



City of Santa Barbara California

PLANNING COMMISSION STAFF REPORT

REPORT DATE: October 3, 2006
AGENDA DATE: October 12, 2006
TO: Planning Commission
FROM: Planning Division, Community Development Department
 Beatriz E. Ramirez, Project Planner *BR*
 Adam Nares, Planning Technician *AN*
SUBJECT: **CHARTER SECTION 1508 (MEASURE E)
 DEVELOPMENT ACTIVITY STATUS REPORT**

The primary purpose of this report is to provide the Planning Commission with information on recent Measure E non-residential development activity that occurred in the City during the first six months of 2006, as well as cumulative Measure E development activity to date since 1990. In addition, information on residential activity is included.

NON-RESIDENTIAL DEVELOPMENT ACTIVITY

Measure E Allocation Categories

Measure E limits new non-residential development in the City to no more than 3,000,000 square feet from 1990 to the year 2010. The measure also states that new non-residential development in the City must be allocated from one or more of the following categories:

<u>Category</u>	<u>Square Footage Allocation</u>
Approved Projects	900,000 s.f.
Pending Projects	700,000 s.f.
Vacant Property	500,000 s.f.
Small Additions	600,000 s.f.
Community Priority	300,000 s.f.
Total	3,000,000 s.f.

Planning Staff monitors and tracks all new non-residential square footage applications for consistency with the Charter and the development plan allocation system.

Cumulative Totals for All Measure E Category Allocations

Exhibit A is a summary chart displaying the square foot cumulative totals in each development category. Please note that while 2006 Small Addition square footage figures are shown separately, they are counted in the Total Small Addition category figures in the line above.

The cumulative status of all 3,000,000 square feet allocated is also represented graphically in **Exhibit B**. A total 393,225 square feet (13%) of development is allocated and pending approval. A total of 279,791 square feet (9%) of development has been approved but not issued a building permit. Building permits or certificates of occupancy have been issued for 1,451,084 square feet (49%) of development and 875,900 square feet (29%) remains unallocated and available for future development.

Approved Projects

The Approved Projects category is for projects that were assigned an approved status during the implementation of Measure E in 1990. There has been no change in the number of projects or the total amount of square footage allocated during the first half of 2006. This is expected because the majority of projects utilizing square footage from this category have already been built and no new projects are eligible to receive square footage from this category. The expired, withdrawn, and denied square footage from this category (currently 58,621 square feet) is available to Economic Development projects.

Pending Projects

The Pending Projects category is for the implementation of specific plans approved prior to April 1986 and projects which were pending during the implementation of Measure E in 1990. As in the Approved Projects category, no new projects are eligible to receive allocations from this category, and the expired, withdrawn, and denied square footage (currently 570,288 square feet) is available to Economic Development projects. The large amount of expired, withdrawn, and denied square footage is attributable primarily to projects that have expired.

Vacant Property

The Vacant Property category was allocated 500,000 square feet based on a survey of vacant land in the City in 1988. A total of 81,277 square feet (16%) in this category has been issued a building permit or Certificate of Occupancy, 48,254 square feet (10%) has been approved, and 40,709 (8%) of the available square footage is currently pending. Unallocated square footage in this category totals 329,760 square feet (66%) and must remain for use by vacant properties and is not available for Economic Development projects.

Small Addition

Total Small Addition: **Exhibit C** depicts cumulative activity within the Small Addition development category from 1990 through June 2006. The allocations under this category are limited to 30,000 square feet per year. Thus, the total allocation for the 20-year period beginning in 1990 is 600,000 square feet. Of the 600,000 square feet, 214,087 square feet (36%) has been issued a building permit or certificate of occupancy. A total of 7,555 square feet (1%) has been approved but not issued building permits. The amount of development pending approvals is 62,069 square feet (10%). Unallocated square footage totals 105,280 square feet (18%). The unallocated Small Addition square footage will be available in future years through the Economic Development allocations. Square footage that has either expired or that was not applied for through June 2006 totals 211,009 square feet (35%), and is now available for Economic Development projects

2006 Small Addition: **Exhibit D** shows the status of the square footage available from the Small Addition category through June 2006. As of June, no building permits or certificate of occupancy has been issued. No square footage has been approved, and 14,720 square feet (49%) is pending approval. A total of 15,280 square feet (51%) is unallocated and is available for the remainder of the year.

