



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: June 24, 2014

TO: Mayor and Councilmembers

FROM: Planning Division, Community Development Department

SUBJECT: Average Unit-Size Density Incentive Program Review Process

RECOMMENDATION: That Council:

- A. Consider the Ordinance Committee's recommendation on parameters for requiring Planning Commission review of Average Unit-Size Density Incentive Program rental projects; and
- B. Direct staff to prepare an Ordinance Amendment, based on support by a super majority of Council.

DISCUSSION:

Background

The Average Unit-size Density (AUD) Incentive Program was adopted by the City Council in July 2013 to implement General Policies related to locating new residential development near services and encouraging the construction of smaller units at higher densities. Council is considering how the Planning Commission could be more involved in reviewing significant rental housing projects that are using the AUD Program.

Currently, Planning Commission review and action is only required for ownership housing projects proposed under the AUD Program, as they require a Tentative Subdivision Map. All other AUD projects may be referred to the Planning Commission for comments by either the Architectural Board of Review (ABR) or Historic Landmarks Commission (HLC), pursuant to Santa Barbara Municipal Code Sections 22.28.050 and 22.22.133, respectively. Applicants may also voluntarily seek comments from the Planning Commission on any project.

On March 4, 2014, the City Council considered options for involving the Planning Commission in AUD project review. The Council voted 5 to 2 to refer the issue to the Ordinance Committee to identify parameters for requiring Planning Commission review of AUD projects. The City Council directed that Planning Commission review of AUD rental projects would be conceptual only and would not be appealable. The Council

also stated that only projects in the High Density Residential or Priority Housing Overlay areas would be subject to mandatory Planning Commission review.

Recommended Parameters

On May 6, 2014, the Ordinance Committee recommended (on a 2 to 1 vote) that City Council consider requiring Planning Commission review of AUD rental projects that meet the following criteria:

1. The project has a High Density Residential land use designation or is developing under the AUD Priority Housing Overlay; and
2. The project site (defined as the lot area of all parcels included in the proposed development) is greater than or equal to 15,000 square feet.

The Ordinance Committee Report (Attachment 1) more fully describes the rationale behind recommending a 15,000 square-foot project site as the numerical trigger for required Planning Commission review. In summary:

- Lots of 15,000 square feet or more represent approximately 49% of all lots within the High Density and Priority Housing Overlay designations (and 46% of all Opportunity Sites) – seemingly an appropriate amount of projects to trigger additional scrutiny; and
- Lots of that size or larger better lend themselves to alternate site designs, building massing and densities than smaller lots.

If the City Council determines that this, or another, numerical trigger is appropriate for requiring Planning Commission review of AUD rental projects, Staff would also recommend that the Land Development Team review all projects that meet the trigger through the Pre-Application Review Team (PRT) process. In that way, a coordinated staff review can benefit the design review boards and occur prior to the Planning Commission review. A flowchart of the proposed review process is provided as Attachment 2.

Staff believes the current process of review for AUD projects is working and that the ABR and HLC can make use of the existing code provisions that allow referral to the Planning Commission when deemed appropriate. However, we also understand the interest in having the Planning Commission involved in larger-scale rental projects that may involve issues not typically addressed in the design review process. Because an amendment to the AUD ordinance requires a super majority with at least five affirmative Council votes, Staff's recommendation is that this issue only be pursued further once that level of support is expressed by Council. Should Council so direct, a draft ordinance will be prepared and a public hearing held at the Planning Commission before the matter returns to Council for adoption.

ATTACHMENT(S): 1. Ordinance Committee Report dated May 6, 2014, with Attachments
2. Proposed AUD Review Process Flowchart

PREPARED BY: Allison De Busk, Project Planner

SUBMITTED BY: George Buell, Community Development Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

ORDINANCE COMMITTEE REPORT

AGENDA DATE: May 6, 2014

TO: Council Ordinance Committee

FROM: Planning Division, Community Development Department

SUBJECT: Average Unit-Size Density Incentive Program Review Process

RECOMMENDATION:

That Ordinance Committee forward a recommendation to City Council for parameters requiring Planning Commission review of Average Unit-Size Density Incentive Program rental projects.

DISCUSSION:

Background

On March 4, 2014, the City Council voted 5 to 2 to refer to the Ordinance Committee for further consideration the Planning Commission's role in reviewing certain rental projects using the Average Unit-Size Density (AUD) Incentive Program and directed the Ordinance Committee to identify the parameters for requiring Planning Commission review of said projects.

