



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: April 7, 2016

TO: Mayor and Councilmembers
Planning Commission

FROM: Planning Division, Community Development Department

SUBJECT: Joint City Council And Planning Commission Work Session:
Planning Division Workload And Program Activities

RECOMMENDATION:

That Council hold a joint work session with the Planning Commission to receive status reports and discuss major Planning Division work program activities, and provide direction to staff on major work efforts and regular Division activities.

EXECUTIVE SUMMARY:

Joint work sessions are held with the Council and Planning Commission approximately every six months as a means to establish a shared understanding of the Planning Division's workload. Further, it is an opportunity to discuss and confirm or make any needed adjustments to major work efforts and/or regular activity priorities. The Chairs of the Architectural Board of Review (ABR) and Historic Landmarks Commission (HLC) are also invited to attend the work sessions. The last joint work session was held on October 8, 2015.

This report and attachments provide information on major work efforts and particular projects within each program (Long Range Planning/Special Studies, Design Review and Historic Preservation, Zoning and Enforcement, and Development/Environmental Review), and information on regular on-going activities. At the meeting, status reports will be given regarding the New Zoning Ordinance effort, housing development activity, Housing Element Implementation, and the Historic Resources Work Program.

DISCUSSION:

Long Range Planning

In the Long Range Planning section, significant resources are dedicated to the update of the Local Coastal Program. Other work efforts include Housing Element Implementation (e.g., Average Unit-size Density Program tracking), Multi-Jurisdictional

Hazard Mitigation Plan update, regular Nonresidential Growth Management Program tracking, and various GIS and mapping efforts. The most significant current work efforts for the Division are listed in Attachment 1 (Planning Division Major Work Efforts).

Comprehensive Local Coastal Program (LCP) Update

This major work effort includes a staff team, including hourly staff funded by a California Coastal Commission (CCC) grant. Together, the Land Use Plan (LUP) and the Implementation Plan (IP) constitute the City's Local Coastal Program (LCP). The primary purpose of this major work effort is to modernize the 1981 Land Use Plan and to address Sea Level Rise (SLR) vulnerability and adaptation, as well as to update the 1986 Implementation Plan (zoning maps, various sections of the Municipal Code and other plans and guidelines that implement the Coastal Act in the City) to incorporate the 2011 General Plan Update land use and zoning changes.

The CCC grant originally required a City-adopted LCP update amendment be submitted to the CCC for certification by April 30, 2016,. The CCC grant has been amended twice to address delays in the availability of SLR-related guidance, information, and modeling. The grants administrator has removed the requirement to have the LCP update amendment submitted to the CCC for certification by April 30th and is no longer requiring the IP to address SLR development standards. The City is not unique in receiving grant amendments for these reasons and there is a realization at the local and state levels that the CCC grant program was overly ambitious given the emerging nature of SLR science and modeling, as well as the extensive and detailed review of LCP updates by CCC staff.

Despite challenges with the availability of the SLR-related guidance and modeling, City staff have made significant progress. A preliminary draft of the Coastal LUP has been prepared that incorporates early comments received from CCC staff and reviews by City staff from Public Works, Waterfront and Parks & Recreation Departments, as well as reviews by subcommittees of the Planning, Harbor, and Parks and Recreation Commissions. The preliminary draft was delivered to the CCC staff for written comments on February 25, 2016. The CCC staff believes their review of the preliminary draft will take approximately eight weeks. Thereafter, Planning staff will produce a public review draft, and schedule an Open House and a series of focused workshops.

Overall, the preliminary draft Coastal LUP is cleaner, clearer, more refined, and better focused on the Coastal Act's mandates to protect public access to the coast, protect coastal resources, and avoid or minimize risk from hazards such as SLR. In many cases, the preliminary draft Coastal LUP carries forward existing LCP policies and other City policies and guidelines with little or no substantive change.

However, with regard to Biological Resources, the preliminary draft Coastal LUP includes detailed policies to address screening, evaluation, and protection of environmentally sensitive habitat areas (ESHA), creeks and wetlands.

These detailed policies establish development standards that in many cases generally “codify” current practices, but do include changes to address Coastal Act consistency as requested by the CCC staff. Staff anticipates a robust discussion with regard to these policies.

With regard to Coastal Hazards, including SLR, the updated City-sponsored coastal erosion and flood modeling indicates that worst-case SLR impacts are not significant until the 2060 to 2100 timeframe, although episodic events can occur at any time. In the more immediate timeframe the City would be best served by:

1. Continuing to collect data, monitor, and analyze SLR;
2. Maintaining and improving existing coastal protection, water control structures, and management strategies already in place;
3. Developing a comprehensive SLR Adaptation Plan for the low-lying coastal area; and
4. Continuing to require site-specific coastal bluff erosion evaluations and SLR evaluations for proposed development.

Staff has also included more robust policies to address coastal bluff erosion, shoreline protective devices, slope stability, and SLR. Staff anticipates that a considerable amount of the public review process will require education about the City’s unique shoreline, coastal processes, SLR, and the need for additional study.

County Multi-Jurisdictional Hazard Mitigation Plan

Planning Staff is participating in the update of the 2011 County Multi-Jurisdictional Hazard Mitigation Plan. Each incorporated City within the County provides input into the Plan, which is updated every five years to remain eligible for federal disaster funds and grants. The City is responsible for updating the 2011 City of Santa Barbara “annex” to the Plan that serves as a complete hazard mitigation tool for the City. The project is managed by Office of Emergency Services (OES) with participation from multiple City Departments, including Community Development.

This project is scheduled for a draft ready by April, public review from April to May, and City Council action in May 2016.

Housing Development Activity and Housing Element Implementation Report

The Housing Development Activity and Housing Element Implementation Report provides updated information on housing development activity, including Average Unit-size Density Incentive Program activity. The report also provides the Department of Housing and Community Development - Annual Housing Element Progress Report, as well as updates to Housing Element priority programs. The Report is provided as Attachment 2.

General Plan Implementation and Adaptive Management Program Report

Staff is working with the Planning Commission to improve the General Plan Implementation and Adaptive Management Program Report that is presented annually at

a Joint City Council/Planning Commission work session. Our goal is a more focused and streamlined report. To date, two meetings with the Planning Commission have occurred, and a third meeting is scheduled.

Encompassed within this effort is monitoring and reporting on implementation of the City's Climate Action Plan. Staff will update the community-wide greenhouse gas emissions inventory in the near future, utilizing new software and following new protocols that will allow the City to better analyze greenhouse gas emission reduction strategies, as well as aggregate and compare our reduction efforts with other communities.

Design Review & Historic Preservation

The number of special assignments in the Design Review Section continues to be considerable, and staff's ability to make significant progress on these efforts has been impacted by a large number of Council appeals filed in the last 15 months. Additionally, Design Review staff is assisting with the recent ordinance amendments to expedite review of solar photovoltaic projects and to bring the Wireless Facilities Ordinance into alignment with federal law. Additional work is also slated to begin in Summer 2016 on a similar amendment process to align the City's Sign Ordinance with a recent Supreme Court ruling.

Historic Resources Five-Year Work Program

The primary focus for the work program in the last six months has been completing the Historic Resource Design Guidelines, which have been reviewed by stakeholders and the HLC and are ready for Council consideration. However, before those guidelines can proceed to Council, amendments to Santa Barbara Municipal Code (SBMC) Chapter 22.22 (Historic Structures) are needed to facilitate the creation and designation of new historic districts, which are referenced in the guidelines. This project has been delayed primarily due to a significant work backlog in the City Attorney's office. Staff expects to make notable progress on these amendments in the next six months.

A consultant contract was approved by Council in April 2015 to integrate the City's historic resources database into the City's website. Planning staff has been working closely with the Information Systems staff and, although there have been consultant-driven delays, the consultant is committed to completing this work in the next few months.

Multi-Unit / Mixed-Use Design Guidelines

Preparing design guidelines to address multi-unit residential development has been on the Planning Division's pending workload list for many years. It is considered a top priority toward implementing the City's Housing Element, particularly given the importance of neighborhood character and compatibility associated with larger, multi-unit housing projects. However, due to other priorities, staffing constraints, and funding limitations, extensive work on the guidelines has yet to be undertaken.

The multi-unit/mixed-use design guidelines are intended to provide decision-makers, design professionals, and developers with design preferences and direction related to architectural styles, size, bulk and scale, and design features associated with multi-residential and mixed-use development. Existing design guidelines lack clear guidance to address these types of projects, and it has become more challenging for Boards and Commissions to carry out multiple City goals and policies effectively, as recently experienced with the review of higher density rental units. The guidelines would also serve to better inform the community of the types of development, multi-story designs, and amenities anticipated in multi-family and commercially zoned neighborhoods.

A Subcommittee of the PC, ABR and HLC was convened in September 2015 to help staff define objectives for the guidelines, and also to identify and evaluate possible options to develop the guidelines. Consideration was given to different options, ranging from preparing a separate guideline document to address multi-unit and mixed-use projects specifically, to simply consolidating, updating and/or supplementing existing design guidelines (e.g., Urban Design Guidelines, ABR Design Guidelines, Haley-Milpas Design Manual, Upper State Street Area Design Guidelines). The Subcommittee concluded that a phased approach would be best, beginning with developing a new, separate multi-unit/mixed-use design guideline document, followed by consolidating and organizing existing guidelines.

Given the interest in having these guidelines in place in the short term to provide design guidance for multi-unit residential development, the Subcommittee recommended that a professional design consultant take the lead in developing the multi-unit/mixed-use design guidelines and assist with an architectural styles forum to help identify architectural preferences for different areas of the City. While some work could be completed by staff to help reduce the overall consultant cost, the Subcommittee believes that this work effort would likely take longer for completion without the use of a consultant.

Currently, there are no funds earmarked in the Planning Division's budget to hire a consultant to develop these guidelines. Staff could attempt to draft the guidelines without the help of a consultant, but that would not be possible given current workload and staff resources, or until after the amendments to SBMC Chapter 22.22, discussed above, are complete.

Zoning & Enforcement

New Zoning Ordinance (NZO)

The NZO project is an effort toward a comprehensive update of the City's Zoning Ordinance. Dyett & Bhatia, the consultant firm contracted to develop the NZO, began working on the update in October 2014. Dyett & Bhatia's first work product was an Issues and Options Paper, which was presented to the Planning Commission in March 2015. The second work product was Module 1: Land Use Regulations, which was presented to the Planning Commission on June 25, 2015. The third work product was

Module 2: Development Standards, which was presented to the NZO Joint Committee on December 7 and 14, 2015, and to the Planning Commission on March 18, 2016. Module 2 covers most zone-specific and citywide development standards, including setbacks, open yard, allowed encroachments, and nonconforming buildings and uses.

When the NZO project began in January 2014, it was expected to be complete in Fall of 2016. Due to the extent and complexity of Module 2, the project is currently four months behind the original schedule. In addition, parking regulations were removed from Module 2 and added to the scope of Module 3, which will extend review of Module 3 (review processes, definitions, and parking standards) by three months, resulting in an overall project delay of seven months. After review of Module 3, staff anticipates release of a comprehensive draft of the New Zoning Ordinance for public review in early October 2016.

Zoning Enforcement

Zoning staff dedicated to enforcement duties currently consists of one permanent, full-time equivalent (FTE) staff member, hired in October 2015, who works part-time on other zoning duties, and 1.5 FTE of hourly staff, hired in early December 2015. Due to a loss of one staff member in August 2015 and initial hiring and retention issues with hourly staff, the Zoning Enforcement staff was limited to only 0.5 FTE from mid-August 2015 to October 2015, which created a significant backlog of unassigned enforcement cases. In August 2015, Council allocated funds to hire an additional 1.0 FTE for vacation rental enforcement; that staff member began work on March 28, 2016.

As of March 16, Zoning Enforcement staff have 150 cases open (69 of which are vacation rentals) and a backlog of 272 unassigned cases (100 of which are vacation rentals) that have not yet been investigated. An update on vacation rental enforcement was provided to the City Council on March 1, 2016.

Zoning Information Report (ZIR) Process Improvements

Since February 2015, Planning staff has been implementing ZIR process improvements recommended by the Planning Commission and ZIR Working Group. Nearly all of the recommended improvements have been implemented, as noted below:

- The revised ZIR template was implemented September 2015.
- A handout titled "Common Questions Regarding Zoning Information Report Site Inspections" was completed in February 2016 to provide more information about what to expect during a ZIR site inspection. Included in this handout are some of the common items noted by staff during a ZIR site inspection. This handout is posted on the City's website and provided to agents/property owners when they submit a ZIR application at the City's Planning Counter.
- A handout titled "Common Questions Regarding Zoning Information Reports" was also completed in February 2016 and is posted on the City's website.
- The Minor Zoning Exception (MZE) process became effective February 11, 2016, which allows for an expeditious resolution to zoning violations resulting from errors

or omissions in ZIRs. So far, staff has not received any requests for zoning relief through the MZE process.

- The revised ZIR template includes a *Notice of Enforcement*, when applicable, which provides procedural information, options for violation abatement, and responsibility for abatement. Staff recently completed a standalone handout to provide additional guidance to property owners about abating violations.
- A written procedures manual for ZIR inspection staff has been drafted and is expected to be completed in early April 2016.

The only remaining item is establishment of a public outreach/information program for ZIRs. Staff has begun researching options and anticipates using the \$7,000 allocated for this effort to seek consultant help in this regard. The program will include, but not be limited to, a new page on the City's website devoted to the ZIR program.