Community Priority

Exhibit E displays the status of square footage in the Community Priority category, which contains 300,000 square feet of development potential. Of the 300,000 square feet, 122,938 square feet (41%) has received a building permit or certificate of occupancy, 3,535 square feet (1%) has been approved, 95,247 square feet (32%) is pending approval, and 78,280 square feet (26%) remains unallocated. The unallocated square footage is not available to Economic Development projects and will remain in the Community Priority category for future needs.

Some of the Community Priority category allocations include:

- Elings Park at 1298 Las Positas Rd (12,190 square feet)
- Planned Parenthood at 518 Garden Street (3,565 square feet)
- Bishop Diego High School Expansion at 4000 La Colina Rd (9,512 square feet)
- Mental Health Assoc. at 617 Garden St. (2,703 square feet)

Economic Development

A total of 839,918 square feet, as reflected in **Exhibit A**, has been made available to the Economic Development category, consisting of expired, denied, withdrawn, and unallocated square footage from the Approved Projects, Pending Projects, and Small Addition categories.

The status of square footage in the Economic Development category is shown in **Exhibit F**. Currently, no square feet (0%) is pending approval, 93,360 square feet (11%) has been approved, 383,978 square feet (46%) has received a building permit or certificate of occupancy and 362,580 square feet (43%) remains unallocated.

Commercial Vacancy Rates

In response to the request from the Planning Commission during its review in 2004, commercial vacancy rates have been included in this report. The 2006 Santa Barbara City vacancy rates are as follows:

Commercial Type	Jan. 2005 Vacancy Rate	July 2005 Vacancy Rate	Jan. 2006 Vacancy Rate
Office	5.2%	4.3%	2.8%
Industrial	0.9%	1.0%	2.4%
Retail	0.3%	0.75%	0.6%

Source: Radius Group Commercial Real Estate

Non-Residential Building Permits Issued

A summary of building permit activity for new, commercial projects from 1990 through June 2006 is presented in **Exhibit G**. During 2006, building permits have been issued for 207,998 net square feet of development. Most of that was due to the issued building permit for the Cottage Hospital Expansion (182,541 net new square feet). For comparison purposes, **Exhibit G** is a combination of both residential and non-residential projects from the past 16 and a half years.

RESIDENTIAL DEVELOPMENT ACTIVITY

Building Permits Issued (January – June 2006)

A total of 26 new residential units were issued building permits during the first half of 2006 as shown in **Exhibit H**. Of the residential units built, 7 were single family units, none were part of mixed use projects, and 19 were multiple family units, 11 of which were condominiums. Twenty three were market rate and 3 were affordable. Four units were lost in demolition and 1 in conversion to commercial for a total of 21 net new units.

Building Permit Issued through June 2006

The net new residential units built per year from 1990 through June 2006 are shown in **Exhibit G**. In comparison to the past 16 years, this graph indicates that building permit activity for net new units have been lower for the past six months. However, as can be seen in **Exhibit I**, the number of the units in the pipeline and under construction totals 1,526.

Projects Approved, Pending, and Building Permit Issued Units

Exhibit I describes the projects in the pipeline and issued permits for through June 2006. As of June 2006, the following describes the status of residential development activity in the city that results in a net increase of one or more units as shown on.

- 477 units under construction (building permit issued)
- 194 units approved (but not yet under construction)
- 855 number pending review and approval.

In total, as of June 2006 there are 1,049 units in the pipeline (not under construction). This includes 151 units from annexations.

EXHIBITS:

- A. Development Allocation Category Totals
- B. Status of Projects – All Categories
- C. Status of 1990-2006 Small Addition Projects
- D. Status of June 2006 Small Addition Projects
- E. Status of Community Priority Projects
- F. Status of Economic Development Projects
- G. Commercial Square Footage Built – All Categories 1990-2006/ Net New Residential Units
- H. Residential Development Activity
- I. Residential Projects Activity through June 2006

MEASURE E - Square Foot Cumulative Totals for all Category Allocations Through June 2006

