



## City of Santa Barbara

Community Development Department

### Memorandum

**DATE:** May 21, 2015

**TO:** Architectural Board of Review

**FROM:** Planning Division

**SUBJECT:** Review of Average Unit-Size Density (AUD) Incentive Projects

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#### ***Purpose***

The purpose of this memorandum is to provide additional information and direction related to the review of Average Unit-Size Density (AUD) Incentive Program projects. Recently reviewed AUD projects at both the ABR and HLC have triggered concerns and questions about the application of AUD Program standards and design review. Staff anticipates that the information and guidance provided by this memorandum will assist with the future review of AUD projects.

#### ***Background***

The Average Unit-Size Density (AUD) Incentive Program was adopted by City Council in July 2013, to carry-out an important program of the City's General Plan. It is intended to promote needed residential development, particularly non-subsidized rental units, in the community.

The AUD program encourages housing by allowing increased densities based on unit size: the smaller the average unit size for the project, the greater the density allowed. Additionally, development standard incentives related to parking, setbacks, building height, distance between buildings, and open space are provided to help make the construction of additional residential units possible.

The approach taken to develop the AUD Program involved policy tradeoffs that make AUD projects potentially more controversial. One such tradeoff is parking. As part of the 2011 General Plan Update process, the City Council determined that reducing parking requirements for AUD projects in order to produce more housing was an appropriate tradeoff.

The AUD Program allows a minimum of one parking space per residential unit. This reduction in parking is intended to encourage affordability and help decrease building mass. A key finding from the AIA Design Charrette held in July 2011 was the role of parking in determining affordability and building size. This exercise revealed that reduced parking requirements, such as those currently allowed in the Central Business District, are necessary to achieve the increased densities intended by the AUD

Program. In addition, reduced parking requirements for AUD projects are consistent with Housing Element Policy H17 that directs flexibility in development standards to facilitate additional housing.

It was also acknowledged by Council that development of higher density projects allowed by the AUD Program would initially generate some debate, especially in areas allowing high density and priority housing overlay development. As the AUD Program is implemented, a certain degree of change in development patterns is expected, particularly in neighborhoods which allow higher densities. However, it is important to understand that the higher density tiers allowed by the AUD Program and their location were extensively discussed and analyzed, and ultimately approved as part of the General Plan Update.

Keep in mind, that the AUD Program is being implemented on a “trial basis” for eight years or once 250 units have been developed in the High Density and Priority Overlay areas, whichever occurs sooner. Prior to the end of the eight years or the construction of 250 units, Council will evaluate the AUD Program’s success and consider whether to extend or modify the AUD Program. If the AUD Program is not extended or modified, multi-unit residential development will revert back to the Variable Density standards in place prior to adoption of the 2011 General Plan Update.

### ***Review of Rental Projects***

Generally, rental units do not require review or specific approvals from the Planning Commission and instead are reviewed by either the Architectural Board of Review (ABR) or Historic Landmarks Commission (HLC). Planning Commission action is required for housing projects that involve condominiums, or mixed use projects (with rental housing) if the new commercial space is more than 3,000 square feet.

Recent changes to the Municipal Code now require the Planning Commission to review AUD rental projects proposed in the high density residential land use designation or under the AUD priority housing overlay, and located on a project site with a combined net lot area of 15,000 square feet or greater. The Planning Commission will provide comments and recommendations to the applicable design review body regarding the proposed design and improvements of the project as well as the project’s consistency with the General Plan.

Additionally, development projects proposed on sites which are highly visible to the general public may also be referred to the Planning Commission for comments by either the ABR or HLC at their discretion, pursuant to Santa Barbara Municipal Code Sections 22.68.050 and 22.22.133, respectively. Applicants may also voluntarily seek comments from the Planning Commission on any project.

### ***AUD Standards vs. Project Compatibility Criteria***

With respect to AUD rental projects, the parameters of review have not changed; the ABR and HLC will continue to apply the Project Compatibility Criteria as well as ensure that applicable code requirements are met. An AUD project is not exempt from the compatibility criteria.

There appears to be some uncertainty about whether the AUD standards invalidate consideration of the project compatibility analysis performed by the ABR and HLC. An example would be the issue of parking. The parking requirement for AUD projects is a minimum of one covered or uncovered parking space per unit and no guest parking. Requiring more parking than the standard would be outside the purview of the design review body; however the configuration and location of the parking and whether it contributes to an effective design is within ABR and HLC purview.

Similarly, the densities allowed by the AUD Program have been determined and are codified in Chapter 28.20 of the Municipal Code. As previously mentioned, these densities are intended to promote housing, especially rental, employer sponsored housing, and limited equity cooperatives. However, there is a balance between advancing the objectives of the AUD Program and approving an appropriately designed project. In other words, there may be instances where a project meets the AUD development standards, but is lacking in certain design elements, such as landscaping, open space, circulation, parking location/configuration, or scale. In such cases, it is within the purview of the ABR and HLC to request changes to the project in order to provide useable open space, sufficient landscaping, create light and air, or achieve a more appropriate design.

When considering size, bulk and scale of a project and its appropriateness to its location and neighborhood, it is important to understand that some projects may be the catalyst toward larger buildings in the neighborhood. This is especially true in neighborhoods that are currently developed with lower densities. In these cases, reviewing the intent and purpose of the zoning district is helpful. For example many R-3 and R-4 neighborhoods are currently developed with single family units; however the R-3 zone is intended and allows for high density multi-family development. Likewise, the R-4 zone is a hotel-motel-multiple residential district. In addition, these zones also permit a building height of three stories, not to exceed 45 feet. Therefore, although some R-3/R-4 neighborhoods might be predominately developed with one and two story single family residences, the intended development potential for these zoning districts allows for higher density multi-family development.

Therefore, a reasonable balance must be considered when reviewing AUD projects. The AUD Program is carrying out an important City goal of producing additional housing for the community; however it is also recognized that not every property can or should develop at the maximum densities allowed by the Program. The ideal scenario is to strive to meet the objective the AUD Program while ensuring quality and well designed buildings.