Agenda Item No. 10

File Code No. 640.02

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: March 4, 2014

TO: Mayor and Councilmembers

FROM: Planning Division, Community Development Department

SUBJECT: Average Unit-Size Density Incentive Program Review Process

RECOMMENDATION:

That Council provide direction to the Land Development Team staff related to the review process for Average Unit-Size Density (AUD) Incentive Program rental projects.

EXECUTIVE SUMMARY:

The Planning Commission has been asked to become more involved in reviewing rental projects using the Average Unit-Size Density (AUD) Incentive Program. Potential changes to the AUD project review process were prompted by concern that the design review boards are not comfortable handling larger rental projects developed under the AUD Program. As a result, the City Council requested a re-assessment of the AUD project review process.

In October and November of 2013, Staff held discussions and trainings related to the AUD project review process with the Architectural Board of Review (ABR) and Historic Landmarks Commission (HLC). The intent of these meetings was to provide the ABR and HLC with a review of their purview and experience, a better understanding of the AUD program goals, and reaffirm Staff's commitment to providing additional assistance in reviewing AUD rental projects.

During December 2013, the Planning Commission held two meetings to discuss possible adjustments to the review process of AUD rental projects. The intent of the meetings was to consider review process options for AUD rental projects that involve the Planning Commission, and forward a recommendation for Council consideration. Staff's recommendation is based on input from the Design Review Boards and the Planning Commission.

DISCUSSION:

ABR and HLC Discussion and Training:

Prior to the Planning Commission's discussion of possible adjustments to the AUD project review process, a training and discussion with the ABR and HLC was held focused on their role in reviewing AUD projects. The intent of the AUD Program was explained and the process, including more Staff support, was outlined. In addition, the design review board's ability to forward projects to the Planning Commission for comments was reiterated.

Comments received from the ABR and HLC suggested more understanding and confidence with their role in the process. In addition, the design review boards expressed support for the process and approach outlined and recommended by Planning Staff, which provides increased Staff assistance in reviewing AUD projects (see Attachments 1 and 2).

Planning Commission Discussion:

In December 2013, the Planning Commission discussed possible review process options for rental projects developed under the Average Unit-Size Density (AUD) Incentive Program (see Attachments 3). Specific to this discussion was the Commission's role, and how best to advance the goals and objectives of the AUD Program. A series of questions were considered to determine the degree of involvement the Planning Commission could have in the process as well as formulate a recommendation to the City Council (see Attachment 4).

- ***What type of action should the Planning Commission take?*** – Should the Planning Commission provide direction through a consensus recommendation or grant formal approval with specific findings? The two action approaches are briefly described below.

    1. <u>Consensus Recommendation</u>: This approach would allow a project to be referred to the Planning Commission by the ABR, HLC, or Applicant for review of specific issue areas. The Planning Commission would review the project and provide comments with the expectation that a consensus recommendation related to the identified issue areas would be provided. Currently, the ABR and HLC can refer a project to the Planning Commission for comments pursuant to Municipal Code sections 22.22.133 and 22.68.050. An applicant can also request Planning Commission review as part of the development process (see Attachment 5).

    2. <u>Formal Review and Appealable Action</u>: This approach would require formal review and action of projects by the Planning Commission. This approach would also establish project criteria (e.g. parcel size, number of units, etc.) to determine which projects would be automatically referred to

the Planning Commission.[1] Amending the recently adopted AUD ordinance would be necessary in order to provide the mechanism for a more formal Planning Commission review and action, including specific findings and appeal requirements.

The majority of the Commissioners supported direction through comments, expressing concern that requiring an approval by the Planning Commission adds more process, resulting in time and cost to the applicant, especially in the case of an appeal. Given the choice between a consensus recommendation through comments and a formal approval with findings, most Commissioners favored comments only. One Commissioner preferred formal review by the Planning Commission, stating that this approach was best in order to achieve community acceptance of AUD projects.

Further, the Planning Commission emphasized the importance of not undermining the program's intent with their involvement. The program has been fully vetted and decided and therefore the AUD development standards are set. If there is a need for the Planning Commission to weigh in on a project, it should be to add value to the review and not to revisit the parameters of the AUD Program. This principle should also hold true for the design review boards when reviewing AUD projects. An effort must be made to stay focused on supporting the policy intent of the AUD Program.

Several Commissioners felt strongly that with more Staff support and assistance, the ABR and HLC will become proficient at reviewing AUD rental projects as intended by the Program. With a set of tools similar to those provided to the Planning Commission, the ABR and HLC would be better equipped to review AUD rental projects. Other Commissioners felt that a set trigger beyond the applicant's ability to self-refer their project and the ABR and HLC's authority to request comments from the Planning Commission is appropriate in order to provide applicants with a degree of certainty in the process.

- ***What should be the scope of review?*** – The Planning Commission considered this question to determine the density tiers that would be subject to Planning Commission review. The majority of the Commission indicated that rental projects proposed in the High Density and Priority Housing Overlay areas should be reviewed by the Planning Commission.

- ***When would Planning Commission review occur?*** All Commissioners supported at least one conceptual design review with either ABR or HLC occur prior to the Planning Commission review. One Commissioner suggested that there be a concurrent review of the ABR/HLC and Planning Commission in order to streamline the process.

[1] There was some support for parcel size as an automatic trigger, but the Planning Commission remained divided with having an automatic trigger.

Recommendation to Council:

As directed by City Council, Staff has discussed with the Planning Commission possible changes to the AUD review process, with specific focus on the level of involvement that the Planning Commission should have in reviewing AUD rental projects. Two possible process approaches were considered by the Planning Commission as described above. One approach (PC Consensus Recommendation) could be implemented immediately, and the other approach (Formal Review and Appealable Action) would require an amendment to the AUD Program Ordinance.

Staff is certainly open to another approach and to follow through with whatever further direction Council provides. An AUD ordinance amendment requires a super majority (5/2) vote by the City Council. Therefore, it is important to get clear direction from Council regarding changes to the AUD review process.

The issues presented below are based on the discussion and comments received from the Design Review Boards and the Planning Commission. Staff recommends the following changes to be implemented immediately and evaluated after nine months to determine their effectiveness:

1. Staff continues to provide additional project review support to ABR and HLC.
2. The ABR, HLC or the project Applicant refers a project to the Planning Commission for review of specific issue areas along with a Staff report.
3. An applicant request for review by the Planning Commission should occur after at least one conceptual design review.
4. The Planning Commission provides clear direction to the ABR, HLC or Applicant through a consensus or majority recommendation only (not individual comments). See attached Consensus Recommendation Process Flow Chart, and AUD Project Consistency Criteria (Attachments 5 and 6).

ATTACHMENT(S):
1. ABR Minutes, October 28, 2013.
2. HLC Minutes, October 23 and November 6, 2013
3. PC Staff Report, December 12, 2013
4. PC Minutes, December 12 & 19, 2013
5. Consensus Recommendation Process Flow Chart
6. AUD Project Consistency Criteria

PREPARED BY: Irma Unzueta, Project Planner

SUBMITTED BY: Bettie Weiss, Acting Community Development Director

APPROVED BY: City Administrator's Office

Motion: Ratify the Consent Calendar of **October 28, 2013**. The Consent Calendar was reviewed by Kirk Gradin.
Action: Poole/Hopkins, 6/0/0. Motion carried. (Gradin absent).

D. Announcements, requests by applicants for continuances and withdrawals, future agenda items, and appeals.

Mr. Boughman made the following announcements:

a) The appeal of 510 N. Salsipuedes Street will be heard by City Council on November 26, 2013, with a site visit on November 25, 2013.
b) Board members Poole and Cung will be leaving the meeting at 6:00.

E. Subcommittee Reports.

There were no reports.

DISCUSSION ITEM

1. (3:10) AVERAGE UNIT-SIZE DENSITY (AUD) INCENTIVE PROGRAM

Staff: Bettie Weiss, City Planner & Jaime Limón, Design Review Supervisor

(Training on the relationship between Design Review and the Average Unit-Size Density Incentive program. This training will focus on the role of the ABR, key design issues, examples of past projects and standards, and the role of the Planning Commission.)

Presentation made and discussion held.

Board members had the following general questions and comments:

1. The Board supports the approach to have planning staff provide a recommendation to the ABR on when a project should be forwarded to the Planning Commission for comments.
2. Recommends that the 'livability' of units be considered when high density projects are proposed and not just architectural design.
3. Asked about and received confirmation that the lack of open space could be a basis for denial of a project.
4. Asked if other space not used for rental units could be reduced, and at what point is a mixed use project considered too large?
5. Inquired about the maximum height measurement methods when projects exceed 45 feet and are required to get PC approval? What is actually considered 'top of roof'?
6. Asked if outdoor private living space is the same amount regardless of number of units? How is outdoor living space factored in with commercial?

Planning staff provided answers to the questions and thanked Board members for their input.

Planning Commissioner Swartz attended and asked that the Board follow City policy regarding AUD projects regardless of your personal feelings on the subject. The Planning Commission has expressed interest and support of a new review process that would involve PC review of some projects. Asked that they work together to effectively implement the program.