Category	Pending	Approved	Building Permit/C of O Issued	Unallocated	To Economic Development
Approved Projects (900,000) ^{1,2}	155,000	115,996	570,383	0	58,621
Pending Projects (700,000)	40,200	11,091	78,421	0	570,288
Vacant Property (500,000)	40,709	48,254	81,277	329,760	N/A
Total Small Addition (600,000) ³	62,069	7,555	214,087	105,280	211,009
2006 Small Addition (30,000) ⁴	14,720	0	0	15,280	0
Community Priority (300,000)	95,247	3,535	122,938	78,280	0
Economic Development ⁵	0	93,360	383,978	362,580	
Total (3,000,000)⁶	393,225	279,791	1,451,084	875,900	839,918

¹ Includes Rancho Arroyo and Park Plaza Specific Plans

² Includes 155,000 of Pending square footage for Cabrillo Plaza Specific Plan.

³ 191,987 square feet under "To Economic Development" is comprised of 1/1/90-06/30/96 expired and 1/1/90-6/30/2006 "not applied for" square footage.

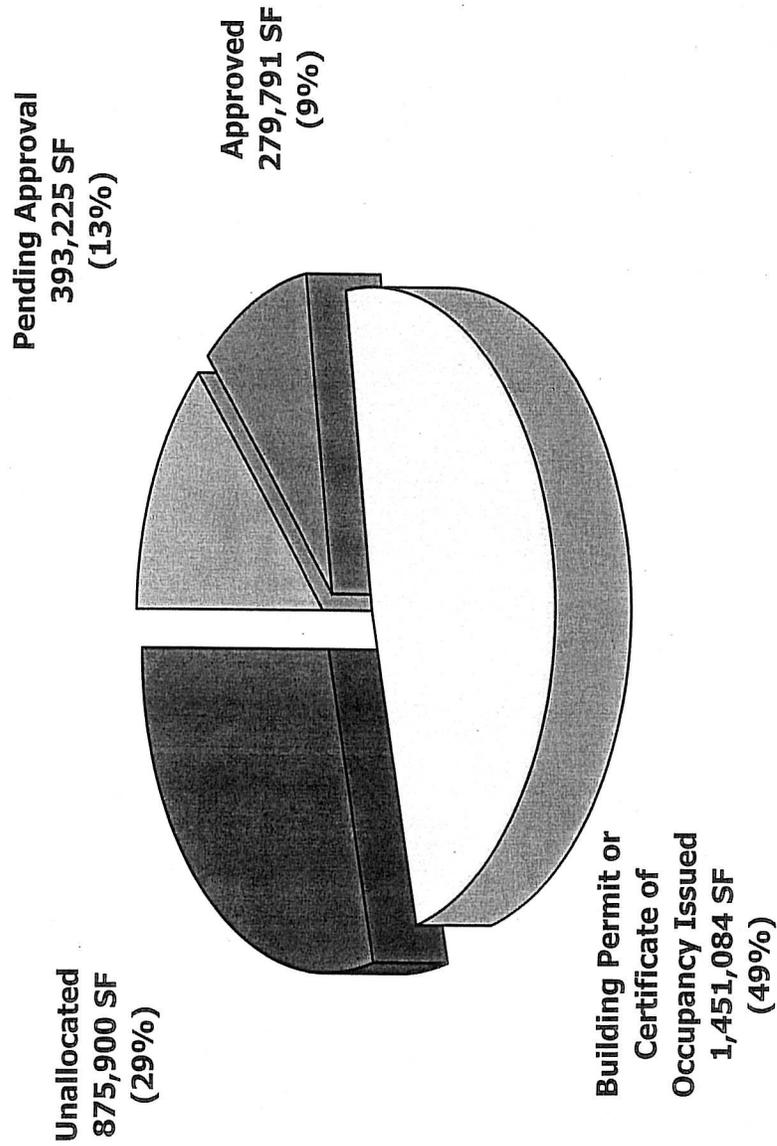
⁴ Included in the total Small Additions calculations above.

⁵ 177,812 square feet under "Building Permit/C of O Issued" is comprised of Minor Additions associated with 1997-2006 Small Additions and 206,166 sq. ft. of Economic Development that received building permits, as required by Council Resolution 99-036

⁶ 839,918 square feet under "To Economic Development" is included in calculations for the Economic Development category, but not counted in 3,000,000 sf total.

