



City of Santa Barbara California

PLANNING COMMISSION STAFF REPORT

REPORT DATE: October 30, 2014
AGENDA DATE: November 6, 2014
SUBJECT: HRC-2 Zone Ordinance Amendment
TO: Planning Commission
FROM: Planning Division, (805) 564-5470, extension 4552
 Renee Brooke, AICP, Senior Planner *RJB*
 Allison De Busk, Project Planner *AD*

I. RECOMMENDATION

That the Planning Commission review the proposed amendment to Section 28.22.030 of the Municipal Code (Exhibit A) to correct the inadvertent deletion of residential as an allowed use in the HRC-2 Zone within Area A of the Cabrillo Plaza Specific Plan, and make a recommendation to City Council for adoption of the amendment.

II. DISCUSSION

The majority of the area bounded by Santa Barbara Street, E. Yanonali Street, Garden Street and the railroad tracks has dual zoning of HRC-2 (Hotel and Related Commerce) and SP-2 (Cabrillo Plaza Specific Plan). Currently, there is a discrepancy between the uses allowed in the HRC-2 Zone and SP-2 related to residential uses. The Cabrillo Plaza Specific Plan allows multi-family residential uses in Area A (the area generally described above, as depicted in Exhibit B) of SP-2; however, the HRC-2 Zone no longer allows residential uses in that area.

This discrepancy is the result of changes to the HRC-2 Zone that were made as part of the adoption of the OC (Ocean-Oriented Commercial) Zone in 2005. Prior to 2005, the HRC-2 Zone allowed residential uses in the area bounded by Helena Avenue on the west, the existing railroad right-of-way to the south, Garden Street extension on the east and Highway 101 to the north ("Helena Residential Allowance Area"); refer to Exhibit B for a depiction of this area.

In 2005, the HRC-2 Zone was amended as part of the OC Rezone, and the allowance for residential use in the Helena Residential Allowance Area was eliminated. The majority of the parcels within the Helena Residential Allowance Area were rezoned to OC or OC/HRC-2. However, for those parcels that were not rezoned (specifically, Area A of SP-2, as shown on Exhibit B), the deletion of the Helena Residential Allowance Area from the HRC-2 zone created an inconsistency between the HRC-2 Zone and SP-2 over the treatment of residential uses in Area A of SP-2.

Based on staff's research, it appears as though, in rezoning the majority of the parcels located within the Helena Residential Allowance Area from HRC-2 to OC, it was assumed that the allowance for residential uses in the Helena Residential Allowance Area of the HRC-2 Zone

could be eliminated, as the OC Zone would now apply to that area. However, as noted above, for those parcels within the Helena Residential Allowance Area that were not rezoned to OC, this created a zoning inconsistency related to residential use. The City and Coastal Commission staff reports identifying the proposed OC rezone area specifically state that the Cabrillo Plaza Specific Plan is not included in the rezone. Additionally, the ordinance adopting the rezone specifically identifies the APNs of the lots that were to be rezoned from HRC-2 to OC and has an exhibit to the ordinance that excludes the Cabrillo Plaza Specific Plan area from the graphic depiction of the OC Zone.

Therefore, staff has concluded, and the owners of the Cabrillo Plaza Specific Plan parcels agree, that the allowance for residential uses in Area A of SP-2 was inadvertently eliminated from the HRC-2 Zone as part of the adoption of the OC Zone in 2005. Staff is proposing to amend the HRC-2 Zone to reinstate residential as an allowed use for those parcels within the affected area (Area A of SP-2).

Refer to Exhibit C for a more detailed history of the applicable Ordinances, staff reports, etc. referenced above.

III. CONCLUSION / REMEDY

Before the OC rezone in 2005, the HRC-2 Zone and SP-2 allowed residential uses in Area A of SP-2. The OC rezone did not apply to Area A of SP-2. This is borne out by exhibits to the ordinance that list the lots that are to be rezoned, the description of the rezone area in the City and Coastal Commission staff reports, and it is noted in the Local Coastal Plan Text Amendments for Component 4.

