in the appropriate community plans and phase of development.