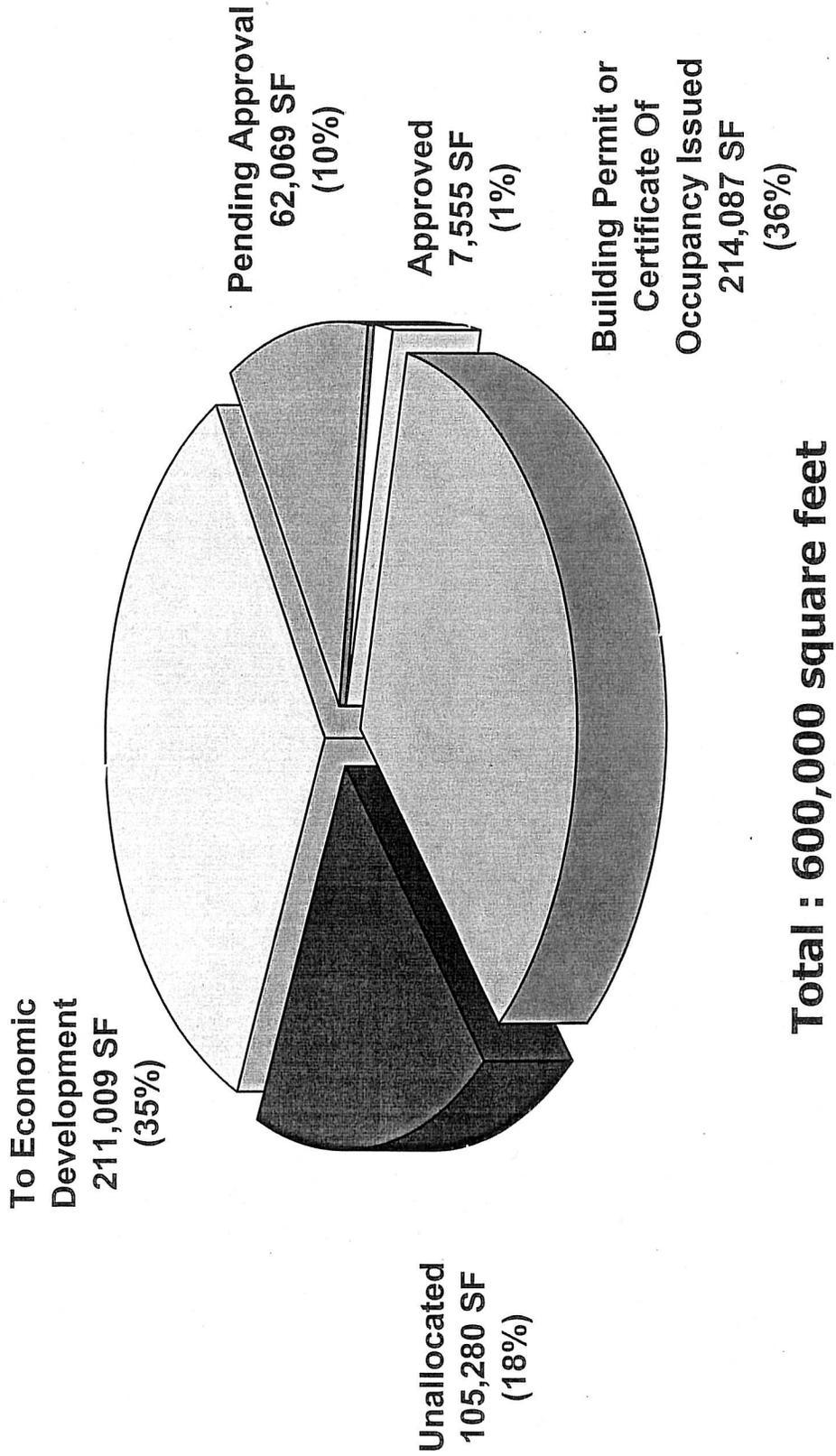
NOTE: Per Council Resolution Economic Development SF tracked differently. Shown here for representative purposes only.

