



December 4, 2008

Mayor Blum and Members of the City Council  
City of Santa Barbara  
P.O. Box 1990  
Santa Barbara, CA 93102-1990

RE: Measure E Allocation Request and Appeal Hearing  
101 E. Victoria Street, APN: 029-071-013

Dear Mayor Blum and Members of the City Council:

Our office represents 101 East, LLC, applicants for a condominium office project on Victoria Street. 101 East, LLC proposes to replace the existing building at 101 E. Victoria, on the corner of Victoria and Anacapa Streets (APN: 029-071-013), with individual office condominiums. The condominiums will be approximately 300 sf each, and are intended to allow sole proprietors and very small businesses the opportunity to purchase their own office space. Parking for the project will be provided via a new underground parking garage on the property.

Our application includes a Development Plan request for square footage under Measure E. Measure E defines an Economic Development Project as one which "will enhance the standard of living for City and South Coast residents and will strengthen the local or regional economy by either creating new permanent employment opportunities or enhancing the City's revenue base." An Economic Development Project should also accomplish one of three goals contained in the Zoning Ordinance.

The proposed project meets both of these standards. In addition to increasing the City's revenue base, the project would accomplish goal (c) which is to "provide products or services which are currently not available or are in limited supply either locally or regionally." We know of no other condominium office space in the City or the region that allows sole practitioners or very small businesses the opportunity to purchase their own office space. There is a tremendous unmet need in the commercial market for such facilities. Approving this project as an Economic Development Project would fill that void and, further, would allow many of the future owners to relocate their offices from their homes into the downtown area, where, in addition to conducting their businesses, they are likely to go out for lunch and run their errands. As a result, this project will provide economic benefit to the small business owners looking for their own space in the downtown area, to the existing downtown merchants that will benefit from having these business owners downtown, and to the City by way of increased sales tax.

Additionally, your Planning Commission approved this project on July 10, 2008. During this hearing we received favorable comments on our request for Measure E square footage under the Economic Development Project category.

#### **Measure E Allocation Request**

The existing office building on the property is 11,900 sf and the proposed project would include 17,603 sf of office space. In addition to applying the 3,000 sf allocated to the property under the Small Addition provision of Measure E, we are requesting an additional allocation of 2,703 square feet under the Economic Development Project provision of Measure E.

### **Project Details**

The existing 11,900 sf commercial office space will be demolished and replaced with 50 commercial condominiums totaling 17,603 sf. The units are configured in clusters to create a village atmosphere with paseos and courtyards which will allow for landscape opportunities throughout the site.

The project height will vary throughout the project, with a maximum height of three stories. The proposed project includes 22 units on the first floor, 17 units on the second floor and 11 units on the third floor. Each unit is approximately 300 sf in size. The first floor will also house locker/restroom facilities and a community conference room will be located on the second floor.

The office condominiums are intended to serve sole proprietors and very small businesses looking for the opportunity to own their own office space downtown. While we believe that the size of the units will discourage uses outside of this category, we are happy to incorporate language in the project CC&Rs that prohibits medical office or retail use.

The project will be providing bicycle parking as well as a locker room with showers to facilitate the use of alternative transportation for the building occupants.

An underground parking garage will provide 45 parking spaces, eight of which will be reserved for the property owner at 109 E. Victoria based on an existing easement agreement. Upon project approval, the existing easement will be revised to allow tenants at 109 E. Victoria access to the underground parking garage as detailed in the Memorandum of Understanding between 101 East, LLC and the adjacent property owner included as part of this submittal. Also included in the Memorandum of Understanding are the details of how other existing easements will be revised and new easements will be created to allow openings along the property line, a portion of the parking garage to encroach into the 109 E. Victoria property, and a landscape easement between the two properties.

Replacing the existing at-grade parking with an underground parking garage, combined with the proposed landscape easement provides the opportunity for greatly enhanced landscaping on this key, corner property. Site landscaping will go from just over 5% of the site to approximately 20% of the site as part of the proposed project.

This project was reviewed by HLC on February 21<sup>st</sup>, March 7<sup>th</sup> and April 4<sup>th</sup> of last year. Overall, we received favorable comments on the architecture and the size, bulk and scale of the project.

