



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: July 2, 2013

TO: Mayor and Councilmembers

FROM: Planning Division, Community Development Department

SUBJECT: Implementation Of The Average Unit-Size Density (AUD) Incentive Program

RECOMMENDATION: That Council:

- A. Introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara adding Chapter 28.20 to the Santa Barbara Municipal Code to implement the City's 2011 General Plan Average Unit-Size Density Incentive Program; amending Section 28.43.040 regarding exemptions to the City's Inclusionary Ordinance amending Sections 28.66.050, 28.69.050, 28.72.050, and 28.73.050 concerning Building Height Standards for Community Benefit Projects in the C-2, C-M, M-1, and OM-1 Zones; and amending Section 28.87.062 concerning encroachments in open yards; and
- B. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Adopting Environmental Findings pursuant to the California Environmental Quality Act Regarding the Implementation of the Average Unit-size Density Incentive Program.

EXECUTIVE SUMMARY:

The proposed Average Unit-Size Density (AUD) Incentive Program carries out a key program directed by the 2011 General Plan. The Program facilitates the construction of smaller housing units by allowing increased density and development standard incentives. Housing types that provide housing opportunities to the City's workforce are encouraged and facilitated by the AUD Program.

The AUD Program ordinance amendments will be contained in a new Zoning Ordinance Chapter (28.20) in the Municipal Code. The ordinance amendments establish the parameters of the AUD Program, including purpose, definitions, density incentives, development incentives, and building height exception findings and process. The Program will be tested for a period of 8-years, or until 250 units are constructed in designated areas of the City, whichever occurs sooner. During this trial period the existing Variable Density Program would be suspended.

DISCUSSION:

Background

The AUD Program is designed to encourage smaller units through the application of increased densities based on average unit sizes. The smaller the average unit size, the greater the densities allowed within the three designated density tiers: Medium-High, High, and Priority Housing Overlay. Increased densities would be allowed in most multi-family and commercial zones under the Medium-High and High Density land use designations. Additional densities would be allowed for priority housing projects (i.e., rental, employer sponsored housing, and limited equity housing cooperatives) located in the Priority Housing Overlay area as shown in the Average Unit-Size Density Incentive Program Map.

The AUD Program also allows reduction and/or flexibility in parking, setback, open space, distance between buildings and number of stories within existing building height standards. These incentives are proposed to encourage development of smaller units and buildings, with particular emphasis on priority housing.

On April 10, 2012, the City Council initiated the Zoning Ordinance amendments to implement the AUD Program. Following adoption of the ordinance amendments, the AUD Program will be in effect for eight years, or once 250 units have been developed in the High Density areas and applicable Commercial Manufacturing (C-M) zoned properties, whichever occurs sooner.

The existing Variable Density Program provisions would be suspended during the AUD Program trial period. If at the end of the 8-year trial period the Program is not extended or modified, the residential density will revert back to the Variable Density standards in place prior to adoption of the 2011 General Plan Update.

To further develop the AUD Program components, Staff sought feedback and direction from the Planning Commission, Design Review Boards, a technical advisory group of community members, and the public. In addition, a community forum was held with employers, developers and lenders to identify ways to create a viable and successful Employers Sponsored Housing Program.

On July 26, 2012, the Planning Commission conceptually reviewed the main components of the AUD Program and provided feedback and direction to Staff in order to proceed with the preparation of the draft ordinance amendments. On April 11, 2013, the Planning Commission reviewed the draft AUD Program Ordinance and unanimously voted to forward the ordinance with revisions to the Council Ordinance Committee for consideration.

On May 14, 2013, the Ordinance Committee met to consider the key AUD Program components including density and maximum average unit sizes, priority housing types,

development standard incentives, and building heights. On June 11, 2013, the Ordinance Committee considered the draft AUD Program Ordinance and after hearing from the public and discussing the key components of the Program voted unanimously to forward to Council the draft ordinance amendments implementing the AUD Program with changes. The discussion below highlights the key comments and direction provided by the Ordinance Committee.

Housing Types

A primary goal of the 2011 General Plan is to encourage the construction of affordable workforce housing, with special emphasis on priority housing. This type of housing is considered a community benefit land use and is supported by numerous policies and programs in both the Land Use and Housing Elements, directing the implementation of the AUD Program. These types of multi-unit housing fall into two categories: market rate units and priority housing.

Market Rate Units

Market rate units are permitted under the AUD Program. These units would be constructed in the Medium-High and High Density designated areas, and in exchange would be required to provide smaller unit sizes to qualify for the density and development standard incentives allowed under the program. Also, market rate units, excluding employer sponsored housing, would be subject to the inclusionary housing ordinance.

Priority Housing

The primary objective of the Priority Housing Overlay is to encourage the construction of long-term affordable housing, in particular rental units, employer sponsored housing, and limited equity housing cooperatives. Under the AUD Program this type of housing would allow increased densities of up to 63 dwelling units per acre.

- **Rental Units:** Rental units developed under the AUD Program would not be price or income restricted. However, in order to qualify for the Priority Housing Overlay density incentive, the owner must agree to maintain the unit as rental for the life of the project.
- **Employer Sponsored Housing:** This type of housing would be developed by an employer or group of employers and offered to households that include at least one person employed in the south coast region of Santa Barbara County and is the primary residence for the occupants. Additionally, employer sponsored housing developed as ownership units would not be subject to the City inclusionary housing requirements.

- Limited Equity Housing Cooperatives: This type of housing is defined as shared ownership of the entire project where individuals occupy one unit and take part in the management decisions. Limited equity housing cooperatives restrict resale price, which helps maintain a specified level of affordability to subsequent shareholders. To qualify for the density incentives allowed under the AUD Program, these units must be affordable to households earning up to 250% of the Area Median Income as defined in the City's Affordable Housing Policies and Procedures.

The Ordinance Committee concurred with the parameters of the priority housing types as described above.

Unit Size

As part of the 2011 General Plan adoption, the City Council approved density ranges for the Medium-High (15-27 du/ac), and High Density (28-36 du/ac) designations, as well as the Priority Housing Overlay (37-63 du/ac). The corresponding maximum average unit sizes for each density tier were later finalized by Staff with assistance from a technical advisory group.

On April 11, 2013, the maximum average unit size ranges were found to be reasonable and appropriate by the majority of the Planning Commission. However, two Commissioners felt that the maximum average unit size range (805 SF to 1,450 SF) for the Medium-High density tier should be larger and suggested an increase to facilitate marketability of these units.

The Ordinance Committee also discussed Medium-High unit sizes and recommended larger units to improve the marketability of two-bedroom, two-bath units. The proposed sizes are approximately 235 SF per unit larger at the highest density of 27 du/ac. Accordingly, the overall habitable area would be increased from 21,735 SF to 28,080 SF (see Exhibit B in the proposed AUD Program Ordinance).

Staff continues to believe this is fundamentally a policy issue, not a matter of competing proforma estimates to predict the future marketability of smaller or larger units. Larger unit sizes translate to larger buildings and greater neighborhood compatibility challenges. In addition, increasing unit sizes will likely result in higher-end, market rate units. Therefore, Staff recommends retaining the originally proposed maximum average unit sizes as depicted on Attachment 1.