MEASURE E - Square Foot Cumulative Totals for all Category Allocations Through June 2006

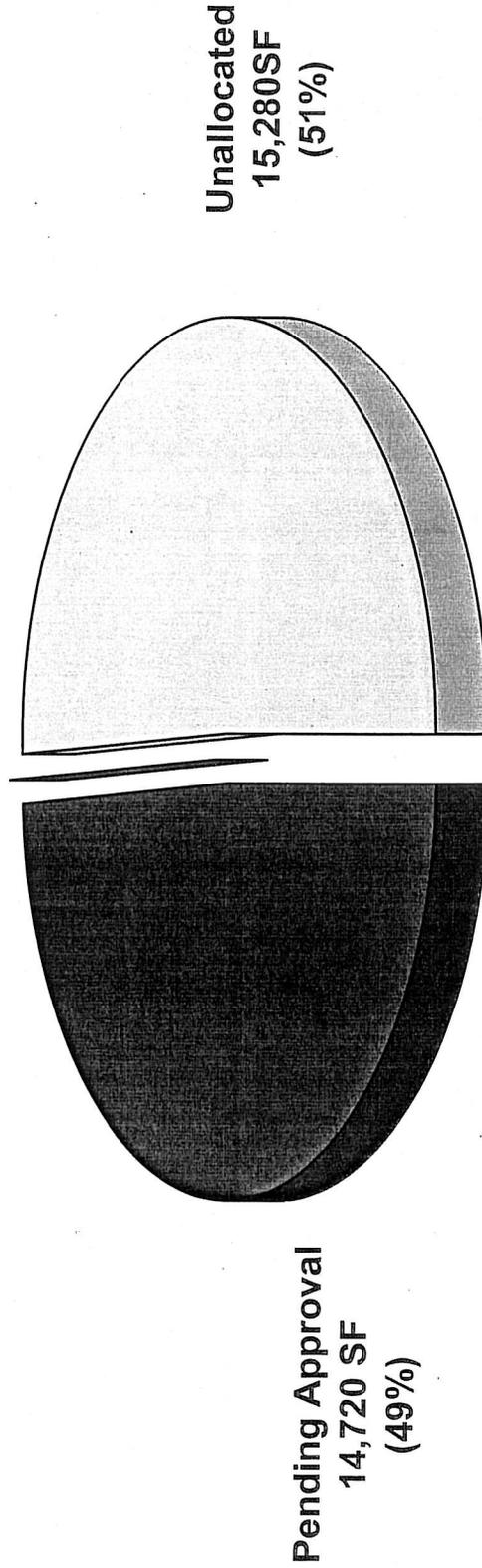


Total: 3,000,000 square feet

MEASURE E - Square Foot Status Total Small Addition Through June 2006

