



City of Santa Barbara California

PLANNING COMMISSION STAFF REPORT

REPORT DATE: August 29, 2008
AGENDA DATE: September 10 & 11, 2008
PROJECT: *Plan Santa Barbara (PlanSB)*
General Plan Framework: Draft Policy Preferences Report
TO: Planning Commission
FROM: *PlanSB* Team
Planning Division, (805) 564-5470

I. STAFF RECOMMENDATIONS

That the Planning Commission forward the following to City Council:

1. Recommendations on the *General Plan Framework: Draft Policy Preferences Report*
2. Comments regarding alternatives analysis to be included as part of environmental review
3. Confirmation of Staff direction on Phase III and other *PlanSB* activities
4. Representatives to attend the Ordinance Committee on the *PlanSB* Interim Zoning and Design Ordinance

II. GENERAL PLAN FRAMEWORK: DRAFT POLICY PREFERENCES REPORT

A. BACKGROUND

The *PlanSB* General Plan Update project was undertaken for several reasons: 1) address the sunset of Charter Section 1508 establishing the non-residential growth management cap for 1990-2010; 2) update the Housing Element; and 3) address the emerging concern over environmental sustainability and related issues of climate change, peak oil and public health risks. Because all of these issues have broad policy considerations, a new General Plan Framework is proposed to provide over-arching direction as to how the new goals and policy changes will be integrated with the existing General Plan.

Becoming a more sustainable community is in fact the focus of this update and the resultant framework. The proposed goals and draft policies are the result of an 18 month public participation process, including input from: three series of community workshops, dozens of small group meetings, information forums, Planning Commission work sessions, Council status reports, and hundreds of written comments, letters and emails. The results from each stage of the public participation process have been summarized and available on the project website, www.YouPlanSB.org and further discussed under section III of this report.

B. GENERAL PLAN FRAMEWORK

The draft document under consideration today, is the proposed framework for the General Plan update as well as almost 150 policies that have emerged from the *PlanSB* process to date. Updating the remaining elements and associated policies will be completed in subsequent phases, consistent with the General Plan Framework. The content provided in this first draft is essential for defining a project description for environmental review, which will help inform the remaining process. The project and alternatives to be reviewed in the EIR are discussed later in this report.

The *General Plan Framework: Draft Policy Preferences* report focuses on defining sustainability and explaining how it is being addressed through the General Plan, and the key policy amendments that relate to making Santa Barbara more sustainable. It also provides a conceptual description of the framework's relationship to the entire General Plan, and an initial approach to reorganization of previous elements of the general plan as well as the inclusion of new elements. A draft table of contents for the entire General Plan is appended to the draft framework document (see Attachment 2 of Exhibit A).

It is intended that all the elements will eventually be part of a single, comprehensive General Plan document that is fully integrated. Additional discussion with the Planning Commission and the *PlanSB* team (including consultants with extensive expertise in the state of the art for General Plans) will take place after the project EIR is initiated.

The *General Plan Framework: Draft Policy Preferences* report is made of up four sections: **Introduction** explains the purpose of the General Plan and reasons for this update; **Background and History** provides the context for the approach being taken to update Santa Barbara's plan; **Sustainability Structure** defines sustainability for Santa Barbara, the principles that guide development, the framework and structure of the General Plan, as well as indicator and adaptive management techniques; and the **General Plan Elements** presents the draft goals and policies to date, organized under the new framework as follows:

- Land Use and Growth Management
- Community Design and Historic Resources
- Housing
- Circulation
- Environmental Resources
- Public Services and Safety
- Economy and Fiscal Health

The draft General Plan table of contents indicates where existing General Plan elements and topics will be included within the updated General Plan.

C. GENERAL PLAN ELEMENTS

Land Use and Growth Management - This element is proposed to contain the policies for the land use categories, land use map, and growth management that are in the current Land Use Element. The draft policies address how to manage the next increment of growth for both non-residential and residential land uses. For non-residential growth, a range of 1 to 3 million square feet of building space would be allocated over the 22-year period to 2030. For residential growth, a range of 2,000 to 4,500 new residential units would be allowed between now and the year 2030. The EIR however, will analyze the impacts of up to 7,000 new residential units.

Additionally, a new policy is proposed calling for the preparation of sustainable neighborhood plans. These neighborhood plans would be initiated through a neighborhood outreach process starting in Phase III of the update process with the goal of increasing sustainability while maintaining the unique character of each neighborhood. Additionally, this element still contains the Parks & Recreation, Open Space and Scenic Highways Elements.

Community Design and Historic Resources - This element is proposed to contain policies currently in the Land Use and Conservation Elements. Under this element, the framework offers a set of draft policies for design guidelines and standards that, in combination, address what development in the Downtown and other commercial areas should look like and what public amenities should be provided. The draft policy on building height proposes retaining current height limits including the 60-foot limit in some commercial areas, but would require a lower stepped back heights adjacent to residential areas and historic structures. The draft policies in the Historic Resources section of this element identify proposed policies to compliment and strengthen existing preservation policies.

Housing - These policies will receive a more focused review in conjunction with all existing housing policies during the state mandated Housing Element update process that is running parallel with *PlanSB*. The draft housing policies included in the framework primarily address ways to increase the provision of affordable housing and retain or increase rental housing, while also maintaining the small-town character of Santa Barbara. One policy would encourage and facilitate second residential units in selected residential areas. The draft housing policies provide an example of addressing the interconnected goals of sustainability, in this case affordable housing and community character.

