ADDRESSING THE ADMINISTRATION OF PLANNED DEVELOPMENTS:
THE CASE OF ARROYO GRANDE, CALIFORNIA

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ABSTRACT

Addressing the Administration of Planned Developments: The Case of Arroyo Grande, California

Matthew Joseph Downing

The City of Arroyo Grande, California has a problem administering the regulations of five Planned Developments in the City. This problem arises from these regulations being included in a 167-page appendix at the back of the City’s Development Code. This appendix includes the original approvals for the Developments. It also includes amendments to those approvals. These amendments are only added to the appendix. Therefore, changes to the regulations governing the Planned Developments are not tracked. It takes City staff considerable amounts of time to research answers when members of the public have questions regarding development in one of these Developments. Because of the numerous pages that must be read through to track the changes to one of the districts, there is no guarantee that the information presented to the inquirer is accurate. This can lead to issues when the rules are not consistently applied. The purpose of this project is to investigate an appropriate method to address this problem.

Keywords: Planned development, zoning, administration, Arroyo Grande.
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Table of Contents

List of Figures ........................................................................................................ ix

Chapter 1: Introduction .......................................................................................... 1

Chapter 2: Arroyo Grande, California ..................................................................... 4
  2.1 Community Setting ....................................................................................... 4
  2.2 Planned Developments in Arroyo Grande ..................................................... 7
    2.2.1 PD-1.1: Oak Park Acres Planned Development ................................... 9
    2.2.2 PD-1.2: Rancho Grande Planned Development .................................... 10
      PD-1.2.1: Los Robles de Rancho Grande ................................................. 11
      PD-1.2.2: The Highlands at Rancho Grande ............................................. 12
      PD-1.2.3: Las Jollas de Rancho Grande .................................................... 13
    2.2.3 PD-1.3: Royal Oaks Planned Development .......................................... 14
    2.2.4 PD-1.4: Wildwood Ranch Planned Development ............................... 15
    2.2.5 PD-1.5: Okui Planned Development ..................................................... 16

Chapter 3: Literature Review ............................................................................... 18
  Planned Developments ....................................................................................... 18
  Zoning .............................................................................................................. 19
  Historic Use of Planned Developments ............................................................ 21
  Benefits of Planned Developments .................................................................. 22
  Negatives of Planned Developments ............................................................... 23

Chapter 4: Cities Reviewed ................................................................................... 25
  4.1 City of Brentwood, California ....................................................................... 25
4.2 City of Hollister, California ................................................................. 27
4.3 City of Belmont, California ................................................................. 29

Chapter 5: Methodology ........................................................................ 31
5.1 Initial Problem Identification ............................................................. 31
5.2 Preliminary Project Solution ............................................................... 32
5.3 Collection of Relevant Information .................................................. 33
5.4 Deconstruction of Collected Information ......................................... 35
  5.4.1 Approval Ordinances ................................................................. 35
  5.4.2 Rancho Grande Planned Development Guidebooks ................. 37
    Los Robles de Rancho Grande ....................................................... 38
    The Highlands at Rancho Grande ................................................ 39
    Las Jollas de Rancho Grande ......................................................... 40
5.5 Policy Comparison Table Development ............................................ 40
5.6 Final Approach Method Selection .................................................... 41
  5.6.1 Amendment of the Arroyo Grande Development Code ................ 42
  5.6.2 Arroyo Grande Planned Development Guidebook ..................... 43

Chapter 6: Conclusion and Recommendations ...................................... 45
6.1 Recommendations ........................................................................... 46
  6.1.1 Administrative Recommendations .......................................... 46
  6.1.2 Legislative Recommendations ............................................... 47

References .............................................................................................. 48

Appendix A: Arroyo Grande Planned Development Guidebook
Appendix B: Draft Development Code Amendment Staff Report and Ordinance

Appendix C: Arroyo Grande Zoning District and Standards Comparison Table

Appendix D: Deconstructed Approval Ordinance Table

Appendix E: Appendix to Arroyo Grande Development Code Regarding Planned Developments

Appendix F: Los Robles de Rancho Grande Design Manual

Appendix G: The Highlands at Rancho Grande Design Manual, Phases 1-5

Appendix H: Las Jollas de Rancho Grande Design Manual
List of Figures

Figure 1. Zoning map of Arroyo Grande.......................................................6

Figure 2. Planned Development districts in Arroyo Grande.........................8

Figure 3. A typical home in Oak Park Acres Planned Development..............9

Figure 4. Entrance to the unplanned area of the Rancho Grande Planned
    Development..................................................................................11

Figure 5. Cover page of the Los Robles de Rancho Grande Design Manual 12

Figure 6. Cover page of The Highlands at Rancho Grande Design Manual. 13

Figure 7. Cover page of the Las Jollas de Rancho Grande Design Manual. 14

Figure 8. Typical home in the Royal Oaks Planned Development...............15

Figure 9. Entrance to the Wildwood Ranch Planned Development..........16

Figure 10. Site plan of additional units added to the Okui Planned
    Development..................................................................................17

Figure 11. Ordinance 196 C.S with necessary information highlighted. This
    Ordinance illustrates the amount of information not directly related
    to the legislative history of the development that was extracted and
    placed in Appendix D (insert)..............................................................36
Chapter 1: Introduction

The City of Arroyo Grande, California has a problem administering the regulations of five Planned Developments in the City. This problem arises from these regulations being included in a 167-page appendix at the back of the City’s Development Code. The Development Code is Title 16 of the City’s Municipal Code. This appendix includes the original approvals for the Developments. It also includes amendments to those approvals. These amendments are only added to the appendix. Therefore, changes to the regulations governing the Planned Developments are not tracked. It takes City staff considerable amounts of time to research answers when members of the public have questions regarding development in one of these Developments. Because of the numerous pages that must be read through to track the changes to one of the districts, there is no guarantee that the information presented to the inquirer is accurate. This can lead to issues when the rules are not consistently applied.

