

## CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT



**AGENDA DATE:** October 3, 2006

**TO:** Mayor and Councilmembers

**FROM:** Planning Division, Community Development Department

**SUBJECT:** Consideration For Annexation Of 900-1100 Las Positas Road  
(Veronica Meadows Specific Plan).

**RECOMMENDATION:** That Council:

- A. Comment on the conceptual site plan, project description and creek restoration plan prepared by the applicant;
- B. Introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Initiating the Annexation of the Veronica Meadows Specific Plan Area to the City of Santa Barbara, Adopting a Specific Plan For the Veronica Meadows Specific Plan Area (The "SP-9 Zone"), and Related Land Use Actions and Findings for Property Located at 900-1100 Las Positas Road, Assessor Parcel Numbers 047-010-011, 047-010-016, 047-061-026 and a Portion of 047-010-053; and
- C. Adopt, By Reading Of Title Only, A Resolution of the Council of the City of Santa Barbara Approving a Lot Line Adjustment at the 900-1100 Block of Las Positas Road (Veronica Meadows Specific Plan).

**EXECUTIVE SUMMARY:**

This project has an extensive history that is covered more completely in the staff report for the December 1, 2005 Planning Commission hearing (previously submitted to the Council for review). This Council Agenda Report is a brief summary of the most relevant issues pertaining to the annexation proposal since that time.

The proposal involves the annexation of approximately 50 acres to the City of Santa Barbara and adoption of a Specific Plan to guide future development of the subject properties. The affected properties are located within the City's Sphere of Influence, in the unincorporated area of Las Positas Valley. No development is currently proposed on the site; however, the applicant has submitted a conceptual site plan that includes 15 homes,

REVIEWED BY:

 Finance

 Attorney
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as well as a creek stabilization and restoration plan, to demonstrate how the Specific Plan could be implemented.

Existing policies in the City's General Plan Land Use Element, as well as policies within the City's Draft Annexation Policy Update, encourage annexation of unincorporated islands and peninsulas of land contiguous to the City and within the City's Sphere of Influence at the earliest convenience. It is Staff's position that the proposed annexation would be consistent with the City's goal to remove such County islands within the City's jurisdiction. The adoption of a Specific Plan for this site is preferred to conventional zoning standards due to the property's unique opportunities and constraints. The proposed General Plan designations and zoning can be found consistent with the pattern of development of the existing neighborhood and the uses envisioned for this area in the Draft Las Positas Valley and Northside Pre-Annexation Study.

The current Specific Plan was written based on direction from the City Council on March 21, 2006 and the certified Final Environmental Impact Report (FEIR) for the project. The applicant's conceptual site plan was also based on the direction given by the City Council. The conceptual site plan is fairly consistent with the proposed Specific Plan, although there are some discrepancies, which will be described in more detail later in this report.

The applicant has also submitted a letter that outlines their position on the Specific Plan and future development of the site (Attachment 2).

## **DISCUSSION:**

The Veronica Meadows Specific Plan (hereinafter referred to as "the project") involves the annexation of approximately 50.5 acres of land, located between Campanil Hill and Las Positas Road, from an unincorporated portion of Santa Barbara County to the City. Upon annexation, the lots would receive General Plan, Coastal Plan and zoning designations. Approximately 35.7 acres would have a General Plan designation of Major Hillside, Open Space, Stream/Buffer and Pedestrian/Equestrian Trail. Approximately 14.8 acres would have a General Plan designation of Residential, two units per acre. Specific Plan 9 (Veronica Meadows Specific Plan) would be the site's zoning designation.

A lot line adjustment is the only "development" currently proposed. The lot line adjustment would incorporate a 4.49-acre portion of the Bollag property (APN 047-010-053) into the existing 10.28-acre parcel (APN 047-010-016).

## **History**

On March 8 and March 21, 2006, the City Council reviewed a proposal to annex the subject parcels as described above and do a 23-lot subdivision. On March 21, 2006, the City Council directed the applicant to reduce the number of residential units, provide all vehicular access via Alan Road, and provide a pedestrian/bicycle bridge across Arroyo Burro Creek.