Development Standards

Policies contained in the Housing Element promote more flexibility in development standards to encourage and facilitate the construction of additional housing. In support of these policies, the AUD Program offers incentives and/or flexibility in the application of development standards related to parking, setbacks, open space, distance between

buildings and building height. On June 11, the Ordinance Committee reviewed and accepted the proposed AUD Program development incentives with revisions as described below.

Parking Requirements

As part of the 2011 General Plan adoption, the City Council established the parking requirement for AUD projects at a minimum of one parking space per unit and no guest parking. The AUD Program reflects the Council's direction. Please note that projects may choose to provide more than one parking space per residential unit, however the reduction in parking is intended to assist with unit affordability as well as help decrease building mass. In addition, AUD projects would be required to provide bicycle parking at a ratio of 1 bicycle parking space per unit.

The Ordinance Committee supported the proposed parking requirement, recognizing that reduced parking is a "tradeoff" in order to achieve priority types of workforce housing. The Committee also acknowledged that bicycle parking could serve as an amenity and be part of the solution to reduce the number of cars both on site and on the street.

Setback Requirements

The setback requirement for AUD projects is intended to provide more flexibility, especially for 100% residential projects developed in commercial zones. To help simplify the ordinance and provide uniformity in the application of setback requirements for AUD projects developed in certain commercial zones, Staff recommended a 5 foot variable front setback for the R-O, C-P, C-L, C-1, C-2, C-M and S-D-2 zones (See Attachment 2 and 3). The Ordinance Committee concurred with this recommendation. Subsequent to their meeting, concern was expressed by Planning Commissioner Lodge about applying the 5 foot variable setback to lots in the Upper State Street area subject to the S-D-2 overlay.

After further review of the 2007 Upper State Street Study, which identifies a possible transit lane as a longer-term circulation improvement in the area, the AUD Program Ordinance has been revised to reflect a 10 foot (non-variable) front setback for commercially zoned lots in the S-D-2 overlay areas, instead of the 5 foot variable front setback reviewed and accepted by the Ordinance Committee. The recommended 10 foot (non-variable) front setback would provide both an AUD Program setback incentive and preserve the option for a future transit lane.

Open Space Requirements

Projects developed under the AUD Program and electing to use the Private Outdoor Living Space Method (Method A) would be allowed to eliminate the 10% on grade open space requirement. Offering this incentive would provide flexibility in project design,

thus facilitating additional residential units as part of the project. Because the 10% open space requirement was originally intended for residential uses in the multi-family zones, rather than commercial zones, Staff believes that eliminating this requirement would be a reasonable incentive in order to gain additional affordable and workforce units.

Projects applying the Common Outdoor Living Space Method (Method B) would be allowed to provide the 15% common outdoor living space on grade or any floor of the building. Applying this method has been problematic for projects, especially those proposing at-grade parking garages. To accommodate the 15% common outdoor living space requirement on the ground projects must decrease floor area, which could result in fewer residential units. Allowing the 15% common outdoor living space at grade or any floor of the building would help make possible more units in a project.

The Ordinance Committee supported the recommendation that the 10% open space requirement be eliminated as an incentive for AUD projects developed in commercial zones. Similarly, the Ordinance Committee agreed that modifying the 15% common outdoor living space requirement to allow AUD projects to provide it on grade or any floor of the building is appropriate. However, the Ordinance Committee did not support the recommendation to reduce the 15% common outdoor living space requirement to 10% if the subject project was within ¼ mile from a park.

Building Heights/Findings/Process

Implementation Action LG12.4 of the General Plan Land Use Element requires special findings and a super majority (five affirmative votes) approval by the Planning Commission for Community Benefit projects that exceed 45 foot in height. To implement LG12.4, amendments to the C-2, C-M, M-1, and OM-1 zoning districts are proposed limiting building height to 45 foot or less unless the project is a Community Benefit project. Currently, these zones allow four stories, not to exceed 60 foot in height. This aspect of the proposed ordinance is not limited to the AUD Program and Community Benefit housing projects. It also applies to nonresidential projects that are determined to be a Community Benefit.

On April 11, 2013, the Planning Commission discussed the process for building height exceptions and expressed concern regarding the super majority vote and the inability to appeal their decision to the City Council. During an informal straw vote, the Commission was split (3/3) that a super majority vote be required to approve building heights above 45 feet. Concern was voiced that this requirement is problematic when five affirmative votes are required and only four commissioners are present making it necessary to continue the item. Additionally, a majority of the Commission (4/2) was concerned that building height decisions would not be appealable to the City Council, stating that applicants should have the right to appeal this decision.

The Ordinance Committee also discussed the process for building height exceptions and voted 2/1 to recommend to the full Council that a simple majority of the Planning

Commission be required to approve building heights that exceed 45 feet in height. The Committee also agreed with the Planning Commission that building height decisions be appealable to the City Council.

OTHER ZONING ORDINANCE AMENDMENTS

As part of the AUD Program ordinance amendment package, amendments are recommended to applicable zoning ordinance chapters to ensure consistency with the AUD Program ordinance (e.g., building height provisions in the C-2, C-M, M-1 and OM-1 zones and the inclusionary housing ordinance). In addition, minor changes to the Municipal Code are proposed in order to provide additional clarification and/or promote uniformity within the code (See Attachment 4).

CONCLUSION

The AUD Program is an essential feature of the 2011 General Plan Update. Extensive community dialogue took place during the *Plan Santa Barbara* General Plan Update process, which identified the desire to balance the goals of providing housing opportunities for the City's workforce with "living within our resources" and protecting the character of the community. Both the updated Land Use and Housing Elements reflect these goals by providing specific direction to allow increased densities and development incentives in selected areas of the City, through smaller units and buildings, in an effort to produce additional priority type housing in an effective, sustainable, and appropriate manner.

- ATTACHMENT(S):**
1. Planning Commission & Staff Recommended Average Unit-Size Density Table, April 2013
 2. Setback Standards for AUD Program
 3. List of Zone Names
 4. Other Zoning Ordinance Amendments

PREPARED BY: Irma Unzueta, Project Planner

SUBMITTED BY: Paul Casey, Assistant City Administrator/Community Development Director

