CITY OF SANTA BARBARA
CITY COUNCIL

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Randy Rowse
Mayor Pro Tempore
Grant House
Ordinance Committee Chair
Dale Francisco
Finance Committee Chair
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Bendy White

James L. Armstrong
City Administrator

Stephen P. Wiley
City Attorney

City Hall
735 Anacapa Street
http://www.SantaBarbaraCA.gov

JUNE 11, 2013
AGENDA

ORDER OF BUSINESS: Regular meetings of the Finance Committee and the Ordinance Committee begin at 12:30 p.m. The regular City Council meeting begins at 2:00 p.m. in the Council Chamber at City Hall.

REPORTS: Copies of the reports relating to agenda items are available for review in the City Clerk's Office, at the Central Library, and http://www.SantaBarbaraCA.gov. In accordance with state law requirements, this agenda generally contains only a brief general description of each item of business to be transacted or discussed at the meeting. Should you wish more detailed information regarding any particular agenda item, you are encouraged to obtain a copy of the Council Agenda Report (a "CAR") for that item from either the Clerk's Office, the Reference Desk at the City's Main Library, or online at the City's website (http://www.SantaBarbaraCA.gov). Materials related to an item on this agenda submitted to the City Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office located at City Hall, 735 Anacapa Street, Santa Barbara, CA 93101, during normal business hours.

PUBLIC COMMENT: At the beginning of the 2:00 p.m. session of each regular City Council meeting, and at the beginning of each special City Council meeting, any member of the public may address the City Council concerning any item not on the Council's agenda. Any person wishing to make such address should first complete and deliver a "Request to Speak" form prior to the time that public comment is taken up by the City Council. Should City Council business continue into the evening session of a regular City Council meeting at 6:00 p.m., the City Council will allow any member of the public who did not address them during the 2:00 p.m. session to do so. The total amount of time for public comments will be 15 minutes, and no individual speaker may speak for more than 1 minute. The City Council, upon majority vote, may decline to hear a speaker on the grounds that the subject matter is beyond their jurisdiction.

REQUEST TO SPEAK: A member of the public may address the Finance or Ordinance Committee or City Council regarding any scheduled agenda item. Any person wishing to make such address should first complete and deliver a "Request to Speak" form prior to the time that the item is taken up by the Finance or Ordinance Committee or City Council.

CONSENT CALENDAR: The Consent Calendar is comprised of items that will not usually require discussion by the City Council. A Consent Calendar item is open for discussion by the City Council upon request of a Councilmember, City staff, or member of the public. Items on the Consent Calendar may be approved by a single motion. Should you wish to comment on an item listed on the Consent Agenda, after turning in your "Request to Speak" form, you should come forward to speak at the time the Council considers the Consent Calendar.

AMERICANS WITH DISABILITIES ACT: In compliance with the Americans with Disabilities Act, if you need special assistance to gain access to, comment at, or participate in this meeting, please contact the City Administrator's Office at 564-5305 or inquire at the City Clerk's Office on the day of the meeting. If possible, notification at least 48 hours prior to the meeting will enable the City to make reasonable arrangements in most cases.

TELEVISION COVERAGE: Each regular City Council meeting is broadcast live in English and Spanish on City TV Channel 18 and rebroadcast in English on Wednesdays and Thursdays at 7:00 p.m. and Saturdays at 9:00 a.m., and in Spanish on Sundays at 4:00 p.m. Each televised Council meeting is closed captioned for the hearing impaired. Check the City TV program guide at www.citytv18.com for rebroadcasts of Finance and Ordinance Committee meetings, and for any changes to the replay schedule.

ORDER OF BUSINESS

12:00 p.m. - Special Ordinance Committee Meeting, Council Chamber
2:00 p.m. - City Council Meeting

SPECIAL ORDINANCE COMMITTEE MEETING - 12:00 P.M. IN THE COUNCIL CHAMBER (120.03)

Subject: Municipal Code Amendments For Implementation Of The Average Unit-Size Density Incentive Program (120.03)

Recommendation: That the Ordinance Committee consider proposed amendments to the Municipal Code for implementation of the Average Unit-Size Density Program and recommend to Council that the ordinance be introduced and subsequently adopted.

REGULAR CITY COUNCIL MEETING – 2:00 P.M.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

CHANGES TO THE AGENDA

PUBLIC COMMENT

CONSENT CALENDAR

1. Subject: Minutes

Recommendation: That Council waive the reading and approve the minutes of the special meeting of May 13, 2013, regular meeting of May 14, 2013, and the meeting of May 28, 2013 (cancelled).

2. Subject: Introduction Of Ordinance For Renewal Of Agreement To Use Recycled Water (540.13)

Recommendation: That Council introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving the Agreement Between the City of Santa Barbara and the Covenant Retirement Communities West for Purchase, Use and Delivery of the City's Recycled Water.

3. Subject: Measure A Project Cooperative Agreement (670.05)

Recommendation: That Council:

A. Authorize the Public Works Director to execute an amendment to the Measure A Project Cooperative Agreement between the City of Santa Barbara and the Santa Barbara County Association of Governments; and

B. Increase estimated revenues and appropriations in the Streets Capital Fund by $304,999 in the recommended Fiscal Year 2014 budget for the school zone pedestrian refuge islands, access ramps, and the Bicycle Master Plan update.

4. Subject: Agreement For Workers' Compensation Claims Administration (350.01)

Recommendation: That City Council approves and authorizes the Finance Director to execute a new agreement with JT2 Integrated Resources (JT2) to provide Third Party Claims Administration Services. The proposed agreement contains two distinct components:

1) Workers' Compensation claims administration services for five (5) fiscal years beginning July 1, 2013, and ending June 30, 2018; for annual fees of $200,505; $204,515; $208,605 ; $212,777 and $217,033, respectively; and

2) Medical Bill Review services for five (5) fiscal years beginning July 1, 2013, and ending June 30, 2018, an additional flat fee of $68,400 per fiscal year.

CONSENT CALENDAR (CONT'D)

NOTICES

5. The City Clerk has on Thursday, June 6, 2013, posted this agenda in the Office of the City Clerk, on the City Hall Public Notice Board on the outside balcony of City Hall, and on the Internet.

6. Receipt of communication advising of vacancy created on the Community Development & Human Services Committee with the resignation of Frank Quezada; the vacancy will be part of the next City Advisory Groups recruitment.

This concludes the Consent Calendar.

REPORT FROM THE ORDINANCE COMMITTEE

PUBLIC HEARINGS

7. Subject: Public Hearing Regarding Proposed Utility Rate Increases For Fiscal Year 2014 (270.06)

Recommendation: That Council:

A. Hold a public hearing, as required by State law, regarding proposed utility rate increases for water, wastewater and solid waste collection services for Fiscal Year 2014; and

B. Provide direction to staff regarding any changes to the proposed Fiscal Year 2014 utility rates.

COUNCIL AND STAFF COMMUNICATIONS

COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

CLOSED SESSIONS

8. Subject: Conference With Labor Negotiator (440.05)

Recommendation: That Council hold a closed session, per Government Code Section 54957.6, to consider instructions to City negotiator Kristy Schmidt, Employee Relations Manager, regarding negotiations with the Police Bargaining Unit, and the General Bargaining Unit, and regarding discussions with certain unrepresented employees and managers about salaries and fringe benefits.

Scheduling: Duration 30 minutes; anytime
Report: None anticipated

ADJOURNMENT

File Code 120.03

CITY OF SANTA BARBARA

SPECIAL ORDINANCE COMMITTEE MEETING

AGENDA

DATE: June 11, 2013
TIME: 12:00 p.m.
PLACE: Council Chambers

Grant House, Chair
Frank Hotchkiss
Randy Rowse

Office of the City Administrator

Nina Johnson
Assistant to the City Administrator

Kate Whan
Administrative Analyst

Office of the City Attorney

Stephen P. Wiley
City Attorney

ITEM FOR CONSIDERATION

Subject: Municipal Code Amendments For Implementation Of The Average Unit-Size Density (AUD) Incentive Program

Recommendation: That the Ordinance Committee consider proposed amendments to the Municipal Code for implementation of the Average Unit-Size Density Program and recommend to Council that the ordinance be introduced and subsequently adopted.

Code No. 120.03

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: June 11, 2013

TO: Council Ordinance Committee

FROM: Planning Division, Community Development Department

SUBJECT: Municipal Code Amendments For Implementation Of The Average Unit-Size Density Incentive Program

RECOMMENDATION:

That the Ordinance Committee consider proposed amendments to the Municipal Code for implementation of the Average Unit-Size Density Program and recommend to Council that the ordinance be introduced and subsequently adopted.

EXECUTIVE SUMMARY:

The Ordinance Committee will review the background and key issues raised by the public at the May 14, 2013 Ordinance Committee meeting, including unit sizes, inclusionary housing, and incentives. The Ordinance Committee will also review the draft Ordinance (Attachment 1); and after discussion and direction consider its recommendation to Council for introduction and subsequent adoption.

DISCUSSION:

Background

On May 14, 2013, the Ordinance Committee met to consider the Average Unit-Size Density (AUD) program. Following the staff presentation, there were a number of speakers during public comment, including three members of the Planning Commission speaking as individuals rather than representing the majority opinion of the Commission. The Committee asked questions of the public and the staff. There was insufficient time for Committee discussion and deliberation, so the matter was continued to allow for discussion as well as review of the proposed ordinance.

While all of the speakers supported the program, a number of specific issues were raised during public comment including: setback standards for AUD projects; the location of and amount of open space to be provided in AUD projects; the super majority vote requirement for Planning Commission approval of building heights exceeding 45 feet on Community Benefit projects, and whether such actions would be

appealable to the Council; the average size of units within the Medium-High designated areas; and the application of the inclusionary housing ordinance.

Of the issues raised, staff is concerned primarily with increasing unit sizes and suspending the inclusionary ordinance. Either of these two suggestions would likely significantly diminish the intent of the AUD program, which is to produce and encourage more workforce housing as discussed during the *Plan Santa Barbara* process and envisioned by the General Plan.

Medium-High Density Unit Sizes

Ordinance Intent: The existing Variable Density incentive program based on bedrooms is suspended during the eight year AUD trial period. Under the AUD program, base densities of 12-18 dwelling units per acre (du/ac) are retained where Medium High and High Density are proposed and, for any base density project, the unit size standards do not apply. The proposed Medium-High density designation would maintain the 15-27 du/ac densities now available through the Variable Density program. However, the AUD program allows greater flexibility in the design of the units based on size, rather than bedrooms, and incentives for location of open space and reduced parking.

For example, under Variable Density in order to have a project with 27 du/ac all the units must be studios; if the project is all two bedrooms at present that equates to a density of 19 du/ac. Under the proposed AUD, a project with 27 du/ac could have a range of units likely to include one and two bedroom units, yet the overall size of the project would be smaller and more compatible with the surrounding neighborhood.

The primary intent of the AUD program is twofold: 1) encourage smaller units targeted to priority types of workforce housing in the downtown/commercial areas and surrounding multifamily neighborhoods, and 2) reduce overall building height and mass. The AUD program was not intended to maximize the number of large, market-rate condominiums in the multi-family neighborhoods and other areas (such as Upper State Street) within the Medium-High density of 15-27du/ac.

Ordinance Mechanics: Following Council initiation, staff worked closely with the technical committee (including Commissioner Campanella, Lisa Plowman and Detty Peikert) to review the mechanics of the density/unit size components, as reflected in the associated table, to ensure the intent and efficacy of the ordinance is met. Two key issues were resolved during this process: the “gap” between High Density and the Priority Housing overlay, and how to best effectuate “dual” densities when the single Priority Overlay of 600 square feet is combined with the underlying density range.

The “gap” was resolved by expanding the range of the Priority Overlay, and the combined density with a single density ranging from 970 square feet to 811 square feet. Commissioner Campanella expressed his opinion that changes to the Medium High portion of the density/unit size table were necessary to support market development and

bring down the costs of construction, and with that the sale prices of the units could be reduced.

Larger Units: At the April 11, 2013 Planning Commission meeting, Planning Commissioners Campanella and Bartlett suggested increasing unit sizes for the Medium-High designation in order to encourage more two bedroom, market rate condominiums. After some discussion, these suggested changes were not adopted in the Planning Commission recommendations to the City Council. These same suggestions were again raised at the May 14, 2013 Ordinance Committee meeting by the two individual Planning Commissioners.

Within the Medium High Density designations the average unit sizes, between 805 and 1,450 square feet, would regulate the amount of habitable floor area, according to the density chosen with the range of 15-27 du/ac. The more units proposed, the smaller the average unit size, the less units proposed, the larger the average unit size. In any case, the overall size of the habitable portion of the building “envelop” would remain constant, around 21,750 square feet or a .50 Floor Area Ratio (FAR), plus the additional area to accommodate any inclusionary units.

Floor Area Ratios: Comparing this .50 FAR with the Neighborhood Preservation Ordinance (NPO) standard of .85 FAR for single family homes is interesting but the nature of these two very different types of development should be considered. On a typical 6,000 square foot lot in the Marine Terrace subdivision with a 3 bedroom, 900 square foot home, the FAR is .15. At an NPO standard for.85 FAR on the same 6,000 square foot lot, a 5,000+ square foot home would be permitted.

In addition, the NPO FAR includes parking while the AUD only calculates habitable space of individual units, does not include common space such as a community room, and does not include any parking areas such as a covered podium.

If average unit sizes were to be increased by 200 square feet, the range would be 1,005 to 1,650 square feet, which begins to approximate the size of the condominiums that were produced under the Variable Density program. With many opportunity sites in the multifamily neighborhoods, these larger unit, market rate condominiums could become the focus of the AUD program rather than in the High Density areas targeted for the priority rental, employer sponsored, and co-ops housing.

Inclusionary Housing Program

The AUD program, as proposed, would require the application of the current inclusionary housing program for all market–rate condominium projects, to ensure a measure of affordability. The only exception would be for employer sponsored projects, the below-market affordability of which would be ensured through a written instrument such as a development agreement.

The parameters of the inclusionary program are not proposed to be modified, the key components of which include: a 15% requirement based on the number of units, an in lieu fee for projects with less than 10 units, and the application of the 15% requirement "on top" of the permitted market-rate density.

In other words, if the density permits 20 units and three are required as affordable inclusionary units, then a total of 23 units would be allowed. The average unit size for the project, based on the density for the 20 units, would be used for the inclusionary units and the total project floor area would be increased accordingly to accommodate the inclusionary units. Staff understood that this point was not made clear in the draft ordinance presented to the Planning Commission and requested that the City Attorney draft additional language and that is now included in the attached proposed ordinance.

The suggestion made at the May 14th Ordinance Committee hearing that the inclusionary ordinance not apply to the AUD program is a concern to staff as it was not adopted as General Plan policy with that direction. Staff believes this would detract from the intended purpose to allow greater density with the expectation that more affordable housing could result. The costs of inclusionary units are borne by a project to varying degrees depending on project specifics. In some cases, the cost of construction is covered by the sale of the inclusionary unit. Staff believes the proposed AUD ordinance is responsive to what we continue to hear that with greater density and more flexible design standards, overall costs are reduced.

Other Incentives

All Residential Projects: As part of the Planning Commission deliberations, consideration was given to how all-residential AUD projects could be incentivized in the commercial zones. The Planning Commission recommends applying the proposed AUD mixed-use setback standards to these types of projects rather than the R3/R4 standards as proposed. Staff concurs with this recommendation, and notes that this incentive would also serve to simplify implementation of the ordinance.

Underground Parking: Staff has considered how the AUD program could incentivize underground parking, which will add considerable cost to a proposed project. Given these higher costs, in all likelihood a project with underground parking will result in higher end market condominiums, contrary to the intent of the AUD program. Clearly, there is a trade-off between underground parking and the cost of encouraging more higher-end market rate condominiums. Staff believes there is no need to incentivize underground parking, as the market will produce these types of projects and we suggest keeping the incentives focused on the priority housing types.

ATTACHMENT: Ordinance Committee Draft Proposed AUD Ordinance

PREPARED BY: John Ledbetter, Principal Planner

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

APPROVED BY: City Administrator's Office

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA ADDING CHAPTER 28.20 TO THE SANTA BARBARA MUNICIPAL CODE TO IMPLEMENT THE CITY'S 2011 GENERAL PLAN AVERAGE UNIT-SIZE DENSITY INCENTIVE PROGRAM; AMENDING SECTION 28.43.040 REGARDING EXEMPTIONS TO THE CITY'S INCLUSIONARY ORDINANCE; AMENDING SECTIONS 28.66.050, 28.69.050, 28.72.050, AND 28.73.050 CONCERNING BUILDING HEIGHT STANDARDS FOR COMMUNITY BENEFIT PROJECTS IN THE C-2, C-M, M-1, AND OM-1 ZONES; AND AMENDING SECTION 28.87.062 CONCERNING ENCROACHMENTS IN OPEN YARDS.

THE COUNCIL OF THE CITY OF SANTA BARBARA DOES ORDAIN AS FOLLOWS:

SECTION 1. Title 28 of the Santa Barbara Municipal Code is amended by adding a new Chapter 28.20, to read as follows:

Chapter 28.20
Average Unit-Size Density Incentive Program.

