



CITY OF SANTA BARBARA

ORDINANCE COMMITTEE AGENDA REPORT

AGENDA DATE: June 21, 2016

TO: Ordinance Committee

FROM: Planning Division, Community Development Department

SUBJECT: Proposed Ordinance Amendments To Establish Historic And Special Design Districts

RECOMMENDATION:

That the Ordinance Committee receive a staff presentation regarding the status of proposed amendments to the Santa Barbara Municipal Code regarding historic resource protection and the designation of future Historic Districts and Special Design Districts and confirm the timeline of next steps.

DISCUSSION:

Background

On October 2, 2012, the City Council adopted the Historic Resources Element (HRE) of the City's General Plan. The HRE includes several implementation actions that may be implemented through existing provisions or through amendments to the Municipal Code, including:

- HR 1.1 Use all available tools (e.g., Historic and Special Design Districts)
- HR 1.3 Adopt user-friendly codes and regulatory procedures
- HR 2.6 Use available interim protections (e.g., Special Design Districts)
- HR 3.2 Review demolition of older buildings (e.g., Demolition Ordinance)
- HR 5.1 Help preserve neighborhoods that have retained historical character
- HR 5.4 Prioritize documented candidates for Historic District designation

On February 5, 2013, the Council directed staff to implement a "Five-Year Historic Resources Work Program" (5-Year HRWP) and return to the Council Ordinance Committee to work on the following ordinance amendments included in the 5-Year HRWP, generally in this order:

1. Develop a Historic and Special Design Districts ordinance;
2. Develop a historic districts implementation program, using existing historic resources survey data;

3. Initiate Municipal Code amendments to support preservation of historic resources; and
4. Simplify and better organize the existing Municipal Code provisions, where possible.

Previous Ordinance Committee Review

On April 9 and 16, 2013, the Ordinance Committee discussed the need for ordinance amendments to allow for the creation of Historic and Special Design Districts. At these hearings, Planning and City Attorney staff provided a brief overview of which existing Municipal Code regulations would need to be developed or amended and sought Ordinance Committee direction on the general approach to amending the Municipal Code and related administrative functions, and procedures and criteria for designating historic districts. A summary of the discussion topics and the Ordinance Committee's direction at that time are provided as Attachment 1.

The Ordinance Committee expressed general support for the proposed amendments and had specific comments regarding the following topics:

1. Enabling administrative review of minor projects;
2. Establishing a significant contributor threshold for district creation; and
3. Verifying that criteria used for designation of historic districts is consistent with other communities.

In 2013, the Ordinance Committee also confirmed the majority of staff's initial recommendations. However, not all Ordinance Committee members were supportive of the need to establish Special Design Districts.

Due to the passage of time and the changeover amongst staff and Ordinance Committee membership since April 2013, staff is returning to the Ordinance Committee to update the new members on the previous discussions and present a timeline for the next steps.

Summary of Proposed Ordinance Amendments

The current Historic Structures Ordinance (SBMC Chapter 22.22) is overly complex, lengthy, and not user-friendly. Staff believes that Chapter 22.22 can be deconstructed into three distinct chapters. By separating the multiple objectives of the current single chapter of the Municipal Code, staff believes we can implement the goals of the Historic Resources Element with ordinances that are easier to understand and more user-friendly. In broad terms, the new chapters would have the following outline:

1. Historic Resources
 - a. Demolition Review
 - b. Maintenance and Repair of Historic Resources
 - c. Preservation Easements
 - d. Mills Act Implementation

2. Historic Landmarks Commission
 - a. Commission Organization
 - b. Design Review
 - i. Designated Resources
 - ii. El Pueblo Viejo
 - iii. Historic Districts

3. Designation Process
 - a. Designations
 - i. Landmarks
 - ii. Structures of Merit
 - b. Creation of Districts
 - i. Historic Districts
 - ii. Special Design Districts (subject to Council support)

In addition to the proposed reorganization of Chapter 22.22, staff will bring forward new definitions, historic resource design guidelines, and administrative procedures for the designation process and the creation of new districts. Because of the detail required for the review of the proposed ordinance amendments and the number of outstanding issues that need to be resolved, staff recommends spreading the review of the proposed program over several meetings. A proposed schedule is contained in Attachment 2.

Conclusion

Following the presentation, staff is seeking input from the Ordinance Committee regarding the general approach, the outline of the proposed amendments, and the proposed schedule for future meetings. In particular, staff would appreciate comments from the Ordinance Committee regarding the proposed integration and coordination of the reviews by the Historic Landmarks Commission and the Ordinance Committee.

