CALL TO ORDER:
Chair Campanella called the meeting to order at 1:01 P.M.

I. ROLL CALL
Chair John P. Campanella, Vice-Chair June Pujo, Commissioners Jay D. Higgins, Sheila Lodge, Deborah L. Schwartz, and Addison Thompson.

Absent: Mike Jordan

STAFF PRESENT:
Renee Brooke, City Planner
Beatriz Gularte, Senior Planner
N. Scott Vincent, Assistant City Attorney
Barbara Shelton, Project Planner/Environmental Analyst
Irma Unzueta, Project Planner
Kathleen Kennedy, Associate Planner
David Eng, Planning Technician
Julie Rodriguez, Planning Commission Secretary

II. PRELIMINARY MATTERS:
A. Requests for continuances, withdrawals, postponements, or addition of ex-agenda items.

None.

B. Announcements and appeals.

Ms. Gularte announced that next Tuesday, July 12, 2016, City Council will hear the appeal of the Planning Commission’s decision on 1417 San Miguel Avenue. It was later announced that this appeal hearing will now be heard on Tuesday, July 26, 2016.

C. Review, consideration and action on the following draft Planning Commission Minutes and Resolutions:
   1. June 16, 2016
2. PC Reso. No. 015-16
   Recommendation to City Council: Density Bonus Ordinance Amendment

3. PC Reso. No. 016-16
   Recommendation to City Council: Wireless Communications Facilities Ordinance

MOTION: Schwartz/Pujol
Approve the minutes and resolutions as corrected.

This motion carried by the following vote:
Ayes: 4 Noes: 0 Abstain: As noted. Absent: 1 (Jordan)

Commissioners Higgins and Thompson abstained from the Minutes and Resolutions of June 16, 2016.

Commissioner Lodge abstained from the Minutes and Resolution 016-16 related to Agenda Item V. Wireless Facilities Ordinance.

D. Comments from members of the public pertaining to items not on this agenda.
Chair Campanella opened the public hearing at 1:03 P.M. and, with no one wishing to speak, closed the hearing.

III. NEW ITEM:

ACTUAL TIME: 1:04 P.M.

APPLICATION OF DESIGNARC, ARCHITECTS FOR DAVE MEYERS, 1032 SANTA BARBARA STREET, APNS 029-212-024 & 029-212-002, C-2 COMMERCIAL ZONE, GENERAL PLAN DESIGNATION: COMMERCIAL/HIGH DENSITY RESIDENTIAL/PRIORITY HOUSING OVERLAY 37-63 DU/AC (MST2016-00071)

This project has been referred by the Historic Landmarks Commission to the Planning Commission per SBMC §22.22.133 for the sole purpose of obtaining focused comments related to parking, interior setbacks, density and support services. The purpose of this review is to allow the Planning Commission and the public an opportunity to review the proposed project at a conceptual level and provide the applicant, Historic Landmarks Commission, Staff Hearing Officer and staff with feedback related to the above mentioned issue areas.

The project involves a proposal for a new three-story mixed-use project using the Average Unit Density (AUD) Program (Priority Housing Overlay) on two lots totaling 7,908 square feet with a density of 45 dwelling units per acre (du/ac). The project proposes eight rental units and 1,369 square feet of nonresidential development, with 11 covered parking garage spaces and 8 covered bicycle spaces. The units include 7 two-bedroom units and one studio with an average unit size of 959 square feet. An existing one-story office building and a one-story single-family residence are proposed to be demolished. The proposal includes a voluntary lot merger of two parcels.
Two zoning modifications are required for the project and would be decided at a separate public hearing by the Staff Hearing Officer. These modifications include a Front Setback Modification to allow less than the required five-foot variable setback on the Santa Barbara Street frontage and an Outdoor Living Space Modification to allow an enclosed mirador balcony to count toward the private outdoor living space for the proposed studio unit.

No formal action on the project will be taken at this hearing, nor will any determination be made regarding environmental review of the proposed project. The environmental review will be conducted prior to action on the project by the Historic Landmarks Commission.

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David Eng, Planning Technician, gave the Staff presentation. Irma Unzueta, Project Planner, was available to answer any of the Commission's questions.

Historic Landmarks Commissioner (HLC) Bill Mahan summarized the HLC's support for the project with concerns about the setbacks, especially the Southside adjacent to the vacant C2 zone; how the proposed project might impact the adjacent condominium on Figueroa Street to the east; and the setback on Figueroa Street. HLC liked the architecture, the mirador element, and the support services available in the area.

Mark Kirkhart, Design Arc, gave the Applicant presentation joined by David Myers, Owner.

Chair Campanella opened the public hearing at 1:40 P.M.

