



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: March 5, 2013

TO: Mayor and Councilmembers

FROM: Planning Division, Community Development

SUBJECT: Municipal Code Amendments For Implementation Of The Nonresidential Growth Management Program

RECOMMENDATION: That Council:

- A. Introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara adding Chapter 28.85 to the Santa Barbara Municipal Code, deleting Sections 28.87.300 and 28.87.350, and amending Sections 28.95.010 through 28.95.070 to implement the City's 2011 General Plan Nonresidential Growth Management Program; and
- B. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara adopting Amended Administrative Procedures for the implementation of the General Plan Growth Management Program and the adoption of the City Traffic Management Strategy and rescinding Resolution No. 12-075.

EXECUTIVE SUMMARY:

A key Phase I implementation action of the City's new General Plan is to revise the existing nonresidential growth management ordinance (SBMC Section 28.87.300) in order to carry forward the recently adopted policies and Council's General Plan direction. This zoning ordinance amendment will manage the distribution and approval process for the 1.35 million square feet under the General Plan Policy LG2, Limit Nonresidential Growth and LG5, Community Benefit Nonresidential Land Uses.

The prior City Charter growth management regulations ("Measure E" – Charter Section 1508) were implemented by Municipal Code Section 28.87.300, the Development Plan Ordinance (DPO) and Resolution No. 12-075. The existing DPO contains many key provisions, including definitions, allocation categories such as Community Priorities, Small Addition, etc., and standards and findings for processing nonresidential projects in the City. This program has served the City well in managing nonresidential development since 1990.

Many of the operational details of the Development Plan Ordinance remain the same; however, key changes include the following:

1. The required Development Plan would be dependent on the size of the project being reviewed, not on the cumulative allocations on the real property over time.
2. A new City Traffic Management Strategy would serve as the basis for the Development Plan traffic findings under CEQA, with cumulative traffic impacts no longer precluding project approval as was the case with Measure E.
3. Traffic Development Areas would be established with certain allocation categories not allowed in Outlying Development Areas (e.g., Small Additions and Economic Development).
4. Transfers of existing development rights would be limited to only their own traffic Development Area or to the Downtown.
5. Individual parcels of real property could process a onetime, 1,000 square foot Transfer of Existing Development Rights from another site within the same area without a Development Plan.

DISCUSSION:

Background:

On May 17, 2012, the Planning Commission initiated amendments to the Growth Management Program (GMP). Subsequently, two meetings were held with the Planning Commission on the approach to the Traffic Management Strategy component. Meetings were also held with two focus groups comprised of stakeholder knowledgeable about the development process. On December 6, 2012, the Planning Commission unanimously recommended forwarding the proposed GMP ordinance with staff edits to the Council Ordinance Committee (Attachment 1, Planning Commission Minutes).

On January 15 and January 29, 2013, the Ordinance Committee considered the Growth Management Program and voted 2 to 1 (House, Rowse/Hotchkiss) to forward the ordinance and the companion Traffic Management Strategy resolution to Council for introduction. Much of the Ordinance Committee discussion focused on the proposed Traffic Management Strategy's preclusion of Economic Development allocations in the Outlying Development Areas, particularly Upper State Street, and the inability to make overriding considerations for projects allocated square footage from the Economic Development or Small Addition categories Downtown in the case of a significant project specific traffic impact absent the adoption of a City ordinance making such overriding considerations. Council member Hotchkiss supported the program overall but thought there should be more flexibility for Economic Development.

Key Ordinance Provisions:

The following are key components included in the new GMP ordinance and TMS resolution that make up the proposed nonresidential GMP for new applications that propose nonresidential additions.

General Plan Allocation Categories

General Plan Policy LG2 establishes the new nonresidential square footage allowance for the next 20 years as 1.35 million square feet and specifies how the allowance will be allocated by specific categories of development. The 1.35 million net new square feet is to be allocated to Small Additions, Vacant Property and Community Benefit categories as follows:

1. **Small Additions (400,000 s.f.)** – Small Additions are limited to 20,000 square feet annually with the potential for unallocated Small Addition square footage to roll over, increasing the amount of square footage that could be allocated in the following year. A project can be allocated up to 2,000 square feet per legal lot or parcel from the Small Additions category for a cumulative total of 3,000 square feet if combined with a 1,000 square foot Minor Addition. This is a cumulative total on a lot as of December 6, 1989, the “effective date” of Charter Section 1508..

Currently, unused or expired Small Additions square footage rolls over each year into the Economic Development category. In May 2012, the Planning Commission recommended that the Planning Commission decide annually whether unused, expired or withdrawn Small Addition square footage would roll over to either the Small Additions or the Community Benefit categories.

2. **Vacant (350,000 s.f.)** – In 1990, 500,000 square feet was allocated under (Charter Section 1508 Measure E) for vacant properties. The amount was based on a vacant land survey conducted in the City in 1988 that identified approximately 32 acres of vacant land and an additional 100,000 square feet within the Airport Specific Plan area. Vacant Property square footage allocations will continue to be available to those lots that were vacant as of October 1988, at a rate of up to .25 Floor Area Ratio (FAR) of the lot area.

Under the current DPO of Title 28, approximately 357,620 square feet remains unallocated from the 1990 Vacant category. Staff expects the 350,000 allocation under General Plan Policy LG2 and incorporated into the new ordinance to be sufficient to accommodate anticipated new development on vacant properties within the City over the next 20 years.

3. **Community Benefit (600,000 s.f.)** – “Community Benefit” projects may be designated by Council as either a Community Priority or an Economic Development project. A Community Priority project is one that meets a present or projected need

directly related to public health, safety or general welfare. Under Measure E, a total of 300,000 square feet was provided in this category. Approximately 228,810 square feet was allocated to projects from 1990 to the present.

With the 2011 General Plan update, Community Benefit category was revised to include other community benefit types of nonresidential projects (e.g. Economic Development projects) and was allocated a total of 600,000 square feet. These categories are further defined in proposed new SBMC §28.85.020 with the designation process specified in the proposed Council Resolution.

In May, the Planning Commission recommended that the City Council designation and allocation from the Community Benefit category occur only once at the beginning of a project permit process, rather than continuing the current procedure with a preliminary allocation for the initial application and a final allocation at permit approval. Thus, there would be only one review at Council to determine whether the project can be designated as a Community Benefit Project and allocated floor area from that category, after which the project could proceed through the standard City planning review process required for all of the applications.

Excluded Square Footage:

A “Nonresidential Construction Project” is defined in the proposed GMP as one that adds new floor area and excludes repair or replacement of existing floor area. With the adoption of the 2011 General Plan update, some additional categories of Nonresidential Construction Projects (Prior-Pending, Prior-Approved, and Government Buildings, for example) were approved for exclusion. While these excluded categories do not require an allocation of square footage from the 1.35 million, some are subject to the Development Plan review process outlined in the attached ordinance.

Consistent with General Plan Policy LG2, the attached ordinance excludes the following development from the 1.35 million square feet allocated for Nonresidential Construction Projects. For an explanation of these categories, please refer to Attachment 2, Planning Commission Staff Report dated December 6, 2012.

1. Demolished Floor Area
2. Minor Additions
3. Hotel Room for Room Replacement
4. Government Displacement
5. Prior-Pending and Prior-Approved Projects
6. Government Buildings
7. Annexations with Existing Development

Development Plan Process:

The square footage allocations allowed from the categories of Minor Additions, Small Additions and Vacant Property will continue as cumulative totals on a parcel of real property since December 6, 1989. Under the current DPO, a Development Plan is based on the cumulative total square footage that has been allocated to a lot since 1989. Once a property has received 1,000 net new square feet, any additional square footage requires a Development Plan. This has resulted in Development Plans being required for very small amounts where past Minor or Small Additions have occurred on that real property.

Under the proposed ordinance amendments, a new nonresidential construction project of 1,000 square feet or more will continue to require a Development Plan; however, this requirement will be based on the size of the project being reviewed and not based on a cumulative total built on the real property since 1989. For example, if a project is allocated 900 square feet of Minor Additions for the first time on a lot in 2013, no Development Plan is required. If another project of 900 square feet of nonresidential floor area is proposed on the same property in 2018, even though the second project would constitute a Small Addition of 800 square feet, the second project would also not require Development Plan approval because the proposed project is less than 1,000 square feet of floor area.

Attachment 2, Exhibit E (of the attached Planning Commission Staff Report of December 6, 2012) outlines the review process for nonresidential construction projects. Any project, irrespective of size, that requires an EIR will be subject to review and findings by the Planning Commission. These requirements are included in the attached draft proposed ordinance as part of SBMC 28.85.030, "Development Plan Review Procedures" and are similar to current processing of projects.

City Traffic Management Strategy:

The 2011 General Plan FEIR found that the addition of up to 1.35 million square feet of nonresidential growth along with residential growth could cumulatively result in significant traffic impacts at identified intersections by the end of the 20 year allocation period. The City Council deemed this level of potential traffic impact to be acceptable in light of the Plan's overall benefits. New projects will contribute to cumulative traffic impacts; therefore, the current traffic finding required for Development Plans under Measure E is proposed to be replaced. This finding is:

"The proposed development will not have a significant unmitigated adverse impact on the City's Traffic; and resources will be available and traffic improvements will be in place at the time of [k1] project's occupancy."

A new City Traffic Management Strategy (as approved by the attached Council resolution) is proposed to manage and track traffic associated with future growth. The

FEIR used a Traffic Model software methodology specifically developed for the City to estimate future traffic impacts and congestion. Based upon actual traffic behavior within the City, the Traffic Model identified different traffic generation rates based on the location within the City (i.e., Downtown vs. outlying areas). The Model determined that the effectiveness of the traffic mitigation measures in the General Plan FEIR varied based on location. These findings substantially inform the policies and procedures adopted in the proposed City Traffic Management Strategy. See Exhibit B of the attached Resolution for the proposed City Traffic Management Strategy.

The primary goals of the Traffic Management Strategy are to utilize existing transportation capacity efficiently and to reserve constrained transportation capacity for high priority land uses. All new nonresidential projects will be subject to the Council approved Traffic Management Strategy that will specify the types and locations of nonresidential development that may be approved and also which development can be considered for overriding findings for project specific impacts absent a City ordinance determining otherwise. Given the limited amount of development potential allowed under the GMP, an important component of the program is the ability to override project specific traffic impacts for those projects which the Planning Commission determines meet other objectives of the General Plan and are beneficial to the community.

Transfer of Existing Development Rights:

Currently, the City's Transfer of Existing Development Rights (TEDR) ordinance, SBMC Chapter 28.95, regulates the transfer of existing floor area. Existing development rights are defined as existing floor area, approved floor area, demolished floor area, or converted floor area. Floor area can currently be transferred from a sending site to a receiving site with no limits on where existing development rights could be transferred by obtaining a Development Plan approval for both sites by the Planning Commission.

While a comprehensive revision of the TEDR Ordinance is not a part of this work effort, some revisions are necessary to ensure consistency with the GMP definitions and goals, to streamline small transfers within the same Development Area, and to regulate transfers amongst the Development Areas in a manner consistent with the General Plan Policy of living within our resources.

These amendments to the TEDR process are intended to promote the new General Plan Policy of focusing the majority of future land development within the Downtown Area while leaving flexibility to transfer existing development rights within the same development area of the City. This is consistent with the policy of focusing future development in the Downtown Development Area which, according to the City Traffic Model, generates the least amount of additional traffic and can best accommodate anticipated traffic growth which may be shifted from one site to another as part of future development.

The Proposed TEDR Ordinance Amendments include the following:

1. Allow transfer between a Sending Site and a receiving Site that are within the same Development Area anywhere in the City.
2. Allow transfer from a Sending Site within any of the Outlying Development Areas to a receiving site in the Downtown Development Area.
3. Do not allow transfer from a Sending Site in the Downtown Development Area to a Receiving Site in the Outlying Development Areas or the Airport Development Area.
4. Do not allow transfer from a Sending Site in any Outlying Development Areas to a Receiving site in a different Outlying Development Area or the Airport Development Area.
5. Do not allow transfer from a Sending Site in the Airport Development Area to a Receiving Site any other Development Area of the City.

Transfers of First 1,000 Square Feet or Less:

Currently, any proposed TEDR, requires a Development Plan to be approved by the Planning Commission. To streamline TEDRs involving 1,000 square feet or less of demolished square footage in the same Development Area, a Development Plan would not be required by the proposed new ordinance. This would allow some businesses to make small improvements if they have exhausted their Minor or Small Additions in the past 20 years without having to request an Economic Development allocation from the City Council.

This amendment of the existing Development Plan ordinance would also establish a similar process to Minor Additions of 1,000 square feet or less that do not need a Development Plan as previously noted. Any one time transfer up to 1,000 square feet to a Receiving Site would not need a Development Plan and could be processed at the Staff or design review level for the exterior changes if no other land use permit is required from the Staff Hearing Officer or Planning Commission. Administrative procedures for tracking and recording the appropriate legal instruments to keep track of such transfers would need to be developed.

Development Plan Findings (Standards for Review):

The Planning Commission recommends amendments to the current Development Plan findings of SBMC Section 28.87.300 such that findings related to housing and water would no longer be necessary on a project specific case-by-case review level. The recently adopted General Plan update and associated programmatic FEIR provide a substantial resource baseline and policy basis for future growth and development over

the next 20 years. Possible resource impacts will now be tracked and policies and programs will be adjusted as necessary through the Adaptive Management Program as approved from time to time by the Council.

The following ordinance findings are recommended as those required to be made by the decision-making body when a Development Plan is approved.

1. The proposed development complies with all provisions of the Zoning Ordinance.
2. The proposed development is consistent with the principles of sound community planning.
3. The proposed development will not have a significant adverse impact upon the neighborhood's aesthetics/character in that the size, bulk or scale of the development will be compatible with the neighborhood based on the Project Compatibility Analysis found in SBMC §22.22.145 and §22.68.045.
4. The proposed development is consistent with the policies of the City of Santa Barbara Traffic Management Strategy as approved by a resolution of the City Council on March 12, 2013 and as expressed in the allocation allowance specified in SBMC Section 28.85.050.

Public Comment To Date:

A main provision of the Traffic Management Strategy is to preclude allocation of Small Additions and Economic Development square footage in the Outlying Development Areas, including the Upper State Street area.

Letters were received by the Planning Commission and the Ordinance Committee regarding this provision (Attachments 3 and 4). Ralph Horowitz, the Horowitz Group, who owns the property at 350 Hitchcock Way (Lexus Dealership) requested an amendment to the proposed ordinance such that Economic Development square footage would be allowed in the P-D zone for an auto dealership or an alternative use which the City Council may find to be desirable. He also requested that the City have the ability to make findings of overriding consideration for any project specific traffic impacts generated by such an Economic Development allocation without the need for adopting a new City ordinance making such findings and explaining the overriding considerations.

The Traffic Management Strategy as proposed does not allow for an Economic Development allocation in the Outlying Areas such as Upper State Street. The current DPO does not allow Planning Commission overriding considerations for either cumulative or project specific traffic impacts for projects allocated from Economic Development. However, given that the City is supportive of auto dealership uses that generate low traffic counts, the Planning Commission supported adding an allocation

category for new automobile dealerships under Community Benefit, and specifically for the Planned Development zone including properties on Hitchcock Way and Hope Avenue.

Two members of the Ordinance Committee supported the Planning Commission's recommendation to allow Community Benefit, Planned Development square footage for auto dealership projects in the P-D (Planned Development) zone. They agreed that it was appropriate to preclude Economic Development allocations for other uses on this particular site because that would be inconsistent with the overall approach for the new Traffic Management Program and what is proposed in the new Outlying Development areas throughout the City.

The Ordinance Committee also recognized that in addition to auto dealerships, this particular real property could develop housing or acquire Existing Development Rights square footage for another use allowed by the zone, as allowed by the proposed new City Traffic Management Strategy. Thus, there is a strong potential for commercial development on this site under the existing and proposed GMP as long as the development does not result in significant project specific adverse traffic impacts which only the Council could override.

Since meeting with the Ordinance Committee, Staff has met with the applicant about the need to clarify in the ordinance that square footage allocated by Council for a Planned Development – New Automobile Sales Project in the PD Zone could qualify for overriding considerations by the Council if the project results in either a cumulative or project specific traffic impact. Revisions consistent with this have been incorporated into the new City Traffic Management Strategy component of the ordinance and Council Resolution.

Councilmember Hotchkiss did not support precluding other Economic Development uses for this particular property and would like to provide flexibility for this property owner to develop with an Economic Development project and allow the Planning Commission to decide if such a project would merit overriding environmental considerations for any significant adverse project specific traffic impacts.

The second letter received was from the Santa Barbara Growth Management Program Stakeholders Group; it requests that Small Additions and Economic Development projects be added to the list of development categories in the Outlying Areas. They also requested that overriding considerations be allowed for significant project specific traffic impacts for Economic Development projects and TEDR projects proposed Downtown without the need for a City Council ordinance specifically making such overriding considerations.

The Planning Commission and the Ordinance Committee did not recommend these changes due to traffic congestion concerns in the Outlying Areas and the potential that these amendments might undermine the effectiveness of the overall City Traffic

Management Strategy. In addition, they understood that as part of the City's future Adaptive Management Plan review for future development trends, the Planning Commission and City Council would have the ability to adjust the City's Traffic Management Strategy and amend the implementing zoning ordinances as necessary in order to do so.

ENVIRONMENTAL REVIEW:

The General Plan Final Program Environmental Impact Report (FEIR) certified in September 2010 and December 2011 assessed Citywide impacts associated with 2,178,202 square feet of nonresidential development. The FEIR identified that vehicle trips associated with new development would increase the number of intersections exceeding the City's level of service standard from 13 to up to 20 to 26 intersections while the growth level provided under General Plan policies (and feasible mitigation measures) would only partially offset such impacts. In approving the General Plan FEIR, the City Council adopted findings of overriding consideration for this potentially significant adverse cumulative traffic impact and also adopted General Plan Circulation Element policies directing that traffic impacts should be minimized as feasible.

The FEIR traffic model analysis completed for the General Plan found that the Downtown Area is distinguished from all Outlying Development Areas within the City because land developed within the Downtown will generate the least amount of vehicle traffic due to the mix of land uses/trip destinations and substantial travel via walking, biking, and transit. Additionally, transportation implementation actions recommended in the Circulation Element will predominantly be effective in the Downtown development area. By helping to direct future incremental growth toward areas that would generate less traffic, the proposed Traffic Management Strategy component of the implementing ordinance amendments reflects the General Plan policies for growth limitation in a manner which transportation Planning Staff believes will minimize traffic impacts and conserve the City's remaining roadway capacity.