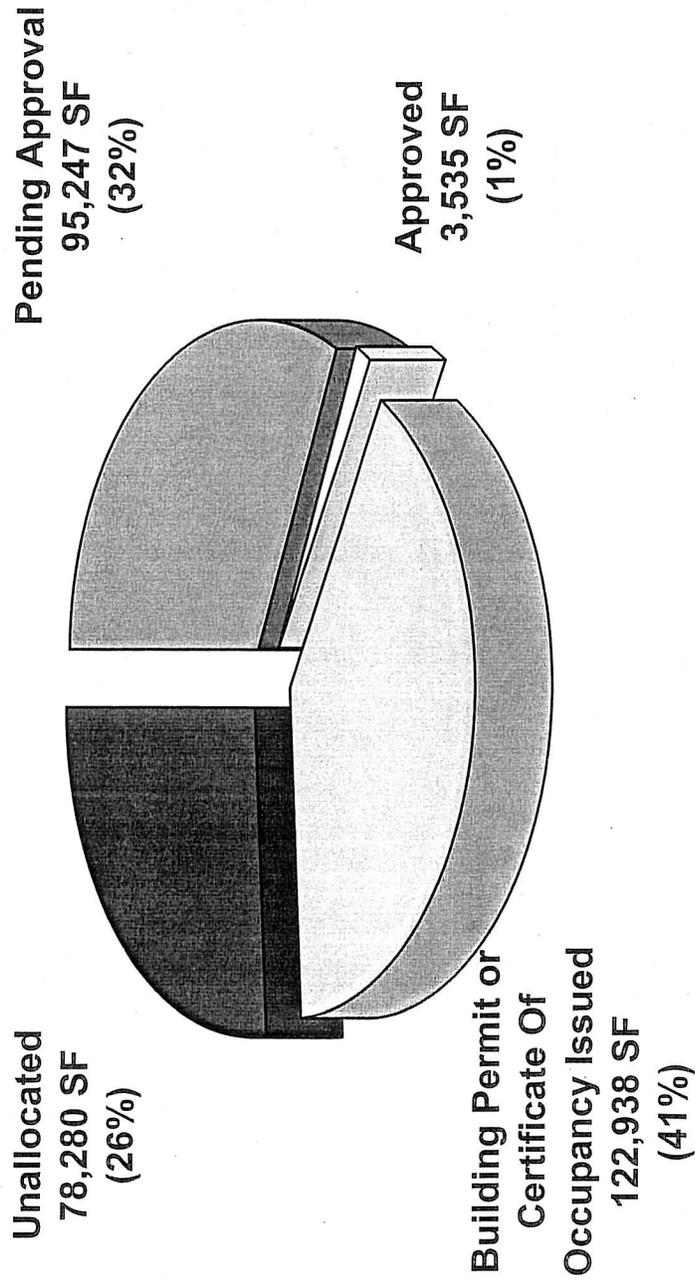


MEASURE E - Square Foot Status
2006 Small Addition
January - June 2006



Total : 30,000 square feet

**MEASURE E - Square Foot Status
Community Priority