The purpose of this project is to investigate an appropriate method to address this problem. The first step to accomplish this purpose is a review of relevant literature related to planned developments. This is necessary to understand how these have historically been used throughout the country. Review of relevant literature is helpful to understand the purpose of these types of developments. It is additionally necessary to clarify the differences between planned development zoning districts and planned unit development
discretionary entitlements. The latter is typically approved through the issuance of discretionary entitlements. The former is typically approved following rezoning of a property and review of a development plan. Lastly, it is important to review the literature to identify the negatives of the use of planned developments.

The second step in addressing Arroyo Grande’s Planned Development problem is a review of other jurisdictions. This is done to get ideas for solving the administration issue. It is also done to learn from the mistakes of others. Three California cities were reviewed. These cities included Brentwood, Hollister, and Belmont.

The final step is to systematically work through the history of Arroyo Grande’s Planned Developments. This is accomplished by going through hundreds of pages of documents related to the developments to track what information they contain. The final methods of approach are selected based upon the information that exists relating to these developments. For this project, the final methods of approach are twofold. The first is the development of a Development Code Amendment. This will place relevant property development information into the Arroyo Grande Municipal Code. This will make it easier and faster for City staff to relay standards regarding further development in these areas. The second method of approach is to develop a guidebook for City staff. This sets out some of the more complex and unique standards into a document usable by City staff.
This project is broken up into different sections to aid understanding. Chapter 2 introduces Arroyo Grande and describes the five Planned Development districts. Chapter 3 reviews literature relevant to addressing the problem. Chapter 4 includes information from the three cities selected to identify appropriate methods of administering planned development regulations. Chapter 5 describes the steps utilized to work through the available information regarding Arroyo Grande’s Planned Development districts and select the final methods of approach. Chapter 6 provides a conclusion to the project. It includes a reflection on the work with the project and recommendations to the City for further addressing its Planned Development districts. Appendices A and B contain the final products resulting from the project in the form of a guidebook and ordinance. Appendices C and D include some of the preliminary work completed to help identify the appropriate method for addressing the problem. Lastly, Appendices E through G contain the existing ordinances and design manuals for Arroyo Grande’s Planned Developments.
Chapter 2: Arroyo Grande, California

This Chapter describes the City of Arroyo Grande, California. It discusses Arroyo Grande’s location, size, population, and growth trends. It also describes the distribution of land uses within the City. This land distribution is largely residential with distinct commercial areas. It also discusses Arroyo Grande’s five Planned Developments. This includes their locations and any other information unique to each Planned Development.

2.1 Community Setting

The City of Arroyo Grande is a general law city located in the southern portion of San Luis Obispo County between Los Angeles and San Francisco. Arroyo Grande is the easternmost city in the area of San Luis Obispo County known as the Five Cities. The City is located immediately adjacent to the cities of Pismo Beach and Grover Beach, the unincorporated communities of Oceano and Halcyon, and other County lands. Arroyo Grande contains approximately 5.5 square-miles and has a population of 17,252 (U.S. Census, 2010a), an 8.84% increase from the population of 15,851 (U.S. Census, 2000). Tourism, retail sales, services, and agriculture form the core of the local economy. To support these economic activities, the Arroyo Grande Municipal Code (AGMC) identifies nine commercial and mixed-use zoning districts with limited residential land uses allowed in each district.

A majority of Arroyo Grande’s land area is dedicated for residential uses. The AGMC identifies fifteen separate residential zoning districts that include five Planned Development districts, as seen in Figure 1. The
remaining ten residential zoning districts include widespread single-family uses, denser single-family uses, multi-family housing with ranging densities, and mobile home parks.
Figure 1. Zoning map of Arroyo Grande (City of Arroyo Grande, 2010).
2.2 Planned Developments in Arroyo Grande

Arroyo Grande has five distinct Planned Development zoning districts in its limits. These are generally in the newer portions of the City. These developments are largely built out. According to Arroyo Grande Municipal Code Subsection 16.44.010.A, the “Planned development (PD) districts have been established more flexible than those contained elsewhere in [the Development Code]. The purpose of establishing these districts has been to grant or require diversification in the location of structures and other site elements which were believed to be appropriately compatible, while ensuring adequate standards relating to the public health, safety, welfare, comfort and convenience” (City of Arroyo Grande, 2001). The five existing Planned Development districts established in Arroyo Grande are identified in Figure 2 and listed as follows:

- PD-1.1: Oak Park Acres Planned Development
- PD-1.2: Rancho Grande Planned Development
- PD-1.3: Royal Oaks Planned Development
- PD-1.4: Wildwood Ranch Planned Development
- PD-1.5: Okui Planned Development

Arroyo Grande also utilizes a Planned Unit Development (PUD) permit. The PUD is a discretionary entitlement “intended to facilitate development of properties designated for residential and commercial uses […] where greater flexibility in design is desired to provide a more efficient use of land” (City of Arroyo Grande, 2001).
Figure 2. Planned Development Districts in Arroyo Grande
2.2.1 PD-1.1: Oak Park Acres Planned Development

PD-1.1 is known as the Oak Park Acres Planned Development. Oak Park Acres was the first Planned Development rezoning within Arroyo Grande. It covers approximately 262 acres and is located in the northwest portion of the City. Oak Park Acres is generally bound by West Branch Street to the southwest, Oak Park Boulevard to the northwest, and the Rancho Grande Planned Development to the northeast and southeast. Oak Park Acres was rezoned and a Tentative Subdivision Map was approved on September 14, 1976 by Ordinance 140 C.S. Several Ordinances have been adopted to amend various portions of the planned development.

Oak Park Acres includes a total of 304 dwelling units, 38.5 acres of highway-serving commercial and office uses, and the protection of numerous acres of land for green space and drainage facilities. Oak Park Acres was amended to provide clarification of commercial land uses and also clarified provisions of the green space, including permitted uses.