APPROVED BY: City Administrator's Office

**PLANNING COMMISSION AND STAFF RECOMMENDED
AVERAGE UNIT-SIZE DENSITY (AUD) INCENTIVE PROGRAM TABLE
APRIL 2013**

| Medium-High Density (15-27 du/ac) | | High Density (28-36 du/ac) | | Priority Housing Overlay (37-63 du/ac) | |
|--------------------------------------|------------------|---------------------------------|------------------|---|------------------|
| Maximum Average Unit Size SF | Density du/ac | Maximum Average Unit Size SF | Density du/ac | Maximum Average Unit Size SF | Density du/ac |
| 1,450 | 15 | 1,245 | 28 | 970 | 37 |
| 1,360 | 16 | 1,200 | 29 | 970 | 38 |
| 1,280 | 17 | 1,160 | 30 | 970 | 39 |
| 1,210 | 18 | 1,125 | 31 | 970 | 40 |
| 1,145 | 19 | 1,090 | 32 | 970 | 41 |
| 1,090 | 20 | 1,055 | 33 | 970 | 42 |
| 1,040 | 21 | 1,025 | 34 | 970 | 43 |
| 990 | 22 | 995 | 35 | 970 | 44 |
| 950 | 23 | 970 | 36 | 970 | 45 |
| 910 | 24 | | | 970 | 46 |
| 870 | 25 | | | 970 | 47 |
| 840 | 26 | | | 970 | 48 |
| 805 | 27 | | | 969 | 49 |
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| | | | | 896 | 55 |
| | | | | 880 | 56 |
| | | | | 874 | 57 |
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| | | | | 827 | 61 |
| | | | | 825 | 62 |
| | | | | 811 | 63 |

| SETBACK STANDARDS FOR AUD PROGRAM | | | | |
|-----------------------------------|--|--|---|--|
| Zone | Proposed AUD Setback | Existing Front Setback | Existing Interior Setback Adjacent to Residential | Existing Interior Setback Adjacent to Nonresidential |
| R-O | Front Setback 5' variable setback Interior (Res) 6' setback Interior (Nonres) No setback | 1 & 2 story = 10' 3+ stories = 15' | All buildings = 10' or ½ building height* | 1 & 2 story = 6' 3+ stories = 10' |
| C-P | Same as above | All buildings = 10' | All buildings = 10' or ½ building height* | Mixed use = None All Res. = R3/R4 |
| C-L | Same as above | All buildings = 10' | All buildings = 10' or ½ building height* | Mixed Use = None All Res. = R3/ R4 |
| C-1 | Same as above | All buildings = 10' | All buildings = 10' or ½ building height* | Mixed Use = None All Res. = R3/R4 |
| C-2 | Same as above** | Mixed Use = None All Res. = R3/R4 | All buildings = 10' or ½ building height* | Mixed Use = None All Res. = R-3/R-4 |
| C-M | Same as above** | Mixed Use = None All Res. = R3/R4 | All buildings = 10' or ½ building height* | Mixed Use = None All Res. = R-3/R-4 |
| S-D-2 | Front Setback 10' setback Interior (Res) 6' setback Interior (Nonres) No setback | 1 story ≤ 15' = 15' 2 & 3 story > 15' = 20' | As required by base zone | As required by base zone |

* Whichever distance is greater (10' or ½ building height).

** No front setback for lots on State Street between Montecito and Sola Streets and first blocks east and west crossing State Street between and including Montecito and Sola Streets.

| Zone | Proposed AUD Setback | Existing Front Setback | Existing Interior Setback | Existing Rear Setback |
|----------------------|---|--|---|--|
| R-3 & R-4 | <p>Front Setback Ground floor = 10' 2nd story = 10' 3^{rd+} story = 20'</p> <p>Interior Setback Ground floor = 6' 2nd story = 6' 3^{rd+} story = 10'</p> <p>Rear Setback Ground floor = 6' 2nd story = 10' 3^{rd+} story = 10'</p> | <p>1 & 2 story = 10' 3+ stories = 15'* *Ground floor = 10' 2nd story = 10' 3rd story = 20'</p> | <p>1 & 2 story = 6' 3+ stories = 10'* *Ground floor = 6' 2nd story = 6' 3rd story = 10'</p> | <p>Ground floor = 6' 2 story portion = 10' 3 story portion = 10'</p> |

**If net floor area of 3rd floor is less than 50% of net floor area of 1st floor, the setback is reduced.
**Whichever distance is greater (10' or 1/2 building height).*

LIST OF ZONE NAMES

| | |
|---------------------------------|---|
| A-1, A-2, E-1, E-2, E-3 and R-1 | One-Family Residence Zones |
| R-2 | Two-Family Residence Zone |
| R-3 | Limited Multiple-Family Residence Zone |
| R-4 | Hotel-Motel-Multiple Residence Zone |
| HRC-1 and HRC-2 | Hotel and Related Commerce Zones |
| R-H | Resort-Residential Hotel Zone |
| PUD | Planned Unit Development Zone |
| PR | Park and Recreation Zone |
| P-D | Planned Development Zone |
| S-H | Senior Housing Zone |
| S-D-3 Zone Designation | Coastal Overlay Zone |
| S-D | Special District Zone |
| R-O | Restricted Office Zone |
| C-O | Medical Office Zone |
| C-P | Restricted Commercial Zone |
| C-L | Limited Commercial Zone |
| C-X | Research and Development and Administrative Office Zone |
| C-1 | Limited Commercial Zone |
| C-2 | Commercial Zone |
| C-M | Commercial Manufacturing Zone |
| H-C | Harbor Commercial Zone |
| OC | Ocean-Oriented Commercial Zone |
| M-1 | Light Manufacturing Zone |
| OM-1 | Ocean-Oriented Light Manufacturing |

OTHER ZONING ORDINANCE AMENDMENTS

As part of the AUD Program Ordinance Amendment package, the following associated and/or minor amendments are proposed:

Building Heights: Zoning Ordinance sections §28.66.050, §28.69.050, §28.72.050, and §28.73.050 are proposed to be amended to restrict building height to 45 feet unless the building is a Community Benefit project.

Inclusionary Housing Units: Amend section §28.43.040 in the Inclusionary Housing Ordinance to include an additional exception exempting Employer Sponsored Housing projects from the inclusionary housing requirements.

Open Yard Encroachment: Amend section §28.87.062.C in the General Provisions section of the Zoning Ordinance to clarify open yard encroachment requirements in the Single-Family, Two-Family (R-2), and Multi-Family (R-3/R-4) residential zones.

Uncovered Balconies: Amend §28.21.081.A.g to remove item number 1 stating, “*Uncovered balconies may encroach up to two (2) feet into any setback*”. This provision is not appropriate for this section of the code and has made its application problematic. A similar provision is currently found in the General Provisions section of the Zoning Ordinance where its application is more appropriate.

Open Space: Amend sections §28.21.081.A.2.b (10) and §28.21.081.B.5.c. to include language consistent with §28.21.081.A.1.f. as follows, “...*or other cantilevered architectural or building projections not providing additional floor area...*”.

Common Open Area: Amend §28.21.081.A.3 to clarify that the common open area requirement applies to lots developed with four or more dwelling units. Also, amend §28.21.081.A.3 and §28.21.081.B.4 to clarify that front setback (not the front yard) shall be excluded from the common open area.