Development & Environmental Review

Development Activity

The number of submittals for Pre-Application Review Team (PRT) review is steadily increasing and exceeds P3 targets for this fiscal year. Much of this increased activity is due to the PRT review required of certain High Density and Priority Housing Overlay AUD projects in the pipeline. As seen in Attachment 3 (Significant Development Review Projects), there is a number of large projects in early review including, for example, an approximately 44,000 square-foot retail and market building at 301 E. Yanonali Street, a large mixed-use project at 121 E. Mason Street, and a new hotel proposed at 926 Indio Muerto. Staff is also currently processing three auto dealership projects, including a new luxury car dealership at 350-352 Hitchcock Way, an addition to the BMW/Audi dealership at 402 S. Hope Avenue, and a new dealership at 6210 Hollister Avenue, on Airport-owned property.

In addition to working on these major development projects, Development Review staff continue to assist in the review of NZO and LCP Update draft documents.

BUDGET/FINANCIAL INFORMATION:

There is a number of significant work assignments in the Planning Division currently underway and that will continue for the next few years, as noted in this report. Before initiating most new major projects, staff considers current and expected workload, existing staff resources, and concurrence from the City Council on workload priorities of the Division. If additional funding is required to complete a new major project, staff typically returns to a regular Council meeting to discuss a scope of work and seeks appropriation of funds at that time.

- ATTACHMENT(S):**
1. Planning Division Major Work Efforts
 2. Housing Development Activity and Housing Element Implementation Report
 3. Significant Development Review Projects

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SUBMITTED BY: George Buell, Community Development Director

APPROVED BY: City Administrator's Office

Planning Division Major Work Efforts

Project Description	FY14 2013-2014 ¹	FY15 2014- 2015	FY16 2015- 2016	FY17 2016- 2017	FY18 2017- 2018
Adaptive Management Program	✓	✓	✓	X	X
Average Unit-Size Density Program (Monitoring)		X	X	X	X
Local Coastal Program Update		X	X	X	X
New Zoning Ordinance		X	X	X	
Vacation Rental Enforcement			X	X	X
ZIR Process Improvements		X	X		
Historic Resource Design Guidelines		X	X		
Tidemark Advantage Replacement Project		X	X	X	X
Multi-Unit /Mixed-Use Design Guidelines			X	X	
Historic Districts Ordinance			X	X	
Communitywide GHG Emissions Inventory			X		
Noise Ordinance Amendments			✓		
Environmental Resources Element				X	X
Highway 101 Air Quality Setback	✓			X	

✓ = Completed X = In progress or ongoing

Major Recent Accomplishments: Noise Ordinance Amendments (2016); Minor Zoning Exception Process (2016); Housing Element Certification (2015); AUD Ordinance Adoption (2013) and Amendment (2014); Emergency Shelter Ordinance (2014); Safety Element Adoption (2013); Historic Resources Element Adoption (2012), Climate Action Plan Adoption (2011)

¹ Fiscal Year is from July 1 to June 31st



Housing Development Activity & Housing Element Implementation Report

Prepared for the April 7, 2016

Joint City Council and Planning Commission Work Session

This report provides information on housing development activity in the City, including projects developed under the Average Unit-Size Density Incentive Program. This report also includes the Department of Housing and Community Development—Annual Housing Element Progress Report, as well as updates to Housing Element Implementation priority programs.

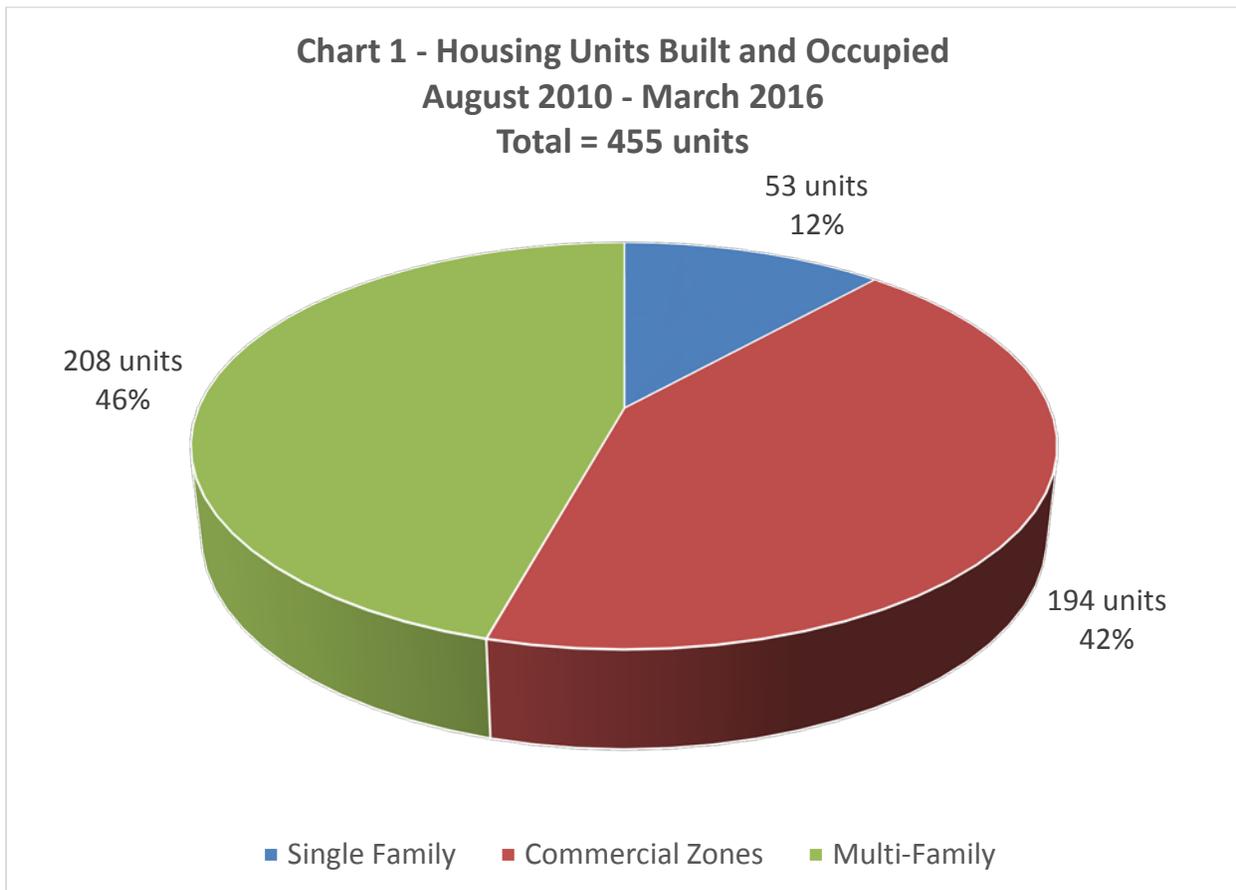
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Housing Development Activity

This report provides information on residential development activity in the City of Santa Barbara as of March 1, 2016.

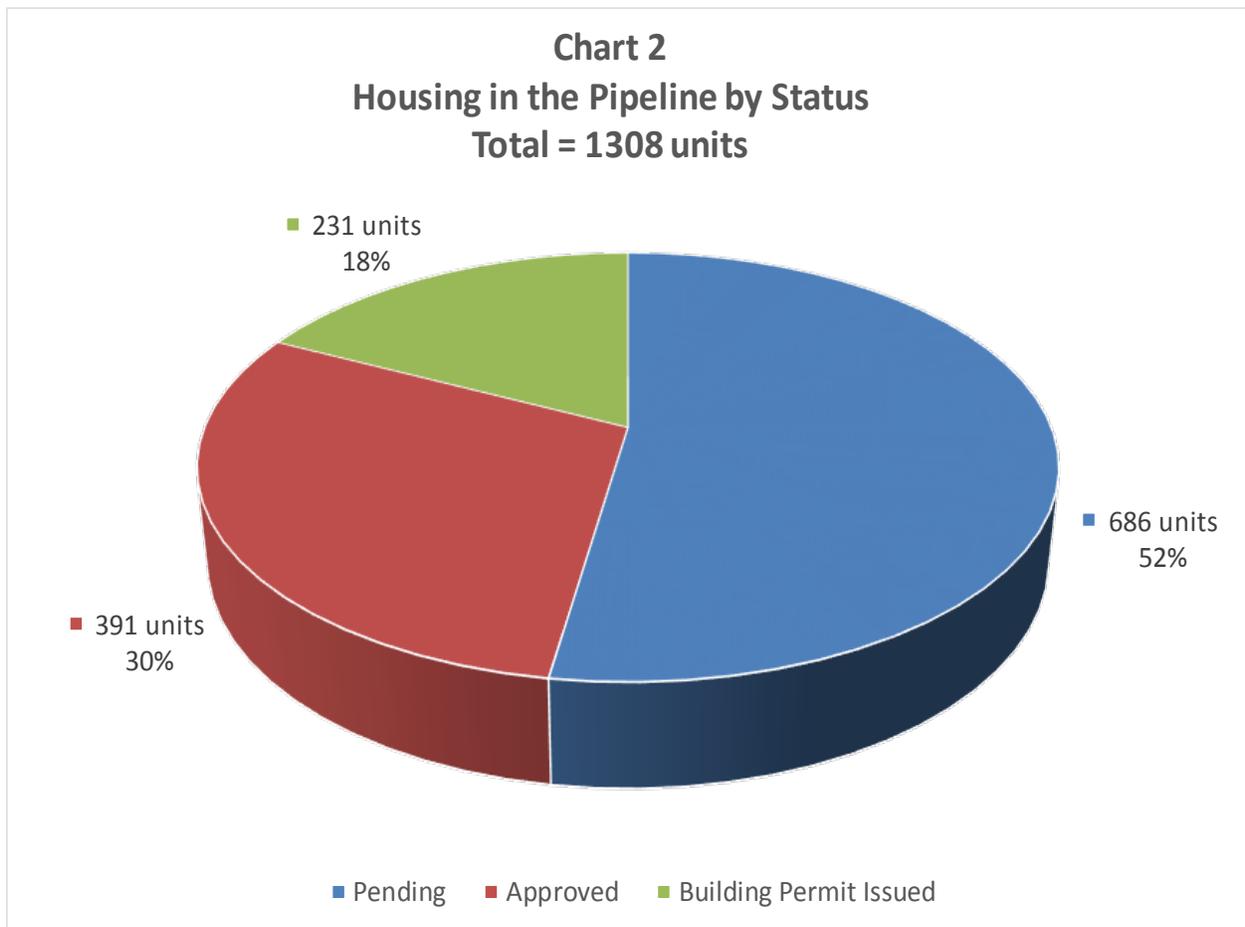
All Housing Units

For decades, the City’s General Plan Housing Element has emphasized the development of a range of housing types, with an emphasis on producing subsidized, affordable housing and multi-unit developments, as opposed to single-family development. As shown in Chart 1, over the last six years (August 2010 – March 2016), a total of 455 housing units have been built and occupied (received Certificate of Occupancy) in the City. Of these, 402 units (88%) were built in the multi-family (208 units) and commercial areas (194 units) of the City that are served by transit and close to jobs and services. Only 53 units (12%) were built in single-family neighborhoods.



A positive outcome of the General Plan policies that strive to manage new nonresidential growth, as well as the Growth Management Ordinance, is that rather than building new commercial square footage, applicants are encouraged to build residential units in commercial zones.

Looking forward, Chart 2 provides a snapshot of the total number of housing units in the planning or building permit process (in the pipeline) as of March 1, 2016. Chart 2 includes all housing unit types, including single-family development.



There are 1,308 units in the pipeline. Of these, 231 units (18%) are under construction and 391 units (30%) have obtained the necessary land use and/or design review approval. In total, 622 (48%) units are approved or under construction. Another 686 units (52%) are pending planning review and approval.

The approved project category includes a mixed-use project approved in 2014 at 3714 State Street (former Sandman Hotel site). This project includes 63 market-rate condominiums and nine below-market inclusionary condominiums. While the site preparation permits have been issued and are underway for this project, the building permit for the housing units has yet to be issued.

Of the 231 units under construction, 89 of the units are part of the Mirasol project at 3885 State Street. The remaining 142 units under construction are predominantly small projects adding one or two new units and represent close to 50 separate projects. They are scattered throughout all zone districts and General Plan Growth Management Program Development Areas of the City.

On average, it takes about a year for an approved project to develop construction-level detailed drawings, finalize construction financing, and apply for and receive a building permit. In the past five years, the

minimum amount of time for an approved housing project to receive a building permit was three months. The maximum amount of time was three years, nine months. Historically, not all approved projects are constructed. Some projects are withdrawn, some are revised and some expire without being built. Whether this will continue to be the case in the current economic climate remains to be seen.

The 2015 Housing Element Quantified Objectives estimate that a total of 1,208 new units will be constructed from 2015 to 2023. This estimate, prepared in 2014 during the Housing Element Update process, was based on historical residential development trends from 1990 to 2007.

As of March 2016, the current housing in the pipeline exceeds the Housing Element Quantified Objectives through 2023 by 100 units. While it is possible that not all projects will be built, there is a high likelihood based on this current trend that the Quantified Objectives will be met, or exceeded, by 2023 or sooner. As stated in the Housing Element, “Quantified Objectives do not represent a ceiling on development, but rather set a target goal for the City to achieve based on needs, resources and constraints.”