Therefore, the elimination of the Helena Residential Allowance Area as a whole was an error. The proposed amendment would reverse that error, would bring the HRC-2 and SP-2 Area A land uses back into conformance related to residential uses, and would not change policy (as acknowledged by Coastal Commission staff, see below). Refer to Exhibit A for the proposed text of the Ordinance Amendment.

IV. LOCAL COASTAL PLAN CONSISTENCY

The LCP land use designation underlying Area A of the Cabrillo Plaza Specific Plan is Hotel and Related Commerce and Residential, so maintaining an allowance for residential use on the affected parcels is appropriate.

Staff has discussed this issue with Coastal Commission staff, who agreed that the Coastal Commission does not consider the land within the Cabrillo Plaza Specific Plan to be part of the HRC-2/OC rezone that occurred in 2005. From their perspective, the revised text of the HRC-2 Zone (which removed the allowance for residential use in the Helena Residential Allowance Area, and is in effect today) does not apply to the Cabrillo Plaza Specific Plan parcels. Therefore, staff has concluded that a Local Coastal Plan Amendment is not necessary to correct this error.

V. ENVIRONMENTAL REVIEW

The Environmental Analyst has determined that the project is exempt from further environmental review pursuant to the California Environmental Quality Act Guidelines Section 15305. The City's adopted list of projects that are consistent with this exemption class include:

- Creation of minor new, and minor amendments to existing land use plans, ordinances, guidelines, regulations and/or development standards which do not result in any changes in land use density and which have no potential for significant environmental effects.
- Minor Zoning Ordinance amendments that do not significantly change plan uses in an area.

The Ordinance Amendment is limited to re-instituting residential use as an allowed use on property located within Area A of the Cabrillo Plaza Specific Plan. The Ordinance Amendment would not affect or change adopted land use designations or densities identified in the General Plan or Local Coastal Plan, or the Cabrillo Plaza Specific Plan. Therefore, it would not result in significant environmental effects because these potential effects have already been considered as part of prior land use decisions.

VI. NEXT STEPS

After receiving the Commission's recommendation, the ordinance amendment will be forwarded to the City Council, and staff anticipates the Introduction hearing will be scheduled in December 2014.

Exhibits:

- A. Proposed HRC-2 Zone Ordinance Amendment
- B. Map of Affected Area
- C. Background Information

PLANNING COMMISSION DISCUSSION DRAFT 11/06/2014
SHOWING CHANGES FROM EXISTING CODE

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNCIL OF THE
CITY OF SANTA BARBARA AMENDING
SECTION 28.22.030 OF CHAPTER 28.22 OF
TITLE 28 OF THE SANTA BARBARA
MUNICIPAL CODE.

WHEREAS, the HRC-2 (Hotel and Related Commerce - 2) Zone was adopted by the City Council in 1983 allowing residential uses within the area bounded by Helena Avenue on the west, the existing railroad right-of-way on the south, the Garden Street extension on the east and Highway 101 on the north.

WHEREAS, in 2005 the City Council adopted Ordinance No. 5343 rezoning a portion of the HRC-2 Zone to the OC (Ocean Commercial) Zone.

WHEREAS, Ordinance No. 5343 was not intended to affect the real property within the Cabrillo Plaza Specific Plan (SP-2).

WHEREAS, Ordinance No. 5343 unintentionally deleted a provision from Section 28.22.030 of the Municipal Code which allowed residential uses within a portion of the HRC-2 Zone that is located within Area A of the Cabrillo Plaza Specific Plan.

WHEREAS, the City Council wishes to correct the unintended deletion of the residential use allowance within Area A of the Cabrillo Plaza Specific Plan.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SANTA BARBARA DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Section 28.22.030 of Chapter 28.22 of Title 28 of the Santa Barbara Municipal Code is hereby amended to read as follows:

28.22.030 Land Uses Permitted.

The following land uses are allowed in the HRC zones indicated:

A. HRC-1 ZONE:

Hotels, motels and tourist courts, including related recreational, conference center and other auxiliary uses primarily for use by hotel guests and as permitted in

Section 28.21.030.B.2 of this code. In addition, restaurants, including those with entertainment facilities used in conjunction with the restaurant, are allowed.