Circulation - This element was updated in 1997 and remains visionary in terms a community that seeks to become more sustainable. The draft policies proposed mainly comprise minor revisions to existing policies that are intended to better integrate circulation policies with the other elements, give greater emphasis to alternative modes of transportation and the need to reassess parking requirements. Many of these policies could reduce community dependence/use of oil thereby advancing the energy conservation goals of this update process. One significant new policy would be to create a Mobility Oriented Development Area to better integrate land use and circulation policies

Environmental Resources - This element combines the existing Noise, Safety and Seismic Safety elements with portions of the Conservation elements and will feature a major new section regarding energy and climate change. Proposed energy policies address energy conservation in new construction and encouraging the use of alternative energy resources. The main climate change policy will produce a Climate Change Action Plan for the City, as mandated by new State regulations.

Further, key framework policies address air quality issues, and protection of creeks and the urban forest, among many other policies in this proposed element. One policy section addresses the new topics of food and agricultural resources.

Public Services and Safety - In addition to most publicly provided services and facilities, such as water and sewer, and fire and police, this element would also include policies for public utilities (currently in the Circulation Element) and the emergency preparedness policies.

Economy and Fiscal Health - This element covers both local and regional economic considerations, and will pull together policies promoting economic resiliency and equity. Draft framework policies address green businesses, local small businesses, and employment for local residents, including a number of policies that would require the City to take a more proactive role in recruiting and retaining green businesses and encouraging training and employment of local residents.

D. **KEY POLICIES**

Two key policies proposed to be incorporated into the Land Use and Growth Management section of the General Plan include new Mobility Oriented Development Area (MODA) (LG1) as well as Sustainable Neighborhood Plans (SNP) (LG13).

Mobility Oriented Development Area – Establish and map a Mobility Oriented Development Area (MODA) that is land within ¼ to ½ mile distance from existing and future transit corridors.

The purpose of the MODA is to define an area in which:

1. Increased commercial, residential and mixed-use development will be integrated with walking, bicycling, transit and other forms of personal mobility;
2. Infrastructure for walking, bicycling, and transit will be enhanced;
3. Parking requirements will be reduced in favor of increasing availability of multimodal mobility options that match the community;
4. Residential options such as second residential units will be encouraged, as will neighborhood serving uses; and
5. Land uses that are highly auto dependent for accessibility will be discouraged.

The intent is to create a compact, walkable, multi-use focal area downtown that is both a vibrant neighborhood and destination for City residents, employees and visitors. The area of the MODA may be adjusted from time to time based on studies of pedestrian, bicycle and transit usage, and satellite MODAs may be identified in conjunction with preparation of Sustainable Neighborhood Plans (see below).

Sustainable Neighborhood Plans – Create a program whereby neighborhoods around the City would be evaluated and identified if appropriate for having a SNP. What is envisioned are diverse neighborhoods where residents could live, recreate, and have basic needs met without depending on an automobile. The following would be desirable components of a SNP:

1. A variety of housing types and affordability ranges
2. Neighborhood-serving commercial uses, especially retail food establishments such as small markets, green groceries, coffee shops
3. Parks, recreational facilities, trails
4. Community gardens
5. Street tree planting program
6. Watershed protection, creeks restoration, public access to creeks
7. Pedestrian/wheelchair connectivity
8. Transit, bicycle (including new Class 1 bike paths) and vehicle connectivity
9. Walkable streets with an appealing and comfortable pedestrian street environment that promote physical activity and can be used safely by people of all ages or abilities
10. Traffic calming along walkable routes to school
11. A reduced impervious area footprint (such as street and parking areas).

Currently, there are already pockets of Restricted Commercial Zones with C-P zoning, which allow for the neighborhood serving uses such as “corner markets”, however, many of our neighborhoods are zoned for strictly residential uses. The need for these existing C-P zones or additional ones could be assessed on a neighborhood by neighborhood basis in the context of a focused study to prepare the Sustainable Neighborhood Plan for a particular area. Or, establishment of the commercial components of future SNPs could utilize a CUP or performance-standard permit, or overlay zones.

In addition, an overlay zone could be established for those residential areas abutting commercial (transitional areas) that could allow for multifamily residential development with a reduced on-site parking requirement because they are within walking distance from goods and services.

III. PROCESS OVERVIEW

The following outlines the phases and efforts completed as part of *PlanSB* and the expected outcomes of the next phase of this process.

A. PHASE I (COMPLETED IN 2007)

Council Goals - In 2005, the City Council initiated the *PlanSB* process with an affirmation and update of the 1988 General Plan Update Goals.

Outreach Committee - In November 2005, the Council appointed a 13 member Outreach Committee, composed of the Mayor and two Council members, two Planning Commissioners Youth Council members and community leaders, to help guide the public outreach process. City staff has met with the Outreach Committee throughout the process in seven meetings to date.

Conditions, Trends & Issues Report (CTI)- In 2005, the City published the CTI report as a baseline of existing resources, public services and facilities that affect growth in Santa Barbara. Issues discussed in this document include air quality, creeks and storm drain systems, land use and housing, noise, parks and recreation, sanitary sewer, solid and hazardous waste management, transportation and circulation, water supply, fire protection services, library services, police services, public buildings and facilities and schools. A special presentation on visual resources was also made to the Planning Commission as the CTI was being completed.