Section 28.20.010 Purpose.

The Average Unit-Size Density Incentive Program is intended to encourage the development of new and more-affordable residential units by allowing increased residential densities and reduced open space and parking requirements in selected areas of the City. The program will be in effect for a trial period of either eight years or until 250 residential units have been constructed in the areas designated for High Density residential [as defined in SBMC §28.20.060(B)] or the Priority Housing Overlay[as defined in SBMC §28.20.060(C)], as shown on the City's Average Unit-Size Density Incentive Program Map whichever occurs earlier.

Section 28.20.020 Definitions.

For purposes of this Chapter 28.20, the following words or phrases shall have the respective meanings assigned to them in

the following definitions unless, in a given instance, the context in which they are used indicates a different meaning:

A. Affordable Housing. *Residential units that are sold or rented at values defined as being affordable by the City of Santa Barbara's Affordable Housing Policies and Procedures, as such policies and procedures may be approved by the City Council from time to time.*

B. Average Unit Size. *The total of the net floor area of each of the residential units in a project and divided by the number of residential units in that project.*

C. Community Benefit Housing. *Residential development that has a public benefit including the following housing types:*

1. *Priority Housing;*

2. *Housing affordable to low, moderate, or middle income households as defined in SBMC Chapter 28.43; and*

3. *Transitional Housing, affordable efficiency dwelling units (as described in Section 28.87.150 of this Code), and supportive housing which supports special needs populations such as housing for seniors, the physically or mentally disabled, the homeless, or children aging out of foster care.*

D. Employer-Sponsored Housing. *Residential units which are developed, owned, maintained, and initially sold or rented to employees of a local Employer (or group of employers) where each residential unit is occupied as a primary residence (as defined by federal income tax law)by a household that includes at least one person who works on the south coast region of Santa Barbara County.*

E. Net Floor Area. *For purposes of this Average Unit-Size Density Program, net floor area is the area in square feet of all floors confined within the exterior walls of a residential unit, but not including the area of the following: exterior walls, vent shafts, courtyards, garages, carports, common areas not controlled by the occupant of an individual residential unit, and any areas with a ceiling height of less than five (5) feet above the finished floor. In addition, the area occupied by stairs or an elevator shaft within the exterior walls of a*

residential unit shall be counted only on one floor of the residential unit.

F. Limited-Equity Housing Cooperative. *A corporation organized on a cooperative basis that meets the requirements of state Civil Code § 817 and which restricts the resale price of the cooperative's shares in order to maintain a specified level of affordability to any new shareholder.*

G. Local Employer. *A person, business, company, corporation or other duly formed legal entity which employs persons whose primary place of employment is located within the South Coast region of Santa Barbara County.*

H. Priority Housing. *Priority Housing includes the following three categories of housing: 1. Employer-Sponsored Housing; 2. Limited-Equity Housing Cooperatives; and 3. Rental Housing.*

I. Rental Housing. *Housing developed and maintained as multiple dwelling units on the same lot for occupancy by separate households pursuant to a lease on other rental agreements where all dwelling units are owned exclusively by the same legal entity.*

J. Supportive Housing. *As defined in state Health and Safety Code Section 50675.14(b)(2).*

K. Transitional Housing. *That type of Supportive Housing that is re-circulated to other eligible program participants as specified and defined in state Health and Safety Code Section 50675.2(h).*

Section 28.20.030 Permitted Zones for the Program.

The Average Unit-Size Density Incentive Program as established herein is a density incentive program available in the following zones of the City: R-3, R-4, HRC-2, R-O, C-P, C-L, C-1, C-2, C-M, and OC Zones, as shown on the City of Santa Barbara Average Unit-Size Density Incentive Program Map contained in the Land Use Element of the City's General Plan and attached hereto as Exhibit A. The fact that a lot may be subject to an overlay zone, including, but not limited to, the S-D-2 or S-D-3 Overlay Zones, does not preclude the application of the Average Unit-Size Density Incentive Program on that lot if the Average Unit-Size Density Incentive Program is otherwise allowed in the base

zoning of that lot. Development Projects developed in accordance with the provisions of the Average Unit-Size Density

Incentive Program shall comply with the development standards specified in this Chapter 28.20.

Section 28.20.040 Program Duration.

A. Initial Program Period. *The Average Unit-Size Density Incentive Program shall have an initial duration of eight years after the effective date of the ordinance codifying this Chapter or until 250 new residential units under this program are constructed (as evidenced by the issuance of a Certificate of Occupancy) within the areas of the City designated for High Density Residential or the Priority Housing overlay (as shown on the City of Santa Barbara Average Unit-Size Density Incentive Program Map attached to this Chapter as Exhibit A) whichever occurs sooner.*

B. Exclusion of Low and Very Low Housing Units. *Housing projects that are affordable to low-income and very low-income households, as defined in the City's Affordable Housing Policies and Procedures, will not count towards the 250 unit Program limit established in subsection A above.*

C. Pending Applications*. Any application for new development that is deemed complete prior to the expiration of the Program term established in subsection A or the issuance of the certificate of occupancy for the 250th residential unit (whichever occurs sooner) may continue to be processed and potentially approved under the Average Unit-Size Density Incentive Program.*

Section 28.20.050 Status of R-3 and R-4 Residential Density.

Notwithstanding the provisions of SBMC Section 28.21.080 of this Title, for the duration of the Average Unit-Size Density Incentive Program established in Section 28.20.040(A) above, the following incentive program is available regarding the residential density of new development projects in zones of the City which otherwise would apply the R-3 residential density:

A. Average Unit-Size Density Incentive Program. *Projects developed in accordance with the provisions of the Average Unit-Size Density Incentive Program established in Section 28.20.060*

hereof are exempt from the standard R-3 residential density provisions specified in Subsections B through E of Section 28.21.080 of this Title.

B. Variable Density. *The variable density provisions specified in Subsection F of Section 28.21.080 of this Code shall be suspended for the period of time the Average Unit-Size Density Incentive Program established by this Chapter is available. Projects developed or approved in accordance with the terms of variable density prior to the effective date of this Chapter shall remain legal conforming land uses. During the suspension of Subsection F of SBMC Section 28.21.080, alterations and additions to variable density projects are permitted provided the alterations or additions do not add new residential units or add bedrooms to existing residential units developed under the Variable Density Program.*

C. Development of Affordable Housing. *Projects that meet the affordability criteria of the State Density Bonus Law or the City's Affordable Housing Policies and Procedures may continue to propose development pursuant to the density incentives established in Section 28.87.400 of this Title.*

Section 28.20.060 Average Unit Size Density Incentives.

The Average Unit-Size Density Incentive Program offers project applicants dwelling unit density incentives as alternatives to the base residential densities specified for the particular City zones in which the program is available. The Average Unit-Size Density Incentive Program consists of three density tiers which may apply based upon the City's General Plan land use designation for the lot and the nature of the development being proposed as follows:

A. Medium-High Density. *The Medium High density tier applies to those lots with a City General Plan land use designation of Medium High density residential. The Medium-High density tier allows the development of projects at residential densities ranging from fifteen (15) to twenty-seven (27) dwelling units per acre. The maximum average unit-size within the Medium-High density tier varies from 1,450 square feet of floor area to 805 square feet of floor area, depending upon the number of units per acre being developed, as specified in the Average Unit-Size Density Incentive Program Table attached to this Chapter as*

Exhibit B and incorporated by this reference as though fully set forth herein.

B. High-Density. *The High-Density tier applies to those lots with a City General Plan land use designation of High-Density residential. The High-Density tier allows the development of projects at residential densities ranging from twenty-eight (28) to thirty-six (36) dwelling units per acre. The maximum average unit-size within the high density tier varies from 1,245 square feet of floor area to 970 square feet of floor area, depending upon the number of units per acre being developed, as specified in the Average Unit-Size Density Incentive Program Table attached to this Chapter as Exhibit B.*

C. Priority Housing Overlay. *The Priority Housing Overlay applies to lots within the City with a City General Plan land use designation of High-Density residential and lots zoned C-M (regardless of the General Plan land use designation) as shown on the City of Santa Barbara Average Unit-Size Density Incentive Program Map attached to this Chapter as Exhibit A. The Priority Housing Overlay allows the development of projects at residential densities ranging from thirty-seven (37) to sixty-three (63) dwelling units per acre. The maximum average unit-size within the Priority Housing Overlay varies from 970 square feet of floor area to 811 square feet of floor area, depending upon the number of units per acre being developed, as specified in the Average Unit-Size Density Incentive Program Table attached to this Chapter as Exhibit B. The Priority Housing Overlay is only available for Rental Housing, Employer-Sponsored Housing, or Limited-Equity Cooperative Housing. A project developed under the Priority Housing Overlay may have a mixture of Priority Housing categories (i.e., a portion of the project may be Rental Housing while another portion of the project may be Employer-Sponsored housing.)*

D. Process to Establish Priority Housing. *For the purposes of this Chapter, the different forms of Priority Housing shall be established in the following manner:*

1. ***Employee Sponsored Housing****. In order to qualify for the density incentives allowed under the Average Unit-Size Density Incentive Program, the applicant for a proposed Employer Sponsored Housing project should typically propose a project which contains a range of dwelling unit sizes and which offers a range of rents or*

purchase prices some of which are affordable to a household earning 200% of the Area Median Income or less at the time of the initial occupancy of the project. The owner of an approved Employee Sponsored Housing project must record a written instrument against the real property, in a form acceptable to the City Attorney, by which the employer sponsor(s) that owns the real property agrees to limit the occupancy of each residential unit to a household who occupies the unit as their primary residence and which includes at least one person who is employed on the south coast region of Santa Barbara County for as long as the property is developed and maintained at the incentive densities.

*2. **Limited Equity Housing Cooperative**. In order to qualify for the density incentives provided under the Average Unit-Size Density Program, all of the dwelling units within the limited-equity housing cooperative must be affordable to households earning up to 250% of the Area Median Income measured at the time of purchase, as affordability is defined in the City's Affordable Housing Policies and Procedures and a covenant containing this requirement (in a form acceptable to the City Attorney) shall be recorded against the real property to this effect.*

*3. **Rental Housing**. In order to qualify for the Priority Housing Overlay density incentives allowed under the Average Unit-Size Density Incentive Program, the owner of real property developed with rental housing must record a written covenant, in a form acceptable to the City Attorney, by which the owner agrees to maintain the rental housing use for as long as the property is developed and maintained at the incentive densities provided for in this Chapter.*

E. Dwelling Unit Sizes. *The unit sizes shown in the Average Unit-Size Density Incentive Program Table are the maximum average unit sizes allowed for the corresponding residential densities specified in the applicable density tier. Projects may be developed under the Average Unit-Size Density Incentive Program at a residential density that is greater than the base density for the zone in which the lot is located, but at a residential density that is less than the density range specified in the density tier assigned to the lot by its City*

General Plan land use designation. However, the average unit size of any project that is developed at a residential density which exceeds the SBMC Chapter 28.21 base density for the zone in which the lot is located through the application of the Average Unit-Size Density Incentive Program may not exceed the maximum average unit size for the applicable residential density tier as specified in the Average Unit-Size Density Incentive Program Table attached to this Chapter as Exhibit A.

Section 28.20.065 Average Unit Size and Inclusionary Housing Projects.

If a project developed in accordance with the Average Unit-Size Density Incentive Program of this Chapter is required to comply with the City's Inclusionary Housing Ordinance (SBMC Chapter 28.43) and if the owner of the Project elects to provide the inclusionary units on-site as part of the project (as opposed to paying the allowed in-lieu fee allowed by SBMC Chapter 28.43), the increased number of dwelling units to which the owner is entitled under SBMC Chapter 28.43 shall also comply with the maximum average unit size for the base density of the project under the Average Unit-Size Density Incentive Program.

Section 28.20.070 Additional Development Incentives.

In order to further encourage the development of projects in accordance with the provisions of this Average Unit-Size Density Incentive Program, the development standards listed in this Section 28.20.070 are allowed for those projects developed and maintained in accordance with the Average Unit-Size Density Incentive Program. Except as otherwise specified in this Section, projects developed in accordance with the provisions of the Average Unit-Size Density Incentive Program shall otherwise comply with the development standards applicable to the base zone in which the lot is located.

A. Building Height. *Projects developed and maintained in accordance with the Average Unit-Size Density Incentive Program shall conform to the building height standards specified within the zone in which the lot is located, except that Average Unit-Size Density Incentive Program projects in the R-3, R-4, HRC-2, R-O, C-P, C-L, C-1, S-D-2, and OC Zones may be built with up to four stories so long as such buildings do not exceed a maximum of 45 feet in building height.*

B. Setbacks. *Projects developed and maintained in accordance with the Average Unit-Size Density Incentive Program shall observe the following building setback standards:*

1. R-O, C-P, C-L, C-1, C-2 and C-M Zones. *Projects developed in accordance with the Average Unit-size Density Incentive Program in the R-O, C-P, C-L, C-1, C-2 and C-M Zones shall observe the following building setback standards:*

a. Front Setback.

i. State Street and First Blocks of Cross Streets. *Projects on lots fronting State Street between Montecito Street and Sola Street and lots fronting the first block east or west of State Street on streets that cross State Street between and including Montecito Street and Sola Street shall not be required to provide a front building setback.*

ii. All Other Lots. *Project on lots that do not front on the streets specified in Section 28.20.070(B)(1)(a)(i) shall observe the following front building setback standard: A uniform front setback of five (5) feet shall be provided except where that portion of the structure which intrudes into the required five (5) foot front setback is appropriately balanced with a front building setback area that exceeds the minimum five (5) foot front setback. The additional compensating setback area shall not be located farther from the adjacent front lot line than one half of the length of the front lot line.*

b. Interior Setback Adjacent to Nonresidential Zone. *No setback required.*

c. Interior Setback Adjacent to Residential Zone. Six (*6)* *feet.*

2. R-3 and R-4 Zones. *Projects on lots developed in accordance with the Average Unit-size Density Incentive Program in the R-3 and R-4 Zones shall observe the following building setbacks:*

a. Front Setback. *A front setback of not less than the indicated distance indicated below shall be provided between the front lot line and all buildings, structures, and parking areas on the lot as follows:*

i. One or two story buildings or structures: ten

(10) feet

ii. Three or more story buildings or structures:
(1) Ground floor portions: ten (10) feet
(2) Second story portions: ten (10) feet
(3) Third or more story portions: twenty (20) feet
(4) Parking: As required by Sections 28.21.060.A.3 & 28.21.060.A.4 of this Title.

***b. Interior Setback**. An interior setback of not less than the distance indicated below shall be provided between the interior lot line and all buildings, structures, and parking on the lot as follows:*

i. One or two story buildings or structures: six (6) feet
ii. Three or more story buildings or structures
(1) Ground floor portions: six (6) feet
(2) Second story portions: six (6) feet
(3) Third or more story portions: ten (10) feet
(4) Garages, carport or uncovered parking: As required by Section 28.21.060.B.3. of this Title.

***c. Rear Setback**. A rear setback of not less than the indicated distance shall be provided between the rear lot line and all buildings, structures, and parking on the lot as follows:*

i. Ground floor portions: six (6) feet
ii. Second story portions: ten (10) feet
iii. Third or more story portions: ten (10) feet
iv. Garage, carport, or uncovered parking: three (3) feet

***3. HRC-2 and O-C Zones**. Lots developed in accordance with the Average Unit-Size Density Incentive Program in the HRC-2 and OC Zones shall observe the setback standards required by the applicable base zone.*

C. Distance Between Buildings on the Same Lot.

No main building (as defined in SBMC section 28.04.145) shall be closer than ten feet (10) to any other main building on the same lot.

D. Parking.

As an alternative to the residential parking requirements

specified in Subsections G and H of Section 28.90.100 of this Title, projects developed under the Average Unit-Size Density Incentive Program may observe the following residential parking requirements:

1. ***Residential Units**. A minimum of one covered or uncovered parking space shall be provided for each residential unit.*

2. ***Guest Parking**. Guest parking is not required.*

3. ***Other Parking Standards**. Other than the residential parking requirements specified in Subsections G and H of Section 28.90.100, projects developed under the Average Unit-Size Density Incentive Program shall observe the parking standards specified in Chapter 28.90 of this Title.*

E. Outdoor Living Space.

Projects developed in accordance with the Average Unit-Size Density Incentive Program shall provide outdoor living space in accordance with the provisions of the R-3/R-4 Zone as stated in Section 28.21.081 of this Title with the following exceptions:

1. All projects in commercial zones electing to provide outdoor living space pursuant to the Private Outdoor Living Space Method specified in Subsection A of SBMC Section 28.21.081 are required to provide both the Private Outdoor Living Space specified in SBMC Section 28.21.081(A)(1) and the Common Open Area specified in SBMC Section 28.21.081(A)(3). Projects developed under the Average Unit-Size Density Incentive Program which elect to provide outdoor living space pursuant to the Private Outdoor Living Space Method of SBMC Section 28.21.081 (A)(1) may, but are not required to, provide the Open Space specified in SBMC Section 28.21.081(A)(2).

