



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** June 2, 2015

**TO:** Mayor and Councilmembers

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

**SUBJECT:** Request For Designation Of Proposed Development At 350 Hitchcock Way As A Community Benefit Project

### **RECOMMENDATION:**

That Council designate the proposed project at 350 Hitchcock Way as a Community Benefit Project pursuant to Santa Barbara Municipal Code Subsection 28.85.020.A.3 and reserve 39,000 square feet of nonresidential floor area to the project from the Nonresidential Growth Management Program's Community Benefit Category.

### **DISCUSSION:**

The City's Nonresidential Growth Management Program, adopted in 2013, limits certain new nonresidential growth to a total of 1.35 million net new square feet until December 31, 2033. This floor area limitation is divided among three development categories: Community Benefit Projects, Small Additions, and Vacant Property. The initial allocations by City Council were: 600,000 square feet for Community Benefit Projects; 400,000 square feet for Small Additions; and 350,000 square feet for Vacant Property.

Community Benefit Projects include three subcategories: Community Priority Projects, Economic Development Projects, and Planned Development – New Automobile Sales Projects. The applicant requests designation of this proposed project as a Planned Development – New Automobile Sales Project, which is defined in the SBMC Subsection 28.85.020.A.3 as a project that proposes new automobile sales, rentals, or leasing. The applicant is requesting an allocation of 39,000 square feet from the Community Benefit Category.

### Proposed Project

The project site is on a 5.8 acre parcel at 350 Hitchcock Way, zoned P-D (Planned Development), E-3 (Single Family Residential), and SD-2 (Upper State Street Area). The site is currently divided into two lease areas. The southern portion of the parcel is leased to DCH Lexus of Santa Barbara and includes an auto dealership showroom, uncovered car storage, and a service building. The northern portion of the parcel is

currently unoccupied and contains an unenclosed service bay structure with a manager's office, small warehouse, and an uncovered vehicle storage area. A subdivision application is pending that would divide the subject parcel into two lots generally corresponding with the existing lease areas. Proposed Lot 1 (the southern portion—DCH Lexus of Santa Barbara) would be 3.0 acres and proposed Lot 2 (the northern unoccupied portion) would be 2.8 acres. The proposed project would be located on Lot 2.

The proposed project consists of demolition of the approximately 15,000 square foot vacant and unenclosed service bay structure and construction of a new, two-story, approximately 39,000 square foot automobile dealership building. The future new building would include three showrooms totaling 12,500 square feet, a business and parts area totaling 5,500 square feet, enclosed service bays totaling 9,500 square feet, and an interior car storage area totaling 11,500 square feet. If the Community Benefit designation and floor area reservation are granted and the subdivision is approved, the floor area reservation would be assigned to Lot 2.

#### Community Benefit Project Designation

The requested Community Benefit Project floor area for 350 Hitchcock Way of 39,000 square feet represents 6.5% of the 600,000 square feet allocated to Community Benefit Projects in the Nonresidential Growth Management Program until 2033. To date, City Council has reserved a total of 127,690 square feet from the Community Benefit Category to three projects: Santa Barbara Museum of Art (8,990 square feet), Tesla, Inc. (8,700 square feet), and Direct Relief (110,000 square feet). A total of 472,310 square feet, or 78.7%, of the floor area remains available for Community Benefit Projects.

The designation of a project as a Community Benefit Project and reservation of floor area enables the City to accept the development application for processing, but does not commit City Council, the Planning Commission, or the Architectural Board of Review to approval of the project or its design. Therefore, the Community Benefit designation and reservation of floor area are not subject to environmental review pursuant to the California Environmental Quality Act. If the requested Community Benefit floor area is reserved for the project, an application may be submitted and reviewed through the City's standard process. Environmental review would be completed as part of the development application review.