- ATTACHMENTS:**
1. Summary of Ordinance Committee Discussions April 9, 2013 & April 16, 2013
 2. Proposed schedule for additional discussions and topics

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SUBMITTED BY: George Buell, Community Development Director

APPROVED BY: City Administrator's Office

Ordinance Committee Discussion (Meeting #1 - April 9, 2013)
General Historic Resources Municipal Code Approaches

1. Amend SBMC Chapter 22.22 and create a new Chapter 22.67.

- a. Amend Santa Barbara Municipal Code (SBMC) Chapter 22.22 "Historic Structures Ordinance," to be renamed "Historic Resources Ordinance."

The Ordinance Committee agreed with all of the following staff recommendations:

- i. Delete information regarding the structure and function of the HLC & El Pueblo Viejo (EPV), as these items would move to a new Chapter 22.67.
 - ii. Add new historic districts formation procedures.
 - iii. Add referral process for certain type of projects within historic districts to require HLC review. Also, separate from the Municipal Code, establish guidelines for administrative review of minor projects.
 - iv. Over time, add new historic districts to this chapter as they are adopted. Also, later, as a "clean up" item, adopt new historic districts within the existing EPV district.
 - v. Include efficiency improvements such as revise SBMC §22.18.03 and §22.22.030.A & B to allow the Potential Historic Resources List to be updated by the HLC without the need to amend the Master Environmental Assessment document.
- b. Create a new SBMC Chapter 22.67, "Historic Landmarks Commission."
- i. Remove the current HLC structure and function information and EPV special design district from Chapter 22.22 and move it into this new chapter. *(Ordinance Committee agreed with this staff recommendation.)*
 - ii. Over time, add new special design districts to this chapter as they are adopted. *(Ordinance Committee continued this topic for further discussion.)*

2. General historic districts formation procedures

- a. Formation of historic districts would emulate the current landmark designation process, which involves the use of multiple public hearings and due process steps. *(Ordinance Committee agreed with this staff recommendation.)*
- b. Significance criteria for historic districts establishment would be consistent with national standards. *(Ordinance Committee requested staff to follow up with additional information.)*
- c. The ordinance may emulate appropriate formation procedures from other jurisdictions. *(Ordinance Committee continued this topic for further discussion.)*

3. **HLC Review.** Specify in Chapter 22.22 that certain projects on properties located within a historic district boundary would be referred to the HLC for review of proposed exterior changes. *(Ordinance Committee agreed with this staff recommendation.)*
4. **Special design district/buffer area designations** would be considered for properties in close proximity to historic districts. The special design district companion designation would serve primarily as buffer protection for the adjacent historic district. Alterations to special design district “buffer” properties would be reviewed by the Architectural Board of Review (ABR) or Single Family Design Board (SFDB). ABR or SFDB review would ensure development is designed to be sensitive to the neighborhood context and does not negatively detract from the adjacent historic district. *(Ordinance Committee continued this topic for further discussion.)*
5. **Establish administrative staff review criteria for minor projects.** Include administrative criteria in ordinance. Establish specific administrative review criteria separately in guidelines to be adopted by resolution. Allow for a simple staff review process whereby an eligible list of minor type alterations proposed in historic districts can be issued a “Certificate of Appropriateness” to allow approvals and/or building permits to be issued in an expedited manner. *(Ordinance Committee agreed with this staff recommendation.)*

Ordinance Committee Discussion (Meeting #2 - April 16, 2013)
Historic District Formation Procedure Options for Consideration

1. **Process for historic district designation initiation.** How should procedures vary depending on who initiates district designations? Should procedures vary according to whether a study area is large or small?

Background: Staff reviewed practices regarding designation initiation in other jurisdictions. A flexible approach to allowing designation initiation from a variety of entities in various ways appears common in other jurisdictions.

The Ordinance Committee agreed with all of the following staff recommendations:

The ordinance would define three historic district nominations methods.

- a. **City Originated - Large or Small Study Area.** A City nomination could be the result of a completed *City*-funded historic resources survey (HRS). HRS conclusions, recommendations, and potential historic district identification would be forwarded to the HLC for initiation. HLC members, Planning Commissioners, Council members, or staff could originate this process.
- b. **Public Originated - Large Study Area.** Any local resident could file a nomination application for a specific geographic area of over 15 properties. Required nomination application submittals would include the following:
 - An HRS, including a potential district context statement
 - Supporting history, prominent architectural styles, or other property information descriptions to support a district designation
 - A special design district proposal that includes a basis for why protection of architectural styles is important

To consider this type of request, the services of an outside paid historian consultant would likely be required. Accordingly, the nomination request would be forwarded to the HLC for prioritization and to the Community Development Director (CD Director) for a possible funding allocation to study the request's merits.

