



COMMUNITY DEVELOPMENT DEPARTMENT

AUD INCENTIVE PROGRAM PLANNING COMMISSION DISCUSSION

September 6, 2016

Meeting Purpose

- Council direction (May 24, 2016)
- Continue discussion from July 21
- Review and Consider
 - AUD Incentive Program objectives
 - Most recent project data
 - Possible minor ordinance amendments
 - Adaptive Management Program Report
- Provide Recommendations to Council

Agenda

- Staff Presentation
- Planning Commission Questions
- Public Comment
- Planning Commission Discussion
- Adjourn

Adaptive Management Program (AMP)

- Provides an opportunity for timely policy and implementation action adjustments
- Annual Report
 - 2016 Fall Joint Council / PC meeting (October 27th)
 - Will focus on AUD Incentive Program
 - *Is the Program meeting its objectives?*
 - *Possible minor ordinance amendments*

AUD INCENTIVE PROGRAM OBJECTIVES

2012 General Plan Land Use Element

- “...encourage smaller rental and workforce units close to transit, and easy walking and/or biking distance to commercial services and recreational opportunities”
- “...encourage smaller, more affordable units through established unit sizes, while allowing flexibility for larger units, which help subsidize the cost of the smaller units”

2013 AUD Ordinance Amendment Statement of Purpose

“The Program facilitates the construction of smaller housing units by allowing increased density and development standard incentives in selected areas of the City. Housing types that **provide housing opportunities to the City’s workforce** are encouraged and facilitated by the program.”

AUD Development Incentives

Prior to July 2013 (before AUD)		After July 2013 (after AUD)	
Maximum Allowed Density			
Medium High Density	15-27 du/acre	Medium High Density	15-27 du/acre
Commercial/Medium High Density	15-27 du/acre	Commercial/Medium High Density	15-27 du/acre
Light Industrial/Medium High Density	15-27 du/acre	Light Industrial/Medium High Density	15-27 du/acre
High Density	N/A	High Density	28-36 du/acre
Commercial/High Density	N/A	Commercial/High Density	28-36 du/acre
Priority Housing Overlay	N/A	Priority Housing Overlay*	37-63 du/acre

*Must be Rental Housing, Employer-sponsored Housing, or Limited Equity Co-Op

AUD Development Incentives

Prior to July 2013 (before AUD)		After July 2013 (after AUD)	
Maximum Building Height			
R-3 / R-4 Zones	45'; 3 stories	R-3 / R-4 Zones	45'; 3 stories
R-O / C-P / C-L / C-1 Zones	45'; 3 stories	R-O / C-P / C-L / C-1 Zones	45'; 3 stories
C-2 / C-M / M-1 Zones	60'; 4 stories	C-2 / C-M / M-1 Zones	45'; 4 stories > 45' allowed if Community Benefit Project w/PC Findings

AUD Development Incentives

Prior to July 2013 (before AUD)		After July 2013 (after AUD)	
Minimum Parking			
Multi-Unit Residential Development (regardless of zone)			
Studio = 1.25 spaces/unit 1-bed = 1.5 spaces/unit 2+ bed = 2 spaces/unit 6+ units = 1 space/4 units for guest parking		1 space/unit No guest parking required	
Mixed-Use Development (regardless of zone)			
Residential Use exceeds 50% of development	Studio = 1.25 spaces/unit 1-bed = 1.5 spaces/unit 2+ bed = 2 spaces/unit 6+ units = 1 space/4 units for guest parking	Residential Use exceeds 50% of development	1 space/unit No guest parking required
Residential Use is up to 50% of development	Above parking requirements are reduced by 50%	Residential Use is up to 50% of development	1 space/unit No guest parking required
In the Central Business District	1 space/unit No guest parking required	In the Central Business District	1 space/unit No guest parking required

AUD Development Incentives

Prior to July 2013 (before AUD)		After July 2013 (after AUD)	
Outdoor Living Space			
R-3 / R-4 Zones		R-3 / R-4 Zones (not including SD-2 Overlay)	
Method A	10% (of lot area) Open Space 15' x 15' Common Area Private Outdoor Living Space	Method A	10% (of lot area) Open Space 15' x 15' Common Area Private Outdoor Living Space
Method B	15% (of lot area) with 20' minimum dimensions	Method B	15% (of lot area) with 20' minimum dimensions
Commercial Zones		Commercial Zones (not including SD-2 Overlay)	
Method A	10% (of lot area) Open Space 15' x 15' Common Area Private Outdoor Living Space	Method A	<i>10% (of lot area) Open Space Optional</i> 15' x 15' Common Area Private Outdoor Living Space
Method B	15% (of lot area) with 20' minimum dimensions	Method B	15% (of lot area) with 20' minimum dimensions, <i>on ANY floor</i>

AUD Incentive Program Objectives

- Encourage smaller rental units
- Locate units close to transit, services, and recreational opportunities
- Encourage workforce housing

Will Units Serve as Workforce Housing?