Planning Commissioner Campanella attended and indicated he was looking forward success of the AUD program and wanted to clarify that there are some AUD projects such as for sale (condo) projects would still be in front of the Planning Commission. He pointed out how some of the aspects of the AUD design such as the one space per unit design actually can make the buildings smaller and more compatible for the site. He asked that the Board look at projects carefully to consider trade-offs when considering all design criteria and when it may affect the density for a project.

Planning Commissioner Swartz attended and indicated asked that the Boards follow City policy regardless of your personal feelings on the subject. The Planning Commission has expressed interest and support of a new review process; and asked that they work together to effectively to implement the program.

CONCEPT REVIEW - CONTINUED ITEM

2. RIGHT OF WAY ADJACENT TO 3139 CLIFF **E-1/SD-3**

(3:40) Assessor's Parcel Number: ROW-002-941
Application Number: MST2013-00117
Applicant: Cable Engineering Services
Owner: City of Santa Barbara
Agent: Peter Hilger

(Proposal to modify an existing microcell antenna site for AT&T. The existing 12-inch panel antennas located on the utility pole in the public right-of-way will be replaced with six larger 4-foot by 12-inch panel antennas on new ten-foot cross arms. The project includes replacement of the existing meter pedestal, new equipment in an existing vault, and new vent stacks.)

(Second review, project last reviewed on August 5, 2013. Action may be taken if sufficient information is provided. Project requires finding of No Visual Impacts and Coastal Review.)

Actual time: 4:17 p.m.

Present: Peter Hilger and Rob Searcy, Agents for Applicant.

Public comment opened at 4:30 p.m., and as no one wished to speak, public comment was closed.

A letter of concern from Paula Westbury regarding was received.

Motion: **Continued indefinitely to Planning Commission with comments:**
1) The Board is unable to make the finding for no adverse visual impact.
2) The Board would like to see a stronger effort to conceal the project, including the roadside cabinets.
3) The Board expressed concerns about the elimination of roadside landscaping.

Action: Wittausch/Gradin, 6/0/1. Motion carried. (Cung supports the project).

**** THE COMMISSION RECESSED FROM 2:55 P.M. TO 3:00 P.M. ****

DISCUSSION ITEM/TRAINING:

5. **AVERAGE UNIT-SIZE DENSITY INCENTIVE PROGRAM**
(2:30) Presenter: Jaime Limón, Design Review Supervisor
(First of a two-part training on the relationship between Design Review and the Average Unit-Size Density Incentive program. This training will focus on the role of the HLC, key design issues, and examples of past projects.)

Actual time: 3:00 p.m.

Present: Jaime Limón, Design Review / Historic Preservation Supervisor
Bettie Weiss, City Planner

Staff comments: Mr. Limón and Ms. Weiss gave a Staff PowerPoint presentation. Staff's proposal is that very early on in the review process an internal Land Development Team review would be conducted in order to provide Staff comments for HLC consideration. During the HLC hearing, the HLC/Public would then be encouraged to ask questions and make comments for Staff to return at the next hearing with answers. Expression of Staff recommendation for a project would be a critical change in the process to provide sufficient information for appropriate decision-making by the HLC.

Ms. Weiss clarified that any time the HLC reviews a project that is going to the Planning Commission, the HLC has the purview of challenging the design considerations and development. The HLC has Charter and Ordinance authority and responsibility for review of buildings found within El Pueblo Viejo Landmark District (EPV).

Public comment opened at 4:03 p.m.

Kellam de Forest, local resident, inquired whether the AUD Incentive Program has a cap as an experimental project and only allows up to certain units. He also asked if proposed project plans are reviewed by the HLC first or if Staff does the initial review.

Public comment closed at 4:07 p.m.

Ms. Weiss responded to public comment by saying that the 250 unit cap is in the high density zone. Much of the EPV area was specifically excluded from the high density zone. Staff will continue to review plans for basic submittal and zoning compliance standards before the first HLC concept hearing.

The Commission made the following comments:

1. More complicated projects should have Staff recommendations as is done for the Planning Commission.
2. Inquired as to whether a recommendation could be made by the HLC to the Planning Commission with respect to residential lot line subdivisions/mergers that may affect historic resources.
3. Considered whether it would be better for the Planning Commission to review these projects instead of the HLC. The AUD Incentive Program will result in a workload increase for the HLC.
4. It would be helpful during the concept review process to ask Staff to address HLC concerns.
5. The comprehensive Staff review as early in the process would be helpful for HLC's evaluation.

B. Approval of the minutes of the Historic Landmarks Commission meeting of October 23, 2013.

Motion: **Approval of the minutes of the Historic Landmarks Commission meeting of October 23, 2013, with corrections.**
Action: La Voie/Orías, 5/0/0. (Boucher/Drury/Shallanberger/Suding absent.) Motion carried.

C. Consent Calendar.

Motion: **Ratify the Consent Calendar as reviewed by Donald Sharpe.**
Action: Orías/La Voie, 5/0/0. (Boucher/Drury/Shallanberger/Suding absent.) Motion carried.

D. Announcements, requests by applicants for continuances and withdrawals, future agenda items, and appeals.

1. Ms. Gantz announced that Chair Suding and Commissioners Boucher and Shallanberger would be absent from the meeting.
2. Commissioner Orías requested an update on the Italian Stone Pine Landmark Trees located in front of the Methodist Church on E. Anapamu Street. Mr. Limón responded that a plan is being developed and will then return for an update upon its completion.
3. Commissioner La Voie announced he would be leaving at 4:00 p.m.
4. Commissioner La Voie announced he attended the appeal hearing of the Arlington Village project (to be located at 1330 Chapala Street). The City Council upheld the HLC Project Design Approval decision with additional conditions.

E. Subcommittee Reports.

No subcommittee reports.

DISCUSSION ITEM/TRAINING:

1. **AVERAGE UNIT-SIZE DENSITY INCENTIVE PROGRAM**
(1:45) Presenter: Bettie Weiss, City Planner; and Jaime Limón, Design Review Supervisor
(Second of a two-part training on the relationship between Design Review and the Average Unit-Size Density Incentive program. This training will focus on the various new development standards of the AUD program and potential changes to refer some AUD projects to the Planning Commission for review and comments.)

Actual time: 1:40 p.m.

Present: Bettie Weiss, City Planner
Jaime Limón, Design Review Supervisor

Staff comments: Mr. Limón and Ms. Weiss gave a Staff PowerPoint presentation. Ms. Weiss explained a new review process for projects over 45 feet in height and the types of average unit density (AUD) projects that will be reviewed solely by the HLC and those that will be reviewed in conjunction with the Planning Commission. The proposed review process changes were discussed.

There will be an AUD discussion item at the Planning Commission on December 12, 2013, where they will be asked to make a recommendation to City Council.

Public comment opened at 2:14 p.m.

Kellam de Forest, local resident, expressed concern on building heights and asked if an HLC decision on an AUD project's height is appealable to the Planning Commission. He also asked if there is currently a height limit in El Pueblo Viejo Landmark District (EPV).

Public comment closed at 2:16 p.m.

Ms. Weiss responded to public comment by saying that a 60-foot height limit is still allowed in commercial zones, even within the EPV. The appeal process has not changed: HLC and Planning Commission decisions are appealed to the City Council.

Ms. Weiss responded to Commission questions. Under the Adaptive Management Program, the effectiveness of the AUD Program will be reported on annually during the Joint City Council/Planning Commission meeting.

The Commission made the following comments:

1. The proposed design review changes for AUD Program projects are sensible provided there is adequate staff assistance. It seems staff's involvement will increase.
2. It will be even more critical for the HLC to make clear and concise comments to provide guidance to the applicant as to whether a comment is a suggestion or a requirement.
3. The HLC's comments shall reflect in which specific way the project meets the compatibility analysis criteria.
4. The Commission agrees with the recommended design review process changes as outlined in the Staff presentation.

**** THE COMMISSION RECESSED FROM 2:29 P.M. TO 2:36 P.M. ****

ARCHAEOLOGY REPORT

2. **474 SCENIC DR** E-3/SD-3 Zone
(2:45)
Assessor's Parcel Number: 015-272-003
Application Number: MST2013-00425
Owner: Edward Yates
Architect: Jonathan Villegas

(Proposal for alterations to a one-story five-unit apartment complex. The proposal would relocate an existing front site retaining wall to the front property line, re-grade the driveway entries, replace a wood deck and stairs at the rear of the existing single-family residential unit, replace an existing two-car carport with a two-car garage, and replace an existing three-car carport with a new three-car garage. The existing carports and proposed garages are non-conforming to the interior and rear setbacks. This project will address the violations identified in enforcement case ENF2013-00676 including the as-built installation of vinyl windows. Staff Hearing Officer review is requested for zoning modifications.)

(Review of Phase I Archaeological Resources Report prepared by Conejo Archaeological Consultants.)