Currently, Planning Commission review and action is only required for ownership housing projects proposed under the AUD program, as they require a Tentative Subdivision Map. All other AUD projects may be referred to the Planning Commission for comments by either the Architectural Board of Review (ABR) or Historic Landmarks Commission (HLC), pursuant to Santa Barbara Municipal Code Sections 22.28.050 and 22.22.133, respectively. Applicants may also voluntarily seek comments from the Planning Commission on any project.

Recommended Parameters

At the March 4th meeting, the City Council determined that Planning Commission review of AUD rental projects would be conceptual only and would not be appealable. The Council also stated that only projects in the High Density Residential or Priority Housing Overlay areas would be subject to mandatory Planning Commission review.

The purpose of the Ordinance Committee's review is to determine an appropriate numerical "trigger" (lot size and/or number of units) for which AUD projects receive a Planning Commission (PC) concept review prior to formal action by either the ABR or

HLC. Previous discussions with the Planning Commission and Council indicate that the trigger should be objective, rather than subjective, to provide greater certainty to applicants of the project review process.

The intent of the High Density Residential and Priority Housing Overlay land use designations is to act as an incentive for the development of smaller rental and workforce units in areas close to transit and within easy walking or biking distance to commercial services and recreational opportunities. Therefore, staff recommends against creating a threshold based solely on the number of units proposed, as it may encourage applicants to propose less units than they otherwise would just to avoid a Planning Commission concept review. Staff recommends that the numerical trigger be based on project lot size. Other considerations include:

- Avoid setting the threshold so low that almost all High Density or Priority Housing residential projects require Planning Commission concept review;
- Avoid setting the threshold so low that similarly sized projects in the Medium High Density areas are exempt from Planning Commission review; and
- Avoid establishing a threshold such that projects in areas already determined to be more appropriate for high density development are subject to a more onerous review process than those in lower density areas.

Staff has done additional research on lots designated as High Density or Priority Housing Overlay (refer to Attachment 1), including those identified as Opportunity Sites in the Housing Element, and has calculated the number of units that could be constructed on lots of various sizes (refer to Attachment 2). Based on that research and the factors listed below, Staff recommends that AUD rental projects on sites of 15,000 square feet or larger receive a Planning Commission concept review:

- Lots of 15,000 square feet or more represent approximately 51% of all lots within the High Density and Priority Housing Overlay designations – seemingly an appropriate amount of projects to trigger additional scrutiny;
- Lots of that size or larger better lend themselves to alternate site designs, building massing and densities than smaller lots; and
- In order to develop under the AUD program on a 15,000 square-foot lot, the project must contain at least nine dwelling units, and could contain up to 21 units.

Staff also recommends that the Land Development Team review all projects that require Planning Commission comments (i.e. project sites $\geq 15,000$ sf) through the Pre-Application Review Team (PRT) process so that a coordinated staff review can benefit the design review boards and occur prior to the Planning Commission review.

A flowchart of the proposed review process is provided as Attachment 3.

Next Steps

The Ordinance Committee recommendation will be considered by Council and staff will confirm Council's support of the program parameters prior to preparing the full ordinance and holding a hearing at the Planning Commission.

- ATTACHMENT(S):**
1. Lot Size Table
 2. Density Calculations
 3. AUD Planning Commission Process Flowchart
 4. AUD Map

PREPARED BY: Allison De Busk, Project Planner

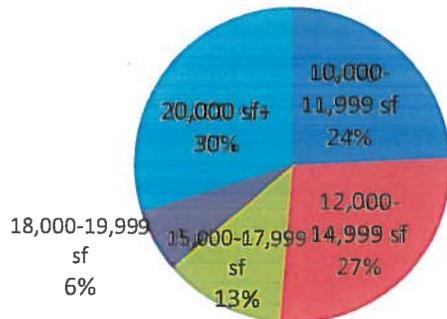
SUBMITTED BY: Bettie Weiss, Acting Community Development Director/City Planner

APPROVED BY: City Administrator's Office

LOT SIZES - Citywide

Lot Size (square feet)	Medium-High	High	Priority Housing Overlay
10,000 – 11,999	280	68	86
12,000 – 14,999	196	76	87
15,000 – 17,999	129	35	47
18,000 – 19,999	47	18	19
20,000 +	338	84	103
Total	990	281	342

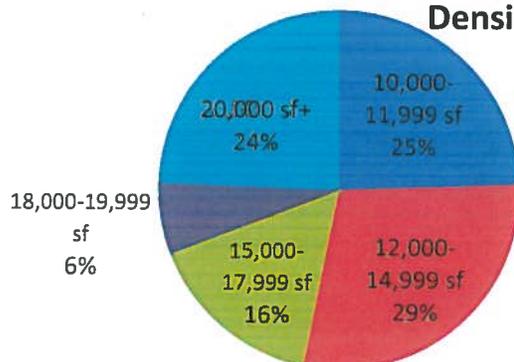
Lot Sizes - Citywide (High Density)