Affordable Housing Units

Chart 3 shows the proportion of the 1,308 total units in the pipeline that are affordable to extremely low, very low, low, moderate or middle-income levels (Affordable), or otherwise considered below-market rate due to price restrictions.

The General Plan includes policies to prioritize and promote production of affordable housing.

General Plan Policy LG1 states:

Resource Allocation Priority. *Prioritize the use of available resource capacities for additional affordable housing for extremely low, very low, low, moderate and middle income households over all other new development.*

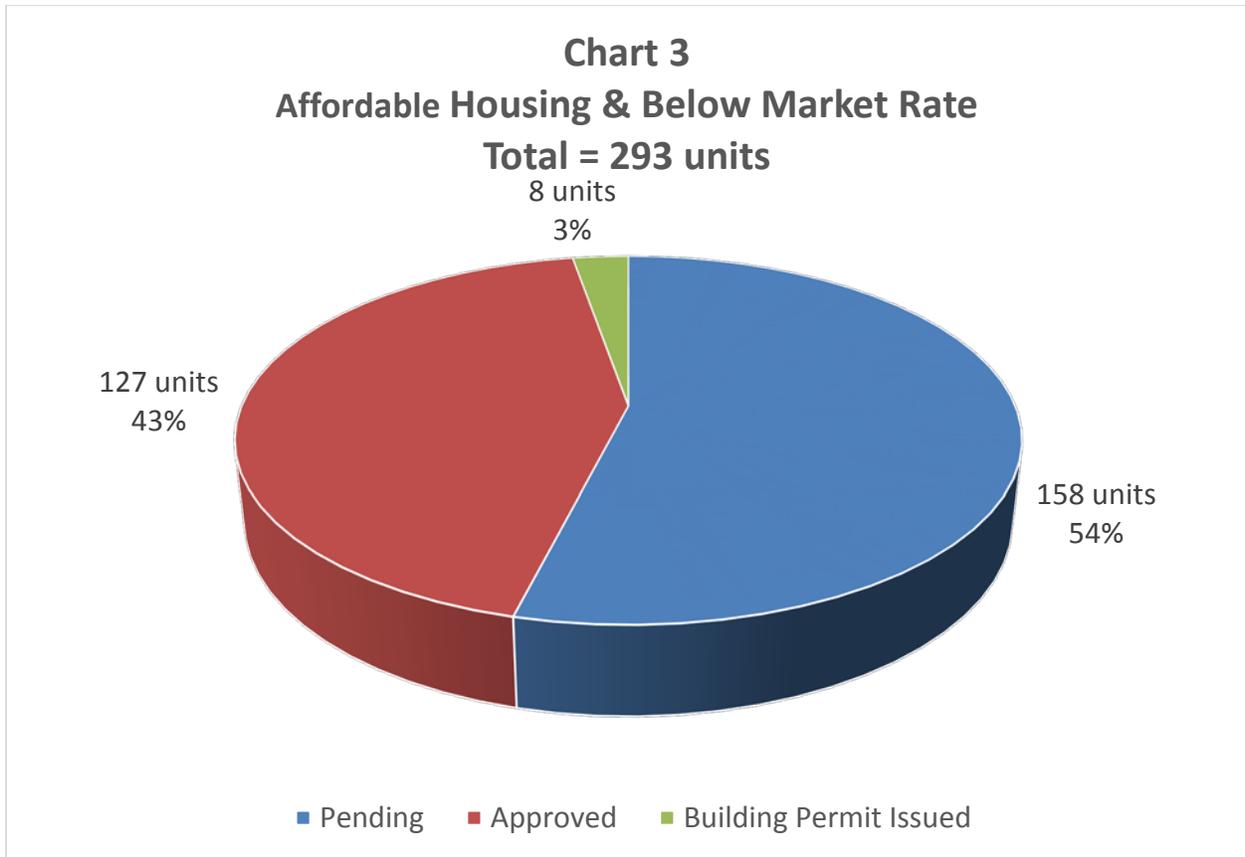
General Plan Policy LG5 states:

Community Benefit Housing. *While acknowledging the need to balance the provision of affordable housing with market-rate housing, new residential development in multi-family and commercial zones, including mixed-use projects, should include affordable housing and open space benefits.*

General Plan Housing Element Policy H11 states:

Promote Affordable Units. *The production of affordable housing units shall be the highest priority and the City will encourage all opportunities to construct new housing units that are affordable to extremely low, very low, low, moderate and middle income owners and renters.*

Chart 3 demonstrates the City’s continuing commitment to promote and incentivize below-market and Affordable housing with long-term affordability restrictions. Of all housing in the pipeline, 293 units (22%) are Affordable or below-market rate units. Of the Affordable and below market rate units, 127 units (43%) have been approved, 158 units (54%) are pending review and approval and eight units are under construction.



Housing in Commercial and Multi-Family Zones

The General Plan policies establish the parameters for new development in the City.

In particular, Policy LG4 states:

Principles for Development. Establish the following Principles for Development to focus growth, encourage a mix of land uses, strengthen mobility options and promote healthy active living.

General Plan Policy LG6 states:

Location of Residential Growth. Encourage new residential units in multi-family and commercial areas of the City with the highest densities to be located in the Downtown, La Cumbre Plaza / Five Points area and along Milpas Street.

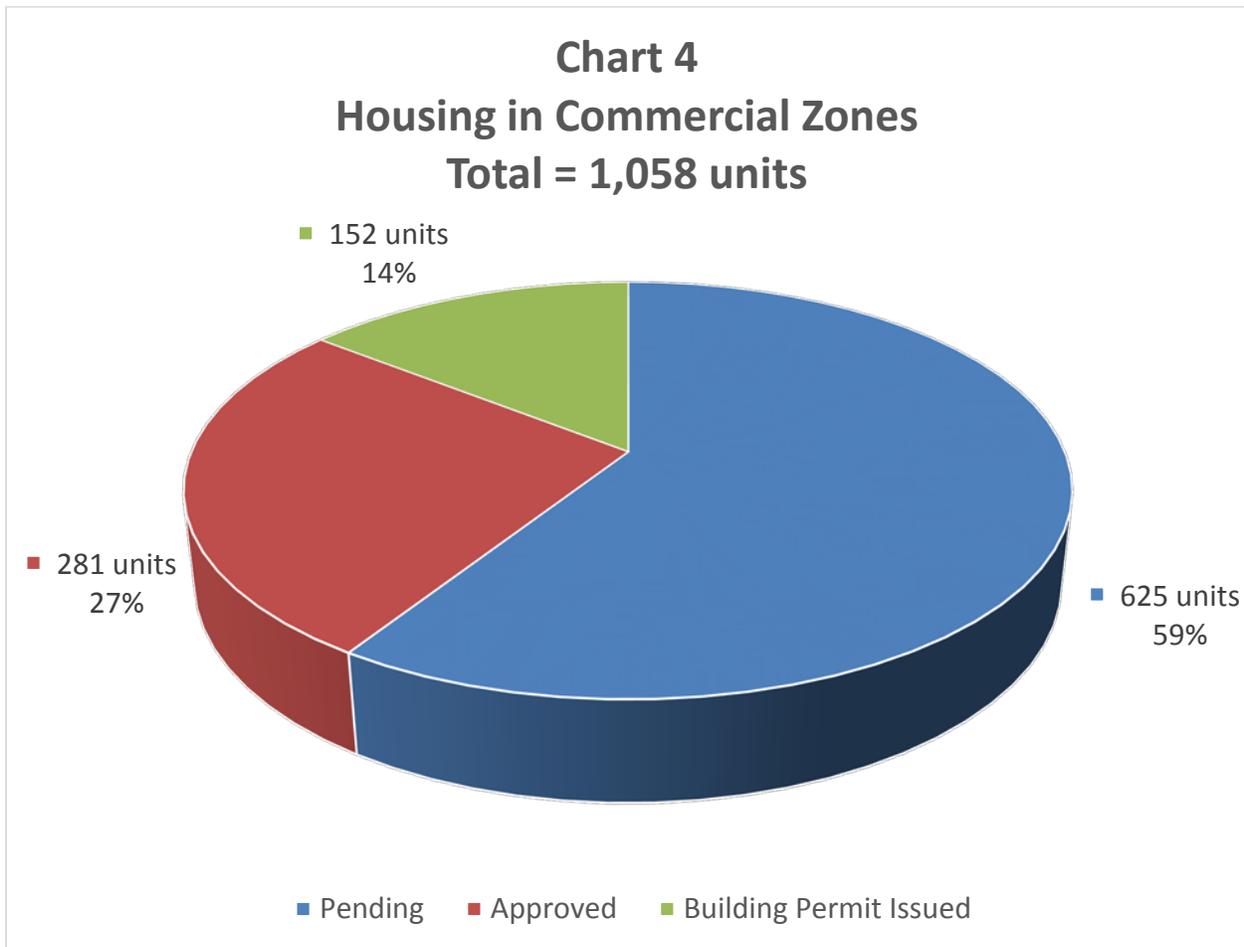
General Plan Housing Element Policy H10 states:

New Housing. Given limited remaining land resources, the City shall encourage the development of housing on vacant infill sites and the redevelopment of opportunity sites both in residential zones, and as part of mixed-use development in commercial zones.

One of the top priorities of the General Plan is to encourage workforce and affordable housing in the City's multi-family and commercial zones. Chart 4 illustrates that of the 1,308 units in the pipeline, 1,058 units (80%) are located in the City's commercial zones. When combined with the 177 units in the multi-family

zones, this represents 94% of all new housing units (1,235 units) being built in and around Downtown and near transportation corridors. This continues and strengthens the trend observed in units constructed over the past six years (as shown in Chart 1).

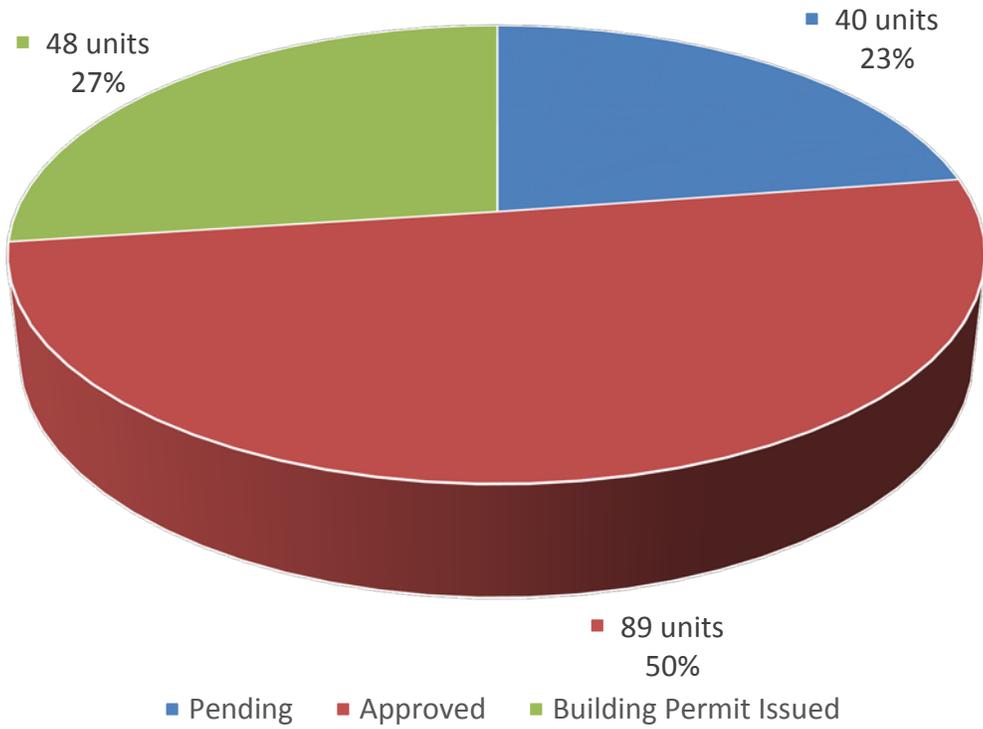
Housing projects utilizing the Average Unit-Size Density Incentive Program (AUD) comprise 734 units and represent 58% of the housing in the pipeline. AUD Incentive Program projects are discussed separately and in more detail later in this report.



Taking a closer look at housing in the pipeline, Charts 4 and 5 illustrate the status of these units and success in focusing the development of new housing in Downtown areas that are close to jobs, services and transit. Chart 4 shows the status of all housing units proposed in commercial zones. Of the 1,058 units in commercial zones, 281 units (27%) have been approved, 625 units (59%) are pending review and 152 units (14%) are under construction.

Chart 5 shows the status of all housing units in multi-family zones. Of the 177 units in the pipeline in multi-family zones, 89 units (50%) have been approved, 40 units (23%) are pending review and 48 units (27%) are under construction.