City of Santa Barbara
California

PLANNING COMMISSION
STAFF REPORT

REPORT DATE: December 5, 2013

AGENDA DATE: December 12, 2013

TO: Planning Commission

FROM: Planning Division, (805) 564-5470
Bettie Weiss, City Planner BLW
Irma Unzueta, Project Planner

SUBJECT: AVERAGE UNIT-SIZE DENSITY INCENTIVE PROGRAM REVIEW PROCESS DISCUSSION & RECOMMENDATION TO COUNCIL

RECOMMENDATION: That the Planning Commission consider possible options for adjustments in the review process of rental projects using the Average Unit-Size Density (AUD) Incentive Program. The adjustments should support and streamline the process for these projects, while ensuring a complete review of the projects, including reviews from the Planning Commission when appropriate. Staff recommends Option One as it can begin immediately without the need for an ordinance amendment and has received support from the Architectural Board of Review (ABR) and Historic Landmarks Commission (HLC). Option One addresses the design review board's primary need for more staff support and continues to allow them the opportunity to refer projects to the Planning Commission on a case-by-case basis.

I. BACKGROUND

The Average Unit-Size Density (AUD) Incentive Program is an important General Plan initiative intended to support needed residential development and particularly rental units in the community. Two initial projects that have gone before the HLC and ABR have caused concern that AUD projects do not necessarily require Planning Commission review. As a result, the City Council has requested a re-assessment of the AUD project review process. The following discussion lays out what has occurred to date and presents three process review options for Planning Commission consideration.

The AUD program encourages housing by allowing increased densities based on unit size; the smaller the average unit size for the project, the greater the density allowed. Additionally, development standard incentives related to parking, setbacks, building height, distance between buildings, and open space are provided to help make possible the construction of additional residential units. The approach taken to develop the AUD Program involved policy tradeoffs that naturally make AUD projects potentially more controversial.

One key objective of the AUD Program is to promote non-subsidized rental housing development. Recent development trends indicate that the rental market is becoming more attractive to funding entities and developers. Rental housing demand is very high in Santa Barbara (61% of households are renters), making it an important factor in the jobs/housing equation. All three density tiers of the AUD

Program allow rental housing – Medium High (15-27 du/ac); High (28-36 du/ac); and the Priority Housing Overlay (37-63 du/ac) (see Exhibit A – Map & Exhibit B – Density Table).

Generally, apartment developments do not require specific approvals from the Planning Commission. As a rule, all rental projects are reviewed and approved by the ABR or HLC. Planning Commission action is typically required of housing projects that involve condominiums, or mixed use projects (with rental) if the new commercial space is more than 3,000 square feet. The HLC and ABR have expressed that they are not prepared to handle the controversy and intent of AUD projects, and that the Planning Commission may provide a better forum for community input and working through the policy purpose and controversy. Their primary focus is on the physical building (size, bulk, and scale) and its aesthetics, and ensuring the building is appropriate and "fits" within the context of its neighborhood. As such, Council has requested that a process adjustment be made to include the Planning Commission in the review of larger apartment projects.

II. DISCUSSION

Joint Council and Planning Commission Work Session

On September 12, 2013, the City Council and Planning Commission held a joint work session to discuss major Planning Division work program activities including potential process changes in implementing the AUD Program. Staff presented the intent and objectives of the AUD Program and acknowledged that additional assistance and training was needed by the ABR and HLC to fully understand their role in successfully implementing the program.

The Council and Planning Commission agreed that more staff review of AUD projects that go to the ABR and HLC would be appropriate. Staff's knowledge and experience with AUD policies and related issues would benefit the review process. In addition, there was general support to include the Planning Commission, to some degree, in the review of AUD projects. At the conclusion of the joint meeting, Staff identified the next step would be to hold discussions with the ABR and HLC to receive input regarding potential adjustments to the AUD Program review process.

In considering adjustments to the review process of AUD rental projects, Staff has identified the following list of objectives:

- The process should further the objectives of the General Plan to support rental housing projects.
- Decision makers should have a full understanding of the AUD Program goals, objectives, tradeoffs, inherent tension, and the mechanisms that have been put in place to achieve the objectives and deal with the tensions.
- Decision makers should understand their roles in the review process.
- Have a coordinated land development staff team review that is appropriate for the project type and size.
- The process should be easily accessible to the public, and where the public concerns/comments are addressed.
- The process should be realistic, within staffing resources and implemented quickly.
- The process should increase certainty for applicants.

ABR and HLC Discussions

On October 28, 2013, a training and discussion focused on the AUD Program was held with the ABR to specifically speak about their role in reviewing AUD projects. Staff explained the intent of the AUD Program and outlined a process that would include more Staff support in reviewing AUD projects and the option to forward projects to the Planning Commission for comments on issues identified by the Board in order to assist them with their final review. Comments received from the ABR suggested more understanding and confidence with their role and stated their support for the process and approach (Option One) recommended by Planning Staff (see Exhibit C – ABR Minutes).

In addition, Planning Commissioners Schwartz and Campanella attended the ABR meeting and offered comments related to the effective and successful implementation of the AUD Program. Commissioner Schwartz expressed support in working together to ensure that the Program meets its objectives. Commissioner Campanella asked the Board to carefully take into account the trade-offs needed to produce workforce housing when considering design criteria that may affect the density of the project.

On October 23, 2013, a similar training and discussion was held with the HLC related to the AUD Program. The HLC expressed concern regarding an increased workload and their lack of experience in reviewing larger, more complex rental projects. On November 6, 2013, Staff returned to the HLC and discussed the proposed adjustments to the review process including increased Staff assistance in reviewing AUD projects. The HLC supported the review process approach (Option One) presented by Staff (see Exhibit D – HLC Minutes).

Review Process Options

Described below are three review process options for consideration. Staff continues to favor Option One – similar to what was presented at the Joint Work Session. However, Staff realizes that the Planning Commission and City Council may want a more definitive trigger for Planning Commission review; therefore we have presented additional options for discussion.

<u>Option One – Staff Recommendation</u>

1. Provide greater Staff involvement with applicant and design review body (ABR or HLC).
2. Assign a Case Planner before the item is scheduled for first Concept Review. The Planner will assist with preparing notices, communicating with applicant and Land Development Team (LDT) contacts, and attending all hearings.
3. Require a coordinated LDT staff review similar to Pre-application Review Team (PRT) for more significant projects (i.e. 10 units or more).
4. Staff will prepare a report to the ABR or HLC with recommendations on General Plan consistency and whether to refer the project to Planning Commission for comments.
5. After reviewing the project and Staff Report, the ABR or HLC determines if the project is referred to the Planning Commission for confirmation of appropriateness of the project in the broader General Plan policy context (in particular with Housing Element and Land Use Element policies) and assistance with considerations of the Project Design Compatibility Criteria as reflected in Exhibit E.
6. The project would be scheduled at the next available Planning Commission meeting consistent with noticing requirements. The Planning Commission would receive the same report that was

provided to ABR or HLC and representatives of the ABR or HLC would also attend the Planning Commission meeting.

7. Planning Commission review is for direction to applicant with the expectation that they render a majority opinion on specific issue areas. The Staff and the design review board may include recommended conditions of approval. No action is taken by the Planning Commission, and their direction to the ABR or HLC is not appealable.
8. The project returns to the ABR or HLC for Project Design Approval and other steps in review process as usual.

Option Two – Criteria for Automatic Referral for Comments

This option would establish specific project criteria regarding what projects are referred to the Planning Commission for comments. The process would be the same as above except that step 5 would not be necessary. This approach may require an amendment to the Municipal Code or could be a policy direction from Council using the current code referral sections as reflected in Exhibit F.

Setting clearer triggers adds certainty to the process for requiring Planning Commission review. When the ABR or HLC refer projects to the Planning Commission for comment, that referral is essentially a judgment call (that is hard to make) to balance the time and resources expended with the value achieved. If the trigger is too far-reaching, it may result in a constraint particularly given the AUD Program is meant to be an incentive. Staff believes a more limiting trigger for Planning Commission review of even a few projects can still be useful to the ABR and HLC's review of a project.

Possible criteria for an automatic referral could include:

- Property is adjacent to a creek, or;
- Property is adjacent to a designated (or potential) historic resource, or;
- The project lot area is more than 1/2 acre (this is irrespective of mergers or lot divisions; it is the "project" area). For example an AUD projects on a ½ acre (21,780 SF) parcel in the High Density or Priority Housing Overlay could potentially develop the following range of units:

Density Tier	Number of Units
High Density (28-36 du/ac)	14 – 18 units
Priority Housing Overlay (37-63 du/ac)	18 – 31 units

Option Three – Planning Commission Formal Review & Appealable Action

1. Amend the recently adopted AUD Program ordinance and establish a requirement for Planning Commission review. Also consider if certain Staff Hearing Officer (SHO) procedures should be changed to refer projects to the Planning Commission.
2. Provide a mechanism to have a more formal Planning Commission review and action (that is appealable).
3. Develop project design and/or density criteria for new Planning Commission requirement.