The following people spoke in opposition to the project or with concerns:

1. Mark Cornwall, adjacent neighbor, submitted written comments. He was pleased to hear of the changes made to the Santa Barbara side, but remains concerned with the east side. He is also concerned with the density that the potential for thirty people looking for parking will bring.

2. D'Arcy Cornwall, adjacent neighbor, submitted written comments about the requested setbacks and concern for preservation of the view of the Courthouse rotunda. She has extended invitations to DesignArc to see firsthand their concerns but to date the invitations have not been acknowledged.

With no one else wishing to speak, the public hearing was closed at 1:44 P.M.

The Commissioners made the following comments:

Commissioner Higgins:

1. Supports the requested SHO modifications for the mirador balcony.

2. Regarding parking, he stated that there is a fair amount of public right-of-way available as well as additional parking in the area that could be leased. He suggested
that if the Applicant made some of the commercial parking spaces tandem, then perhaps it would allow for additional parking.

3. The AUD is intended to revitalize certain areas to accommodate the housing crisis and this project does meet the intent of the AUD.

Commissioner Lodge:

1. Regarding parking, the AUD was meant to be an experimental program where people would not need as many cars, but we do not know if this will work.
2. The Applicant’s project is less dense than what could have been designed.
3. Can support both SHO modifications.
4. Appreciates the Applicant’s cooperation with the Cornwall neighbors and recommended that the Applicant try not to line up the windows so that privacy is protected.
5. The project is close to support services.

Commissioner Pujo:

1. No problem with parking concerns.
2. Regarding interior setbacks, she appreciates the Applicant’s comments about working with the HLC to address the setbacks on Figueroa Street.
3. No problem with the density.
4. No problem with the level of support services; they are quite robust in the area.
5. No issue with the Front Setback Modifications.
6. Supports the Outdoor Living Space Modification for the mirador balcony as suitable private outdoor living space.
7. Encourages and supports the project applicant team to continue to work with the HLC for the design modifications that were previously expressed, such as the tower element.
8. Regarding the lot line mergers, she finds that the merger allows the project to maintain the consistency of the streetscape and allows the interior portion of the block to keep the appropriate scale and pedestrian access.
9. The design is exemplary and beautiful.

Commissioner Schwartz:

1. Supports the parking allowance; it falls within the AUD allowances.
2. The downtown area is dead at night and the public right-of-way will offer additional parking.
3. Supports the project density; it is below what is allowed by the AUD Ordinance.
4. Supports the negotiated setbacks. She recommends the Applicant work with the HLC to offset the window placements to provide privacy for the neighboring residential developments.
5. Creating more rental housing will help revitalize this area and attract businesses. Support services will want to locate or relocate near this housing.
6. Supportive of both SHO modifications.
7. The project is beautifully designed. She looks forward to seeing it developed.
Commissioner Thompson:
1. Parking is a problem at this site, as it is in many urban sites. The AUD parking requirement is a minimum requirement and the project has met the requirement. Suggested the Applicant keep studying ways to provide whatever parking is needed. Many suggestions have been made, such as utilization of other lots, etc. The project meets the parking requirement and is approvable.
2. The interiors setbacks as proposed are appropriate. During the design process, the Applicant should look at privacy issues to and from the development and neighboring condominiums so that windows are not lined up.
3. The density is appropriate and is less than it could be for the Downtown.
4. Support services are not an issue in the downtown corridor.
5. He has no issues with the mirador balcony. It is a good solution architecturally and functionally and we should find ways to approve this type of use.
6. This is a good project.

Commissioner Campanella:
1. Invited the Applicant to attend the July 21, 2016 Planning Commission meeting when the AUD program will be reviewed.
2. Appreciated the comments made by Nadine Bunn, owner of the corner store, who is looking forward to seeing residents out and about.
3. The 2 bedrooms are a good mix; provides more flexibility and residents stay longer.
4. Parking issue is a test. People who have a car might be able to get rid of one.
5. One-car parking helps cut down the size, bulk, and scale of the project.
6. Okay on setbacks.
7. The density is less than could be.
8. The proximity to support services is adequate.
9. Supports both SHO modifications.
10. The lot merger is an example of what could be accomplished for housing when combined.

Chair Campanella called for a recess called at 2:47 p.m. and reconvened the hearing at 3:00 P.M.

IV. ENVIRONMENTAL HEARING:

ACTUAL TIME: 3:00 P.M.