### **Sustainability**

101 East, LLC will be a model project for sustainable development and has been designed to achieve a LEED<sup>®</sup> Silver Rating. Some of the sustainable aspects include:

- Bicycle storage and locker rooms for non-auto commuters
- Alternative fuel refueling stations for plug-in hybrids, electric bikes and segways.
- Stormwater treatment and rainwater retention for landscaping
- 2,223 square feet of "green" roofs to reduce heat islands
- 4 KW photovoltaic system
- Dual flush toilets, waterless urinals and water-efficient landscaping
- Construction waste management plan to divert 75% of construction waste

### Appeals

Two appeals have been filed on the Planning Commission's July 10<sup>th</sup> approval of this project. We know staff will address the appellant's concerns in their staff report, but we would like to address the two major concerns here as well:

#### Ongoing Soil Remediation:

At this point the site is essentially remediated, but monitoring will continue by way of soil and ground water sampling for approximately one more year to ensure that this is indeed the case. Such protection procedures are quite common and the Fire Department has allowed continued occupation of the existing building during the remediation process.

It is important to note that our consultants have been and will continue to work closely with the Fire Department on all aspects of the remediation and a monitoring plan is being crafted for Fire Department review and approval.

#### Parking Modification:

As we've presented in previous hearings and letters, this project has been designed with a goal of achieving a Silver LEED® Certification, and the concept of sustainability is very important to our clients. We feel strongly that if our City is going to move towards sustainability we need to work on not centering projects around the use of the automobile. In this instance, we would meet our parking demand as presented by Scott Schell of Associated Transportation Engineers (ATE), and verified by City Transportation staff. We are simply asking for a parking modification so that the project does not end up over-parked solely to comply with the Zoning Ordinance.

Our parking demand study was prepared based on the Institute of Transportation Engineers (ITE) manual, a manual used in virtually all traffic and parking calculations in the City and in surrounding jurisdictions. The ITE manual states that the five basic office uses (General Office, Corporate Headquarters, Single-Tenant Office, Office Park and Research and Development) have virtually no difference in parking demand. Within these uses, General Office Building is described as a building housing multiple tenants, which we feel is an appropriate definition of our proposed building.

In addition to meeting our actual parking demand as calculated by ATE, there are several additional reasons why we believe the proposed 37 parking spaces would adequately serve the proposed project:

- The project is located just outside the Central Business District (CBD) zone, whose boundary is just across the street from the project on Victoria. The CBD reduces the parking demand from 1 space per 250 sf. to 1 space per 500 sf. The recently constructed Penfield and Smith Building, which is a few doors down and on the same side of Victoria as this project site, was granted a parking modification based on its proximity to the CBD. If the CBD reduction were to be applied to this project as it was to the P&S project, the 101 East project would only be required to provide 25 parking spaces. Our understanding is that the parking situation at the Penfield and Smith Building has been working well for the users and the neighbors.
- The Zone of Benefit has not been adjusted to account for the new Granada Garage. An increase in the Zone of Benefit would likely result in the project fully meeting its parking requirement per the Zoning Ordinance. While Staff has clarified that the zone won't technically be adjusted in this area, we believe that, due to its close proximity, the reality is that the Granada Garage will benefit this site.

- The proposed project is not likely to be fully occupied all day. These will be individual offices owned by sole practitioners looking for some office or meeting space in the downtown area. Our experience with similar buildings (such as the Fithian Building) suggests that occupancy of the project will likely be staggered throughout the day, and thus it is very unlikely that all of the offices will be occupied at any given time.
- The project will be providing bicycle parking as well as a locker room with showers to facilitate the use of alternative transportation for the building occupants.

Given all of this information, we continue to feel strongly that the 37 spaces we are proposing for the project will fully satisfy the parking demand. We encourage you to vote that projects should not be overparked, particularly in the downtown area, so as to encourage and incentivize the use of alternative transportation.

We see this project as very beneficial to the City in many ways, and hope you concur in this assessment. Should you have any questions as you review this proposal, please do not hesitate to contact me. We look forward to working with you towards the successful completion of this project.

Sincerely,



Eva A. Turenchalk, AICP  
Land Use Planner/LEED® Accredited Professional