B. HRC-2 ZONE:

1. General. Any use permitted in the HRC-1 Zone and subject to the restrictions and limitations contained therein.

2. Specific. Any of the following uses which are primarily visitor-serving or of a commercial recreational nature specific to the Coastal Zone are allowed:

a. Bicycle, roller skating, moped, dive gear and other recreational equipment rental stores.

b. Stores which sell liquor, groceries and food, which do not exceed 2,500 sq. ft. in gross floor area.

c. Specialty and gift shops.

d. Art galleries.

e. Bait and tackle shops, sales of boats, marine supplies and related equipment.

f. Other visitor-serving or commercial recreational uses deemed appropriate by the Planning Commission.

3. General Office Use. The second and third floors of commercial buildings are allowed to be used for general office uses upon issuance of a Conditional Use Permit. A Conditional Use Permit may be granted by the Planning Commission or City Council on appeal for such uses in accordance with the provisions of Chapter 28.94 of this Code, subject to the following additional findings:

a. The use is compatible with visitor-serving uses;

- b. Visitor-serving uses remain the primary use of the building; and
- c. Non-visitor-serving uses shall not exceed fifty (50) percent of the total

square footage of the building.

4. Restriction on Residential Use. Residential use is prohibited in the HRC-2

Zone except in the following areas:

a. The area bounded by Cabrillo Boulevard on the southeast, Los Patos Way on the southwest and the existing railroad right-of-way on the north.

b. The area identified as Area A of the Cabrillo Plaza Specific Plan as specified in Resolution No. 83-155.

Any use permitted in the R-3 Zone is allowed in these areas subject to the restrictions and limitations contained in this Chapter.

5. Special Treatment Area. The following additional restrictions shall apply in the area bounded by Cabrillo Boulevard on the southeast, Los Patos Way on the southwest and the existing railroad right-of-way on the north, due to concerns about protection of the sensitive habitat character and aesthetics of the Andree Clark Bird Refuge:

a. High Intensity Uses. The following high-intensity uses shall be prohibited:

- i. fast food restaurants
- ii. stores which sell liquor, groceries and food, except that off-site sale

of beer and wine and picnic items may be allowed only when incidental to and related to the primary use of the establishment.

- iii. automobile service station.

b. Front Setback. There shall be a front setback of not less than:

i. Ten (10) feet for one-story buildings that do not exceed fifteen (15) feet in height; and