4. Allow that a Planning Commissioner may require Planning Commission review by attending a meeting of the ABR or HLC when project review is occurring and assert that the project merits review by the Commission because it raises significant policy considerations (similar to the process for SHO reviews).

Other Discussion Considerations

Staff requests that the Planning Commission consider the following topics as part of the discussion:

1. ***Role of Planning Commission:*** One of the primary roles of the Planning Commission is to recommend policy and ordinances to the Council. The Planning Commission worked diligently to craft the AUD ordinance based on General Plan policies. Now the City is reviewing projects per the AUD program. Typically in project reviews, the Planning Commission addresses consistency with General Plan policies and makes ordinance required findings. For AUD projects that could be commenting on neighborhood compatibility in terms of General Plan policy, and providing direction for areas that will experience change as a result of AUD projects. What is the role of the Planning Commission in reviewing AUD projects? How is it different than what occurs at ABR & HLC? Based on the Planning Commission's role, what process best addresses the Commission's function.
2. ***Trade Offs:*** Consider the tradeoffs between a Planning Commission comment review vs. Planning Commission action and additional appeal. What is the balance between incentivizing priority housing and applying the appropriate process? At what point does the process become a disincentive?
3. ***AUD Parking Standards:*** The AUD parking standard has been an issue area for the design review boards in their review of recent AUD projects. This standard (one parking space per residential unit) was adopted as part of the AUD Program ordinance and is fundamental and critical to the success of providing more units on a project site. How can the AUD permitting process more effectively support implementation of this standard when site specific pressures are pushing for more parking?
4. ***Story Poles:*** When should story poles be required for AUD projects?
5. ***Fees:*** There is a substantial fee difference for a project reviewed by the ABR or HLC and the Planning Commission. The LDT Staff spends much more time in the process with site visits, meetings, correspondence, staff reports and hearing participation. To support additional staff review and a Planning Commission comment review, Staff believes it is appropriate to charge applicants the PRT fee and the Planning Commission Concept Review fee. Staff would like the City Council to be aware that the additional review is subsidized by the General Fund, which we believe is appropriate to support priority housing and the AUD process.

New Projects /ABR or HLC	
11-20 units	$3,245
21-30 units	$3,955
31-50 units	$4,945

PRT	
Subdivisions with 10 or more units/lots	$2,770

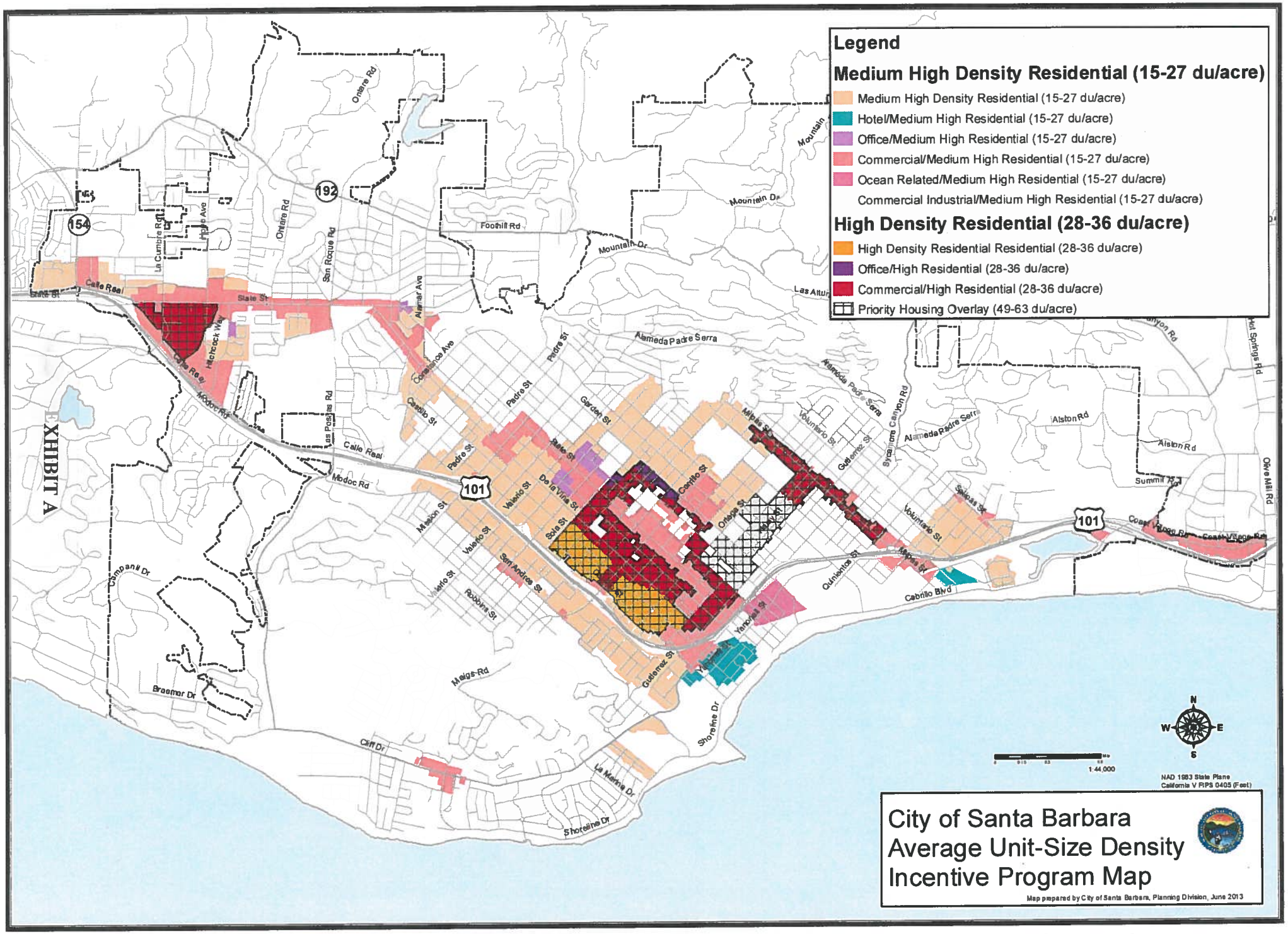
Planning Commission	
Concept Review	$2,740
Condominiums	
11-20	$17,010
21-50	$27,220
>50	$34,070

III. NEXT STEPS

Staff will schedule this matter at Council early next year to receive formal direction regarding adjustments to the review process for AUD rental projects including how to involve the Planning Commission in the review process for projects that currently do not require such review. The Planning Commission's recommendation will be forwarded to the Council at that time. Depending on Council's direction, the new process can be implemented immediately or may require amendments to the Municipal Code. In the meanwhile Staff is doing what we can to implement Option One.

Exhibits:

A. AUD Map
B. AUD Density Table
C. ABR Minutes
D. HLC Minutes
E. Project Compatibility Analysis
F. SBMC Referral Sections 22.22.133A and 22.68.050A



Path: Q:\GIS\WORK\an\arcmap\PlanSB Implementation\General Plan Amendments 2013\General Plan - Incentive Program Map 8x11 June 2013.mxd

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
1,005	22	995	35	970	44
985	23	970	36	970	45
965	24			970	46
945	25			970	47
925	26			970	48
905	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

EXHIBIT B

ARCHITECTURAL BOARD OF REVIEW
October 28, 2013

DISCUSSION ITEM

1. (3:10) AVERAGE UNIT-SIZE DENSITY (AUD) INCENTIVE PROGRAM

Staff: Bettie Weiss, City Planner & Jaime Limón, Design Review Supervisor

(Training on the relationship between Design Review and the Average Unit-Size Density Incentive program. This training will focus on the role of the ABR, key design issues, examples of past projects and standards, and the role of the Planning Commission.)

Presentation made and discussion held.

Board members had the following general questions and comments:

1. The Board supports the approach to have planning staff provide a recommendation to the ABR on when a project should be forwarded to the Planning Commission for comments.
2. Recommends that the 'livability' of units be considered when high density projects are proposed and not just architectural design.
3. Asked about and received confirmation that the lack of open space could be a basis for denial of a project.
4. Asked if other space not used for rental units could be reduced, and at what point is a mixed use project considered too large?
5. Inquired about the maximum height measurement methods when projects exceed 45 feet and are required to get PC approval? What is actually considered 'top of roof'?
6. Asked if outdoor private living space is the same amount regardless of number of units? How is outdoor living space factored in with commercial?

Planning staff provided answers to the questions and thanked Board members for their input.

Planning Commissioner Swartz attended and asked that the Board follow City policy regarding AUD projects regardless of your personal feelings on the subject. The Planning Commission has expressed interest and support of a new review process that would involve PC review of some projects. Asked that they work together to effectively implement the program.

Planning Commissioner Campanella attended and indicated he was looking forward success of the AUD program and wanted to clarify that there are some AUD projects such as for sale (condo) projects would still be in front of the Planning Commission. He pointed out how some of the aspects of the AUD design such as the one space per unit design actually can make the buildings smaller and more compatible for the site. He

EXHIBIT C

asked that the Board look at projects carefully to consider trade-offs when considering all design criteria and when it may affect the density for a project.