To address the Council's direction, the applicant has prepared a conceptual site plan and creek stabilization and restoration plan, and Staff has updated the Veronica Meadows Specific Plan (SP-9).

Since that time, the applicant has returned to the Architectural Board of Review (ABR), Creeks Advisory Committee, Park and Recreation Commissions and Planning Commission for comments on the conceptual plans and the Specific Plan (if applicable). Minutes from all of these meetings have been provided separately.

The ABR reviewed the plans on May 1, 2006 and had the following comments:

- The overall site layout, estimated home size and conceptual home design were acceptable given the direction from Council.
- The previous proposal was a better solution in terms of access and the benefits to the City as a whole (circulation, creek restoration, open space, etc.).

The Creeks Advisory Committee reviewed the project on April 26, 2006 and had the following comments:

- The creek setback for all development should be 100 feet, not 50 feet.
- Drainage should be decentralized and allowed to flow overland and percolate into the creek.
- Public access should be provided.
- Creeks Advisory Committee should have the opportunity to review the project in the future.

The Park and Recreation Commissions and Creeks Advisory Committee held a joint meeting on July 10, 2006 to review the project. They had the following comments, in addition to the Creeks Advisory Committee comments identified above:

- Campanil Hill drainage should be daylighted.
- The pedestrian bridge should be located at the northern end of the site.
- All landscaping should be native and non-invasive.
- Chemical fertilizers should be prohibited for landscaping purposes following restoration.
- Independent review of the Creek Restoration Plan should be required now and later in the process.

The Planning Commission reviewed the project on August 24, 2006 and had the following summary comments:

- Vehicular access from Las Positas is preferred.
- Appropriate density is dependent on house sizes.
- Pedestrian bridge should be at the northern end of the property.
- Creek setback is appropriate; would be willing to consider smaller setbacks under certain circumstances.
- Prefer drainage as open and natural as possible.
- Have a desire to reduce the overall project footprint.

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### Issues

#### Annexation

As part of any annexation, appropriate land use, density and development standards must be established. Efforts have been made in the past to pre-zone the unincorporated areas of Las Positas Valley for future annexation into the City. The Draft Las Positas Valley and Northside Pre-Annexation Study (completed in 1995 and updated in 1999, but never adopted) proposed to designate the flatter portions of this unincorporated area for single-family residential development with a density of five dwelling units per acre, and the steeper areas for Major Hillside and Open Space. The existing development along Alan Road is within City limits and is zoned E-3. The Stonecreek Condominium development, which is under County jurisdiction, is designated DR-10 (Design Residential, 10 dwelling units/acre).

The City's Zoning Ordinance advises that zone boundaries should follow property lines, which often have little relationship to topographical features. The proposed lot line adjustment and annexation would re-align the property lines and jurisdictional boundaries to more closely match the topographical features of this area.

#### Specific Plan

A specific plan was chosen as the most appropriate means to establish development standards for this site given its environmental constraints and resources. With a specific plan, conventional zoning standards are replaced with detailed development standards that best meet the needs of the area within the specific plan boundaries. The purpose of the specific plan approach in this case is to give maximum assurance about what could be developed on the land in the future and how that development would occur.

Proposed Specific Plan #9 (SP-9) encompasses the entire 50.5-acre area to be annexed, approximately 14.8 acres of which would be designated for residential development (described as Areas A, B and C). SP-9 provides a list of permitted uses and development standards that are consistent with the use of the area for single family residential development and open space, in accordance with the General Plan and Local Coastal Plan.