Environmental Baseline – During this phase, a Request for Proposal (RFP) for a consultant to prepare the *PlanSB* EIR was completed and an update to the City’s Master Environmental Assessment (MEA) was initiated. The updated MEA maps will be an important resource for the *PlanSB* EIR.

Upper State Street Study - After the CTI report was issued, *PlanSB* staff shifted their efforts to the Upper State Street Study for a year. In April of 2006, the City Council initiated a focused study of the Upper State Street area. Over the course of the year, public meetings and workshops were completed along with the preparation of an Information Booklet and the Upper State Street Study. The Study was adopted by the Council in May 2007.

Public Outreach - In the spring of 2007, the public outreach formally began. A brochure and comment card was mailed to every household and business in the City. From March to September, Outreach Committee members and City Staff attended more than 40 local grassroots meetings with groups representing a wide range of interests to discuss the *PlanSB* process and issues. In June and July, the City hosted four public workshops to get the community’s input on what they love about Santa Barbara and discuss hopes, concerns for various topics, including Housing, Transportation, Environment, Economy, Community Design and Services and Facilities.

During this Public Outreach Phase, over 900 community members from across the City attended grassroots meetings and/or workshops. A *Community Input Summary Report* was produced in December 2007 which included an appendix with summaries of the break out groups of the workshops, notes taken of each grassroots meeting, and a comprehensive list of comments received on comment cards and through the website. All of these were made available at the www.YouPlanSB.org website.

Website – The website www.YouPlanSB.org dedicated to the *PlanSB* effort was set up at the beginning of the program. Throughout the process, upcoming meetings, documents, reports, public comment, relevant videos have all been included on the website.

Boards and Committees - There was also a status update and check in with the various boards and committees affected by policies to be considered. These include Architectural Board of Review, Historic Landmarks Committee, Creeks Advisory Committee, Park and Recreation Commission, Transportation and Circulation Committee, Downtown Parking Committee, and Metropolitan Transit District.

B. PHASE II (2008)

Development Trends - In March of 2008, a *Development Trends Report* was issued for public review. The report presented information on non-residential and residential development in the City since 1990. In April, the Planning Commission held a special work session on the development trends. Information presented to the Commission included a Discussion Framework outlining Planning Goals, Results (Trends) between 1990 and 2007, Overall Implications of Trends and Considerations and Adjustments to City policies, and standards or programs to be considered. Following this work session, two Development Trends Workshops were held with approximately 150 participants. At these workshops, break out groups were asked to vote and discuss 22 different questions about Living Within Our Resources, Future Growth, Community Character, Transportation, and Housing.

Policy Options – In July 2008, a *Policy Options Report* was issued. This report included draft policies categorized under the topics raised consistently through the *PlanSB* process: Land Use/Growth Management, Community Character, Housing, Transportation, Energy and Climate Change, Resources, and Economic and Fiscal Health. The draft policies constituted the basis for the two community workshops that followed. The workshops involved four different exercises and were well attended with over 250 people. Community input was solicited on the draft policy options. The summary of the break-out groups and public comment, the individual summary write ups, the comment cards and all public comment letters received (including via website) are available at the www.YouPlanSB.org website.

Extensive and well thought out public input has been submitted in response to the policy options. The community input received throughout the *PlanSB* process, and more recently on the specifics of the policies, has all been used to formulate the draft policies being presented in the *General Plan Framework: Draft Policy Preferences Report*.

Youth Survey – The Youth Survey was administered by the Santa Barbara Youth Council and city staff. By July, the results were compiled and presented to the Planning Commission.

General Plan Framework: Draft Policy Preferences – This current effort will result in Planning Commission recommendation to Council on the draft General Plan Framework document and the policies to be studied and included for evaluation in the EIR.

Council Direction – the Council will hold a public hearing and consider the recommendations of staff and the Planning Commission on the policy options to move forward as the primary component of the *PlanSB* project description for the EIR. Council will also consider the range of issues to be addressed in Phase III as outlined in this report (i.e. *PlanSB* Interim Zoning and Design Ordinance).

Notice of Preparation (NOP) and EIR Public Scoping Hearing – After Council direction on the policy options, a Notice of Preparation (NOP) of an EIR will be issued with the proposed EIR scope of analysis. The NOP triggers a 30-day period for other government agencies and the public to comment on the proposed scope of the EIR analysis via written comments or attendance at a Planning Commission EIR Scoping Hearing. Based on the comments received, the proposed EIR scope of analysis may be refined. Policy options to be evaluated in the EIR would be confirmed by City Council.

C. **PHASE III (2009/2010)**

During Phase III, the preparation of the updated Land Use Element, associated Land Use Map, Housing Element, and the Environmental Impact Report will proceed. This next phase will continue to include community input and discussion in public meetings.

1. **Economic Study** - An important component of this phase is an economic study. An economic study will be prepared that will address the feasibility and impacts of recommended policy amendments. It will also address public infrastructure issues associated with recommended policies and needs.
2. **General Plan Framework** – Ultimately, there will be one comprehensive general plan that includes all of the elements in one document. (Attachment 2 of Exhibit A, Table of Contents). As explained in Section II, the existing elements would be incorporated into this newly re-organized framework.

The General Plan Framework will incorporate new and amended policies to be included in various other elements (e.g. Conservation Element, Noise Element, Circulation Element, etc.). Those policies associated with other elements would be adopted by Council as a Part of Phase III so that they can be used by decision makers in implementing the General Plan. At this point, other elements being considered (as shown on Attachment 2 of Exhibit A) are preliminary; how the actual elements will be formatted will continue to evolve as staff works with our general plan consultants. Irrespective of when other elements are ultimately completely updated, any policies recommended as part of *PlanSB* would be adopted and implemented.