Planning Commissioner Swartz attended and indicated asked that the Boards follow City policy regardless of your personal feelings on the subject. The Planning Commission has expressed interest and support of a new review process; and asked that they work together to effectively to implement the program.

HISTORIC LANDMARKS COMMISSION MEETING MINUTES
October 23, 2013

(First of a two-part training on the relationship between Design Review and the Average Unit-Size Density Incentive program. This training will focus on the role of the HLC, key design issues, and examples of past projects.)

Actual time: 3:00 p.m.

Present: Jaime Limón, Design Review / Historic Preservation Supervisor; and Bettie Weiss, City Planner

Staff comments: Mr. Limón and Ms. Weiss gave a Staff PowerPoint presentation. Staff's proposal is that very early on in the review process an internal Land Development Team review would be conducted in order to provide Staff comments for HLC consideration. During the HLC hearing, the HLC/Public would then be encouraged to ask questions and make comments for Staff to return at the next hearing with answers. Expression of Staff recommendation for a project would be a critical change in the process to provide sufficient information for appropriate decision-making by the HLC.

Ms. Weiss clarified that any time the HLC reviews a project that is going to the Planning Commission, the HLC has the purview of challenging the design considerations and development. The HLC has Charter and Ordinance authority and responsibility for review of buildings found within El Pueblo Viejo Landmark District (EPV).

Public comment opened at 4:03 p.m.

Kellam de Forest, local resident, inquired whether the AUD Incentive Program has a cap as an experimental project and only allows up to certain units. He also asked if proposed project plans are reviewed by the HLC first or if Staff does the initial review.

Public comment closed at 4:07 p.m.

Ms. Weiss responded to public comment by saying that the 250 unit cap is in the high density zone. Much of the EPV area was specifically excluded from the high density zone. Staff will continue to review plans for basic submittal and zoning compliance standards before the first HLC concept hearing.

The Commission made the following comments:

1. More complicated projects should have Staff recommendations as is done for the Planning Commission.

2. Inquired as to whether a recommendation could be made by the HLC to the Planning Commission with respect to residential lot line subdivisions/mergers that may affect historic resources.

3. Considered whether it would be better for the Planning Commission to review these projects instead of the HLC. The AUD Incentive Program will result in a workload increase for the HLC.

EXHIBIT D

4. It would be helpful during the concept review process to ask Staff to address HLC concerns.

5. The comprehensive Staff review as early in the process would be helpful for HLC's evaluation.

** MEETING ADJOURNED AT 4:12 P.M. **

HISTORIC LANDMARKS COMMISSION MEETING MINUTES
November 6, 2013

DISCUSSION ITEM/TRAINING:

1. AVERAGE UNIT-SIZE DENSITY INCENTIVE PROGRAM

(1:45) Presenter: Bettie Weiss, City Planner; and Jaime Limón, Design Review Supervisor

(Second of a two-part training on the relationship between Design Review and the Average Unit-Size Density Incentive program. This training will focus on the various new development standards of the AUD program and potential changes to refer some AUD projects to the Planning Commission for review and comments.)

Actual time: 1:40 p.m.

Present: Bettie Weiss, City Planner; and Jaime Limón, Design Review Supervisor

Staff comments: Mr. Limón and Ms. Weiss gave a Staff PowerPoint presentation. Ms. Weiss explained a new review process for projects over 45 feet in height and the types of average unit density (AUD) projects that will be reviewed solely by the HLC and those that will be reviewed in conjunction with the Planning Commission. The proposed review process changes were discussed.

There will be an AUD discussion item at the Planning Commission on December 12, 2013, where they will be asked to make a recommendation to City Council.

Public comment opened at 2:14 p.m.

Kellam de Forest, local resident, expressed concern on building heights and asked if an HLC decision on an AUD project's height is appealable to the Planning Commission. He also asked if there is currently a height limit in El Pueblo Viejo Landmark District (EPV).

Public comment closed at 2:16 p.m.

Ms. Weiss responded to public comment by saying that a 60-foot height limit is still allowed in commercial zones, even within the EPV. The appeal process has not changed: HLC and Planning Commission decisions are appealed to the City Council.

Ms. Weiss responded to Commission questions. Under the Adaptive Management Program, the effectiveness of the AUD Program will be reported on annually during the Joint City Council/Planning Commission meeting.

The Commission made the following comments:

1. The proposed design review changes for AUD Program projects are sensible provided there is adequate staff assistance. It seems staff's involvement will increase.

2. It will be even more critical for the HLC to make clear and concise comments to provide guidance to the applicant as to whether a comment is a suggestion or a requirement.

3. The HLC's comments shall reflect in which specific way the project meets the compatibility analysis criteria.

4. The Commission agrees with the proposed changes in design review recommendations as outlined in the Staff presentation.

** THE COMMISSION RECESSED FROM 2:29 P.M. TO 2:36 P.M. **

PROJECT COMPATIBILITY ANALYSIS

Historic Landmarks Commission

22.22.145 Project Compatibility Analysis.

A. PURPOSE. The purpose of this section is to promote effective and appropriate communication between the Historic Landmarks Commission and the Planning Commission (or the Staff Hearing Officer) in the review of development projects and in order to promote consistency between the City land use decision making process and the City design review process as well as to show appropriate concern for preserving the historic character of certain areas of the City.

B. PROJECT COMPATIBILITY CONSIDERATIONS. In addition to any other considerations and requirements specified in this Code, the following criteria shall be considered by the Historic Landmarks Commission when it reviews and approves or disapproves the design of a proposed development project in a noticed public hearing pursuant to the requirements of Section 22.22.132:

1. Compliance with City Charter and Municipal Code; Consistency with Design Guidelines. Does the project fully comply with all applicable City Charter and Municipal Code requirements? Is the project's design consistent with design guidelines applicable to the location of the project within the City?

2. Compatible with Architectural Character of City and Neighborhood. Is the design of the project compatible with the desirable architectural qualities and characteristics which are distinctive of Santa Barbara and of the particular neighborhood surrounding the project?

3. Appropriate size, mass, bulk, height, and scale. Is the size, mass, bulk, height, and scale of the project appropriate for its location and its neighborhood?

4. **Sensitivity to Adjacent Landmarks and Historic Resources.** Is the design of the project appropriately sensitive to adjacent Federal, State, or City Landmarks or other nearby designated historic resources, including City structures of merit, sites, or natural features?

5. Public Views of the Ocean and Mountains. Does the design of the project respond appropriately to established scenic public vistas?

6. Use of Open Space and Landscaping. Does the project include an appropriate amount of open space and landscaping?

Architectural Board of Review

22.68.045 Project Compatibility Analysis.

A. PURPOSE. The purpose of this section is to promote effective and appropriate communication between the Architectural Board of Review and the Planning Commission (or the Staff Hearing Officer) in the review of development projects and in order to promote consistency between the City land use decision making process and the City design review process as well as to show appropriate concern for preserving the historic character of certain areas of the City.

B. PROJECT COMPATIBILITY CONSIDERATIONS. In addition to any other considerations and requirements specified in this Code, the following criteria shall be considered by the Architectural Board of Review when it reviews and approves or disapproves the design of a proposed development project in a noticed public hearing pursuant to the requirements of Chapter 22.68:

1. Compliance with City Charter and Municipal Code; Consistency with Design Guidelines. Does the project fully comply with all applicable City Charter and Municipal Code requirements? Is the project's design consistent with design guidelines applicable to the location of the project within the City?

2. Compatible with Architectural Character of City and Neighborhood. Is the design of the project compatible with the desirable architectural qualities and characteristics which are distinctive of Santa Barbara and of the particular neighborhood surrounding the project?

3. Appropriate size, mass, bulk, height, and scale. Is the size, mass, bulk, height, and scale of the project appropriate for its location and its neighborhood?

4. Sensitivity to Adjacent Landmarks and Historic Resources. Is the design of the project appropriately sensitive to adjacent Federal, State, and City Landmarks and other nearby designated historic resources, including City structures of merit, sites, or natural features?

5. Public Views of the Ocean and Mountains. Does the design of the project respond appropriately to established scenic public vistas?

6. Use of Open Space and Landscaping. Does the project include an appropriate amount of open space and landscaping?

REFERRAL TO THE PLANNING COMMISSION

22.22.133 Historic Landmarks Commission Referral of Residential Projects to Planning Commission.

A. **PLANNING COMMISSION COMMENTS.** When the Historic Landmarks Commission determines that a residential development is proposed for a site which is highly visible to the public, the Historic Landmarks Commission may, prior to granting preliminary approval of the application, require presentation of the application to the Planning Commission solely for the purpose of obtaining comments from the Planning Commission regarding the application for use by the Historic Landmarks Commission in its deliberations.

22.68.050 Architectural Board of Review Referral to Planning Commission.

A. **PLANNING COMMISSION COMMENTS**. When the Architectural Board of Review determines that a project is proposed for a site which is highly visible to the public, the Board may, prior to granting preliminary approval on the application, require presentation of the application to the Planning Commission solely for the purpose of obtaining comments from the Planning Commission regarding the application for use by the Architectural Board of Review in its deliberations.