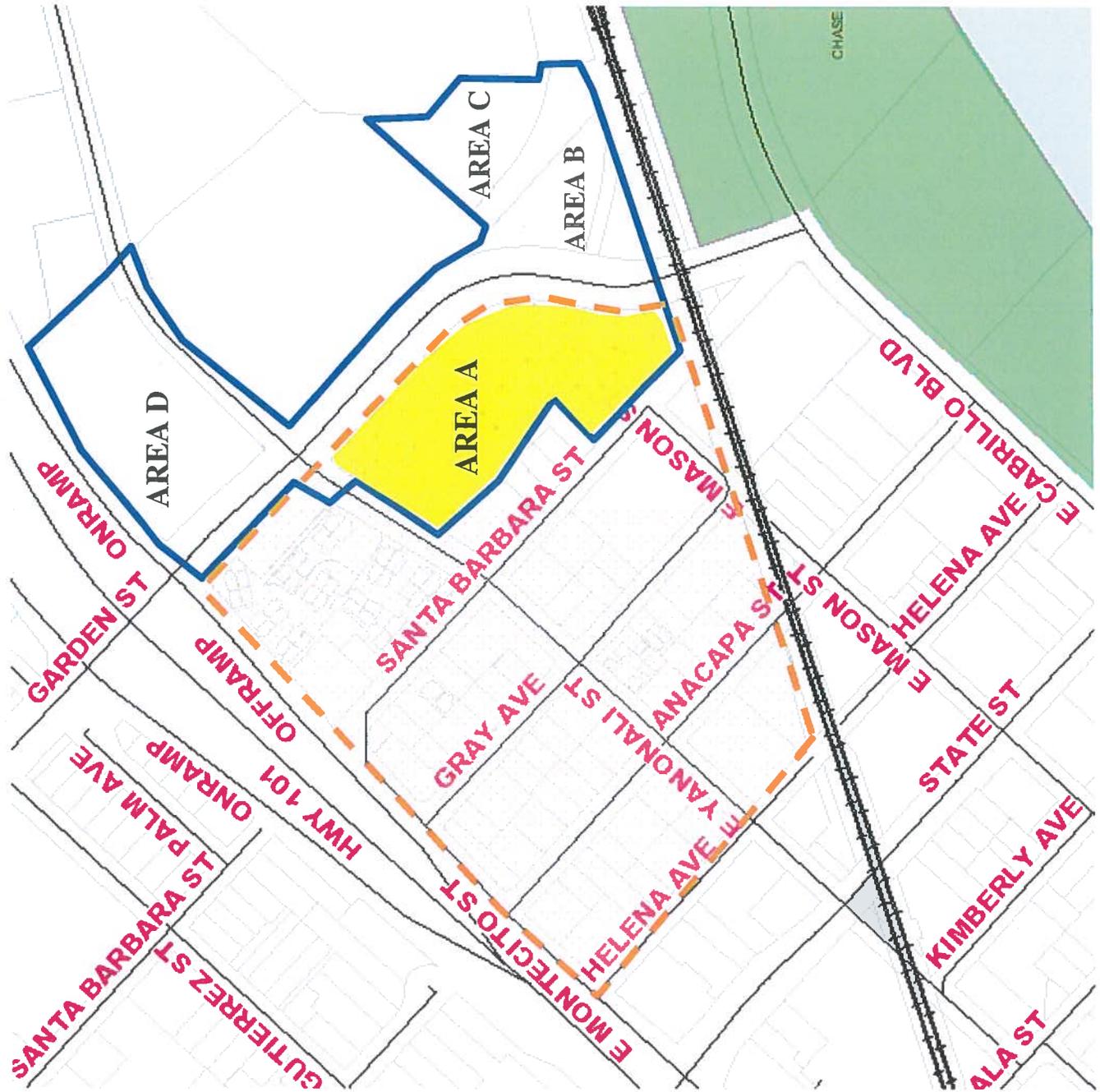
ii. one hundred (100) feet for the second-story portion of any building that exceeds fifteen (15) feet in height.

c. Building Height. Three-story buildings and buildings in excess of thirty (30) feet in height shall be prohibited.

Map of Affected Area

Legend

-  SP-2
-  Area A of SP-2 (zoned HRC-2/SP-2)
-  Helena Residential Allowance Area (currently zoned OC or OC/HRC-2, except for Area A of SP-2)



BACKGROUND INFORMATION

Cabrillo Plaza Specific Plan

In September of 1983, the City Council adopted Resolution No. 83-155 approving the Cabrillo Plaza Specific Plan (SP-2).

The Cabrillo Plaza Specific Plan allows multi-family residential uses in Area A, subject to the restrictions of the R-3 (Limited Multiple-Family Residence) Zone. Area A of the Specific Plan fell within the Helena Residential Allowance Area of the HRC-2 Zone, maintaining consistency between the HRC-2 Zone and SP-2 in terms of allowing residential uses.

HRC-2 Zone (1986 – 2005)

In October of 1982, the City Council adopted Ordinance No. 4172 establishing the HRC-1 and HRC-2 Zones.

Residential uses were prohibited in the HRC-1 Zone and generally prohibited within the HRC-2 Zone, but Municipal Code Section 28.22.030.2.d identified two areas within the HRC-2 Zone where residential use was allowed:

- (1) The area bounded by Helena Avenue on the west, the existing railroad right-of-way on the south, the Garden Street extension on the east and Highway 101 on the north.
- (2) The area bounded by Cabrillo Boulevard on the south, Garden Street on the west, the existing railroad right-of-way on the north and Salsipuedes Street on the east.

The area identified in (1) above will be referred to herein as the "Helena Residential Allowance Area".

In 1985, the City Council adopted Ordinance No. 4320, which repealed Ordinance No. 4172 (establishing the HRC-1 and HRC-2 Zones) and readopted Municipal Code Chapter 28.22 for the HRC-1 and HRC-2 Zones. In 1986, the Coastal Commission approved the City's Local Coastal Program Implementation Plan, thereby making the HRC-1 and HRC-2 Zones effective.