Figure 3. A typical home in Oak Park Acres Planned Development
2.2.2 PD-1.2: Rancho Grande Planned Development

PD-1.2 is known as the Rancho Grande Planned Development. Rancho Grande was the second Planned Development rezoning within Arroyo Grande. It covers approximately 415 acres and is located in the northerly portion of the City. Rancho Grande is generally bounded by West Branch Street and Highway 101 to the south, the Arroyo Grande City limits and unincorporated land to the north, PD-1.1 to the west, and PD-1.3 to the east. Rancho Grande was rezoned and a development plan for the area was approved on October 10, 1978 by Ordinance 186 C.S. The Arroyo Grande Council approved a subdivision map for Rancho Grande on November 8, 1983. Several Ordinances have been adopted to amend various portions of the original development plan of Rancho Grande since its original approval.

Rancho Grande includes three phases. The three phases total 354 dwelling units, up to 40 cluster dwelling units, and 44 acres of commercial uses. The commercial acreage was meant to serve the South San Luis Obispo County region. Rancho Grande also included an unplanned residential area totaling 133 residential dwelling units. These have since been constructed and are generally bound by James Way to the north, Rancho Parkway to the west, the Five Cities Center to the south, and Royal Oaks to the east. The 40 cluster dwelling units have yet to be developed, but are to be located to the northeast of the James Way/La Canada intersection. Rancho Grande includes areas for the preservation of open space and
drainage facilities. Amendments to Rancho Grande have provided clarification of commercial land uses and open space provisions.

Figure 4. Entrance to the unplanned area of the Rancho Grande Planned Development

**PD-1.2.1: Los Robles de Rancho Grande**

Los Robles de Rancho Grande, identified as PD-1.2.1 for the purposes of this project, is Tract 1994. It is the first of three phases of the Rancho Grande Planned Development. Los Robles constitutes approximately 83 acres. It totals 75 of the 354 dwelling units permitted in Rancho Grande. The Los Robles de Rancho Grande Design Manual was designed to help implement development standards and conditions of approval associated with the Rancho Grande Planned Development, including mitigation measures identified in the Rancho Grande Environmental Impact Report.
PD-1.2.2: The Highlands at Rancho Grande

The Highlands at Rancho Grande, identified as PD-1.2.2 for the purposes of this project, is Tract 1834. It is the second phase of Rancho Grande. The Highlands constitutes 224 of the 354 dwelling units permitted in Rancho Grande. The Highlands at Rancho Grande Design Manual was created to aid in the implementation of development standards and mitigation measures. The Design Manual was also developed to help property owners quickly build upon their lots by including building plans preapproved by The Highlands Architectural Advisory Committee. Property owners wishing to utilize this streamlined review submitted the preapproved building plans to the
Committee who approved the plans without much additional discretionary review.

Figure 6. Cover page of The Highlands at Rancho Grande Design Manual

PD-1.2.3: Las Jollas de Rancho Grande

Las Jollas de Rancho Grande, identified as PD-1.2.3 for the purposes of this project, is Tract 1997. It is the final phase of Rancho Grande. Las Jollas constitutes 57 of the 354 dwelling units permitted in Rancho Grande. The Las Jollas de Rancho Grande Design Manual was designed to aid in the implementation of development standards and mitigation measures of the phase of Rancho Grande. It totals 68 pages. The Design Manual includes aspects of property development such as color palettes acceptable to the Design Committee of Las Jollas de Rancho Grande.
2.2.3 PD-1.3: Royal Oaks Planned Development

PD-1.3 is known as the Royal Oaks Planned Development. It was the third Planned Development rezoning within Arroyo Grande. Royal Oaks covers approximately 132 acres and is located near the center of the City limits. It is generally bound by Rancho Grande to the west and additional residential development to the north, south, and east. Royal Oaks was rezoned on May 19, 1987 by Ordinance 355 C.S. It covers 132 acres and contains 234 residential units and drainage facilities. Royal Oaks has been amended a number of times. This was done to accommodate the location and construction of a church on one of the larger lots. The church facility is located on the boarder of Royal Oaks and the unplanned portion of Rancho Grande, to the west of the Rodeo Drive/Grace Lane intersection.
2.2.4 PD-1.4: Wildwood Ranch Planned Development

PD-1.4 is known as the Wildwood Ranch Planned Development. It was the fourth Planned Development rezoning within Arroyo Grande. Wildwood Ranch covers approximately 31 acres and is located slightly northeast of the City center. It is accessed from Corbett Canyon Road and is surrounded by other residential development of varying densities. Wildwood Ranch was rezoned on March 25, 1980 by Ordinance 214 C.S. A specific development plan was approved identifying the location of both single-family and duplex units within the development. Wildwood Ranch allows for a total of 65 dwelling units between the single-family and duplex units. It is also the only Planned Development in Arroyo Grande to not have been amended following initial approval by the City Council.
2.2.5 PD-1.5: Okui Planned Development

PD-1.5 is known as the Okui Planned Development. It was the fifth and final Planned Development rezoning within Arroyo Grande. Okui covers approximately 13.5 acres and is generally bound by Soto Sports Complex and Berry Gardens Specific Plan area to the north, Farroll Avenue to the south, Golden West Place to the east, and the Arroyo Grande/Grover Beach City limits to the west. Okui was rezoned on April 10, 1990 by Ordinance 214 C.S. A development plan was approved identifying the locations of residential lots within the development. Okui originally contained 30 single-family dwelling units. The City Council approved a 10.3-acre residential subdivision directly east of Okui on November 25, 2003. The new subdivision was classified as part of Okui and added 65 residences to the existing development. Okui contains 95 dwelling units along with park and drainage facilities.
Figure 10. Site plan of additional units added to the Okui Planned Development
Chapter 3: Literature Review

This Chapter reviews relevant literature related to planned developments. The first section discusses what planned developments are. The second section describes the history of zoning in the United States. This includes discussion of the Standard State Zoning Enabling Act and the landmark case of Euclid v. Ambler. The third section discusses the use of planned developments in history. The fourth section describes the advantages of use of planned developments. The fifth section identifies the disadvantages of use of planned developments.