**ATTACHMENT:** Letter from Suzanne Elledge Planning & Permitting Services, dated May 14, 2015

**PREPARED BY:** Dan Gullett, Project Planner

**SUBMITTED BY:** George Buell, Community Development Director

Council Agenda Report  
Request for Designation Of The Proposed Development At 350 Hitchcock Way As A  
Community Benefit Project  
June 2, 2015  
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**APPROVED BY:** City Administrator's Office



14 May 2015  
**REVISED**

Dan Gullett, Project Planner  
Planning Division  
City of Santa Barbara  
630 Garden Street  
Santa Barbara, CA 93101

**RE: 350 Hitchcock Way – Pre-Application Review Team and Community Benefit Designation Request  
Proposed Parcel 2 of 051-240-003; Pending Lot Split Application**

Dear Mr. Gullett

On behalf of Motor Village Los Angeles, applicants of 350 Hitchcock Way, we are pleased to submit this letter as part of the Pre-Application Review Team application for a new automobile dealership, a request for designation as a Community Benefit Project from the City Council, and an allocation of 39,000SF of non-residential floor area to the project from the Community Priority Category.

### **History and Background**

Motor Village Los Angeles specializes in Italian luxury automobiles including Alfa Romeo and Maserati. The proposed Santa Barbara Alfa Romeo and Maserati dealership is part of the New Century Automotive Group. Founded in 1992, New Century Group is dedicated to providing the highest level of automotive products and services to their customers, and has a very selective partnership process as evidenced by their high level of commitment to their customers and associates. As such, New Century Group's scope of automotive operations has included BMW, Mini, Volkswagen, Infiniti, Jeep, and Airstream. They were one of the few BMW dealers to be awarded the Mini in 2002, and received awards for their Orange County Airstream dealership.

All of the New Century dealerships have a strong management infrastructure creating internal leadership opportunities for growth within the company. They pride themselves on having new and contemporary dealership facilities and also operate their own auto finance company, Universal Financial Company.

### **Site Information and Development History**

The property is located at 350 Hitchcock Way (APN 051-240-003) and is zoned Single Family, Planned Development, and Upper State Street Special District (E-3/PD/SD-2).

The total property area is 118,480 SF (proposed parcel 2 of pending lot split application MST2014-00166) and is currently developed with a vacant service bay structure of approximately 15,000 SF that previously supported an adjacent car dealership. The City's property record files indicate that the subject site has been an auto dealership since the 1960s, and has been improved with multiple approved building additions over the decades. The site is adjacent to the Lexus automobile dealership to the south and a residential subdivision to the north.

### **Proposal**

According to SBMC §28.85, the Nonresidential Growth Management Program, no application for new nonresidential floor area will be accepted unless the additional square footage is allocated from one or more of the growth management categories – Community Benefit, Small Addition Floor Area, and Vacant Property.

The property currently contains a vacant service bay structure of approximately 15,000 SF. The project proposes to demolish the existing structure and construct a new two-story dealership building of approximately 39,000 SF. This new building area will contain three automobile showrooms (totaling 12,500 SF), business and automobile parts (5,500 SF), enclosed service bays (9,500 SF) and interior car inventory storage (11,500 SF). The total parking required for the project is 110 spaces (27,000 SF/250 SF per space = 110 (parking is not required for the interior car storage portion of the structure). The project proposes 168 parking spaces, including four ADA spaces, for customers, service, staff and inventory.

We are seeking designation as a Community Benefit Project and request a preliminary allocation of approximately 39,000 net square feet from the Community Benefit, Planned Development – New Automobile Sales Project sub-category.