2. All projects in commercial zones electing to provide outdoor living space pursuant to the Common Outdoor Living Space Method specified in Subsection B of SBMC Section 28.21.081 shall provide common outdoor living space in accordance with Subsection B of that Section; however, if the lot is located within one quarter (1/4) mile of a City park, the project may reduce the fifteen percent (15%) common outdoor living space requirement to ten percent (10%) of the net lot area. In

addition, for projects developed in accordance with the Average Unit-Size Density Incentive Program, the required common outdoor living space may be located at either grade or on any floor of the building(s), notwithstanding SBMC Section 28.21.081(B)(4) to the contrary.

SECTION 2. Section 28.21.081 of Chapter 28.21 of Title 28 of the Santa Barbara Municipal Code is amended to read as follows:

Section 28.21.081 Outdoor Living Space.

Every lot in this zone shall provide outdoor living space in accordance with either of the following methods:

A. Private Outdoor Living Space Method. Lots providing outdoor living space in accordance with this method shall provide each of the spaces described in paragraphs 1-3 below:

1. Private Outdoor Living Space. Private outdoor living space shall be provided for each dwelling unit as follows:

a. Minimum size. The private outdoor living space shall be not less than the size specified below based on the number of bedrooms in the dwelling unit and the location where the private outdoor living space is provided:

(1) Ground floor:
(a) Studio unit - 100 square feet
(b) 1 Bedroom unit - 120 square feet
(c) 2 Bedroom unit - 140 square feet
(d) 3 or more Bedroom unit - 160 square feet

(2) Second or higher story:
(a) Studio unit - 60 square feet
(b) 1 Bedroom unit - 72 square feet
(c) 2 Bedroom unit - 84 square feet
(d) 3 or more Bedroom unit - 96 square feet

b. Minimum Dimensions. The private outdoor living space shall have minimum dimensions as specified below, measured in perpendicular directions based on the location where the private outdoor living space is provided:

(1) Ground floor: 10 feet

(2) Second or higher story: 6 feet

c. Connectivity. Private outdoor living space shall be contiguous to and accessible from the dwelling unit for which it is provided.

d. Multi-story dwelling units. Dwelling units that occupy more than one story may provide the required private outdoor living space on any story.

e. Allowed amenities. Private outdoor living space may include planter areas totaling no more than fifty (50) square feet, patio areas, balconies, and decks.

f. Exclusions. Private outdoor living space shall not include stairs, entrance decks, or landings. In addition, private outdoor living space shall not include areas located under eaves, balconies, or other cantilevered architectural or building projections not providing additional floor area where the vertical clearance under the architectural or building projection is less than seven feet.

g. Allowed setback encroachments. Private outdoor living space may encroach into setbacks as follows:

~~(1) Uncovered balconies may encroach up to two (2) feet into any setback.~~

~~(2) Private outdoor living space~~ (1) Private outdoor living space provided on grade may encroach into interior and rear setbacks up to the property line.

~~h. On grade private outdoor living space in the front yard.~~ (2) Private outdoor living space provided on grade may be located up to ten (10) feet from the front lot line, subject to the following conditions:

~~(1)~~ (a) The area of the private outdoor living space located in the front yard may not exceed more than 50% of the front yard area, excluding driveways.

~~(2)~~ (b) The private outdoor living space provided in the front yard shall be enclosed by a solid fence having a minimum height of five (5) feet and a maximum height of six (6)

feet. The exterior of the fence shall be landscaped. However, the design review body that reviews the project may reduce or waive the requirement for a fence or landscaping in order to preserve substantial views from the unit being served by the private outdoor living space or if the area does not abut a street.

2. Open Space. In addition to all setbacks, every lot satisfying the outdoor living space requirement in accordance with this private outdoor living space method shall provide on grade open space of an area not less than ten percent (10%) of the net lot area in accordance with the provisions of this paragraph 2. The intent of this provision is to provide relief from building volume, driveways and parking beyond that afforded by setbacks.

a. The required open space may consist of landscaped or hardscaped areas unobstructed from the ground upwards, including, but not limited to:

(1) Walks,
(2) Patios,
(3) Planted areas,
(4) Decks no more than 18” above grade at all points, and
(5) Swimming pool areas.

b. The required open space shall not consist of the following:
(1) Garages,
(2) Carports,
(3) Driveways,
(4) Loading areas,
(5) Parking and turnaround areas,
(6) Balconies,
(7) Porches,
(8) Decks higher than 18” above grade at any point,
(9) Roof decks, or
(10) Areas located under trellises, arbors, eaves, balconies, bay windows, window seats, or other cantilevered architectural or building projections not providing additional floor area where the vertical clearance under the structure or

architectural or building projection is less than seven feet.

3. Common Open Area. The common open area requirement specified in this Paragraph 3 shall only apply to lots developed with four (4) or more dwelling units. Every lot satisfying the outdoor living space requirement in accordance with this private outdoor living space method shall provide a common open area in accordance with this paragraph 3. The common open area shall have a minimum dimension of fifteen (15) feet measured in perpendicular directions and shall be accessible to all dwelling units on the lot. The common open area may be located on grade, on the second or higher story, or on a roof deck. ~~The~~On grade common open area may include portions of the interior setback or rear setback. On grade common open area may include portions of any remaining front yard, but shall not include any portion of the front setback ~~areas, but shall not include any portion of a front yard except a secondary front yard. No portion of a common open area provided in a secondary front yard shall be located less than ten (10) feet from the front lot line~~. The common open area required in this paragraph 3 may be counted as part of the open space required in paragraph 2 as long as the other conditions of paragraph 2 are satisfied.

B. Common Outdoor Living Space Method. Lots providing outdoor living space in accordance with this method shall provide common outdoor living space in accordance with the following:

1. Accessibility. The common outdoor living space shall be accessible to all dwelling units on the lot.

2. Minimum Size. The common outdoor living space shall consist of at least fifteen percent (15%) of the net lot area.

3. Minimum Dimensions. The common outdoor living space may be provided in multiple locations on the lot, but at least one location shall have a minimum dimension of twenty (20) feet measured in perpendicular directions.

4. Location. Common outdoor living space must be located on grade. ~~Common~~ On grade common outdoor living space may be located in an interior setback or rear setback.~~, but shall not include any portion of a front yard except a secondary front yard. No portion of the common outdoor living space provided in~~

~~a secondary front yard shall be located less than ten (10) feet from the front lot line~~ On grade common outdoor living space may be located in the remaining front yard but shall not include any portion of the front setback.

5. Exclusions. Common outdoor living space shall not include any of the following areas:

a. Areas designed for use by motor vehicles, including, but not limited to, driveways, parking, and turnaround areas.

b. ~~Decks, patios, terraces, or similar improvements where the maximum height of the improvement above grade is greater than 36 inches.~~

~~c.~~ Areas located under trellises, arbors, eaves, balconies, bay windows, window seats, or other architectural or building projections not providing additional floor area where the vertical clearance under the structure or architectural or building projection is less than seven feet.

SECTION 3. Section 28.21.120 of Chapter 28.21 of Title 28 of the Santa Barbara Municipal Code is amended to read as follows:

Section 28.21.120 Public Street Requirements.

~~1~~A. When any person proposes to construct one (1) or more multiple-family dwellings, wherein the number of dwelling units is controlled by Section 28.20.060~~28.21.080.4~~, on a lot or combination of lots, the size, shape, dimensions or topography of which, in relation to existing abutting public streets, require that there be an adequate access or internal circulation roadway for vehicular traffic including but not limited to emergency vehicles and equipment traffic, the City's Chief Building Official~~of Building and Zoning~~ may, prior and as a condition to the issuance of a building permit for such dwelling or dwellings, require the submission by the owner or applicant of a plot plan of such lot or combination of lots showing the location of all existing buildings and all buildings proposed to be constructed thereon and showing the location, width, and extent of improvements of an adequate access or internal circulation roadway thereon designed to connect with the abutting public street or streets.

The term adequate access or internal circulation roadway shall mean a dedicated public street established and improved to City standards and so located as to provide convenient and orderly traffic movement, ingress and egress and circulation upon, through and within the lot or combination of lots in relation to abutting streets, the multiple-family dwelling or dwellings, and the off-street parking areas required in connection with such dwelling or dwellings.

The plot plan and adequate access or internal circulation roadway shall be required by the Chief ~~of Building and Zoning~~ Building Official where:

~~a~~1. The lot or combination of lots which is the site of the proposed construction exceeds five (5) acres; or

~~b~~2. The maximum possible number of dwelling units which could be constructed on such lot or combination of lots, pursuant to Section ~~28.21.080.4~~28.20.060 exceeds one hundred (100); or

~~c~~3. Any portion of a multiple-family dwelling proposed to be constructed on the lot or combination of lots will be more than two hundred and fifty feet (250') from the right-of-way line of an abutting street.

When none of the three (3) foregoing categories are applicable to the lot or combination of lots, the adequate access or internal circulation roadway as defined herein shall not be required where the lot or combination of lots abut on a previously dedicated street or streets and where the private driveway access from the nearest entry to the required off-street parking area to the point of connection with such street or streets does not exceed one hundred and fifty (150) lineal feet.

~~2~~B. When the plot plan required by the Chief ~~of Building and Zoning~~ Building Official is filed, the building official shall forthwith submit the same to the ~~Division of Land Use Controls~~Community Development Department and the Public Works Department for investigation, report and recommendation. Such reports and recommendations shall be submitted to the Planning Commission for hearing at its earliest convenience, and such

Planning Commission shall, following such hearing, approve, modify or reject such proposed adequate access or internal circulation roadway in respect to location and connection with existing abutting street or streets.

~~3~~C. The owner or applicant may appeal any decision of the Planning Commission to the City Council in the manner provided by Chapter ~~28.92~~1.30 of this ~~ordinance~~Code.

~~4~~D. Following approval by the Planning Commission or the City Council, as the case may be, of the proposed adequate access or internal circulation roadway shown on the plot plan, the owner or applicant shall:

~~a~~1. By formal instrument offer to dedicate said proposed roadway as a public street; and

~~b~~2. Either complete the required improvement of such public street to the satisfaction of the City Engineer or agree to complete such improvement within a period of one (1) year, such agreement to be secured by a good and sufficient surety bond in a principal sum equivalent to the estimated cost of such public street on the basis of estimates to be provided by the Department of Public Works, and conditioned on final completion of the construction of said street.

~~5~~E. Upon completion of such public street improvement to the satisfaction of the City Engineer, or the execution and acceptance of an agreement to complete, secured by bond, a building permit shall then be issued if the requirements of other applicable ordinances have been met. The offer of dedication shall continue until and shall not be accepted until the required improvements have been completed to the satisfaction of the City Engineer.

SECTION 4. Section 28.43.040 of Title 28 of the Santa Barbara Municipal Code is amended to read as follows:

28.43.040 Exemptions.

A. **PROJECTS EXEMPTED FROM INCLUSIONARY REQUIREMENTS.** The requirements of this Chapter shall not apply to the following

types of development projects:

1. **Rental Units.** A project constructing Dwelling Units which may not be separately owned, transferred, or conveyed under the state Subdivision Map Act.

2. **Casualty Reconstruction Projects.** The reconstruction of any residential units or structures which have been destroyed by fire, flood, earthquake or other act of nature, which are being reconstructed in a manner consistent with the requirements of Santa Barbara Municipal Code Section 28.87.038.

3. **Voluntarily Affordable Projects.** Residential Developments which propose that not less than thirty percent (30%) of the units of the development will be deed restricted for occupancy by families qualifying as Upper Middle Income (or lower income) households pursuant to and in accordance with the City's Affordable Housing Policies and Procedures.

4. **Employer-Sponsored Housing Projects.** Employer Sponsored Housing Projects developed in accordance with the Average Unit-Size Density Incentive Program.

SECTION 5. Sections 28.66.050, 28.69.050, 28.72.050, and 28.73.050 of Title 28 of the Santa Barbara Municipal Code are amended to read as follows:

28.66.050 Building Height.

A. Maximum Building Height. No building in this zone shall exceed a height of four (4) stories nor shall any building exceed a height of sixty feet (60'.)

B. Community Benefit Projects. Notwithstanding the maximum building height specified in subsection A above, no building constructed in this zone after the effective date of the ordinance enacting this Chapter, shall exceed a height of forty five feet (45') unless the project qualifies as a Community Benefit Project or a Community Benefit Housing Project and the Planning Commission expressly makes all of the following findings on an affirmative vote of five (5) or more Commission members:

1. Demonstrated Need. The applicant has adequately demonstrated a need for the project to exceed 45 feet in building height that is related to the project's benefit to the community, or due to site constraints, or in order to achieve desired architectural qualities;

2. Architecture and Design. The project will be exemplary in its design;

3. Livability. The project will provide amenities to its residents which ensure the livability of the project with particular attention to good interior design features; such as the amount of light and air, or ceiling plate heights;

4. Sensitivity to Context. The project design will complement the setting and the character of the neighboring properties with sensitivity to any adjacent federal, state, and City Landmarks or any nearby designated Historic Resources, including City designated Structures of Merit.

C. Buildings Adjacent to Residential Zones. The ~~B~~building height of a building which will be immediately adjacent to a residential zone~~(s)~~ shall not exceed ~~that~~the height allowed in the most restrictive adjacent residential zone for that part of the structure constructed within a distance of thirty (30) feet or one-half (1/2) the height of the proposed structure, whichever is less. Provided, however, a project which qualifies as a Community Benefit Project or a Community Benefit Housing Project under Subsection B above need not comply with this requirement.

D. Theater Additions. Notwithstanding the provisions of SBMC Section 28.04.140, a stage addition to a live performance theater shall not be considered as part of the height of the building~~ provided the following conditions are satisfied~~under the following circumstances: ~~(1)~~1. the stage addition is devoted solely to rigging fly systems, ~~(2)~~2. the addition is made to a theater that existed as of December 31, 2003 and ~~(3)~~3. the stage addition does not exceed the height of the theater as such theater existed on December 31, 2003.

E. Timing and Procedure for Projects Requiring the Planning

Commission Building Height Findings.

1. Conceptual Design Review. Prior to the Planning Commission considering an application for a Community Benefit Project or a Community Benefit Housing Project pursuant to this section a project shall receive conceptual design review by the Historic Landmarks Commission or the Architectural Board of Review as required by SBMC Title 22.

2. Planning Commission Consideration of Findings.

a. Design Review Projects. If a project only requires design review by the ABR or HLC under SBMC Title 22, the Planning Commission shall review and consider the building height findings of this Section after conceptual design review and before consideration of the project by the HLC or ABR for Project Design approval.

b. Staff Hearing Officer Projects. If a project requires the review and approval of a land use permit by the Staff Hearing Officer, the Planning Commission shall review and consider the building height findings after conceptual design review pursuant to SBMC Title 22, but before the preparation of a full application for the consideration of the land use permit by the Staff Hearing Officer.

c. Planning Commission Projects. If a project requires the review and approval of land use permit by the Planning Commission, the Planning Commission shall review and consider the building height findings after conceptual design review pursuant to SBMC Title 22, but before the preparation of a full application for review by the Development Application Review Team (DART) and before the consideration of the land use permit by the Planning Commission.

d. Appeals from the Planning Commission Determination. A decision of the Planning Commission regarding the building height findings is appealable to the City Council pursuant to the provisions of Chapter 1.30 of this Code.

28.69.050 Building Height.

A. Maximum Building Height. No building in this zone shall exceed a height of four (4) stories nor shall any building

exceed a height of sixty feet (60'.)

B. Community Benefit Projects. Notwithstanding the maximum building height specified in subsection A above, no building constructed in this zone after the effective date of the ordinance enacting this Chapter, shall exceed a height of forty five feet (45') unless the project qualifies as a Community Benefit Project or a Community Benefit Housing Project and the Planning Commission expressly makes all of the following findings on an affirmative vote of five (5) or more Commission members:

1. **Demonstrated Need**. The applicant has adequately demonstrated a need for the project to exceed 45 feet in building height that is related to the project's benefit to the community, or due to site constraints, or in order to achieve desired architectural qualities;

2. **Architecture and Design**. The project will be exemplary in its design;

3. **Livability**. The project will provide amenities to its residents which ensure the livability of the project with particular attention to good interior design features; such as the amount of light and air, or ceiling plate heights;

4. **Sensitivity to Context**. The project design will complement the setting and the character of the neighboring properties with sensitivity to any adjacent federal, state, and City Landmarks or any nearby designated Historic Resources, including City designated Structures of Merit.

C. Buildings Adjacent to Residential Zones. The ~~B~~building height of a building which will be immediately adjacent to a residential zone~~(s)~~ shall not exceed ~~that~~the height allowed in the most restrictive adjacent residential zone for that part of the structure constructed within a distance of thirty (30) feet or one-half (1/2) the height of the proposed structure, whichever is less. Provided, however, a project which qualifies as a Community Benefit Project or a Community Benefit Housing Project under Subsection B above need not comply with this requirement.

D. Timing and Procedure for Projects Requiring the Planning Commission Building Height Findings.

1. Conceptual Design Review. Prior to the Planning Commission considering an application for a Community Benefit Project or a Community Benefit Housing Project pursuant to this section, a project shall receive conceptual design review by the Historic Landmarks Commission or the Architectural Board of Review as required by SBMC Title 22.