3. **Land Use Element and Land Use Map** – Staff will work with the community and decision makers on updating the Land Use Element and associated Land Use Map. At this time updated descriptions of neighborhoods in the Land Use Element would be redrafted, which would require neighborhood resident's input. This process would include meeting with various neighborhoods to better define their neighborhood. It would also result in further defining the components of the recommended Sustainable Neighborhood Plans and where they would be appropriate.

The existing Land Use Map which was adopted in 1975 would also need to be comprehensively updated to be consistent with proposed policies. Some expected components of this update to the map are: the Mobility Oriented Development Area boundaries; principal transit lines, the dedicated transit lane, and where 2nd units will be encouraged.

The relationship between the Land Use Map and the Zoning Map should be strengthened through this process to avoid the type of inconsistency issues that have recently been identified through project reviews. Staff would like to explore a single map for land use and base density purposes.

4. **Housing Element** – Another important and pressing outcome is the update of the Housing Element which must be completed by August 31, 2009, as required by the State. This process is already underway with the Santa Barbara County Association of Governments (SBCAG) preparation of the Regional Housing Needs Allocation Plan (RHNA). The City appealed the proposed Final RHNA Plan and a hearing was held on August 21, 2008 before SBCAG. The SBCAG Board voted with only one opponent, to deny the appeal and proceed to the State with

the proposed plan. The proposed plan includes a RHNA for the City of 4,388 units to be planned for in this Housing Element.

5. **Adaptive Management Plan** – A proposed Adaptive Management Plan would identify appropriate measurable “community health” indicators and establish a baseline from which to develop programs for regularly monitoring the sustainability of our systems in order to adjust policies and implementation measures to meet the communities needs. Adaptive Management Strategy allows for major course corrections to account for exogenous trends and adjustments for future unintended consequences.
 6. **Environmental Impact Assessment** - The draft Environmental Impact Report (EIR) will be prepared and released for a 45-day public review and comment period. This review period will include Planning Commission hearings to receive comment. The Final EIR will contain written responses to public and agency comments on the draft EIR and any necessary refinements or augmentation of the analysis.
 7. **Adoption Actions** – Phase III of *PlanSB* concludes with a number important actions, including: Planning Commission certification of the Final EIR; Planning Commission recommendations to Council on adoption of the *Plan Santa Barbara* General Plan Framework, including the associated Land Use Element, Land Use Map and Housing Element; and ultimately Council actions to adopt and provide direction on the implementation steps and priorities for Phase IV.
- D. **PHASE IV (2010)**
1. **Implementation Plan for Zoning** – This would include any necessary updates to the Zoning Map for consistency with General Plan Land Use Map and any required zoning ordinance updates.
 2. **Overall Implementation Plan** – for policy and program implementation (including further defining of Sustainable Neighborhood Plans, Form Based Design Guidelines/Codes for the Upper State Street Study area).

IV. SURVEY POLL RESULTS

Last year, a request was made by Allied Neighborhood Association and Citizens Planning Association to conduct a citywide survey. Both members of the Planning Commission and City Council indicated an interest in a poll and directed that Staff consider how to incorporate it into the *PlanSB* process. The City contracted with the firm of Fairbank, Maslin, Maullin and Associates. The telephone survey will take place during late August and early September. The goal of the survey is to get a random sample of people (400 total) throughout the community and ask questions about the key planning issues explored in *PlanSB*. The results of the poll will be presented by Mr. John Fairbank at the Planning Commission meeting of September 10th.

V. PLANSB INTERIM ZONING AND DESIGN ORDINANCE

In response to concerns about the height of buildings being approved a request for an interim ordinance was brought to the Council by community organizations in April. The direction of the Council was to refer the matter to the Ordinance Committee and to consider how an Interim Ordinance could be integrated in the *PlanSB* process. Planning Staff is scheduled to meet with the Ordinance Committee on September 23 to discuss provisions and processing of the *PlanSB* Interim Zoning and Design Ordinance. Staff requests that the Planning Commission appoint representatives to actively participate in the Ordinance Committee consideration of this potential ordinance. Further, how the priority and timing of such an ordinance will affect the other components of the Phase III work program need to be considered.

VI. ISSUES

A. FUTURE GROWTH MANAGEMENT TOOL TO REPLACE MEASURE E

One of the primary reasons for undertaking the *PlanSB* process was to address the sunset of Charter Section 1508 (Measure E), that regulates non residential growth to no more than three million square feet over 20 years, and to reassess the City's capability to construct more than 40,005 housing units.

The three (3) million square feet was divided into categories available to different types of projects. These categories were originally established as: Approved Projects, Pending Projects, Vacant Property, Small Additions, and Community Priority. In 1995, the Economic Development floor area allocation category was created in order to reallocate unused square footage each year from the "Approved," "Pending" and "Small Addition" allocation categories to nonresidential development projects which promote economic development of the City.

The EIR will evaluate a range of between 1 and 3 million square feet as the next increment of growth for the next 20 years (see Alternatives Discussion). However, how the amount will be allocated, based on what findings, and to what types of projects will all be important issues to work out. In other words, what implementation tool will replace Measure E.