### **Community Benefit Project Justification**

The Planned Development – New Automobile Sales Project category was established as a Community Benefit Project category to allow existing auto dealerships to carry out improvements as well as establish new auto dealerships in the City of Santa Barbara. The Santa Barbara Alfa Romeo and Maserati dealership will be staffed with approximately 15 - 20 associates upon inception and anticipates increasing their staff to 25- 30 within a two year period. In addition to providing new jobs to the City, the proposed project provides products and services which are currently not available locally. Further, there are a limited number of parcels with the appropriate zoning for new auto dealerships (Planned Development – PD). There is not an alternative location within the City of Santa Barbara for a new automobile dealership, which further underscores the justification for a Community Benefit Project classification at the subject site via the Planned Development - New Automobile Sales Project category.

Applicant Letter/Project Description  
Pre- Application Review Team (PRT)/  
Community Benefit Project Designation  
REVISED  
May 14, 2015  
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For these reasons, we feel that a Community Benefit Project designation is appropriate for the proposed project.

**Discretionary Approvals for Consideration**

The project requests the following discretionary actions for consideration:

- Development Plan Approval to allocate 39,000 net square feet from the Community Benefit category per SBMC §28.85.
- Development Plan Approval for a new automobile dealership in the PD zone per SBMC §28.39.

There is great community interest in having an Alfa Romeo and Maserati dealership in the City of Santa Barbara as it would be the only Maserati dealership between Monterey and Thousand Oaks.

■ ■ ■

On behalf of the applicant and project team, we thank you for your review and comments regarding this PRT application and consideration of the Community Benefit designation request and allocation of 39,000 SF of non-residential floor area to the project from the Community Priority Category.

Sincerely,  
**SUZANNE ELLEDGE**  
**PLANNING & PERMITTING SERVICES**



Maruja Clensay  
Associate Planner



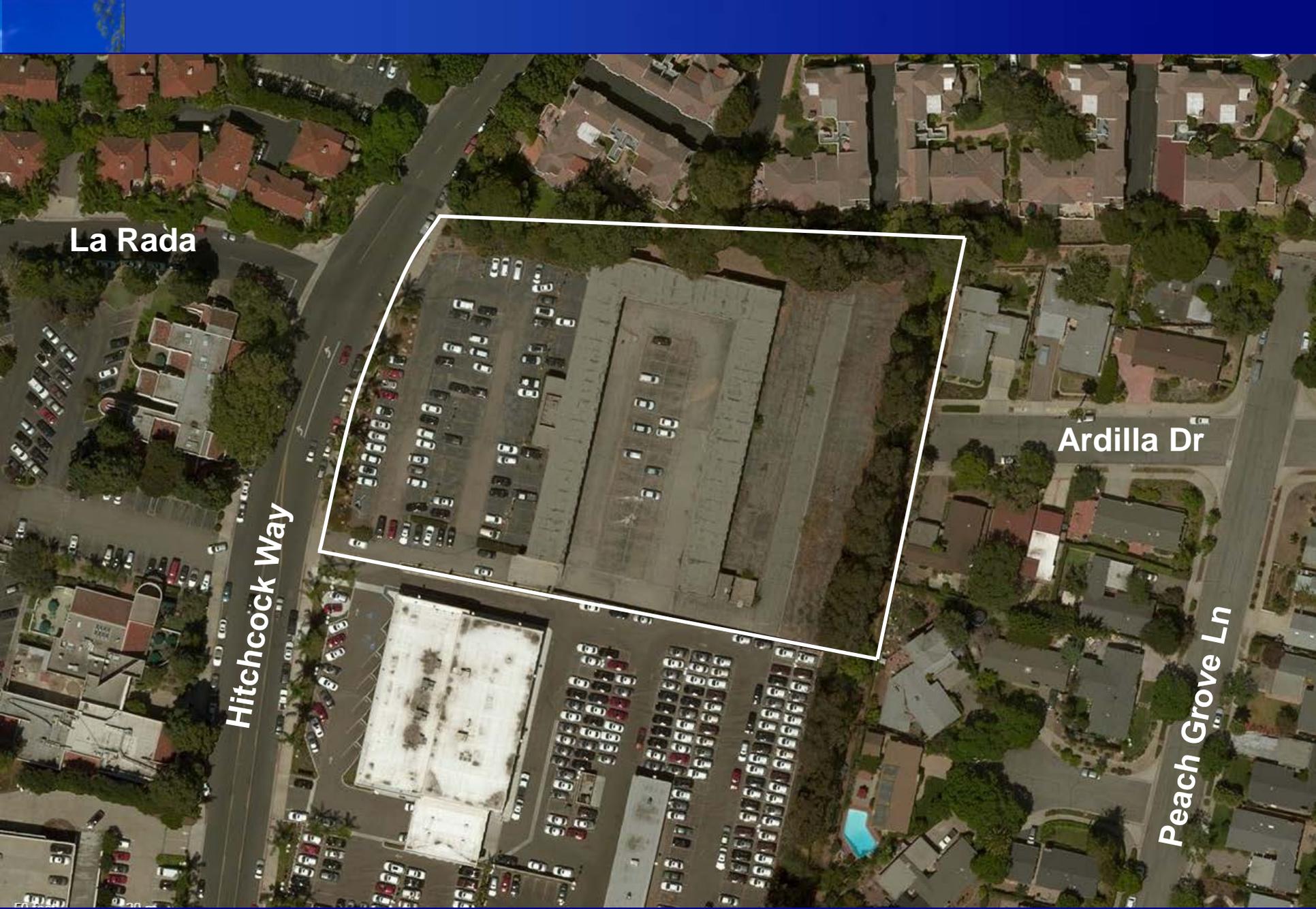
# 350 Hitchcock Way Community Benefit Designation Request