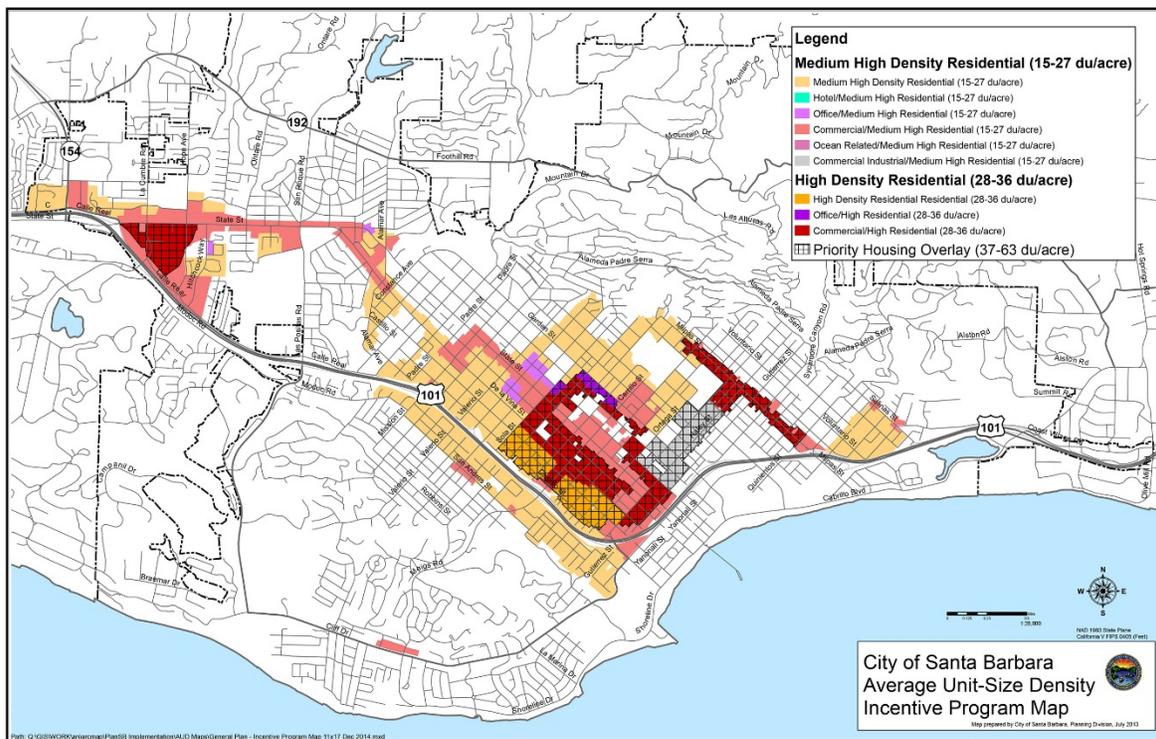
Chart 5
Housing in Multi-Family Zones
Total = 177 units



AUD Incentive Program Housing Units

On July 30, 2013, the City Council adopted the Average Unit-Size Density (AUD) Incentive Program (SBMC Chapter 28.20). The AUD Incentive Program is intended to encourage smaller, more affordable rental housing units through the application of increased densities and development incentives in selected areas of the City.

The AUD Incentive Program will be in effect for a trial period of either eight years or until 250 residential units have been constructed (as evidenced by the issuance of a Certificate of Occupancy) in the areas designated for High Density Residential or the Priority Housing Overlay, whichever occurs earlier. The focus of the 250 test period is on projects that are built using the High Density Residential Category range of 28-36 units/acre or the Priority Housing Overlay range of 37-63 units per acre.



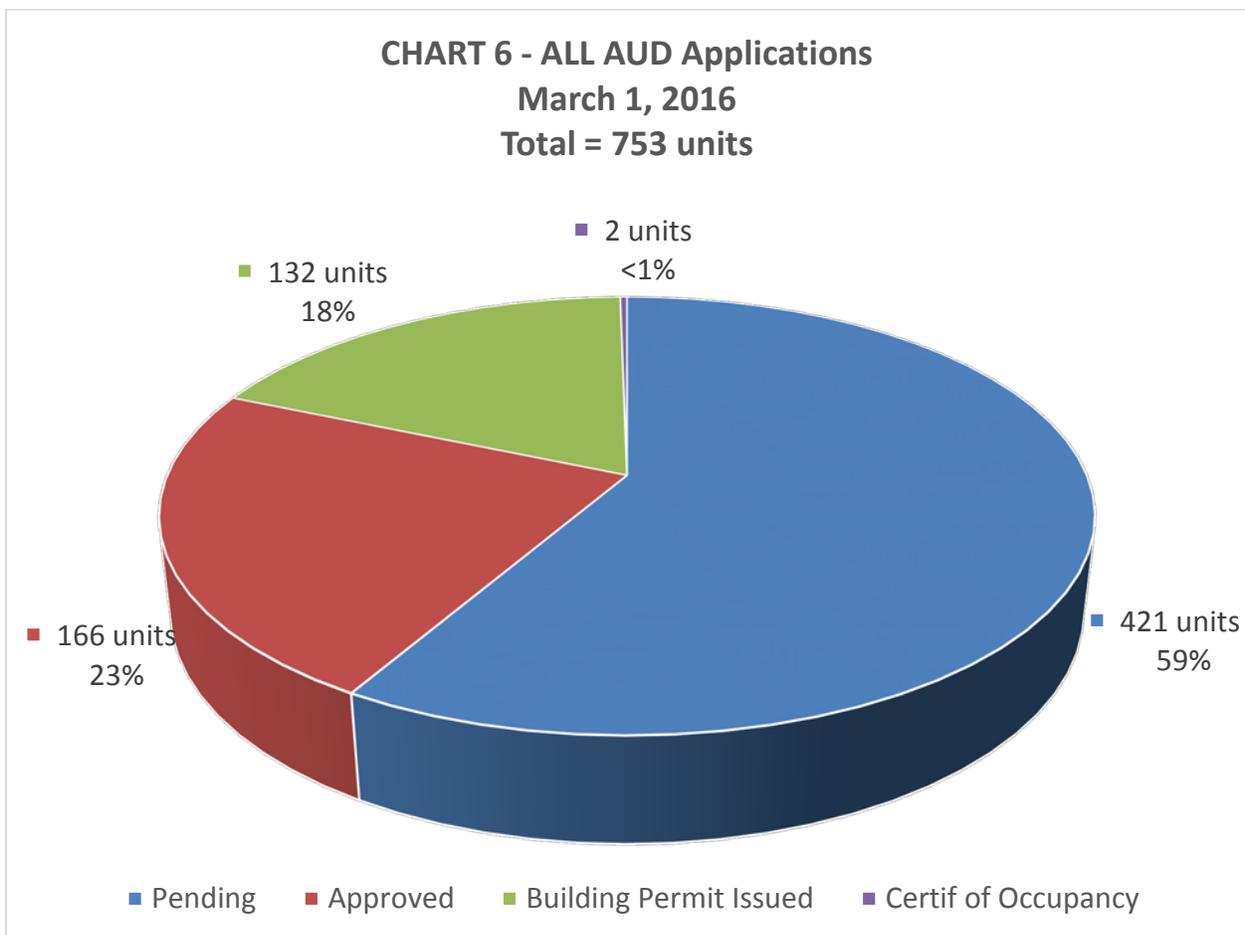
The High Density Residential category allows density levels for rental units that were previously only allowed with: (1) Modifications; and (2) long-term deed restrictions for very low, low and moderate income households. The Medium High Density Residential Category allows the same density range of 15-27 dwelling units per acre that was possible through the previous variable density standards of the Zoning Ordinance without modifications or income-based deed restrictions. Except in the Coastal Zone, the variable density standards have been replaced for the duration of the AUD Incentive Program.

Any application for new units deemed complete prior to the expiration of the AUD Incentive Program may continue to be processed under the AUD Incentive Program. For the purposes of the AUD Incentive Program, a formal project application is considered complete if it is scheduled for review on an agenda of the Architectural Board of Review (ABR), the Historic Landmarks Commission (HLC), or the Staff Hearing

Officer (SHO). AUD Incentive Program projects subject to a formal 30-day staff review per Government Code §65920 et seq. (Permit Streamlining Act) are “deemed complete” upon a written decision to that effect from staff to the project applicant. A Pre-application Review Team (PRT) submittal alone, by its nature, is not a sufficient mechanism to deem a project “complete” for purposes of the AUD Incentive Program.

All AUD Incentive Program Applications and Status

As of March 1, 2016, there are 36 applications for projects in the pipeline utilizing the AUD Incentive Program. These 36 projects encompass 753 units and are a sub-set (58%) of the 1,308 total housing units in the pipeline described above (Chart 2). Chart 6 illustrates the status of the 753 AUD Incentive Program units in the pipeline: 132 units (18%) are under construction; 166 units (23%) have been approved; and, 421 units (59%) are pending review and approval.



Certificate of Occupancy Issued

One project involving two units has been issued a Certificate of Occupancy as part of a project at 1023 Cacique Street, in the Medium High Density area. This project involves legalizing two as-built studio units and making them ADA compliant and will result in a total of four units. The density is in the 15-27 units / acre range. The average unit size is 963 square feet.

Building Permits Issued

Five AUD Incentive Program projects are now under construction. Three projects are in the Medium High Density category and two projects are in the Priority Housing Overlay. These projects are described below.

Medium High Density Rental Projects Under Construction (allowed density 15-27 du/ac)

522 Garden Street is a new three-story, mixed use project on a previously vacant 3,320 square-foot lot. The project consists of two commercial tenant spaces on the ground floor with two rental housing units above. Two residential parking spaces and two bicycle parking spaces will be provided in a two-car garage. Two uncovered parking spaces will be provided for the commercial space. The average unit size for this project is 718 square feet. This project is nearing completion. A Certificate of Occupancy is anticipated within a month.

Also under construction in this category is a project at 810 E. Canon Perdido Street. This project was an enforcement case and legalizes the conversion of as-built structures. The project addresses zoning violations and results in one new unit and five uncovered parking spaces. .

The third Medium High Density Rental project was submitted in 2014, and located at 312 Rancheria Street. This project will construct a new seven-unit apartment complex, with seven uncovered parking spaces and seven bicycle parking spaces. The average unit size is 812 square feet and the project density is 27 units / acre.

Priority Housing Overlay Rental Projects Under Construction (allowed density 37-63 du/ac)

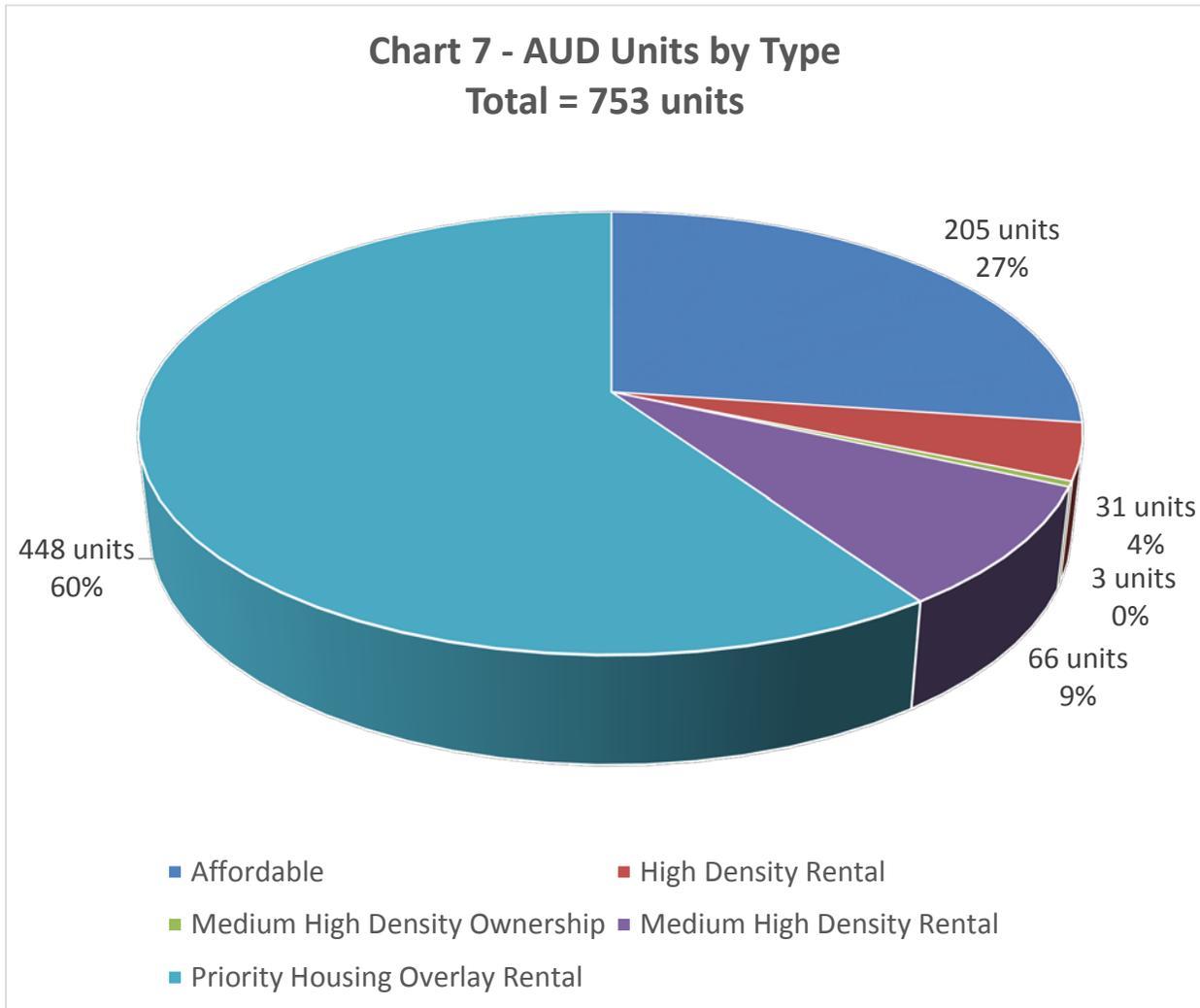
The Mirasol project at 3885 State Street was the first Priority Housing Overlay rental project under construction. The project will result in a new four-story building with 89 apartment units, a subterranean parking garage with 134 parking spaces and 4,469 square feet of commercial space. The project also includes 13 surface commercial parking spaces, 92 bicycle parking spaces, a swimming pool and a roof deck. The average unit size is 804 square feet. The approved project density is 63 dwelling units per acre. The maximum building height is 45 feet.