This motion carried by the following vote:

Ayes: 5 Noes: 0 Abstain: 0 Absent: 2 (Bartlett, Thompson)

Chair Jordan announced the ten calendar day appeal period.

Commissioner Jordan called for a recess at 3:56 P.M and reconvened the hearing at 3:58 P.M

Commissioners Thompson and Bartlett returned to the dais at 3:58 P.M.

V. DISCUSSION ITEM

ACTUAL TIME: 3:58 P.M.

AVERAGE UNIT SIZE DENSITY INCENTIVE PROGRAM

Staff will present to the Planning Commission three process review options for rental projects developed under the Average Unit Size Density Incentive Program. The Planning Commission will forward a recommendation to the City Council.

Case Planner: Bettie Weiss, City Planner
Email: BWeiss@SantaBarbaraCA.gov Phone: (805) 564-5470, ext. 5509.

Bettie Weiss, City Planner, gave the Staff presentation. John Ledbetter, Principal Planner and Rob Dayton, Principal Transportation Supervisor, were available to answer questions.

Chair Jordan opened the public hearing at 4:18 P.M.

The following people commented on the project:

1. Greg Reitz, developer, requested that any decisions made not be retroactive, that any referral to the Planning Commission be limited to projects that do not fit the AUD and that the process not be lengthened.
2. Lisa Plowman, SB4ALL, submitted a letter suggesting an alternative option.
3. Paul Zink, Architectural Board of Review (ABR) Chair, stated that staff reports are helpful to ABR and that approving four story buildings is going to be difficult for ABR.

With no one else wishing to speak, the public hearing was closed at 4:37 P.M.

Commissioner's Comments:

Commissioner Lodge:

- Would like to see an automatic referral to the Planning Commission for formal action.

- Preferred a concept design review prior to proceeding to the Planning Commission.
- Suggested that there be an automatic referral for all projects with 8 or more units.

Commissioner Lodge left the dais at 5:28 P.M.

Commissioner Pujo:

- Supported using a trigger of half an acre for High Density/Priority Housing Overlay projects
- Supported concept review at PC for comments not action.
- Would like one design review meeting before Planning Commission.
- Keep the process timeline down and the cost of projects down. Remove any overlap of listed fees from projects and notice once.

Commissioner Schwartz:

- Proposed an ordinance amendment in the long term to establish formal early review by the Planning Commission.
- The Planning Commission should provide direction, not just comments.
- In the short term, would like a number of parties able to call up a project to the Planning Commission: staff, applicant, review board, or Planning Commission (like the Staff Hearing Officer process).
- Suggested a trigger of 10 units or more for formal Planning Commission review.

Bettie Weiss, City Planner, reminded the Commission that an applicant already has the ability to request a concept review without an ordinance amendment. Any other party calling up a project to the Planning Commission would require an ordinance change.

Commissioner Campanella:

- Recommended looking at the four vacant half acres sites in the commercial zones before deciding on the number of units.
- Did not support going to the Medium-High density tier, or going below 5 units in the High Density/Priority Housing categories.
- Allow the test to work with the established parameters.

Commissioner Thompson:

- Believed the design review boards have the capability of reviewing AUD projects if given the same support that is given to the Planning Commission.
- Felt SB4ALL's alternative makes most sense if the Planning Commission is involved.
- The Applicant always has the option to come to the Planning Commission prior to design review.

Discussion followed on what type of action would the Planning Commission take if the Applicant came to the Planning Commission first. No agreement was made pending further discussion at the next Planning Commission meeting.

Commissioner Jordan:

- Agreed with other Commissioners that design review boards are capable of handling AUD reviews.
- Would like to find a way to keep Planning Commission involvement on a comment level.
- Liked SB4ALL's option, but with some tweaks on triggers and thresholds.
- Did not want an ordinance amendment that would permanently involve the Planning Commission.

Commissioner Bartlett

- Believed that design review boards are capable of reviewing AUD projects and should get the same support the Planning Commission receives.
- Only projects found inconsistent with city policies should be reviewed by the Planning Commission.
- Whatever policy direction is taken should not be retroactive.
- Applicant should have ability to call for an initial PC concept review and combined ABR or HLC.
- Training should be provided to design review boards.

MOTION: Thompson/Bartlett
Continue discussion to December 19, 2013

This motion carried by the following vote:

Ayes: 6 Noes: 0 Abstain: 0 Absent: 1 (Lodge)

VI. ADMINISTRATIVE AGENDA

ACTUAL TIME: 6:27 P.M.

D. Committee and Liaison Reports.

1. Staff Hearing Officer Liaison Report

   None.

2. Other Committee and Liaison Reports

   None.

ACTUAL TIME: 3:04 P.M.

AVERAGE UNIT-SIZE DENSITY INCENTIVE PROGRAM

Staff will continue discussing with the Planning Commission the three process review options presented December 12, 2013, for rental projects developed under the Average Unit Size Density Incentive Program (AUD). The Planning Commission will forward a recommendation to the City Council.

Case Planner: Bettie Weiss, City Planner
Email: BWeiss@SantaBarbaraCA.gov Phone: (805) 564-5470, ext. 5509.

Chair Jordan re-opened the public hearing at 3:04 P.M.

Lisa Plowman, SB4ALL, submitted and read written comments into the record.

With no one else wishing to speak, the public hearing was closed at 3:06 P.M.

Irma Unzueta, Project Planner, gave the Staff presentation.

Commissioner's comments on the scope of review of AUD projects: Commissioners Pujo, Campanella, and Jordan felt Planning Commission review of AUD projects should be limited to high density and priority housing overlay density tiers.

- Commissioners Bartlett and Thompson preferred no automatic triggers, but if AUD projects come to the Planning Commission, they should be limited to high density and priority housing overlay projects, and only for projects requesting modifications.
- Commissioner Lodge would like to see all AUD density tiers come to the Planning Commission.
- Most Commissioners agreed that not all high density and priority housing overlay projects should come for Planning Commission review.

Commissioner's comments on automatic triggers for Planning Commission review:

Number of Units:

- Commissioner Lodge could support eight units as the trigger.
- Commissioners Pujo, Bartlett, and Jordan could not support number of units as a trigger.

Size of Property:

- Commissioner Thompson and Bartlett did not support size of property as a trigger since there are not many vacant half acre and larger properties.
- Commissioner Lodge could support reviewing project sites of 10,000 square feet.
- Commissioner Pujo was in support of size of property because it is a fixed variable. Would like to see the trigger able to catch at least 20 % of the available inventory.
- Commissioner Jordan was in support of size of property as a trigger, but would like to have the trigger reach at least 25-30 % of the available inventory.
- Commissioner Campanella does not support an automatic trigger, but felt that the Planning Commission should not review anything smaller than 10,000 square feet.

Staff provided clarification on the square footage of a third acre as being able to accommodate approximately eight units. In response to the four vacant properties identified by Commissioner Campanella, Staff clarified that there are vacant and underdeveloped properties in the inventory that allow for more projects to qualify for review.

Four Stories

- Commissioner Lodge was in support of reviewing four story AUD projects.
- Commissioner Bartlett felt that this trigger was not needed since the Planning Commission already reviews any project over 45'.
- Commissioner Pujo did not support four stories as a trigger.

Environmental/Historic Constraints:

- Commissioner Pujo did not support this as a trigger and felt that the Historic Landmarks Commission (HLC) would be more appropriate for historic review.
- Commissioner Campanella felt that if a project required a full Environmental Impact Report (EIR) then the Planning Commission should review the full project.
- Commissioner Bartlett could support this trigger if a review board wanted to refer the project to the Planning Commission for review in balancing housing resources with historic resources.

Applicant Request;

- The majority of the Commissioners supported the Applicant's request for a Planning Commission review as a trigger.

Suspension (like Staff Hearing Officer):

- Commissioner Thompson did not support 'suspension' or 'pulling up prior to action' as triggers.
- Commissioner Bartlett did not support this trigger.

- Commissioner Jordan did not support this trigger; preferred a Planning Commissioner Liaison to the AUD process that could bring projects to the Planning Commission, similar to what exists for the Staff Hearing Officer.

"Pulling-up" prior to action

- Commissioner Bartlett did not support this trigger.
- Commissioner Pujo did not support this trigger and felt that only the applicant and the review board should be able to 'bump up' a project to the Planning Commission. Commissioner Jordan concurred.

Staff clarified that the existing ordinance gives the design review boards the ability to refer projects to the Planning Commission. The applicant also has the ability to take a project to the Planning Commission for concept review.

Commissioner's comments on the action to be taken by the Planning Commission in a review:

- A majority of the Commissioners felt that the Planning Commission should offer comments only and not approval.
- Commissioner Lodge supported Planning Commission approval with specific findings.
- Commissioner Thompson did not support either action option and suggested that if the Council would like Planning Commission review, then AUD decisions made by the design review boards should be appealable to the Planning Commission action. Commissioner Jordan concurred.