Planned Developments

Sometimes called planned developments, other times called planned unit developments, or planned residential developments; these projects can be both a process and a type of development (Mandelker, 2007b; Mandelker, 2012; Moravec, 2009). One is legislative while the other is quasi-judicial. As described by Murphy and Stinson (1996), “definitions of [planned developments] tend to vary greatly because they often reflect the specific goal in the mind of the person defining it” (p. 5). Mandelker (2007a), described planned developments as “a development project a municipality considers comprehensively at one time, usually in the zoning process employed to approve a development plan” (p. 2). The California Civil Code defines a planned development as a development that has either common area owned by an association or by owners who share interest in the common area or as
a development in which a power exists to enforce an obligation by means of an assessment (Governor’s Office of Planning and Research (OPR), 2012).

Longtin (1987) clarifies that the overriding goal of planned developments is “to devise a more imaginative use of undeveloped property than that which results from proceeding pursuant to a typical gridiron, lot-by-lot basis” (p. 255). The Associated Home Builders of the Greater Eastbay (1972) specify that an additional goal of the planned development is to include some amount of common open space that is maintained by the city or a homeowners association. According to Moore and Sisken (1985), these goals are accomplished by considering a parcel of land to be “planned as a single unit rather than as an aggregate of individual lots” (p. vi). Cities sometimes allow for an increase in density or change in allowed uses as an incentive for better projects (Mandelker, 2007a; Hanke, 1965). Such actions require that the approval of the planned development occur within the zoning ordinance, which may require the rezoning of property to a planned development zoning district.

**Zoning**

The use of planned developments as a zoning district is the result of the establishment of zoning as a constitutional control of land uses to promote the health, safety, and welfare of individuals (Knaap, Talen, Olshansky, & Forrest, n.d.). The legitimization of this constitutional control resulted from two main events. The first was the drafting of the *Standard State Zoning Enabling Act* (SZEA). The second was the Supreme Court Decision of the
Village of Euclid, Ohio v. Ambler Realty Company (Euclid v. Ambler) (Meck, 1996; Meck, 2002). The SZEA is the result of future president Herbert Hoover in 1925 during his time with the U.S. Department of Commerce (Knaap, Talen, Olshansky, & Forrest, n.d.; Meck, 2002; Fulton & Shigley, 2005). The development of the SZEA was due in large part to Hoover’s concern over the value of private investments being negatively affected by incompatible uses nearby (Meck, 2002). Hoover also sought to devise a “uniform rational framework that could survive a challenge on state and federal constitutional grounds” (Meck, 1996, p. 2). The SZEA succeeded in delegating the authority to create and designate zoning districts to local governments (Knaap, Talen, Olshanksy, & Forrest, n.d.). The establishment of zoning that resulted from the SZEA helped the implementation of planned developments in the 1950s and 1960s.

The Supreme Court solidified the constitutional use of zoning by local governments in 1926. This results from the Court’s ruling on the case of Euclid v. Ambler (Fulton & Shigley, 2005; Longtin, 1987; Knaap, Talen, Olshansky, & Forrest, n.d.; Elliott, 2008). The case stemmed from the Village of Euclid’s 1922 zoning ordinance. The Ambler Realty Company claimed the zoning ordinance “constituted a taking under the 14th Amendment of the Constitution” (Ma, 2012). Mandelker, et. al. (2011) and Fulton and Shigley (2005) explain that Ambler’s argument was that Euclid’s zoning of their property was done without the due process of law. Ambler also argued that the zoning ordinance would negatively affect the property values of their land.
In ruling that the Village of Euclid’s zoning ordinance was an extension of their police power, however, the Supreme Court legitimized what is commonly known today as Euclidean zoning. Euclidean zoning allows for the separation of land uses in order to protect human health, safety, and welfare (Elliott, 2008).

Historic Use of Planned Developments

It was not until the 1950s and 1960s that the use of planned developments began to gain in popularity and spread in use (Mandelker, 2007a). During the rampant development that took place following World War II, individuals, developers, and cities began to see that traditional subdivision and zoning ordinances resulted in cookie-cutter developments. These were often wasteful with regard to how the land was used (Mandelker, 1966; Mandelker, 2007a; Fulton & Shigley, 2005; Hanke, 1965). Moore and Siskin (1985) discuss that the planned development “presents a substantive alternative to the use of traditional zoning regulations” (p. 5). Planned developments provide increased flexibility in development standards in return for higher quality developments and environmental protection. This trend quickly spread. Cities around the country began using the planned development.

The rise in popularity of planned developments was sometimes met with opposition. Craig (1965) discusses that overly cautious cities, city attorneys, and homeowners’ leagues looked negatively on the planned developments because of the flexibility they provided. Although the standard
zoning ordinance was seen as an overly rigid method of land use control (Van Hemert, 2007), the planned development regulations allowed for the development of large tracts of land “without [necessarily] having to adhere to the zoning constraints of each individual plot” (Moravec, 2009, p. 11). This caused some critics to consider planned developments to be too flexible. The downside to increases in flexibility is the unpredictability that can come from each planned development. In return for increased flexibility, however, local governments gain “amenities and infrastructure improvements that developers provide [in addition to] better-planned neighborhoods, office parks, and other developments” (Meck, 2002). There are also methods for more cautious municipalities that allow for the increased flexibility and assumed increase in project quality while still providing some predictability. Mandelker (2007b) discusses the use of a planned development ordinance “can inject more certainty into the [planned development] process if it contains minimum development standards” (p. 412). Cities deciding to employ planned developments should consider the benefits of planned development ordinances with minimum development standards instead of more discretionary planned developments before implementation. This allows the municipality to choose which type works best for their community.