LOT SIZES - Opportunity Sites*

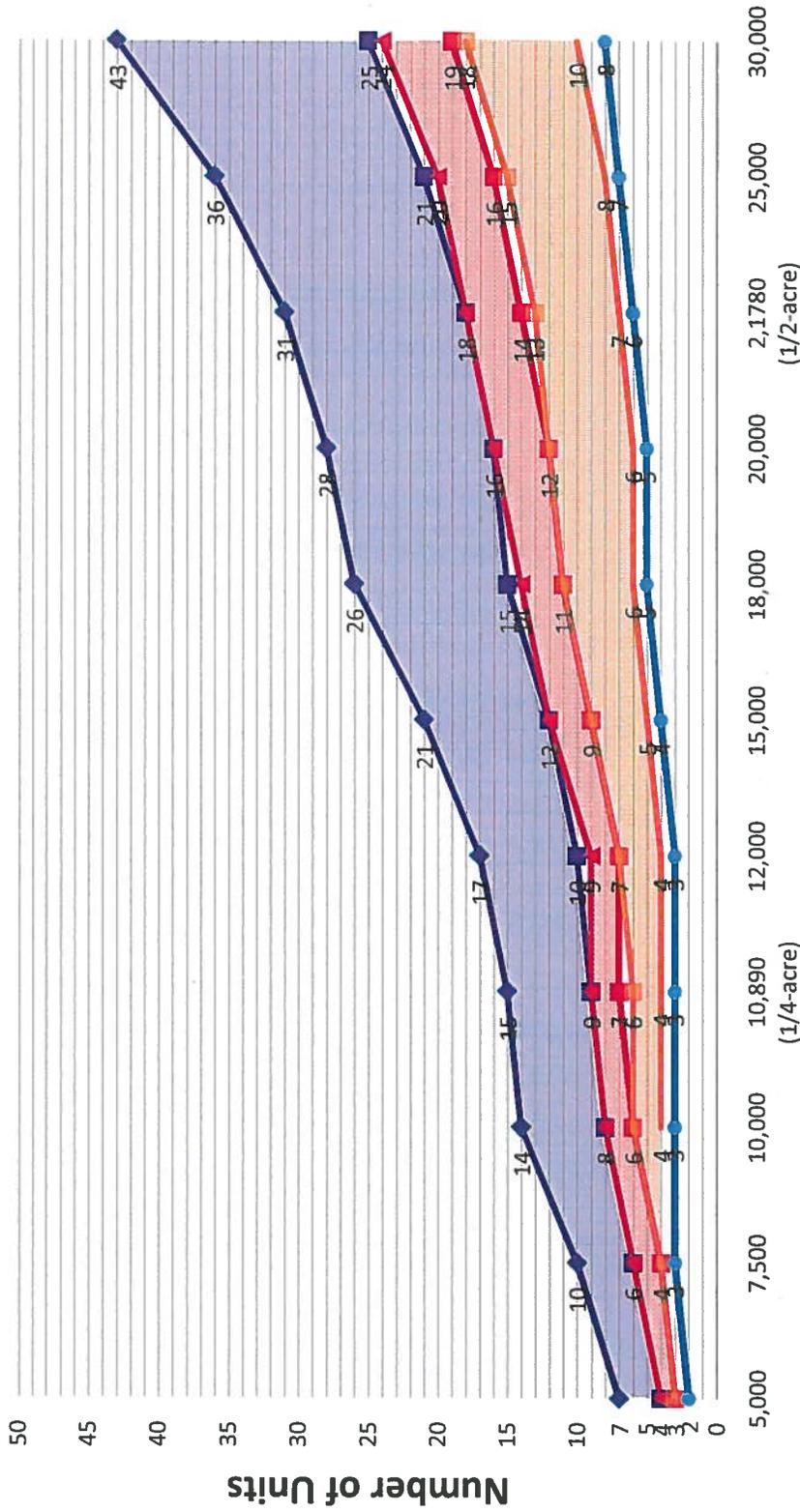
Lot Size (square feet)	Medium-High	High
10,000 – 11,999	59	23
12,000 – 14,999	57	27
15,000 – 17,999	34	15
18,000 – 19,999	8	6
20,000 +	80	23
Total	238	94

Lot Sizes - Opportunity Sites (High Density)



* An Opportunity Site is defined as those parcels determined to be feasible and desirable for residential redevelopment within the current planning period. A complete description and methodology is provided in the Housing Element.

