

# PLANNING COMMISSION STAFF REPORT

**REPORT DATE:** 

June 7, 2006

**AGENDA DATE:** 

June 15, 2006

**PROJECT ADDRESS:** 

535 E. Montecito Street (MST2004-00235)

TO:

Planning Commission

FROM:

Planning Division, (805) 564-5470

Jan Hubbell, AICP, Senior Planner Why Victoria Greene, Project Planner

## I. SUBJECT: ENVIRONMENTAL SCOPING HEARING

Public scoping hearing to accept comments from the public, agencies, and Planning Commissioners on the proposed scope of analysis for an Environmental Impact Report (EIR) to be prepared for the Los Portales Project at 535 E. Montecito Street.

Staff is also requesting Planning Commission input regarding the applicant's proposal to provide less than the required amount of onsite parking, and instead rely on some on-street parking to meet the estimated parking demand for the project.

#### II. PROJECT DESCRIPTION

**Project Components:** The applicant proposes to construct a mixed use building of 198,031 square feet. The 52 foot tall (53 feet above existing grade), four-story building would include 90 residential condominiums, 6,612 square feet of commercial space, and a 139 space parking lot. The proposed parking garage, commercial space and three residential units would be constructed at ground level. Twenty-nine residential units, private open space and the proposed 12,340 square foot common open space would be provided on the second level. The third and fourth levels would each include 29 condominium units and limited private open space areas.

Ingress to the proposed parking garage would be from Calle Cesar Chavez. Egress would be onto E. Montecito Street. Access for fire protection purposes would be provided by easement over 509 E. Montecito Street, located to the west of the project site. Use of this access would require reconfiguration of a portion of the parking on 509 E. Montecito Street and the provision of three parking spaces for 509 E. Montecito Street on the project site to maintain the existing number of spaces serving that property.

Of the 90 residential condominium units proposed, 60 units would be two-bedroom units of approximately 1,200 square feet and 30 units would contain three-bedrooms in 1,340-1,440 square feet. The applicant proposes to provide a portion of project units at sales prices targeted to households earning from 120-160% of median income, pursuant to the City of Santa Barbara's Affordable

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Housing requirements. These units would be subject to income and sales price restrictions. Currently, 54-66 units are proposed at affordable levels. The remaining 24-36 units would be offered for sale either at "inflation restricted" prices to non-income restricted buyers or at market rate. The proposed project description reserves the ability to decrease the number of affordable units meeting City requirements as necessary to cover project costs.

**Project Operations:** Permitted uses within the proposed commercial space would be limited as described in the proposed Specific Plan. The proposed Specific Plan identifies a neighborhood-serving grocery store, and commercial uses that fall within the Institute of Transportation Engineers' definitions of general light industrial, manufacturing, warehousing and industrial park uses, provided that such uses are not obnoxious or offensive by reason of emission of odor, dust, gas, fumes, smoke, liquids, wastes, noise, vibrations, disturbances or other similar causes which may impose a hazard to life or property.

Residential units would be offered for sale, with purchasers of the affordable units subject to income qualification pursuant to City Housing & Community Development requirements. At this time, the applicant has not identified the responsible party for monitoring the sale of "inflation restricted" units or for overall property management for the project.

Construction: The applicant estimates that project construction would require two years to complete from the commencement of grading and shoring activities through building construction and landscaping. As the site is vacant, no demolition work is required. Project staging would occur on and off-site. Use of the abutting road right-of-way for staging is also proposed. Construction parking would be provided at an undetermined off-site location.

Please see the Initial Study (previously provided under separate cover, and available upon request) for a vicinity map and project site plan. The proposed development would require the following discretionary applications:

- 1. Specific Plan to allow the development of an affordable housing project in the M-1 zone district (SBMC §28.92);
- 2. <u>Vesting Tentative Subdivision Map (TSM)</u> for a one lot subdivision for the construction of 90 residential condominiums and up to 10 commercial condominiums (SBMC §27.20);
- 3. <u>Modifications</u> to allow less than the required amount of parking onsite and to allow provision of the required common open space area above the ground level (SBMC §28.92.110); and
- 4. <u>Design Review</u> by the Architectural Board of Review for a new mixed use development (SBMC §22.68).

#### III. ENVIRONMENTAL REVIEW PROCESS

An Initial Study was prepared for the project and a Notice of Preparation for an EIR was issued on May 24, 2006 for a 30-day public review and comment period that extends through June 30, 2006. Written comments should be sent to the attention of Victoria Greene, Project Planner, at the City Planning Division, P.O. Box 1990, Santa Barbara, CA 93102-1990. Following the end of the public comment period, Staff will refine the EIR scope of analysis as necessary, and proceed with preparation of the Draft EIR. A subsequent public review period will be held to receive comments on the Draft

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EIR, followed by preparation of a Final EIR and public hearings before the Planning Commission to certify the EIR and consider action to approve the project.

### IV. PROPOSED EIR SCOPE OF ANALYSIS

The Initial Study evaluates the potential environmental effects resulting from the proposed project. Potentially significant environmental effects associated with transportation, circulation and parking will be further evaluated in the EIR. The EIR will include data identifying existing and cumulative traffic levels of service for surrounding signalized and non-signalized intersections and freeway ramps; identify construction, project specific and cumulative impacts to these intersections; and analyze parking demand and supply onsite and on area streets. Mitigation measures that can feasibly avoid or reduce significant impacts and alternatives to the project proposal that might reduce significant impacts will also be considered as part of the EIR.

#### V. PARKING MODIFICATION DISCUSSION

The applicant proposes to provide 139 parking spaces onsite. The Municipal Code requirement is for 219 spaces (see Exhibit J to the Initial Study for specific parking requirements). ATE has estimated peak parking demand at 132 spaces based upon the ITE parking generation report and the Urban Land Institute's Shared Parking Manual reductions for mixed use projects. This estimate assumes demand of 1.46 spaces per residential unit. City Transportation staff estimates actual parking demand for the two and three bedroom condominiums at 2 spaces per unit, and has identified a parking deficit of 25-45 spaces. The applicant has requested that any parking deficit be met by relying on on-street parking. ATE has surveyed on-street parking use during the evening on streets adjacent to the project site. That survey identifies 127 on-street parking spaces with total occupancy of 26%, which would result in 94 spaces available for use by the residents.

In the past, reliance on on-street parking has been controversial. If the Commission has substantive concerns about this approach, a major project redesign would be necessary. For this reason, we would appreciate the Planning Commission's input at this time.

## VI. RECOMMENDATION

Staff recommends that the Planning Commission hold an environmental hearing to receive comments from the public, agencies, and Commissioners on the proposed EIR scope of analysis.

No action will be taken at this hearing on the environmental document or the project. Subsequent Planning Commission hearings will be scheduled to consider actions to adopt the final environmental document and approve the project.