The Arlington Village rental housing project was originally approved in 2013 under the Variable Density Ordinance, and is currently under construction. The applicant is requesting to split the parcel so that the residential development is on a separate lot from the Arlington Theater. Because the Arlington Village project density was calculated and approved based on the entire site lot area, the subdivision is only possible using the AUD Incentive Program density standards. The project meets all AUD Incentive Program standards on the residential lot to be created with the addition of required bicycle parking. It is a 33 unit rental project with an average unit size of 821 square feet. If the subdivision is approved in late March (scheduled for SHO action on March 30), the project density would be 46 units /acre. The maximum building height is 41.5 feet.

AUD Incentive Program Units by Type

The AUD Incentive Program encourages many types of units. Chart 7 illustrates the types of AUD Incentive Program units in the pipeline:

- 205 units (27%) are Affordable to very low or low-income households
- 3 units are Medium High Density Ownership
- 66 units (9%) are Medium High Density Rental
- 31 units (4%) are High Density Rental
- 448 units (60%) are Priority Housing Overlay Rental

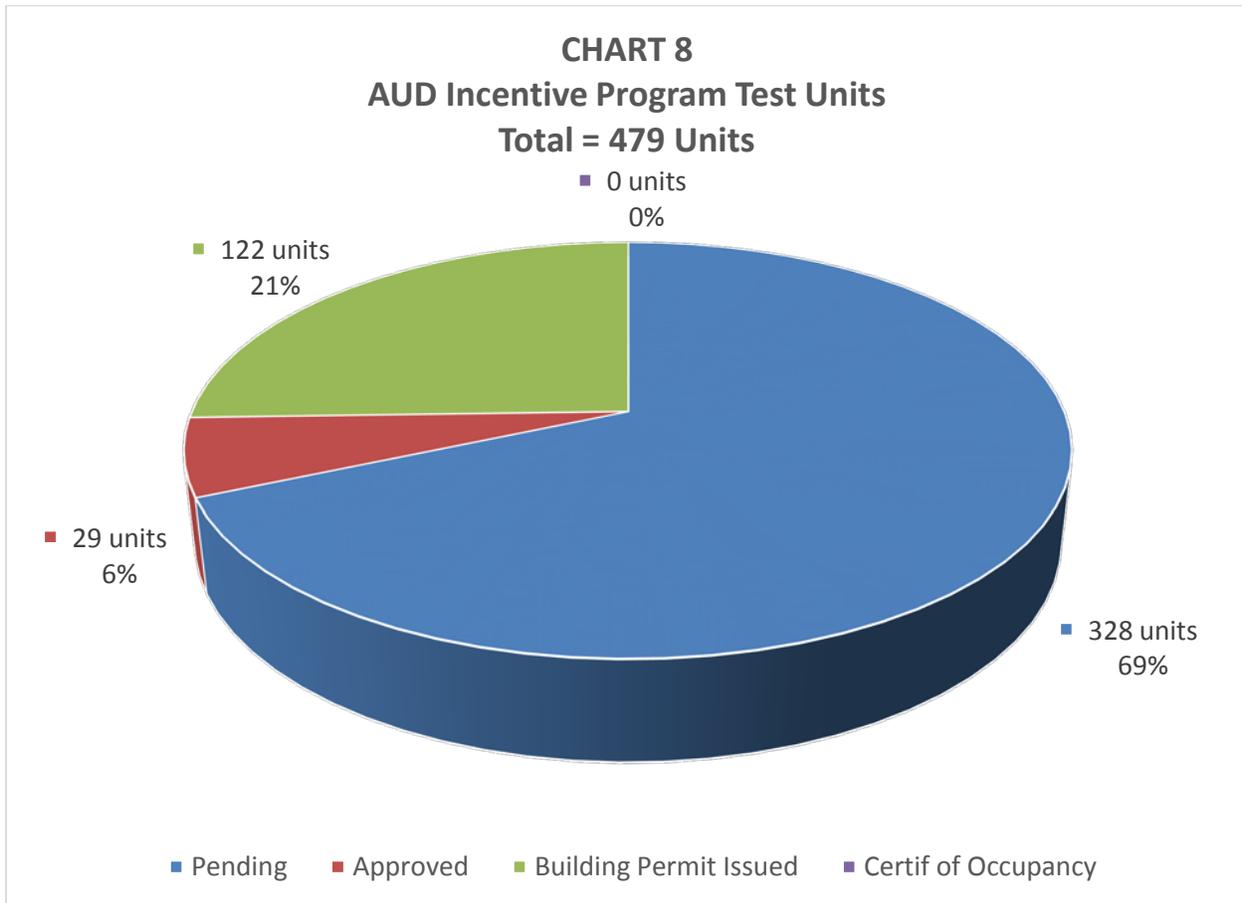


The AUD Incentive Program Ordinance defines Priority Housing to include the following three categories: Employer-Sponsored Housing; Limited-Equity Housing Cooperatives; and Rental Housing. To date, all Priority Housing applications have fallen into the Rental Housing category. Since July 2013, no applications for Employer-Sponsored or Limited-Equity Cooperatives have been received.

AUD Incentive Program 250 test units

Chart 8 takes a closer look at the 479 AUD Incentive Program in the pipeline, within the High Density and Priority Housing Overlay areas, that will count toward the 250 unit test. As of March 1, 2016, no units have been issue a Certificate of Occupancy. However, 122 units (21%) are under construction (Mirasol and

Arlington Village). Another 29 units (6%) have been approved but are not yet under construction (one project at 604 East Cota Street). Another 328 units (69%) are pending review and approval.



There are 328 units within the AUD Incentive Program’s High Density and Priority Housing Overlay areas pending review and approval. Some of these projects have been described in previous reports and include:

15 South Hope Avenue

Demolish an existing 8,368 square-foot commercial building and construct a four-story, mixed-use development on an approximately 35,500 square-foot lot (48 units, 45 parking spaces). The residential portion of the project includes 13 studio, 30 one-bedroom, and three two-bedroom units. The average unit size is 742 square feet. The project density is 59 units / acre and the maximum proposed building height is 45 feet.

634 Anacapa Street

Demolish two existing commercial buildings and a single-family residence and construct a new three-story, mixed-use building on two lots totaling approximately 21,000 square feet (30 units, 32 parking spaces). The residential portion of the project includes eight studio, 13 one-bedroom, and nine two-bedroom units. The average unit size is 733 square feet. The project density is 62 units / acre and the maximum proposed building height is 40 feet.

825 De la Vina Street

A conceptual proposal to construct a mixed-use building on an approximately 14,750 square-foot vacant lot (21 units, 27 parking spaces). The residential portion of the project includes three studios, 15 one-bedroom, and one two-bedroom and two three-bedroom units. The average unit size is 801 square feet. The project density is 62 units / acre and the maximum proposed building height is 45 feet.

715 Bond Avenue

Demolish an existing single-family residence and construct a new four-story building on a 5,000 square-foot lot (7 units, 7 parking spaces). The project includes two two-bedroom and five three-bedroom units. The average unit size is 862 square feet. The project density is 62 units / acre and the maximum proposed building height is 40.75 feet.

800 Santa Barbara Street

Demolish an existing office building and construct a new three-story, mixed-use building on an approximately 18,500 square-foot lot (23 units, 32 parking spaces). The residential portion of the project includes four one-bedroom, 15 two-bedroom and four three-bedroom units. The average unit size is 775 square feet. The project density is 53 units / acre and the maximum proposed building height is 35 feet.

In the last six months, applications received for High Density and Priority Housing Overlay projects include:

125 E. Gutierrez Street

Proposal to construct a 10-unit, 3-story rental apartment building with 10 parking spaces. An existing one story single-family dwelling and garage will be demolished. The project includes two one-bedroom, and eight two-bedroom units. The average unit size is 802 square feet. The project density is 62 units / acre and the maximum proposed building height is 37.5 feet.

219 E. Haley Street

Proposal to demolish 6 existing units and replace with a 3-story mixed use project consisting of 36 two-bedroom, two-bathroom units and two commercial spaces. A total of 46 parking spaces would be provided. The average unit size is 795 square feet. The project density is 62 units / acre and the maximum proposed building height is 40 feet.

510 E. Ortega Street

Proposal to demolish an existing unit and garage and construct a 3-story, 5-unit apartment building. The project consists of two studio units, two two-bedroom units, and one three-bedroom unit and five parking spaces. The average unit size is 952 square feet. The project density is 44 units / acre on a 5,000 square-foot lot. The project addresses zoning violations and is an enforcement case. The maximum proposed building height is 37.75 feet.

1032 Santa Barbara Street

Proposal to demolish a one-story office and one-story residential unit and replace with a new 3-story mixed use project with eight units: one studio, seven two-bedroom units, 11 parking spaces.

The average unit size is 970 square feet. The project density is 46 units / acre and the maximum proposed building height is 43 feet.

113 W. De la Guerra Street

Proposal for a new mixed project that includes 23 residential rental units and 29 parking spaces. The residential portion of the project includes five one-bedroom, and 18 two-bedroom units. The average unit size is 725 square feet. The project density is 62 units / acre and the maximum proposed building height is 43 feet.

116 East Cota Street

Proposal for a new 4-story mixed use building adjacent to Vera Cruz Park. The project includes 15 two-bedroom, two-bathroom units and a small commercial space. Seventeen (17) parking spaces would be provided. The proposed density is 61 units / acre with an average unit size of 827 square feet. The maximum proposed building height is 45 feet.

701 N. Milpas Street

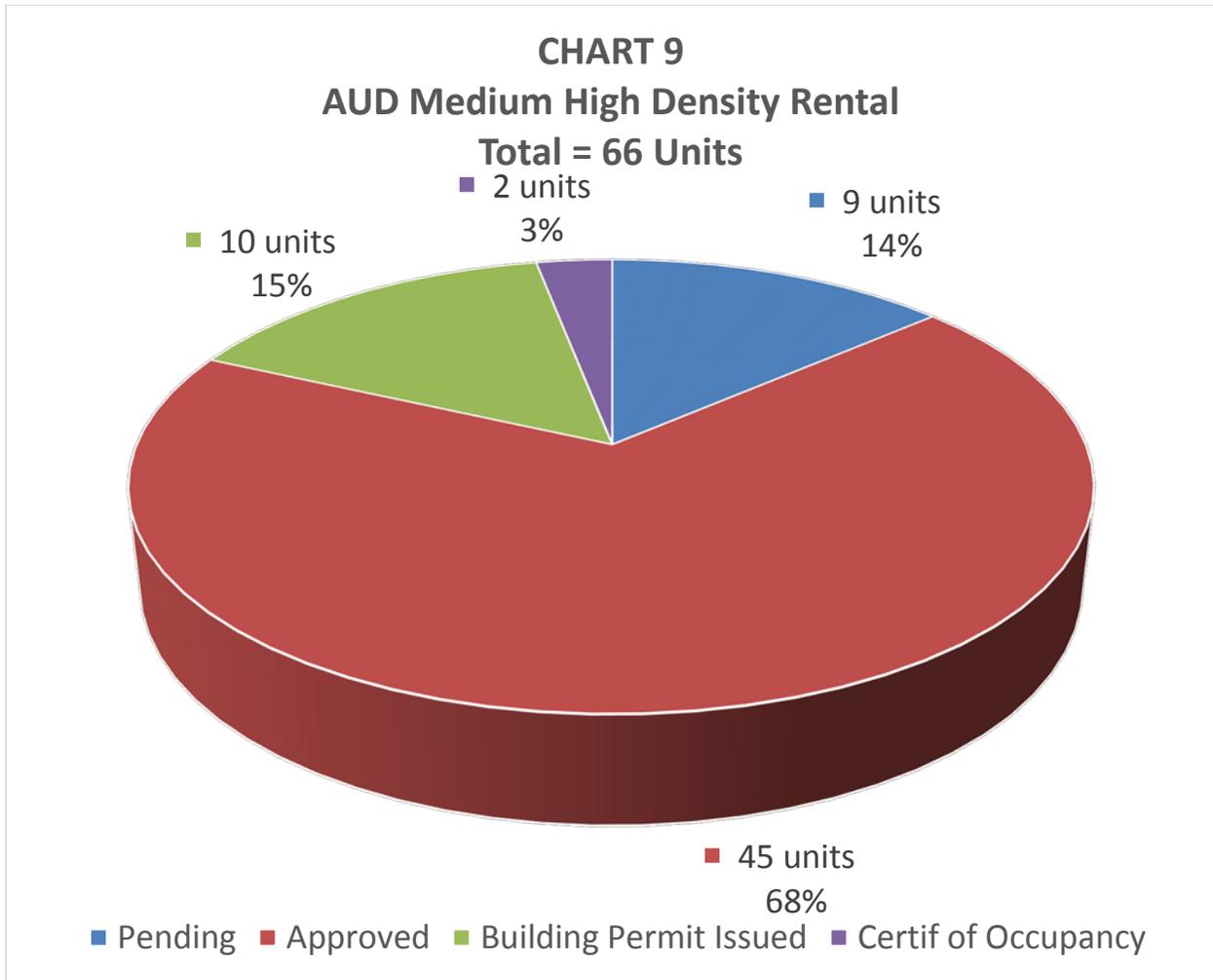
Proposal for a new 4-story mixed use development. A total of 71 units are proposed: 30 one-bedroom, 41 two-bedroom units with 93 parking spaces and 77 bicycle parking spaces. The average unit size is 690 square feet. The proposed project density is 47 units / acre. The maximum proposed building height is 45 feet.