Currently, Measure E is implemented through the City's Development Plan Ordinance SBMC 28.87.300. Zoning ordinance amendments will be required in the future to implement the policies and program that are ultimately adopted.

While the details of the new growth management tool have not been decided, the following components of the existing Measure E will need to be considered for the next increment of growth.

Demolition and Replacement / Rebuilding on Site - One of the explicit goals of Measure E is to support and encourage redevelopment of existing sites to ensure a strong economy and flexibility (Goal 3. of GPU 1-90). Therefore, the decision to require a Development Plan and associated findings involving net new non-residential floor area was not applied to the demolition and replacement square footage. For purposes of this discussion, we are defining redevelopment projects as those that are rebuilt by demolition and replacement of the total existing commercial square footage or rebuilding of the same square footage with no more than 1,000 square feet (minor addition) net new.

In *PlanSB* there is an interest in focusing on Community Benefit land uses and achieving a more sustainable community. Discussion has included looking at all the existing growth and development with a recognition that if new policies and programs only address the future increment of growth, that would will limit achievements in these broader goals. This interest may be addressed in a number of ways and should be considered along with the Development Plan Approval process.

Minor Additions (1,000 s.f. or less) - In addition to the 3,000,000 square feet limitation, Measure E acknowledged the need to allow minor projects to proceed with additions of 1,000 square feet or less. Minor additions of 1,000 square feet or less are not counted in the 3 million square foot limitation nor are Development Plan findings required. Since 1990, the amount of Minor Additions permitted throughout the City is approximately 260,141 square feet. For purposed of the EIR analysis, we are assuming that minor additions would continue to be allowed in addition to the amount set as the next future increment of growth.

Vacant Land – Measure E includes a vacant land category with 500,000 square feet of floor area. In order to obtain a Vacant Land allocation, the project site must have been vacant as of October 1988. These parcels have a non-residential square footage allocation of .25 floor to lot area ratio and may also receive allocations from the other categories (i.e. Minor, Community Priority, etc.). Allowing for development of vacant sites addresses the basic right to improve one’s property. In *PlanSB* the policies and programs need to continue to allow for reasonable development, however, additional consideration of the amount and type of development is needed could also affect this category.

Transfer of Existing Development Rights - The TEDR Ordinance (for within in City) was adopted in 1992 in order to “ensure a strong economy...to encourage new development, but not new floor area,...promote the efficient use of under used space and the creative re-use of existing buildings; provide flexibility for redirecting growth within the growth cap of Measure; and to encourage the construction of housing.” The TEDR ordinance allows the transfer of approved, demolished or converted (from non-residential to residential) square footage from a “sending site” to another “receiving” site in the City. Because projects can use a combination of square footage allocations along with a TEDR, the City has processed a number of TEDR projects for those projects requesting more than allowed via their Measure E allocation allowances.

Additional *PlanSB* considerations for possible amendments to address transfer of development could be allowing development and resource impact transfer for the purpose of protecting and enhancing regional open spaces (i.e. Gaviota) and for encouraging residential development near transit and other services while decreasing densities in more constrained areas (i.e. High Fire District).

Community Benefit Land Uses – A common theme in the *PlanSB* process has been that any future increment of growth needs to accommodate community benefit land uses. One of the key policies being recommended is that new non residential and mixed use projects shall meet one or more of the following:

1. Community Priority development project: “present or projected need directly related to public health, safety or general welfare” including but not limited to:
 - a. parks and recreation facilities,
 - b. community centers,

- c. educational institutions and uses including [public?] schools,
 - d. youth development programs, childcare facilities,
 - e. community gardens and urban farming; or
2. Economic Development project: “enhance the standard of living for City and South Coast residents and will strengthen the local and regional economy”; or
 3. “Green” economic project or provides “green” collar jobs (e.g. sustainable water, energy and waste management facilities or building products but not green buildings or structures); or
 4. Small and/or local business in the community that is maintained, redeveloped or expanded; or
 5. Culture and public arts facilities;
 6. Development or economic projects that meet the present or projected need of people with disabilities, the workforce that provides them direct support, and the agencies or organizations providing programs and services to them.

Some of the criticism received on this recommended policy is that the “economic development project” and the “small and/or local business” categories are too broad and that this overall policy is not real if every type of development could fit within it.

Findings – As the policy direction is formalized in the next important Phase III, it will be necessary to further consider these program implementation adjustments to re-align the existing process with new goals and policies. One important component of this process will be amendments to existing findings and proposed new findings.

The existing Development Plan Findings provide that a non-residential project, with 1,000 net new square feet or greater, may be constructed only if it will not cause a significant and unmitigated adverse impact on any of the following resources:

- The City’s water resources
- Traffic within the City
- The supply of affordable housing in the City and South Coast area

Future development will continue to be weighed against available resources and sustainable measures and findings regarding water, traffic and affordable housing should continue to be considered along with possible new resource findings.

B. DENSITY AND VARIABLE DENSITY

A significant community issue is density. Based on *PlanSB* workshops, the EIR will study a range of residential growth from 2,000 to 7,000 additional dwelling units, and assess capacity, constraints and impacts on resources (see Alternative discussion Section VII). A primary concern with density is that within the community, including participants in the *PlanSB* process, there is a wide range of knowledge and understanding as to what density actually means.

Points of view include great concern as to the visual and aesthetic affects of density with larger buildings changing the low scale character of Santa Barbara, to more quantifiable impacts on traffic

and services. Proponents of density and allowing a managed growth over the next 20 years, are almost of the exact opposite opinion that compact, smart growth can occur in a well designed manner such that density does not create negative visual impacts. There is a strong belief that if housing is placed near amenities and along transit corridors that people will begin to change their behavior and walk, bicycle and bus more to jobs and services.