Density Calculations

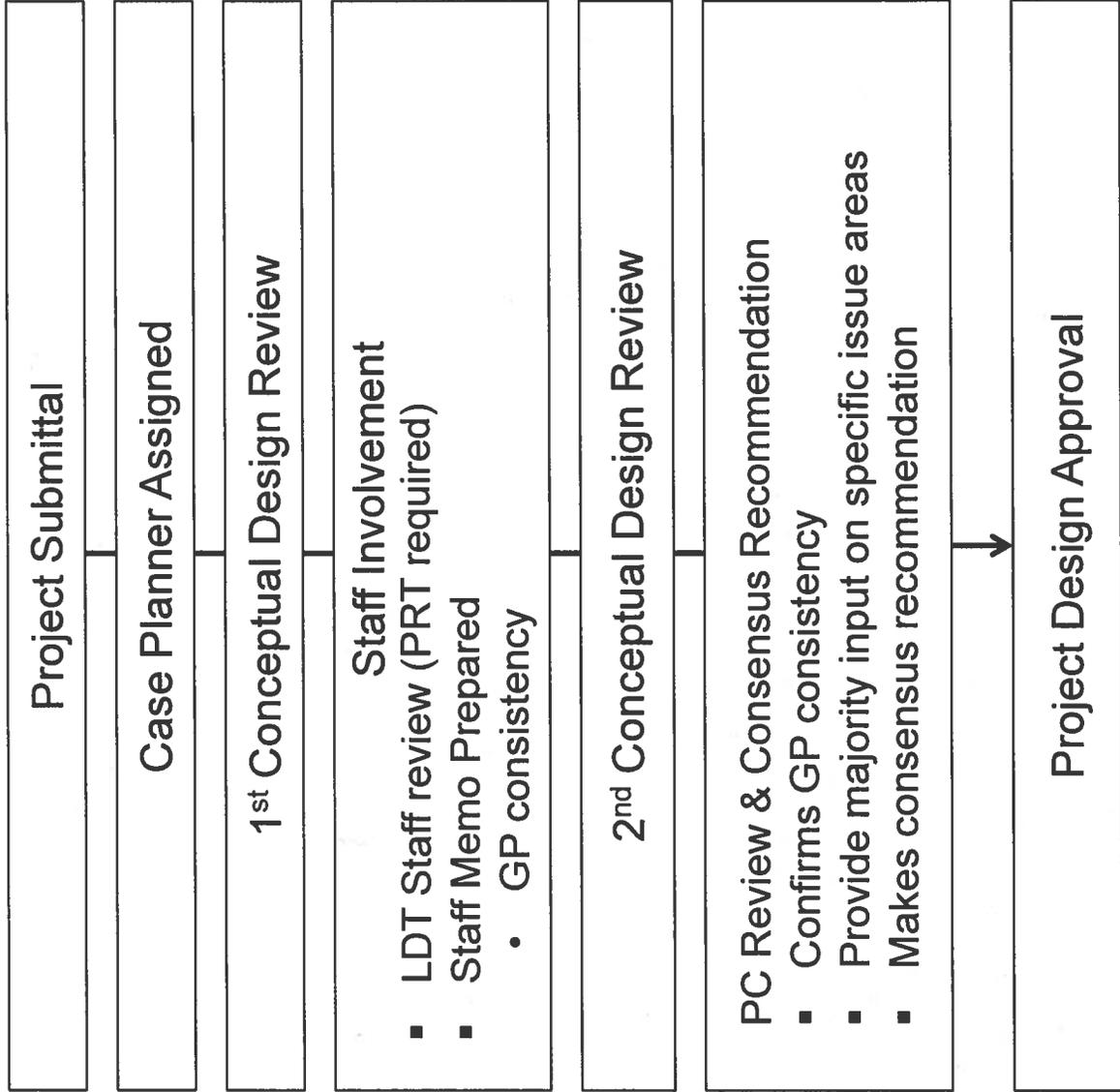


Lot Size (square feet)

- ◆ Priority Housing Overlay (High = 63 du/ac)
- ◆ Priority Housing Overlay (Low = 49 du/ac)
- ◆ High (High = 36 du/ac)
- ◆ High (Low = 28 du/ac)
- ◆ Medium-High (High = 27 du/ac)
- ◆ Base Density