2. Planning Commission Consideration of Findings.

a. Design Review Projects. If a project only requires design review by the ABR or HLC under SBMC Title 22, the Planning Commission shall review and consider the building height findings of this Section after conceptual design review and before consideration of the project by the HLC or ABR for Project Design approval.

b. Staff Hearing Officer Projects. If a project requires the review and approval of a land use permit by the Staff Hearing Officer, the Planning Commission shall review and consider the building height findings after conceptual design review pursuant to SBMC Title 22, but before the preparation of a full application for the consideration of the land use permit by the Staff Hearing Officer.

c. Planning Commission Projects. If a project requires the review and approval of land use permit by the Planning Commission, the Planning Commission shall review and consider the building height findings after conceptual design review pursuant to SBMC Title 22, but before the preparation of a full application for review by the Development Application Review Team (DART) and before the consideration of the land use permit by the Planning Commission.

d. Appeals from the Planning Commission Determination. A decision of the Planning Commission regarding the building height findings is appealable to the City Council pursuant to the provisions of Chapter 1.30 of this Code.

28.72.050 Building Height.

A. Maximum Building Height. Four (4) stories and not to exceed sixty feet (60').

B. Community Benefit Projects. Notwithstanding the maximum building height specified in subsection A above, no building constructed in this zone after the effective date of the ordinance enacting this Chapter, shall exceed a height of forty five feet (45') unless the project qualifies as a Community Benefit Project or a Community Benefit Housing Project and the Planning Commission expressly makes all of the following findings on an affirmative vote of five (5) or more Commission members:

1. **Demonstrated Need**. The applicant has adequately demonstrated a need for the project to exceed 45 feet in building height that is related to the project's benefit to the community, or due to site constraints, or in order to achieve desired architectural qualities;

2. **Architecture and Design**. The project will be exemplary in its design;

3. **Livability**. The project will provide amenities to its residents which ensure the livability of the project with particular attention to good interior design features; such as the amount of light and air, or ceiling plate heights;

4. **Sensitivity to Context**. The project design will complement the setting and the character of the neighboring properties with sensitivity to any adjacent federal, state, and City Landmarks or any nearby designated Historic Resources, including City designated Structures of Merit.

C. Buildings Adjacent to Residential Zones. The ~~B~~building height of a building which will be immediately adjacent to a residential zone~~(s)~~ shall not exceed ~~that~~the height allowed in the most restrictive adjacent residential zone for that part of the structure constructed within a distance of thirty (30) feet or one-half (1/2) the height of the proposed structure, whichever is less. Provided, however, a project which qualifies

as a Community Benefit Project or a Community Benefit Housing Project under Subsection B above need not comply with this requirement.

D. Timing and Procedure for Projects Requiring the Planning Commission Building Height Findings.

1. Conceptual Design Review. Prior to the Planning Commission considering an application for a Community Benefit Project or a Community Benefit Housing Project pursuant to this section, a project shall receive conceptual design review by the Historic Landmarks Commission or the Architectural Board of Review as required by SBMC Title 22.

2. Planning Commission Consideration of Findings.

a. Design Review Projects. If a project only requires design review by the ABR or HLC under SBMC Title 22, the Planning Commission shall review and consider the building height findings of this Section after conceptual design review and before consideration of the project by the HLC or ABR for Project Design approval.

b. Staff Hearing Officer Projects. If a project requires the review and approval of a land use permit by the Staff Hearing Officer, the Planning Commission shall review and consider the building height findings after conceptual design review pursuant to SBMC Title 22, but before the preparation of a full application for the consideration of the land use permit by the Staff Hearing Officer.

c. Planning Commission Projects. If a project requires the review and approval of land use permit by the Planning Commission, the Planning Commission shall review and consider the building height findings after conceptual design review pursuant to SBMC Title 22, but before the preparation of a full application for review by the Development Application Review Team (DART) and before the consideration of the land use permit by the Planning Commission.

d. Appeals from the Planning Commission Determination. A decision of the Planning Commission regarding the building height findings is appealable to the City Council pursuant to

the provisions of Chapter 1.30 of this Code.

28.73.050 Building Height.

A. Maximum Building Height. No building in this zone shall exceed a height of four (4) stories nor shall any building exceed a height of sixty feet (60'.)

B. Community Benefit Projects. Notwithstanding the maximum building height specified in subsection A above, no building constructed in this zone after the effective date of the ordinance enacting this Chapter, shall exceed a height of forty five feet (45') unless the project qualifies as a Community Benefit Project or a Community Benefit Housing Project and the Planning Commission expressly makes all of the following findings on an affirmative vote of five (5) or more Commission members:

1. **Demonstrated Need**. The applicant has adequately demonstrated a need for the project to exceed 45 feet in building height that is related to the project's benefit to the community, or due to site constraints, or in order to achieve desired architectural qualities;

2. **Architecture and Design**. The project will be exemplary in its design;

3. **Livability**. The project will provide amenities to its residents which ensure the livability of the project with particular attention to good interior design features; such as the amount of light and air, or ceiling plate heights;

4. **Sensitivity to Context**. The project design will complement the setting and the character of the neighboring properties with sensitivity to any adjacent federal, state, and City Landmarks or any nearby designated Historic Resources, including City designated Structures of Merit.

C. Buildings Adjacent to Residential Zones. The ~~B~~building height of a building which will be immediately adjacent to a residential zone~~(s)~~ shall not exceed ~~that~~the height allowed in the most restrictive adjacent residential zone for that part of the structure constructed within a distance of thirty (30) feet

or one-half (1/2) the height of the proposed structure, whichever is less. Provided, however, a project which qualifies as a Community Benefit Project or, a Community Benefit Housing Project under Subsection B above need not comply with this requirement.

D. Timing and Procedure for Projects Requiring the Planning Commission Building Height Findings.

1. Conceptual Design Review. Prior to the Planning Commission considering an application for a Community Benefit Project or a Community Benefit Housing Project pursuant to this section, a project shall receive conceptual design review by the Historic Landmarks Commission or the Architectural Board of Review as required by SBMC Title 22.

2. Planning Commission Consideration of Findings.

a. Design Review Projects. If a project only requires design review by the ABR or HLC under SBMC Title 22, the Planning Commission shall review and consider the building height findings of this Section after conceptual design review and before consideration of the project by the HLC or ABR for Project Design approval.

b. Staff Hearing Officer Projects. If a project requires the review and approval of a land use permit by the Staff Hearing Officer, the Planning Commission shall review and consider the building height findings after conceptual design review pursuant to SBMC Title 22, but before the preparation of a full application for the consideration of the land use permit by the Staff Hearing Officer.

c. Planning Commission Projects. If a project requires the review and approval of land use permit by the Planning Commission, the Planning Commission shall review and consider the building height findings after conceptual design review pursuant to SBMC Title 22, but before the preparation of a full application for review by the Development Application Review Team (DART) and before the consideration of the land use permit by the Planning Commission.

d. Appeals from the Planning Commission Determination. A

decision of the Planning Commission regarding the building height findings is appealable to the City Council pursuant to the provisions of Chapter 1.30 of this Code.

SECTION 6. Section 28.87.062 of Chapter 28.87 of Title 28 of the Santa Barbara Municipal Code is amended to read as follows:

28.87.062 Setback, Open Yard, Common Outdoor Living Space, and Distance Between Main Buildings Encroachments.

A. Where setbacks, open yards, common outdoor living space, and minimum distances between main buildings are required in this title, they shall be not less in depth or width than the minimum dimensions specified for any part, and they shall be at every point unobstructed by structures from the ground upward, except as follows:

1. Encroachments allowed in the specific zone.

2. Cantilevered architectural features at least three feet (3’) above adjacent grade or finished floor (whichever is higher), and which do not provide additional floor space within the building (such as cornices, canopies, or eaves), or chimneys may encroach up to two feet (2'). However, no cantilevered architectural feature or chimney shall be located closer than three feet (3’) from any property line, except roof eaves, which may be located as close as two feet (2’) from any property line.

3. Uncovered balconies not providing additional floor space within the building may encroach up to two feet (2’). However, an uncovered balcony shall not encroach into an interior setback on a lot located in any single family zone.

4. Solar energy systems, as defined in subdivision (a) of Civil Code section 801.5, that are installed roughly parallel to, and protrude no higher than ten inches (10”) above (measured from the top of the roof perpendicularly to the highest point of the solar energy system), a roof eave, may encroach the same amount as the roof eave.

B. The following structures may encroach into setbacks as specified:

1. Decks that are no more than 10 inches (10”) in height above existing grade may encroach into any setback.

2. Uncovered porches, terraces and outside steps, not extending above the finished floor level of the first floor, may encroach up to three feet (3') into any interior setback.

3. Covered or uncovered entrance landings not extending above the finished floor level of the ground floor and not exceeding three feet (3’) measured in perpendicular dimensions (excluding the area under any handrail required under the California Building Code as adopted and amended by the City) may encroach three feet into any setback.

4. Bay windows at least three feet (3’) above adjacent grade or finished floor (whichever is higher), and which do not provide additional floor space within the building may encroach up to two feet (2') into the front setback.

5. Accessible uncovered parking spaces, access aisles, and accessibility ramps necessary to make an existing building accessible to persons with disabilities may encroach into required setbacks to the extent reasonably necessary to accommodate the existing building. This encroachment is not available for new buildings or additions to existing buildings where the addition precludes the development of a conforming accessible improvement.

C. The following types of structures may encroach into the required open yard in the One-Family Residence Zone and the Two-Family Residence Zone (SBMC Section 28.15.060.C. and 28.18.060.C.1 and 3a) or common outdoor living space in the R-3/R-4 Zones (SBMC Section 28.21.081.A.3 and 28.21.081.B.), provided the total area of all such structures on the property does not occupy more than 20% of the total required open space or common outdoor living space on the lot, that no structure or structures occupy more than 20% of any individual area of required open space or common outdoor living space (if provided in multiple locations)~~, and no structure is located in any front~~

~~yard~~:

1. Detached, unenclosed structures (e.g., gazebos, trellises, hot tubs, spas, play equipment, or other freestanding structures).

2. Unenclosed structures which are attached to a wall or walls of a main building (e.g., patio covers, trellises, canopies, or other similar structures).

D. The following types of structures may encroach into the required minimum distance between main buildings on the same lot. However, at no time shall any structure be located closer than five (5) feet to any other structure on the lot with the exception of: planters less than ten (10) inches in height above finished grade, fences, walls, and roof eaves.

1. Detached accessory structures.
2. Uncovered parking.
3. Planters less than ten (10) inches in height from finished grade.
4. Paving.
5. Fences, hedges, and walls.
6. Uncovered bicycle parking areas including bicycle racks and posts, but excluding bicycle locker parking.
7. The following structures may encroach a maximum of three feet:

a. Balconies, decks, porches, and terraces that do not provide additional floor area. These improvements may be roofed or unroofed. If such improvements are provided above the first floor, they must be cantilevered, and the area below the structure shall not be enclosed.

b. Structures built to enclose trash, recycling, water heaters, or water softeners.

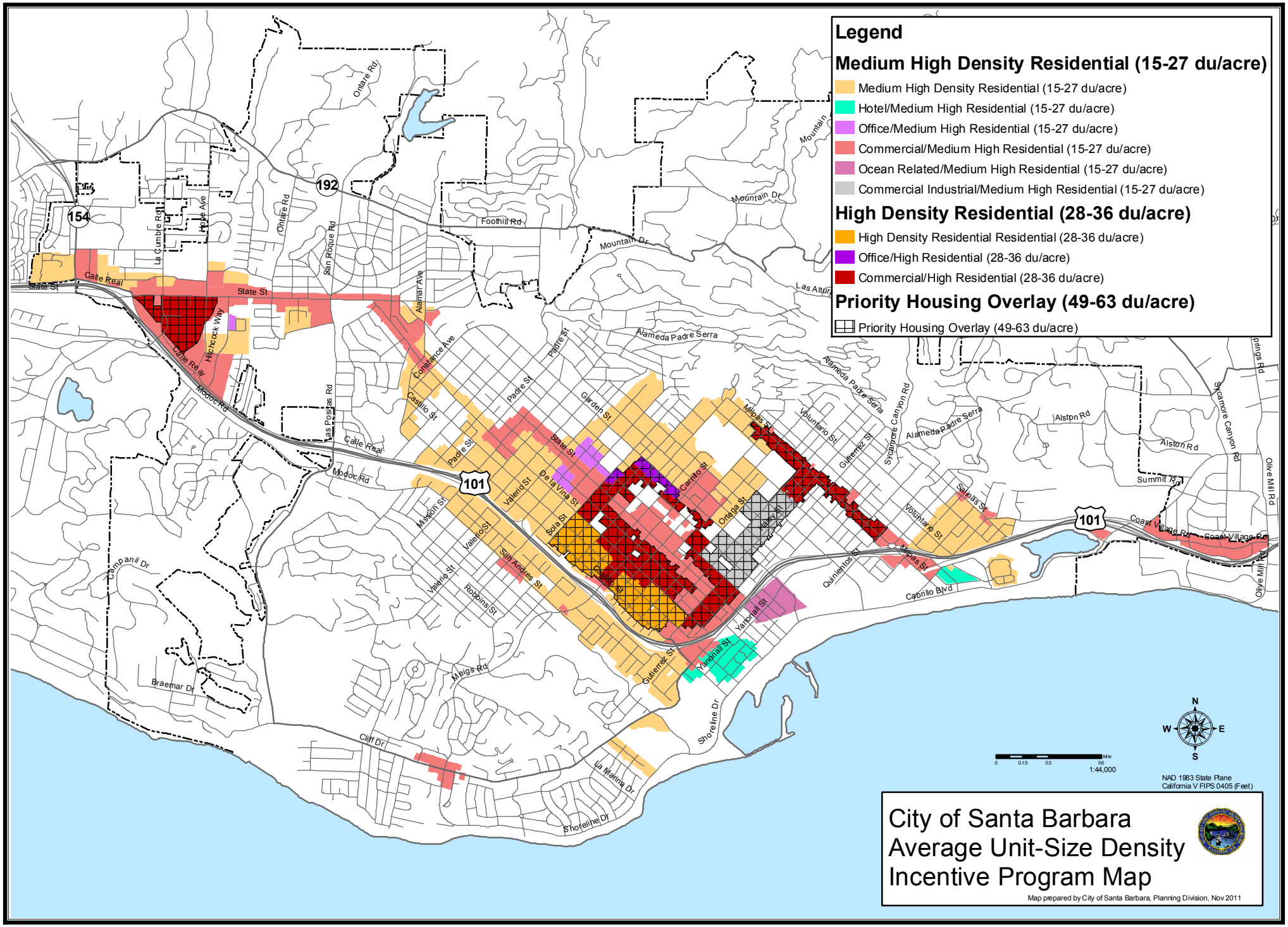
c. Exterior stairways, as long as the stairways are not enclosed by solid walls.

SECTION 7. Applications for development submitted prior to the effective date of this ordinance which propose residential units in accordance with the provisions of Subsection F of Section 28.21.080 (the Variable Density Ordinance) may proceed in

accordance with the Variable Density Ordinance, SBMC Chapter 28.21.

AVERAGE UNIT-SIZE DENSITY (AUD) INCENTIVE PROGRAM TABLE

Medium-High Density (15-27 du/ac)		High Density (28-36 du/ac)		Priority Housing Overlay (37-63 du/ac)	
Maximum Average Unit Size SF	Density du/ac	Maximum Average Unit Size SF	Density du/ac	Maximum Average Unit Size SF	Density du/ac
1,450	15	1,245	28	970	37
1,360	16	1,200	29	970	38
1,280	17	1,160	30	970	39
1,210	18	1,125	31	970	40
1,145	19	1,090	32	970	41
1,090	20	1,055	33	970	42
1,040	21	1,025	34	970	43
990	22	995	35	970	44
950	23	970	36	970	45
910	24			970	46
870	25			970	47
840	26			970	48
805	27			969	49
				960	50
				941	51
				935	52
				917	53
				901	54
				896	55
				880	56
				874	57
				859	58
				845	59
				840	60
				827	61
				825	62
				811	63


Legend
Medium High Density Residential (15-27 du/acre)
Medium High Density Residential (15-27 du/acre)
Hotel/Medium High Residential (15-27 du/acre)
Office/Medium High Residential (15-27 du/acre)
Commercial/Medium High Residential (15-27 du/acre)
Ocean Related/Medium High Residential (15-27 du/acre)
Commercial Industrial/Medium High Residential (15-27 du/acre)
High Density Residential (28-36 du/acre)
High Density Residential Residential (28-36 du/acre)
Office/High Residential (28-36 du/acre)
Commercial/High Residential (28-36 du/acre)
Priority Housing Overlay (49-63 du/acre)
Priority Housing Overlay (49-63 du/acre)
1:44,000
NAD 1983 State Plane
California V FIPS 0405 (Feet)
City of Santa Barbara
Average Unit-Size Density
Incentive Program Map
Map prepared by City of Santa Barbara, Planning Division, Nov 2011

CITY OF SANTA BARBARA
CITY COUNCIL MINUTES

SPECIAL MEETING
May 13, 2013
COUNCIL CHAMBER, 735 ANACAPA STREET

CALL TO ORDER

Mayor Helene Schneider called the meeting to order at 2:02 p.m.