In SP-9, site access to all of the lots would be provided via an extension of Alan Road. A pedestrian bridge is identified as an allowed use by the Specific Plan, but only an easement is required as part of residential development of the site. An easement for a public pedestrian path is required as part of any subdivision of the site to provide access to Alan Road from Las Positas Road. SP-9 also sets maximum square footages for residences (§28.50.080) and requires the review of future development by the Architectural Board of Review to ensure neighborhood compatibility. Creek setbacks and uses permitted within those setbacks are also outlined in SP-9 (§28.50.030.B and C). Additionally, a comprehensive creek restoration plan for Arroyo Burro Creek is required as part of any residential development (§28.50.020.B.5).

### *Density*

The Specific Plan would permit a maximum of 15 residential units, to be located within Area A. This equates to a density of approximately one unit per acre within the developable portion of the lot, or approximately 1.35 units per acre when you exclude the required creek setback areas.

In reviewing different development proposals on this site, Staff's primary concern has been identifying the appropriate area for development on the site. The number of units, or density, has been less of an issue. The constraints of the steep slopes to the west and north and Arroyo Burro Creek to the east provide a natural delineation of a potential building envelope on the site. The 14.8-acre area created by these natural constraints is relatively flat, has been previously disturbed, and is directly adjacent to existing development on Alan Road to the south and the Stonecreek Condominiums to the north. It is Staff's belief that, with appropriate measures in place to protect the sensitive creek resources, and adequate precautions to stabilize the hillside, the 14.8-acre area is the most appropriate area for development on the project site, and is appropriate for single family residential development.

The Planning Commission had mixed feelings about the density of the project, given access from Alan Road. The Planning Commission felt that density, home size and access were inter-related issues.

### *Access*

The City Council directed the applicant to provide all vehicular access from Alan Road. As a result, SP-9 has been revised accordingly. The applicant has also submitted a conceptual plan that includes vehicular access via an extension of Alan Road.

The Architectural Board of Review and Planning Commission felt that providing access from Las Positas Road was a preferred option for circulation, to reduce the impact on the Alan Road neighborhood and for public safety reasons (i.e., emergency response and evacuation).

### *Bridge*

The Final EIR for the project concluded that the previously proposed vehicular bridge from Las Positas Road across Arroyo Burro Creek would have a significant environmental impact due to the permanent displacement of native and non-native riparian habitat at the bridge crossing, loss of a large oak tree and sycamore tree, and the possible effect on the movement of wildlife through the project site (particularly in the riparian corridor). Conversely, the previously proposed bridge was also identified in the FEIR as a beneficial impact to circulation, as it would enhance pedestrian and bicycle circulation throughout the Las Positas Valley and beyond.

At the March 2006 City Council meeting, the Council directed the applicant to eliminate the vehicular bridge from the project and to provide vehicular access from Alan Road. The

Council also indicated that a pedestrian/bicycle bridge across Arroyo Burro Creek would be appropriate.

Based on the FEIR bridge analysis, the narrower bridge would still result in significant biological effects, but to a lesser extent than the prior project.

The proposed and staff recommended Specific Plan requires that any pedestrian/bicycle bridge be located at the northern end of the developable area, approximately across from Jerry Harwin Parkway to provide the most logical and pedestrian friendly connection between the Westside, Bel Air, Hidden Valley neighborhoods, and visitors at Elings Park to Arroyo Burro Beach.

A pedestrian/bicycle bridge is not a required element of residential development of the site; however, providing an easement so that the City retains the right to build a bridge in the future is required. Overall, it is Staff's opinion that a bridge would be a desirable feature if constructed, whether by the applicant or by the City. Therefore, Staff believes that although the significant impacts to biological resources caused by a bridge are a serious concern, a bridge would provide enhanced pedestrian and bicycle amenities throughout the Las Positas Valley and, although not required by the Fire Department, it could provide a secondary means of pedestrian access to and from the project site and the Alan Road neighborhood in the event of an emergency. When a project results in both significant adverse impacts and beneficial impacts, it requires a careful weighing of those impacts to the environment and the general public. In this case, Staff believes that the beneficial aspects of a bridge on the circulation system outweigh the adverse impact to biological resources and, therefore, the inclusion of the bridge may be found consistent with the General Plan.