The attached zoning ordinance amendments implementing the General Plan growth limitation policies constitute a Citywide program. The policies and standards for the City's projected growth have been previously analyzed for environmental impacts in the Final EIR and in the Addenda for the General Plan and Climate Action Plan. Specifically, the environmental and traffic impacts associated with implementing General Plan Policy LG2 and the growth limitation policy for up to 1.35 million net new square feet was included in the analysis of the General Plan FEIR and Addenda. Potential future development under these zoning ordinance amendments is within the growth projections and traffic distribution assumptions for that impact analysis.

The proposed implementing ordinance amendments do not trigger the additional environmental review requirements, as follows: There are no additional site-specific or project-specific significant effects which are peculiar to the proposed zoning amendments; there are no new significant effects not addressed in the prior Program

EIR; and there is no new information since the FEIR that would involve more significant impacts than identified in the FEIR. Environmental review for the proposed implementing ordinance amendments is addressed by the General Plan Program EIR and Addenda, and no further environmental review is required.

ATTACHMENTS:

1. Planning Commission Minutes from May 17, June 21, September 6 and December 6 of 2012.
2. Planning Commission Staff Report of December 6, 2012 with Exhibits C – E.
3. Letter from Santa Barbara Growth Management Program Stakeholders Group, December 5, 2012 and January 14, 2013.
4. Letters from Ralph Horowitz, December 3, 2012 and January 25, 2013.

PREPARED BY: Beatriz E. Gularte, Project Planner

SUBMITTED BY: Paul Casey, Assistant City Administrator/Community Development Director

APPROVED BY: City Administrator's Office

**City's Nonresidential Growth Management
Planning Commission Minutes
Meetings 2012**

May 17, 2012

I. NEW ITEM:

ACTUAL TIME: 1:51 P.M.

HEARING TO INITIATE ZONING AMENDMENTS RELATED TO A NON-RESIDENTIAL GROWTH MANAGEMENT PROGRAM AND A REVIEW PROCESS FOR NEW BUILDINGS TALLER THAN 45 FEET

The purpose of the meeting is to initiate amendments to the City's Zoning Ordinance including the Development Plan Ordinance (DPO), SBMC §28.87.300 and Council Resolution No. 09-058 to carry out recently adopted General Plan Policy LG2, Limit Non-Residential Growth and LG7, Community Benefit Non-Residential Land Uses. Amendments are also proposed to the definitions section of the Transfer of Existing Development Rights (TEDR) Ordinance Chapter 28.95 and the building height sections in the C-2, C-M, M-1 and OM-1 zones that allow 60 feet in height (SBMC §28.66.050, §28.69.050, and §28.72.050). Staff is requesting Planning Commission input and discussion into key ordinance provisions for preparation of the amendments.

Case Planner: Bea Gularte, Project Planner

Email: BGularte@SantaBarbaraCA.gov

Phone: 805-564-5470, ext. 4558

Bea Gularte, Project Planner, gave the Staff presentation.

Chair Lodge opened the public hearing at 2:16 P.M.

Kellam DeForest thought the Community Benefit definitions were too broad. Also believed that new buildings taller than 45' would impact the whole city, neighborhood compatibility, and aesthetics. Mr. DeForest suggested that any building taller than 45' be reviewed by City Council. Mr. DeForest later added that neighbors are not currently noticed for Council designations on Community Benefit.

With no one else wishing to speak, the public hearing was closed at 2:19 P.M.

Planning Commissioner's Comments:

Small Additions:

1. Commissioners Bartlett, Jordan, Thompson suggested leaving the small addition allocation distribution at 2,000/per parcel.
2. Commissioners Thompson, Campanella and Bartlett suggested rolling over any unused allocation in the small addition category so that we have flexible allocation for any future boom.

Straw Vote:

Staff to work out concept annually that the unused balance of the small addition allocation rolls over into Community Benefit or is kept in Small Addition, to be determined when annual report is presented to Planning Commission.

Ayes: 5 Noes: 0 Abstain: 0 Absent: 2 (Larson, Schwartz)

Community Benefit Process:

1. Commissioner Thompson liked option 3, but could support 2.
2. Commissioner's Bartlett and Lodge liked option 2.
3. Commissioner Jordan liked either option 2 or 3.
4. Commissioner Lodge likes option 3.

Straw Vote:

Preference for option 2: Allocation in the beginning of the process for the allocation of Community Benefit at Council. No Planning Commission Recommendation on allocation.

Ayes: 3 (Bartlett, Lodge, Thompson) Noes: 0 Abstain: 0 Absent: 2 (Larson, Schwartz)

Staff likes option 2, but appreciated the feedback on options 2 and 3. After discussion, the Commission took another straw vote on option 2.

Straw Vote:

Preference for option 2

Ayes: 5 Noes: 0 Abstain: 0 Absent: 2 (Larson, Schwartz)

Community Benefits Projects – Definition.

Ms. Weiss sought input on the definition presented.

1. Commissioners Lodge and Jordan wanted clarification on what constitutes Green Economic Development.
2. Scott Vincent, Assistant City Attorney, recommended thinking of structures and systems that do not lend themselves to any other use than what is being placed in the area of Green Economic Development.

Development Plan Findings (Standards for Review)

1. Commissioner Lodge inquired about the Transfer of Economic Development Rights (TEDR) and how it relates to the Development Plan Ordinance.
2. Commissioner Jordan will want to look at alternatives for overriding considerations when Staff returns to the Commission in June.
3. Commissioner Jordan also suggested that the sound community planning finding should also reference concerns of inconsistency with policies and programs that might not be consistent with the project.
4. The majority of the Commission supported Staff recommendations for the elimination of the water and housing findings currently required for a Development Plan.

Floor Area Definition:

The Commission was unanimous in support to allow building infrastructure to be excluded from the definition of floor area in the Development Plan Ordinance.

Community Benefits Projects that exceed 45' Height

1. Commissioner Lodge suggested that residential projects should come to the Planning Commission early in the process.
2. Scott Vincent, Assistant City Attorney, suggested that the Commission consider how much information they would need to make an informed decision on whether the proposed height of the building is acceptable or not.
3. Commissioners Thompson and Lodge agreed that the Commission review the project early enough at a concept level and give consideration to the project's use and reason for needing to be above 45' or greater; and neighborhood compatibility.
4. Projects would remain under same purview.

June 21, 2012

II. DISCUSSION ITEM

ACTUAL TIME: 3:18 P.M.

TRAFFIC ANALYSIS AND FINDINGS RELATED TO THE CITY'S GROWTH MANAGEMENT PROGRAM Continued from May 17, 2012.

The purpose of this hearing is for the Planning Commission to discuss and provide input on the traffic analysis component and findings of the City's Growth Management Program.

On May 17, 2012 the Planning Commission initiated amendments to the City's Zoning Ordinance including the Development Plan Ordinance (DPO), SBMC §28.87.300 and Council Resolution No. 09-058 to carry out recently adopted General Plan Policy LG2, Limit Non-Residential Growth and LG7, Community Benefit Non-Residential Land Uses.

Case Planner: Rob Dayton, Principal Transportation Planner

Email: RDayton@SantaBarbaraCA.gov

Phone: 805-564-5390

Rob Dayton, Principal Transportation Planner, gave the Staff presentation, joined by Bettie Weiss, City Planner.

Chair Lodge opened the public hearing at 4:33 P.M.

Scott Schell, Zone 4 resident, is concerned that current thresholds will limit redevelopment of Upper State Street and limit development to what is on the ground today. Believes there should be some flexibility.

With no one else wishing to speak, the public hearing was closed at 4:36 P.M.

Commissioner's comments:

1. Many Commissioners liked the direction that the traffic analysis component was taking.
2. Commissioner Schwartz felt that we are not investing in the types of transportation methods that will allow us to bring in more housing.
3. Commissioner Jordan feels that Staff will have a challenge conveying what Staff is proposing and encourages Staff to meet with the Commission again to work through some of what is not explained in the report.
4. Commissioner Campanella felt that in order for people to afford housing, house prices have to come down and incomes have to go up. Would like to see Staff determine what kind of non-residential development we want to encourage and identify jobs that will provide higher incomes.
5. Commissioner Bartlett is glad to see that Staff is doing away with the automatic 'no' on traffic cumulative impacts. Would like to see a structure that incentivizes the goals, rather than focusing on what cannot be done.
6. Commissioner Schwartz wants to see a balance in doing what we can in the area of housing, while looking at pockets of economic development. Would like Staff to develop an economic development plan that actively attracts and retains the right type of commercial development along with a total transportation system so that traffic congestion can be reduced.
7. Commissioner Lodge felt that what came out of the PlanSB process was the need for housing, which is needed more than new job creation.

Ms. Weiss referenced a slide that showed the list of PlanSB objectives, the last being the reduction of traffic that led to today's discussion.

Ms. Weiss felt that if we add Economic Development, there is no sense in having the Community Priority table. Ms. Weiss thanked the Commission for its input and looks forward to returning.

September 6, 2012

III. DISCUSSION ITEM

ACTUAL TIME: 2:27 P.M.

TRAFFIC ANALYSIS AND FINDINGS RELATED TO THE CITY'S GROWTH MANAGEMENT PROGRAM.

On May 17, 2012 the Planning Commission initiated amendments to the City's Zoning Ordinance including the Development Plan Ordinance (DPO), SBMC §28.87.300 and Council Resolution No. 09-058 to carry out recently adopted General Plan Policy LG2, Limit Non-Residential Growth and LG7, Community Benefit Non-Residential Land Uses. The purpose of this hearing is for the Planning Commission to discuss and provide input on the traffic analysis component and related findings of the City's Growth Management Program. This is the second Planning Commission hearing that is focused on this subject. No action will be taken by the Planning Commission at this hearing.

Case Planner: Rob Dayton, Principal Transportation Planner

Email: RDayton@SantaBarbaraCA.gov

Phone: 805-564-5390

Rob Dayton, Principal Transportation Planner, gave the Staff presentation.

Chair Lodge opened the public hearing at 3:08 P.M.

The following people commented with concerns:

1. Lisa Plowman was concerned with overriding considerations, requested that the limitation be removed from the program; concerned about limiting commercial redevelopment of sites to 1,000 square feet outside of Downtown; and development on small lots in the Upper State Street neighborhood.
2. Scott Schell felt that flexibility is needed for future decision makers; where the square footage line is drawn; types of uses allowed better identified; non-residential development project-specific impact threshold policy in the downtown core; and neighborhood balance between retail services and continued residential growth.
3. Steve Leider, local commercial real estate broker, felt flexibility is needed in the Upper State Street area, particularly vacant land and Hitchcock Way dealerships zoned E-3/PD.
4. Trish Allen would like to see more flexibility in outlying areas; and for economic development.

With no one else wishing to speak, the public hearing was closed at 3:25 P.M.

Commission comments:

1. There should be a balance between putting some tools in place and not tying decision-makers' and the community's hands.
2. One way of mitigating increased traffic would be to upgrade/provide stronger public transportation in certain areas.
3. When looking at opportunity sites, consider neighborhood function: its purpose, benefit, and type of use. Do not make them 'lost opportunities.'
4. In the transfer of non-residential footage and the related traffic impacts, consider an option of transferring only the square footage and not the traffic.
5. In the transfer of square footage, conversion into different use in addition to transferring square footage to a different site is supportable.
6. The development of residential housing and the economic development of allowed commercial use have to go hand-in-hand.
7. The better approach is to cautiously permit developments that increase traffic.
8. The city already has more than adequate amount of commercial zoning. Any program that works towards meeting the community's need of more housing is supportable.
9. There are advantages to giving decision-makers flexibility in order to place more usage on prime sites.
10. In summary, the Commission is comfortable with the staff proceeding to draft the ordinance and growth management program based on the staff proposal.

December 6, 2012

IV. RECOMMENDATION TO CITY COUNCIL:

ACTUAL TIME: 2:02 P.M.

CITY'S NONRESIDENTIAL GROWTH MANAGEMENT PROGRAM

The purpose of the meeting was for the Planning Commission to make recommendations to the City Council on necessary ordinance amendments to the Municipal Code including the Zoning Ordinance that implements the nonresidential growth management program including how square footage is allocated per parcel and the planning process required. The amendments include a new Traffic Management Strategy that identifies development areas with specific categories of nonresidential development available for allocation within each area.

On May 17, 2012 the Planning Commission initiated amendments to the City's Zoning Ordinance including the Development Plan Ordinance (DPO), SBMC §28.87.300 and Council Resolution No. 09-058 to carry out recently adopted General Plan Policy LG2, Limit Non-Residential Growth and LG7, Community Benefit Non-Residential Land Uses.

Case Planner: Bea Gularte, Project Planner

Email: BGularte@SantaBarbaraCA.gov

Phone: 805-564-5470, ext. 4556

Bea Gularte, Project Planner, gave the Staff presentation, joined by Bettie Weiss, City Planner; John Ledbetter, Principal Planner, and Rob Dayton, Principal Transportation Planner.

Chair Lodge opened the public hearing at 2:35 P.M.

The following people commented on the program:

1. Scott Schell, Associated Transportation Engineers, summarized a letter submitted by the Santa Barbara Planning Growth Management Program Stakeholders Group.
2. Trish Allen, echoed support of the letter submitted by the Santa Barbara Planning Growth Management Program Stakeholders Group.
3. Ralph Horowitz, recapped his letter to the Commission dated December 3, 2012.
4. Lisa Plowman, Peikert Group, added her support to the letter submitted by the Santa Barbara Planning Growth Management Program Stakeholders Group.

With no one else wishing to speak, the public hearing was closed at 2:45 P.M.

The general consensus of the Planning Commission was that the Nonresidential Growth Management Program is going in the right direction.

MOTION: Bartlett/Thompson

Forward the Nonresidential Growth Management Program recommendation for adoption to City Council to include revised draft ordinance amendments, and amended Council Resolution with the Traffic Management Strategy, with numerical corrections.

This motion carried by the following vote:

Ayes: 7 Noes: 0 Abstain: 0 Absent: 0



City of Santa Barbara California

PLANNING COMMISSION STAFF REPORT

REPORT DATE: November 29, 2012

AGENDA DATE: December 6, 2012

PROJECT: Amendments to Title 28 of the Municipal Code for Implementation of Nonresidential Growth Management Program

TO: Planning Commission

FROM: Planning Division, (805) 564-5470
Bettie Weiss, City Planner
John Ledbetter, Principal Planner
Rob Dayton, Principal Transportation Planner
Beatriz Gularte, Project Planner

I. PURPOSE OF MEETING

The purpose of the meeting is for the Planning Commission to formalize its recommendations to City Council on amendments to the City's Zoning Ordinance implementing the General Plan Growth Management Policies, including: Policy LG2, Limit Nonresidential Growth and LG7, Community Benefit Nonresidential Land Uses. Amendments are proposed for the Development Plan Ordinance, Santa Barbara Municipal Code Section 28.87.300, the Transfer of Existing Development Rights (TEDR) Ordinance Chapter 28.95, the Development Potential sections throughout the Municipal Code that refer to the Development Plan Ordinance, and the Council Resolution No. 12-075.

The ordinance proposes a new Chapter 28.85, entitled "Growth Management Program" (Exhibit A). The former Development Plan Ordinance, Section 28.87.300, is proposed to be deleted from the Zoning Ordinance. Also attached is the proposed Council Resolution that provides direction for implementation of the new Growth Management Program (GMP). (Exhibit B).

II. BACKGROUND

The 2011 General Plan provides specific policies to guide the amount of nonresidential development, such as commercial, institutional, and industrial uses, allowed over the next twenty years. The prior City growth management policy, known as Measure E¹, has been implemented by Municipal Code Section 28.87.300, the Development Plan Ordinance (DPO) (Exhibit C) and Resolution No. 12-075. The existing DPO contains many key provisions,

¹ Charter Section 1508, known as Measure E, expired on January 1, 2010 due to its sunset clause and has been removed from the City's Charter.

including definitions, allocation categories such as Community Priorities, Small Addition, etc., and standards and findings for processing nonresidential projects in the city. The Council Resolution details the administrative procedures for the allocations.

The existing DPO and procedures have served the City well in implementing the nonresidential growth limitations; however, amendments are needed to implement the latest General Plan policies and Planning Commission direction while carrying over relevant components. Also, the past two decades provided experience with the ordinance that informs areas for improvements and that could streamline processing of projects.

Proposed ordinance revisions would update the nonresidential square foot amounts and categories allowing allocation of up to 1.35 million square feet net new nonresidential development to the year 2033, as adopted through the *PlanSB* General Plan update. Revisions also include: refining the category definitions, allocation process, and specifying the Development Plan permit process; including the required findings for approval. The growth management program also includes a traffic strategy for analyzing projects with respect to traffic impacts, and use of the traffic model developed as part of *PlanSB*.

On May 17, 2012, the Planning Commission initiated amendments to the GMP with recommendations for processing of Small Additions, Community Benefit Projects, amendments to the definition of floor area, and the findings currently required for Development Plans. These are described in more detail below.

On June 21, 2012 and September 6, 2012, meetings were held with the Planning Commission to discuss staff's initial approach for the Traffic Management Strategy for direction to change the current traffic finding in the existing DPO.

Between May and September, staff also met with two focus groups comprised of stakeholders knowledgeable about the development process (e.g., architects, planning consultants, traffic consultants, and land development attorneys). The three goals of the focus groups were to explain the staff proposal, demonstrate the differences between the current system and the staff proposal, and to solicit informed input on the subject to assist during Planning Commission discussion and decision-making.

On November 20, 2012, the Council adopted a one year time extension to the current Development Plan Ordinance and Resolution to allow time to process these zoning amendments. The current Development Plan Ordinance will expire on January 1, 2014. Soon after adoption of the new ordinance, Planning Staff will provide a final accounting of how much square footage was allocated and built from the Measure E three million square feet from 1990 to 2013.

III. KEY ORDINANCE PROVISIONS

Any new project submitted after the effective date of the revised ordinance that results in net new square footage will need a square footage allocation from the 1.35 million or be excluded

from the provisions as described below. An individual project can potentially obtain an allocation of square footage from multiple categories consistent with the Traffic Management Strategy.

The GMP is being amended to implement the new 1.35 million square foot allocation for the next two decades and to track the cumulative total allocated per lot under the various category provisions initiated since 1989 when the existing ordinance went into effect.