418 N. Milpas Street

A very conceptual proposal to construct a 4-story mixed-use project consisting of 31 apartments, a 114-room hotel and 145 parking spaces. No additional project details are available at this time.

AUD Incentive Program – Medium High Density Rental Projects

Chart 9 provides the status of the 66 units of AUD Incentive Program Medium High Density rental projects in the pipeline. Two new units (3%) have received Certificate of Occupancy, 10 units (15%) are under construction and 45 units (68%) have been approved in this category. Another nine units (15%), representing three projects, are pending review and approval.



Housing Element Implementation

Attached is the City's Annual Housing Element Progress Report. The State Department of Housing and Community Development requires this report annually to maintain the City's compliance with State housing element law. The report provides information for calendar year 2015. In addition to the data provided in the Annual Housing Element Progress Report, the following summarizes the City's progress to-date in implementing the top five Housing Element priorities.

Housing Element Implementation Priorities

At the March 3, 2015 joint City Council and Planning Commission work session, the focus was prioritizing Housing Element Implementation programs that could realistically be accomplished in the short-term based on compliance with State Law, staffing, workload and funding availability. Five programs were identified as priority programs that could be completed within five years. They are listed below with a brief status update.

1. Density Bonus Ordinance Update (H11.4)

Working with the City Attorney's Office, staff will prepare a limited scope density bonus ordinance update to comply with State law. This process would delete text that is out of date and replace it with the State law requirements. It will include language to incorporate state law as amended over time. The ordinance amendment will be scheduled for review in the near future.

A more comprehensive approach, tailoring a Density Bonus Ordinance specific for the City of Santa Barbara while still consistent with State law, would be extremely challenging given the current litigious climate in California density bonus law.

2. AUD Incentive Program Monitoring (H11.1 and 11.2)

Based on the level of development activity experienced since adoption of the AUD Incentive Program, it is clear that the initial eight year or 250 unit "test" period, whichever occurs first, will be triggered by the number of units prior to reaching the eight-year mark for the Program. Therefore, staff has been closely monitoring the number of all housing units in the pipeline, with particular attention to those that contribute toward the 250 units occupied in the High Density or Priority Housing Overlay areas. Monthly tracking reports are prepared and Planning staff presents updated statistical information on AUD Incentive Program housing development activity to the Planning Commission on a quarterly basis. The AUD Incentive Program web page also provides a place for staff to post information about AUD Incentive Program development activity with an emphasis on tracking the 250 test units (High Density and Priority Housing Overlay units). Staff will continue to update the web page regularly. Staff has also developed an interactive map that provides project specific details and illustrates where AUD Incentive Program projects are located in the City.

Additionally, during 2015, the Planning Commission Housing Subcommittee met monthly with Planning staff to discuss ways to measure the success of the AUD Incentive Program. This resulted in refining the information to be requested through an annual survey of AUD Incentive Program unit occupants.

To-date, the annual survey has been required of all AUD Incentive Program projects in the High Density or Priority Housing Overlay areas, as a condition of approval by either a design review board, the Staff hearing Officer or the Planning Commission. The following is the AUD Incentive Program survey requirement condition of approval, as updated on January 21, 2016.

The project owner shall conduct an annual resident survey commencing six months after the final Certificate of Occupancy issued for the project. For example, if an AUD project was granted occupancy in November 2016, the first survey report will be due to staff on December 31, 2017. The survey report must include findings for each unit and be submitted to the Planning Division by December 31 of each year for the first eight years of the project. The annual survey report for each unit shall include:

- a. Net floor area
- b. Number of bedrooms
- c. Monthly rent (or condominium purchase price) and utilities
- d. Periods of vacancy
- e. Household size
- f. Current employment location of each adult resident by zip code
- g. Prior employment location of each adult resident by zip code
- h. Prior residence zip code for each adult
- i. Number of cars, trucks and bikes owned by each resident. Please list types of alternative transportation used (if any)

The timing for reports to evaluate the AUD Incentive Program will be contingent upon the survey information received from projects completed and occupied for a year.

3. Multi-Family Design Guidelines (H16.8)

This program has been carried forward from several Housing Element updates. Due to staffing levels and workload priorities, it has not been completed. The Guidelines would provide multi-family residential design guidelines and standards to address unit size, setbacks, open space, landscaping, building size, bulk and scale, and site planning. Staff considers this program a top priority as it could be an essential tool in addressing new development in transitional neighborhoods and areas that are under-developed relative to what is allowed by the Zoning Ordinance. The Guidelines would specifically be helpful in the review of higher density projects, such as AUD Incentive Program units. The Guidelines would also address neighborhood character and compatibility issues. Development of the multi-family design guidelines will require consultant services to prepare architectural renderings and graphics.

4. Zoning Standards to Facilitate Housing (H17.1 and 17.2)

These implementation actions are being partially addressed in the New Zoning Ordinance (NZO) currently underway. A comprehensive draft of the New Zoning Ordinance is expected to be released for public review in Fall of 2016. NZO Module 2: Development Standards was reviewed and discussed by the Planning Commission on March 18, 2016, and includes the following to facilitate housing:

Outdoor Living Space

- Proposal for a new and *simpler* approach to the Open Yard/Outdoor Living Space requirements. Instead of being zone dependent, it is proposed to be dependent on the *number of units*. This is a bit of a hybrid approach that is viewed as clearer and more equitable while providing more flexibility in design.
- For smaller lots, less than 4,000 square feet, the required minimum Open Yard area is reduced from 1,250 square feet to 800 square feet.
- Proposal to remove the requirement for a specific distance between buildings on the same lot, which would contribute to site design flexibility.

Setback Requirements

- Proposal to effectively standardize the allowed encroachment distance into open yards and setbacks for various building elements (e.g. porches, bay windows, balconies) and mechanical equipment encroachments (e.g. utility boxes, rain barrels, electric vehicle supply equipment). This is not a significant change but should make design considerations a bit easier.
- In multi-unit residential zones, NZO proposes to ease the setback requirement from six feet to three feet for site development of *up to a maximum of two residential units*. Where currently the multi-unit zones are *more restrictive* in regard to parking setbacks compared to the two-unit zone (R-2), this would reconcile the difference and provide slightly more flexibility.
- Further, in the current Zoning Ordinance where there is variability in setbacks or height based on existing and proposed building height, NZO proposes instead to specify a discreet setback distance to eliminate the uncertainty/variability that can be a design obstacle.
- For flexibility with respect to buildings that are nonconforming to interior setbacks, NZO proposes to allow small, first floor additions along the same wall plane as the existing building but, no closer than five feet (5') to an interior property line. The length of the addition in the setback would be limited to 20 feet to keep it "modest." This is proposed to address buildings that were built five feet from the interior property line and became nonconforming as a result of the 1975 downzone (in which the setback increased to six feet).
- Undersized garages and carports within setbacks would be allowed to expand or be demolished and rebuilt to meet the current interior size standards, provided that the number of parking spaces is not increased (i.e. an undersized one-car garage/carport could be expanded to the current minimum dimensions now required for a one-car garage/carport).

Reduction of Minimum Unit Size, Studio

- Indirectly related to the policies seeking flexibility in outdoor living space and setback requirements is the NZO proposal to reduce the minimum unit size from 400 square feet to 220 square feet of livable floor area for *studio units*, regardless of whether it is an Affordable Efficiency Dwelling Unit (which can be 150 sf). This is in response to current trends for small or tiny homes.

5. Preserve Rental Units (H13.1)

In the City of Santa Barbara, short-term (less than 30 consecutive days) residential rentals, including Vacation Rentals and Home Sharing, are regulated as "Hotels," pursuant to the Zoning Ordinance. In June

2015, City Council directed staff to continue enforcement of the City's existing zoning regulations prohibiting all residential short-term rentals, unless properly permitted.

For now, preservation of rental units is being addressed through the comprehensive, multi-year vacation rental enforcement program. Staff is also monitoring applications to legally convert residential units in the R-4 and commercial zones to short-term rentals. To date, one such project has been approved at 109 W. Ortega Street. It was a one-story, three-bedroom residence. It is currently in plan check review for building permits to convert the entire residence to a vacation rental. Two additional applicants have sought a Pre-application planning consultation meeting to discuss the requirements to convert, but no formal applications have been submitted yet for these two sites.

Another project has been approved to create a youth hostel at 111 N. Milpas Street. This project is also in plan check for building permits.

Department of Housing and Community Development

ANNUAL HOUSING ELEMENT PROGRESS REPORT

City or County Name: City of Santa Barbara

Mailing Address: P.O. Box 1990, Santa Barbara, CA 93102

Contact Person: Elizabeth Limón Title: Project Planner

Phone: 805.564.5470 FAX: 805.564.5477 E-mail: Elimon@santabarbaraca.gov

Reporting Period by Calendar Year: from 1/1/2015 to 12/31/2015

These forms and tables, (see sample – next page) must be submitted to HCD and the Governor's Office of Planning and Research (OPR) on or before April 1, of each year for the prior calendar year; submit separate reports directly to both HCD and OPR (Government Code Section 65400) at the addresses listed below:

Department of Housing and Community Development
Division of Housing Policy Development
P.O. Box 952053
Sacramento, CA 94252-2053

-and-

Governor's Office of Planning and Research
P.O. Box 3044
Sacramento, CA 95812-3044

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction: City of Santa Barbara
 Reporting Period: 1/1/2015 - 12/31/2015

Table A

Annual Building Activity Report Summary - New Construction Very Low-, Low-, and Mixed-Income Multifamily Projects

1		2		3		4				5	5a	6		7	8
						Housing Development Information						Housing with Financial Assistance and/or Deed Restrictions			
Project Identifier (may be APN No., project name or address)	Unit Category	Tenure R=Renter O=Owner	Affordability by Household Incomes			Total Units per Project	Est. # Infill Units*	Assistance Programs for Each Development	Deed Restricted Units	Note below the number of units determined to be affordable without financial or deed restrictions and attach an explanation how the jurisdiction determined the units were affordable. Refer to instructions.					
			Very Low-Income	Low-Income	Moderate-Income						Above Moderate-Income				
(9) Total of Moderate and Above Moderate from Table A3											180	180			
(10) Total by income Table A/A3											180	180			
(11) Total Extremely Low-Income Units*															

* Note: These fields are voluntary

ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation (CCR Title 25 §6202)

Jurisdiction City of Santa Barbara
Reporting Period 1/1/2015 - 12/31/2015

**Table A2
Annual Building Activity Report Summary - Units Rehabilitated, Preserved and Acquired pursuant
to GC Section 65583.1(c)(1)**

Please note: Units may only be credited to the table below when a jurisdiction has included a program it its RHNA which meet the specific criteria as outlined in GC Section 65583.1(c)(1) units to accommodate a portion of its RHNA which meet the specific criteria as outlined in GC Section 65583.1(c)(1)

Activity Type	Affordability by Household Incomes				TOTAL UNITS	(4) The Description should adequately document how each unit complies with subsection (c)(7) of Government Code Section 65583.1
	Extremely Low-Income*	Very Low-Income	Low-Income			
(1) Rehabilitation Activity					0	
(2) Preservation of Units At-Risk					0	
(3) Acquisition of Units					0	
(5) Total Units by Income	0	0	0	0	0	

* Note: This field is voluntary

**Table A3
Annual building Activity Report Summary for Above Moderate-Income Units
(not including those units reported on Table A)**

	1. Single Family	2. 2 - 4 Units	3. 5+ Units	4. Second Unit	5. Mobile Homes	6. Total	7. Number of infill units*
No. of Units Permitted for Moderate						0	
No. of Units Permitted for Above Moderate	22	23	135	0	0	180	180

* Note: This field is voluntary

ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction City of Santa Barbara
Reporting Period 1/1/2015 - 12/31/2015

Table C
Program Implementation Status

Program Description (By Housing Element Program Names)	Objective	Timeframe in H.E.	Status of Program Implementation
Housing Programs Progress Report - Government Code Section 65583. Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.			
H2.1 Special Needs Population	Fund and support RHMTF	Ongoing	Program serves approximately 1,400 people per year
H2.2 Rental Housing Mediation	Fund and support RHMTF	Ongoing	Program serves approximately 1,400 people per year
H2.3 Promote Public Awareness	Publicize housing opportunities	Ongoing	Publicized through organizations/media sources/website
H2.4 Enforcement Against Discrimination	Enforce against discrimination	Ongoing	Approx. 1 enforcement case per year
H3.1 Continuum of Care Program	Implement Continuum of Care	Ongoing	Provided \$106,342 to assist homeless prevention
H3.2 Prevention Programs	Fund homeless prevention	Ongoing	Provided \$106,342 to assist homeless prevention
H3.3 Supportive Housing	Support homeless housing	Ongoing	TBRA assisted 47 people
H3.4 Recreational Vehicle Park	Facilitate RV park	Ongoing	RV parking locations continued
H3.5 RV Park Program	Fund RV park project	Ongoing	RV parking locations continued
H3.6 Parking Locations	Locate RV parking areas	Ongoing	90 overnight RV spaces located in City parking lots
H4.1 Year-Round Homeless Shelter	Allow homeless shelter by right	Dec. 2012	Emergency Shelter Ordinance adopted in July 2014
H4.2 Casa Esperanza Homeless Shelter	Fund and support Casa	Ongoing	AS of 7/1/2016, People Assisting the Homeless (PATH) has taken over Casa Esperanza. City provided PATH \$90,000 in 2015
H4.3 Operational and Service Needs	Support services and programs	Ongoing	City continues to fund and support services (\$759,165 in 2015)
H5.1 Transitional Housing	Provide transitional housing	Ongoing	Funded transitional housing programs (\$93,019)