City Council

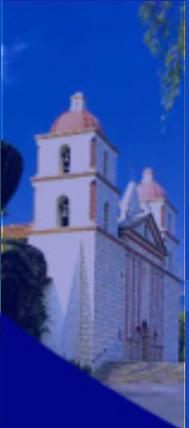
Average Unit-Size Density Incentive Program

July 2, 2013



Purpose of Hearing

- ◆ Consider Proposed Average Unit-Size Density Incentive Program
- ◆ Introduce Ordinance Amendments to Implement the Average Unit-Size Density Incentive Program



AUD Program Objectives

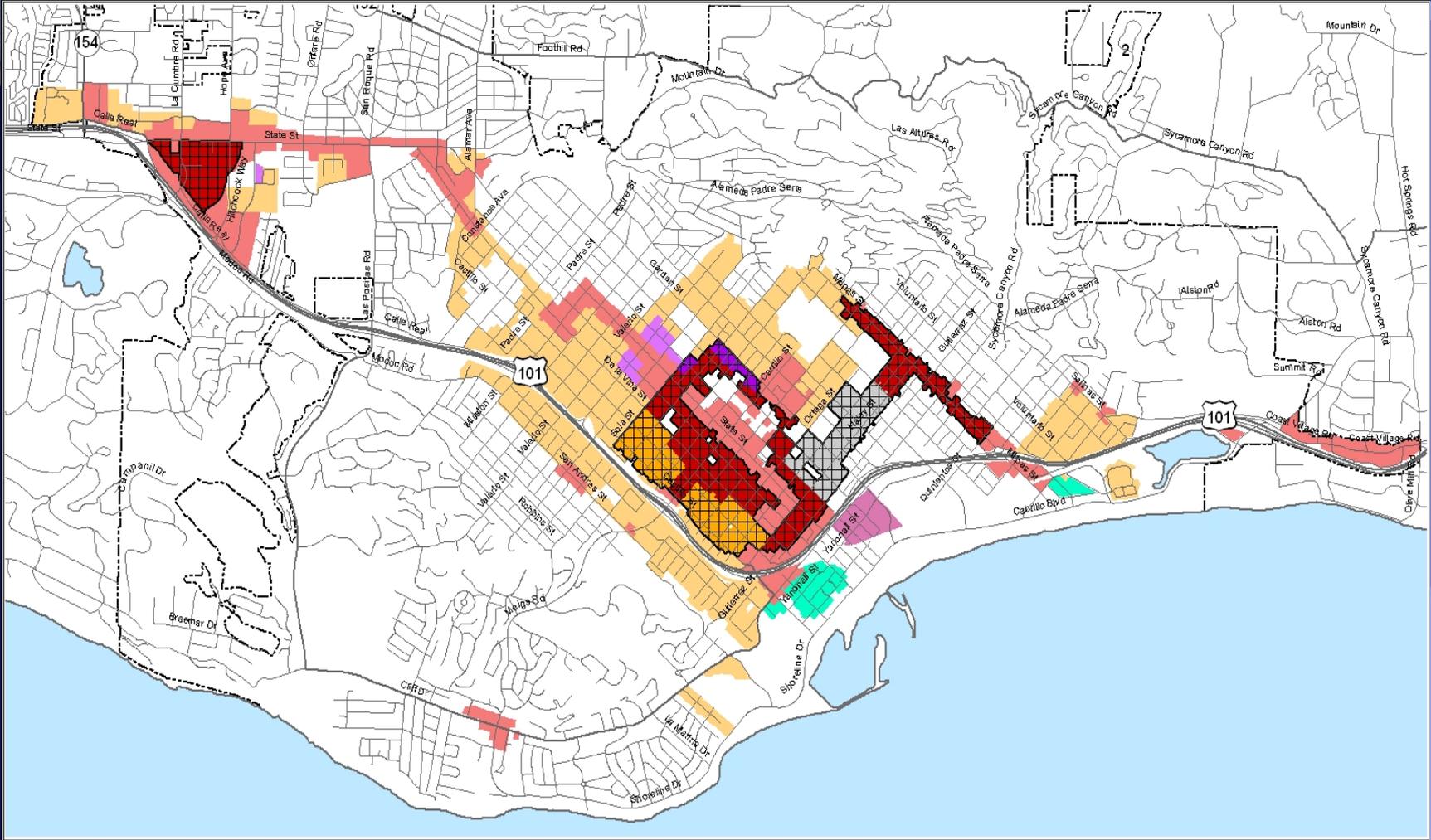
- ◆ Encourage Smaller Unit Sizes & Buildings
- ◆ Locate Housing Near Commercial Uses
- ◆ Produce Long-Term Priority Housing
- ◆ Replace Variable Density Incentive Program



Key Program Components

- ◆ Density & Average Unit Size Ranges
- ◆ Priority Housing Types
- ◆ AUD Program Development Standards
- ◆ Building Height Findings & Approval Process

Average Unit-Size Density Program





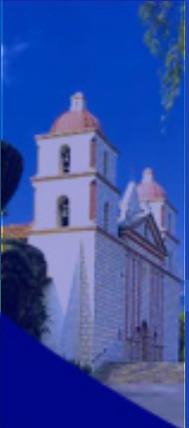
Policy Direction

◆ General Plan Update

- Council Resolution No. 11-079

◆ Land Use Element

- LG5 – Promotes Community Benefit Housing
 - LG5.1 – Encourages affordable housing
- LG6 – Identifies location of residential growth
 - LG6.1 – Directs Average Unit-Size Density Program
 - LG6.2 – Identifies Average Unit Density components
 - LG6.3 – Allows Priority Housing Overlay densities
- LG12.3 – Encourages variation in building setbacks



Policy Direction

◆ Housing Element

- H10 – Encourages new housing opportunities
 - H10.4 – Promotes housing at La Cumbre Plaza/Five Points
- H11 – Promote affordable housing as priority
 - H11.2 – Encourages construction of Priority Housing
- H14.1 – Encourages AUD unit sizes for market units
- H17 – Directs flexibility in development standards
 - H17.1 – Directs reduced parking for AUD projects
 - H17.2 – Encourages flexibility in open space and setback standards



Council Direction 2011

- ◆ Duration
 - 8-years or 250 units
- ◆ Locations
 - Most Multi-Family & Commercial Zones
- ◆ Densities
 - Medium-High: 15-27 du/ac
 - High: 28-36 du/ac
 - Priority Housing: 49-63 du/ac
- ◆ Parking Standard
 - One space per unit minimum, no guest parking



Program Background

- ◆ Ordinance Amendments Initiated
 - City Council April 2012

- ◆ AUD Program Presentations
 - PC July 2012
 - ABR/HLC August 2012

- ◆ Employer Sponsored Housing Community Forum
 - Forum September 2012

- ◆ AUD Ordinance Review & Recommendations to CC
 - PC April 2013
 - Ordinance Committee May & June 2013



Density & Unit Size



Density & Unit Sizes Dialogue

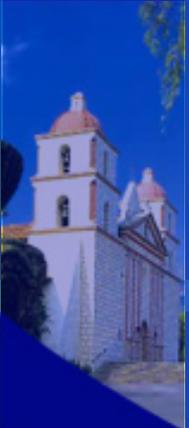
- ◆ Plan Santa Barbara Process
- ◆ Design Charrette
- ◆ Council Direction 2011
- ◆ Ordinance Initiation
- ◆ Technical Advisory Group
- ◆ Planning Commission
- ◆ Ordinance Committee

AVERAGE UNIT-SIZE DENSITY (AUD) INCENTIVE PROGRAM TABLE

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**ORDINANCE COMMITTEE RECOMMENDED
AVERAGE UNIT-SIZE DENSITY INCENTIVE PROGRAM TABLE**

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Unit Size Recommendation

- ◆ Retain Original Average Unit Size Ranges for Medium-High Density
 - Meets objectives of the General Plan
 - Neighborhood Compatibility (smaller projects)
 - Avoids unit sizes produced by Variable Density Program