**Benefits of Planned Developments**

The first benefit of the planned development is the flexibility provided to developers with regard to development standards. This flexibility often results in developments that are seen as superior to those that would result from
standard lot-by-lot subdivisions (Hanke, 1965). The protection of the
environment is another benefit of planned developments. These can be
utilized to protect important aspects of the undeveloped landscape. This can
include things such as a grove of oak trees or areas of riparian habitat (City of
Arroyo Grande, 1994). These protected areas might be sacrificed under
standard zoning and subdivision ordinances. Planned developments can also
be seen as a way to provide for a mixture of uses, including commercial and
retail components in residential developments. This allows opportunities for
residents to meet their daily needs within a close proximity to their homes
(Hanke, 1965). Planned developments also provide the opportunity for
phasing of developments. Lastly, the flexibility offered to developers is in
return for the inclusion of public benefits. These include common open space
within the development and other such exactions (Fulton & Shigley, 2005).

**Negatives of Planned Developments**

There are negatives, however, associated with the use of planned
Some planned developments are approved wholly as a result of the
negotiations between developers and city officials. This can mean that the
resulting development reflects the wants and desires of those elected officials
rather than the community as a whole (Mandelker, 2007b). This can become
troublesome when political changes in a community are frequent, resulting in
a number of different planned developments that have few, if any, similarities.
These negotiations can also result in developers taking advantage of
development hungry communities that desire an increased tax base (Moore & Siskin, 1985). Lastly, the overuse of planned developments can result in the planning process occurring on a lot-by-lot basis rather than through the comprehensive community vision of the future and resulting regulations (United States Environmental Protection Agency (EPA), 2009).

One of the biggest negatives resulting from the use of planned developments is the administrative difficulty that results from the designation and construction of multiple planned developments. This is the current situation in the City of Arroyo Grande. The City faces development of various infill lots, redevelopment of others, and remodels. Few authors discuss this administrative issue. Mandelker (2007a) and the EPA (2009) acknowledge the issues city staff face since approval of planned developments creates mini-zoning that staff must administer. Neither of these authors, however, investigates the administration issue when several decades have passed since the developments were approved. The problems resulting from the use of planned developments make it important to review how other cities are handling the administration of planned developments.
Chapter 4: Cities Reviewed

This Chapter discusses three cities in California that have regulations on planned developments. These include the cities of Brentwood, Hollister, and Belmont. The purpose of reviewing these regulations is to determine how other jurisdictions administer planned development regulations. This helps identify potential methods to solve the problem. It also shows problems other cities have made to help keep Arroyo Grande from making similar mistakes.

4.1 City of Brentwood, California

The City of Brentwood is located in Contra Costa County, California. The population is 51,481 people (U.S. Census, 2010c). The total land area is 15 square-miles (U.S. Census, 2010c), approximately 3,500 people per square-mile.

The City of Brentwood has 72 legislative Planned Developments. Each of these is unique. Brentwood’s Planned Developments “allow a mixture of uses, unusual building intensity or design characteristics, or variations in density […] which would not normally be permitted in a single use zone” (City of Brentwood, 2008). The City allows for Planned Developments to be applicable to “any property in the city at such time an application for rezoning for a planned development zone is made and to any property for which planned development zoning is approved” (City of Brentwood, 2008). This means that new planned developments may be
applied for and rezoned, leading to an even higher increase in the number of
Planned Development districts within the City.

As part of the review and approval process of applications for rezoning
to Planned Development, Brentwood requires development plans, along with
permitted land uses and development standards, to be included with
application submittal. Brentwood numbers each Planned Development
district and codifies the standards into the City’s Municipal Code. This helps
Brentwood staff to administer the regulations of each district. According to
Debbie Hill, Associate Planner for Brentwood (personal communication,
March 29, 2013), the administration of all these Planned Development
Districts has not always been easy. When the first planned development was
approved in the early 1990s, the details of how the development was to
function were held with the file associated with the project. Brentwood staff
learned over time that this created issues administering regulations for the
growing numbers of Planned Development districts. Brentwood began
codifying the previously approved Planned Development districts into the
Municipal Code. It also required codification of permitted uses and relevant
development standards of all new Planned Development districts.

The positive results of the codification of all these standards is that all
the important aspects of the Planned Development districts are located in one
place that is readily accessible to the City’s planners. The downside to this
codification is that the Chapter of Brentwood’s Municipal Code addressing
planned developments is 367 pages. The use of so many Planned
Development districts, however, makes it more difficult for the public to understand how these areas function. This requires time by the City’s planners to explain planned developments to the public.

The method of codifying everything related to Planned Development districts is working for the City of Brentwood. However, it does not seem to be a fit for the City of Arroyo Grande. Although Arroyo Grande has significantly fewer Planned Development districts than Brentwood, adding additional pages to the existing Arroyo Grande Development Code will only act to further clutter the Code.

4.2 City of Hollister, California

The City of Hollister is located in San Benito County, California. The population is 34,928 people (U.S. Census, 2010d). The total land area is 7 square-miles (U.S. Census, 2010d), approximately 4,800 people per square-mile.

According to Hollister Municipal Code Section 17.24.240, the City can approve certain developments through the processing of a Planned Development Permit, a quasi-judicial process. The purpose of the Planned Development Permit is to “afford maximum flexibility in site planning/property development, design, and density/intensity” (City of Hollister, 2008). The purpose of the Planned Development Permit identified in the Hollister Municipal Code is similar to the purpose of the other jurisdictions investigated, including Arroyo Grande. Hollister does not zone properties into Planned Development districts. However, the City does have a Planned Development
overlay. Hollister utilizes the Planned Development Permit similarly to a Planned Unit Development. This allows for in-depth review of a project that conforms to development standards of the underlying zoning district. The use of the Planned Development Permit process is more similar to the Planned Unit Development permit process found in Arroyo Grande. It is useful to see how Hollister maintains a record for the Planned Development Permits even though they are directly the same as Arroyo Grande’s Planned Development districts.

Jillian Morales, Planner for Hollister, explained that the City utilizes annual maps of Hollister with matching tables to track specifics of the developments (personal communication, May 10, 2013). This includes total units approved, number remaining to be constructed, and what type of development each is. Including the Planned Development Permit map number to labeled areas of development on the annual map links the table and annual maps. However, this approach does not include development standards for each development. These standards are held in conceptual development plans approved by the Hollister Planning Commission. The planners must use these three documents to administer the Planned Development Permit regulations.