Table C (continued)
2014 Program Implementation Status

Program Description	Objective	Timeframe	Status of Program Implementation
H5.2 Regional Coordination	Coordinate with County/Cities	Ongoing	City participates in regional application
H6.1 Senior Housing	Promote senior housing	Ongoing	Continues to promote senior housing
H6.2 Unit Acquisition & Rehab	Promote senior housing	Ongoing	City provided \$1,000,000 in funding to Grace Village
H6.3 Upgrade Senior Facilities	Facilitate private sector efforts	Ongoing	Continues to support efforts to upgrade
H6.5 Senior Advocacy	Work with Area Agency on Aging	Ongoing	Provided \$19,000 to program in 2015
H6.7 Housing Incentives	Provide reduced parking incentives	Ongoing	City allows reduced parking standards
H6.8 Design Guidelines	Develop accessibility guidelines	2014-2016	Program not yet completed
H7.1. Congregate Care	Promote congregate housing	Ongoing	Provided \$20,000 to Sarah House in 2015
H7.2 Support for Landlords	Increase housing for disabled	Ongoing	Program not undertaken due to funding
H7.3 Special Needs Housing	Encourage special needs housing	Ongoing	City continues to fund special needs housing
H7.4 New Housing Opportunities	Assist with special needs housing	Ongoing	None due to lack of funding.
H7.5 Priority Status	Priority status for disabled persons	Ongoing	100 Section 8 vouchers reserved for disabled
H7.6 Accessibility Funding	Fund accessibility improvements	Ongoing	No funding available in 2015
H7.7 At-Risk Afford. Disabled Units	Ensure at-risk units remain afford.	Ongoing	Continues to extend affordability controls
H8.1 Accessibility Review	Review plans for accessibility stds.	Ongoing	Continues to review plans per State/Fed laws
H8.2 Accessibility Guidelines	Ensure compliance with regulations	Ongoing	Continues to provide guidance to builders
H8.3 Accessible Housing	Adhere to Fair Hsg Access. Guide.	Ongoing	Continues to adhere to State/Fed laws
H9.1 Accessible Housing Incentives	Provide incentives for access. Units	Ongoing	Provides through zoning modifications
H10.1 Early Project Consultation	Provide predevelopment consult	Ongoing	City offers predevelopment consultation
H10.2 Property Profiles	Provide property profile services	Ongoing	Property profiles prepared upon request
H10.3 Building Reuse	Encourage reuse of buildings	2016-2017	Program not yet undertaken
H10.4 Housing at Shopping Centers	Develop housing at shopping ctrs	Ongoing	Continues to encourage hsg at shopping ctrs
H11.1 Affordable & Workforce Hsg	Promote afford. workforce housing	2012-2013	Density Incentive Program adopted in 2013
H11.2 Priority Housing Overlay	Promote afford. workforce housing	2012-2013	Density Incentive Program adopted in 2013
H11.3 Inclusionary Housing	Increase inclusionary hsg req'mts	2014-2016	Program not yet undertaken
H11.4 Density Standards	Increase density for price restricted	2012-2013	Program not yet undertaken
H11.5 Bonus Density	Inc bonus density above State law	Ongoing	Density Bonus Ordinance Update in 2016
H11.6 Private Sponsors	Solicit hsg from private sponsors	Ongoing	Continues to solicit hsg from private sponsors
H11.7 Infill Housing	Develop infill hsg with assistance	Ongoing	No funding available.
H11.8 Opportunity Sites	Identify infill and opportunity sites	Ongoing	2,423 opportunity sites identified in Hsg Element
H11.9 Sweat Equity Projects	Support sweat equity projects	Ongoing	12 units constructed w/sweat equity
H11.10 Large Rental Units	Construct larger units	Ongoing	Continues to encourage larger units
H11.11 Condominium Conversions	Promote housing opportunities	Ongoing	Zoning provisions in place to allow conversions.
H11.19 Parcel Consolidation	Encourage consolidation of parcels	Ongoing	Continues to encourage the merging of lots
H12.1 Above Moderate Housing	Encourage hsg for first-time buyers	Ongoing	Encourages thru bonus density/inclusionary
H12.2 Large Employers	Encourage employer housing	Ongoing	115 units constructed for Hospital employees

Table C (continued)
2014 Program Implementation Status

Housing Programs Progress Report - Government Code Section 65583.		Status of Program Implementation
Program Description	Objective	Timeframe
H21.4 Presidio Park Apartments	Ensure that apts remain affordable	2014-2016
H22.1 Affordable Housing Task Force	Support Afford Hsg Task Force	Ongoing
H22.2 Shared Housing Development	Pursue joint housing projects	Ongoing
H22.3 Affordability Criteria	Maintain uniform affordability criteria	Ongoing
H22.4 Farmworker Housing	Support County Farmworker Hsg	Ongoing
H22.5 Affordable & Workforce Hsg	Support regional affordable Hsg	Ongoing
H22.6 Coastal Housing Partnership	Support Coastal Hsg Partnership	Ongoing
H22.7 Employer Incentives	Develop employer incentives	Ongoing
H22.8 Bridge Loans	Explore bridge loans for rental units	Ongoing
H22.9 Affordable Student Housing	Encourage UCSB/SBCC housing	Ongoing
H23.1 State and Federal Funding	Explore Federal & State Funding	Ongoing
H23.2 Annexations	Pursue joint housing projects	Ongoing
H23.4 New Funding Sources	Identify new funds for afford hsg	Ongoing
H23.5 Housing Authority Coordination	Encourage HA to provide new hsg	Ongoing
H24.1 Rental Housing	Encourage incentives for rental hsg	Ongoing
H24.2 Condominium Production	Resolve condo defect liability	Ongoing
H24.3 Housing for Disabled	Support disabled hsg opportunities	Ongoing
H24.5 Residential Development	Support hsg financial assistance	Ongoing
H24.6 Section 8 Program	Support Section 8 Hsg Program	Ongoing
H25.1 Housing Resources	Provide information to public	Ongoing
H25.2 Rental Incentive Information	Provide information to developers	Ongoing
H26.2 Housing Opportunities	Publish & distribute resource guide	Ongoing
H26.3 Accessibility Regulations	Provide Title 24 info to public	Ongoing
H26.4 Housing Achievements	Publicize housing achievements	Ongoing

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
(CCR Title 25 §6202)

Jurisdiction	City of Santa Barbara
Reporting Period	1/1/2015 - 12/31/2015

General Comments:

The 2015 Housing Element Update was unanimously adopted by the Santa Barbara City Council on February 10, 2015. As required by State law, the 2015 Housing Element describes the progress made in achieving the prior element's housing goals and objectives and includes an analysis related to the effectiveness and appropriateness of the goals, policies and programs.

Significant Development Review Projects

Current as of March 18, 2016

Pre-Application or Conceptual Design Review

1. **630-634 Anacapa Street** - Proposal to demolish two existing commercial buildings and an existing single-family residence and construct a new three-story **mixed-use** building with 6,022 square feet of commercial space and 30 residential units under the **Average Unit-Size Density (AUD) (Priority Housing Overlay) Program** with a density of 63 dwelling units per acre and an average unit size of 782 square feet. Received conceptual review by the Planning Commission on November 12, 2015. SHO review of a Lot Area Modification is required.
2. **715 Bond Avenue** - Proposal to demolish the existing single-family house and carport on the 5,000 square-foot lot and construct a new 6,032 square-foot, four-story seven unit **apartment building**. The building would be configured with one dwelling unit and a seven car carport at the ground floor, and six dwelling units on the three floors above. The average size of the units is 862 square feet under the **AUD (Priority Housing Overlay) Program**.
3. **813 E. Carrillo** – Proposal to demolish the existing two-story single-family residence and construct a 7,386 square-foot 16-unit three-story apartment building with a community center, restricted for Veterans. The average unit size would be 357 square feet under the **AUD (Medium High) Program**. A 950 square-foot, two-story manager’s unit is also proposed. Modifications for parking and residential density are requested.
4. **923 Castillo Street** – Proposal for a Tentative Subdivision Map to construct a residential **condominium development** consisting of three, two-bedroom units. Parking will be comprised of three covered spaces and three uncovered spaces on the ground level. The parcel is adjacent to Mission Creek.
5. **801 Cliff Drive** - Proposal for a **student housing complex** with dining commons and a range of 1,200 to 1,500 student beds in five new buildings on a 6.72 acre parcel. The proposal includes City vacation of a portion of Loma Alta Drive, Local Coastal Program Amendment for a zone change from R-2 to R-3 and Land Use Plan change, a Coastal Development Permit, a Conditional Use Permit, and Modifications for over-height fencing and parking.
6. **1250 Cliff Drive** - Proposal for a **six-lot subdivision** of a 1.76-acre parcel. The existing, potentially historic, residence would remain. The new lots would each be approximately 11,250 square feet and access would be provided by a private driveway from Cliff Drive.
7. **825 De La Vina Street** – Proposal for a four-story **mixed-use** development comprised of 21 apartments and 1,000 square feet of commercial space, on a 17,835 square-foot lot. The project is proposed under the **AUD (Priority Housing Overlay) Program**. The lot is currently being used as private a parking lot.

8. **1837 ½ El Camino de la Luz** - Proposal for a new **single-family residence** on a vacant bluff top lot. Second Revised Draft EIR is currently being updated and will be re-circulated. A Coastal Development Permit is required.
9. **1925 El Camino de la Luz** – Proposal for a new **single-family residence** on a vacant bluff top lot. The Planning Commission environmental hearing on the Draft Mitigated Negative Declaration was held on March 3, 2016. A Coastal Development Permit is required.
10. **125 E. Gutierrez Street** - Proposal to demolish an existing one-story, 1,100 square-foot single family dwelling and detached 220 square-foot garage, and construct a 10-unit, three-story apartment building under the **AUD (Priority Housing Overlay) Program**. The building consists of 10 parking spaces in a parking garage, five units on the second floor, five units on the third floor, and a roof deck on the third floor.
11. **219 E. Haley** – Proposal for a 31,137 square-foot **mixed-use development** under the **AUD (Priority Housing Overlay) Program** with 63 du/acre. The project comprises 2,520 square feet of commercial space and 46 parking spaces on the ground floor and 36 two-bedroom units on the second and third floors, on a 25,113 square foot lot. The six existing buildings on the parcel will be demolished.
12. **15 S. Hope Avenue** – Proposal for 48 apartments under the **AUD (Priority Housing Overlay) Program** and 780 square feet of **retail** space on a 35,514 square-foot parcel abutting Arroyo Burro Creek. Conceptual review by the Planning Commission was held October 2015.
13. **402 S. Hope Avenue** - Proposal to add 4,447 square feet to the existing 53,669 square-foot BMW/Audi **auto dealership**. An interior/exterior remodel to the existing building is also proposed. Council declared it a Community Benefit project and allocated square footage from the Nonresidential GMP in January 2016.
14. **Las Positas Multi-use Pathway** – Preliminary Design Work, Technical / Environmental Studies underway. Will require environmental review and a Coastal Development Permit for a portion of the project.
15. **418 N. Milpas** – Proposal to demolish eight existing residential units on the site and construct a four-story mixed-use development consisting of 31 apartments and 114 room hotel under the **AUD (High Density) Program**, and 145 parking spaces.
16. **711 N. Milpas** - Proposal for a new four-story, 57,721 square-foot mixed-use development under the **AUD (Priority Housing Overlay) Program**. Two existing residential units and commercial buildings totaling 33,000 square feet will be demolished. A total of 6,656 square feet of non-residential use is proposed with the 73 residential units, averaging 700 square feet. Planning Commission concept review is tentatively scheduled for April 14, 2016.
17. **1601 State Street** – Proposal to demolish the existing 6,206 square-foot hotel annex and construct a three-story, 17,904 square-foot addition to the existing **hotel**. The first floor will have at-grade parking and the second and third floors will house the 68 new hotel rooms.