As presented in the FEIR, the impacts of the bridge are unavoidable, but they can be substantially reduced through creek stabilization and restoration, which would be required as part of any residential development of the site. Eliminating the bridge easement from SP-9 would result in a lost opportunity to provide an enhanced bicycle and pedestrian system in this area.

It should be noted that the applicant is not proposing a bridge as part of the conceptual development of the site. As long as the bridge is not a required or offered component of the residential development of the site, there would be no significant biological impacts resulting from it until such time as the City, or other entity, chooses to pursue construction.

#### *Pedestrian Path*

SP-9 requires any future pedestrian path to connect from the (potential future) pedestrian/bicycle bridge to the residential development's internal road. As the Specific Plan requires the bridge to be at the northern portion of the site, it follows that the pedestrian path would also be at the northern portion of the site, and connect to the northern end of the internal road.

The applicant has indicated a preference for the bridge and pedestrian path easements to be located at the southern end of the property, rather than the northern end as proposed in SP-9 and recommended by the ABR, Park and Recreation Commissions and Planning Commission. City staff has concerns with the location at the southern end of the site because it would force the pedestrian path leading to the bridge from Las Positas to be located along the City's parcel between the eastern top of bank of Arroyo Burro Creek and Las Positas Road. Staff, the Park and Recreation Commission and Creeks Advisory Committee have concerns with a pedestrian path in this location, as the site is narrow, fairly steep and subject to erosion from Arroyo Burro Creek. Additionally, allowing pedestrian access adjacent to the creek is a concern relative to impacts on creek habitat from human activity.

#### *Drainage*

SP-9 does not require the drainage from Campanil Hill to be maintained above ground. The Creeks Advisory Committee, Park and Recreation Commission and Planning Commission felt that this drainage should be maintained in an open, earthen channel. The previous development proposal included an open, earthen channel as well as an underground pipe to manage all of the run-off from Campanil Hill. The applicant's conceptual site layout proposes to put all of this drainage into a pipe below ground.

If the Council agrees that it is important for this drainage to remain aboveground, SP-9 must be amended accordingly.

#### **Environmental Review**

As required under the California Environmental Quality Act (CEQA), an Environmental Impact Report (EIR) was prepared to evaluate physical environmental effects resulting from the project and proposed Specific Plan. The Final EIR, which is attached under separate cover, was certified by the Planning Commission on December 1, 2005. An Addendum to that certified FEIR was prepared by staff to analyze the changes in the project resulting from Council's direction (Attachment 1 to this report). Access from Alan Road was previously analyzed in the EIR as an Alternative. The analysis included 23 homes accessing the site via Alan Road. Prior to taking action on the project, the City Council must make findings pursuant to the California Environmental Quality Act Guidelines Sections 15091 (Findings) and 15093 (Statement of Overriding Considerations). These findings are contained within the Ordinance approving the project.

#### Creek Stabilization and Restoration

Future development of the site under SP-9 would require extensive creek restoration and stabilization for the approximately 1,800 linear foot reach of Arroyo Burro Creek along the length of the project site. This restoration and stabilization will occur on both private and City-owned property. The goal of a restoration plan would be to increase channel stability, reduce erosion, improve water quality, and restore ecological value to the creek.

The applicant has submitted a conceptual plan that reconfigures the creek channel by excavating benches along the creek banks and stabilizing the bed and banks using native rock and vegetation. The conceptual plan also includes repairing areas of previous bank failure, removal of non-native, invasive plant species, and re-planting the creek corridor with native riparian plant species. Restoration would occur on both sides of the creek, including portions of the project site and a City-owned 5.9-acre parcel, located between Arroyo Burro Creek and Las Positas Road.

Development of the site under SP-9 would provide a minimum buffer of 100 feet between the proposed residences and the Top of Bank of Arroyo Burro Creek (as identified in the EIR). Limited development, such as gazebos, barbeques and decks would be allowed 50-100 feet from the western Top of Bank of Arroyo Burro Creek.