- Workforce Housing
 - Households overqualified for subsidized affordable housing, yet cannot afford to purchase average market-rate housing
 - *120% to 200% of the Area Median Income (AMI)*

Will Units Serve as Workforce Housing?

- Santa Barbara County AMI is \$77,100 for a household of four

	Middle Income (120-160% AMI)	Upper Middle Income (160-200% AMI)	30% Gross Monthly Income Towards Rent
1-Person Household	\$64,765 - 86,352	\$86,353 – 107,940	\$1,619 – 2,698
2-Person Household	\$74,017 - 98,688	\$98,689 – 123,360	\$1,850 – 3,084
3-Person Household	\$83,269 – 111,024	\$111,025 – 138,780	\$2,081 – 3,469
4-Person Household	\$92,521 – 123,360	\$123,361 – 154,200	\$2,313 – 3,855

Will Units Serve as Workforce Housing?

- Minimal objective data available
- The Marc (3885 State Street)

	“Affordable” Monthly Rent - Workforce	Unit Type	Rent Starts @
1-Person Household	\$1,619 – 2,698	1-Bedroom and 2-Bedroom	\$2,445 - \$3,125+
2-Person Household	\$1,850 – 3,084		
3-Person Household	\$2,081 – 3,469		
4-Person Household	\$2,313 – 3,855	3-Bedroom	\$3,500+

PLANNING COMMISSION MEETING – JULY 21, 2016

Summary of PC Comments 7/21/16

Majority Direction

- ✓ AUD Program is meeting its objectives*
- ✓ Recommend amendment to parking requirements
- ✓ Improve review process for HLC & ABR
- ✓ Encourage Multi-Unit / Mixed-Use Guidelines