PLEDGE OF ALLEGIANCE

Mayor Schneider.

ROLL CALL

Councilmembers present: Dale Francisco, Frank Hotchkiss, Grant House, Cathy Murillo, Randy Rowse, Bendy White, Mayor Schneider.
Councilmembers absent: None.
Staff present: City Administrator James L. Armstrong, City Attorney Stephen P. Wiley, Deputy City Clerk Deborah L. Applegate.

PUBLIC COMMENT

No one wished to speak.

NOTICES

The City Clerk has on Thursday, May 9, 2013, posted this agenda in the Office of the City Clerk, on the City Hall Public Notice Board on the outside balcony of City Hall, and on the Internet.

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

FINANCE DEPARTMENT

Subject: Proposed Two-Year Financial Plan For Fiscal Years 2014 And 2015 (230.05)

Recommendation: That Council hear a presentation from the City Attorney, Airport and Waterfront departments and Finance's Solid Waste division on the recommended budget as contained in the Proposed Two-Year Financial Plan for Fiscal Years 2014 and 2015.

Documents:

- May 13, 2013, report from the Finance Director.
- PowerPoint presentations prepared and made by Staff.

Speakers:

- Staff: City Attorney Stephen Wiley, Airport Director Karen Ramsdell, Assistant Airport Director Hazel Johns, Airport Operations Manager Tracy Lincoln, Waterfront Director Scott Riedman, Waterfront Business Manager Brian Bosse, Waterfront Facilities Manager Karl Treiberg.
- Harbor Commission: Commissioner Jim Sloan.

Discussion:

City Attorney Stephen Wiley provided an overview of the City Attorney's Office expenditures in comparison to total City department operating budgets. Airport Director Karen Ramsdell provided an overview of the Airport Department expenditures and revenues along with future department reorganization plans. Councilmembers' questions centered on undeveloped areas of Airport land and potential revenue. Waterfront Director Scott Riedman and Waterfront Business Manager Brian Bosse outlined the department's proposed revenues and expenditures by program. Councilmembers' questions centered on landscaping maintenance.

Recess: 4:25 p.m. – 4:38 p.m. Councilmember White left the meeting at 4:39 p.m.

(Cont'd)

Subject: Proposed Two-Year Financial Plan For Fiscal Years 2014 And 2015 (Cont'd)

Speakers (Cont'd):

- Staff: Environmental Services Manager Matt Fore, Finance Director Robert Samario.
- Explore Ecology: Director of Development Stephen MacIntosh.

Discussion (Cont'd):

Environmental Services Manager Matt Fore presented the proposed Fiscal Year 2014 budget for the Finance Department's Solid Waste Fund.

ADJOURNMENT

Mayor Schneider adjourned the meeting at 5:22 p.m.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

_____ ATTEST: _____

HELENE SCHNEIDER
MAYOR

DEBORAH L. APPLEGATE
DEPUTY CITY CLERK

CITY OF SANTA BARBARA
CITY COUNCIL MINUTES

COUNCIL MEETING
May 14, 2013
COUNCIL CHAMBER, 735 ANACAPA STREET

CALL TO ORDER

Mayor Helene Schneider called the meeting to order at 2:02 p.m. (The Finance Committee met at 11:00 a.m., and the Ordinance Committee met at 12:00 p.m.)

PLEDGE OF ALLEGIANCE

Mayor Schneider.

ROLL CALL

Councilmembers present: Dale Francisco, Frank Hotchkiss, Grant House, Cathy Murillo, Randy Rowse, Bendy White, Mayor Schneider.
Councilmembers absent: None.
Staff present: City Administrator James L. Armstrong, City Attorney Stephen P. Wiley, Deputy City Clerk Deborah L. Applegate.

CEREMONIAL ITEMS

1. **Subject: Proclamation Declaring May 19-25, 2013, As National Public Works Week (120.04)**

   Action: Proclamation presented to City Public Works Director Christine Andersen.

CHANGES TO THE AGENDA

Item Removed from Agenda

City Administrator Armstrong stated that the following item was being removed from the agenda:

9. Subject: Contract For Construction For The Chapala Street Bridge Replacement Project (530.04)

Recommendation: That Council:

A. Award a contract with Granite Construction Company in their low bid amount of $1,411,510 for construction of the Chapala Street Bridge Replacement Project, Bid No. 3590;

B. Authorize the Public Works Director to execute the contract in the amount of $1,411,510 with Granite Construction Company and approve expenditures up to $141,151 to cover any cost increases that may result from contract change orders for extra work and differences between estimated bid quantities and actual quantities measured for payment;

C. Authorize the Public Works Director to execute a contract with MNS Engineers, Incorporated, in the amount of $478,596 for construction management services, and approve expenditures of up to $16,404 for extra services of MNS Engineers that may result from necessary changes in the scope of work;

D. Authorize the Public Works Director to execute a contract with Drake Haglan and Associates in the amount of $45,080 for design support services during construction;

E. Accept Federal Highway Administration Grant funding in the total amount of $2,188,562 to cover the cost of construction;

F. Increase appropriations and estimated revenues by $2,188,562 in the Fiscal Year 2013 Streets Capital Fund for the Chapala Street Bridge Replacement Project funded by the Federal Highway Administration Grant;

G. Authorize an appropriation of $74,537 from available Streets Fund reserves to cover final City costs for the design and right-of-way phases as well as to cover the cost of work not eligible for reimbursement during the construction phase of this Project; and

H. Increase appropriations and estimated revenues by $2,000 in the Fiscal Year 2013 Streets Capital Fund for the Chapala Street Bridge Replacement Project from revenues from granting Crown Castle a utility easement.

PUBLIC COMMENT

Speakers: Tom Becker; Darla Kaiser, Advocates for Mental Health; Rob Holland, CALIRG.

CONSENT CALENDAR (Item Nos. 2 - 8, 10 - 12)

The titles of the resolutions and ordinances related to Consent Calendar items were read.

Motion:

Councilmembers Hotchkiss/White to approve the Consent Calendar as recommended.

Vote:

Unanimous roll call vote.

2. Subject: Minutes

Recommendation: That Council waive the reading and approve the minutes of the regular meeting of April 23, 2013, and the special meetings of May 1 and 2, 2013.

Action: Approved the recommendation.

3. Subject: Adoption Of Ordinance For Power Purchase Agreement (380.01)

Recommendation: That Council adopt, by reading of title only, An Ordinance of the City of Santa Barbara Authorizing the Execution and Delivery of a California Renewable Energy Small Tariff Agreement with Southern California Edison, Inc., for the Purpose of Selling Electricity, Generated at the City's Conduit Hydroelectric Plant, and Authorizing Related Actions.

Speakers:

Southern California Edison: Patricia Bartoli-Wible.

Action: Approved the recommendation; Ordinance No. 5619; Agreement No. 24, 501.

4. **Subject: Adoption Of Ordinance For Fire Management Memorandum of Understanding (440.02)**

Recommendation: That Council ratify the Memorandum of Understanding between the City of Santa Barbara and the Santa Barbara Fire Managers Association for the period of July 1, 2012, through June 30, 2015, by adoption of, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Adopting the 2012-2015 Memorandum of Understanding Between the City of Santa Barbara and the Santa Barbara Fire Managers Association.

Action: Approved the recommendation; Ordinance No. 5620; Agreement No. 24,502.

5. **Subject: Records Destruction For Airport Department (160.06)**

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Relating to the Destruction of Records Held by the Airport Department in the Administration Division.

Action: Approved the recommendation; Resolution No. 13-031 (May 14, 2013, report from the Airport Director; proposed resolution).

6. **Subject: Agreements With Martin & Chapman Company And Donna M. Grindey, CMC, For Election Services Related To The November 5, 2013, General Municipal Election (110.03)**

Recommendation: That Council:

A. Authorize the Assistant City Administrator to execute a $134,000 professional services agreement with Martin & Chapman Company for election services necessary concerning the City's November 2013 General Election, and to approve expenditures of up to $20,100 for extra services that may result from necessary changes in the scope of work; and

B. Authorize the Assistant City Administrator to execute a $30,000 professional services agreement with Donna M. Grindey, CMC, for election services, and to approve expenditures of up to $4,500 for extra services that may result from necessary changes in the scope of work.

Action: Approved the recommendations; Agreement Nos. 24,496 and 24,497 (May 14, 2013, report from the Assistant City Administrator).

7. **Subject: Representative Services Agreement With Carpi & Clay, Inc. (570.03)**

Recommendation: That Council authorize the Waterfront Director to execute a Representative Services Agreement between the City of Santa Barbara and Carpi & Clay, Inc., doing business as Carpi, Clay & Smith, for liaison and contact services with the United States Government, at a rate not to exceed $1,600 per month, and in a total amount not to exceed $38,400 for Fiscal Years 2014 and 2015.

Action: Approved the recommendation; Agreement No. 24,498 (May 14, 2013, report from the Waterfront Director).

8. **Subject: Authorization To Award A Purchase Order For The Airport Building 247 Demolition Project (560.04)**

Recommendation: That Council authorize the General Services Manager to issue a purchase order with Tryco Contracting Company, in their low bid amount of $67,000 for the Airport Building 247 Demolition Project, Bid Number 3692, and approve expenditures of up to $6,700 for extra services of Tryco Contracting Company that may result from necessary changes in the scope of work.

Action: Approved the recommendation (May 14, 2013, report from the Airport Director).

10. **Subject: Tax Equity And Fiscal Responsibility Act Hearing for Covenant Retirement Communities, Inc. (Samarkand) Debt Issuance (280.01)**

Recommendation: That Council hold a public hearing and adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Approving a Tax-Exempt Bond Financing to be Issued by the California Statewide Communities Development Authority to Benefit Covenant Retirement Communities, Inc., and Certain Affiliates.

Action: Approved the recommendation; Resolution No. 13-032 (May 14, 2013, report from the Finance Director; proposed resolution).

11. **Subject: Resolution Approving Application For Clean Beaches Initiative Grant (570.05)**

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara, Authorizing the Public Works Director to Submit a Clean Beaches Initiative Grant Application in an Amount Not to Exceed $675,000, and Execute an Agreement with the California State Water Resources Control Board Grant Program.

(Cont'd)

11. (Cont'd)

Action: Approved the recommendation; Resolution No. 13-033; Agreement No. 24,503 (May 14, 2013, report from the Public Works Director; proposed resolution).

12. Subject: Set A Date For Public Hearing Regarding Proposed Designation Of City Landmarks (640.06)

Recommendation: That Council set the date of June 18, 2013, at 2:00 p.m. for a public hearing to consider the proposed designation of multiple buildings at El Encanto Hotel as a City historic district.

Action: Approved the recommendation.

NOTICES

13. The City Clerk has on Thursday, May 9, 2013, posted this agenda in the Office of the City Clerk, on the City Hall Public Notice Board on the outside balcony of City Hall, and on the Internet.

This concluded the Consent Calendar.

REPORT FROM THE FINANCE COMMITTEE

Finance Committee Chair Dale Francisco reported that the Committee met to review the City's Interim Financial Statements for the Nine Months Ended March 31, 2013; and proposed third quarter adjustments to Fiscal Year 2013 appropriations and estimated revenues. The Committee also heard a report from staff on the Proposed Two-Year Financial Plan for Fiscal Years 2014 and 2015, including the Recommended Budget for Fiscal Year 2014. The Committee approved the recommendations of the Fiscal Year 2013 Third Quarter Review, which will be presented to the full Council as Item No. 14.

REPORT FROM THE ORDINANCE COMMITTEE

Ordinance Committee Chair Grant House reported that the Committee met to consider proposed amendments to the Municipal Code for implementation of the Average Unit-Size Density Incentive Program, one of the first implementations of the recently passed General Plan. The Committee will be meeting again to review a proposed Ordinance.

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

FINANCE DEPARTMENT

14. Subject: Fiscal Year 2013 Third Quarter Review (250.02)

Recommendation: That Council:

A. Hear a report from staff on the status of revenues and expenditures in relation to budget for the nine months ended March 31, 2013;

B. Accept the Fiscal Year 2013 Interim Financial Statements for the Nine Months Ended March 31, 2013; and

C. Approve the proposed third quarter adjustments to Fiscal Year 2013 appropriations and estimated revenues as detailed in the schedule of Proposed Third Quarter Adjustments.

Documents:

- May 14, 2013, report from the Finance Director.
- PowerPoint presentation prepared and presented by Staff.

Speakers:

Staff: Finance Director Robert Samario.

Motion:

Councilmembers House/White to approve recommendations B and C.

Vote:

Unanimous voice vote.

PUBLIC WORKS DEPARTMENT

15. Subject: Resolution To Place The Exchange Of A Leased Excess Portion Of MacKenzie Park On The Municipal Election Ballot In November 2013 (330.03)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Authorizing the Placement of a Measure on the November 2013 General Election Ballot to Obtain Voter Approval to Exchange 14,564 Square Feet of MacKenzie Park Property for 12,511 Square Feet of the Adjacent U.S. Army Reserve Center Property, as Required by City Charter Section 520.

Documents:

- May 14, 2013, report from the Public Works Director.
- Proposed Resolution.
- PowerPoint presentation prepared and presented by Staff.

The title of the resolution was read.

(Cont'd)

15. (Cont'd)

Speakers:

Staff: Assistant Public Works Director/City Engineer Pat Kelly, Assistant City Administrator/Community Development Director Paul Casey.

Motion:

Councilmembers House/Rowse to approve the staff recommendation; Resolution No. 13-034 (May 14, 2013, report from the Public Works Director).

Vote:

Unanimous roll call vote.

PUBLIC HEARINGS

16. Subject: Appeal Of The Fire And Police Commission's Sixty (60) Day Suspension Of The Nightclub Dance Permit For Whiskey Richards (520.01)

Recommendation: That Council deny the appeal of William (Bill) Clayton, owner of Whiskey Richards nightclub, upholding the Fire and Police Commission's decision to suspend the nightclub dance permit for Whiskey Richards for a period of 60 days.

Documents:

- May 14, 2013, report from the Chief of Police.
- PowerPoint presentation prepared and presented by Staff.

Public Comment Opened:

2:32 p.m.

Speakers:

- Staff: Police Lieutenant William Marazita, Police Sergeant Kenneth Kushner, Police Officer Justin Cruz, City Attorney Stephen P. Wiley.
- Appellant: Whiskey Richards Co-Owner Bill Clayton, Business Broker Matt Olufs.
- Members of the Public: Tamara Erikson, Hotel Santa Barbara; Kay Morter, Holiday Inn Express; Gail Zannon.

Public Comment Closed:

3:25 p.m.

(Cont'd)

16. (Cont'd)

Motion:

Councilmembers Hotchkiss/Rowse to approve the recommendation by staff and deny the appeal.

Substitute Motion:

Councilmembers White/Francisco to 1) approve the recommendation to deny the appeal, modifying the term of the suspension to 30 days, 14 days of which has been completed; and 2) direct the City Attorney to return to Council on June 4, 2013, with a resolution containing written findings and stipulating that the remaining 16 days of the suspension term will commence upon adoption of the resolution.

Vote on Substitute Motion:

Majority voice vote (Noes: Councilmember Rowse).

COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

Information:

- Councilmember Murillo reported on a recent meeting of the Metropolitan Transit District Board regarding State pension reform. She spoke regarding the Youth Leadership Awards where Ivette Gil, chair of the Santa Barbara Youth Council, was honored as student of the year. She also mentioned her attendance at the Neighborhood Advisory Council meeting.
- Councilmember White reported on his attendance at the Ensemble Theatre Company celebration to launch the "New Vic"; he reported that they are making tremendous progress on the remodeling of the theatre and have scheduled a new production for October.
- Mayor Schneider commended Councilmember House for his enthusiastic Master of Ceremonies presentation at Coastal Rail Now's celebration of National Train Day.

RECESS

Mayor Schneider recessed the meeting at 4:56 p.m. in order for the Council to reconvene in closed session for Agenda Item No. 17, and she stated that no reportable action is anticipated.

CLOSED SESSIONS

17. Subject: Conference With Labor Negotiator (440.05)

Recommendation: That Council hold a closed session, per Government Code Section 54957.6, to consider instructions to City negotiator Kristy Schmidt, Employee Relations Manager, regarding negotiations with the Police Bargaining Unit, Supervisors' Bargaining Unit, and the General Bargaining Unit, and regarding discussions with certain unrepresented managers about salaries and fringe benefits.

Scheduling: Duration, twelve minutes; anytime
Report: None anticipated.

Documents:
May 14, 2013, report from the Assistant City Administrator.

Time:
4:58 p.m. – 5:10 p.m.

No report made.

RECESS

5:10 p.m. to 6:01 p.m.
Mayor Schneider presiding.
Councilmembers present: Francisco, Hotchkiss, House, Murillo, Rowse, White, Mayor Schneider.
Councilmembers absent: None.
Staff present: City Administrator Armstrong, City Attorney Wiley, Deputy City Clerk Applegate.