Commissioner's comments on when a Planning Commission review should occur:

- A majority of the Commission supported concept review prior to Planning Commission review.
- Commissioner Bartlett advocated for a joint review between the design review board and the Planning Commission.

Based on preliminary assessment of the Commission's comments, Staff felt that the Commission was more closely aligned with Option One, on page 3, in the Planning Commission Staff Report dated December 5, 2013.

Commissioner's comments on having an automatic trigger:

- Commissioners Lodge, Pujo, and Jordan were in support of having an automatic trigger.
- Commissioners Campanella, Thompson, and Bartlett were not in support of having an automatic trigger.

Commissioner's comments on appeals:

- Commissioners Campanella and Thompson felt that a third party appeal should come to the Planning Commission.
- Commissioner Thompson felt that any Planning Commission appeals could be appealed to City Council.
- The Commission was evenly split on whether or not the Planning Commission should hear appeals only on an intermediary basis.

Additional Commissioner's comments:

- Commissioner Pujo did not support having many triggers and preferred a clean, up-front expectation of Planning Commission review on some projects.
- Commissioner Thompson agreed that additional staff support, such as staff reports and site visits, should continue to be given to ABR and HLC.
- Commissioner Bartlett recommended that applicants be able to voluntarily request a joint Planning Commission and design review board concept review meeting.
- Commissioners Bartlett and Campanella requested that any changes to the review process not be made retroactive to projects currently being processed.
- Commissioner Pujo requested keeping timelines and additional AUD cost as low as possible.
- Commissioner Thompson asked that we keep operating under the current process until City Council directs otherwise.

Commissioner Jordan offered to represent the Planning Commission's position when this item goes before City Council.

V. ADMINISTRATIVE AGENDA

ACTUAL TIME: 5:27 P.M.

E. Committee and Liaison Reports.

1. Staff Hearing Officer Liaison Report

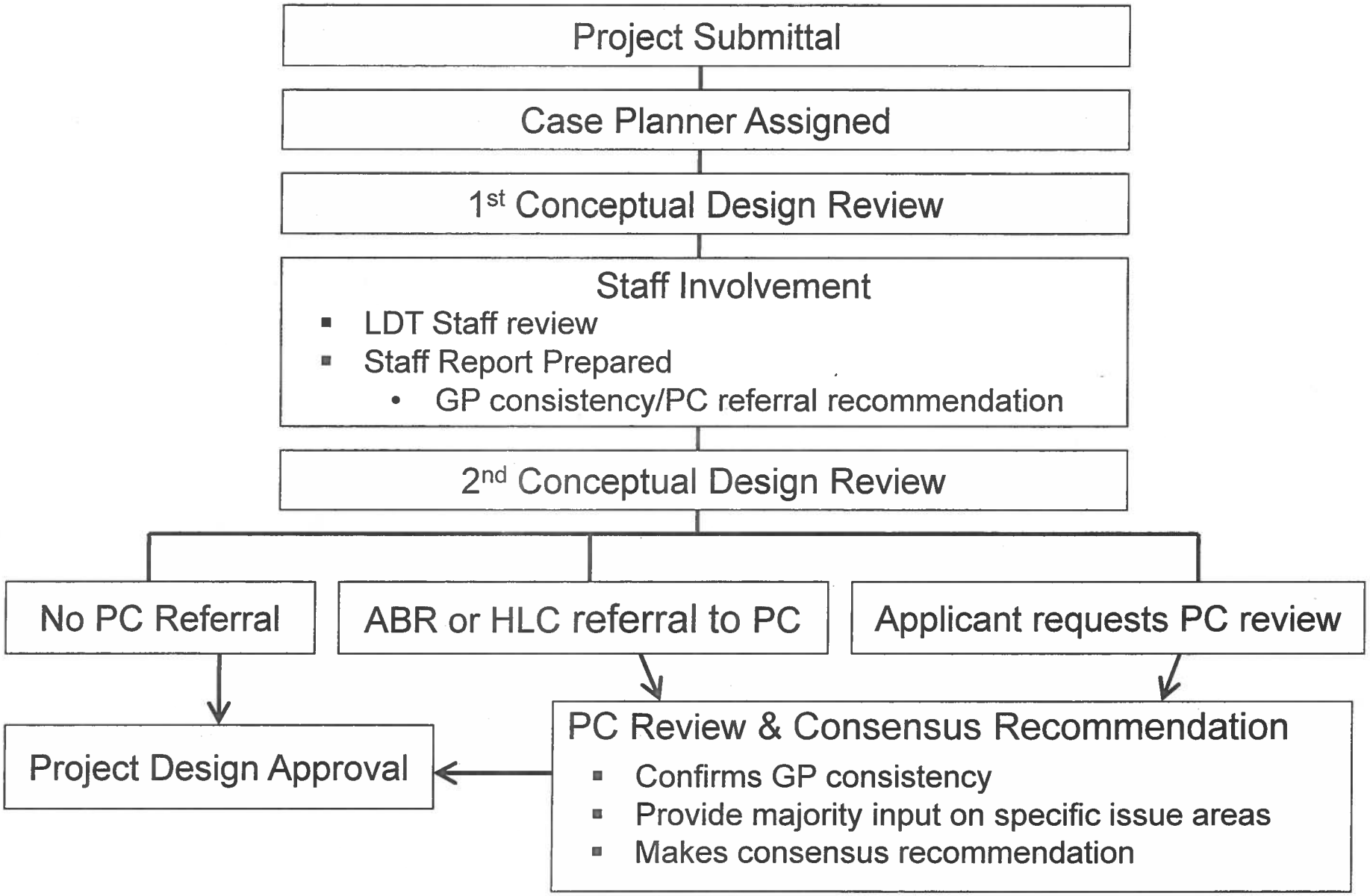
   None was given.

2. Other Committee and Liaison Reports

   a. Commissioner Lodge reported on the Historic Landmarks Commission meeting of December 18, 2013.

   b. Commissioner Thomson reported on the Single Family Design Review Board meeting of December 16, 2013.

Average Unit Size Density Program
Planning Commission Consensus Recommendation Process



ATTACHMENT 5

AUD PROJECT CONSISTENCY CRITERIA

The purpose of this criteria list is to assist the Architectural Board of Review, Historic Landmarks Commission, and/or Planning Commission in reviewing an AUD project for consistency with the General Plan, AUD Program Ordinance intent, and Project Compatibility Criteria.

GENERAL PLAN CONSISTENCY

Principles for Development:

- ***Focus Growth*** – to encourage affordable housing within ¼ mile of frequent transit service and commercial services.
- ***Encourage a mix of land uses*** – to include residential living in commercial centers.
- ***Strengthen mobility options and promote healthy active living*** – to link mixed-use development with transit, encourage the use of bicycles, and reduce need for parking.

REGULATORY ORDINANCES

AUD Ordinance Intent:

- Facilitate the construction of smaller housing units through increased densities.
- Provide appropriate development standard incentives.
- Provide housing types that ensure opportunities to the City's workforce.

Project Compatibility Analysis:

- ***Compliance with City Charter and Municipal Code and consistency with Design Guidelines*** – design consistency with design guidelines applicable to location of project.
- ***Compatible with architectural character of city neighborhood*** –design compatibility with desirable architectural qualities and characteristics.
- ***Appropriate size, mass, bulk, height and scale*** – appropriate size, mass, bulk and scale for location and neighborhood.
- ***Sensitivity to adjacent Landmarks and historic resources*** – appropriately sensitive to adjacent Landmarks and other nearby designated historic structures.
- ***Public views of the ocean and mountains*** –appropriately responsive to established scenic public vistas.
- ***Use of open space and landscaping*** – appropriate amount of open space and landscaping.

Average Unit-Size Density Incentive Program (AUD) Project Review Process

City Council

March 4, 2014

Meeting Objectives

- Discuss AUD review process approach
- Determine scope of PC involvement in review process
- Provide direction to Staff

Background

- Joint CC/PC Work Session 09/12/13
- HLC Discussion 10/23/13
- ABR Discussion/Training 10/28/13
- HLC Discussion/Training 11/06/13
- PC Discussion 12/12/13
- PC Discussion 12/19/13

ABR & HLC Discussion

- Concerns:
  - Increased workload
  - Larger, more complex projects
  - GP consistency review
- Support:
  - Increased Staff support
  - PC involvement through referrals

PC Discussion

Review process approaches

- Consensus Recommendation
  - Project referred by ABR/HLC or Applicant
  - Review of specific issue areas
  - Consensus recommendation
- Formal PC Review
  - Formal review and action
  - Requires criteria or “trigger” for automatic referral
  - Requires ordinance amendment

PC Discussion

What action should PC take?

- Most Commissioners supported Consensus Recommendation
  - Some felt more process is disincentive to applicants
  - Some felt ABR/HLC capable with additional Staff support
  - Some felt a set trigger provides certainty in the process
- One Commissioner supported Formal Review and Action
  - Felt PC review needed to achieve community acceptance

PC Discussion

What should be scope of the review?