June 2, 2015 - City Council



# Request

- ◆ Designate proposed auto dealership as a Community Benefit Project
- ◆ Reserve 39,000 SF of Community Benefit Floor Area



La Rada

Hitchcock Way

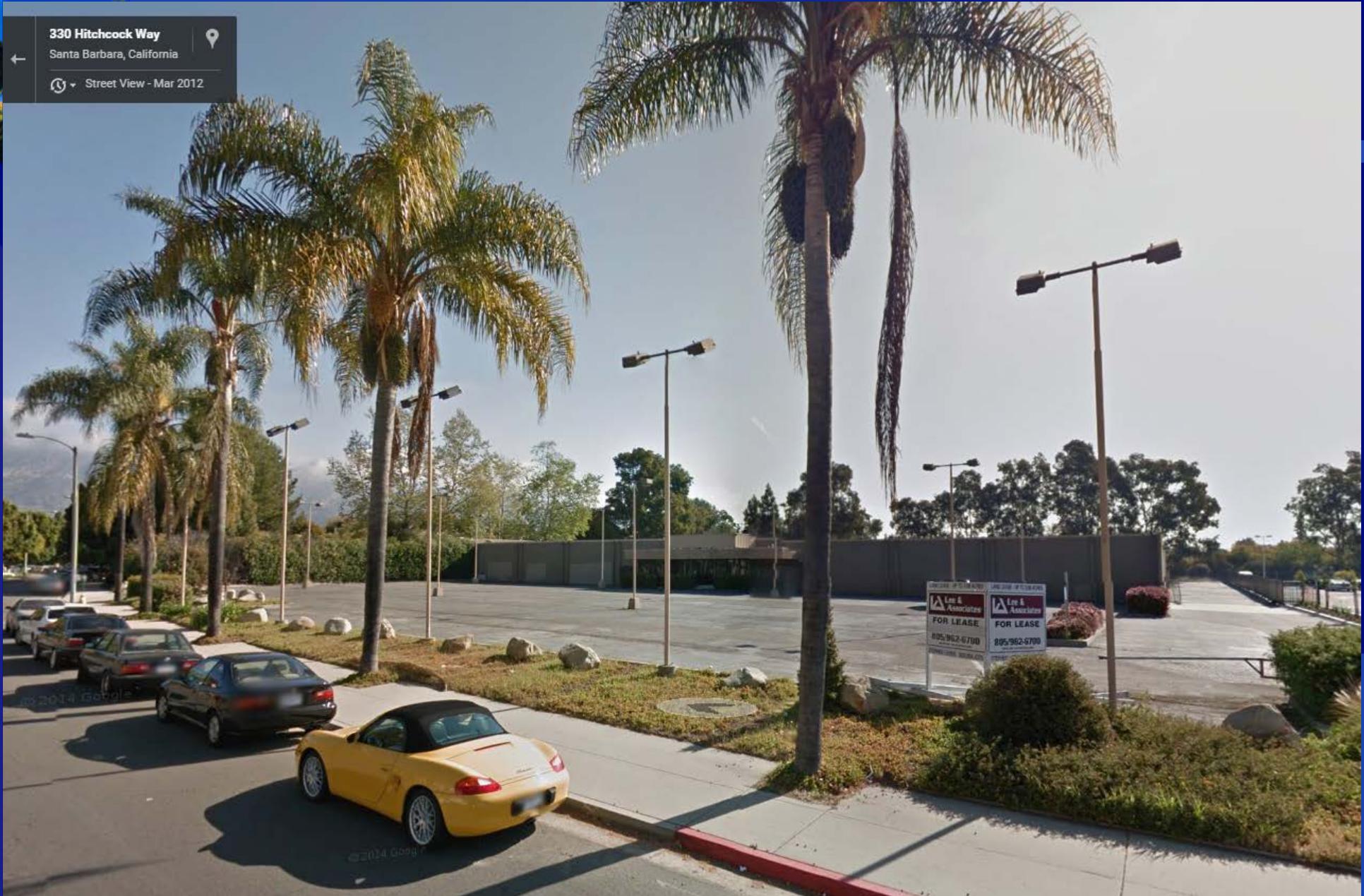
Ardilla Dr

Peach Grove Ln

330 Hitchcock Way

Santa Barbara, California

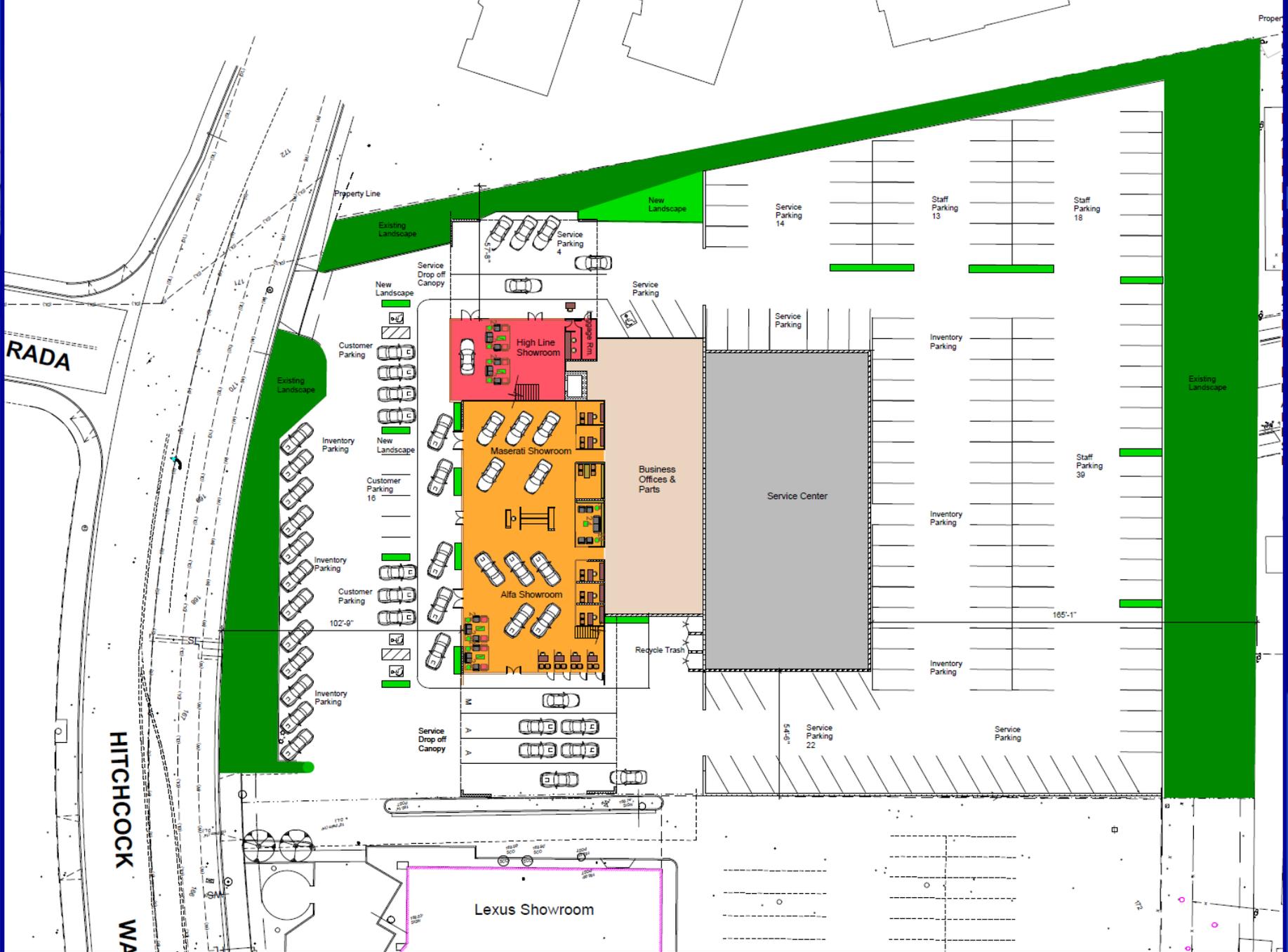
Street View - Mar 2012





# Proposed Project

- ◆ Demolish existing 15,000 SF structure
- ◆ Construct new 39,000 SF building
  - 12,500 SF showroom space
  - 5,500 SF business and parts area
  - 9,500 SF enclosed service bays
  - 11,500 SF interior car storage



RADA

HITCHCOCK WAY

Lexus Showroom



# Growth Management Program

- ◆ Adopted by Council in 2013
- ◆ Limits non-residential growth until 2033
- ◆ Allocates 600,000 SF to Community Benefit Projects
  - 127,690 SF reserved to date
  - Proposal is 6.5% of total allocation
  - 433,310 SF (72.2%) remain, if approved



# Growth Management Program

- ◆ Community Benefit Categories
  - Community Priority Projects
  - Economic Development Projects
  - *Planned Development – New Auto Sales*
    - *New auto sales, rental, or leasing in PD Zone*



# Pending Subdivision

- ◆ Subdivide 5.8 acre parcel into two lots
- ◆ Subdivision not needed for the development
- ◆ Community Benefit floor area reservation would follow the project and be assigned to the new parcel



# Staff Recommendation

- ◆ Designate the proposal as a Community Benefit Project
- ◆ Reserve 39,000 SF for the project from the Growth Management Program's Community Benefit category