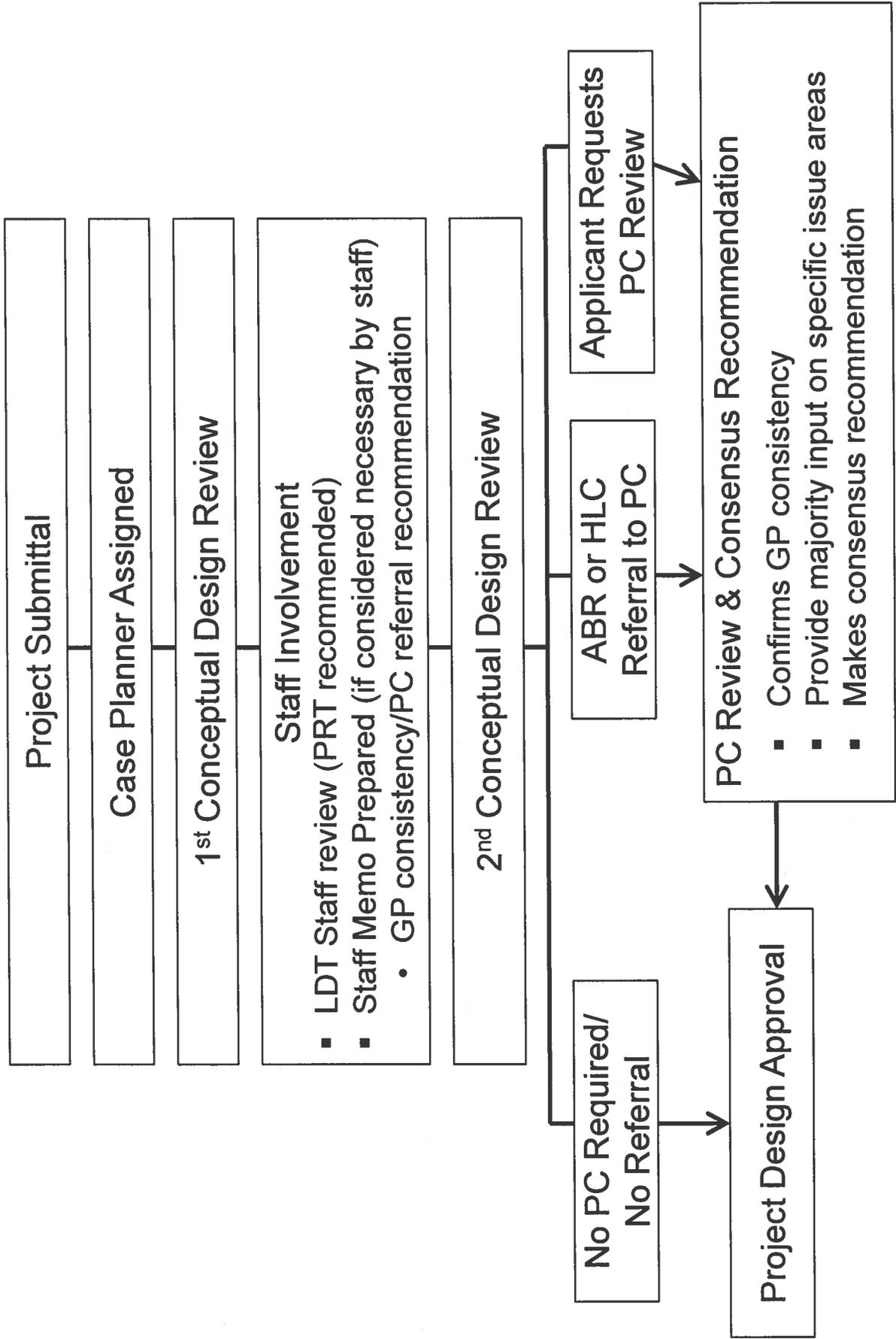
DRAFT Average Unit Size Density Program Process