Below is a summary of the following key ordinance provisions:

- A. Establishment of the Nonresidential Growth Limit for the Next 20 Years and Identify the General Plan Allocation Categories - SBMC §28.85.010.A
- B. Identify the Types of Nonresidential Floor Excluded from the Development Limit – SBMC §28.85.010.B
- C. Definitions – SBMC §28.85.020
- D. Development Plan Review Procedures – SBMC §28.85.030
- E. Standards for Review and Findings – SBMC §28.85.040
- F. Traffic Management Strategy Implementation – SBMC §28.85.050
- G. Amendments Regarding Transfer of Existing Development Rights – SBMC Chapter 28.95

A. General Plan Allocation Categories

General Plan Policy LG2 establishes the new nonresidential square footage allowance for the next 20 years as 1.35 million square feet and specifies how allowance will be allocated by category. The 1.35 million net new square feet is to be allocated to Small Additions, Vacant Property and Community Benefit categories as follows:

1. **Small Additions (400,000 s.f.)** – General Plan Policy LG2 allocates up to 400,000 square feet to Small Additions over 20 years. In order to regulate the pace of growth, Small Additions are limited to 20,000 square feet annually with the potential for unallocated Small Addition square footage to roll over, increasing the amount of square footage that could be allocated in the following year.

A project can be allocated up to 2,000 square feet per legal lot from the Small Additions category for a cumulative total of 3,000 square feet if combined with a 1,000 Minor Addition (see a discussion of Minor Additions under Excluded Square Footage below). Once Small Additions reach a cumulative total on the lot of 2,000 square feet over the amount of development that existed on the lot as of December 6, 1989 (beyond 1,000 sq. ft. of Minor Additions), no additional Small Addition square footage can be allocated to that lot. This is a continuation of the current development potential allowances established with Measure E.

Under the current ordinance, at the end of each year, unused Small Additions square footage or Small Addition square footage that had been allocated to a project for which the land use permit approvals had expired during the year rolled over into the Economic Development category. In May, the Planning Commission recommended that the

Planning Commission decide annually whether unused, expired or withdrawn Small Addition square footage would roll over to either the Small Additions or Community Benefit categories. This change in the allocation process for Small Additions is explained in the GMP §28.85.010.A. and Resolution page 6.

2. **Vacant (350,000 s.f.)** – In 1990, 500,000 square feet was allocated under Measure E for vacant properties. The amount was based on a vacant land survey conducted in the City in 1988 that identified approximately 32 acres of vacant land and an additional 100,000 square feet within the Airport Specific Plan area. Vacant Property square footage allocations will continue to be available to those lots that were vacant as of October 1988, at a rate of up to .25 Floor Area Ratio (FAR) of the lot area. Under the current DPO, approximately 357,620 square feet remains unallocated from the 1990 Vacant category. Staff expects the 350,000 allocation under General Plan Policy LG2 and incorporated into the new ordinance to be sufficient to accommodate anticipated development on vacant properties over the next 20 years. The provisions of the Vacant Property allocation category are proposed to remain the same under the new ordinance.
3. **Community Benefit (600,000 s.f.)** - Community Benefit projects may be designated by Council as either a Community Priority or Economic Development project. A Community Priority project is one that meets a present or projected need directly related to public health, safety or general welfare. Under Measure E, a total of 300,000 square feet was provided in this category. Approximately 228,810 square feet was allocated to projects from 1990 to the present.

With the 2011 General Plan update, Community Priority category was revised to include other community benefit types of nonresidential projects (e.g. Economic Development projects) and was allocated 600,000 square feet. These categories are further defined in proposed SBMC §28.85.020 with the designation process specified in the proposed Council Resolution (Exhibit B).

In May, the Planning Commission recommended that the City Council designation and allocation from the Community Benefit category occur once at the beginning of a project permit process, rather than continuing the current procedure with a preliminary allocation for the initial application and a final allocation at permit approval. It now is proposed that there be only one review at Council to determine whether the project can be designated as a Community Benefit Project and allocated floor area from that category, after which the project would proceed through the standard planning process required of the application. It will no longer be necessary for the Planning Commission to make a recommendation to Council on a Community Benefit Final allocation.

General Plan Policy LG7. identifies “Green” Economic Development as a Community Benefit Nonresidential land use category, and an associated implementation action further defines what constitutes a “green” product or job. In addition, General Plan Policy EF5. calls for the promotion and economic development of “Green”/ Sustainable

businesses where practicable. After further analysis, staff recommends at this time that the “Green” Economic Development category not be differentiated from other Economic Development because in doing so, we believe long-term reporting and monitoring would be required to ensure the use of the project remains “Green” and this is neither practical nor cost effective to implement. However, staff supports emphasizing promotion of “Green”/Sustainable businesses through programmatic incentives as envisioned under Policy EF5.

B. Excluded Square Footage

A “Nonresidential Construction Project” is defined in the GMP as one that adds new floor area and excludes repair or replacement of existing floor area in the calculation of new floor area. With the adoption of the 2011 General Plan update, some additional categories of Nonresidential Construction Projects (Prior-Pending, Prior-Approved, and Government Buildings, for example) were approved for exclusion from the overall nonresidential growth allowance. While these excluded categories do not require an allocation of square footage from the 1.35 million, some are subject to the Development Plan process outlined in the ordinance and described later in the report.

Consistent with General Plan Policy LG2, the ordinance excludes the following development from the 1.35 million square feet allocated for Nonresidential Construction Projects:

1. **Demolished Floor Area** - Square footage that is demolished and rebuilt on site or on another site as part of a Transfer of Existing Development Rights (TEDR) is excluded from the 1.35 million square feet. If the square footage is rebuilt on the same site it does not count as new square footage and is not counted when determining whether Development Plan approval is required. This treatment is intended to encourage rebuilding on-site and is a continuation of the current process that has been in effect for the last 20 years.

If demolished square footage is transferred to another site, the transferred square footage is excluded from the 1.35 million limit; however, the project would still require a Development Plan under the TEDR ordinance. The only change being an exception for TEDR projects of less than 1,000 square feet, which would not require a Development Plan.

Historically, projects have generally rebuilt less square footage than what could have been reconstructed on site or elsewhere. Currently, approximately 300,000² square feet have been demolished since 1990 and have not been reconstructed, and 100,000 square

² An additional 189,000 square feet was demolished as part of the Saint Francis hospital demolition, however, that square footage cannot be transferred per the Cottage Hospital Development Agreement.

feet are approved for demolition. Approximately 76,000 square feet of demolition are part of pending or approved TEDR projects.

Under the proposed Traffic Management Strategy, the ability to transfer existing development rights will depend upon the location of the sending and receiving sites. Further explanation of TEDR projects is included later in this report.

2. **Minor Additions** – Minor Additions are projects that add or convert 1,000 square feet or less as a cumulative total on a lot since December 6, 1989. Staff considers Minor Additions to be reasonable, necessary improvements that should continue to be allowed with minimal process. Minor Additions are an important aspect of small business flexibility and are important to the economic health of existing businesses and the community. A project adding square footage only from the Minor Additions category does not require a Development Plan.
3. **Hotel Room for Room Replacement** – This is a project that replaces existing hotel rooms on a room for room basis. The GMP allows the reconstruction of larger rooms when replacing existing hotel rooms in order to support enhancements to existing properties and to maintain hotel rooms throughout the City. Any square footage associated with the replacement of a hotel room with a hotel room is excluded square footage.
4. **Government Displacement** – This is a project which involves the relocation, replacement, or repair of a structure or use acquired, removed or damaged by direct condemnation or acquisition by the government (federal, state or local), provided that the square footage does not exceed the square footage of the building acquired or removed. At one time in the early 1990's there were a few Government Displacement projects associated with the Cross Town Freeway. Although we do not foresee many projects under this category, staff recommends maintaining the exclusion in the ordinance.
5. **Prior-Pending and Prior-Approved Projects** - These are project applications that are currently in the permitting pipeline or have been approved, but not built. Prior-Pending and Prior-Approved projects are allocated under the prior Measure E allocation and not from the 1.35 million. The square footage for Prior-Pending Projects is approximately 73,754³ square feet. The square footage from Prior-Approved projects totals approximately 141,905 square feet for a combined total of 215,659 square feet (Exhibit D, Prior-Pending and Prior-Approved Projects).

These numbers could change as projects continue to process until the GMP Ordinance is formally adopted by the Council. If these projects expire or withdraw, the associated

³ This total includes 45,145 from the Paseo de la Playa, 101 Garden Street (Wright Specific Plan) that met the definition of an "Approved" project when Measure E was adopted, but has a current project permitting status of pending.

square footage allocated to them will be eliminated. However, if a Prior-Pending or Prior-Approved project submits a revised project with an increase in the nonresidential square footage, the additional square footage would need to be allocated from one of the categories under the 1.35 million allocation established under the General Plan Policy LG2.

6. **Government Buildings** – Council included this new category of projects that would be excluded from the 1.35 million net new square footage. In the past, government buildings received a Community Priority designation for their square footage. Examples of past projects that would fall within this new category include: Harbor restrooms, Waterfront offices, and Cater Water Treatment Plant.
7. **Annexations** – The policy regarding annexations is not proposed to change. If a property with existing development is annexed into the City, the existing development does not count as new square footage needing an allocation. If the annexation is proposed with new development, the new nonresidential square footage would require an allocation under the GMP. In addition, once a lot is annexed any new development proposed on the lot would be subject to the GMP.

C. DEVELOPMENT PLAN PROCESS

1. Development Plan Initiation and Review

The square footage allocations allowed from the categories of Minor Additions, Small Additions and Vacant Property will continue as cumulative totals on a lot since December 6, 1989. Under the current DPO, a Development Plan is initiated based on the cumulative total square footage that has been allocated to a lot since 1989. Once a property has received 1,000 net new square feet, any additional square footage requires a Development Plan. This has resulted in Development Plans being required for very small amounts if previous Minor or Small Additions have occurred on a lot in the past.

Under the proposed ordinance amendments, a new nonresidential construction project of 1,000 square feet or more will continue to require a Development Plan; however, that requirement will be based on the size of the project being presently reviewed and not based on a cumulative total since 1989. For example, if a project is allocated 900 square feet of Minor Additions for the first time on a lot in 2013, no Development Plan is required. If another project of 900 square feet of nonresidential floor area is proposed on the same lot in 2018, even though the second project would constitute a Small Addition of 800 square feet, the second project would not require development plan approval because the proposed project is less than 1,000 square feet of floor area.

Exhibit E outlines the review process for nonresidential construction projects that do not require the preparation of an Environmental Impact Report (EIR). Any project, irrespective of size, that requires an EIR will be subject to review and findings by the

Planning Commission. These requirements are included in SBMC 28.85.030, Development Plan Review Procedures and are similar to current processing of projects

2. Review of Public Utility Facilities

Another recommended change to the Development Plan process is for future projects involving regional public utility equipment. In May, the Planning Commission supported amendments to the current definition of floor area to exclude “infrastructure” spaces from the calculation of floor area (see Exhibit A, SBMC 28.85.020.F for revised definition). The definition of floor area has historically also exempted nonhabitable areas used for regional public utility facilities from the calculation of floor area. Staff believes this standard is awkward in that “habitable” usually refers to residential uses or conditioned space and for some utilities it is necessary to have conditioned space for equipment. Staff believes the definition of Floor Area should continue to exclude those portions of regional utility buildings occupied exclusively by equipment, but floor area associated with office space or storage should not be excluded.

Further, while Staff recommends excluding spaces occupied exclusively by equipment from the calculation of floor area for purposes of the development limit, staff recommends counting such floor area for purpose of determining whether a Development Plan is required. Staff recommends that any such facility with 3,000 square feet of new construction require a Development Plan by the Planning Commission in addition to a Conditional Use Permit, if required. This treatment of regional public utility facilities would allow for the review of a potentially large nonresidential construction project consistent with other provisions of the code (i.e. review of Community Benefit projects).

D. TRAFFIC MANAGEMENT STRATEGY

The 2011 General Plan Update FEIR found that the addition of up to 1.35 million square feet of nonresidential growth along with residential growth would cumulatively result in significant traffic impacts at identified intersections by the end of the allocation period. City Council deemed this level of potential traffic impact to be acceptable in light of the Plan’s benefits. New projects will contribute to cumulative traffic impacts; therefore, the current traffic finding required for Development Plans is proposed to be replaced. This finding is:

“The proposed development will not have a significant unmitigated adverse impact on the City’s Traffic; and resources will be available and traffic improvements will be in place at the time or project’s occupancy.”

A new Traffic Management Strategy is proposed to manage and track traffic associated with future growth. The General Plan FEIR used a Traffic Model specifically developed for the City to estimate future traffic impacts and congestion. Based upon actual traffic behavior within the City, the Traffic Model identified different traffic generation rates

based on the location within the City (i.e., Downtown vs. outlying areas). The model also determined that the effectiveness of the traffic mitigation measures identified in the FEIR varied based on location. These findings substantially inform the policies and procedures adopted in the proposed Traffic Management Strategy (Exhibit B of the Resolution).

The primary goals of the Traffic Management Strategy are to utilize existing transportation capacity efficiently and to reserve constrained transportation capacity for high priority land uses. All new nonresidential projects will be subject to the Traffic Management Strategy that will specify the types and locations of nonresidential development that can be approved and also which development can be considered for overriding findings for project specific impacts. Given the limited amount of development potential allowed under the Growth Management Program, an important component of the program is the ability to override project specific traffic impacts for those projects that the Planning Commission determines meet other objectives of the General Plan and are beneficial to the community.

Please refer to Exhibit B of the Resolution (Exhibit B) for the proposed Traffic Management Strategy. This strategy would become part of the Growth Management Plan through a Resolution of the Council.

E. TRANSFER OF EXISTING DEVELOPMENT RIGHTS

Currently, the City's Transfer of Existing Development Rights (TEDR) Ordinance, SBMC Chapter 28.95, regulates the transfer of existing floor area. Existing development rights are defined as existing floor area, approved floor area, demolished floor area, or converted floor area. Floor area can currently be transferred from a sending site to a receiving site by obtaining a Development Plan approval for both sites by the Planning Commission.

While a comprehensive revision of the TEDR Ordinance is not a part of this work effort, some revisions are necessary at this time to ensure consistency with the Growth Management Program definitions, to streamline small transfers to a receiving site within the same Development Area as the sending site, to regulate transfers amongst the Development Areas in a manner consistent with the General Plan Policy of living within our resources.

Historically, there were no particular limits on where existing development rights could be transferred within the City. The system relied on the Development Plan findings to prohibit transfers that could cause traffic impacts. The proposed TEDR Ordinance amendments are consistent with the proposed Growth Management Program and provide for the continued regulation of the transfer of existing nonresidential floor area and hotel rooms. However, some limitations are proposed with the following rules:

1. Existing development rights may be proposed for transfer between a sending site and a receiving site that are within the same development area anywhere in the city.

2. Existing development rights may be proposed for transfer from a sending site within any of the Outlying Development Areas to a receiving site in the Downtown Development Area.
3. Existing development rights cannot be transferred from a sending site in the Downtown Development Area to a receiving site in any of the Outlying Development Areas or the Airport Development Area.
4. Existing development rights cannot transfer from a sending site in one of the Outlying Development Areas to a receiving site in a different Outlying Development Area or the Airport Development Area.
5. Existing development rights cannot transfer from a sending site in the Airport Development Area to a receiving site any other development area.

These amendments to the TEDR process are intended to promote the General Plan Policy of focusing the majority of future land development within the Downtown Area while leaving flexibility to transfer existing development rights within the same development area. This is consistent with the policy of focusing future development in the Downtown Development Area, which according to the Traffic Model generates the least amount of additional traffic and can best accommodate anticipated traffic growth that is shifted from one site to another.

Staff is recommending that the Planning Commission also consider the following amendments to the existing TEDR Ordinance.

Transfers of First 1,000 Square Feet or Less - Under the current TEDR, any proposed transfer of existing development rights, requires a Development Plan by the Planning Commission. Staff would like to streamline transfers of existing development rights involving 1,000 square feet or less of demolished square footage in the same Development Area because this may be the only opportunity for some businesses to make small improvements if they have exhausted their Minor or Small Additions in the past 20 years without having to request an Economic Development allocation from Council.

This amendment would establish a similar process to Minor Additions of 1,000 square feet or less that do not need a Development Plan. Any one time transfer up to 1,000 square feet to a receiving site would not need a Development Plan and could be processed at the design review level for the exterior changes if no other land use permit is required from the Staff Hearing Officer or Planning Commission.

Staff will develop the administrative procedures for tracking and recording the appropriate legal instruments, but these projects will not need Planning Commission review if the transfer is less than 1,000 sf. This will assist in reducing the cost to the applicant: processing a Development Plan/TEDR at the Planning Commission level involves more time and cost than processing at the design review level without a Development Plan. This

would be consistent with General Plan policy EF21, Small Businesses which calls for recognizing the economic importance of small business in the community and allowing flexibility in future expansion.

F. DEVELOPMENT PLAN FINDINGS (STANDARDS FOR REVIEW)

In May 2012, the Planning Commission supported Staff's proposed amendments to the current Development Plan findings such that findings related to housing and water would no longer be necessary on a project specific case-by-case review level. The recently adopted General Plan update and associated programmatic FEIR provide a substantial resource baseline and policy basis for future growth and development over the next 20 years. Possible resource impacts will now be tracked and policies and programs will be adjusted as necessary through the Adaptive Management Program.

The following findings are recommended as those required to be made by the decision making body when a Development Plan is approved.

- 1. The proposed development complies with all provisions of this Title (the Zoning Ordinance).**
This finding is fundamental; however, from time to time it is needed to explain that consistency may include granting of a modification or CUP. This finding exists in the current DPO.
- 2. The proposed development is consistent with the principles of sound community planning.**
A project's consistency is analyzed based on existing City goals, policies and ordinances including the General Plan, the Zoning Ordinance, the Local Coastal Plan (if in Coastal Zone) and applicable development or design guidelines. In some cases, special studies have resulted in direction for development in a particular area such as in the Upper State Street Study. This finding exists in the current DPO and allows for a significant amount of latitude on the part of the decision makers and is used to approve a project and provide the reasoning on a project by project basis.
- 3. The proposed development will not have a significant adverse impact upon the neighborhood's aesthetics/character in that the size, bulk or scale of the development will be compatible with the neighborhood based on the Project Compatibility Analysis found in SBMC §22.22.145 and §22.68.045."**

Historically, design review by either the ABR or the HLC informs the Planning Commission for making this finding on a particular project. In 2008, in order to promote consistency between the City land use decision making process (SHO or Planning Commission) and the City design review process, the Council adopted the Project Compatibility Analysis criteria. The design review boards must consider the six

criteria in their review of every project that goes before them and a noticed public hearing is required.

4. **The proposed development is consistent with the policies of the City of Santa Barbara Traffic Management Strategy as expressed in the allocation allowance specified in Section 28.85.050.**

The current DPO and review standards pose significant limitation on the ability of the Planning Commission and Council to approve projects which contribute or result in significant traffic impacts for which the mitigation is not feasible or available. This finding has historically been the most difficult for new construction projects and thus a significant amount of project environmental review was dedicated to analyzing existing traffic impacts and possible traffic effects for the next increment of growth.