Priority Housing Types



Priority Housing

◆ Rental

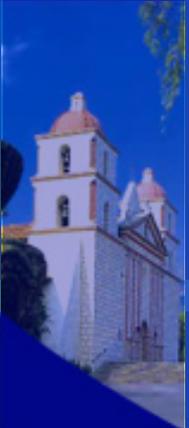
- No income or price restrictions
- Remain rental for life of project

◆ Employer Sponsored Housing

- At least 1 person/household working in south coast region of County for life of project
- Primary residence
- Not subject to inclusionary housing requirements

◆ Limited Equity Housing Cooperatives

- Affordable to households earning up to 250% AMI at entry

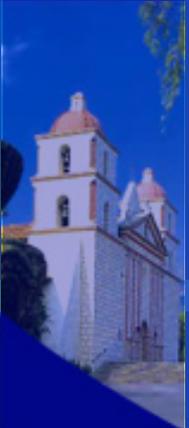


Development Standards



Development Standards

- ◆ Development standard incentives are proposed to facilitate the construction of residential units
- ◆ Development Incentives Include:
 - Parking
 - Setbacks
 - Open Space
 - Distance Between Buildings
 - Number of Stories



Development Standards

- ◆ Parking Standard
 - Minimum 1 space per unit
 - No guest parking
 - Bicycle parking



Setbacks & Open Space

| Zone | Proposed AUD Setback | Existing Front Setback | Existing Interior Setback Adjacent to Nonresidential | Existing Interior Setback Adjacent to Residential |
|------------|--|--|--|---|
| R-O | Front Setback 5' variable setback Interior (Nonres) No setback Interior (Res) 6' setback | 1 & 2 story = 10' 3+ stories = 15' | 1 & 2 story = 6' 3+ stories = 10' | All buildings = 10' or ½ building height* |
| C-P | Same as above | All buildings = 10' | Mixed use = None All Res. = R3/R4 | All buildings = 10' or ½ building height* |
| C-L | Same as above | All buildings = 10' | Mixed Use = None All Res. = R3/ R4 | All buildings = 10' or ½ building height* |
| C-1 | Same as above | All buildings = 10' | Mixed Use = None All Res. = R3/R4 | All buildings = 10' or ½ building height* |
| C-2 | Same as above** | Mixed Use = None All Res. = R-3/R-4 | Mixed Use = None All Res. = R3/R4 | All buildings = 10' or ½ building height* |
| C-M | Same as above** | Mixed Use = None All Res. = R-3/R-4 | Mixed Use = None All Res. = R3/R4 | All buildings = 10' or ½ building height* |

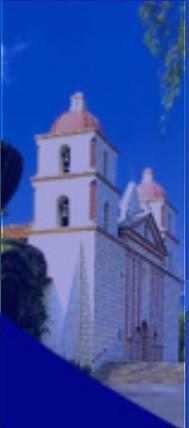
* *Whichever distance is greater (10' or ½ building height).*

** *No front setback for lots on State Street between Montecito and Sola Streets and first blocks east and west crossing State Street between and including Montecito and Sola Streets.*

| Zone | Proposed AUD Setback* | Existing Front Setback | Existing Interior Setback Adjacent to Nonresidential | Existing Interior Setback Adjacent to Residential |
|-------|--|---|--|---|
| S-D-2 | Front Setback 10' setback Interior (Res) 6' setback Interior (Nonres) No setback | 1 story $\leq 15' = 15'$ 2 & 3 story $> 15' = 20'$ | As required by base zone | As required by base zone |

**Proposed setbacks for lots developed with rental units in the Medium High Density and Priority Housing in the High Density and Priority Housing Overlay.*

| Proposed AUD Open Space Method A (Comm. Zones) | Existing Open Space Method A | Proposed AUD Open Space Method B (Comm. Zones) | Existing Open Space Method B |
|--|--|--|--|
| <ul style="list-style-type: none"> • Private Outdoor Living Space - For each unit • Open Space - Not required • Common Open Area - Min. dimension of 15' x 15' | <ul style="list-style-type: none"> • Private Outdoor Living Space - For each unit • Open Space - 10% on grade • Common Open Area - Min. dimension of 15' x 15' | <p>15% Common Open Space Area</p> <ul style="list-style-type: none"> - On any floor - Can be provide in multiple locations - At least one location must be 20' x 20' | <p>15% Common Open Space Area</p> <ul style="list-style-type: none"> - Must be on grade - Can be provide in multiple locations - At least one location must be 20' x 20' |



Development Standards

Distance Between Buildings

- ◆ AUD Projects reduce distance between main buildings on the same lot from 15' to 10'



Development Standards

Building Height 45' or Less

- ◆ AUD Projects 45' or less in Height
 - Allows 4 stories, not to exceed 45' in height
- ◆ Applicable Zones
 - R-3, R-4, HRC-2, R-O, C-P, C-L, C-1, S-D-2, OC



S-D-2 Overlay Zone Development Standards

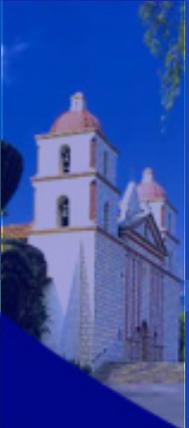


S-D-2 Overlay Zone

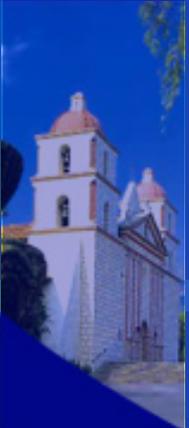
- ◆ Medium-High Density
 - Market Ownership– Apply S-D-2 Overlay Standards
 - Rental Units – Apply AUD Program Standards
- ◆ High Density/Priority Housing Overlay
 - Market Ownership – Apply AUD Program
 - Priority Housing Units – Apply AUD Program Standards
- ◆ R3-R4/S-D-2 Zones
 - AUD Projects – Apply AUD Program R3/R4 Standards

S-D-2 Overlay Zone

| Development Standard | Medium-High Density | | High Density/Overlay | |
|------------------------------|---------------------|---------------------|----------------------|-------------|
| | Rental | Ownership | Priority Housing | Ownership |
| Parking | AUD Program | As required by code | AUD Program | AUD Program |
| Setbacks | AUD Program | S-D-2 Stds | AUD Program | AUD Program |
| Open Space | AUD Program | As required by code | AUD Program | AUD Program |
| Distance Between Buildings | AUD Program | As required by code | AUD Program | AUD Program |
| # of stories w/in 45' height | AUD Program | S-D-2 Stds | AUD Program | AUD Program |



Building Height Over 45'



Building Height Over 45'

- ◆ General Plan Policy LG12.4

Building Height. Amend zoning standards to include special findings and super majority approval by the Planning Commission for Community Benefit projects that exceed 45 feet in height.