Through June 2006**



Total : 300,000 square feet

MEASURE E - Square Foot Status Economic Development Through June 2006

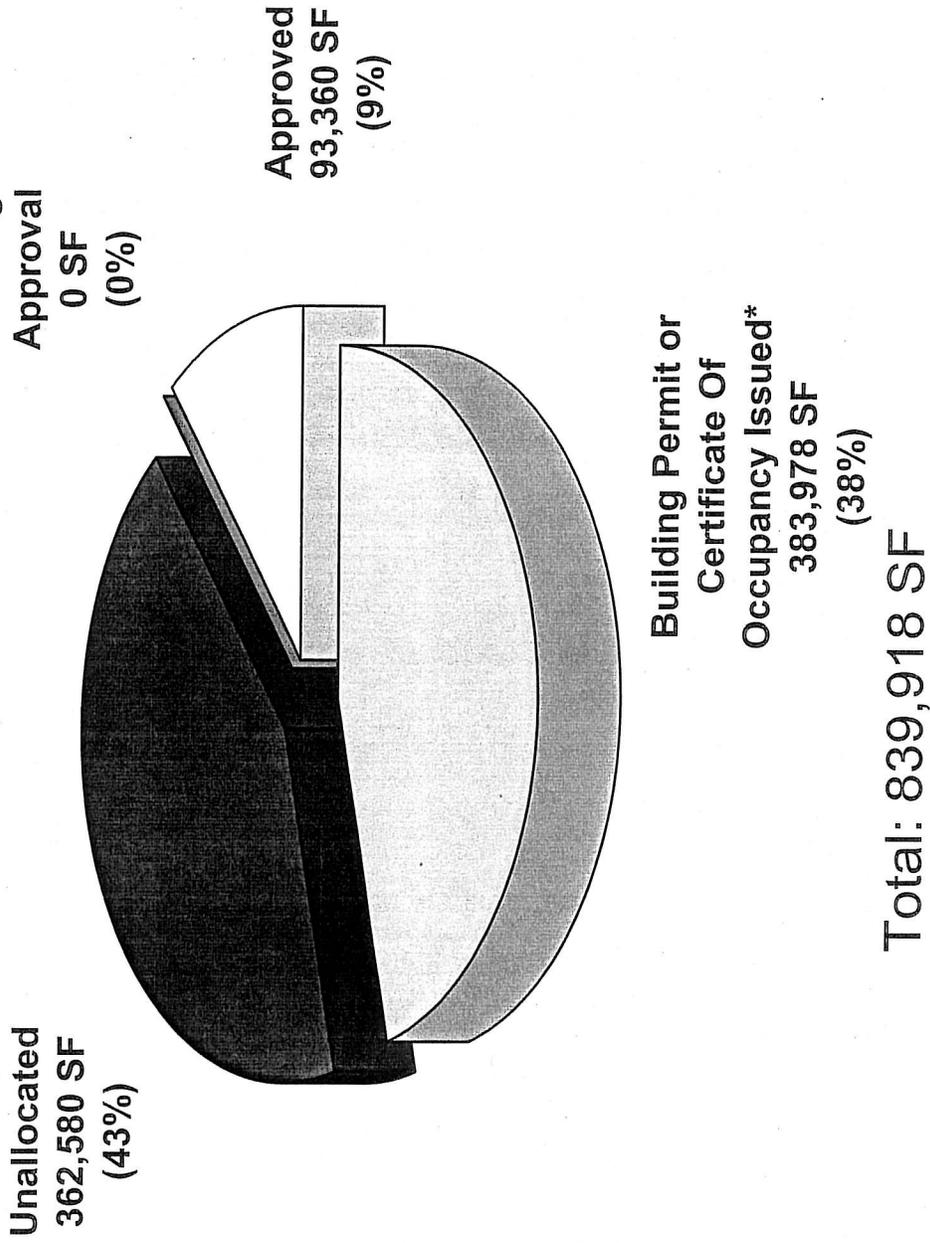
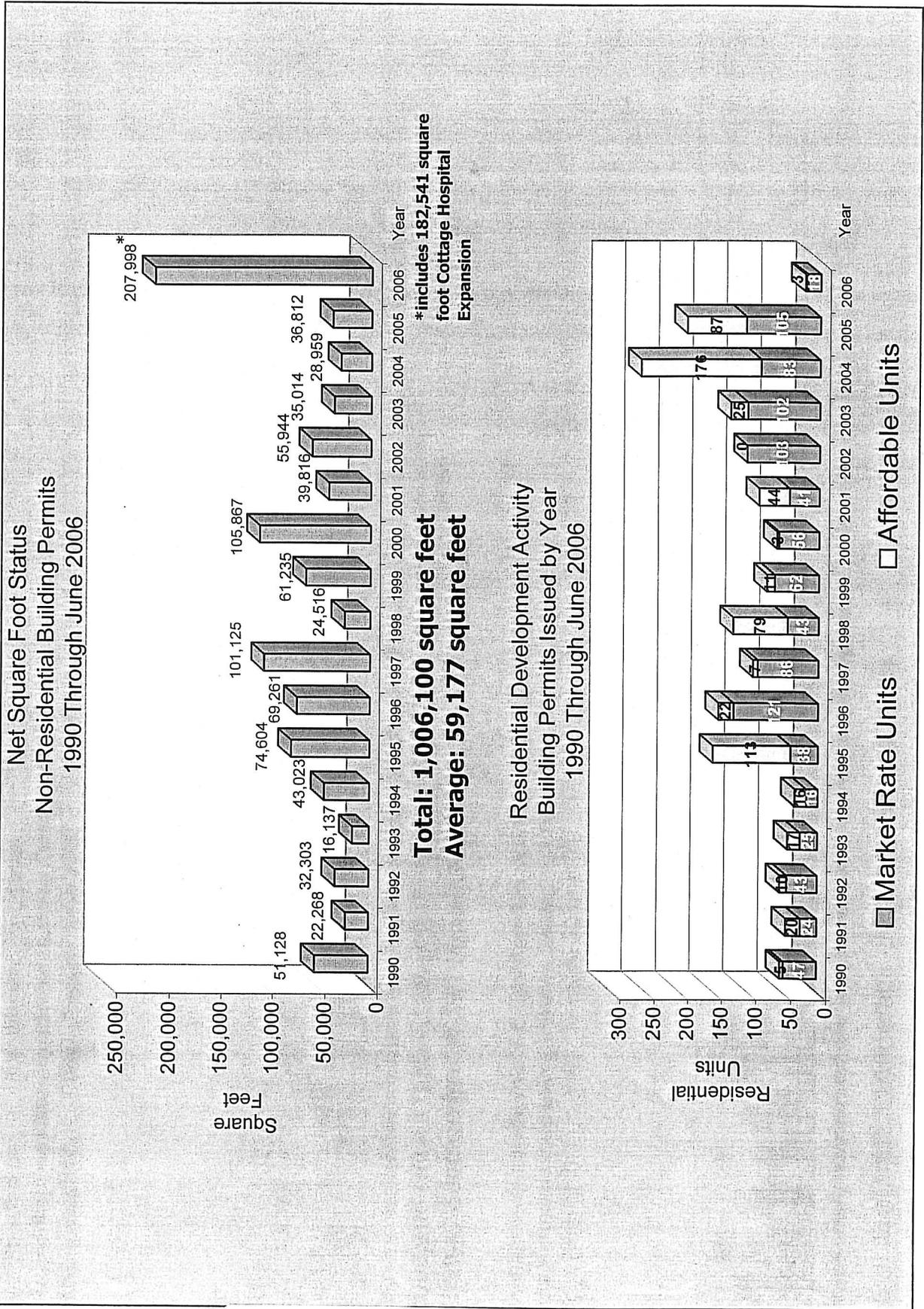