In order to utilize the City's transportation capacity efficiently and to prioritize constrained transportation capacity for high priority land uses, a new Traffic Management Strategy as described earlier in this report is being proposed. Only certain categories of development will be allowed in certain areas. For those projects requiring a Development Plan, this finding will be required.

G. ENVIRONMENTAL REVIEW

The General Plan Final Program Environmental Impact Report (FEIR) certified in September 2010 and December 2011 initially assessed citywide impacts associated with 2,178,202 square feet of nonresidential development. Subsequently, an Addendum to the Final EIR analyzed a revised, lower growth management program of 1.85 million square feet of nonresidential development (up to 1.35 million SF growth policy cap plus 0.5 million SF for excluded development). The FEIR and Addendum concluded that even with identified mitigation measures, unavoidable significant impacts associated with increased traffic congestion and greenhouse gas generation would occur by 2030 as a result of maximum allowable new development under the General Plan policies.

On September 18, 2012, the City Council adopted the City's Climate Action Plan. An Addendum to the Program FEIR was prepared to document the Climate Action's Plan updated greenhouse gas emissions analysis, which showed that future citywide greenhouse gas emissions would be lower than earlier identified in the FEIR and would meet the State target, thereby constituting a less than significant impact.

The FEIR identified that vehicle trips associated with new development would increase the number of intersections exceeding the City's level of service standard from 13 to up to 20 - 26 with the growth level provided under General Plan policies, and feasible mitigation measures would only partially offset the impact. The City Council adopted findings of overriding consideration for this significant cumulative traffic impact and also adopted

General Plan Circulation Element policies directing that traffic impacts should be minimized as feasible.

The FEIR traffic model analysis completed for the General Plan found that the Downtown Area is distinguished from all Outlying Development Areas within the City because land developed within the Downtown will generate the least amount of vehicle traffic due to the mix of land uses/trip destinations and substantial travel via walking, biking, and transit. Additionally, transportation implementation actions recommended in the Circulation Element will predominantly be effective in the Downtown development area. By helping to direct future incremental growth toward areas that would generate less traffic, the proposed Traffic Management Strategy component of the implementing ordinance amendments reflects the General Plan policies for growth limitation in a manner to minimize traffic impacts and conserve remaining roadway capacity.

The zoning amendments implementing the General Plan growth limitation policies constitute a citywide program. The policies and standards for the City's projected growth have been previously analyzed for environmental impacts in the Final EIR and Addenda for the General Plan and Climate Action Plan. Specifically, the environmental and traffic impacts associated with implementing General Plan Policy LG2 and the growth limitation policy for up to 1.35 million net new square feet was included in the analysis of the General Plan FEIR and Addenda. Potential future development under these zoning amendments is within the growth projections and traffic distribution assumptions for that impact analysis.

The California Environmental Quality Act (CEQA) Guidelines Section 15168 for Program Environmental Impact Reports (EIRs) provide for preparing a Program EIR for a series of actions characterized as one large project related in connection with issuance of rules, regulations, plans, or other criteria to govern the conduct of a continuing program. Use of a Program EIR is intended to streamline environmental review and avoid duplicative reconsideration for subsequent implementing steps.

CEQA Section 21083.3 and Guidelines Section 15183 mandate that projects which are consistent with the development density established by general plan policies for which an EIR was certified, and rezonings consistent with the plan, shall not require additional environmental review except under specified instances.

The proposed implementing ordinance amendments do not trigger the additional environmental review requirements, as follows: There are no additional site-specific or project-specific significant effects which are peculiar to the proposed zoning amendments; there are no new significant effects not addressed in the prior Program EIR; and there is no new information since the FEIR that would involve more significant impacts than identified in the FEIR. Environmental review for the proposed implementing ordinance amendments is addressed by the General Plan Program EIR and Addenda, and no further environmental review is required.

H. RECOMMENDATION AND NEXT STEPS

Staff recommends incorporation of the proposed amendments for the new Growth Management Program. Staff requests that the Planning Commission consider the proposed draft ordinance amendments, the amended Council Resolution and the Traffic Management Strategy, and direct any changes and recommendations to the City Council for adoption of the overall Growth Management Program.

Following Planning Commission review and recommendation, the Growth Management Program will be reviewed by the Council Ordinance Committee. The program would then return to the Planning Commission only if significant changes are recommended by the Ordinance Committee. Otherwise, the Ordinance Committee will review and make a recommendation for introduction and adoption by the City Council. While the current DPO is in effect until January 2014, staff anticipates that the new Growth Management Program Ordinance and the accompanying resolution would be adopted in April of 2013.

I. EXHIBITS

- ~~A. Draft Growth Management Program and Transfer of Existing Development Rights Ordinance~~ Refer to Ordinance included in CAR, 3/5/2013
- ~~B. Draft Council Resolution w/Exhibits~~ Refer to Resolution included in CAR, 3/5/2013
- C. Existing Development Plan Ordinance, SBMC 28.87.300
- D. Prior Pending and Prior Approved Projects Table
- E. Typical Process for Nonresidential Projects by Size of Project

EXHIBIT A (PRIOR DRAFT OF CITY ORDINANCE) FROM PC STAFF REPORT DATED AGENDA DATE, DECEMBER 6, 2012 IS OMITTED.

EXHIBIT B (PRIOR DRAFT OF CITY RESOLUTION) FROM PC STAFF REPORT DATED AGENDA DATE, DECEMBER 6, 2012 IS OMITTED.



City of Santa Barbara

Development Plan Ordinance

1. **28.87.300 Development Plan Review and Approval.**

A. DEVELOPMENT PLAN.

1. Requirement for Development Plan.

a. Planning Commission Review Required. No application for a land use permit for a nonresidential construction project as defined in Subsection B of this Section will be accepted or approved on or after December 6, 1989 unless the project falls within one or more of the categories outlined in Paragraph 2 of this Subsection and defined in Subsection B of this Section. Before any nonresidential construction project is hereafter constructed in any zone including zones at the Santa Barbara Municipal Airport, a complete development plan for the proposed development shall be submitted to the Planning Commission for review and approval. In addition, before residential floor area in any building or structure located in any zone including zones at the Santa Barbara Municipal Airport is converted to nonresidential use, a complete development plan for the proposed conversion shall be submitted to the Planning Commission for review and approval. Before any transfer of existing development rights may be approved pursuant to Chapter 28.95, development plans for both the sending site(s) and receiving site(s) as defined therein shall be approved by Planning Commission or City Council on appeal pursuant to this section.

Any nonresidential project except for Transfer of Existing Development Rights projects, which involves an addition of greater than three thousand (3,000) and less than ten thousand (10,000) square feet of floor area and which does not require the preparation of an Environmental Impact Report, shall be placed on the Planning Commission Consent Calendar for review and action. The only findings in Paragraph D.1 applicable to these projects are Findings d, e, f, and g. These findings shall be made at the time of Planning Commission approval.

b. Exceptions.

(1) Notwithstanding the provisions of Subparagraph a. of this Subsection, any nonresidential project which involves an addition of one thousand (1,000) square feet or less, and which does not require the preparation of an Environmental Impact Report, shall not be required to receive development plan approval.

(2) Notwithstanding the provisions of Subparagraph a. of this Subsection, any nonresidential construction project which involves the following shall not be required to receive development plan approval from the Planning Commission:

- a. an addition of greater than one thousand (1,000) and less than or equal to three thousand (3,000) square feet of floor area, and;
- b. does not require the preparation of an Environmental Impact Report, and;
- c. does not require some other form of discretionary approval from the Planning Commission under other applicable provisions of this Code.

(3) Development plan approval for projects not requiring Planning Commission approval under subparagraph (2) above shall be required from the Staff Hearing Officer if the application requires discretionary review by the Staff Hearing Officer under another provision of this Code. Otherwise, development plan approval for projects not requiring Planning Commission approval under subparagraph (2) above shall be required at the time of Preliminary Approval from the Architectural Board of Review, or the Historic Landmarks Commission if the property is located within El Pueblo Viejo Landmark

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District or another landmark district, or if the structure is a designated City Landmark. Such projects are subject to the findings in Subsection E of this Section and the provisions of Section 28.87.350.

2. Development Potential.

a. Nonresidential Construction Project. Nonresidential construction projects, as defined in Subsection B of this Section, shall be restricted to no more than three million (3,000,000) square feet until the year 2013. This allowable square footage shall be allocated in the following categories, as defined in Subsection B of this Section.

Category	Square Footage
Approved Projects	900,000 s.f.
Pending Projects	700,000 s.f.
Vacant Property	500,000 s.f.
Minor Additions	Exempt
Small Additions	600,000 s.f.
Community Priorities	300,000 s.f.

Small Additions shall be limited to no more than thirty thousand (30,000) square feet annually. Procedures for allocating square footage under these categories shall be established by resolution of City Council.

Notwithstanding the development restrictions established above, the Planning Commission or City Council on appeal may approve nonresidential development projects determined by the City Council to promote Economic Development. However, the total development square footage of all Economic Development Projects approved prior to January 1, 2013, shall not exceed the total square footage of "Approved" or "Pending" projects which have expired or been abandoned and any unused development square footage remaining from the annual allotment in the "Small Additions" category as of the date the Planning Commission or City Council on appeal approves a particular Economic Development Project. Nothing herein shall be deemed to authorize the approval of nonresidential development totalling in excess of three (3) million square feet above the October 1988 baseline condition until January 1, 2013.

b. Other Nonresidential Development. Other nonresidential development may occur so long as it falls within the following categories, as defined in Subsection B of this Section.

- (1) Government Displacement Project.
- (2) Hotel Room for Room Replacement Project.

B. DEFINITIONS.

1. Approved Projects or Revisions thereto. A project which satisfies any of the following criteria:

a. An application for a land use permit for the project (other than an application for Specific Plan approval) which was approved on or before October 26, 1989 and the approval is still valid.

b. The project pertains to implementation of a Specific Plan which was approved prior to April 16, 1986, and the Plan required the construction of substantial circulation system improvements, and all of those improvements were either:

- (1) Installed prior to the effective date of this ordinance; or
- (2) Subsequently constructed pursuant to an Owner Participation Agreement (OPA) and installed prior to the approval of any development plan(s).

c. The project consists of a revision to a project which qualifies under either Subparagraph a. or b. of this Paragraph B.2, provided the revision will result in no increase in floor area over the approved

amount. Once a revision to a project has been approved that reduces the floor area from the originally approved amount, the unused floor area shall not be reallocated to the project as part of a future revision. The unused floor area shall be available for Economic Development Projects.

2. Community Priority. A project which has been designated by the City Council as a community priority necessary to meet a present or projected need directly related to public health, safety or general welfare.

3. Economic Development Project. A project which has been designated by the City Council as a project that is consistent with the City Charter, General Plan and this Title, will enhance the standard of living for City and South Coast residents and will strengthen the local or regional economy by either creating new permanent employment opportunities or enhancing the City's revenue base. An Economic Development Project should also accomplish one or more of the following:

a. Support diversity and balance in the local or regional economy by establishing or expanding businesses or industries in sectors which currently do not exist on the South Coast or are present only in a limited manner; or

b. Provide new recreational, educational, or cultural opportunities for City residents and visitors; or

c. Provide products or services which are currently not available or are in limited supply either locally or regionally.

For purposes of this Section, "standard of living" is defined as wages, employment, environment, resources, public safety, housing, schools, parks and recreation, social and human services, and cultural arts.

4. Floor Area. Floor Area is the area included within the surrounding exterior walls of a building or portion thereof, exclusive of the area occupied by the surrounding walls, vent shafts and courts, or areas or structures used exclusively for parking. Nonhabitable areas used exclusively for regional public utility facilities shall not count toward the calculation of floor area. Any floor area which was constructed, approved, demolished or converted in violation of any provision of this Municipal Code, shall not give rise to any right to rebuild or transfer floor area.

5. Floor Area Ratio. The area expressed as the ratio of floor area to total square footage of a parcel.

6. General Welfare. A community priority project which has a broad public benefit (for example: museums, child care facilities, or community centers) and which is not principally operated for private profit.

7. Government Displacement Project. A project which involves the relocation, replacement, or repair of a structure or use acquired, removed or damaged by direct condemnation or negotiated acquisition by the government (federal, state or local), provided the square footage of a project constructed to replace a building acquired or removed by the government does not exceed the square footage of the building so acquired or removed.

8. Hotel Room for Room Replacement Project. A project which consists of replacement or remodeling of existing hotel rooms at the same location on a room for room basis.

9. Land Use Permit. A governmental decision concerning a permit, license, certificate, or other entitlement for use of land, including a conditional use permit, variance, modification, development plan, specific plan, general plan amendment, coastal development permit, conversion permit, subdivision map (except those creating new single family lots), building permit, grading permit, demolition permit, water service connection or any similar approval or use.

10. Minor Addition. A project which consists of a minor addition defined as:

a. A nonresidential addition of one thousand (1,000) square feet or less of floor area to an existing structure; or

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- b. Construction of a free standing nonresidential structure of one thousand (1,000) square feet or less of floor area on a parcel containing another structure; or
- c. Conversion of residential floor area to no more than one thousand (1,000) square feet of nonresidential floor area; or
- d. Concurrent construction of nonresidential floor area of one thousand (1,000) square feet or less associated with a new structure constructed under the Approved, Pending, Community Priority or Vacant Property categories.
- e. The one thousand square foot limitation defined in subparagraphs a. through d. above is a cumulative total available per parcel. Once a cumulative total of 1,000 square feet of Minor Additions has been reached, any further additions up to a total of 3,000 square feet (including the Minor Additions) shall be allocated from the Small Addition category.

(1) EXCEPTION: If an existing or proposed building occupies two or more parcels created prior to October 1988, the maximum square footage available for a Minor Addition shall equal the sum of the Minor Additions which could be approved on the individual parcels pursuant to the findings in Subsection E of this Section. For parcels created after October 1988, any remaining Minor Addition allocation shall be divided evenly between all of the parcels created from each parcel eligible for a Minor Addition. The remaining allocation may be divided in a different manner between the parcels created if this division is executed in a legal instrument that is recorded with the County recorder and approved as to form by the City Attorney for each parcel involved at the time of recordation of the Final or Parcel map for the subdivision.

11. Nonresidential Construction Project. A project, or portion thereof, which consists of the construction of or addition of new floor area for other than residential use or the conversion of existing residential floor area to nonresidential use. Repair or replacement of existing floor area is not included in the calculation of new floor area for the purpose of this Section.

12. Pending Project or Revisions thereto. A project which satisfies any of the following criteria:

a. An application for a land use permit for the project was accepted on or before October 26, 1989 and the application: (1) has not been denied by the City; (2) has not been withdrawn by the applicant; (3) has not yet received City approval or (4) has received City approval after October 26, 1989 and that approval is still valid.

b. The project pertains to implementation of a Specific Plan which was approved prior to April 16, 1986 and the project does not qualify under Subparagraph 1.b. of this Subsection.

c. The project consists of a revision to a project which qualifies under either Subparagraph a. or b. of this Paragraph 12, provided the revision will result in no increase in floor area over the amount shown on the pending application. Once a revision to a project has been approved that reduces the floor area from the originally approved amount, the unused floor area shall not be reallocated to the project as part of a future revision. The unused floor area shall be available for Economic Development Projects.

13. Residential Unit. A dwelling unit as defined in Chapter 28.04, but not including any of the following:

a. A hotel or boarding house as defined in Chapter 28.04 which includes a motel, bed and breakfast inn, or similar facility in which the average duration of stay of the residents, during the six month period prior to February 1, 1990, was less than thirty (30) days.

b. A mobile-home or recreation vehicle as defined in Chapter 28.04.

14. Small Addition. A project which consists of a small addition defined as:

a. A nonresidential addition of more than one thousand (1,000) and less than or equal to three thousand (3,000) square feet of floor area to an existing structure; or

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b. Construction of a free standing nonresidential structure of more than one thousand (1,000) and less than or equal to three thousand (3,000) square feet of floor area on a parcel containing another structure; or

c. Conversion of residential floor area to more than one thousand (1,000) and less than three thousand (3,000) square feet of nonresidential floor area; or

d. Concurrent construction of nonresidential floor area of more than one thousand (1,000) and less than or equal to three thousand (3,000) square feet associated with a new structure constructed under the Approved, Pending, Community Priority or Vacant Property categories.

e. The limitations on floor area defined in subparagraphs a. through d. above establish the cumulative total available per parcel. In any case, the combined total of Minor and Small Additions shall not exceed a cumulative total of three thousand (3,000) square feet.

(1) EXCEPTION: In the case where an existing or proposed building occupies two or more parcels created prior to October 1988, the maximum square footage available for a Small Addition shall equal the sum of the Small Additions which could be approved on the individual parcels pursuant to the findings in Subsection E of this Section. For parcels created after October 1988, any remaining Small Addition allocation shall be divided evenly between all of the parcels created from each parcel eligible for a Small Addition. The remaining allocation may be divided in a different manner between the parcels created if this division is executed in a legal instrument that is recorded with the County recorder and approved as to form by the City Attorney for each parcel involved at the time of recordation of the Final or Parcel map for the subdivision.

f. Procedures for allocating square footage in the Small Addition category shall be established by resolution of the City Council.

15. Vacant Property. A project on a parcel of land which was vacant in October 1988, which consists of construction of a nonresidential structure with a floor area ratio of no more than 0.25.

C. REVIEW BY PRE-APPLICATION REVIEW TEAM. All nonresidential construction projects requiring the preparation of an Environmental Impact Report or involving greater than 3,000 square feet of floor area and subject to this Section shall be reviewed by the Pre-Application Review Team as provided in Chapter 27.07 of this Code.

D. STANDARDS FOR REVIEW. Unless specifically exempt, the following findings shall be made in order to approve a development plan submitted pursuant to this Section.

1. Findings:

a. The proposed development complies with all provisions of this Title; and

b. The proposed development is consistent with the principles of sound community planning;
and

c. The proposed development will not have a significant adverse impact upon the neighborhood's aesthetics/character in that the size, bulk or scale of the development will be compatible with the neighborhood; and

d. The proposed development will not have a significant unmitigated adverse impact upon City and South Coast affordable housing stock; and

e. The proposed development will not have a significant unmitigated adverse impact on the City's water resources; and

f. The proposed development will not have a significant unmitigated adverse impact on the City's traffic; and

g. Resources will be available and traffic improvements will be in place at the time of project occupancy.

2. Potential for Overriding Considerations:

a. A finding of significant adverse impact under Subparagraph 1.c above can be overridden if it is determined that the economic, social or public benefits of the proposed development outweigh its significant adverse impacts.

b. A finding of significant adverse impact under Subparagraphs 1.a or 1.b above cannot be overridden.

c. A finding of unmitigated significant adverse impact under Subparagraphs 1.d, 1.e, 1.f, or 1.g above for a Minor Addition Project, Government Displacement Project or that portion of a project which qualifies as a Government Displacement Project, a Community Priority Project, and an Approved Project or Revision thereto can be overridden if it is determined that the benefits of the proposed development outweigh its significant adverse impacts.