Active/Continuing Design, Staff Hearing Officer or Planning Commission Review

1. **915 E. Anapamu Street** – Proposal to construct 24 residential apartments under the **AUD (Medium-High Density) Program**, with an average unit size of 833 square feet. The project requires ABR review.
2. **116 Castillo Street (Day's Inn)** - Replacement of an existing single-story hotel with a new three-story, **38-room hotel**.
3. **801 Cliff Drive** – (Enforcement Case) The project consists of as-built building remodeling, site work, tree removals, and landscaping alterations at the 97-unit apartment complex. The unpermitted work also included removal of mature Eucalyptus trees that provided Monarch butterfly habitat. Proposed new improvements include restoration of Monarch butterfly and riparian habitat, tree mitigation planting, a habitat maintenance and monitoring program, and minor building alterations. The project requires a Coastal Development Permit.
4. **116 E. Cota Street** - Proposal for a new four-story **mixed-use** building on a 10,865 square-foot vacant lot adjacent to Plaza Vera Cruz. The project includes 15 residential units and approximately 738 square feet of commercial space under the **AUD (Priority Housing Overlay) Program**. The proposed building height is 45 feet; the proposed residential density is 61 dwelling units per acre, with an average unit size of 827 square feet. On March 14, 2016, the ABR referred this project to the Planning Commission for comments.
5. **350 Hitchcock Way** – Proposal for a lot split and new 39,000 square-foot **automobile dealership** for Maserati, Alfa Romeo, and a third high line make. Community Benefit square footage was allocated by Council. The project is pending Planning Commission action scheduled on April 7, 2016.
6. **400 Hitchcock Way (Tesla)** - Phase II improvements to enclose existing service bays by installing garage doors, requiring Development Plan Findings at Planning Commission.
7. **926 Indio Muerto** - Proposal to demolish an existing 12,000 square-foot commercial building and construct an approximately 55,000 square-foot, three-story **hotel** with 115 to 120 rooms on a 38,122 square foot lot. The project also includes a 90-space subterranean parking lot with supportive amenities. The project requires a Coastal Development Permit, TEDR and Development Plan at the Planning Commission.
8. **121 E. Mason/121 Santa Barbara/122 Gray/120 E. Yanonali** – Proposal for a new 134,076 square-foot, four-story, 56-foot tall, **mixed-use complex** with 125 apartments, retail commercial, restaurants, and arts-oriented uses. The project includes 10 affordable units and 166% density bonus under State Density Bonus Law. Development standard waivers are requested under State Density Bonus Law to exceed the three-story, 45 foot zoning height limitation, to allow the required common outdoor living space to be located above grade, and to waive the 70% floor area limitation on residential uses in the OC Zone. The project requires review of conformance with State Density Bonus Law; a Tentative Subdivision Map and Coastal Development Permit at the Planning Commission.
9. **118 N. Milpas Street** - Proposal for a **Medical Marijuana** Storefront Collective Dispensary in an existing commercial building. The building is legally non-conforming with no parking on site. Interior tenant improvements are proposed. On March 17, 2016, the Planning Commission, on appeal, upheld the SHO's approval.

10. **321 Oceano Avenue** – Proposal to demolish the existing single-family residence and construct **three units** consisting of a two-story single-family unit and a two-story duplex building on an R-2 lot. Six covered parking spaces are proposed. Project requires a rezone and LCP Amendment.
11. **800 Santa Barbara Street** - Proposal to demolish an existing 1,965 square-foot one-story building and construct a 20,448 square-foot, four-story **mixed-use** development on a 18,568 square foot lot. The project consists of 1,324 square feet of commercial floor area above a subterranean parking garage and 24 rental units under the **AUD (Priority Housing Overlay) Program**. Project requires HLC review.
12. **301 E. Yanonali Street** - Proposal to construct a new 44,330 square-foot, two-story building to include a **market and retail** spaces with 186 parking spaces on the 3.16 acre lot in the Cabrillo Plaza Specific Plan area (Area D), located at the corner of Garden and Yanonali Streets. Project requires Planning Commission review for a Development Plan and Coastal Development Permit.

Other Agency Projects

(Note: Some projects are on hold and others are documents prepared by other jurisdictions)

1. **Airport Master Plan** – Draft EIR prepared; currently working on response to comments.
2. **Highway 101 South Coast High Occupancy Vehicle (HOV) Lanes Project** – Certified final EIR was challenged and needs to be revised and recirculated by CalTrans. The project requires Planning Commission review of a Coastal Development Permit for the portion in the City’s jurisdiction.
3. **Tajiguas Resource Recovery Program** - Final EIR prepared. County Board of Supervisor’s Meeting on April 5, 2016 to receive update.

Approval by Design Review, Planning Commission, SHO and/or Council

(Note: Projects either on hold, getting time extensions, and/or awaiting plan check submittal)

1. **Cabrillo Pavilion Arts Center and Bathhouse (1118 E. Cabrillo Boulevard)** – Renovation of the existing building and surrounding site improvements. Planning Commission approved the CDP on August 20, 2015. Project scheduled for HLC Project Design Approval on March 23, 2016.
2. **1818 Castillo Street** – Proposal to demolish an existing single-family home, studio apartment, detached garage, and two sheds, and construct a three-story residential **apartment building** under the **AUD (Medium High) Program**. The proposed density is 25 dwelling units per acre with an average unit size of 938 square feet. City Council (on appeal) approved the project on March 8, 2016.
3. **517 Chapala Street** - Proposal for a three-story, **mixed-use** development on an 11,500 square foot lot, with six residential condominiums and one commercial condominium. City Council (on appeal) granted Project Design Approval on June 22, 2010.
4. **2609 De La Vina Street** - Proposal for a **Medical Marijuana** Storefront Collective Dispensary Permit. Interior and exterior tenant improvements are proposed for the dispensary. Planning Commission (on appeal) denied the project and referred any new applications back to the SHO on January 14, 2016.

5. **251 S. Hope Avenue** - Housing Authority proposal for a 45,400 square-foot, 90-unit apartment building for **very low- and low-income frail elderly** on a vacant property. Project requires City Council approval of a Specific Plan Amendment and Zone Change. The project has been appealed to Council, and is tentatively scheduled for May 3, 2016.
6. **Library Plaza (40 E. Anapamu)** - Proposal to upgrade landscape and hardscape areas in front of the Santa Barbara Public Library and the Faulkner Gallery along with the lower plaza area at the westerly end of Library Ave. No changes to the building are proposed. HLC granted Project Design Approval on June 18, 2014.
7. **Santa Barbara Museum of Natural History (2559 Puesta del Sol)** –Master Plan project with amended Conditional Use Permit focused on rehabilitation of existing buildings and incorporation of adjacent Museum-owned parcels to be annexed. City Council (on appeal) approved the CUP on March 24, 2015; Council approved the annexation, General Plan Amendment and Zone Change in August/September 2015. Currently undergoing HLC Review.
8. **6100 Wallace Becknell Road (6100 Hollister Avenue)** - Proposal to demolish all buildings on-site and construct a new facility for **Direct Relief**, including a new 100,000 square-foot warehouse with an attached two-story, 25,000 square-foot administrative office building, secure truck yard loading area, and approximately 152 parking spaces. The project received a designation as a Community Benefit project by the City Council and an allocation of 80,000 square feet (plus a reservation of 30,000 square feet) of non-residential floor area. On March 17, 2016, the Planning Commission found the project consistent with the Airport Industrial Specific Plan (SP-6) and approved the Development Plan.

Pending Building Plan Check or Permit Issuance

1. **412-414 Anacapa Street** – Proposal for a three-lot subdivision and construction of a three-story **mixed-use** development. Building permit plans submitted February 18, 2014. A demolition permit was issued on April 1, 2014.
2. **Arlington Village (1330 Chapala Street)** - Proposal for a three-story, **mixed-use** development on a 91,000 square-foot parcel. The project comprises 33 residential apartments, two commercial units, and a 13,400 square-foot partially below-grade parking garage. Building permit was issued on December 16, 2015. Currently in for review of a lot split and residential units will then be developed under the **AUD (Priority Housing Overlay) Program** standards.
3. **617 Bradbury Avenue** – Proposal to demolish an existing 392 square foot single-family residence and construct a 4,320 square foot, three-story, **mixed-use** building. The residential units are 1,257 square-foot, two-bedroom units at the rear of the lot. The proposal includes 2,015 square feet of green roof and upper level landscape plantings. Building permit plans submitted February 16, 2016.
4. **Cancer Center of Santa Barbara (540 W. Pueblo Street)** - Proposal for a new comprehensive **outpatient cancer treatment facility** consisting of a new 53,407 square-foot, three-story medical building, a four-tier parking structure with 180 parking spaces, and six rental housing units. The project received a Substantial Conformance

Determination to include a learning center on Junipero Street. A demolition permit has been issued. Building permit plans submitted November 20, 2014 and May 6, 2015.

5. **Children's Museum-MOXI (125 State Street)** –Proposal for a 16,691 square-foot, three-story building to be used as the Children's Museum of Santa Barbara with indoor and outdoor galleries, a courtyard, and roof terrace. Grading permit issued July 17, 2014; building permit issued January 15, 2015. Currently under construction.
6. **604 E. Cota Street** - Proposal to construct a new, 20,426 square foot, three-story mixed-use building with 29 residential units under the **AUD (Priority Housing Overlay) Program** and 2,080 square feet of commercial space. ABR granted Project Design Approval on November 24, 2014. Building permit plans submitted November 12, 2015.
7. **2334 De la Vina Street** – Proposal for three new attached **residential condominium** units on a 7,405 square-foot vacant lot. Building permit plans submitted June 12, 2015.
8. **La Entrada (35, 36 and 120 State Street)** – 123 room hotel and 22,320 square feet of commercial space with 246 parking spaces; found to be in Substantial Conformance with prior-approved project on June 27, 2013. HLC granted Project Design Approval on August 14, 2013 and Final Approval on May 21, 2014. All building permits have been issued. Currently under construction.
9. **210 - 216 Meigs Road** – Five lot subdivision that included a rezone and General Plan Amendment to residential use. Submitted for building permit plan check in March 2015. A permit for site work was issued July 16, 2015.
10. **Montecito Country Club (920 Summit Road)** – Revisions to reduce the scope of the project found to be in Substantial Conformance with the prior-approved project that was approved by Planning Commission on September 10, 2009. ABR approval granted March 17, 2014; HLC approval granted May 14, 2014. Permits have been issued. Currently under construction.
11. **510 N. Salsipuedes Street (People's Self-Help Housing)** - Proposal for a three-story, 40-unit **restricted-income multi-family development** with an attached 46-space garage and 3,300 square-foot community center. ABR granted Final Approval with conditions on February 10, 2014; City Council (on appeal) granted approval on May 20, 2014. Building permit plans submitted in May 2014.
12. **Sandman Inn (3714-3744 State Street)** – Proposal involves demolishing the existing 52,815 square-foot, 113-room hotel (Sandman Inn) and restaurant, and constructing 5,110 square feet of **office** space and 72 **residential condominiums**. Planning Commission approved the revised project on April 3, 2014. A demolition permit has been issued. Buildings currently in plan check.
13. **1135 San Pascual Avenue** – Proposed three-unit **condominium** building on a lot currently developed with a single family residence and adjacent to Old Mission Creek. The existing residence is proposed to remain. The SHO approved the project on October 1, 2014. Building permit plans submitted December 23, 2015.
14. **Santa Barbara Museum of Art (1130 State Street)** – Approximately 8,000 square-foot addition to the existing 64,510 square-foot building; reconfigure interior gallery, circulation and office space; comprehensive electrical and mechanical upgrade, and

waterproof the roof. HLC granted Project Design Approval on December 17, 2014. Building permit plans currently in plan check

15. **101 State Street** - Proposal to demolish an existing 714 square-foot laundry building and 40 space parking lot and construct a new 22,133 square-foot, three-story **hotel** with 34 guest rooms and a 33 space, at-grade parking garage. HLC granted Final Approval on November 6, 2013. Building permit plans currently in plan check; permits almost ready to be issued.
16. **3617 State Street** - Proposal for a **Medical Marijuana** Storefront Collective Dispensary Permit. The dispensary will be located in an existing tenant space in Ontare Plaza. Interior improvements are proposed. Building permit plans submitted July 30, 2015.
17. **3869 State Street (Grace Village)** – Proposed new **affordable, senior, rental housing** project by the Housing Authority of the City of Santa Barbara consisting of a 44,029 square-foot, three-story residential building with 57 one-bedroom units, a manager's unit, community room, administrative office, and laundry facilities. The project is developed under the **AUD (Priority Housing Overlay) Program** with a density of 56 units per acre and average unit size of 489 square feet (net). The Staff Hearing Officer granted Parking Modification approval on June 24, 2015 and ABR granted Project Design Approval on June 29, 2015. Building permit plans submitted December 21, 2015.
18. **3880 State Street** – Proposal to construct 13 new **apartment** units in a 13,323 square-foot two-story building, attached to the existing 5,442 square foot **one-story office** building at the center of the site. ABR granted PDA/Final Approval on January 21, 2014. Building permit issued October 16, 2015; currently under construction.
19. **3885 & 3887 State Street** - Proposal for a mixed-use residential and commercial project including: demolition of the 22,500 square foot existing two-story commercial building; demolition of the existing 4,990 square foot motel; replacement of 4,500 net square feet of commercial space; the addition of **89 apartment units** under the **AUD (Priority Housing Overlay) Program**; and a new subterranean parking garage. Building permit issued August 31, 2015; currently under construction.
20. **Waterfront Hotel (433 E. Cabrillo Blvd.)**– Building permits were issued for a 150-room hotel. The applicant is exploring revising the project to a smaller boutique hotel, requiring a new **Development Agreement**, potentially a Coastal Development Permit and some level of environmental review. In the interim, the applicant is seeking approval of a new Development Agreement to extend the expiration of the current approvals, and an associated amendment to the TEDR Ordinance. Planning Commission made a recommendation to Council regarding the Development Agreement on March 10, 2016.