EXHIBIT F

* 177,812 square feet under "Building Permit/C of O Issued" is comprised of Minor Additions associated with 1997-2006 Small Additions and 206,166 sq. ft. of Economic Development that received building permits, as required by Council Resolution 99-036

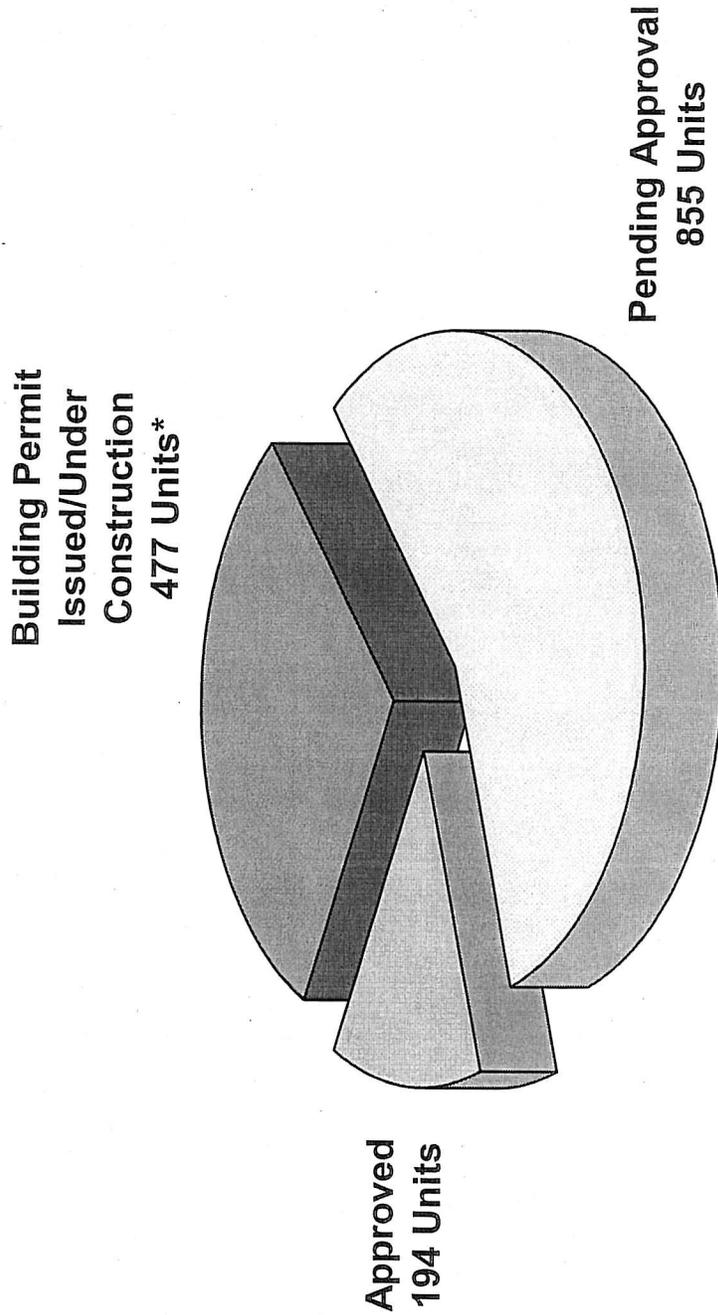
Non-Residential and Residential Building Permit Activity (Net New Per Year) Comparison



**Residential Development Activity - 2006
Building Permits Issued
January - June 2006**

Category	Non-Residential Zones	Residential Zones	Total
New Construction	3	23	26
Single Family Units	0	7	7
Mixed Use Units	0	N/A	0
Multi-Family Units	3	16	19
Demolition	-1	-3	-4
Conversion (Residential to Non-Residential)	-1	0	-1
Total Net New Units	1	20	21

Residential Projects Activity through June 2006



*Includes St. Vincent's Development -
170 net new units

Total: 1,526 Net New Units