3. Exception. Notwithstanding any provision of this Section to the contrary, a development plan shall not be denied based on a finding pursuant to Subparagraph 1.d of this Subsection E if (i) the plan incorporates revisions to a development plan approved by the Planning Commission under this Section prior to February 25, 1988, and (ii) the project shown on the plan will not generate a demand for new housing in excess of the demand generated by the previously approved project.

E. DEVELOPMENT PLAN NOTICE AND HEARING. The Staff Hearing Officer, Planning Commission, or City Council on appeal, shall hold a public hearing prior to taking action on any development plan. Notice of the public hearing shall be given in accordance with Section 28.87.380.

F. SUSPENSIONS AND APPEALS.

1. A decision by the Staff Hearing Officer under this Section may be suspended or appealed according to the provisions of Section 28.05.020.

2. A decision by the Planning Commission under this Section may be appealed according to the provisions of Chapter 1.30. In addition to the procedures specified in Chapter 1.30, notice of the public hearing before the City Council on an appeal from a decision of the Planning Commission regarding a decision of the Staff Hearing Officer shall be provided in the same manner as notice was provided for the hearing before the Planning Commission.

G. FEES. Fees for filing applications and appeals shall be established by resolution of the City Council.

H. EXPIRATION OF DEVELOPMENT PLANS. A development plan approved pursuant to this Section shall expire pursuant to the provisions of Section 28.87.350. For projects with floor area allocated from the Approved, Pending, Economic Development and Small Addition categories, the unused floor area shall be made available for allocation to Economic Development Projects upon expiration of the development plan. For projects with floor area allocated from the Community Priority and Vacant Property categories, the unused floor area shall revert to the category from which the floor area was allocated upon expiration of the development plan.

I. MULTIPLE DEVELOPMENT PLANS. When more than one valid approved development plan exists for a lot, upon issuance of a building or grading permit for any work authorized by one of the approved development plans, all other development plans approved for that lot are deemed abandoned by the property owner. No building or grading permit shall be issued for any work authorized by a development plan following abandonment of that plan. For projects with floor area allocated from the Approved, Pending, Economic Development and Small Addition categories, any unused floor area shall be made available for allocation to Economic Development Projects upon abandonment of a development plan. For projects with floor area allocated from the Community Priority and Vacant Property categories, any unused floor area shall revert to the category from which the floor area was allocated upon abandonment of a development plan. (Ord. 5493, 2009; Ord. 5380, 2005; Ord. 5378, 2005; Ord. 4995, 1996; Ord. 4945, 1996; Ord. 4918, 1995; Ord. 4858, 1994; Ord. 4851, 1994; Ord. 4790, 1992; Ord. 4761,

1992; Ord. 4696, 1991; Ord. 4670, 1991; Ord. 4557, 1988; Ord. 4535, 19858; Ord. 4530, 1988; Ord. 4529, 1988; Ord. 4492, 1988; Ord. 4361, 1986; Ord. 4140, 1982.)

28.87.350 Development Plan Time Limits.

A. **TIME LIMIT.** A development plan approved pursuant to any provision of this Title shall expire four (4) years from the date of its approval, except as otherwise provided herein. No building or grading permit for any work authorized by a development plan shall be issued following expiration of that plan.

B. **CONDITIONS.** Any condition imposed on a development plan may, in the discretion of the body approving the development plan, also constitute (i) a condition to the issuance of and continued validity of any building or grading permit issued to implement that development plan, (ii) a condition to the issuance of the certificate of occupancy with respect to any improvements authorized by the development plan and (iii) if recorded with the County Recorder, to the continued validity of the certificate of occupancy. Violation of any such condition shall be grounds for suspension or revocation of any building or grading permit or certificate of occupancy issued with respect to the development plan.

C. **EXTENSION OF TIME PERIOD.** Upon application of the developer filed prior to the expiration of the development plan, the time at which the development plan expires may be extended by the Community Development Director for one (1) year.

An extension of the expiration date of a development plan shall be granted if it is found that there has been due diligence to implement and complete the proposed project as substantiated by competent evidence in the record.

D. **SUSPENSION OF TIME DURING MORATORIUM.** The period of time specified in Subsection A, including any extension thereof granted pursuant to Subsection C, shall not include any period of time during which a moratorium, imposed after approval of the development plan, is in existence, provided however, that the length of the moratorium does not exceed five (5) years. For purposes of this Subsection, a development moratorium shall include (i) a water or sewer moratorium, (ii) a water and sewer moratorium, and (iii) a building or grading permit moratorium, as well as other actions of public agencies which regulate land use, development, or the provision of services to the land other than the City, which thereafter prevents, prohibits, or delays the completion of the development.

Once a moratorium is terminated, the development plan shall be valid for the same period of time as was left to run on the development plan at the time that the moratorium was imposed. However, if the remaining time is less than 120 days, the development plan shall be valid for 120 days following the termination of the moratorium.

E. **SUSPENSION OF TIME DURING LITIGATION.** The period of time specified in Subsection A, including any extension thereof granted pursuant to Subsection C, shall not include the period of time during which a lawsuit involving the approval of the development plan or related approvals is or was pending in a court of competent jurisdiction, if the stay of time period is approved by the Planning Commission or City Council pursuant to this Section. After service of the initial petition or complaint in the lawsuit upon the City, the developer may apply to the City for a stay pursuant to the City's adopted procedures. Within forty (40) days after receiving the application, the City shall either stay the time period for up to five years or deny the requested stay. The City Council may, by resolution, establish procedures for reviewing a request for a stay, including, but not limited to, notice and hearing requirements, appeal procedures and other administrative requirements.

F. **DEVELOPMENT PLANS ALREADY APPROVED.**

1. **Beginning Date – Development Plan Approvals.** For the purpose of calculating the expiration date of development plans approved prior to the adoption of the ordinance approving this Section, the date of approval of such development plans shall be deemed to be the date said ordinance is adopted by the City Council.

Measure E Ordinance (Development Plan Review and Approval)

2. Specific Plan Development Plan Approvals. For the purposes of calculating the expiration date of a Specific Plan project Development Plan approved in accordance with Santa Barbara Municipal Code Chapter 29.30, Development Plan approvals shall be deemed to expire eight (8) years after the date of the final City action approving the project Development Plan and shall include any related project approvals or modifications granted by the City in connection therewith. (Ord. 5380, 2005; Ord. 5308, 2004; Ord. 4361, 1986.)

**Prior-Pending and Prior-Approved Nonresidential Projects
December 2012**

Prior-Pending Net New Square Feet

ADDRESS	APN	APPLICATION #	Airport	Downtown	Riviera	Upper State	Coast Village	Mesa
602 W ANAPAMU ST	039-151-014	MST90-02931		4,800				
350 CHAPALA ST B	037-450-023	MST2012-00096		460				
101 GARDEN ST - Wright Property	017-630-018	MST2006-00210		45,125				
115 E GUTIERREZ ST	031-271-030	MST2012-00069		598				
1298 LAS POSTAS RD - Elings Park	047-010-034	MST2006-00509						13,821
101 STATE ST	033-075-006	MST2011-00171		7,501				
1936 STATE ST	025-372-001	MST2011-00167		1,449				
			0	59,933	0	0	0	13,821

Prior-Pending Total: **73,754 S.F.**

Prior-Approved Net New Square Feet

412 ANACAPA ST	031-271-019	MST2008-00322		3,375				
528 ANACAPA ST	031-201-029	MST2012-00300		2,000				
710 ANACAPA ST	031-081-013	MST2008-00362		40				
517 CHAPALA ST	037-163-007	MST2005-00088		429				
1255 COAST VILLAGE RD	009-291-018	MST2011-00220					2,000	
1298 COAST VILLAGE RD	009-230-043	MST2004-00493					1,778	
4151 FOOTHILL RD	059-160-017	MST2008-00496						
513 GARDEN ST	031-202-009	MST2010-00168		1,730		56,372		
134 HARBOR WAY	033-120-018	MST2007-00356		66				
702 LAGUNA ST	031-092-023	MST2010-00288		2,000				
1900 LASUEN RD	019-170-022	MST2007-00140			6,000			
803 N MILLPAS ST	031-042-028	MST2006-00510		200				
635 OLIVE ST	031-160-012	MST2012-00156		1,997				
540 W PUEBLO ST - Cancer Center	025-090-046	MST2007-00092		25,845				
35 STATE ST - Entrada	033-102-004	MST97-00357		8,508				
125 STATE ST	033-075-012	MST2009-00119		14,691				
518 STATE ST	037-173-046	MST2005-00477		1,487				
3880 STATE ST	057-240-046	MST2006-00185				733		
920 SUMMIT RD - Montecito CC	015-211-009	MST2005-00831					7,771	
101 E VICTORIA ST	029-071-013	MST2006-00758		4,703				

**Prior-Pending and Prior-Approved Nonresidential Projects
December 2012**

Prior-Pending Net New Square Feet

520 E YANONALI	017-113-016	MST2009-00011					
			180				
			0	67,251	6,000	57,105	11,549
							0

Prior-Approved Total: 141,905 S.F.

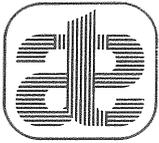
Exhibit D Grand Total 215,659 S.F.

Typical Process for Nonresidential Projects by Size of Project¹

Project Size**	Dev. Plan Required	Design Review	SHO or PC	Notes	Change in Current Process**
1. 1,000 s.f. or less	No	Yes	Only if other land use permit is needed	<ul style="list-style-type: none"> SHO for modifications, mixed use with 4 or less condos. PC if mixed use with 5 or more condos or CUP. 	No
2. 1,000 – 3,000 s.f.	Yes	Yes	SHO	<ul style="list-style-type: none"> Design Review if no other land use permit is needed. SHO if other land use permit is needed. PC if mixed use with 5 or more condos or CUP. 	No
3. 3,000 s.f. or more	Yes	Yes	PC		No
4. Demo/Replace Same or Less	No	Yes	Only if other land use permit is needed	<ul style="list-style-type: none"> SHO for modifications, mixed use with 4 or less condos. PC if mixed use with 5 or more condos or CUP. 	No
5. TEDR 1,000 s.f. or less	No	Yes	Only if other land use permit is needed	<ul style="list-style-type: none"> When not combined with other square footage allocations. Project review is based on total size of the addition. SHO for modifications, mixed use with 4 or less condos. PC if mixed use with 5 or more condos or CUP. 	Yes**
6. TEDRs 1,000 s.f. or greater	Yes	Yes	PC	<ul style="list-style-type: none"> Development Plan required for sending and receiving site. 	No
7. Hotel Room for Room Replacement on site	No	Yes	Only if other land use permit is needed	<ul style="list-style-type: none"> Any hotel expansion in addition to the rooms would require review based on project size. 	No
8. Hotel Room for Room Replacement off site (TEDR)	Yes	Yes	PC	<ul style="list-style-type: none"> Development Plan required for sending and receiving site. 	No
9. Regional Public Utility Facilities Greater than 3,000 s.f.	Yes	Yes	PC	<ul style="list-style-type: none"> For structures 3,000 s.f. or greater. If less than 3,000 s.f., Development Plan could be granted by other decision making body depending if no other land use permits needed (e.g. modifications or CUP) 	Yes**

Exhibit E

¹ This is a typical process when adding new nonresidential square feet. Projects located in the Coastal Zone or zones that require a Development Plan by the Planning Commission or Planning Commission for any other reason specified in the Municipal Code could require reviews at the Planning Commission level.



ASSOCIATED TRANSPORTATION ENGINEERS

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Since 1978

Richard L. Pool, P.E.
Scott A. Schell, AICP, PTP

January 14, 2013

Ordinance Committee
City of Santa Barbara
735 Anacapa Street
Santa Barbara, CA 93110

CITY OF SANTA BARBARA GROWTH MANAGEMENT POLICIES - ORDINANCE COMMITTEE HEARING JANUARY 15, 2013

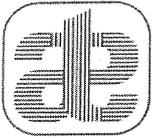
The attached letter provides comments on the amendments proposed for the City's Nonresidential Growth Management Program. The comments represent input from the various stakeholder group members that participated in the meetings lead by City staff to review and comment on the proposed modifications.

These comments were presented at the Planning Commission hearing held on December 6, 2012. While there was some discussion on the issues raised in the comment letter, no action was taken by City staff or the Planning Commission on the requested modifications.

The stakeholders group continues to be concerned about the issues raised in the letter and requests that the Ordinance Committee consider the requested modifications.

Scott A. Schell, AICP, PTP
Associated Transportation Engineers

Attachment: December 5, 2012 Comment Letter



ASSOCIATED TRANSPORTATION ENGINEERS

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Since 1978

Richard L. Pool, P.E.
Scott A. Schell, AICP, PTP

December 5, 2012

Honorable Planning Commission
City of Santa Barbara
735 Anacapa Street
Santa Barbara, CA 93110

CITY OF SANTA BARBARA GROWTH MANAGEMENT POLICIES - PLANNING COMMISSION HEARING DECEMBER 6, 2012

The following letter provides comments on the amendments proposed by City staff to Title 28 of the Municipal Code for Implementation of the Nonresidential Growth Management Program. The comments represent input from the stakeholders that participated in the focus groups lead by City staff to review and comment on the proposed modifications.

General Comment

The stakeholders group is generally supportive of the amendments proposed by City staff, however, there are a few areas where the amendments are too restrictive. We feel that the Growth Management Program should provide enough flexibility for the Planning Commission and the City Council to consider a variety of land use decisions throughout the entire City over the next 20 years.

One of the key concerns is the proposed restriction on nonresidential development within the "Outlying Development Areas" (Upper State Street, Mesa, Coast Village Road, Riviera, Las Positas Valley and Upper De La Vina Street). The current proposal is to allow only 1,000 SF additions to all nonresidential parcels within these areas (excluding vacant parcels, Community Priority Projects and TEDRs). We feel that this restriction will significantly impact the future redevelopment of underutilized and blighted properties in these areas of the City.

Recommended Modifications

The stakeholders group is requesting the following modifications to the Non-Residential Growth Management Program.

Outlying Development Areas

1. Add "Small Additions" to the list of categories that are allowed for floor area allocation within the Outlying Development Areas. This will allow underutilized and/or blighted properties to redevelop with up to 3,000 SF of new development (rather than the proposed limitation of 1,000 SF).
2. Add "Economic Development Projects" to the list of categories that are allowed for floor area allocation within the Outlying Development Areas. By definition, these projects would be "consistent with the City General Plan" and would "strengthen the local or regional economy by either creating new permanent employment opportunities or enhancing the City's revenue base". This will allow the City Council to allocate square-footage to developments that it deems are needed for the City's economic viability over the next 20 years.

Downtown Development Areas

1. Allow the City Council to make overriding considerations for project-specific traffic impacts for Economic Development Projects and TEDR Projects proposed in the Downtown Development Area.

Without these revisions, important redevelopment projects that have recently been approved by the City would not be allowed in the future. These include redevelopment of the Turk Hesselland Nursery site on Coast Village Road and the Giovanni's Plaza building at the corner of Cliff Drive and Meigs Road (former gas station site) on the Mesa. The proposed restrictions would impede redevelopment of vacant sites in the Upper State Street area such as the vacant La Sumida Nursery, Mobil Gas Station, and auto dealership parcels.

We urge the Planning Commission to direct staff to incorporate these changes to the Nonresidential Growth Management Program.

Thank you for your consideration of these comments.

Santa Barbara Growth Management Program Stakeholders Group



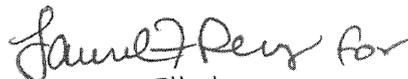
Scott A. Schell
Associated Transportation Engineers



Lisa Plowman
Peikert Group Architects



Ken Marshall
Dudek



Suzanne Elledge
SEPPS



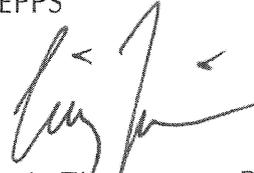
Troy White
Dudek



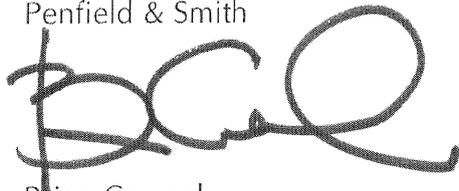
Steve Welton
SEPPS



Don Donaldson
Penfield & Smith



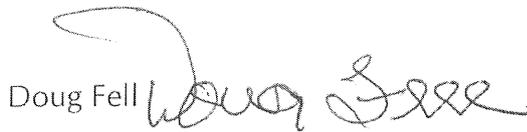
Craig Zimmerman, President
The Towles Group



Brian Cearnal
Cearnal Andrulaitis Architecture



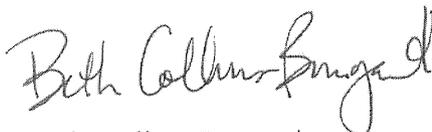
Detty Peikert
Peikert Group Architects



Doug Fell



Steven Amerikaner



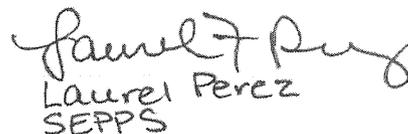
Beth Collins-Burgard



Trish Allen
SEPPS



David Rundle
Penfield & Smith



Laurel Perez
SEPPS

THE HOROWITZ GROUP
11911 SAN VICENTE BOULEVARD, SUITE 310
LOS ANGELES, CALIFORNIA 90049
(310) 440-7878

December 3, 2012

City of Santa Barbara
Planning Commission
735 Anacapa Street
Santa Barbara, CA 93101

Re: 350 Hitchcock Way, Santa Barbara, California

Dear Honorable Planning Commissioners:

My name is Ralph Horowitz. My partners and I have owned the property at 350 Hitchcock Way in Santa Barbara since 2007.

By way of background, I am also one of the owners of the downtown "Ralphs Fresh Fare" market at Carrillo and Chapala (where I successfully brought the first full service grocery store to the downtown area in many decades and did so in lieu of a very large office building that was previously entitled) and an owner of the property located at 220 North Milpas Street (which was previously occupied by Scolari's market and which I am right now redeveloping with another first-in-class grocer called "The Fresh Market").

My property at 350 Hitchcock Way is approximately 5.8 acres and is zoned E3-PD-SD3. It is part of an area created as an "auto dealer zone", and other uses within that zone are very limited.

This property was formerly occupied by a Ford dealership that downsized and relocated elsewhere on Hitchcock Way. I successfully leased the southern half of the property to DCH Lexus, which recently opened for business and is now operating a brand new Lexus dealership in a newly remodeled building on the south half of my property.