Policies of the Conservation Element generally serve to protect creeks and riparian environments. The Coastal Act and LCP, where applicable, provide more detail in that these resources shall be maintained, preserved, enhanced and, where feasible, restored. More specifically, LCP Policy 6.10 states that the City shall require a setback buffer between the top of bank and any proposed project, and that the buffer will vary depending upon the site conditions and the environmental impact of the proposed project. Coastal Act Policy 30231 requires that biological productivity and quality of coastal streams be protected and, where feasible, restored. Policy 30240 protects sensitive habitat areas and requires development to be sited and designed to prevent impacts that would degrade these areas. Additionally, the Seismic Safety-Safety Element requires that adequate creek setbacks be established to protect new development from flood and erosion hazards.

In the applicant's conceptual plan, portions of the proposed road would be located within 100 feet from the Top of Bank. The ABR, Creeks Advisory Committee and Park and Recreation Commission commented that the road would be an acceptable encroachment given that it would result in reduced grading activity.

The stabilization and restoration work required by SP-9 within the creek channel would help reduce the magnitude of any development impacts on riparian resources and water quality in the Arroyo Burro Creek corridor and improve the hydrology of the creek. Future maintenance of some of the restoration plantings would fall to the City, under the applicant's proposal, and therefore City participation is required.

#### Drainage and Water Quality

The existing hydrology on the site primarily consists of sheet flow and concentrated off-site flow that discharges into Arroyo Burro Creek. Based on the City's Storm Water Management Plan, any development of the site would be required to retain any net increase in post-development run-off on site. SP-9 requires the use of Best Management Practices to manage the quality and quantity of storm water run-off, including the installation of multiple drain outlets to Arroyo Burro Creek to reduce the individual magnitude of discharge and the separation of the Campanil Hill run-off from other site run-off.



The applicant's conceptual plan does not separate out the Campanil Hill run-off and puts it underground.

#### Traffic

Vehicular access to the project site would be from Alan Road. Development of the site with 15 residences is expected to generate a total of 11 AM and 15 PM peak-hour trips and 144 average daily trips (ADTs). Six key intersections surrounding the project site were evaluated in the FEIR in terms of potential impacts to the intersection from project-specific and cumulative traffic.

The intersection of Cliff Drive and Las Positas Road is currently impacted at a Level of Service (LOS) F during the AM and PM peak-hour. The Las Positas Road/Highway 101 southbound ramp interchange currently operates at LOS D during the AM peak-hour and LOS C during the PM peak-hour. All of the other nearby intersections currently operate at LOS C or better during the peak hours. Further discussion of this analysis is in the FEIR. When traffic trips associated with the project 15 residences are distributed to the nearby intersections, the result is a significant traffic impact at the Las Positas Road/Cliff Drive intersection. The project would increase existing traffic volumes at the Las Positas Road/Cliff Drive intersection by .08% during the AM peak hour and 1% during the PM peak hour period. An increase of 1% is considered a significant impact based on City thresholds; therefore, PM peak hour trips would be a significant impact. This was identified as an impact in the FEIR as part of the Alan Road Access Alternative analysis. Buildout of SP-9 will result in a reduction of the impacts identified in the EIR (by reducing the potential number of homes from 24 to 15); however, the impact of the revised project remains potentially significant. It should be noted that this traffic impact was not specifically identified when the project went to the Planning Commission for review; and, therefore, their comments do not address it.

Buildout of SP-9 would also contribute to a potentially significant cumulative traffic impact of the project, together with reasonably foreseeable future projects, on the operation of the Las Positas Road/Highway 101 southbound ramps, Las Positas Road/Modoc Road, and Las Positas Road/Cliff Drive intersections.