*With some possible adjustments

Summary of PC Comments 7/21/16

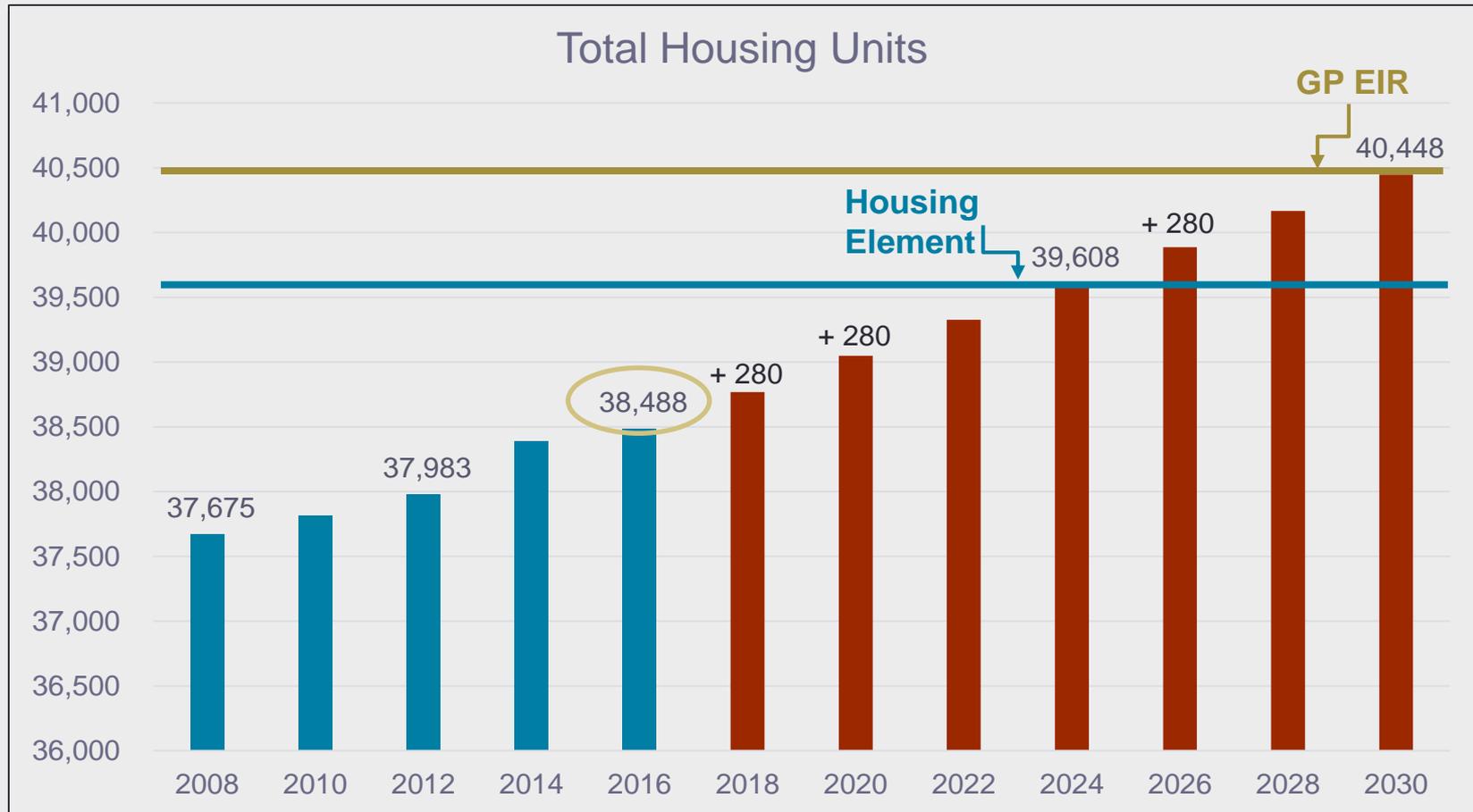
Need Additional Information

- Pace of development
- Car ownership statistics
- Detailed statistics of AUD projects
- Fees/improvements for AUD projects
- Project statistics prior to AUD Program
- Project review process

Housing Element Implementation

- 38,393 Existing Units in 2014
 - +1,208 Units Projected by 2023
- = 39,601 Units by 2023

Housing Element Implementation



AUD Program Unit Statistics

Unit Type	Pending	Approved	Permit Issued	C of O	TOTAL
Affordable	17	148	40	0	205
Medium High Density	64	49	12	4	129
High Density	44	0	33	0	77
Priority Housing Overlay	266	164	118	0	548
TOTAL	391	361	203	4	959

As of August 31, 2016

Summary of PC Comments 7/21/16

Project Review Process

- Increase support to HLC & ABR
 - Staff reports, site visits, analysis
- Additional consideration for historic resources
- Prepare Multi-Unit / Mixed-Use Guidelines

Summary of PC Comments 7/21/16

Potential Ordinance Amendments

- Allow PC action in some cases
- Limit bedrooms & bathrooms
- Require laundry rooms
- Review height limits
- Additional protection for historic resources
- Control rent rates

Summary of PC Comments 7/21/16

Potential Ordinance Amendments

- Open space requirements
- Trial Period
- Parking Requirements
 - Increase for 3+ bedrooms
 - Require car sharing
 - Transit improvements
 - Prohibit garages; allow carports only

Summary of PC Comments 7/21/16

Other Suggestions

- Parking
 - Unbundle parking
 - Allow parking off-hours in public lots
 - Require on-street parking survey

Summary of PC Comments 7/21/16

Adaptive Management Program

- Evaluate potential impacts in commercial zones vs. residential zones
- Monitor water use
- Evaluate annual survey data
- Monitor on-ground conditions before and after AUD project

Historic Landmarks Commission

Recommendations

- Augment project submittal requirements
- Increase staff support
- Subcommittee to:
 - Develop “Infill Guidelines”
 - Suggest revisions to AUD Program map

Trial Period Sunset

- No Trial Period project has received a Certificate of Occupancy
- Anticipate the AUD Incentive Program would sunset in the next 24 to 30 months
 - 4 to 5 projects approved or under construction may comprise the trial period
 - 250 units

Trial Period Sunset

- Staff recommends discussion of the existing trial period of eight years or 250 units constructed
 - If not amended, residential density defaults to the Variable Density Standards
 - Methods
 - *Pace applications or building permits*
 - *Adjust incentives and/or geographic area*



RECOMMENDATIONS

Planning Commission Recommendations

July 21, 2016 Meeting

- Project Review Process
- Ordinance Amendments
- Other Recommendations
- Adaptive Management Program Report

Project Review Process

- Increase support to HLC & ABR
 - Staff reports, site visits, analysis
- Additional consideration for historic resources
- Prepare Multi-Unit / Mixed-Use Guidelines
- Others?

➤ Motion on Project Review Process

Possible Ordinance Amendments

- Allow PC action in some cases
- Limit bedrms & baths
- Require laundry rooms
- Additional protection for historic resources
- Adjust open space requirements
- Review height limits
- Control rent rates
- Adjust trial period
- Parking requirements
 - Increase for 3+ bedrms
 - Require car sharing
 - Transit improvements
 - Prohibit garages; allow carports only

➤ Motion on Ordinance Amendments

Other Recommendations

- Parking
 - Unbundle parking
 - Allow more tandem parking configurations
 - Allow parking off-hours in public lots
 - Require on-street parking survey

➤ Motion on Other Recommendations

Adaptive Management Program Report

- Evaluate potential impacts in commercial zones vs. residential zones
 - Monitor water use
 - Evaluate annual survey data
 - Monitor on-ground conditions before and after AUD project
 - Others?
- **Motion on AMP Report**

PUBLIC COMMENT & PC DISCUSSION AND RECOMMENDATION