With Ordinance No. 4320, the general prohibition against residential uses in the HRC-2 Zone remained, but Municipal Code Section 28.22.030.2.d was amended to add a third area (Los Patos Way) where residential use was allowed.

The treatment of residential uses between the HRC-2 Zone and the Cabrillo Plaza Specific Plan was consistent with the adoption of this Ordinance.

OC Rezone (1995 – 2005)

In 1995, the City initiated the HRC Zone Study, which began a process to address land use in the interior of the HRC Zone and culminated in the creation of the Ocean-Oriented Commercial (OC) Zone in 2004. Only the history most relevant to the current issue (residential use in the Helena Residential Allowance Area) is summarized below.

In September 2002, the City submitted an application to the California Coastal Commission for certification of an amendment to the City's Local Coast Program (LCP) to rezone a portion of the HRC-2 Zone to the Ocean-Oriented Commerce (OC) Zone. The Coastal Commission considered this application at meetings in April and August of 2003.

The Coastal Commission staff reports and agendas included descriptions of the areas subject to the proposed rezone, which specifically excluded lots fronting Cabrillo Boulevard and lots within the Cabrillo Plaza Specific Plan.

On August 8, 2003, the Coastal Commission approved the City's application with modifications. The Coastal Commission staff report included a discussion of residential uses in the HRC-2 Zone and states that the Helena Residential Allowance Area is going to be rezoned to OC. Presumably, that is why the Helena Residential Allowance Area was deleted from the HRC-2 Zone as an area where residential is an allowed use. However, some of the parcels covered by that residential allowance (the parcels within Area A of the Cabrillo Plaza Specific Plan) were not, in fact, proposed to be rezoned from HRC-2 to OC. When the LCP certification approval returned to the City Council for acceptance, a majority of the City Council objected to the Coastal Commission's modifications. In particular, the City Council objected to a Coastal Commission dictate regarding a proposed cap on the proportionate amount of residential square footage (70%) that could be proposed in a mixed use project within the OC Zone. On November 11, 2003, a 4-3 majority of the City Council voted to table the rezone rather than accept the Coastal Commission's modifications.

On March 6, 2004, the issue returned to the City Council for reconsideration. At this time, a majority of Council voted to continue the rezone process, including the Coastal Commission modifications. On April 22, 2004, the Planning Commission reviewed the proposed OC Zone Ordinance Amendment. Significant to this discussion is the inclusion of a draft amendment to the City's LCP that included language noting the intended exclusion of the area within the Cabrillo Plaza Specific Plan from the area of the rezone. On June 22, 2004, the City Council adopted Ordinance No. 5322 to establish the OC Zone and amend the HRC Zone. This ordinance was resubmitted to the California Coastal Commission for certification.

On November 19, 2004, the Coastal Commission certified the LCP amendment with a suggested modification. As outlined in the Coastal Commission staff report, the description of the LCP Amendment includes the following:

- Rezoning an area that encompasses the Helena Residential Allowance Area to OC or HRC/OC *except* for the parcels within the Cabrillo Plaza Specific Plan.
- Removing the HRC-2 allowance for residential use in the Chase Palm Park Expansion area (one of the three areas where residential uses were allowed) because that area was rezoned to PR (Park and Recreation) in 1997. Interestingly, the staff report does not specifically mention removing the allowance for residential use in the Helena Residential Allowance Area, although that was accomplished with this LCP Amendment.
- Amending the Zoning Ordinance to specifically address that variable density in applies the HRC-2 and OC Zones.

As part of the discussion of variable density, the staff report discussed the two areas in the HRC-2 Zone where residential uses would be allowed:

- 1) The Helena Residential Allowance Area (referred to as Area #1 in the staff report) – The staff report states that this area would be rezoned to OC. However, we know that not all of this area was proposed to be rezoned to OC, based on the explicit exclusion of the Cabrillo Plaza Specific Plan Area from the description of the rezone area.
- 2) The Los Patos Way Area (referred to as Area #2 in the staff report).