There appears to be some agreement that *PlanSB* should result in policies and programs that encourage the housing we need for the workforce and critical workers and households of various income levels, and not large high end condominiums.

Various policies are recommended that call for standards or guidelines for smaller units in mixed use projects in commercial zones and in multi-family zones.

Because many of the policies being recommended apply to housing along the commercial corridors, the focus of this discussion is the 12 units per acre, the density classification that applies to multiple family and the commercial zones, where residential is allowed.

While the size of the units being developed is not favorable to our community, the fact that these condominiums are being developed as part of mixed use is a positive outcome of existing land use policies which encourage mixed use housing along transportation corridors. Therefore, the recommended policies continue to encourage mixed use projects and placement of the density (associated with the next increment of growth) along commercial corridors, however, to discourage large oversized units.

Background - In 1974, the Impacts of Growth Study resulted in a 1975 General Plan Amendment which in turn resulted in a down zoning of the multiple family zones. The densities established in 1975 had the intent to limit the holding capacity of the City (to 85,000) as much as possible while respecting people's rights to enjoy and develop their property. Prior to 1975, densities in multiple family areas were fifteen and thirty dwelling units per acre. The Land Use Element includes residential density classifications of one, three, five and twelve dwelling units per acre. These are also depicted on the City's General Plan Land Use Map.

While the 12 unit per acre density classification was intended to be the maximum amount of development a person could expect to achieve on their land, the plan also recognized that there are techniques of land use regulation which could permit increased densities.

Variable Density - The Variable Density Standards was one of the special programs outlined by the Planning Commission in 1975 to carry out increasing densities above 12 units/acre in certain instances, as outlined in the "Private Land Uses" discussion adopted into the General Plan in 1975. The purposes of the Variable Density Standards were:

1. To provide a more flexible density standard than the present 12 units per acre which at that time required 3,500 square feet of lot area for any multiple dwelling unit regardless of size.
2. To adjust land use to actual population density by using bedrooms per acres as the base for determining the number of units allowed.

3. To remove the built-in bias of the zoning ordinance, which makes the building of large units more profitable than the building of small units. The amended standards would permit marketability factors to determine the size and type of unit to be constructed.
4. To encourage the construction of small, more affordable apartments and relieve the shortage of this type of housing in the City. No overall increase in population was foreseen because smaller dwelling units are generally occupied by smaller households.

The City's Variable Density Ordinance was adopted in 1975. Variable density is currently allowed in the R-3/R-4 Multiple Family and C-1, C-2, C-M, R-O and HRC-2 and OC Commercial Zones, where residential is allowed. Variable density is currently calculated by the number of bedrooms.

One of the original intents of the Variable Density program (#3 above) was so the standards would permit marketability factors to determine the size and type of unit to be constructed. What the result has been is large, expensive condominiums being constructed and very little small, affordable apartments. Because there is no maximum (or minimum) unit size limitations the trend is for condominium projects to take advantage of the variable density allowances by proposing oversized units. This is resulting in bigger, taller buildings and not the smaller or rental housing that was envisioned or hoped for.

The issue of the maximum unit size and revised variable density formula needs broad community and decision maker discussion. As the process moves forward, appropriate unit sizes will be an important component of implementation of the policies calling for smaller unit sizes.

Recently, due to concern of oversized units, the Planning Commission has been applying a formula of 85% of the required lot area when using variable density, as the maximum unit size, with units ranging from between 1,360 square feet to 2,380 square feet. A suggestion has been made that the average unit sizes be at or below the LEED homes average home size adjustment for multi-family buildings. This is based on a rating system and not just a standard set of numbers.

One recommended policy is to revise how we calculate variable density by calculating density based on unit size instead of number of bedrooms in an effort to have smaller more sustainable development to deal with the size, bulk, and scale issue. While the consequences and economics have not been studied, one idea is to limit maximum unit sizes to a range of between 600 and 1,500 square feet with more density (units) allowed the smaller the unit size in multi-family and commercial zones.

Policies are also being recommended to encourage affordable and rental units by allowing dual densities for market and affordable housing. In other words, the larger the market rate units the less density that would be allowed. Affordable restricted and rental units would be allowed a higher density. Details for such a program would be implementation of the policies.

As has been expressed by the community, water resources and an adequate circulation system are critical components of accommodating the next increment of growth or additional density. The EIR will evaluate these resources along with other factors such as other public service availability.

C. DEVELOPMENT STANDARDS “PACKAGE”/ COMMUNITY DESIGN

As can be seen in some of the issues identified above, there are many details to work out in the implementation of the next growth measure. Another very important community concern for what will build out over the next 20 years is “*what it will look like.*” There has been a significant amount of concern expressed throughout the process about the large condominiums being constructed that are not affordable to the City’s workforce. There is also much community concern about the size, bulk and scale of these condominium projects being approved in the commercial corridor. The *Policy Options Workshops Summary* outlines people concerns expressed in workshops.

At the Policy Options Workshop, an exercise was completed in order to get community input and discussion on key issues affecting development standards for future development. While these are not the only development standards that affect development, they are important ones that will need to be defined as the implementation plan is worked out.