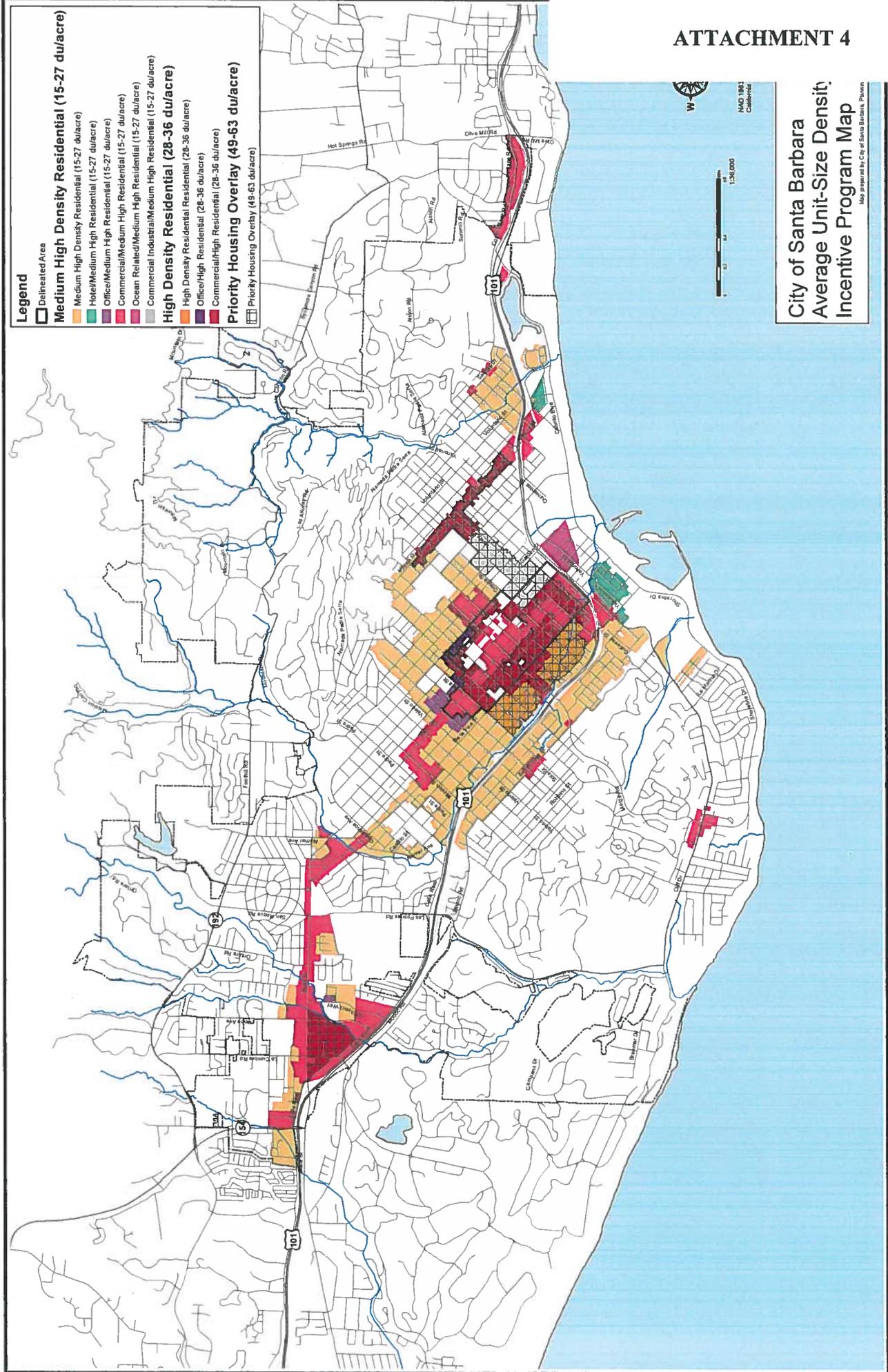
High/Overlay Density project site of 15,000 square feet or more (Not Condominiums)



DRAFT Average Unit Size Density Program Process

All Others (Not Condominiums)





- Legend**
- Deirited Area
 - Medium High Density Residential (15-27 du/acre)**
 - Medium High Density Residential (15-27 du/acre)
 - Office/Medium High Residential (15-27 du/acre)
 - Commercial/Medium High Residential (15-27 du/acre)
 - Ocean Related/Medium High Residential (15-27 du/acre)
 - Commercial Industrial/Medium High Residential (15-27 du/acre)
 - High Density Residential (28-36 du/acre)**
 - High Density Residential (28-36 du/acre)
 - Commercial/High Residential (28-36 du/acre)
 - Priority Housing Overlay (49-63 du/acre)**
 - Priority Housing Overlay (49-63 du/acre)

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**City of Santa Barbara
 Average Unit-Size Density
 Incentive Program Map**
 Map prepared by City of Santa Barbara, Planning

Proposed AUD Review Process Flow Chart





Average Unit-Size Density (AUD) Incentive Program Project Review Process



June 24, 2014



Meeting Objectives

- ◆ Determine parameters for required Planning Commission involvement in AUD project review process
- ◆ Provide recommendation to staff



Background

- ◆ Joint CC/PC Work Session 09/12/13
- ◆ HLC Discussion 10/23/13
- ◆ ABR Discussion/Training 10/28/13
- ◆ HLC Discussion/Training 11/06/13
- ◆ PC Discussion 12/12/13
- ◆ PC Discussion 12/19/13
- ◆ City Council Discussion 03/04/14
- ◆ Ordinance Committee 05/06/14

Parameters for Required Planning Commission Review

Per City Council direction March 4, 2014:

- ◆ Rental Projects Only
- ◆ High Density or Priority Housing Overlay Areas Only
- ◆ Conceptual Comments Only (Not Appealable)

Per Ordinance Committee recommendation May 6, 2014:

- ◆ $\geq 15,000$ square foot project site



Recommended “Trigger”

- ◆ What is the appropriate trigger?
 - # of Units
 - Lot Size ← staff recommendation
- ◆ What is the appropriate lot size?
 - 10,000 sq. ft. lot (mentioned at City Council meeting)
 - 15,000 sq. ft. project site ← staff recommendation
 - 20,000 sq. ft. project site

The background of the slide features a blue-tinted image. On the left, two cyclists are riding a road bike. In the center and right, there is a large, historic mission building with multiple domes and arches. A sign on the building reads "MISSION" and another archway has "LOBERO TREATY" written above it.