It is this oversight/inconsistency (concluding that all of the Helena Residential Allowance Area would be rezoned to OC, and therefore deleting the allowance for residential uses in this area from the HRC-2 Zone) that apparently resulted in the discrepancy that we are now hoping to remedy.

On February 8, 2005, the City Council accepted the Coastal Commission's suggested modification and adopted Ordinance 5343 to establish the OC Zone and amend the HRC-1 and HRC-2 Zones. This Ordinance became effective on March 2, 2005 when it was certified by the Coastal Commission. This is the Ordinance currently in effect.

With adoption of Ordinance 5343, the treatment of residential uses became inconsistent between the HRC-2 Zone and the Cabrillo Plaza Specific Plan.

Proposed Development of 101 Garden Street

There have been several proposals for development of the Cabrillo Plaza Specific Plan area. However, most recently and most relevant to the current discussion, is the residential development that was proposed on Area A. On September 14, 2004, the City Council and Planning Commission held a joint concept review hearing to discuss appropriate development of three sites in the Waterfront Area, including 101 Garden Street, which is Area A of the Cabrillo Plaza Specific Plan. The other two sites were located in the area proposed to be rezoned to OC (222 Santa Barbara Street and 236 E. Yanonali Street).

Focusing on Area A of the Cabrillo Plaza Specific Plan, staff asked the Council and Commission for feedback as to whether or not a 100% residential project was appropriate for the site. The staff report references the site's underlying land use designation (Hotel and Related Commerce II / Residential 12 units per acre) and the allowance for residential uses as identified in the SP-2 Zone, but does not discuss the site's HRC-2 zoning.

At this time, although approved by the City Council, the OC Rezone (Ordinance No. 5322) was still pending with the Coastal Commission, so it was not yet in effect. The proposed Ordinance included an exemption for pending residential development applications, which would have applied to the portions of the proposed development located at 222 Santa Barbara Street and 236 E. Yanonali Street. The Coastal Commission did not support this exemption, which was the only change between the version of the Ordinance submitted to them (Ordinance 5322) and the Ordinance that was ultimately certified (Ordinance 5343).

Summary

From the certification of Ordinance No. 4320 (1986) until the certification of Ordinance No. 5343 (2005) by the Coastal Commission, the HRC-2 Zone identified three areas where residential uses were allowed, including the Helena Residential Allowance Area, which included Area A of the Cabrillo Plaza Specific Plan. Therefore, the treatment of residential uses under the HRC-2 Zone and the Cabrillo Plaza Specific Plan was consistent from 1986-2005.

Following the certification of Ordinance No. 5343 (OC Rezone), the only area within the HRC-2 Zone that allowed residential use was the Los Patos Way area. The majority of the parcels within the original Helena Residential Allowance Area were rezoned to OC or OC/HRC-2. However, for those parcels that were not rezoned (Area A of the Cabrillo Plaza Specific Plan), the deletion of the Helena Residential Allowance Area from the HRC-2 zone eliminated those parcels' ability to develop with residential uses. Additionally, by removing the Helena Residential Allowance Area from the HRC-2 Zone, it created an inconsistency between the HRC-2 Zone and the Cabrillo Plaza Specific Plan over the treatment of residential uses in Area A of the Cabrillo Plaza Specific Plan.

References (Available Upon Request)

1. Ordinance No. 4172 establishing the HRC-1 and HRC-2 Zones
2. Resolution No. 83-155 - Cabrillo Plaza Specific Plan (SP-2)
3. Ordinance No. 4320 amending the HRC-1 and HRC-2 Zones (repealed Ordinance No. 4172)
4. Coastal Commission staff report dated March 26, 2003 (for April 2003 Hearing)
5. Coastal Commission staff report dated July 22, 2003 (for August 2003 Hearing)
6. Planning Commission Staff Report dated April 15, 2004
7. Council Agenda Report dated June 15, 2004 and proposed Ordinance Amendment
8. Ordinance No. 5322 establishing the OC Zone and Amending the HRC-1 and HRC-2 Zones
9. Coastal Commission staff report dated October 28, 2004 (for the November 2004 Hearing)
10. Ordinance No. 5343 establishing the OC Zone and Amending the HRC-1 and HRC-2 Zones