Unit Sizes - Participants in the Policy Options Workshops agreed that maximum unit sizes need to be established to go hand in hand with variable density. Smaller units tend to consume less energy resources and demand on services, which goes towards sustainability. Because there are currently no maximum unit sizes set in the City, mainly what is being developed are large condos that are part of mixed use that result in overall large buildings.

Parking – Policies are being recommended that call for parking maximums or no parking for residential units in the Downtown Core and along transit corridors. While there is clearly no consensus on this issue, supporters strive for a community that reduces vehicle use and greenhouse gas emissions by placing new housing and mixed use along transit corridors where alternative modes of transportation are available. Some feel that ideally travel by automobile would be primarily for long distances (on vacations or weekends) and mass transit, biking and walking meet every needs; and parking is provided in remote lots instead using valuable downtown real estate. Some in opposition believe that individuals will almost always choose personal transportation over mass transit for safety and convenience; and that residential buildings with inadequate off street parking degrade the quality of life and negatively impact adjoining neighborhoods.

Building Heights –The building heights issue (along with density) is one of the more divisive issues that are part of *PlanSB* and throughout the community. This is evidenced by both the desire for community groups to have a ballot initiative and for the City to adopt an interim ordinance that is more comprehensive with regard to community design and land use priorities.

The following three options for building heights are being considered in the EIR. Staff is recommending Option 1 in the Draft Policy Preferences.

1. Retain the 60-foot height limit for downtown areas, however, implement lower height limits as you transition away from the urban core to the adjacent residential neighborhoods. Note that existing zoning regulations currently require more restrictive building heights for portions of buildings on properties immediately adjacent to a residentially zoned sites in certain zones; however, this could be adjusted. In conjunction with this option, the policy would be to lower the building heights on development adjoining historic structures in all commercial zones.

2. Lower the height limit to 45 feet in commercial zones with exceptions for the purposes of affordable housing or an agreed upon community priority such a public serving buildings. This option is similar to the ordinance that was drafted in April by affordable housing advocates to the Ordinance Committee in response to the ballot initiative (#3 below) but did not go forward at that time.
3. Lower the building height to 40 feet in El Pueblo Viejo and 45 feet in all other commercial zones. This is the initiative proposal.

While a majority of the attendees at the workshops were not in support of lowering the building heights, it is clear that there are definitely, two very differing opinions. One is generally to leave the heights as they are and allow for variety and creativity in design, and to accommodate greater density along the commercial transit corridors to encourage a variety of affordable units and walkability to jobs, goods, and services. The other position is to lower the building heights in El Pueblo Viejo and all commercial zones or to avoid losing the small town character of Santa Barbara. The argument is that taller buildings do not assure affordable units because taller buildings are more expensive to build, therefore, will not result in affordability and that smart growth is false and that people will not get out of their cars, therefore, people walking and reduced congestion are not guaranteed.

Design Standards – Some argue that the larger buildings are not about just the height itself, but about size, bulk and scale and that stronger findings are needed for design review boards and Planning Commission when they act on a project. Currently, size, bulk and scale findings and neighborhood compatibility type findings are only required for conditional use permits, new condominiums and development plans.

On August 19, 2008, the Ordinance Committee recommended approval of an ordinance that includes a new project compatibility tool for projects subject to review and approval by the Planning Commission, Staff Hearing Officer, Historic Landmarks Commission (HLC), and Architectural Board of Review (ABR). The goal of the ordinance is to improve communication between the ABR/HLC and the Planning Commission so that the ABR/HLC can identify design or maximum height concerns and clearly convey these concerns in their early concept review comments to the Planning Commission. Consideration of compatibility criteria would serve as an analytical tool and a project review framework to more carefully consider the possible size, bulk, scale and height issues with any proposed development.

In September, Staff and the Ordinance Committee will be discussing a possible *PlanSB* Interim Zoning and Design Ordinance, and asking for the City Council to provide guidance on how to revise specific development standards for commercial and mixed-use type buildings in order to obtain desired building forms or heights. Possible changes to variable density, zoning, the use of “buffers,” open space amenities, landscaping requirements, parking, number of stories and required setbacks for structures in commercial zones should all be considered and the proposed changes factored into the appropriate environmental review being conducted as part of the *PlanSB*.

VII. POLICY ALTERNATIVES AND EIR ANALYSIS

Overview of Program EIR Approach

A program-level environmental impact report (EIR) will be prepared to evaluate the environmental effects of the *Plan Santa Barbara* General Plan Draft Policy Preferences. A Program EIR is more general in nature than an individual project EIR, and is focused on the cumulative environmental effects of incremental growth over time. The “project” being examined in the Program EIR is the draft set of General Plan policy amendments selected by the City Council. The Program EIR will identify:

- ***Existing Conditions.*** Current environmental setting and infrastructure.
- ***Environmental Effects.*** Estimated future environmental effects associated with 22 years of additional development activity under draft *PlanSB* land use and growth management policies. Impact topics to include air quality; biological resources; climate change and energy; geologic and seismic constraints; hazards (wildfire, hazardous materials); heritage resources (archaeology and history); hydrology, flooding and water quality; noise; public facilities and services; growth-inducing effects; environmental justice issues. Impacts citywide or to areas within the City, as well as cumulative impacts in conjunction with future development in the region will be examined.
- ***Mitigation Measures.*** Identification of measures that could feasibly lessen significant environmental impacts, such as land use policy changes, City programs, and standard mitigation measures to apply to individual future developments. Mitigation monitoring will be identified through the General Plan monitoring of community indicators as part of the adaptive management process for the General Plan.
- ***Alternatives to the Project.*** Comparative impact evaluation for the range of growth scenarios and policy options to be considered in the *Plan Santa Barbara* process (see preliminary alternatives outlined in table below).
- ***Policy Consistency.*** Consistency or inconsistency between the proposed plan policies and existing regional and local plans adopted to protect the environment.