The north half of the property is currently vacant. My intention for the full utilization and development of 350 Hitchcock has always been to locate another automobile dealer, and build another first-class dealership showroom on the now-vacant northern half.

The north half of my property is currently developed with approximately fourteen thousand (14,000) square feet of building improvements. Unfortunately, these existing improvements are primarily service bays. Because they lack a permanent wall on a fourth side, from a technical development standpoint, they are essentially deemed not to exist as they do not constitute existing square footage that can be allocated to a new development. In fact, I have only approximately 1,600 square feet on the north half of the property that would qualify for a new dealership showroom or anything else.

Under the new policies that you are reviewing and potentially endorsing on Thursday, subject to finding and transferring existing square footage as discussed below, you are allowing only a 1,000 square foot additional allocation. Obviously, a 2,600 square foot building is grossly inadequate for any automobile dealer's showroom and a property of approximately 2.9 acres (or 126,000 square feet) that is limited to only a 2,600 square foot development is not only grossly underutilized but is rendered of little or no practical or economic value.

Under your proposed ordinance as now drafted, in order to develop any building larger than 2,600 square feet on my property, I would need to identify building square footage that now exists solely within the upper State Street zone and transfer that square footage to my Hitchcock property. The reality is that very little of that square footage is available now or in the foreseeable future. Moreover, even if some as yet unknown and unidentified square footage did become available in the future, there is no assurance that it becomes available (i) coincident with my development that is then planned (thereby allowing me to determine how many existing square feet I might need to acquire and transfer) or (ii) at a price that makes my then-planned development economically feasible). As a result, under your proposed ordinance as now drafted, there exists the very real likelihood that the north half of my property would be forever forced to remain effectively fallow and in its current undesirable condition. Finally, the new policies that you are considering also now, for the first time, prohibit Economic Development square footage from being allocated in this upper State Street zone.

I believe that the dilemma I suffer with respect to my property in this very specific P-D zone is, for the reasons explained above, unique. I therefore respectfully request that you direct staff to create special provisions in this ordinance that will allow the City to implement the following two critical steps:

- First, include a provision in the ordinance that will allow the City to allocate Economic Development square footage to this P-D zone to enable the development of an automobile dealership on this parcel and thereby accomplish the City's goal of fostering a more vibrant automobile dealership zone. This will also allow the City to benefit from the enhanced City tax revenues that will flow from allowing such an allocation. Furthermore, if despite my ongoing best efforts, I am ultimately unsuccessful in locating an automobile dealership, and instead find an alternative use that the City Council finds desirable from an economic development standpoint, allocating Economic Development square footage to this P-D zoned parcel will allow the City to advance its economic development goals by allowing such a development on this P-D zoned property. Absent such a provision, such goals would be thwarted and the City would lack a mechanism to accomplish its development objectives for this property.
- Second, include a provision in the ordinance that will allow the City to make a finding of "overriding consideration" to ensure that ultimately, even if the economic development project results in a traffic impact, the City's desired development goals for this P-D zoned property can be met and the revenue generating potential created as a result of that development is realized.

If the above changes are fully implemented, I would be in support of your proposed ordinance.

Thank you for your consideration.

Respectfully,


Ralph Horowitz

THE HOROWITZ GROUP
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LOS ANGELES, CALIFORNIA 90049
(310) 440-7878

January 25, 2013

City of Santa Barbara
Ordinance Committee
735 Anacapa Street
Santa Barbara, CA 93101

Re: 350 Hitchcock Way, Santa Barbara, California

Dear Honorable Committee Members:

My name is Ralph Horowitz. My partners and I have owned the property at 350 Hitchcock Way in Santa Barbara since 2007.

As a supplement to my December 3, 2012 letter to the Planning Commission, I have attached a portion of Section 28.85.050 of the proposed Ordinance with a proposed modification that is designed to provide the City of Santa Barbara with a pathway for the development of a project on my property that is consistent with the City's present or future economic development goals.

Although I greatly appreciate the inclusion of language that will allow the development of an automobile dealership on my parcel, it is possible that despite my ongoing best efforts in that regard, I will be ultimately unsuccessful in locating an automobile dealership. Instead, at some point in the future I might find an alternative use that the City Council finds desirable from an economic development standpoint. My proposed language would permit the allocation of Economic Development square footage to my P-D zoned parcel and will allow the City to advance its economic development goals by allowing such a development on this P-D zoned property.

In addition, my proposed language will allow the City to make a finding of "overriding considerations" to ensure that ultimately, even if the development project desired by the City results in a traffic impact, the City's desired development goals for this property can be met and the revenue generating potential created as a result of that development be realized.

Thank you for your consideration.

Respectfully,



Ralph Horowitz

ATTACHMENT 1
ORDINANCE COMMITTEE DISCUSSION DRAFT 1/15/13
SHOWING CHANGES FROM EXISTING CODE FOR CHAPTER 28.95

B. UPPER STATE STREET, MESA, COAST VILLAGE ROAD, AND RIVIERA DEVELOPMENT AREAS (OUTLYING DEVELOPMENT AREAS). If all of the floor area for a project is proposed from a category or categories of development that are

ATTACHMENT 1
ORDINANCE COMMITTEE DISCUSSION DRAFT 1/15/13
SHOWING CHANGES FROM EXISTING CODE FOR CHAPTER 28.95

available for allocation within the development area in which the proposed project is located, the project's contribution to a significant cumulative traffic impact may be overridden. Within the Outlying Development Areas, unless specifically authorized below, a project-specific significant adverse traffic impact cannot be overridden. The following categories of nonresidential development are available for allocation to lots within the Outlying Development Areas:

1. Prior-Approved Projects. Prior-Approved Projects do not require further environmental review.
2. Prior-Pending Projects.
3. Prior-Approved Specific Plan Projects. A Prior-Approved Specific Plan Project that presents a project-specific significant traffic impact may be approved following the adoption of a Statement of Overriding Considerations.
4. Minor Addition Floor Area. A project constructing, adding, or converting Minor Addition Floor Area that presents a project-specific significant traffic impact may be approved following the adoption of a Statement of Overriding Considerations.
5. Vacant Property. A Vacant Property Project that presents a project-specific significant traffic impact may be approved following the adoption of a Statement of Overriding Considerations.
6. Community Priority Projects. A Community Priority Project that presents a project-specific significant traffic impact may be approved following the adoption of a Statement of Overriding Considerations.
7. Transfer of Existing Development Rights (including Hotel Room for Room Replacements), as defined in Section 28.95.020 of this Code, from and to lots within the

ATTACHMENT 1
ORDINANCE COMMITTEE DISCUSSION DRAFT 1/15/13
SHOWING CHANGES FROM EXISTING CODE FOR CHAPTER 28.95

same Development Area. No receiving site located in an Outlying Development Area may receive a Transfer of Existing Development Rights from a sending site that is located in another Development Area.

a. A Transfer of Existing Development Rights between lots within the same Development Area that will result in the construction, addition, or conversion of not more than 1,000 square feet of nonresidential floor area over the amount of nonresidential floor area that existed on the receiving lot as of the effective date of this ordinance and that presents a project-specific significant traffic impact may be approved following the adoption of a Statement of Overriding Considerations.

b. All other Transfers of Existing Development Rights (including Hotel Room for Room Replacements) that result in a project-specific significant traffic impact cannot be overridden.

8. Demolition and Reconstruction of Existing Nonresidential Floor Area on the same parcel. The Demolition and Reconstruction of Existing Nonresidential Floor Area on the same lot that presents a project-specific significant traffic impact may be approved following the adoption of a Statement of Overriding Considerations.

9. Government Buildings. A government building that presents a project-specific significant traffic impact may be approved following the adoption of a Statement of Overriding Considerations.

10. Government Displacement Project. A Government Displacement Floor Area Project that presents a project-specific significant traffic impact may be approved following the adoption of a Statement of Overriding Considerations.

11. Hotel Room for Room Replacement. An on-site Hotel Room for Room

ATTACHMENT 1
ORDINANCE COMMITTEE DISCUSSION DRAFT 1/15/13
SHOWING CHANGES FROM EXISTING CODE FOR CHAPTER 28.95

Replacement that presents a project-specific significant traffic impact may be approved following the adoption of a Statement of Overriding Considerations.

12. Public Utility Facilities. A Public Utility Facility that presents a project-specific significant traffic impact may be approved following the adoption of a Statement of Overriding Considerations.

 ~~13. Planned Development – New Automobile Sales Project.~~

C. AIRPORT DEVELOPMENT AREA. If all of the floor area for a project is proposed from a category or categories of development that are available for allocation within the development area in which the proposed project is located, the project's contribution to a significant cumulative traffic impact may be overridden. Within the Airport Development Area, unless specifically stated below, a project-specific significant traffic impact may be overridden with the adoption of a Statement of Overriding Considerations. The following categories of nonresidential development are available for allocation to lots within the Airport Development Area:

1. Prior-Approved Projects.
2. Prior-Pending Projects.
3. Prior-Approved Specific Plan Projects.
4. Minor Addition Floor Area.
5. Small Addition Floor Area.
6. Vacant Property.
7. Community Priority Projects.
8. Economic Development Projects.
9. Transfers of Existing Development Rights (including Hotel Room for Room

INSERT 17A

13. Planned Development – New Automobile Sales Project. A Planned Development – New Automobile Sales Project that presents a project-specific significant traffic impact may be approved following the adoption of a Statement of Overriding Considerations.

14. Economic Development Project within the E3-PD-SD3 Zone. An Economic Development Project within the E3-PD-SD3 Zone that presents a project-specific significant traffic impact may be approved following the adoption of a Statement of Overriding Considerations.



City Council Nonresidential Growth Management Program - March 5, 2013

Purpose of Hearing

- ◆ Consider proposed Nonresidential Growth Management Program Components
- ◆ Introduce Ordinance Amendments that will regulate nonresidential square footage

Components

- ◆ Growth Management Program (Overview)
- ◆ Development Plan Process
- ◆ Development Plan Findings
- ◆ Traffic Management Strategy
- ◆ Adaptive Management Program

Growth Management Program

◆ Background

- Measure E – Expired in 2009
- Development Plan Ordinance - Expires Jan. 1, 2014
- General Plan Update – Policy LG2 - 1.35 million s.f.
- PC review of amendments – 4 Meetings
- Ordinance Committee – Jan. 2013

Growth Management Program

◆ Considerations

- Community value of living within our resources
- Prioritize Community Benefit Land Uses
- Ensure a strong and diverse economy
- Encourage mix of land uses and focus growth around transit services - Downtown
- Utilize existing transportation capacity efficiently
- Reserve constrained transportation capacity for high priority land uses
- Establish a simplified, more certain and less costly development entitlement process

Growth Management Program

◆ Implementation Tools

– Ordinance

- Nonresidential Growth Management Program Ordinance- SBMC Chapter 28.85
- Transfer of Existing Development Rights - SBMC Chapter 28.95

– Resolution

- Administrative Procedures

Growth Management Program

- ◆ Primary Components of Ordinance and Resolution
 - Allocation categories
 - Definitions
 - Process for Development Plans
 - Standards for review/findings
 - Proposed Traffic Management Strategy
 - Administrative procedures
 - Process for Community Benefit Projects

Growth Management Program

- ◆ Sources of nonresidential square feet allocations:
 - Community Benefit
 - Small Additions
 - Vacant Property
 - Excluded floor area
 - Transfer of Existing Development Rights (TEDR)
- ◆ Change - certain allocation categories would be dependent on specific Development Area

Growth Management Program

◆ Community Benefit

- 600,000 s.f. for 20 years
- Includes
 - Community Priority
 - Economic Development
 - Planned Development New Automobile Sales Projects
- Designated once at beginning of process by Council
- Process set up by Resolution

Growth Management Program

Community Priority

Broad public benefit, is not principally operated for private profit, and is necessary to meet a present or projected need directly related to health, safety, or general welfare.

Growth Management Program

Community Priority Examples

- Community centers or museums
- Educational institutions and uses
- Public cultural or arts facilities
- Youth development programs
- Childcare facilities
- Development for special needs
- Mixed use on same site where commercial supports the rental or affordable housing

Growth Management Program

◆ Economic Development

Projects that enhance standard of living for City and South Coast residents or strengthen local and regional economy, create new jobs, or enhance City's revenue base

Some past examples:

- 34 W. Victoria (Alma del Pueblo)
- Sansum Clinic
- Granada Theater
- Penfield and Smith Office Building

Growth Management Program

◆ Small Additions

- 400,000 s.f. for 20 years
- 20,000 per year and any unused from previous years
- Expired or unused to Small Additions or Community Benefit
- 2,000 per lot - cumulative total since 1989

Growth Management Program

◆ Vacant

- 350,000 s.f. for 20 years
- Based on a survey of vacant properties done in 1988
- 357,620 remain unallocated from Measure E
- .25 Floor Area Ratio per vacant lot since 1988

Growth Management Program

- ◆ Excluded Floor Area
 - City Government Buildings
 - Government Displacement
 - Hotel Room for Room Replacement
 - Minor Addition
 - Prior-Pending
 - Prior-Approved
 - Transfer of Existing Development Rights

Growth Management Program

- ◆ Projects currently in planning process:

- Prior Pending: 73,754 s.f.

- Prior Approved: 141,905 s.f.

- Total*: 215,659 s.f.

* Amounts will continue to change until ordinance adopted

Growth Management Program

- ◆ Transfer of Existing Development Rights
 - Not comprehensive revisions
 - Changes relevant to Traffic Management Strategy
 - Streamline transfer of 1,000 s.f. or less

Development Plan Process

- ◆ Threshold for Development Plan
 - Currently
 - Any addition greater than 1,000 s.f. since 1989
 - Proposed:
 - Project size of 1,000 s.f. or greater
 - Project size not including past allocations
 - Eliminates Development Plan requirement for less than 1,000 s.f. additions
 - TEDR less than 1,000 s.f. – No Development Plan

Development Plan Process

- ◆ ABR or HLC Review
 - 1,000 s.f. to 3,000 s.f.
 - Design Review only
- ◆ SHO Review
 - 1,000 s.f. to 3,000 s.f.
 - SHO permits (modifications, small TSM's, etc.)

Development Plan Process

◆ Planning Commission Review

- 1,000 s.f. – 3,000 s.f. and other PC permit required (no change)
- +3,000 s.f. granted by Planning Commission (no change)
- Projects with EIR (no change)
- TEDRs greater than 1,000 s.f. (change)
- No need to recommend on Community Benefit designation to Council (change)

Development Plan Process

Findings

1. Complies with Zoning Ordinance
2. Consistent with Principles of Sound Community Planning
3. Compatible with community and neighborhood aesthetics or character based on the Project Compatibility Analysis
4. Consistent with Traffic Management Strategy

Traffic Management Strategy

◆ General Plan Update

- FEIR evaluated traffic associated with projected build out over 20 years
- Growth results in cumulative traffic impacts
- The Council made overriding considerations for the cumulative traffic impacts
- The old finding of “no significant traffic impacts” can no longer be made.

Traffic Management Strategy

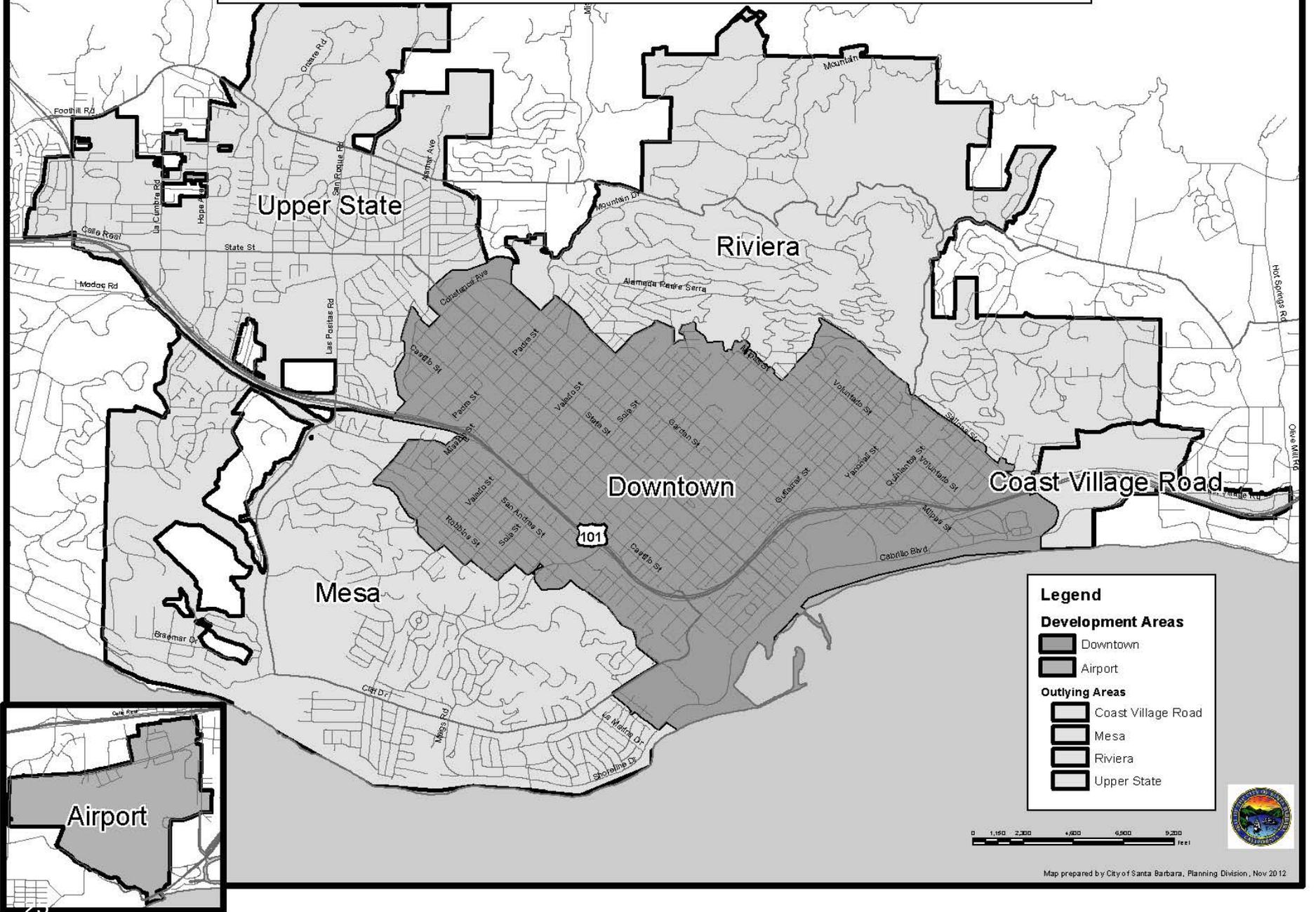
- ◆ New Traffic Strategy based on findings of the FEIR Traffic Model
 - Most projected growth distributed to the Downtown
 - Model identified different traffic generation rates by location within the City
 - Focus square footage where traffic mitigation measures can be most effective

Traffic Management Strategy

◆ Key Components

- Identifies allowed development categories by location
- Limits Transfer of Existing Development Rights by location
- Identifies which development categories eligible for overriding considerations for project specific traffic impact
- Cumulative traffic impacts no longer a project stopper

Growth Management Program Development Areas



Legend

Development Areas

- Downtown
- Airport

Outlying Areas

- Coast Village Road
- Mesa
- Riviera
- Upper State



Traffic Management Strategy

- ◆ Downtown Development Area
 - All nonresidential allocation categories allowed
 - Cannot override project specific
 - Prior-Pending
 - Small Additions
 - Economic Development
 - TEDR's greater than 1,000 s.f. (including hotel room for room replacements)
- ◆ TEDRs allowed within and from any area

Traffic Management Strategy

- ◆ Outlying Development Areas
 - All nonresidential allocation categories allowed except:
 - Small Additions
 - Economic Development Projects
 - Cannot override project specific
 - Prior-Pending
 - TEDR's greater than 1,000 s.f. (including hotel room for room replacements)
 - TEDRs allowed only within the same development area

Traffic Management Strategy

◆ Airport

- All nonresidential allocation categories allowed
- Traffic analysis coordinated with the County, City of Goleta and Caltrans as appropriate.
- Project specific impacts can be overridden on a case by case basis.