PUBLIC COMMENT

No one wished to speak.

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

CITY ADMINISTRATOR

18. Subject: Request from Mayor Helene Schneider and Councilmember Bendy White for a Gang Injunction Informational Update (520.04)

Documents:
- May 14, 2013, report from the City Administrator.
- PowerPoint presentation prepared and presented by Staff.

(Cont'd)

18. (Cont'd)

Speakers:

- Staff: City Attorney Stephen Wiley, Chief of Police Camerino Sanchez, City Administrator James Armstrong.
- County of Santa Barbara: Chief Deputy District Attorney Hilary Dozer.
- Members of the Public: Marcial Garcia; Irma Santibanez, Palabra; Michael Guttierez, PODER and Santa Barbara City College Mecha; Chelsea Lancaster; Francisco Rimero, KEYS Program; Keith Terry, Ystrive for Youth, Inc.; Patricia Hiles, ACLU; Olivia Uribe, Latidems; Edwina Baruosa, Professor of Chicano Studies at University of California Santa Barbara; Roy Sarabia, Palabra; Brandon Morse; Anabel Merino, CAUSE Action Fund; Alfonso Palengia; Zachary King; Jorge Ramirez; Daraka Larimore-Hall, Santa Barbara Democratic Party; Arthur Stevens, PODER; Gabriela Hernandez; Paul Zink; Chris Castillo; Jackie Luna, Tania Ramirez, and Rosio Almaguer, Room 106, La Cumbre Jr. High School; Tania Israel, President of the Fund for Santa Barbara; Dr. Manuel Casas, Palabra; Daniel Ramirez, Democratic Party; Sergio Medrano, Palabra; Elias Estrada, Palabra.

Recess: 8:35 p.m.– 8:49 p.m.

Speakers (Cont'd):

- Members of the Public: Alex De La Torre, Palabra; Luis Terrazas, Palabra; Luis Gonzalez, Palabra; Christian Catalan, Palabra; Cruzito Herrera Cruz; Nayra Pacheco; Richard Munoz, ALLFORONE; Gerardo F., Palabra.
-

Discussion:

Councilmembers' questions were answered by Staff. Several Councilmembers commented on the proposed Gang Injunction.

ADJOURNMENT

Mayor Schneider adjourned the meeting at 9:54 p.m.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

_____ ATTEST: _____

HELENE SCHNEIDER
MAYOR

DEBORAH L. APPLEGATE
DEPUTY CITY CLERK

CITY OF SANTA BARBARA
CITY COUNCIL MINUTES

REGULAR MEETING
May 28, 2013
COUNCIL CHAMBER, 735 ANACAPA STREET

The regular meeting of the City Council, scheduled for 2:00 p.m. on May 28, 2013, was cancelled by the Council on November 6, 2012.

The next regular meeting of the City Council is scheduled for June 4, 2013, at 2:00 p.m. in the Council Chamber.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

_____ATTEST:_____

HELENE SCHNEIDER
MAYOR

SUSAN TSCHECH, CMC
CITY CLERK SERVICES MANAGER

Agenda Item No. 2

File Code No. 540.13

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: June 11, 2013

TO: Mayor and Councilmembers

FROM: Water Resources Division, Public Works Department

SUBJECT: Introduction Of Ordinance For Renewal Of Agreement To Use Recycled Water

RECOMMENDATION:

That Council introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving the Agreement Between the City of Santa Barbara and the Covenant Retirement Communities West for Purchase, Use and Delivery of the City's Recycled Water.

DISCUSSION:

Pursuant to the City's Waste Discharge Permit, the Central Coast Regional Water Quality Control Board requires that the City of Santa Barbara have a recycled water user agreement with each site that uses the City's recycled water. Covenant Retirement Communities West (The Samarkand) entered into such an agreement with the City twenty years ago. This agreement has now expired and a new twenty-year recycled water user agreement has been negotiated and accepted. If approved by Council, the agreement will be recorded in the Official Records of the County of Santa Barbara to give notice of its existence to any interested party.

Staff recommends that Council adopt the subject ordinance approving the user agreement as required by the City Charter.

SUSTAINABILITY:

For all sites using recycled water instead of potable water for irrigation and toilet flushing in the City of Santa Barbara, approximately 800 acre feet of potable water is saved per year.

PREPARED BY: Rebecca Bjork, Water Resources Manager/AJ/mh

SUBMITTED BY: Christine F. Andersen, Public Works Director

APPROVED BY: City Administrator's Office

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA APPROVING THE AGREEMENT BETWEEN THE CITY OF SANTA BARBARA AND THE COVENANT RETIREMENT COMMUNITIES WEST FOR PURCHASE, USE AND DELIVERY OF THE CITY'S RECYCLED WATER

WHEREAS, the amount of potable water supply of the City of Santa Barbara (City) is limited, and therefore, water conservation is a major concern of the City; and

WHEREAS, the City operates additional wastewater treatment facilities at its El Estero Wastewater Treatment Plant, which produces recycled water of satisfactory quality for safe use in irrigating landscape areas within the City; and

WHEREAS, Covenant Retirement Communities West, owns, operates, and maintains landscaped areas to be irrigated, using recycled water, at its site located at, 2550 Treasure Drive, Santa Barbara, California; and

WHEREAS, Covenant Retirement Communities West has agreed to accept recycled water for irrigation of its landscaped area, and the City has agreed to deliver recycled water to Covenant Retirement Communities West under the terms and conditions to be set forth in a User Agreement between them.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SANTA BARBARA DOES ORDAIN AS FOLLOWS:

SECTION 1. That the Agreement between the City of Santa Barbara and Covenant Retirement Communities West for the purchase, use, and delivery of the City's recycled water to 2550 Treasure Drive, Santa Barbara, California, is approved in accordance with the City Charter for a twenty-year term.

SECTION 2. That the Public Works Director is authorized to execute, subject to approval as to form by the City Attorney, the agreement for a twenty-year term.

SECTION 3. Following the effective date of this ordinance, the City Clerk is hereby authorized to cause the recordation of said agreement in the Official Records, in the Office of the County Recorder, County of Santa Barbara, State of California.

Agenda Item No. 3

File Code No. 670.05

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: June 11, 2013

TO: Mayor and Councilmembers

FROM: Transportation Division, Public Works Department

SUBJECT: Measure A Project Cooperative Agreement

RECOMMENDATION: That Council:

A. Authorize the Public Works Director to execute an amendment to the Measure A Project Cooperative Agreement between the City of Santa Barbara and the Santa Barbara County Association of Governments; and

B. Increase estimated revenues and appropriations in the Streets Capital Fund by $304,999 in the recommended Fiscal Year 2014 budget for the school zone pedestrian refuge islands, access ramps, and the Bicycle Master Plan update.

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DISCUSSION:

The Measure A Investment Plan (Measure A) is a transportation funding measure that was approved in November 2008 by 80% of the voters in all regions of Santa Barbara County. Measure A is administered by the Santa Barbara County Association of Governments (SBCAG), and will provide more than $1 billion of estimated local sales tax revenues for transportation projects in Santa Barbara County over a 30 year period.

Measure A will address traffic congestion and improve safety on US Highway 101 by providing $140 million in matching funds to widen the highway from four to six lanes in South Santa Barbara County. Measure A also includes $455 million each for the North County and South County regions for high priority transportation projects and local transportation programs that will address the current and future needs of each community.

Measure A provides funding to local agencies for:

- Local street improvements, such as pothole repairs and pavement maintenance
- Local transportation Capital Improvement projects
- Increasing senior and disabled pedestrian accessibility and connectivity
- Improving school route pedestrian safety
- Improving bicycle and transit facilities

The City currently receives approximately $2.9 million per year for transportation improvements from Measure A funds. This yearly allocation partially funds the Public Works Street Maintenance Program. Sources of other funding for the Street Maintenance Program are the, Utility Users Tax, Gas Tax and grants. The City is also eligible to receive competitive grant funding under Measure A, which includes the Safe Routes to School Grant program and the Bicycle and Pedestrian Grant program.

To receive the Measure A funding, the City must enter into a cooperative agreement with the SBCAG.

Grant Applications and Funding

On October 1, 2012, SBCAG announced a call for projects for Cycle 2 of the South County Measure A Safe Routes to School and the Bicycle and Pedestrian Grant programs. Funding for Cycle 2 is based on Measure A revenue estimates for Fiscal Years 2014, 2015, and 2016. Eligible local agencies were required to submit preliminary applications and final applications. The final applications were due to SBCAG on January 11, 2013 for the Pedestrian and Bicycle Program, and on February 8, 2013 for the Safe Route to Schools program. SBCAG's staff reviewed the applications for completeness and forwarded them to the Scoring Committee (Committee). The Committee was comprised of representatives from each South Coast city, the County, and Caltrans. The Committee also included representatives from the Santa Barbara Bicycle Coalition, the Metropolitan Transit District (MTD), the Coalition for Sustainable Transportation, and the Parent Teachers Association. The Committee scored and ranked a total of 34 applications for both grant programs. Local agencies requested $4.3 million in funding. A total of $2.2 million was available to be awarded.

The City submitted eight grant applications to the two Measure A Grant programs. Projects selected for submittal were based on the City's Capital Improvement Plan, the annual work plans, and the Public Works Department's annual budget. Staff also selected projects based on the criteria of the Measure A Grant programs and to improve the safety and operations of City transportation facilities. Santa Barbara City College and the Traffic Solutions Division of SBCAG also asked the City to sponsor a project. Of the eight City projects submitted by the City, four were awarded full funding and one was awarded partial funding. A total of $675,641 was awarded to the City for the five projects. The full list of projects awarded funding from Measure A grants and the funding details are included in the Attachment, and these projects are discussed further below.

Although we received approval for five grants for Fiscal Year 2014, we are only requesting $304,999 to be appropriated for three projects at this time (the school zone pedestrian refuge islands, access ramps, and Bicycle Plan Master update) as the remainder of the projects will be appropriated in Fiscal Year 2015 and Fiscal Year 2016 due to timing and workload.

Measure A Pedestrian and Bicycle Grant Projects	Amount	Year
School Zone Pedestrian Refuge Islands	$ 152,645	FY 2014
Bicycle Master Plan Update	130,000	FY 2014
Access Ramps (partial funding)	22,354	FY 2014

Description of Projects

The five City projects funded by the Safe Routes to School and the Bicycle and Pedestrian Grant programs are described below. Also described below are other projects that are City sponsored, but for which the City will not receive funding directly: CycleMAYnia, Santa Barbara City College Bicycle Facilities Improvement, and several other south coast regional programs.

Safe Routes to School Program

North La Cumbre Road Sidewalk and Pedestrian Safety Improvements: Construction of missing links in sidewalk and access ramps on North La Cumbre and crosswalk improvements on North La Cumbre at La Colina Road and Calle Cita, which includes the possible installation of rapid rectangular flashing beacons.

School Zone Pedestrian Refuge Islands: Construction of mountable median refuge islands at nine crossings in the Eastside and Westside neighborhoods in the City of Santa Barbara. Installation of rapid rectangular flashing beacons at some crossing locations will be considered. Nine of the locations are as follows: Soledad at Yanonali; Soledad at East Mason; Soledad at Quinientos; Soledad at Carpinteria; Voluntario at East Mason; Voluntario at Quinientos; Modoc at Portesuello; Modoc at Pilgrim Terrace/Junipero Bridge Path; and Portesuello at Gillespie.

Bicycle and Pedestrian Program

Access Ramps: The application was for access ramps at various intersections near Santa Barbara Jr. High School, Santa Barbara High School, La Cuesta High School, Harding Elementary, Washington Elementary and Peabody Charter School. The grant application was for $169,250 and was partially funded in the amount of $22,354. The intersection of Cota and Laguna Streets will be constructed using these funds.

Upper De La Vina Pedestrian Crossing Enhancements: Enhancement to three crosswalks, including installation of pedestrian activated rectangular rapid flashing beacons, a pedestrian median refuge island at one location, and modifying pedestrian access ramps to meet ADA requirements.

Bicycle Master Plan Update: Marketing and outreach for local and regional input on bicycle facilities and programmatic efforts to update the City's 1998 Bicycle Master Plan.

Other City Sponsored Projects

CycleMAYnia, Bike Challenge & Bike to Work Day: CycleMAYnia is a program offered by the Traffic Solutions Division of SBCAG. The primary goal is to increase enthusiasm for bicycling across a broad spectrum of the community by coordinating a variety of engaging events and workshops throughout the month of May (national bike month) with community members. CycleMAYnia events compliment the Bike Challenge and Bike to Work Day events going on through the month of May, which are also coordinated by Traffic Solutions with funds from this grant. A detailed description of the project is contained in the attachment.

Santa Barbara City College Bicycle Facilities Improvement: Upgrading bike racks facilities to be U-lock compatible, installation of public bike maintenance facilities and bike lockers on the college campus. A detailed description of the project is contained in the attachment.

In addition to the projects listed above and detailed in the attachment, the City co-sponsored the following applications:

- Adult Bicycle Education and Safety Outreach
- Safe Routes to School (Education, Encouragement and Safety Programs)
- Youth Bicycle Education Program

The County was the applicant to sponsor these programs and the cities of Carpinteria, Goleta, and Santa Barbara co-sponsored all three applications in support of the programs. The awarded funds under the Measure A Grant Programs total $357,000. The programs will be administered by the County and will be performed by the Santa Barbara Bicycle Coalition and the Coalition for Sustainable Transportation.

To receive the grant for each project and program described above, the City must enter into a cooperative agreement with the SBCAG. The City entered into a cooperative agreement with SBCAG in July 2012 for the first cycle of funding and SBCAG is requesting an amendment to that agreement adding in the second cycle funded projects. The cooperative agreement and Measure A Grant Program Guidelines include a requirement for the timely use of funds. All of the projects listed above will need to be completed two years after programming of funds. The cooperative agreement includes technical project scope, cost, schedule and funding plans for each project or program. The technical attachments to the agreement will be available at the City Clerk's office.

BUDGET/FINANCIAL INFORMATION:

As discussed above, five City projects that were submitted to compete for the Measure A grant were selected. The programs were selected based on the City's Capital Improvement Program. A total of $675,641 was awarded to the City. Matching funding for each project is available in the Streets Capital Budget.

Staff recommends that Council increase estimated revenues and appropriations in Fiscal Year 2014 in the Streets Capital Fund by $304,999 for three of these projects: 1) the school zone pedestrian refuge islands, 2) the access ramps, and 3) the Bicycle Master Plan update.

SBCAG approval of the grant application was received too late in the budget process to include these grant funds as a staff-recommended adjustment to the Fiscal Year 2014 recommended budget, therefore, staff is recommending this appropriation as a separate agenda item.

SUSTAINABILITY IMPACT:

Resources invested in supporting non-motorized transportation projects and programs are an economical way to increase mobility by reducing congestion. All of the projects described address many of the goals, objectives, policy statements and strategies in the Circulation Element in the City's General Plan.

ATTACHMENT(S) Project Scopes, Costs, Schedules and Funding

PREPARED BY: Browning Allen, Transportation Manager/kts

SUBMITTED BY: Christine F. Andersen, Public Works Director

APPROVED BY: City Administrator's Office

PROJECT SCOPE, COST, SCHEDULE AND FUNDING PLAN

Implementing Agency: City of Santa Barbara

Project Sponsor: City of Santa Barbara

Measure A Project ID #: MSA-17-2-3

Project Name: **Upper De La Vina Pedestrian Crossing Enhancements**

Project Scope: Enhance three crosswalks, including installation of pedestrian activated rectangular rapid flashing beacons, a pedestrian median refuge island at one location, and modifying pedestrian access ramps to meet ADA requirements.

Project Location: Upper De La Vina corridor at Samarkand, Calle Laureles and Arden.

Project Contact: Derrick Bailey

Project Payment: Payment made from SBCAG to City of Santa Barbara

Funding Program: South Coast

Project Phase	Description	Total Project Cost Estimate	Measure A Amount	Measure A %	Sponsor Fund	other fund %	Project Schedule Start	Project Schedule Finish	Timely Use of Funds Deadline
PE	Environmental	$0	$0	0%	$0	0%	n/a	n/a	
	Preliminary Design/Eng (PS&E)	$20,000	$0	0%	$20,000	100%	July 2014	June 2015	6/30/2016
Right of Way	Engineering	$0	$0	0%	$0	0%	n/a	n/a	
	Appraisals, Acquisitions, Utilities	$0	$0	0%	$0	0%	n/a	n/a	
Construction	Construction Engineering	$28,000	$0	0%	$28,000	100%	September 2015	March 2016	6/30/2018
	Project Construction,	$139,370	$82,870	59%	$56,500	41%			
Contingency	As needed	$21,000	$21,000		$0				
	Total	**$208,370**	**$103,870**		**$104,500**				

PROJECT SCOPE, COST, SCHEDULE AND FUNDING PLAN

Implementing Agency: City of Santa Barbara

Measure A Project ID #: MSA-16-2-3

Project Sponsor: City of Santa Barbara

Project Name: **North La Cumbre Road Sidewalk and Pedestrian Safety Improvements**

Project Scope: Construction of missing links in sidewalk and ramps on North La Cumbre and crosswalk improvements on North La Cumbre at La Colina Road & Calle Cita, possible installation of rapid flashing beacons.