- ◆ Applicable Zones

- C-2, C-M, M-1, and OM-1 zones allow 60' building height
- Amend C-2, C-M, M-1, and OM-1 height provisions to only allow Community Benefit projects to exceed 45' in building height



Building Height Over 45'

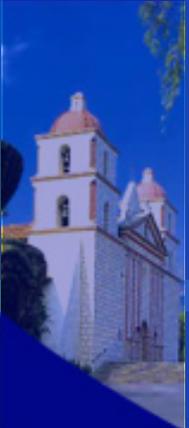
- ◆ Projects Exceeding 45' Must Meet the following:
 - Community Benefit Housing Project
 - Priority Housing
 - Affordable Housing (Low, Moderate, Middle)
 - Transitional/Supportive Housing
 - Building Height Findings
 - Demonstrated Need
 - Architecture and Design
 - Livability
 - Sensitivity to Context
 - Super Majority Vote Approval by PC



Building Height Over 45'

Review Process

- ◆ Community Benefit Housing Projects
 - Conceptual design review
 - PC approves building height over 45'
 - Making findings
 - Super majority vote (5 affirmative votes)
 - Decision appealable to City Council
 - Project approval



Recommendation

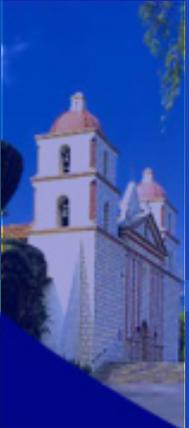
- ◆ That Council introduce and subsequently adopt by reading of title only the proposed Amendments implementing the Average Unit Size Density Incentive Program; and
- ◆ Adopt, by reading of title only the Council Resolution adopting environmental findings regarding the Average Unit-Size Density Incentive Program.



City Council

Average Unit-Size Density Incentive Program

July 2, 2013



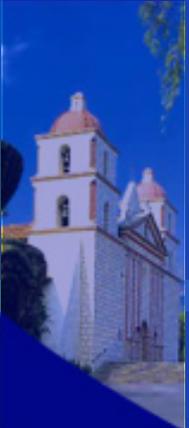
Building Height Findings

- ◆ Demonstrated Need

The applicant has adequately demonstrated a need for the project to exceed 45 feet in building height that is related to the project's benefit to the community, or due to site constraints, or in order to achieve desired architectural qualities.

- ◆ Architecture and Design

The project will be exemplary in its design.



Building Height Findings

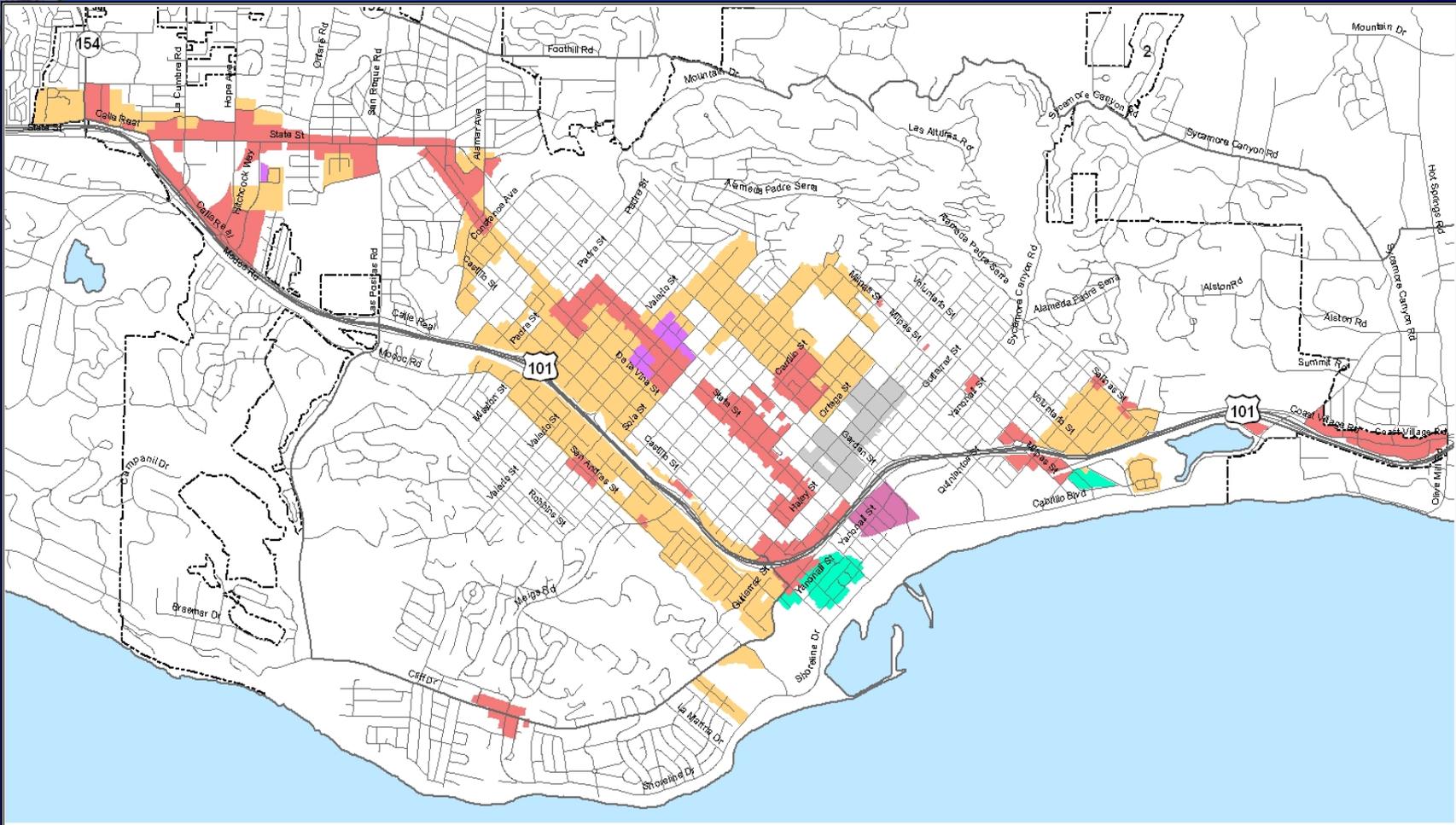
◆ Livability

The project will provide amenities to its residents which ensure the livability of the project with particular attention to good interior design features; such as the amount of light and air, or ceiling plate heights.