Rationale

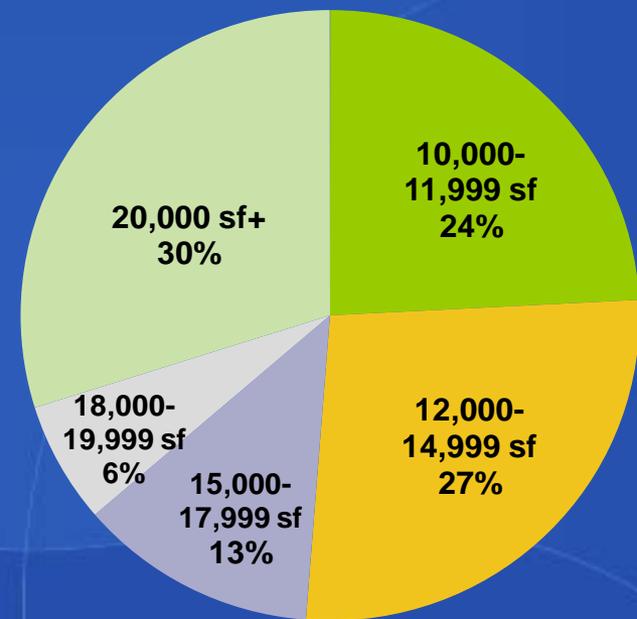
- ◆ Not so low that almost all projects require PC concept review
 - Lots $\geq 15,000$ sf = ~49% of lots in High Density and Priority Housing Overlay
- ◆ Lots $\geq 15,000$ sf generally have more options re: site design/ building massing/ density than smaller lots

Lot Sizes - Citywide

LOT SIZE (sq. ft)	Medium -High	High	Priority Housing Overlay*
10,000 – 11,999	280	68	86
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20,000 +	338	84	103
TOTAL (≥10,000 sf)	990	281	342

* Includes all the High and the C-M zoned Medium High Density Areas

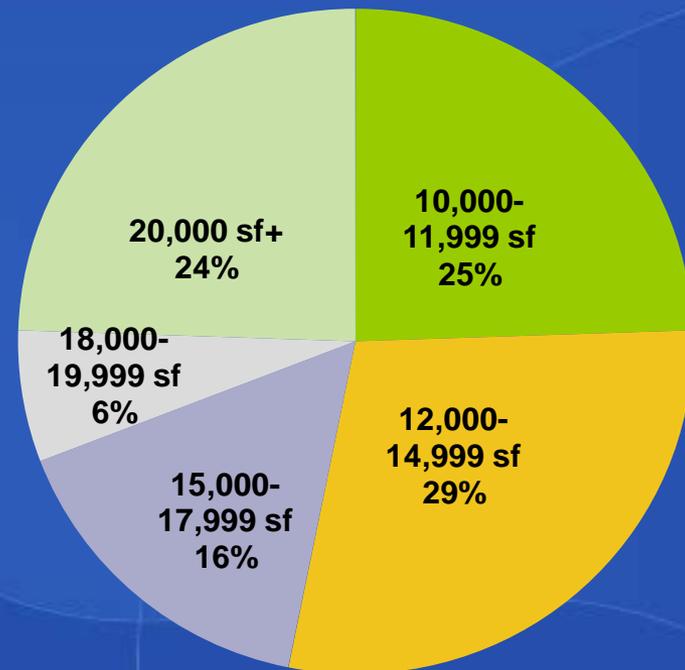
Lot Sizes ≥10,000 sf - Citywide (High Density)