Project Location: North La Cumbre Road from Via Lucero to Stacey Lane, intersection improvements will be at La Cumbre Road & La Colina Road.

Project Contact: Jessica Grant

Project Payment: Payment made from SBCAG to City of Santa Barbara

Funding Program: South Coast

Project Phase	Description	Total Project Cost	Measure A Amount	Measure A %	Sponsor Fund	other fund %	Project Schedule Start	Project Schedule Finish	Timely Use of Funds Deadline
PE	Environmental	$0	$0	0%	$0	0%	n/a	n/a	
	Preliminary Design/Eng (PS&E)	$60,000	$0	0%	$60,000	100%	July 2013	June 2014	6/30/2015
Right of Way	Engineering	$0	$0	0%	$0	0%	n/a	n/a	
	Appraisals, Acquisitions, Utilities	$0	$0	0%	$0	0%	n/a	n/a	
Construction	Construction Engineering	$65,000	$0	0%	$65,000	100%	September 2014	March 2015	6/30/2017
	Project Construction	$290,772	$237,772	82%	$53,000	18%			
Contingency	As needed	$29,000	$29,000						
	Total	**$444,772**	**$266,772**		**$178,000**				

PROJECT SCOPE, COST, SCHEDULE AND FUNDING PLAN

Implementing Agency: City of Santa Barbara
Project Sponsor: City of Santa Barbara
Measure A Project ID #: MSA-16-2-4
Project Name: **School Zone Pedestrian Refuge Islands**
Project Scope: Construction of mountable median refuge islands at 9 crossings in the east and west side neighborhoods in the City of Santa Barbara. Installation of rapid flashing beacons at some crossing locations.
Project Location: *9 locations as follows:* Soledad at Yanonali; Soledad at East Mason Street; Soledad at Quinientos; Soledad at Carpinteria Street; Volunatario at East Mason Street; Voluntario at Quinientos Street; Modoc at Portesuello; Modoc at Pilgrim Terrace/Junipero Bridge Path; and Portesuello at Gillespie.
Project Contact: Jessica Grant
Project Payment: Payment made from SBCAG to City of Santa Barbara
Funding Program: South Coast

Project Phase	Description	Total Project Cost	Measure A Amount	Measure A %	Sponsor Fund	other fund %	Project Schedule Start	Project Schedule Finish	Timely Use of Funds Deadline
PE	Environmental		$0	0%	$0	0%	n/a	n/a	
	Preliminary Design/Eng (PS&E)	$35,000		0%	$35,000	0%	July 2013	March 2014	6/30/2015
Right of Way	Engineering	$0	$0	0%	$0	0%	n/a	n/a	
	Appraisals, Acquisitions,	$0	$0	0%	$0	0%	n/a	n/a	
Construction	Construction Engineering	$30,000	$0	0%	$30,000	100%	June 2014	December 2014	6/30/2016
	Project Construction	$134,695	$134,695	100%	$0	0%			
Contingency	As needed	$19,950	$17,950		$2,000				
	Total	**$219,645**	**$152,645**		**$67,000**				

PROJECT SCOPE, COST, SCHEDULE AND FUNDING PLAN

Implementing Agency: City of Santa Barbara

Project Sponsor: City of Santa Barbara

Measure A Project ID #: MSA-16-2-7

Project Name: **Santa Barbara School Access Ramps**

Project Scope: Construction of sidewalk access ramps near Santa Barbara Jr. High, Santa Barbara High School, and Harding Elementary.

Project Location: Various intersections near Santa Barbara Jr. High School, Santa Barbara High School, La Cuesta High School, Harding Elementary, Washington Elementary and Peabody Charter School.

Project Contact: Jessica Grant

Project Payment: Payment made from SBCAG to City of Santa Barbara

Funding Program: South Coast

Project Phase	Description	Total Project Cost	Measure A Amount	Measure A %	Sponsor Fund	other fund %	Project Schedule Start	Project Schedule Finish	Timely Use of Funds Deadline
PE	Environmental		$0	0%	$0	0%	n/a	n/a	
	Preliminary Design/Eng (PS&E)	$0	$0	0%	$0	0%	July 2013	October 2013	
Right of Way	Engineering	$0	$0	0%	$0	0%	n/a	n/a	
	Appraisals, Acquisitions, Utilities	$0	$0	0%	$0	0%	n/a	n/a	
Construction	Construction Engineering		$0	0%	$0	0%	December 2013	March 2014	6/30/2016
	Project Construction	$36,645	$22,354	61%	$14,291	39%			
Contingency	As needed	$0			$0				
	Total	**$36,645**	**$22,354**		**$14,291**				

PROJECT SCOPE, COST, SCHEDULE AND FUNDING PLAN

Implementing Agency: City of Santa Barbara

Project Sponsor: City of Santa Barbara

Measure A Project ID #: MSA-17-2-7

Project Name: **City of Santa Barbara Bicycle Master Plan Update**

Project Scope: Marketing and outreach for local and regional input on facilities and programmatic efforts to update the City's 1998 plan.

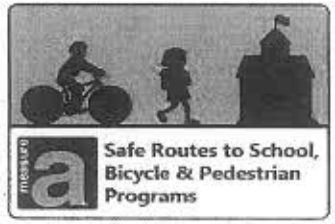
Project Location: Throughout the City of Santa Barbara

Project Contact: Jessica Grant

Project Payment: Payment made from SBCAG to City of Santa Barbara

Funding Program: South Coast

Project Phase	Description	Total Project Cost Estimate	Measure A Amount	Measure A %	Sponsor funding amount	Sponsor funding %	Project Schedule: Start	Project Schedule: Finish	Timely Use of Funds Deadline
Plans & Studies	Marketing and outreach	$200,000	$130,000	65%	$70,000	35%	September 2013	March 2015	6/30/2016
	Total	**$200,000**	**$130,000**		**$70,000**				



PROJECT SCOPE, COST, SCHEDULE AND FUNDING PLAN

Implementing Agency: Traffic Solutions

Project Sponsor: City of Santa Barbara

Measure A Project ID #: MSA-17-2-11

Project Name: **CycleMAYnia 2014, 2015 and 2016**

Project Scope: Thirty-one CycleMAYnia rides and events are offered to kids, families, adults and employers with a focus on education, safety, competition, team building and commuting using bicycles, with the goal of increasing enthusiasm for bicycling across a broader spectrum of the community.

Project Location: South Coast

Project Contact: Kent Epperson

Project Payment: Payment made from SBCAG to Traffic Solutions upon City of Santa Barbara approval of invoice and submittal to SBCAG.

Funding Program: South Coast

Project Phase	Description	Total Project Cost Estimate	Measure A Amount	Measure A %	Sponsor funding amount	Sponsor funding %	Project Schedule: Start	Project Schedule: Finish	Timely Use of Funds Deadline
Education/Awareness/Outreach		$19,500	$12,500	64%	$7,000	36%	July 2013	June 2016	6/30/2016
Encouragement/ Marketing		$19,500	$12,500	64%	$7,000	36%	July 2013	June 2016	6/30/2016
Safety		$19,500	$12,500	64%	$7,000	36%	July 2013	June 2016	6/30/2016
	Total	**$58,500**	**$37,500**		**$21,000**				

PROJECT SCOPE, COST, SCHEDULE AND FUNDING PLAN

Implementing Agency: Santa Barbara City College

Project Sponsor(s): Cities of Santa Barbara, Goleta, Carpinteria and the County of Santa Barbara

Measure A Project ID #: MSA-17-2-9

Contract Administrator: City of Santa Barbara

Project Name: **SBCC Bicycle Facilities Improvement Project**

Project Scope: Upgrading bike rack facilities to be u-lock compatible, installation of public bike maintenance structures and bike lockers on campus.

Project Location: On Santa Barbara City College Campus

Project Contact: Adam Green & Jessica Grant

Project Payment: Payment made from SBCAG to Santa Barbara City College upon City of Santa Barbara approval of invoice and submittal to SBCAG.

Funding Program: South Coast

Project Phase	Description	Total Project Cost Estimate	Measure A Amount	Measure A %	Sponsor funding amount	Sponsor funding %	Project Schedule: Start	Project Schedule: Finish	Timely Use of Funds Deadline
PE	Environmental, PS								
Right of Way	Engineering								
	Appraisals,								
Construction	Construction								
	Project Construction,	$75,000	$50,000	67%	$25,000	33%	July 2013	November 2013	6/30/2016
	Total	**$75,000**	**$50,000**		**$25,000**				

Agenda Item No. 4

File Code No. 350.01

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: June 11, 2013

TO: Mayor and Councilmembers

FROM: Risk Management, Finance Department

SUBJECT: Agreement For Workers' Compensation Claims Administration

RECOMMENDATION:

That City Council approves and authorizes the Finance Director to execute a new agreement with JT^2 Integrated Resources (JT^2) to provide Third Party Claims Administration Services. The proposed agreement contains two distinct components:

1) Workers' Compensation claims administration services for five (5) fiscal years beginning July 1, 2013, and ending June 30, 2018; for annual fees of $200,505; $204,515; $208,605 ; $212,777 and $217,033, respectively; and

2) Medical Bill Review services for five (5) fiscal years beginning July 1, 2013, and ending June 30, 2018, an additional flat fee of $68,400 per fiscal year.

DISCUSSION:

The purpose of the workers' compensation program is to provide benefits to an employee who sustains an injury, death, or an occupational disease arising out of the course of employment. California law requires every employer provide workers' compensation coverage to its employees (see generally Labor Code §§3200-6002). As such, the workers' compensation program is a benefit delivery system. Workers' compensation benefits include medical treatment, temporary disability payments, permanent disability payments, and vocational rehabilitation.

The City uses a Third Party Claims Administrator to comply with State mandates governing self-insured workers' compensation programs. Services provided by the Third Party Claims Administrator include claims processing, dispensing benefits and payments mandated by State law, medical bill review and other cost containment services, subrogation, litigation control, file maintenance, and statistical reporting.

The City issued a Request for Proposal (RFP) regarding Workers' Compensation Claims Administration services in January 2013. JT^2 was one of several firms who responded to the RFP. Staff selected JT^2 as the most responsive bidder based on its proposal for

services and interview responses. JT^2 has provided workers' compensation claims administration services to the City since staff solicited bids in 1996. JT^2 provides the city with the qualifications, experience, technical support, performance guarantees, medical cost review, and fixed price to operate an efficient workers' compensation program that complies with California laws and mandates.

BUDGET/FINANCIAL INFORMATION:

Administrative Fees

The cost for administrative services provided by JT^2 during each of the five (5) fiscal years for the proposed contract represents a decrease when compared to the amount paid in FY13 for the same services ($229,201). The following chart identifies the annual cost for the services and the savings.

Fiscal Year	Administrative Fee	% Below Current
2013	$229,201	----------
2014	$200,505	12.52%
2015	$204,515	10.77%
2016	$208,605	8.99%
2017	$212,777	7.17%
2018	$217,033	5.31%

Bill Review Fees

Under the terms of the recommended contract, the cost for bill review services provided by JT^2 during the term of the agreement is a flat fee of $68,400 per year; a decrease of 7.17% when compared to FY13 ($73,689). The cumulative decrease in the medical bill review fees over the five year contract term is $26,445.

The proposed Risk Management budget contains adequate funds to pay for these services.

PREPARED BY: Mark Howard, Risk Manager

SUBMITTED BY: Robert Samario, Finance Director

APPROVED BY: City Administrator's Office

Agenda Item No. 7

File Code No. 270.06

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: June 11, 2013

TO: Mayor and Councilmembers

FROM: Water Resources Division, Public Works Department
Environmental Services Division, Finance Department

SUBJECT: Public Hearing Regarding Proposed Utility Rate Increases For Fiscal Year 2014

RECOMMENDATION: That Council:

A. Hold a public hearing, as required by State law, regarding proposed utility rate increases for water, wastewater and solid waste collection services for Fiscal Year 2014; and
B. Provide direction to staff regarding any changes to the proposed Fiscal Year 2014 utility rates.

EXECUTIVE SUMMARY:

Water rates recommended for Fiscal Year 2014 are the result of a comprehensive study that evaluated upcoming revenue needs for the Water Fund based on Capital Improvement Planning, reserve requirements, debt service, and operations and maintenance costs. While some changes are proposed, rates have been designed to minimize customer impacts, while also providing adequate incentive to conserve water. The recommended rates are anticipated to generate a 3% increase in water revenues. An across the board wastewater rate increase of 4% is proposed for Fiscal Year 2014, with a comprehensive rate study scheduled to evaluate rates for Fiscal Year 2015.

In February 2013, the City Council approved a new franchise agreement, including a new rate schedule, with MarBorg Industries, Inc. (MarBorg) for citywide solid waste collection. This rate schedule has been increased by 2.68% to compensate MarBorg for increases to the Consumer Price Index and to tipping fees charged for processing and disposal of materials collected by MarBorg.

Under the proposed rates, Single-Family Residential charges would remain similar or slightly less than those currently in effect. Residential customers with backyard can service and those that roll their carts (containers with wheels) to the curb would pay the lowest rate. Conversely, customers that do not wish to roll their carts to the curb will now be able to pay an additional charge for backyard cart service.

In the Business and Multi-Unit sectors, all recycling, greenwaste and foodscraps containers are priced at 50% of the cost of equivalent trash containers. This is a reduction in the rate incentive for diversion, but will still allow customers to save money through recycling. In general, customers that subscribe to numerous containers and/or frequent collection would pay proportionally more than those who subscribe to fewer containers with less frequent collection.

DISCUSSION:

As presented to Council during the development of the Fiscal Year 2014 recommended budget, staff is recommending increases in water, wastewater and solid waste collection fees for Fiscal Year 2014. Proposition 218, approved by California voters in 1996, requires that property owners be notified of planned rate increases and that a public hearing be held prior to the adoption of rate increases. Rate increases can be adopted unless a majority of property owners submit a written protest. Accordingly, the attached Notice of a Public Hearing was included with utility bills sent to the City's utility customers during March and April 2013. The notice was also posted on the City's website. As of May 21, 2013, one written protest has been received.

Water Rates

The water and wastewater utilities are dependent on user rates to fund most of the operations, maintenance and capital improvements needed to keep the utilities functioning reliably and in compliance with federal and state regulations. A comprehensive water rate study was completed during Fiscal Year 2012. The last comprehensive study of water rates before that was conducted in 1994. The cost of service analysis and rate review evaluated the City's water rate structure for compliance with state law, and for its performance with helping the City meet water conservation goals and with fairly allocating costs between user categories. The new rates were also used to create a comprehensive financial model and revenue plan. The model and plan will be used for planning future rate increases that will ensure there is sufficient revenue for capital projects, operational and maintenance work, and debt obligations, while avoiding large rate increases.

Proposed changes to the existing water rate structure include:

- Adjustments to the monthly meter fees;
- Reduction in the Single-Family Residential Tier 2 allocation from 16 Hundred Cubic Feet (HCF) to 14 HCF;
- Reduction in the Multi-Family Residential Tier 2 allocation from 8 HCF to 4 HCF per dwelling unit;
- Slight reduction of the cost of Tier 1 commercial rates and Tier 2 residential rates;
- Significant increase to Tier 3 residential water rates, Tier 2 commercial rates, and Tier 2 irrigation water rates to encourage water conservation; and

- Changing the tier structure for Irrigation from three tiers to two tiers, with the first tier based on a monthly water budget sized to provide adequate supply for irrigation.

Although the changes to rates differ between user classes, the overall increase in revenues generated by the Fiscal Year 2014 rates is projected to be 3%. The increase will help support Water Fund capital projects, including the ongoing water main replacement program, rehabilitation of the recycled water filtration system, and capital maintenance work on treatment and distribution facilities. With the recommended rates, the typical single-family residential water customer using 12 HCF of water per month would see a minimal increase of $0.06 per month, from $67.75 to $67.81.

Wastewater Rates

For wastewater service, an across-the-board increase of 4% is proposed for monthly base charges and unit rates. This is consistent with the Council-approved ten-year financial plan for the wastewater fund, developed to support the ongoing operation, maintenance, rehabilitation, and improvement of the wastewater system. A principle goal of the plan is to perform required maintenance to maximize equipment lifecycles; to replace capital facilities as needed for the protection of the environment and permit compliance; and, to avoid higher costs and other impacts associated with deferred maintenance. The increase for the maximum bill to a single-family residential customer would be $1.57 per month, from $39.21 to $40.78. A comprehensive wastewater study is planned for Fiscal Year 2014.

Solid Waste Rates

In February 2013, the City Council approved a new franchise agreement with MarBorg for citywide solid waste collection. The rates negotiated in February 2013 have since been adjusted by 2.68% to compensate MarBorg for increases in the tipping fees charged at Tajiguas Landfill and at the City's foodscraps composter, and for an increase in the Consumer Price Index. The City is contractually obligated to compensate MarBorg for these increases. If approved by the City Council, the rate schedule would take effect on July 1, 2013.