Hollister has taken steps to help its planners administer Planned Development Permit regulations. However, the Hollister planners must still review several documents to accomplish this administration task. Arroyo Grande can benefit from Hollister’s experience by maintaining some of the
Planned Development standards in an easy to use document. This, combined with the codification of development standards like Brentwood, can be a more comprehensive administrative approach for Arroyo Grande.

4.3 City of Belmont, California

The City of Belmont is located in San Mateo County, California. The population is 25,835 people (U.S. Census, 2010b). The total land area is 4.5 square-miles (U.S. Census, 2010b), approximately 5,600 persons per square mile.

Review of Section 12 of the Belmont Zoning Ordinance shows similarities to Brentwood and Hollister regarding Planned Developments. Land can be added and/or removed from the zoning districts at the request of the property owner. It can also be added or removed following initiation by the City Council or Planning Commission. The purpose of these legislative districts in Belmont is to “accommodate various types of development” (City of Belmont, 1970). Belmont requires a conceptual development plan when property owners request to rezone their land into a PD district. Belmont mixes the use of wording to describe these districts. It refers to them as Planned Unit Development districts. This interchanging of the terms Planned Development and Planned Unit Development has been discussed in the Literature Review. Reviewing Belmont’s regulations on these districts confirms that their intent and use is similar to how Arroyo Grande uses its Planned Development zoning districts.
Attempts were made to contact the Belmont planning staff to discuss the administration of planned developments within the City. Although contact was not made, inferences can still be made regarding Belmont’s Planned Development administration. Reviewing the Belmont Zoning Ordinances it is clear that the City does not include development standards for each Planned Development district in the Zoning Ordinance like the City of Brentwood. However, it is unclear if Belmont’s administration of the developments is similar to that of Arroyo Grande or if there is some further level of organization that makes them easier to administer.
Chapter 5: Methodology

This Chapter discusses how the problem in Arroyo Grande was identified. It then discusses the initial identified approach of rezoning that was to solve the problem. It then discusses the collection of relevant information sources to complete the initial solution. This Chapter follows with discussing the organization of the information collected from the City. It then concludes by discussing the final selection of approaches to addressing the problem.

5.1 Initial Problem Identification

The administration of Planned Developments in Arroyo Grande is too difficult. The identification of this problem resulted from work in the City’s Community Development Department. Near the end of the summer of 2012, a member of the public came to City Hall interested in purchasing a developed Lot in one of the Planned Developments. The individual had interest in developing a secondary dwelling unit on the property in question. The Development Code and the hundreds pages of poorly Xeroxed copies of Ordinances located as an appendix to the Code were utilized in order to address the question. Information regarding the development of a secondary dwelling unit on the property, including associated building setbacks and size limits, were cumbersome and time consuming to identify. The twenty-minute delay to return an answer to the inquiring public was viewed as unacceptable. However, this is a common occurrence. It was decided that researching and addressing the issue of having approval ordinances for Arroyo Grande’s
Planned Developments as a nearly unusable Appendix to the City’s Development Code was necessary.

Discussions of the project concept with Arroyo Grande’s Community Development Director were well received. According to the Director, addressing the Planned Development districts was something the City had been interested in doing for a number of years. However, staff shortages and other, more important matters often overshadowed the proposed project. The primary goal of the project was to help the planners and public of the City of Arroyo Grande navigate the Planned Development regulations.

5.2 Preliminary Project Solution

The preliminary project solution was to rezone Arroyo Grande’s Planned Development districts into one of the existing residential districts. This solution would result in those properties in the Planned Development districts to utilize and conform to the property development standards of the new zoning district. Alterations, additions, or other such changes proposed on any property within one of the former Planned Development Districts would be completed under these new regulations.

These developments, however, are largely built out. The new zoning districts would need to be selected based upon compatibility of development standards to the existing Planned Development zoning district standards. This reduces the amount of nonconformities resulting from the rezoning. Additional existing districts would be selected if a single existing zoning district were not compatible enough to the existing Planned Development
standards. Separate areas of each Planned Development would then be rezoned into an existing zoning district that best matched the development that had already occurred.

The initial approach to addressing the problem was also slated to include public outreach and discussion with the Home Owner’s Associations of each Planned Development. The main objective of this outreach would be to inform property owners within these areas of the impeding project. Property owners would be told how the rezoning of their property would ultimately be beneficial to them. The benefit would result from City staff more quickly and accurately returning information to inquiring parties when needed. It was assumed that the inclusion of the property owners early in the project’s progress would help to prevent objections later during the rezoning process. A solution was not meant to be chosen before adequately researching how the Arroyo Grande Planned Developments. It was determined that information on the developments would be necessary before beginning the rezoning work.

5.3 Collection of Relevant Information

The first task was to locate the relevant information. Much of this initial information is located in an appendix to the Arroyo Grande Development Code. This appendix contains all the ordinances approved by the City Council that impact one of five Planned Developments within the City. It totals 167 pages. The appendix also contains ordinances used to amend the developments, such as densities or land uses. Being that the ordinances are
simply added into an appendix, however, the amendments were never copied over onto the previously approved ordinances or elsewhere. Therefore, unless the City’s staff read the entirety of the ordinances pertaining to a specific Planned Development, misinformation is likely to be relayed to inquiring parties.

In addition to the ordinances, Rancho Grande has three separate Design Manuals. Each design manual corresponds to one of the three phases of development. There is also a fourth phase of Rancho Grande categorized as “unplanned” that does not have a design manual. These highly detailed design manuals contained information relating to site development, oak tree preservation, and other aspects that were important to the City at the time of approval. These design manuals also present a problem to addressing how the Planned Developments should be administered. The design manuals contain such detailed information, often down to an individual lot, that it is difficult to cover all these unique aspects under a single zoning district.