Adaptive Management Program

- ◆ All projects will be tracked
- ◆ Yearly reports on square footage as part of Adaptive Management Program
- ◆ Policy of allocation categories and Traffic Strategy can be revised as part of Adaptive Management Program

Public Comment

- ◆ Ralph Horowitz, Horowitz Group
 - Allow overriding considerations for Planned Development – New automobile sales project
 - Allow Economic Development in E-3/PD/SD-2 Upper State area and overriding considerations
- ◆ SB Growth Management Program Stakeholders Group
 - Allow Small Additions and Economic Development in Outlying Areas
 - Allow overriding considerations for Economic Development and TEDR projects Downtown.

Next Steps

- ◆ Adoption of Ordinance
- ◆ Operational 30 days from Adoption

The background of the slide is a solid blue color with faint, overlapping circular patterns. On the left side, there is a vertical strip of a photograph showing a building with a clock tower and a balcony with a chair.

Traffic Management Strategy

Traffic Management Strategy

- ◆ **Balanced Approach:**
 - Economic development and Traffic Congestion
- ◆ **Managed Growth:**
 - Minimal traffic and the potential to mitigate
- ◆ **Flexible Development:**
 - More opportunity, downtown, Upper State and CVR
- ◆ **Facilitated Development:**
 - Greater confidence, less risk, reduced cost

Traffic Management Strategy

Why limit small additions and economic growth in outlying areas?

- ◆ Proposal is status quo
- ◆ To Minimize congestion
- ◆ To Reserve capacity for entire plan period
 - Community Priority projects
 - Minor additions
- ◆ An alternative approach is provided

Traffic Management Strategy

- ◆ Types of projects that could develop:
 - Demolition and replacement
 - Minor
 - 1,000 s.f. or < TEDR
 - TEDRs within same area
 - Housing & mixed use
 - Community Priority

Traffic Management Strategy

Why not overriding considerations for project-specific traffic impacts for Economic and TEDR projects proposed in Downtown?

- ◆ A project-specific impact is a large portion or the cumulative impact (ex. 101/Carrillo)
- ◆ Project-specific impact on TEDR highly unlikely
- ◆ To reserve capacity during the plan period



- ◆ Back up slides

Ralph Horowitz Suggested Edits

UPPER STATE STREET, MESA, COAST VILLAGE ROAD, AND RIVIERA
DEVELOPMENT AREAS (OUTLYING DEVELOPMENT AREAS) - Page. 17

13. Planned Development - New Automobile Sales Project. A Planned Development - New Automobile Sales Project that presents a project-specific significant traffic impact may be approved following the adoption of a Statement of Overriding Considerations.

14. Economic Development Project within the E3-PD-SD3 Zone. An Economic Development Project within the E3-PD-SD3 Zone that presents a project-specific significant traffic impact may be approved following the adoption of a Statement of Overriding Considerations.

Uses Allowed in PD Zone

- ◆ Any use permitted in the other zone
- ◆ New automobile sales, rental and leasing
- ◆ Automobile washing and polishing.
- ◆ Automobile diagnostic center.
- ◆ Automobile service station and accessory uses
- ◆ Bank.
- ◆ Boat sales.
- ◆ Church.
- ◆ Club or lodge.
- ◆ Hospital.
- ◆ Hotel, motel.
- ◆ Museum.
- ◆ Offices: general, administrative, business, professional and public.

Uses Allowed in PD Zone (cont.)

- ◆ Parking lots.
- ◆ Public building.
- ◆ Recreational vehicle storage.
- ◆ Research and development.
- ◆ Restaurant.
- ◆ Schools: art, music, dance, vocational and public.
- ◆ Sports centers.
- ◆ Tennis, swimming, lawn bowling or other sporting club.
- ◆ Theatre or auditorium.
- ◆ Trailer sales.
- ◆ Mini-warehouse, designed and used exclusively for storage of privately owned household articles and vehicles not in inventory for resale; individual storage compartments not to exceed 400 square feet in area. (Ord. 3853, 1976.)





Santa Barbara Growth Management Program Stakeholders Group – Recommended Edits

DOWNTOWN DEVELOPMENT AREA – Page 12-13

3. Prior-Approved Specific Plan Projects. A Prior-Approved Specific Plan Project that presents a project-specific significant traffic impact may be approved following the adoption of a Statement of Overriding Considerations.
4. Minor Addition Floor Area. A project constructing, adding, or converting Minor Addition Floor Area that presents a project-specific significant traffic impact may be approved following the adoption of a Statement of Overriding Considerations.
5. Small Addition Floor Area.
6. Vacant Property. A Vacant Property Project that presents a project-specific significant traffic impact may be approved following the adoption of a Statement of Overriding Considerations.
7. Community Priority Projects. A Community Priority Project that presents a project-specific significant traffic impact may be approved following the adoption of a Statement of Overriding Considerations.
8. Economic Development Projects. An Economic Development Project that presents a project-specific significant traffic impact may be approved following the adoption of a Statement of Overriding Considerations.

DOWNTOWN DEVELOPMENT AREA – Page 12-13 (Cont.)

9. Transfers of Existing Development Rights (TEDR), as defined in Section 28.95.020 of this Code, from any

Development Area.

a. A Transfer of Existing Development Rights between lots within the same Development Area that will result in the construction, addition, or conversion of ~~not more than 1,000 square feet of~~ nonresidential floor area ~~over the amount of nonresidential floor area that existed on the receiving lot~~ as of the effective date of this ordinance and that presents a project-specific significant traffic impact may be approved following the adoption of a Statement of Overriding Considerations.

b. ~~All other Transfers of Existing Development Rights (including Hotel Room for Room Replacements) that result in a project-specific significant traffic impact cannot be overridden.~~

UPPER STATE STREET, MESA, COAST VILLAGE ROAD, AND RIVIERA DEVELOPMENT AREAS (OUTLYING DEVELOPMENT AREAS) – Pages 15-16

1. Prior-Approved Projects. Prior-Approved Projects do not require further environmental review.
2. Prior-Pending Projects.
3. Prior-Approved Specific Plan Projects. A Prior-Approved Specific Plan Project that presents a project-specific significant traffic impact may be approved following the adoption of a Statement of Overriding Considerations.
4. Minor Addition Floor Area. A project constructing, adding, or converting Minor Addition Floor Area that presents a project-specific significant traffic impact may be approved following the adoption of a Statement of Overriding Considerations.
- 5. Small Addition Floor Area.**
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8. Economic Development Projects.

**UPPER STATE STREET, MESA, COAST VILLAGE ROAD, AND RIVIERA
DEVELOPMENT AREAS (OUTLYING DEVELOPMENT AREAS) – Pages 15-16
(Cont.)**

8. Economic Development Projects.

9. Transfer of Existing Development Rights (including Hotel Room for Room Replacements), as defined in Section 28.95.020 of this Code, from and to lots within the same Development Area. No receiving site located in an Outlying Development Area may receive a Transfer of Existing Development Rights from a sending site that is located in another Development Area.

a. A Transfer of Existing Development Rights between lots within the same Development Area that will result in the construction, addition, or conversion of ~~not more than 1,000 square feet of~~ nonresidential floor area ~~over the amount of nonresidential floor area that existed on the receiving lot~~ as of the effective date of this ordinance and that presents a project-specific significant traffic impact may be approved following the adoption of a Statement of Overriding Considerations.

~~b. All other Transfers of Existing Development Rights (including Hotel Room for Room Replacements) that result in a project-specific significant traffic impact cannot be overridden.~~

Definitions – Pages 24-25

4. Converted Floor Area. Nonresidential floor area of a structure, which has been permanently converted from nonresidential use to a residential use after October 1988.

Existing Development Rights may be aggregated from the above four categories but not so as to increase floor area above the amount allowed **by Charter Section 1508 and its implementing ordinances the City Nonresidential Growth Management Program Ordinance (Chapter 28.85).**

A transfer of Existing Development Rights shall transfer to the receiving site only nonresidential floor area **governed by City Charter Section 1508 and implementing ordinances regulated by the City Nonresidential Growth Management Program Ordinance,** and shall not transfer any other right, permit or approval. **A transfer of Existing Development Rights shall not transfer credit for resource use by existing development on the sending site to the receiving site for purposes including but not limited to environmental review, development fees, or conditions of approval.** Existing Development Rights shall be measured in square feet of floor area, except that hotel and motel rooms may be measured by room when Existing Development Rights are developed as hotel or motel rooms on the receiving site, **and in all other cases shall be measured in square feet of floor area.** Hotel and motel rooms which are approved and not developed but not constructed at the time of transfer approval shall be measured only in square feet of floor area.





Growth Management Program Traffic Strategy

Meeting Objectives

- ◆ Better understanding of proposed Traffic Strategy
- ◆ Discuss merits/concerns
- ◆ Direction to draft Growth Management Plan for adoption later this year.

General Plan Objectives

- ◆ Balance growth and resources
- ◆ Prioritize resources for Community Benefit Housing
- ◆ Ensure a strong and diverse economy
- ◆ Focus growth in selected locations
- ◆ Encourage a mix of land uses
- ◆ Create a more integrated multi-modal transportation system
- ◆ Protect neighborhoods
- ◆ Improve public health by promoting physical activity
- ◆ Emphasize safety and emergency preparedness
- ◆ Plan, upgrade, and maintain public infrastructure
- ◆ Reduce traffic congestion

Growth Management Program

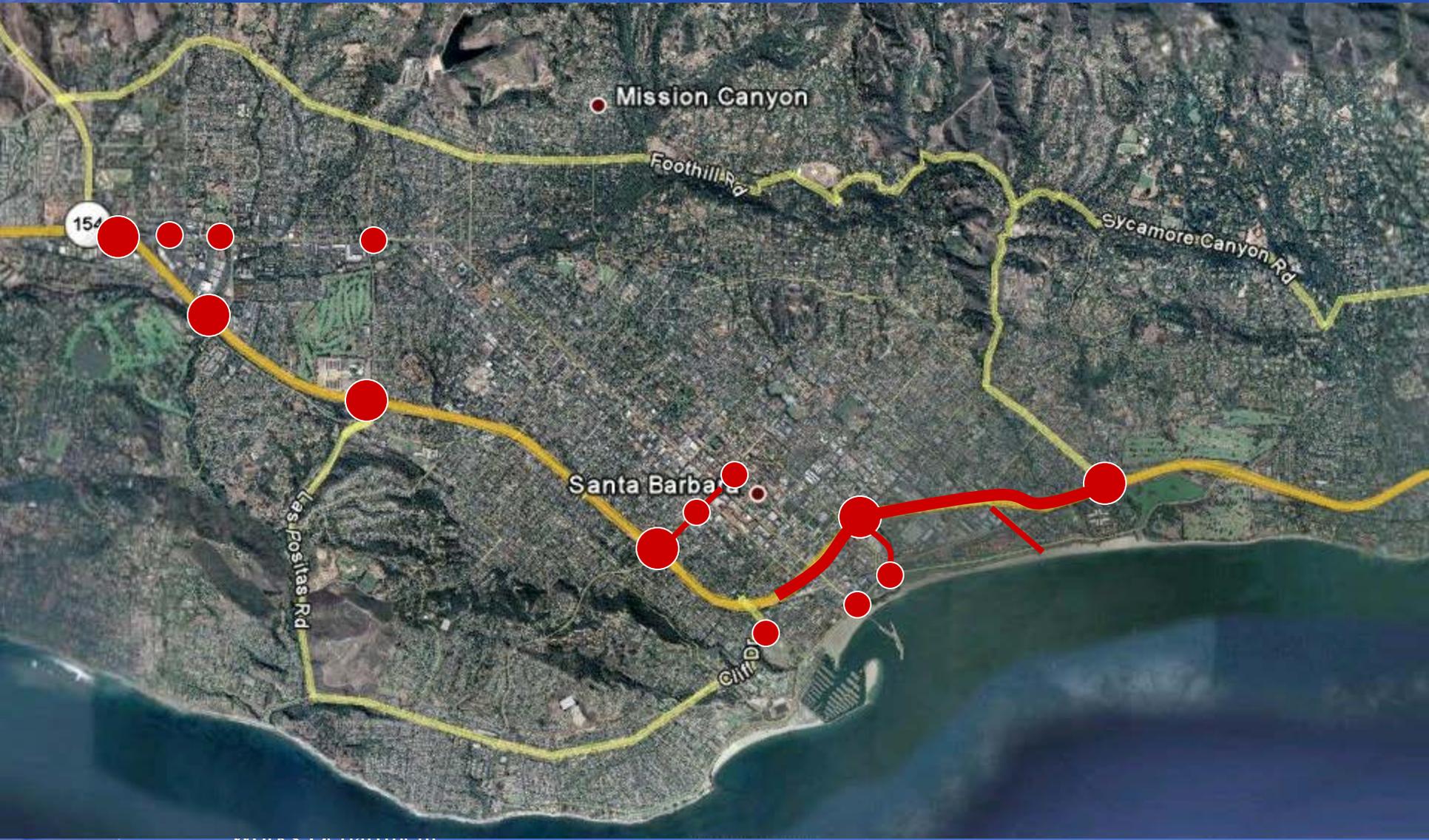
1. Priority Residential (Average unit density)
2. Non-Residential Square footage Allocations (1.35 Million)
3. Traffic Management Strategy

Traffic Management

Last Two Decades:

- ◆ Traffic congestion focused at freeway intersections
- ◆ Dramatic increases in traffic capacity
 - Crosstown freeway
 - Supersized 6 interchanges
 - Various intersections

Traffic Management

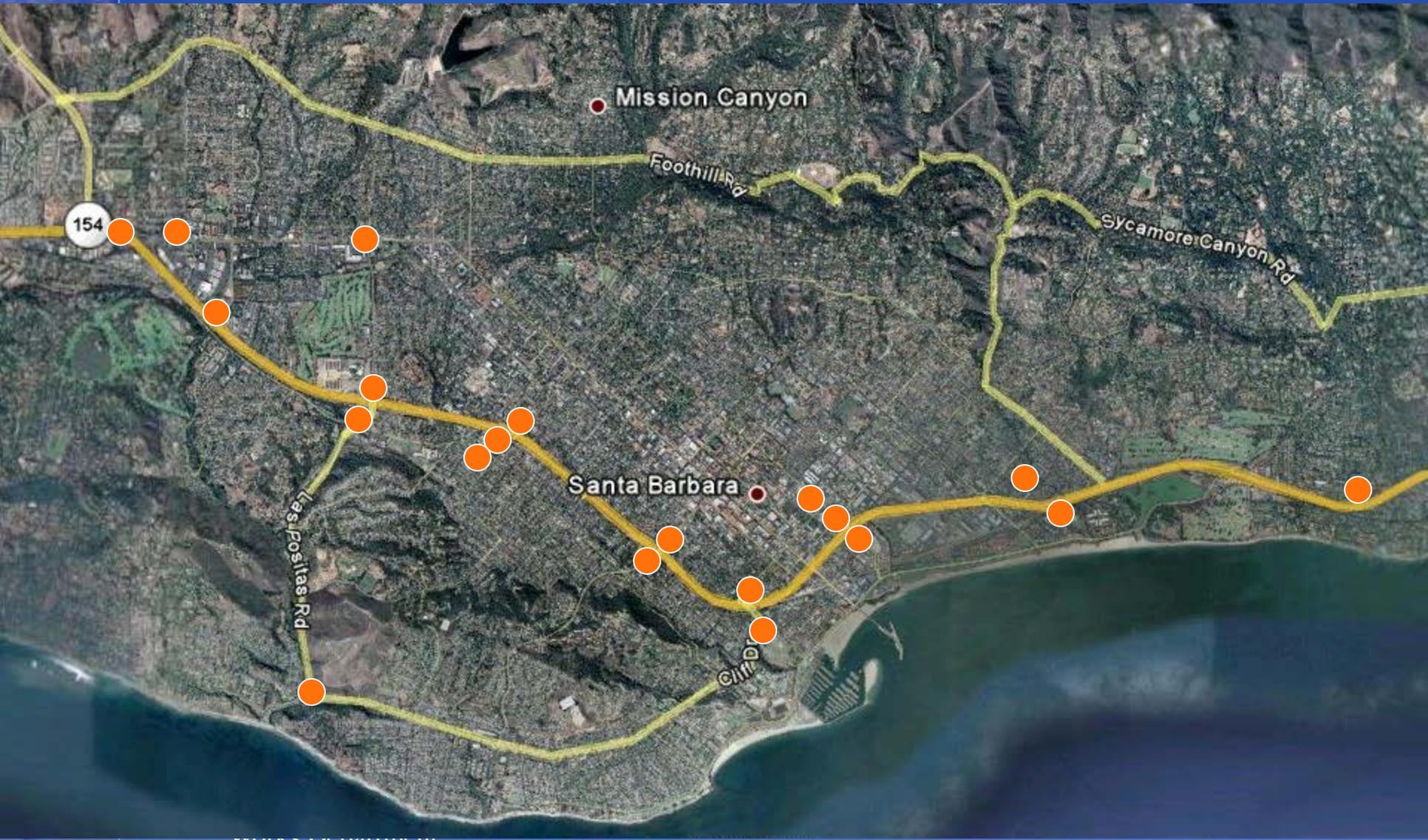


Traffic Management

Next Two Decades:

- ◆ Same rate of growth
- ◆ None to minimal increases in local road/intersection capacity