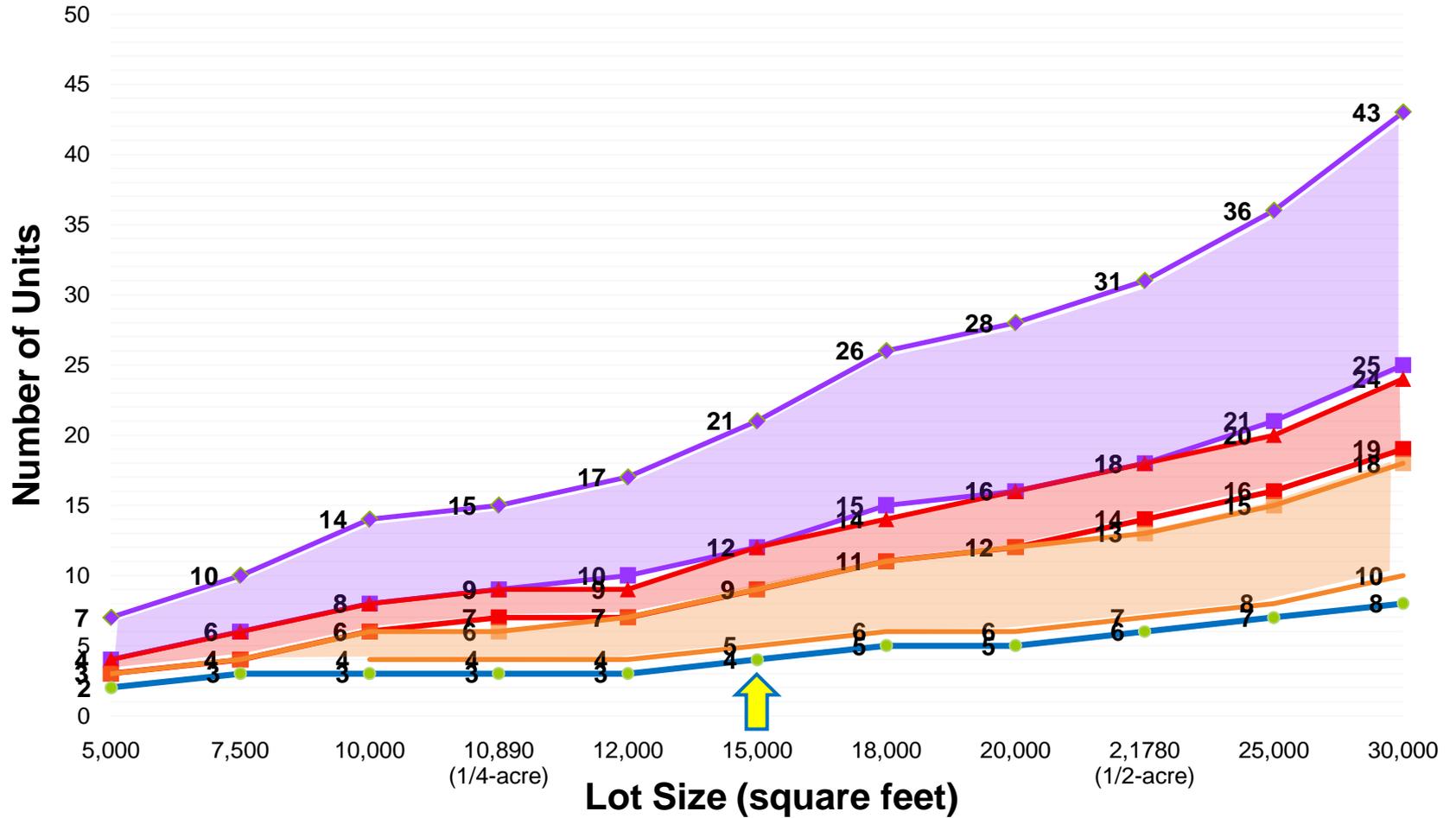
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Lot Sizes ≥10,000 sf – Opportunity Sites (High Density)



Density Calculations



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- ◆ Priority Housing Overlay (Low = 37 du/ac)
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- Medium High (Low = 15 du/ac)
- Base Density

Proposed Review Process

Project Submittal



Case Planner Assigned



1st Conceptual Design Review



Staff Involvement

- LDT Staff review - PRT required
- Staff Memo Prepared (GP consistency)



2nd Conceptual Design Review



Planning Commission Review

- * Confirm GP consistency
- * Provide majority input on specific issue areas
- * Make consensus recommendation



Project Design Approval



Recommended Parameters

Planning Commission Concept Review Required For AUD Rental Units When:

- High Density or Priority Housing Overlay Area

AND

- Project Site = 15,000 square feet or more



Next Steps

- ◆ If super majority support the recommendation:
 - Prepare Draft Ordinance
 - PC → Ordinance Committee → City Council
- ◆ If super majority does not support the recommendation:
 - Current practice will continue
 - Staff support to design review boards
 - PC concept review only if referred by ABR/HLC



Average Unit-Size Density Incentive Program (AUD) Project Review Process



June 24, 2014



End of Presentation