A development plan for Wildwood Ranch could not be located. Ordinance 214 C.S references the development plan as a means of identifying certain standards such as setbacks and lot numbers. After checking through the records at City Hall as well as off-site records storage it was determined that the development plan has been misplaced. This could be a result of City Hall moving to a new building.
5.4 Deconstruction of Collected Information

After collection of all discoverable information relating to Arroyo Grande’s Planned Developments, there was a need to go through the information. The purpose of this is to extract information to include as part of the legislative history. This is necessary because these information sources include language not necessarily relevant to this project. This includes recitals, findings of fact, and Council voting results in the approval ordinances. It also includes background and other information in the design manuals not necessary in developing a legislative history for the developments.

5.4.1 Approval Ordinances

Amendments to the Planned Developments are numerous. However, the relevant revisions were often buried under unnecessary legal language. Figure 11 illustrates this point.
Figure 11. Ordinance 196 C.S with necessary information highlighted. This Ordinance illustrates the amount of information not directly related to the legislative history of the development that was extracted and placed in Appendix D (insert).
Following approval of Oak Park Acres, the Council adopted Ordinance 196 C.S. This clarified the underlying zoning designation for a particular parcel in Oak Park Acres. Only two lines in an entire Ordinance are relevant to include in the legislative history of Oak Park Acres. Therefore it is not necessary to include a large part of this information with this project.

The next step in organizing important information from the approval ordinances for Arroyo Grande’s Planned Developments was to organize the information obtained. This allows for easy tracking where the information came from, how it was amended over time, and by what ordinance those amendments occurred. A table was created (Appendix D) that allowed for the insertion of the information identified as important from the approval ordinances. This table was also used to number each section included in the table. It also allowed space to track how the individual pieces were changed over time.

5.4.2 Rancho Grande Planned Development Guidebooks

Rancho Grande is the only Planned Development out of the five approved by Arroyo Grande to have comprehensive design manuals created and approved for the development. These were created based upon each of the three phases of development within Rancho Grande. This created both and opportunity and a challenge. The opportunity came from the inclusion of detailed information as to how the development should be constructed and maintained in the future. The challenge, however, resulted from such detailed information not being available for any other Planned Development in the
City. This meant that the detailed information found within each of the design manuals was likely to be difficult to include with the general information found in the other Planned Developments.

*Los Robles de Rancho Grande*

The Design Manual for Los Robles de Rancho Grande (City of Arroyo Grande, 1994) was the first manual to be reviewed. For the purposes of this project, Los Robles is referenced as PD-1.2.1 in order to help track which phase of development was being discussed. The Los Robles Design Manual was setup in the following manner and totaled 175 pages:

1. Introduction
2. Governing Powers and Policies
3. Processing Your Plans
4. Site Design
5. Oak Tree Protection
6. Building Design
7. Landscape Design
8. Construction Protocol
9. Appendix

Sections 4-7 of the Design Manual contain information relevant to this project. These Sections contain regulations related to site development standards and other important aspects of the development, including oak tree protection.

The Design Manual also identifies and defines the different levels of regulations it contains. The three most important levels identified for this
project were requirements, standards, and guidelines. These were often the most compulsory regulations. Other regulations are identified as being optional. These compulsory regulations were compiled into a list format with appropriate notation of the different Sections and Subsections in which the regulations were contained. This results in the consolidation of the 175 pages of the Los Robles de Rancho Grande Design Manual into 22 pages of compulsory regulations.

**The Highlands at Rancho Grande**

The approach used for the consolidation of Los Robles de Rancho Grande was also used for the consolidation of The Highlands at Rancho Grande Design Manual (City of Arroyo Grande, 1999). The Highlands Design Manual was organized into the following Sections:

1. Introduction
2. Site and Landscape Design
3. Architectural Guidelines
4. Approval Process
5. Forms
6. Appendix

Although the Section titles are different between The Highlands and Los Robles, both cover a majority of the same topics, including oak tree protection. The Highlands Design Manual lists the regulations with bullet points of either “R” or “G”. An “R” indicates a Requirement and a “G” indicates a Guideline. These designations are helpful to identifying which
items included in the Design Manual are compulsory and which are simply optional. The Highlands at Rancho Grande Design Manual was reduced from a 114-page document to a 14-page document of compulsory regulations.

**Las Jollas de Rancho Grande**

The Las Jollas de Rancho Grande Design Manual (City of Arroyo Grande, 1997) was the final design manual to be consolidated. The Design Manual contained much of the same compulsory regulations contained in The Highlands at Rancho Grande Design Manual. It also had the same Section outline. The Las Jollas de Rancho Grande Design Manual was reduced from a 68-page document to a 6-page document of compulsory regulations.

### 5.5 Policy Comparison Table Development

After reviewing all approval ordinances and design manuals associated with the Planned Developments of Arroyo Grande, the selected regulations from each Development were arranged in a policy comparison table. The purpose of the policy comparison table is to identify the similarities and differences in regulations among the five separate Planned Developments. This makes it easier to evaluate the appropriateness of the regulations moving forward. This approach allows for the discussion of the regulations, creating notes about the regulations, tracking the source of regulations, and identifying where the regulations would be going.

Initially during the creation of the policy table only the regulations and standards stated in the approval ordinances of each Planned Development were included. After the table was populated with these regulations, the
standard regulations that covered the Planned Developments from Arroyo Grande Municipal Code Section 16.44.010 were included. The Municipal Code regulations are limited, however, they include generally permitted land uses, site development standards, parking requirements, and other such regulations. These would be expected of a typical single-family zoning district. The inclusion of the Municipal Code regulations allow for easier identification of how the standards for each Planned Development stand against the general provisions of the Municipal Code.

The next step in filling out the policy comparison table was to attempt to add the regulations included in the Design Manuals for Rancho Grande. This was an important part of the policy comparison table development. This was because the approval ordinances for Rancho Grande do not include many specifics associated with the Development. Instead, this information is discussed in more detail in the Design Manuals for each phase. Due to the fact that the Design Manuals for Rancho Grande were so detailed, it became apparent that any attempt to rezone the developments into existing single-family zoning district designation would remove many of the regulations unique to each Development in the place of more generic regulations.