FINAL ENVIRONMENTAL DOCUMENT FOR APPLICATION OF CLAY AURELL, AB DESIGN STUDIO, ARCHITECT FOR EMPRISE TRUST, 1925 EL CAMINO DE LA LUZ, APN 045-100-024, E-3/SD-3 (ONE-FAMILY RESIDENCE/COASTAL OVERLAY) ZONES, LOCAL COASTAL PLAN DESIGNATION: RESIDENTIAL (5 DU/ACRE) (MST2013-00240)

This is a hearing only on the proposed Final Mitigated Negative Declaration that analyzes environmental effects of the proposed 1925 El Camino de la Luz residence project. The
Planning Commission will consider adoption of the Final Mitigated Negative Declaration prepared for the project pursuant to the California Environmental Quality Act (CEQA) and CEQA Guidelines Section 15074.

The proposal consists of a new 2,789 square foot (net) three-story single-family residence with an attached 571 square foot (net) two-car garage on a 20,046 square foot coastal flag lot. The maximum height is 30 feet. Demolition and removal of existing infrastructure and debris (e.g., concrete paving, fencing, landslide debris) would occur prior to construction. Grading is estimated to be 1,180 cubic yards with cut and fill balanced onsite. Construction activities include the installation of deep caissons, shear-pins, and tie backs for site stabilization, using drilling and poured in place construction. A portion of the adjacent parcel, 1921 El Camino de la Luz, would be used as a temporary material and equipment storage area during construction. The duration of the demolition, grading, slope stabilization, and construction process is estimated to be 70 weeks (1.3 years).

The public review period for the Draft Mitigated Negative Declaration was February 10 to March 10, 2016. An environmental hearing on the Draft Mitigated Negative Declaration was held by the Planning Commission on March 3, 2016. The proposed Final Mitigated Negative Declaration, which includes topical responses to comments, analyzed the effects of the project on the environment, including those pertaining to coastal views and geologic conditions, and concludes that, with implementation of identified mitigation measures to avoid or reduce potential effects, the project would not result in significant unmitigated environmental impacts.

The discretionary permit application required for this project is a Coastal Development Permit (CDP2013-00014) to allow the proposed development in the Appealable Jurisdiction of the City’s Coastal Zone (SBMC§28.44.060). No action on the Coastal Development Permit will be taken at the July 7, 2016 hearing. Planning Commission action on the permit request will be considered at a subsequent hearing.

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Kathleen Kennedy, Associate Planner, gave the Staff presentation. Barbara Shelton, Project Planner/Environmental Analyst, was also available to answer any of the Commission’s questions.

Steven Kaufmann, Attorney, Richards, Watson, & Gershon, gave the Applicant presentation, joined by Clay Aurell, Architect, AB Design Studio; Patrick Shires, Geotechnical Engineer, Cotton, Shires & Associates; and Richard Monk, Attorney, Hollister & Brace.

Barbara Shelton provided responses to applicant comments.

Chair Campanella opened the public hearing at 4:07 P.M.

The following people commented on the environmental document:
1. Julie Dorn, neighbor in opposition to the project, submitted a recent photograph of the project site and expressed concerns about geology.
2. Thomas Morrison, neighbor in opposition to the project, submitted two binders with information about the property owner and copies of other geology reports and expressed concerns about geology and the top of bluff location.
3. Nancy Brock, neighbor in opposition to the project, expressed concerns about geology and top of bluff location.
4. Bruce Peterson, neighbor in opposition to the project, expressed concerns about the top of bluff location.

Mr. Kaufmann, Mr. Monk, and Mr. Shires provided additional information.

With no one else wishing to speak, the public hearing was closed at 4:18 P.M.

**MOTION: Thompson/Lodge**

Assigned Resolution No. 017-16

Adopt the Final Mitigated Negative Declaration, making the findings as outlined in the Staff Report, dated June 23, 2016.

This motion carried by the following vote:

Ayes: 4  Noes: 2 (Pujo, Schwartz)  Abstain: 0  Absent: 1 (Jordan)

Commissioner Pujo stated that there is a clear policy inconsistency with the development on the bluff face, that the project would have a significant land use impact, and that she would be in support of denying the project rather than require an EIR.

Commissioner Schwartz stated that it is difficult to justify the decoupling of the environmental issues and policy, that the Mandatory Findings of Significance should be answered “yes” rather than “no”, and that she could not support approval of the FMND.

Chair Campanella announced the ten calendar day appeal period.

**V. ADMINISTRATIVE AGENDA**

**ACTUAL TIME: 5:55 P.M.**

A. Committee and Liaison Reports
   1. Staff Hearing Officer Liaison Report

None was given.
2. Other Committee and Liaison Reports


b. Ms. Gularte announced that the appeal hearing by City Council of the Planning Commission’s decision on 1417 San Miguel Avenue will now be heard on July 26, 2016 and not next week.

c. Chair Campanella encouraged everyone to enjoy First Thursday activities.

VI. ADJOURNMENT

Chair Campanella adjourned the meeting at 5:58 P.M.

Submitted by,

[Signature]

Julie Rodriguez, Planning Commission Secretary

Commission Secretary