# Next Steps

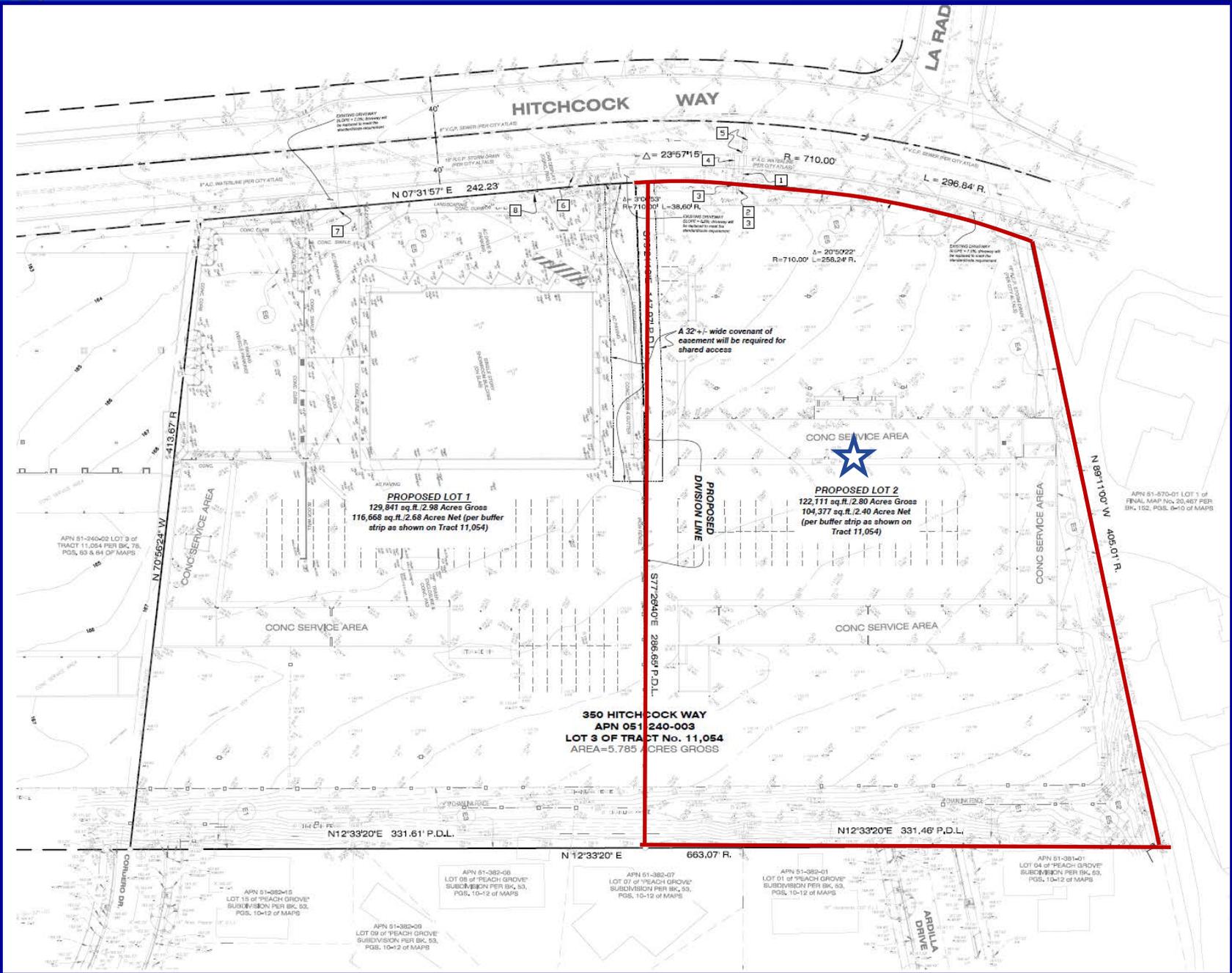
- ◆ Application Submittal
- ◆ Completeness Review
- ◆ Concept Design Review
- ◆ Planning Commission Consideration
- ◆ Design Review Approvals