An analysis of economic effects of draft policies will also be conducted during this period.

Following City Council selection of the *Plan Santa Barbara* draft General Plan policy amendments, a Notice of Preparation (NOP) of the EIR will be issued with a draft EIR scope of analysis, to start a 30-day period to receive public and agency comments on the proposed EIR scope of analysis. This will include a noticed EIR scoping hearing at the Planning Commission. Following the public scoping period, the EIR scope of work will be finalized by the Environmental Analyst, and work on the Draft EIR will proceed.

Preliminary Identification of Alternatives to be Evaluated in the EIR

Work to date and public input on the *Plan Santa Barbara* Draft Policy Preferences has included discussion of the range of growth and range of policy options to be evaluated in the *PlanSB* EIR. The growth range identified includes 2,000–7,000 additional housing units and 1-3 million square feet additional nonresidential growth.

The following table is a preliminary identification of alternatives to be evaluated in the EIR. The descriptions and assumptions for these alternatives will be refined following City Council selection of the EIR “project” and the public scoping process for the EIR.

Preliminary Outline of EIR Alternatives - Policy and Growth Scenario Assumptions

Alternatives Summary of Policies ¹	Non-Residential Growth² Square Feet (SF) ^{3,4} <i>Net Increase 2007-2030</i>	Residential Growth² Dwelling Units (DU) ^{3,4} <i>Net Increase 2007-2030</i>
“No Project” Alternative <u>Current policies continue:</u> GP Land Use/ Zoning designations; nonresidential growth cap, allocation categories, and findings; demolition and rebuild existing nonresidential SF; pyramid range of uses in commercial and R-3/R-4 zones; building heights of 30, 45, & 60 feet in commercial zones; mixed use incentives; variable density; current R-2 density standards; State and City bonus density and inclusionary affordable provisions; current 2 nd unit policies; current annexation policies; single-family & multi-family residential policies; current design standards..	2 million SF	2,800 DU
Project: PlanSB, LUE, HE Policy Amendments¹ Limit nonresidential and residential growth; focus development within transit accessible area; community benefit land uses; sustainable neighborhood plans; mixed use development standards and form-based codes to provide compatible building size, bulk & scale; setback, open space, and landscaping standards; reduced unit size & amendments to variable density; 60-foot height limit with lower heights next to residential and historic structures; incentives for affordable and “affordable by design” housing; 2 nd unit incentives; rental housing incentives; reduce parking standards.	2 million SF	2,800 DU
Lower Growth Alternative¹ Lower height limits to 40-45 feet; reduce nonresidential SF cap; added protection for historic districts and residential area density; increase setbacks, open space, landscaping; retain or increase parking standards.	1 - 1.5 million SF	2,000 DU
Medium Growth Alternative¹ Promote compact growth along transit corridors; increase housing; reduce unit sizes; retain or increase building heights; allow 2 nd units; reduce parking standards.	2 million SF	4,500 DU
Higher Growth Alternative¹ This alternative could be considered as a longer-range, full build-out scenario.	3 million SF	7,000 DU

Notes:

1. Other existing General Plan policies would remain unless noted for amendment.

2. *Build-out growth scenarios here identify potential growth assumptions within the City only. To evaluate cumulative development on the South Coast, the EIR analysis will also make assumptions about build-out within the City sphere of influence (estimated at approximately 270 DU and 275,000 SF nonresidential growth) and other surrounding jurisdictions.*
3. *The nonresidential square footage figures include both Measure E square footage caps and Minor Additions square footage.*
4. *In addition to the net new square footage figures, it would be assumed that 500,000 square feet of existing nonresidential square footage would be demolished and rebuilt.*

VIII. RECOMMENDATION FOR PC HEARING

Staff recommends the following format for the Planning Commission hearing:

- A. **Staff Presentation** – Staff will provide an overview of the draft general plan framework and recommended policies and alternatives as well as expected outcome of Phase III of the *PlanSB* process.
- B. **Comments from Board and Committee Members** – Board and Committee members who have been active in *PlanSB* will have an opportunity to provide input on policy considerations relevant to their charge.
- C. **Public Hearing** – It is expected that a significant part of the first meeting date, Wednesday, September 10, will be to receive input from the community. This will be an opportunity for organizations and the general public to provide input on all the policy issues.
- D. **Planning Commission Discussion and Recommendation on:**
 1. General Plan Framework
 2. Draft Policy Preferences Document (Exhibit A)
 - a. Sustainability Framework
 - b. General Plan Elements
 - i. Land Use and Growth Management
 - ii. Community Design and Historic Resources
 - iii. Housing
 - iv. Circulation
 - v. Public Services and Safety
 - vi. Environmental Resources
 - vii. Economy and Fiscal Health
 3. Confirm components and direction of the upcoming *PlanSB* Phase III activities
 4. Alternatives to be included in the EIR
 5. Choose Representatives to attend and work with Ordinance Committee on the *PlanSB* Interim Zoning and Design Ordinance

IX. EXHIBITS:

- A. General Plan Framework: Draft Policy Preferences Report (Separate Document)