A feasible mitigation measure (Mitigation Measure TR-6) requiring a fair share contribution of funds for capacity improvements at these intersections is identified in the FEIR. The applicant's contribution would be based on the peak hour traffic volume contributed by the proposed project as a percentage of the existing and future volume that exceeds the City's significance impact threshold. The applicant's future contribution would be based on the number of units proposed (contribution was estimated at approximately \$88,850 for the 23-unit proposal). Because the Mitigation Fee Act requires mitigations to have a direct nexus to the impact (in this case, allocating funding for capacity improvements in proportion to the impact the project causes at each individual intersection), the City cannot require an applicant to combine these mitigation fees. However, a willing applicant could offer to allocate the entire mitigation fee to one project, such as the Las Positas Road/Cliff Drive roundabout project, thereby concentrating and accelerating the mitigating effect of

the funds. The Applicant has indicated a willingness to offer the entire mitigation fee to be directed to the Cliff Drive/Las Positas Road project. While this would result in no mitigation fees being allocated to the other three intersections, it would increase the likelihood that the fees would be used for an intersection improvement that is likely to be funded and constructed in the near future. This offer could be applied as a Condition of Approval for future development of the site, should the City Council decide that it would result in a greater overall benefit than having the funds dispersed to all four projects.

The project would generate construction-related traffic that would occur over the estimated two-year construction period and would vary depending on the stage of construction. This temporary construction traffic is considered an adverse but not significant impact. Standard mitigation measures would be applied as appropriate, including restrictions on the hours permitted for construction trips and approval of routes for construction traffic.

#### **BUDGET/FINANCIAL INFORMATION:**

##### **Property Tax**

State law governing annexations requires that the City and the County negotiate a property tax exchange agreement. The tax exchange agreement determines what portion of the property tax paid on the property will be allocated to the City. This process will be initiated upon Council's approval of the annexation and, if the annexation is approved by Council, a Resolution reflecting the tax exchange agreement negotiated by Staff will be brought to the Council for subsequent action. Adoption of such a Resolution will need to be finalized prior to LAFCO's action on the annexation.

##### **Annexation Buy-in Fees**

Chapter 4.04 of the Municipal Code (Annexation and Charges) requires owners of annexed property to pay an annexation "buy-in" fee for potential units to be developed on the property. The annexation fee amount is set by City Council Resolution based on the value of municipal improvements and the acreage of land in the City. Resolution 99-133 establishes the "buy-in" fee at \$3,189 per new dwelling unit. Upon development of the site under SP-9, the project will result in a maximum of 15 net new units on the site that will need to be served by City services; therefore, the maximum buy in fee for the project would be \$47,835.

##### **Creek Restoration**

Part of the applicant's creek restoration plan includes work on the City-owned property along the east side of the creek. The applicant has proposed a maintenance plan (refer to Attachment 2) that requires the City to maintain the vegetation on the City-owned parcel after a five year establishment period. While the issue of creek maintenance can be considered separately from the Specific Plan proposal, it does have financial impacts that the Council will need to consider at some point, if not at this time.

- ATTACHMENTS:**
1. Addendum dated August 19, 2006
  2. Applicant Letter, dated September 7, 2006
  3. Creek Restoration Plan (reduced copy)
  4. Conceptual Site Layout (reduced copy)
  5. Lot Line Adjustment Map (reduced copy)
  6. Resolution 7528. A Resolution Indefinitely Closing Alan Road to Through Traffic, May 23, 1972

*The following attachments were provided to Councilmembers under separate cover:*

7. Planning Commission Draft Resolution
8. Planning Commission Draft Minutes, August 24, 2006
9. Parks and Recreation/Creeks Advisory Committee Minutes, July 10, 2006
10. Architectural Board of Review Minutes, May 1, 2006
11. Creeks Advisory Committee Minutes, April 26, 2006
12. Planning Commission Staff Report (12-01-05)
13. Veronica Meadows Specific Plan Final EIR

*Note: Correspondence from members of the public addressed to the Planning Commission is available at the Planning Division, 630 Garden Street, and can be made available upon request.*

**PREPARED BY:** Allison De Busk, Associate Planner *AD*

**SUBMITTED BY:** Paul Casey, Community Development Director *PC*

**APPROVED BY:** City Administrator's Office *[Signature]*