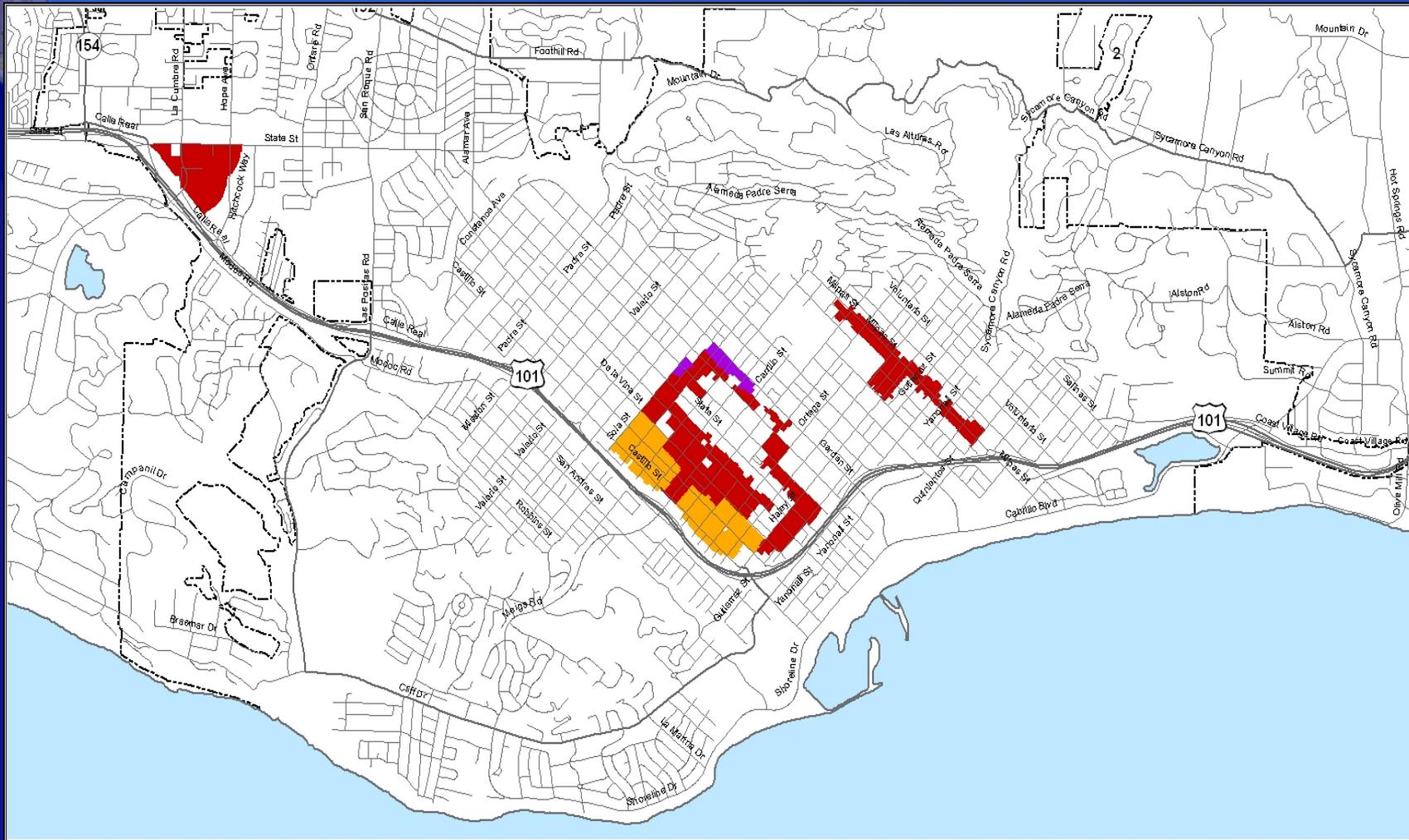
◆ Sensitivity to Context

The project design will complement the setting and the character of the neighboring properties with sensitivity to any adjacent federal, state, and City Landmarks or any nearby designated Historic Resources, including City designated Structures of Merit.

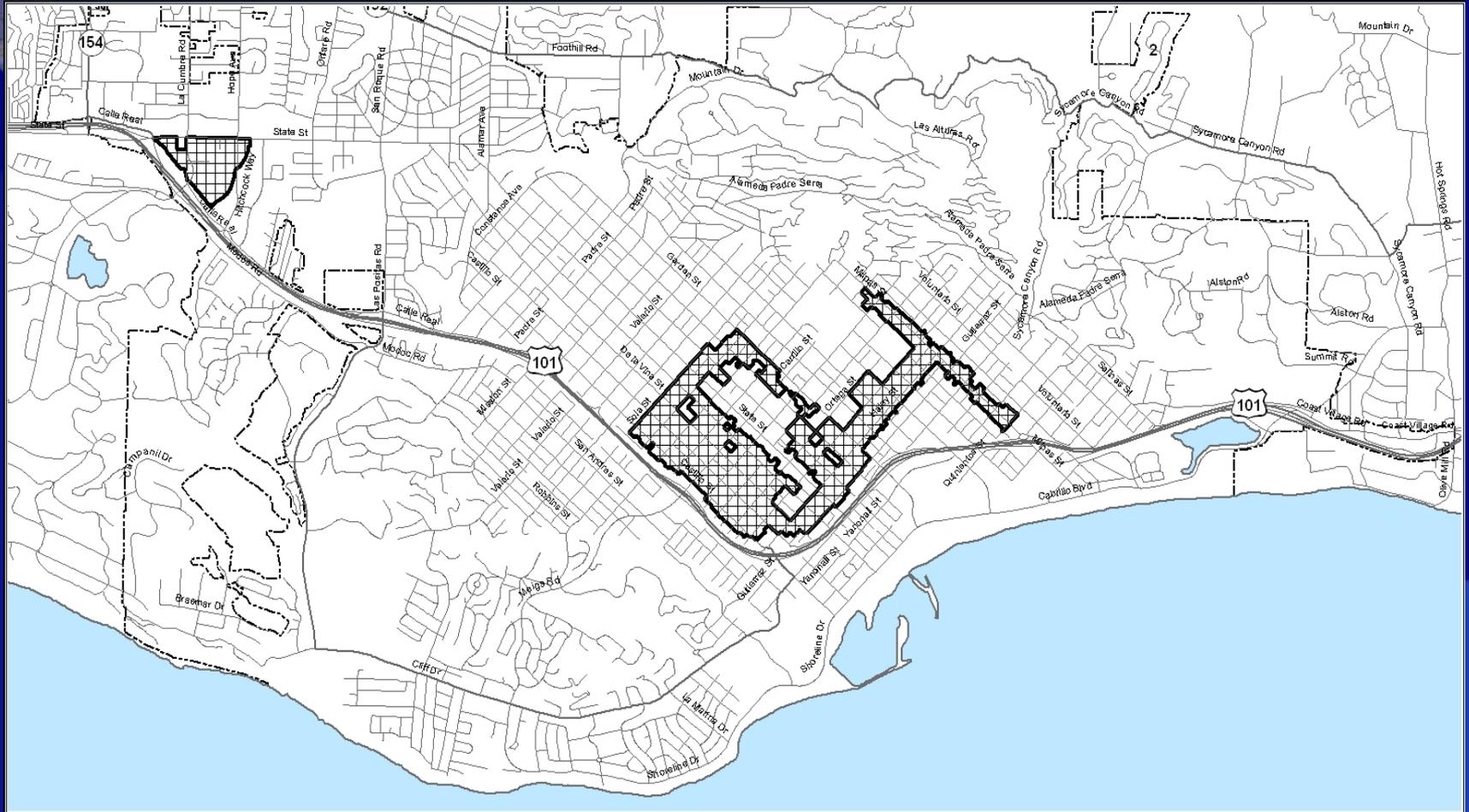
Medium-High Density (15-27 du/ac)



High Density (28-36 du/ac)



Priority Housing Overlay (37-63 du/ac)