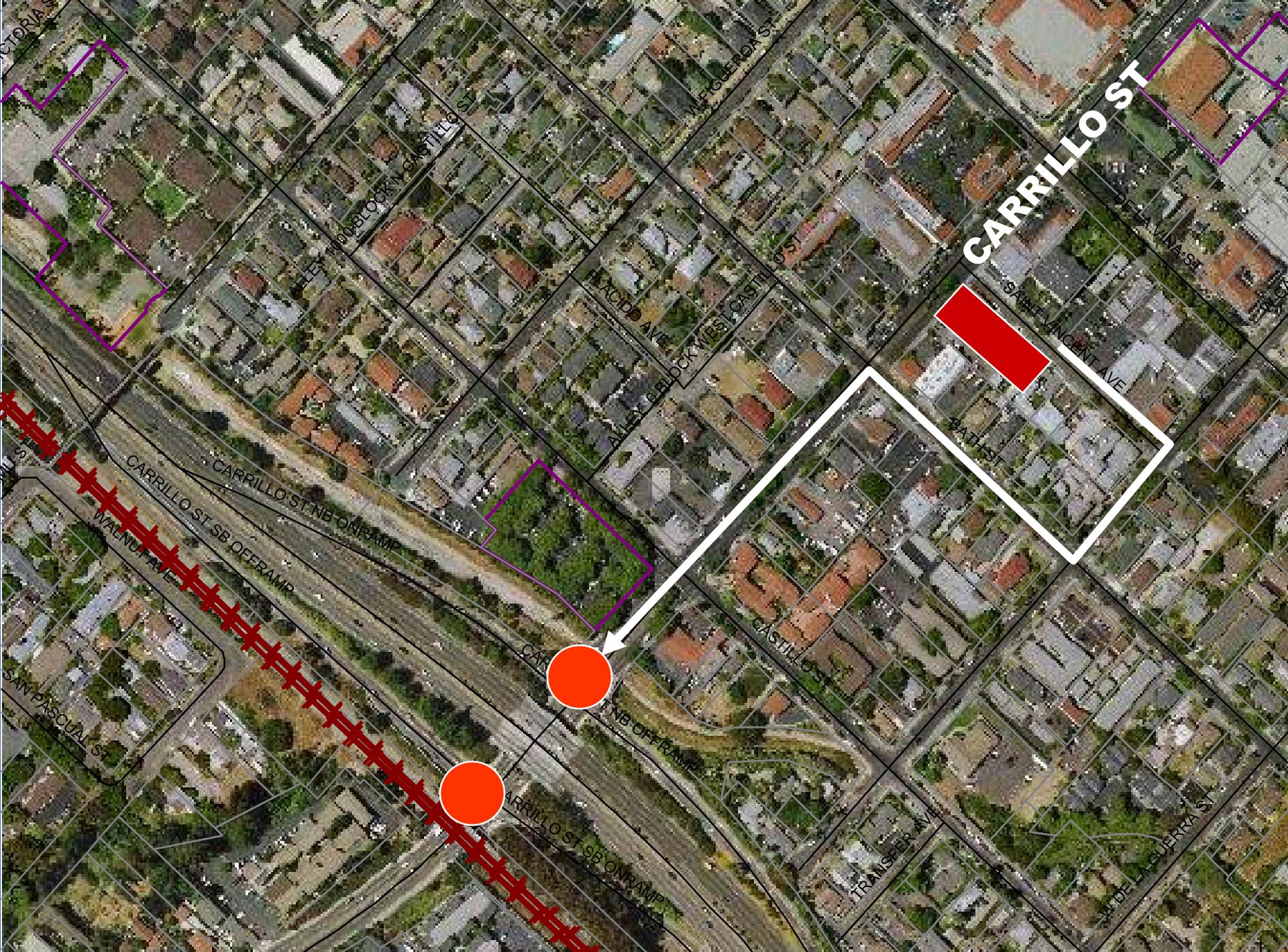
Future Impacted Intersections



Traffic Management

Land Development Traffic Analysis in the Past:

- ◆ Follow peak hour trips to determine:
 - Cumulative Impacts (5 or more trips)
 - Project Specific Impact (1% increase > 77%)



CARRILLO ST

PLACIDO AVE

ALLEY BLOCK WEST CASTILLO ST

SAN PASCUAL ST

CASTILLO ST

CARRILLO ST NB ONRAMP

CARRILLO ST SB OFFRAMP

CARRILLO ST NB OFFRAMP

CARRILLO ST SB ONRAMP

TRANSFER AVE

DE LA GUERRA ST

SAN PASCUAL ST

WALNUT AVE

VICTORIA

ALLEY BLOCK CASTILLO ST

PERALTA ST

SAN VICENTE AVE

BATH ST

WALNUT AVE

Future Impacted Intersections



Traffic Impact Outlook

◆ PlanSB EIR

- 21 Impacted intersections at full buildout in 2030
- Few possible physical improvements
- All projects with new floor area contribute traffic to impacted intersections (there may be a few exceptions)

Development Plan Ordinance

Current DPA Finding for traffic:

The proposed development will not have a significant unmitigated adverse impact on the City's Traffic; and resources will be available and traffic improvements will be in place at the time or project's occupancy.

General Plan Direction

- ◆ Continued Incremental Growth
- ◆ Traffic Impacts Anticipated (overridden)
- ◆ Decrease congestion
- ◆ Develop AMP –Traffic Mitigation



How do we now address individual land development traffic impacts?

Traffic Management Strategy

- ◆ Retain the current traffic thresholds
- ◆ Support General Plan objectives
- ◆ Focus new non-residential sq. ft. and residential in the core to minimize traffic impacts

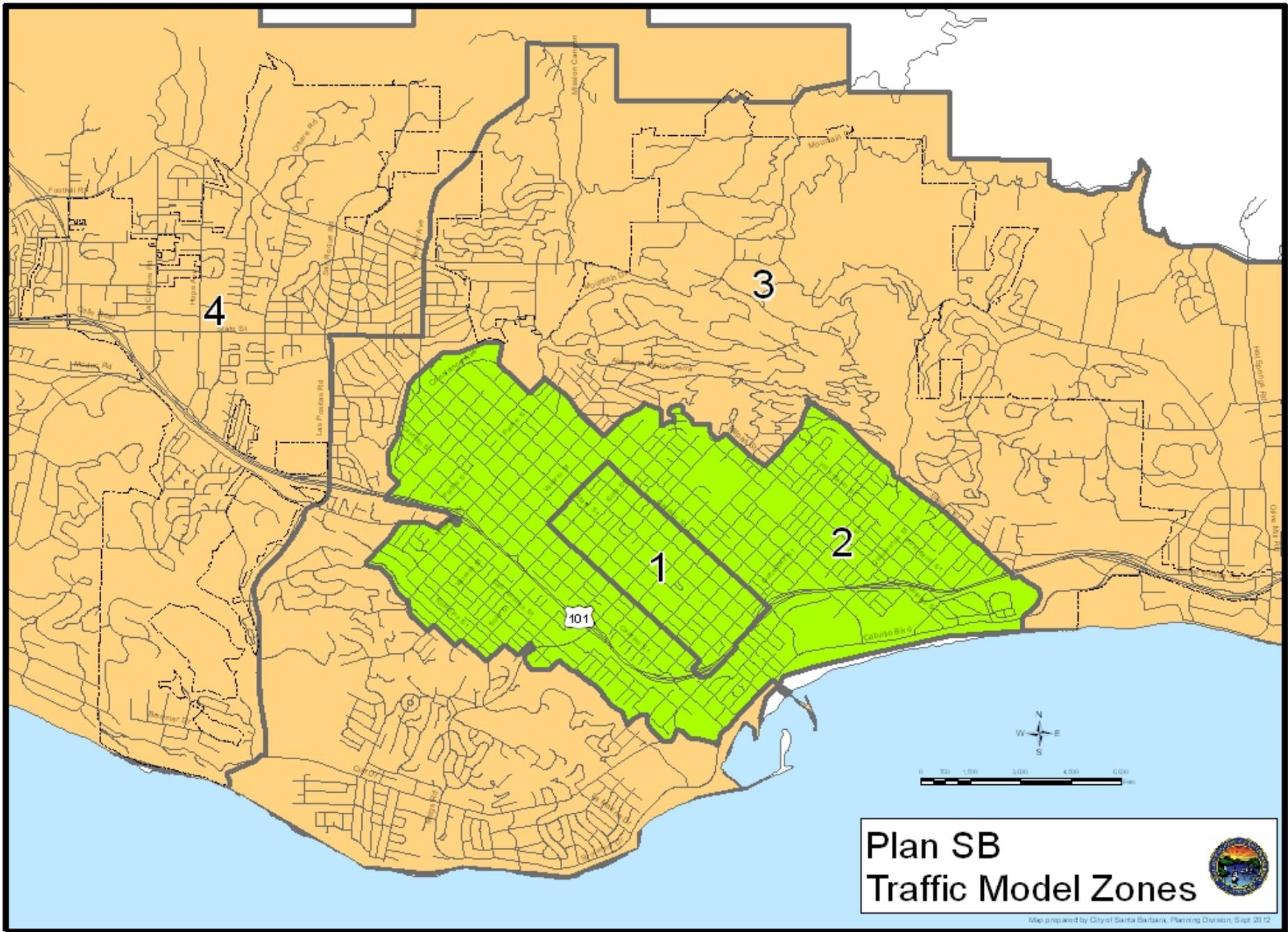
General Plan Objectives

- ◆ Balance growth and resources
- ◆ Prioritize resources for Community Benefit Housing
- ◆ Ensure a strong and diverse economy
- ◆ Focus growth in selected locations
- ◆ Encourage a mix of land uses
- ◆ Create a more integrated multi-modal transportation system
- ◆ Protect neighborhoods
- ◆ Improve public health by promoting physical activity
- ◆ Emphasize safety and emergency preparedness
- ◆ Plan, upgrade, and maintain public infrastructure
- ◆ Reduce traffic congestion

Traffic Management Strategy

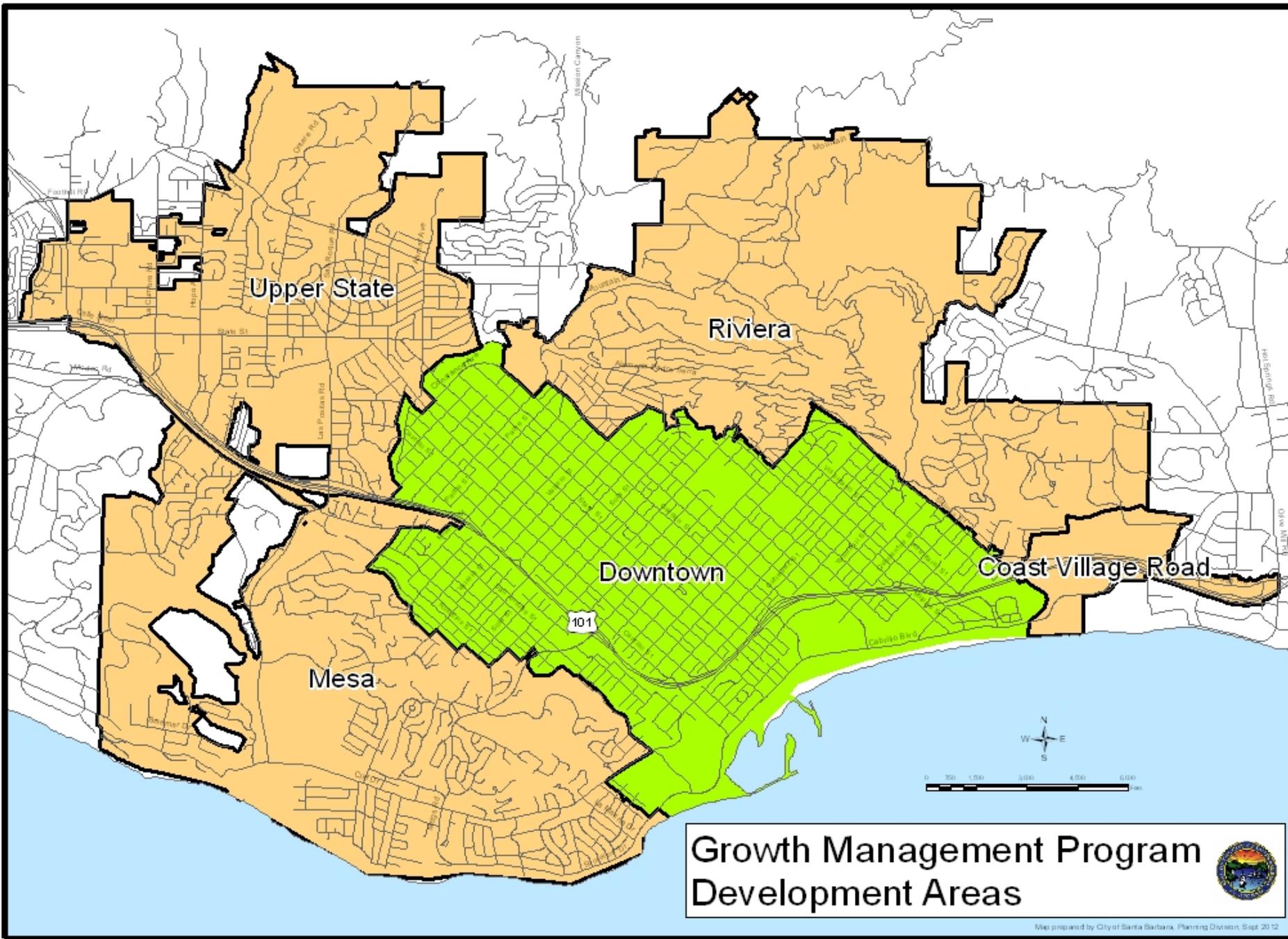
Proposal:

- ◆ Allow Cumulative Impacts in most locations
- ◆ Develop a tiered approach:
 - Minimize traffic impacts
 - Establish Development Areas
 - Focus development Downtown
- ◆ Minimize review requirements



Plan SB Traffic Model Zones





Cumulative Traffic Impacts

- ◆ Residential city-wide: Yes
- ◆ Non-residential Downtown: Yes
- ◆ Non-residential Outlying: Yes to most

Project Specific Traffic Impacts

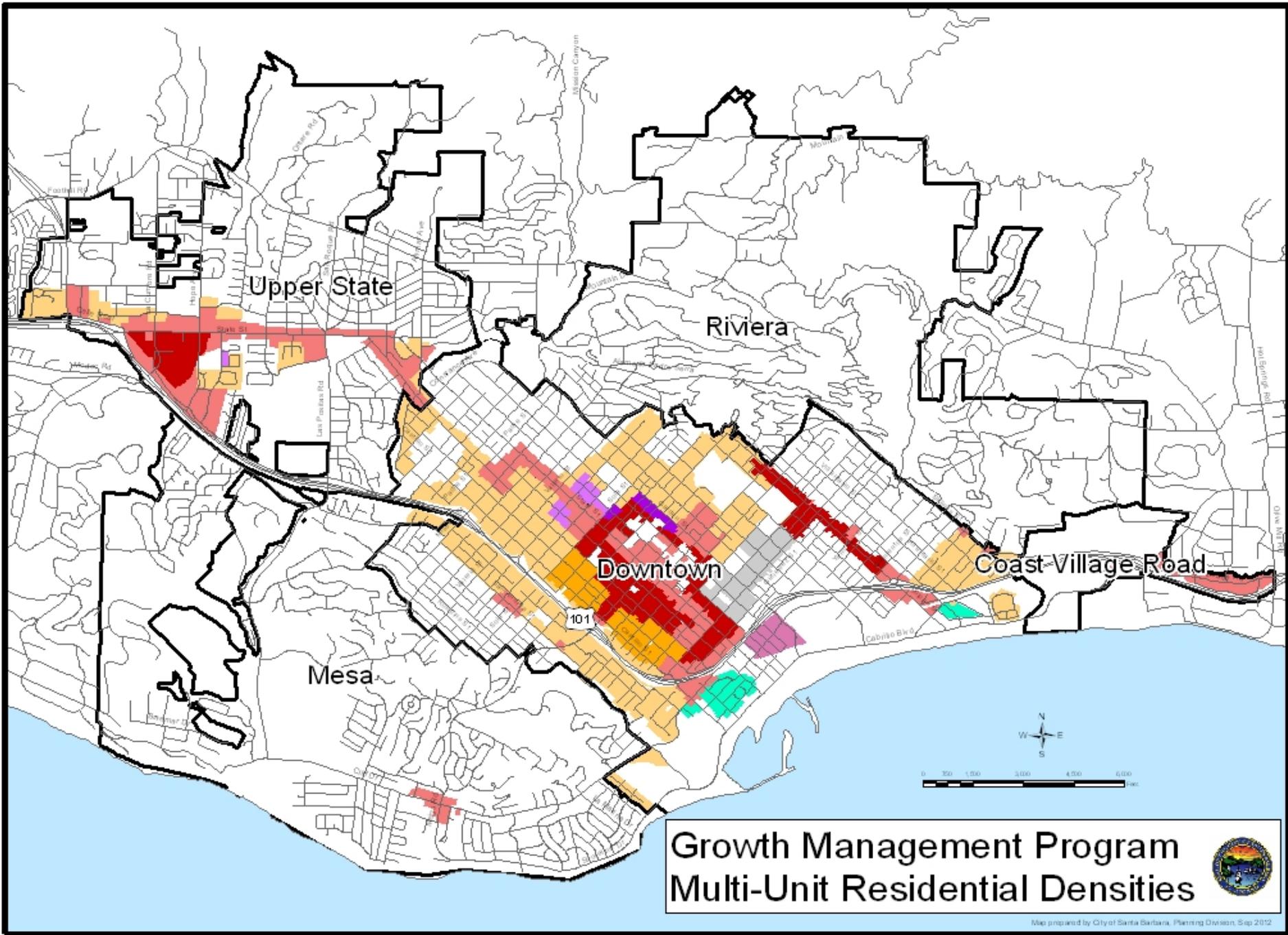
- ◆ Residential Downtown: Yes w/override
- ◆ Residential Outlying: Yes w/override, no to market-rate
- ◆ Non-residential Downtown: Vacant and Comm. Priority
- ◆ Non-residential Outlying: Vacant and Comm. Priority w/override

Focus Groups

- ◆ Long-term Stakeholders
- ◆ Goals:
 1. Create better understanding
 2. Get input
 3. Create a better conversation at PC

Focus Groups - Input

- ◆ Adjust boundaries
- ◆ Use policy language vs. CEQA
- ◆ Allow transfers from Outlying Areas to Downtown
- ◆ Test with existing projects
- ◆ Easy to understand/use transfers
- ◆ Allow consideration of every project on its merits



Growth Management Program Multi-Unit Residential Densities