- Most Commissioners preferred only AUD in the high density and priority housing overlay
- One Commissioner favored all density tiers

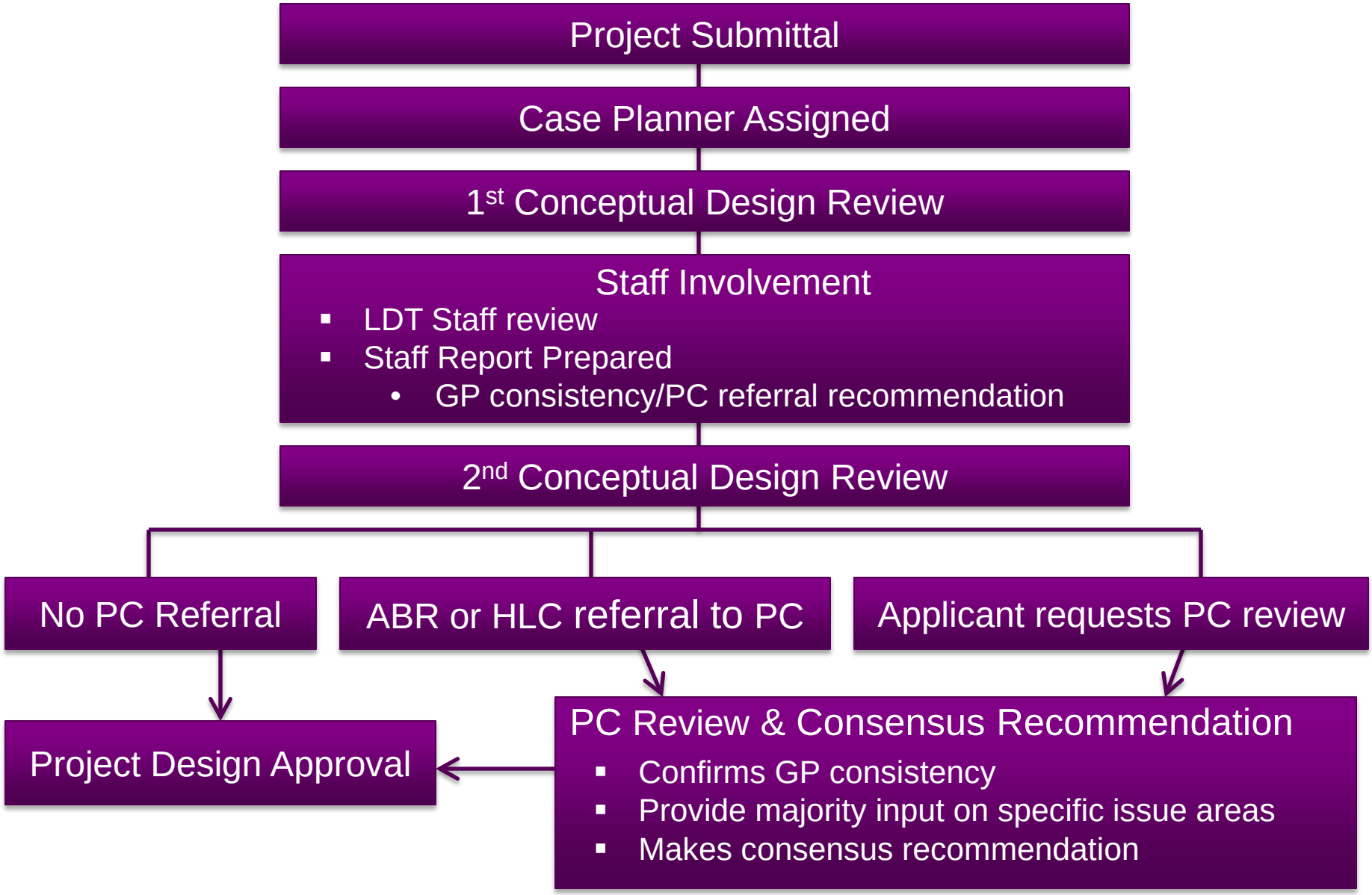
When should PC review occur?

- All Commissioners supported at least one conceptual design review before PC review
- One Commissioner suggested a concurrent review by ABR/HLC and PC

Recommended Review Process

- Based on discussions with ABR, HLC & PC:
  - Staff continue additional project support
  - ABR, HLC or Applicant refer to PC if necessary
  - PC review takes place after at least one conceptual design review
  - PC provide consensus recommendation
  - Evaluate process after nine months

Average Unit Size Density Program
Planning Commission Consensus Recommendation Process



GP Consistency Review Points

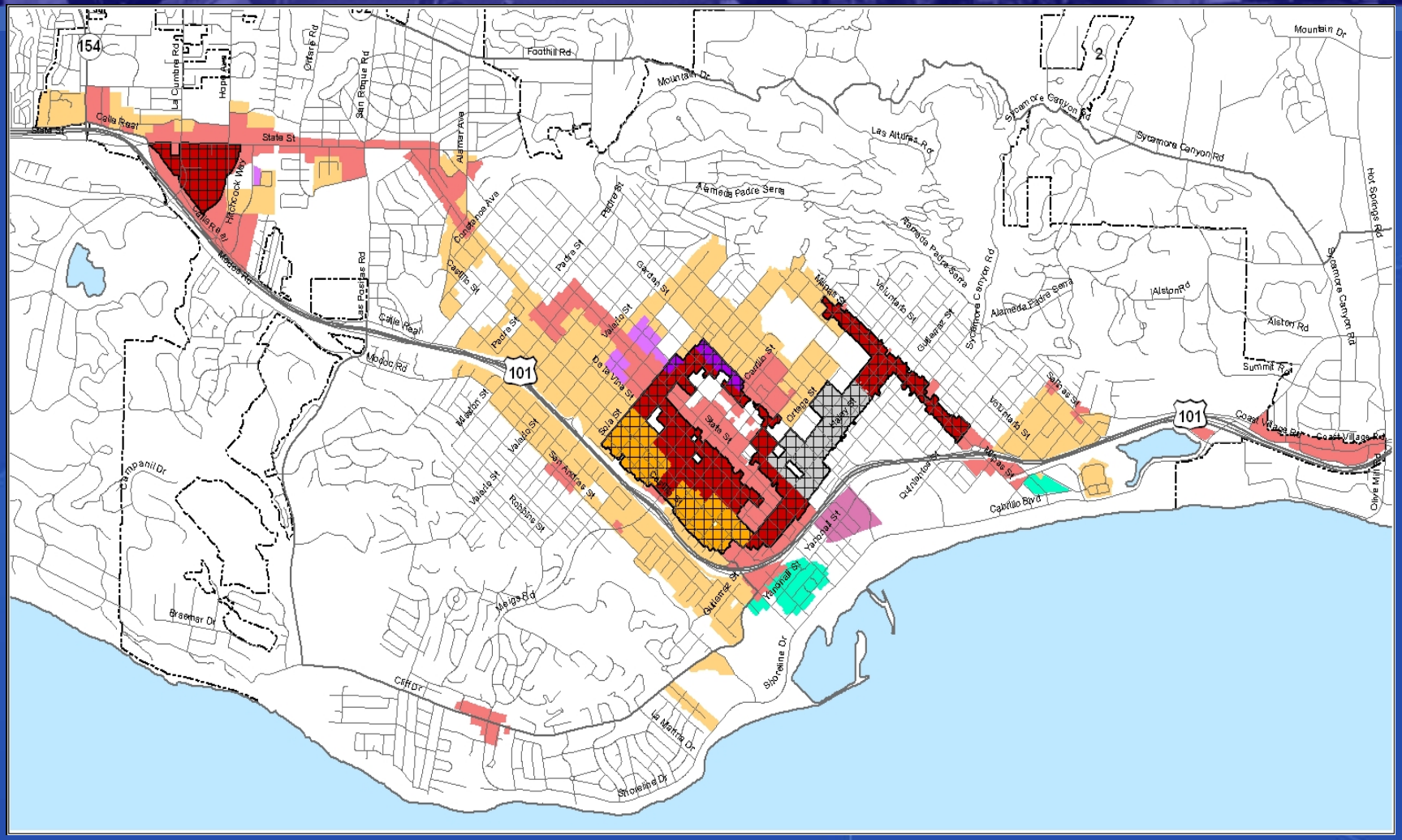
- Principles for Development
  - Focus growth, encourage mix of land uses, strengthen mobility options & promote healthy living
- AUD Ordinance Intent
  - Facilitate smaller units, provide development standard incentives, provide housing for workforce
- Project Compatibility Analysis
  - Compliance with City Charter/Municipal Code/Design Guidelines, compatible architectural character, appropriate size, bulk, scale, sensitivity to adjacent Landmarks & historic structures, public views, open space and landscaping

Council Direction

- Staff requests Council Direction on review process approach:
  - Consensus recommendation
  - Formal PC review/approval
  - Other review process approach

Average Unit-Size Density Incentive Program (AUD) Project Review Process

City Council

March 4, 2014

Average Unit-Size Density Program