AVERAGE UNIT-SIZE DENSITY (AUD) INCENTIVE PROGRAM TABLE

| Medium-High Density (15-27 du/ac) | | | | High Density (28-36 du/ac) | | | | Priority Housing Overlay (37-63 du/ac) | | | |
|--------------------------------------|---------------|----------|-----|-------------------------------|---------------|----------|-----|---|---------------|----------|------|
| Average Unit Size SF | Density du/ac | Total SF | FAR | Average Unit Size SF | Density du/ac | Total SF | FAR | Average Unit Size SF | Density du/ac | Total SF | FAR |
| 1,450 | 15 | 21,750 | .50 | 1,245 | 28 | 34,860 | .80 | 970 | 37 | 35,890 | .82 |
| 1,360 | 16 | 21,760 | .50 | 1,200 | 29 | 34,800 | .80 | 970 | 38 | 36,860 | .85 |
| 1,280 | 17 | 21,760 | .50 | 1,160 | 30 | 34,800 | .80 | 970 | 39 | 37,830 | .87 |
| 1,210 | 18 | 21,480 | .50 | 1,125 | 31 | 34,875 | .80 | 970 | 40 | 38,800 | .89 |
| 1,145 | 19 | 21,755 | .50 | 1,090 | 32 | 34,880 | .80 | 970 | 41 | 39,770 | .91 |
| 1,090 | 20 | 21,800 | .50 | 1,055 | 33 | 34,815 | .80 | 970 | 42 | 40,740 | .94 |
| 1,040 | 21 | 21,740 | .50 | 1,025 | 34 | 34,850 | .80 | 970 | 43 | 41,710 | .96 |
| 990 | 22 | 21,780 | .50 | 995 | 35 | 34,825 | .80 | 970 | 44 | 42,680 | .98 |
| 950 | 23 | 21,850 | .50 | 970 | 36 | 34,920 | .80 | 970 | 45 | 43,650 | 1.00 |
| 910 | 24 | 21,840 | .50 | | | | | 970 | 46 | 44,620 | 1.02 |
| 870 | 25 | 21,750 | .50 | | | | | 970 | 47 | 45,590 | 1.05 |
| 840 | 26 | 21,849 | .50 | | | | | 970 | 48 | 46,560 | 1.07 |
| 805 | 27 | 21,735 | .50 | | | | | 969 | 49 | 47,460 | 1.09 |
| | | | | | | | | 960 | 50 | 48,000 | 1.10 |
| | | | | | | | | 941 | 51 | 48,000 | 1.10 |
| | | | | | | | | 935 | 52 | 48,600 | 1.12 |
| | | | | | | | | 917 | 53 | 48,600 | 1.12 |
| | | | | | | | | 901 | 54 | 48,675 | 1.12 |
| | | | | | | | | 896 | 55 | 49,280 | 1.13 |
| | | | | | | | | 880 | 56 | 49,280 | 1.13 |
| | | | | | | | | 874 | 57 | 49,815 | 1.14 |
| | | | | | | | | 859 | 58 | 49,815 | 1.14 |
| | | | | | | | | 845 | 59 | 49,850 | 1.14 |
| | | | | | | | | 840 | 60 | 50,425 | 1.16 |
| | | | | | | | | 827 | 61 | 50,425 | 1.16 |
| | | | | | | | | 825 | 62 | 51,120 | 1.17 |
| | | | | | | | | 811 | 63 | 51,120 | 1.17 |



Other Ordinance Amendments

- ◆ Minor Amendments
 - Open Yard Encroachments
 - Uncovered Balconies
 - Open Space
 - Common Open Area

| Zone | Proposed AUD R3/R4 Setback | Existing R3/R4 Front Setback | Existing R3/R4 Interior Setback | Existing R3/R4 Rear Setback |
|---------------------------|---|---|---|--|
| R-3 & R-4* | <p>Front Setback Ground floor = 10' 2nd story = 10' 3^{rd+} story = 20'</p> <p>Interior Setback Ground floor = 6' 2nd story = 6' 3^{rd+} story = 10'</p> <p>Rear Setback Ground floor = 6' 2nd story = 10' 3^{rd+} story = 10'</p> | <p>1 & 2 story = 10' 3+ stories = 15'*</p> <p>**Ground floor = 10' 2nd story = 10' 3rd story = 20'</p> | <p>1 & 2 story = 6' 3+ stories = 10'*</p> <p>*Ground floor = 6' 2nd story = 6' 3rd story = 10'</p> | <p>Ground floor = 6' 2 story portion = 10' 3 story portion = 10'</p> |

**Includes R3/R4 properties subject to the S-D-2 overlay zone.*

***If net floor area of 3rd floor is less than 50% of net floor area of 1st floor, the setback is reduced.*

| Zone | Proposed AUD Interior Setback Adjacent to Nonresidential Zone | Existing Interior Setback Adjacent to Nonresidential Zone |
|--------------|---|---|
| R-O | No setback required | 1 & 2 story = 6' 3+ stories = 10' |
| C-P | No setback required | Mixed use = No setback All Residential = R3/R4 setback |
| C-L | No setback required | Mixed Use = No setback All Residential = R3/ R4 setback |
| C-1 | No setback required | Mixed Use = No setback All Residential = R3/R4 setback |
| C-2 | No setback required | Mixed Use = No setback All Residential = R-3/R-4 setback |
| C-M | No setback required | Mixed Use = No setback All Residential = R-3/R-4 setback |
| S-D-2 | No setback required* | As required by base zone |

**For High Density designated lots with S-D-2 overlay in Upper State Street Area. Lots with S-D-2 overlay in Medium High Density areas apply requirement of base zone.*

| Zone | Proposed AUD Interior Setback Adjacent to Residential Zone | Existing Interior Setback Adjacent to Residential Zone |
|--------------|--|--|
| R-O | 6' setback | All buildings= 10' or ½ building height* |
| C-P | 6' setback | All buildings = 10' or ½ building height* |
| C-L | 6' setback | All buildings = 10' or ½ building height* |
| C-1 | 6' setback | All buildings = 10' or ½ building height* |
| C-2 | 6' setback | All buildings = 10' or ½ building height* |
| C-M | 6' setback | All buildings = 10' or ½ building height* |
| S-D-2 | 6' setback** | As required by base zone |

* *Whichever distance is greater (10' or ½ building height)*

***For High Density designated lots with S-D-2 overlay in Upper State Street Area. Lots with S-D-2 overlay in Medium High Density areas apply requirement of base zone.*

| Zone | Proposed AUD Front Setback | Existing Front Setback |
|--------------|---|---|
| R-O | 5' variable setback | 1 & 2 story = 10' 3+ stories = 15' |
| C-P | 5' variable setback | All buildings = 10' |
| C-L | 5' variable setback | All buildings = 10' |
| C-1 | 5' variable setback | All buildings = 10' |
| C-2 | 5' variable setback* | Mixed Use = No setback All Residential = R3/R4 setback |
| C-M | 5' variable setback* | Mixed Use = No setback All Residential = R3/R4 setback |
| S-D-2 | 10' non-variable setback** (High Density/Priority Housing Overlay) | 1 story ≤ 15' = 10' Bldgs. > 15' = 20' |

**No front setback for lots on State Street between Montecito and Sola Streets and first blocks east and west crossing State Street between and including Montecito and Sola Streets.*

***For High Density designated lots with S-D-2 overlay in Upper State Street Area. Lots with S-D-2 overlay in Medium High Density areas apply requirement of base zone. R3/R4 lots with S-D-2 overlay apply AUD Program R3/R4 setbacks.*