5.6 Final Approach Method Selection

The loss of individuality between each Planned Development was the main reason behind the decision that rezoning these areas into existing single-family zoning districts was not appropriate for this project. The idea of creating new zoning districts to cover Arroyo Grande’s Planned
Developments was identified after this determination was made. This approach would be useful because the new zoning districts could be constructed to more accurately represent the intent and characteristics of the Planned Developments. However, the Design Manuals for Rancho Grande acted to discourage any rezoning of the Planned Developments. It was determined that too much of the individual characteristics and regulations of each Planned Development would be lost if rezoning were to take place. This is because of the depth of detail included in the design manuals. The City should undertake future rezoning of the Planned Developments after extensive community outreach and opportunity for property owner input.

As a result of the decision to forgo rezoning as a means of addressing the administration of Planned Developments in Arroyo Grande, it was important to reassess what the intended results of this project were. The idea for this project resulted from the need for clarification of standards as well as the reduction of time needed from City staff. Any proposed solution would need to address both of these points. After continued work on some of the previously discussed portions of the project, it was determined that two separate methods of approach would be utilized to address the issue of administration of Arroyo Grande’s Planned Developments.

5.6.1 Amendment of the Arroyo Grande Development Code

One aspect of the Arroyo Grande Development Code that provides quick information regarding development standards is the Residential Site Development Standards Tables in Section 16.32.050. These tables provide
information related to minimum lot sizes, setbacks, building height, etc. This makes it easy for City staff to locate and relay information to inquiring individuals. Section 16.44.010 of the Arroyo Grande Municipal Code already identifies and discusses the five Planned Developments within the City. It was determined that it would be appropriate to amend this Section of the Development Code to include a similar table that would have general information about the standards of the City’s Planned Developments. This table would be modeled after the existing tables in Section 16.32.050 of the Municipal Code and would be useful in relating quick information to City staff. This product is contained in Appendix B of this report.

5.6.2 Arroyo Grande Planned Development Guidebook

A second method of approach was needed to cover the in-depth information discovered while reviewing the approval ordinances and design manuals of the Planned Developments. The individual characteristics of each Planned Development in Arroyo Grande lend themselves to the creation of a document where these can be easily identified. This document would allow information to be passed on to interested individuals. The decision to create a guidebook administering the regulations of Arroyo Grande’s Planned Developments was undertaken as a result.

The guidebook is a document that identifies the individual regulations of each Planned Development. It will be used by City staff to help identify important issues depending upon the subject of an inquiry into the Planned Developments. Each Planned Development is identified in the guidebook. A
table of contents at the beginning of the document helps direct City staff to the appropriate page of the guidebook depending upon the topic being investigated. Regulations that covered multiple topics are listed in all applicable subsections of the appropriate Planned Development’s chapter. The guidebook has listings of specifically identified lot numbers contained in approval ordinances and design manuals for the Planned Developments that cross referenced these lots with their current Assessor’s Parcel Numbers (APNs). This is helpful for City staff to ensure that lot specific regulations are maintained. This product is contained in Appendix A of this report.
Chapter 6: Conclusion and Recommendations

The process of investigating Arroyo Grande's Planned Development districts was not easy. Close to 200 hours of work went into the project. This work was done in order to help the City address the administration problem it faces. This problem is the result of hundreds of pages of regulations being grouped together as an appendix to Title 16 of the Municipal Code, also known as the Development Code. This appendix has no easy way to identify relevant information related to further development of these districts.

The project began with the assumption that these Planned Developments should be rezoned. This option would use one or more exiting residential districts found in the City. However, this was found to negate the characteristics of these developments that make them unique. The project was then thought to rezone the areas into new zoning districts. These districts would be created to maintain the unique characteristics of each development. This was also determined to be infeasible after continued exploration into available information regarding these developments. The final method selected was amending the City’s Development Code and creating a guidebook to administer the regulations. The Development Code Amendment includes relevant property development standards for each of the Planned Developments. The guidebook assists the City’s staff to identify more detailed information regarding development in these districts.
6.1 **Recommendations**

The following recommendations have been identified for the City of Arroyo Grande to pursue based upon the work done to complete this project. They have been separated into two categories. The first is administrative, which provides recommendations related to how the City should administer the Planned Developments and their regulations. The second is legislative, which provides recommendations on how the City should handle these developments long-term.

6.1.1 **Administrative Recommendations**

1. The City should maintain permanent copies of this project at City Hall. This will allow staff to call upon these resources when needed.
2. The City should keep a bound copy of the Planned Development Guidebook at the front counter of City Hall. This will allow City staff to lookup information when requested by the public and more quickly answer questions as they arise. This will also help to ensure consistent information is provided.
3. The City should allow time for staff to review this project and its products. This will allow staff to better acquaint themselves with the Planned Developments in the City.
4. The City should provide its new planners with copies of this project. This will help new employees to better understand these areas of development and prepare for when inquiries are received regarding further development.
6.1.2 Legislative Recommendations

1. The City should further investigate the rezoning of properties within the Planned Development districts. This will inform staff and decision makers the overall political feasibility of undertaking a task like this.

2. The City should conduct appropriate public outreach to property owners and Homeowner’s Associations in these districts to advise them that a rezoning is being undertaken to gain their input on the process. If the idea is well received, this will help staff and decision makers to determine if new zoning districts should be created or if the existing districts are satisfactory to be applied to the Planned Developments.

3. The City should refrain from rezoning additional property into any of the five Planned Development districts. If additional properties are zoned into one of the Planned Developments, the regulations set at the time of approval should be codified into the appropriate Section of the Arroyo Grande Municipal Code.

4. The City should refrain from the creation of new Planned Developments, as stated in Arroyo Grande Municipal Code Subsection 16.44.010.B. If new Planned Developments are created, they should resemble a Specific Plan for better long-term tracking or have their regulations codified as part of the approval process.
References

Associated Home Builders of the Greater Eastbay, Inc. (1972). *The planned unit development handbook: A complete guide to planning, processing and developing the successful p.u.d.* Berkeley, CA.