The following notable changes have been made to the proposed Fiscal Year 14 rate structure when compared to those currently in effect for Fiscal Year 13:

Single-Family Residential Customers

- Surcharge for In-Place Service of Carts: The proposed rates for all carts (35, 65 and 95 gallon containers with wheels) assume that residential customers roll the carts to the curb for collection, as is currently required for cart service. Customers could alternatively opt for cart service in-place, but carts that are not rolled to the curb would be assessed a flat rate of $25.05 per month.

- Greenwaste and Recycling Service: Under the new franchise agreement, Single-Family Residential customers receive an increased amount of up to 192 gallons of greenwaste service and unlimited recycling service included in their trash rate. As a result, Single-Family Residential customers that currently subscribe to a high level of recycling or greenwaste service may experience a slight decrease in their monthly bills under the proposed rates.

- Single-Family Residential Lifeline (low income): Customers would now pay the published rates, but would be exempt from the City's 6% Utility Users Tax, similar to the water and wastewater billing structure.

Multi-Unit Residential Customers

- Surcharge for In-Place Cart Service: The proposed rates for all carts (35, 65 and 95 gallon containers with wheels) assume that the residential customer roll the carts to the curb for collection, as is currently required for cart service. Customers could alternatively opt for cart service in-place, but carts that are not rolled to the curb would pay 30% more than the normal curbside rate. [A small percent of customers are receiving in-place cart service under the current rates, and these customers will be able to elect can service or pay the premium charge for carts.]

- Financial Incentives for Diversion Containers: Under the existing rates, greenwaste and recycling containers range from approximately 25% to 50% of the equivalent trash container. Under the proposed rates, recycling and greenwaste containers are priced at 50% of the equivalent trash container. This is a reduction in the rate incentive for diversion.

- Dumpster Rentals: Under the proposed rates, customers would not be charged an additional rental fee for dumpsters.

- Minimum Rate for Trash: The proposed rate is 12% lower than the current minimum rate.

Business Customers

- Minimum Rate for Trash: The minimum charge for trash would increase by 32%, but the price for additional trash cans or carts would decrease.

- Financial Incentives for Diversion Containers: Under the existing rates, greenwaste and recycling cans and dumpsters are priced 17% and 31% of equivalent trash containers, respectively. Under the proposed rates, recycling, greenwaste and foodscraps containers are priced at 50% of equivalent trash containers. This is a reduction in the rate incentive for diversion.

- Dumpster Credit: Under the proposed rates, customers who own their dumpsters would no longer receive a credit on their bill.

Customer Impacts

Single-Family Residential customers who currently pay for additional greenwaste and/or recycling service and some Multi-Unit Residential Customers who currently pay the minimum service fee may experience lower rates in Fiscal Year 2014. Approximately one-half of Multi-Unit Residential customers would see an increase in their bill ranging from 5-15%. Multi-Unit Residential customers with significant recycling and greenwaste in carts and cans and customers with frequent collection would experience the largest increases.

Under the proposed rates, approximately 30% of existing Business customers would see a decrease to their monthly bill. Business customers who currently pay the minimum charge for trash service will see an increase to their monthly bill. As stated above, the price of diversion containers (recycling, greenwaste and foodscraps) would be set at 50% of the price of equivalent price of trash containers, which is a reduction in the current rate incentive to recycle. In the long term, Business customers who recycle more would continue to pay less than those that do not recycle. However, in the short term, Business customers that currently subscribe to substantial recycling, greenwaste and/or foodscraps service would see an increase to their monthly bills under the proposed rates.

Water Commission Review

The Water Commission discussed the proposed changes to Water and Wastewater Rates at its meeting of January 14, 2013. On May 13, 2013, modifications to the Water, Sewer, and Buy-In Fee Resolutions for Fiscal Year 2014 were presented to Water Commission, who recommended the proposed changes for submittal to the City Council.

Finance Committee Review

On February 26, 2013, the Finance Committee received presentations from staff on proposed utility rate increases in water and wastewater. On May 14, 2013, the Finance Committee received a presentation from staff on the proposed changes to solid waste rates. The Committee made no recommendations. Rate and fee changes will be adopted by Resolution with the City's 2014 Budget.

ATTACHMENT: Notice of Public Hearing – Proposed Changes to City of Santa Barbara Utility Rates

PREPARED BY: Rebecca Bjork, Water Resources Manager
Matt Fore, Environmental Services Manager

SUBMITTED BY: Christine F. Andersen, Public Works Director
Robert Samario, Finance Director

APPROVED BY: City Administrator's Office

NOTICE OF PUBLIC HEARING
PROPOSED CHANGES TO CITY OF SANTA BARBARA UTILITY RATES

Date: Tuesday, June 11, 2013, 2:00 p.m.
Place: City of Santa Barbara Council Chambers, City Hall
735 Anacapa Street, Santa Barbara

CITY WATER RATES HAVE BEEN REVIEWED AND REVISED

Water Rates

(Applicable only to customers billed by the City for water service)

How were water rates determined?

The City completed a Rate Study to develop a multi-year Financial Plan that ensures financial stability and sufficiency and to develop a water rate structure that:

- Promotes water conservation,
- Ensures revenue stability,
- Is fair and equitable, and
- Is based on cost of service principles, as required by Proposition 218 (State law that oversees utility rate regulations).

How will the proposed changes impact my water bill?

The water rate impact for the average in-City single family residential customer (12 HCF [Hundred Cubic Feet] and a 5/8" meter) will be minimal, only increasing from $67.75 to $67.81 under the proposed rate increases.

What are the proposed changes?

Overall, water rate structure is proposed to remain largely the same, with changes in the unit costs outlined in Table 1 (see other side). Proposed fixed monthly meter charges are summarized in Table 2 (see other side).

Proposed changes include:

- Reduction in allocation of amount of water in Single Family Residential Tier 2 from 16 HCF to 14 HCF and reduction of Multi-Family Residential Tier 2 from 8 HCF to 4 HCF to reflect average need considering household size, water efficient plumbing fixtures, and increased water wise landscaping. (1 HCF = 748 gallons)
- All irrigation customers will have two tiers, rather than three. The first tier is sized to provide adequate supply for irrigation, in accordance with actual plant water needs.
- Slight reduction in the cost of Tier 1 commercial rates.
- The Tier 3 residential water rates, and Tier 2 commercial and irrigation water rates are higher to send a stronger water conservation signal to very high water users.

Wastewater Rates

(Applicable only to customers billed by the City for sewer service)

The proposed wastewater rate increase is four percent (4%) of the City's current charges for all customer classes. Small variations above or below the 4% amount may occur due to rounding. The maximum monthly charge for a single family residential customer would increase from $39.21 to $40.78 under the proposed rates. Proposed wastewater rates are summarized in Table 3. The proposed increase will fund increasing wastewater system costs resulting from inflation and the ongoing need for rehabilitation of the City's wastewater treatment plant and collection system.

CHECK OUT THE RESIDENTIAL WATER RATE CALCULATOR AT:

WWW.SANTABARBARACA.GOV/WATER

TABLE 1 – PROPOSED WATER RATE CHANGES (1 HCF = 748 GALLONS)

Customer Class	Tiers	Proposed Rates	Current Rates
Single Family Residential	First 4 HCF	$3.18	$3.14
	Next 14 HCF	$5.16	$5.25
	All other HCF	$6.62	$5.53
Multi-Family Residential	First 4 HCF (per dwelling unit)	$3.18	$3.14
	Next 4 HCF (per dwelling unit)	$5.16	$5.25
	All other HCF	$6.62	$5.53
Commercial / Industrial	100% of base allotment	$5.16	$5.25
	All other HCF	$5.91	$5.53
Irrigation – Residential & Commercial	100% of monthly water budget	$5.16	$5.25
	All other HCF	$6.62	$5.53
Irrigation - Recreation/ Parks/Schools	100% of monthly water budget	$2.70	$2.47
	All other HCF	$6.62	$5.25/$5.53
Irrigation – Agriculture	100% of monthly water budget	$1.51	$1.45
	All other HCF	$6.62	$5.25/$5.53
Recycled Water	All HCF	$2.16	$1.98
Outside City Limits	130% of corresponding in-City rates		

What is a Monthly Water Budget?
The monthly water budget is a calculation of Tier 1 allotment based on the property's irrigated landscape area and the plants' monthly watering needs. The purpose of providing a monthly allotment is to bill customers based on the water needs of their landscaping. Please call 564-5460 if you would like further details on water budgeting.

TABLE 2 – PROPOSED MONTHLY METER CHARGES

	5/8"	3/4"	1"	1 ½"	2"	3"	4"	6"	8"	10"
Current:	$13.19	$19.82	$33.00	$65.97	$105.58	$211.14	$329.91	$659.81	$1,054.84	$1,517.56
Proposed:	$13.81	$19.57	$31.09	$59.89	$94.44	$203.87	$365.14	$751.02	$1,384.55	$2,190.86

TABLE 3 – PROPOSED WASTEWATER RATE CHANGES

Customer Class	Tiers	Proposed Rates	Current Rates
Single Family Residential	Fixed Charge	$14.88	$14.31
	First 10 HCF	$2.59	$2.49
Multi-Family Residential	Fixed Charge (per dwelling unit)	$14.88	$14.31
	First 8 HCF (per dwelling unit)	$2.59	$2.49
Commercial	All HCF (Subject to minimum*)	$2.93	$2.82
Industrial	All HCF (Subject to minimum*)	$3.55	$3.41

Go to **WWW.SANTABARBARACA.GOV/WATER** to see all proposed changes

PARA INFORMACIÓN EN ESPAÑOL, LLAME AL 805-564-5460

Trash and Recycling Rates **(Applicable only to customers billed by the City for trash/recycling service)**

Starting **July 1, 2013**, the City of Santa Barbara will begin a new contract for trash and recycling services with MarBorg Industries. Under the new contract, residential customers receive significantly more recycling and greenwaste service with their paid trash rate; battery and cell phone collection; free disposal of sharps (i.e. home-generated needles) through the mail; unlimited collection of "white goods" (e.g. large appliances such as washers, dryers, refrigerators, etc.); extra collection of trash and recycling at Christmas; and, twice per year collection of "bulky items" (e.g. extra trash, furniture, electronics, etc.) all at no additional charge. Business customers will continue to receive trash, recycling, greenwaste and foodscraps service. A wide variety of different container sizes and collection frequencies are offered to meet the specific needs of Business customers. For detailed information on all services available to residential and business customers, visit www.SBrecycles.org

The new contract also includes many environmental enhancements that will benefit all City residents and businesses. For example, MarBorg will clean up twice as many piles of litter and abandoned furniture in our neighborhoods; will cut vehicle emissions by replacing old diesel trucks with cleaner burning compressed natural gas vehicles; and will work with customers to expand recycling to help the City meet current and future State-mandated recycling goals.

Under the new contract, some rates have increased and others have decreased. Generally, rates will increase 2.68% to account for an increase in the tipping fees for trash and foodscraps and an increase to the Consumer Price Index, which the City is obligated to pay MarBorg. See www.SBrecycles.org for full rates sheets and call Environmental Services at 805-564-5631 for tips on how to change service to keep your costs as low as possible.

Details of Residential Rate Changes

- **Cart Surcharge for In-Place Service:** The new rates for all carts (35, 65 and 95 gallon containers with wheels) assume that the Residential customer has rolled the carts to the curb for collection. Carts serviced "in place" will be assessed a 30% surcharge above the normal rate for Multi Family Residential, and flat rate of $25.05 per month for Single Family Residential customers. Customers may call MarBorg and switch to curbside cart service or backyard can service to avoid this charge.
- **Price of Recycling and Greenwaste Containers:** Under the current rates, cart and can recycling and greenwaste service for Multi Family Residential customers is priced approximately 25% of the equivalent trash container. Under the new rates, recycling and greenwaste containers will cost 50% of the trash price. This ensures that the 50% price incentive will be sustainable over the long-term. Single Family customers receive unlimited recycling and up to two 95 gallons carts (or 6 cans) of greenwaste at no extra cost.
- **Frequency Surcharge:** Multi Family customers with frequent collection (more than once per week) will pay more than those with once per week collection. Customers can call MarBorg 963-1852 to add or increase the size of containers in order to reduce collection frequencies and therefore pay less.
- **Dumpster Rentals**: Dumpster rentals are included in cost of service (no separate charge).

Rate Impact to Residential Customers

Single Family customers that currently subscribe to a high level of recycling or greenwaste service and Multi Family Residential customers with Minimum Service may experience a slight decrease in their monthly bills. Approximately half of Multi Family Residential customers will see an increase in their bill ranging from 5-15%. Multi Unit customers with significant recycling and greenwaste in carts and cans; customers who opt for "in-place" cart service (see above); and/or, customers with frequent collection will see the largest increases. Finally, rates for Single Family Residential Lifeline (low income) customers will be the same as regular rates, but they will be exempt from the 6% tax.

Details of Business Rate Changes

- **Minimum Rate for Trash**: The minimum charge for trash will increase by 32%, but the price for additional trash cans or carts will decrease.
- **Price of Recycling and Greenwaste Containers:** Under the current rates, recycling, greenwaste and foodscraps services cost 17% -30% of the price of equivalent trash services. Under the new rates, recycling, greenwaste and foodscraps containers will cost 50% of the trash price. This change was made to ensure that the 50% price incen-

tive would be sustainable over the long-term. Most businesses still have the potential to lower their bills through additional recycling. Contact MarBorg 805-963-1852 or City Trash and Recycling 805-564-5631 to explore ways to lower your bill by recycling more.

- **Frequency Surcharge on Carts/Cans:** Customers with frequent collection (more than once per week) will pay more than those with once per week collection. Customers can call MarBorg to add or increase the size of containers in order to reduce collection frequencies and pay less.
- **Dumpster Credit**: Under the new rates, customers who own their dumpsters will no longer receive a credit.

Rate Impact to Business Customers

Approximately 30% of Business customers will see a decrease; 50% will see increases of 0-25%; and, 20% will see increases above 25%. Business customers with frequent cart/can collection (of any material) and high levels of recycling or foodscraps will see an increase to their monthly bills. Customers that recycle more will still pay less than customers who recycle less. Contact MarBorg at 805-963-1852 or City Trash and Recycling at 805-564-5631 for specific information on how your business will fare under the new rates or for ways to lower your bill by recycling more.

Sample Bill Changes for All Customer Classes

A sample of various service levels for each customer class is provided below. For more information on how the new rates will affect your bill, please call City Trash and Recycling at 805-564-5631. For more information on how to control your collection costs through greater recycling, See www.SBrecycles.org or contact MarBorg at 805-963-1852.

Single Family Residential	Current Cost	Proposed Cost	Change
Trash, 65 gal cart, Recycling 65 gal cart, Greenwaste, 65 gal cart	$37.01	$34.74	-6%

Multi-Family Residential	Current Cost	Proposed Cost	Change
MINIMUM SERVICE Trash, 65 gal cart, Recycling 95 gal cart, Greenwaste, 95 gal cart	$35.99	$31.54	-12%
CART/CAN SERVICE Trash, five 95 gal carts, Recycling, five 95 gal carts, Greenwaste, 95 gal cart	$177.68	$220.80	24%
DUMPSTER SERVICE Trash, 4yd dumpster, Recycling 2yd dumpster	$367.09	$368.76	0.5%
FREQUENT DUMPSTER SERVICE Trash, 4yd dumpster 3x/wk, Recycling 4yd dumpster 1x/wk	$894.55	$1,091.54	22%

Business	Current Cost	Proposed Cost	Change
MINIMUM SERVICE Trash, 35 gal cart, Recycling 95 gal cart	$21.27	$28.08	32%
CART/CAN SERVICE Trash, three 95 gal carts 2x/wk, Recycling, three 95 gal carts 2x/wk	$412.46	$353.90	-14%
DUMPSTER SERVICE Trash, 4yd dumpster 2x/wk, Recycling, 4yd dumpster 2x/wk	$825.03	$991.39	20%

If you oppose any of the above increases, please deliver your protest **in writing** to the City Clerk of the City of Santa Barbara at 735 Anacapa Street, Santa Barbara, CA, 93101, prior to or during the City Council's consideration of this item on June 11, 2013. (If you wish to submit your protest during the public hearing, please deliver it to City Staff in the Council Chamber). Because multiple rates are being considered by City Council at the same hearing, please indicate the specific rate you are protesting.

TO SEE ALL PROPOSED RECYCLING & TRASH RATES GO TO: WWW.SBRECYCLES.ORG OR CALL 805-564-5631

Agenda Item No. 8

File Code No. 440.05

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: June 11, 2013

TO: Mayor and Councilmembers

FROM: City Administrator's Office

SUBJECT: Conference With Labor Negotiator

RECOMMENDATION:

That Council hold a closed session, per Government Code Section 54957.6, to consider instructions to City negotiator Kristy Schmidt, Employee Relations Manager, regarding negotiations with the Police Bargaining Unit, and the General Bargaining Unit, and regarding discussions with certain unrepresented employees and managers about salaries and fringe benefits.

SCHEDULING: Duration, 30 minutes; anytime

REPORT: None anticipated

PREPARED BY: Kristy Schmidt, Employee Relations Manager

SUBMITTED BY: Marcelo López, Assistant City Administrator

APPROVED BY: City Administrator's Office