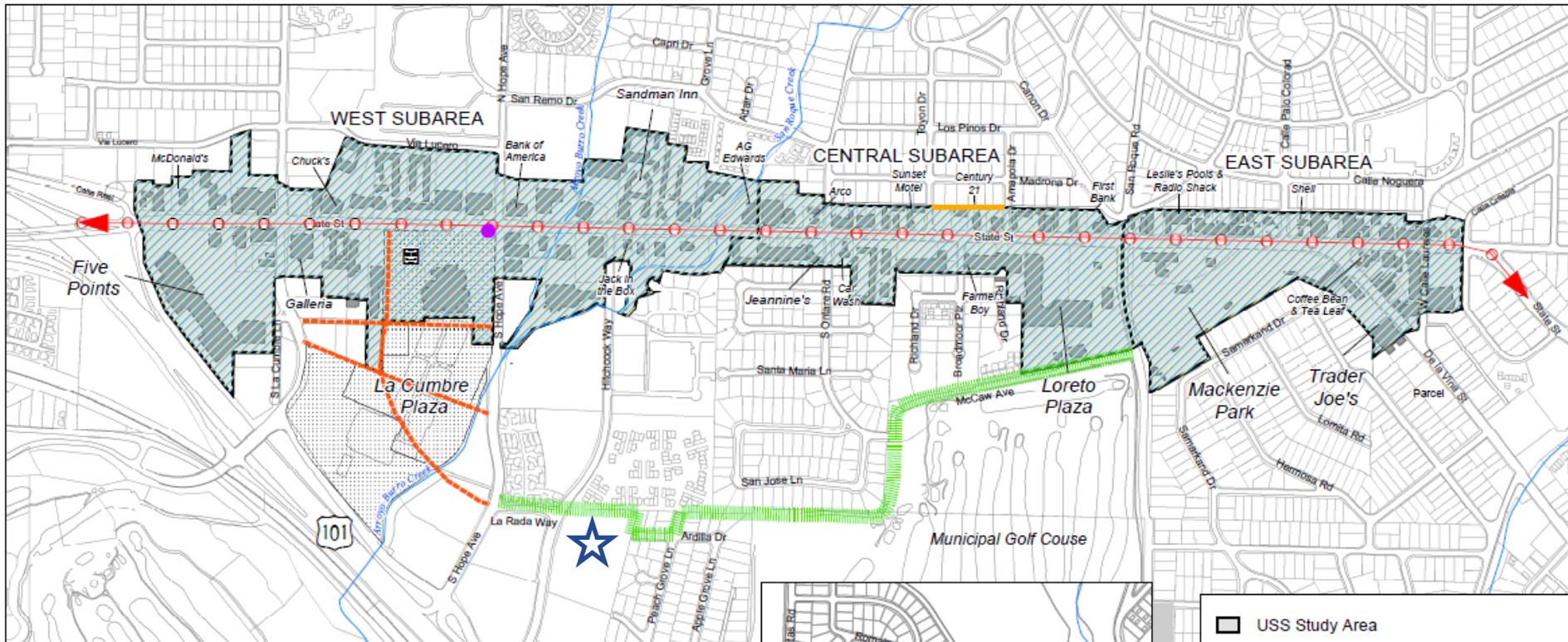




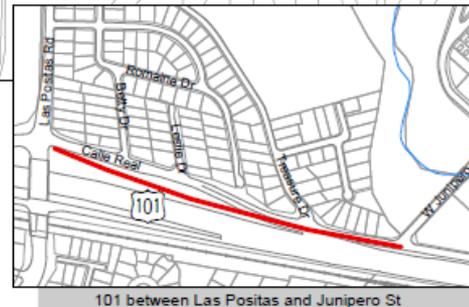
100 feet 25 m

© 2015 Microsoft Corporation Pictometry Bird's Eye © 2015 Pictometry International Corp





# Longer-Term Improvements



- USS Study Area
- Parking District
- La Cumbre Plaza Parcels (Specific Plan)
- Transit Center
- Intersection improvements
- Alley connection
- Two way Calle Real
- New Streets
- Dedicated Transit Lane
- Pedestrian/Bike Trail

Date: Feb 2007  
  
 Planning Division