- c. **Public Originated - Small Study Area.** Any public person could file a nomination application to request study of a concentration of less than 15 structures for possible designation. The nomination request would be forwarded to the HLC for prioritization and to the CD Director for possible funding/staffing allocation. The evaluation of such a limited quantity of resources could likely be completed by the City's Urban Historian.
2. **Criteria to determine district boundaries.** What percent of properties should be contributing resources in order to justify creating a historic district? What characteristics should qualify areas to be designated as Special Design or Historic Districts?

The Ordinance Committee agreed with most of the following staff recommendations, with some requiring additional follow-up, as noted.

a. **Historic District Criteria.** Establish significance criteria for Historic Districts consistent with national standards. *(Ordinance Committee requested staff to follow up with additional information.)*

- A historic district must be an area with one or more criteria met for a defined historic, cultural, development, and/or architectural context(s). *(Ordinance Committed directed that this be specified in the ordinance and administrative procedures.)*
- Goal of at least 60% of properties to qualify with “contributing elements” to a grouping within a boundary that represents a significant and distinguishable entity of citywide importance. A contributing element would be a property or structure that either:
 - Contributes to the overall designation of the area as a Historic District; or
 - May be individually eligible for listing as a Structure of Merit or City Landmark, which will be specified in administrative procedures. *(Ordinance Committee agreed with this staff recommendation.)*

b. **Special Design District Criteria.**

The Ordinance Committee expressed mixed support for the following staff recommendations:

- Area is immediately adjacent to or across the street from a designated Historic District.
- Area or neighborhood serves as either a gateway or entry point to a Historic District.
- Area has specific geographic or contextual qualities that require protection measures based on specific unique property or structure characteristics.
- Area selected is worthy of special protection as determined by the ABR, SFDB, HLC, Planning Commission, or City Council.

3. **Property owner approval.** Most cities do not require property owner majority approval for a historic district formation. Should Santa Barbara follow this trend or establish a majority approval process?

Background: Options A and B below are not common in other jurisdictions. Option C is common to most jurisdictions.

The Ordinance Committee agreed with the staff recommendation for Option C, as neither a majority approval nor consent vote of property owners is required in order to form a historic district or special design district, whether initiated by the City or public. However, an optional petition should be allowed to be submitted for consideration by City Council in the formation of the district.

Option A: Minimum 51% simple majority approval of all property owners within the proposed district and voting tabulation required. Some cities' policies require voting results be disclosed.

Option B: A high percentage (60% to 75%) of landowners may petition to oppose formation of a district. When a nomination is not initiated by the local government, some cities require either a substantial number of property owners to petition for support or to object the proposal as one criteria in determining whether or not an area can be designated.

Option C: No property owner vote or a consent petition requirement. Most cities do not require property owner consent in order to form a district if the City originates the study.

Note: Under the California Environmental Quality Act (CEQA), cities are required to identify and protect significant historic resources. In most cases, properties are identified as a result of a professional HRS or study. A potential historic district shown to have merit could be identified or initiated but not designated due to property owner objections. However, future discretionary decisions subject to CEQA would require decision-makers to still treat these properties as having significance or historic value (preponderance of evidence on record).

- 4. Natural disaster provisions.** How should ordinance provisions address districts in cases where a natural disaster might destroy a number of contributing structures within a district?

The Ordinance Committee agreed with the following staff recommendation:

If a natural disaster occurs, first prioritize restoring damaged structures that can be repaired. For destroyed/unsalvageable contributing elements:

- HLC may remove or “delist” contributing properties; or
- City Council may revoke the provisions of the historic district or any adjoining special design district if contributing percentages become too low as a result of de-listings.

Proposed Schedule for Discussions Regarding Historic Resource Protection and Ordinance Amendments to Establish Historic and Special Design Districts

Ordinance Committee Meeting #1 - June 21, 2016

Review previous discussions and confirm timeline for next steps

Ordinance Committee Meeting # 2 - July 26, 2016

Staff Presentation: Special Design Districts vs. Historic Districts

- Outline approaches taken in other communities
- Receive direction from Committee on approaches for existing districts
 - a. El Pueblo Viejo
 - b. Brinkerhoff
 - c. Lower Rivera Bungalow District

Ordinance Committee Meeting # 3 - September 2016

- Present outline of draft ordinance amendments

HLC Meeting #1 – October 2016

- Review Draft Administrative Guidelines and Procedures

HLC Meeting #2 – November 2016

- Present draft ordinance language to Historic Landmarks Commission

Ordinance Committee Meeting # 4 – December 2016

- Present draft ordinance amendments to Ordinance Committee

Ordinance Committee Meeting #5 – January 2017

- Review draft Historic Resource Design Guidelines
- Review draft Administrative Procedures

Ordinance Committee Meeting # 6 – February 2017

- Present final documents to the Ordinance Committee
 - a. Historic Resource Design Guidelines
 - b. Administrative Procedures
 - c. Ordinance Amendments