



City of Santa Barbara

PLANNING COMMISSION

MINUTES

NOVEMBER 9, 2023

1:00 P.M.

City Hall, Council Chambers
735 Anacapa Street
SantaBarbaraCA.gov

COMMISSION MEMBERS:

Roxana Bonderson, *Chair*
John M. Baucke, *Vice Chair*
Lucille Boss
Donald DeLuccio
Sheila Lodge
Devon Wardlow
Lesley Wiscomb

CITY COUNCIL LIAISON:

Mike Jordan

STAFF:

Tava Ostrenger, Assistant City Attorney
Allison DeBusk, City Planner
Mariah Johnson, Commission Secretary

CALL TO ORDER

Chair Bonderson called the meeting to order at 1:07 p.m.

I. ROLL CALL

Chair Roxana Bonderson, Vice Chair John M. Baucke, Commissioners Lucille Boss, Donald DeLuccio, Sheila Lodge, and Lesley Wiscomb

Absent: Devon Wardlow

STAFF PRESENT

Tava Ostrenger, Assistant City Attorney
Allison DeBusk, City Planner
Ellen Kokinda, Senior Planner
Brenda Beltz, Administrative Analyst
Dana Falk, Project Planner
Chris Bell, City TV Production Supervisor
Janet Ahern, City TV Production Specialist
Mariah Johnson, Commission Secretary

II. PRELIMINARY MATTERS

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

No requests.

B. Announcements and appeals:

Ms. DeBusk announced that on Tuesday City Council voted to eliminate the Average Unit Density (AUD) expiration date which is consistent with the Planning Commission's (PC) recommendation. It will be on the December 5th, 2023 agenda for ordinance adoption.

C. Review, consideration, and action on the following draft Planning Commission minutes and resolutions:

No minutes or resolutions to review.

D. Comments from members of the public pertaining to items not on this agenda:

Public comment opened at 1:08 p.m., and as no one wished to speak, it closed.

III. CONTINUED ITEM: DISCUSSION FROM OCTOBER 12, 2023

ACTUAL TIME: 1:08 P.M.

AUD PROGRESS REPORT

Application Number: PLN2023-00389

Continued discussion of the Average Unit-Size Density Incentive (AUD) Program Progress Report. July 2023 marks 10 years since adoption of the AUD Program, which was intended to encourage development of smaller, more attainable housing units in select areas of the city. The AUD Program Progress Report was prepared to analyze data and gain insights on how well the AUD Program met its original objectives and to inform potential amendments.

Staff Contact: Brenda Beltz, Planning Analyst
AUD@SantaBarbaraCA.gov, (805) 564-5581

Allison DeBusk, City Planner, gave the Staff presentation. Dana Falk, Project Planner; Brenda Beltz, Planning Analyst; and Ellen Kokinda, Design Review Supervisor were available to answer questions.

Public comment opened at 1:10 p.m., and the following individuals spoke:

1. Ben Romo
2. Dianne Black

Written correspondence from Allied Neighborhoods Association, John Campanella, and League of Women Voters of Santa Barbara were acknowledged.

Public comment closed at 1:21 p.m.

Changes to Consider: About the Program**Commissioner comments:**

Commissioner Wiscomb:

- Developers need more flexibility. Flexibility can be added by increasing the number of dwelling units per acre and decreasing the average maximum unit size.
- Suggestion for partnering with MTD and other public transportation means to ensure a solid and broad public transportation system exists.
- Suggestion to find creative ways to utilize City parking lots where there are empty spaces for parking of vehicles or even bikes.
- With the train possibly coming on board there are good ways for the City to partner and spread out density.
- There were a lot of comments about the term “workforce housing” being offensive in terms of terminology. There needs to be a category that is defined and separates moderate-income from higher income brackets or includes a higher income bracket. This can help developers offset the very low-, low-, and moderate-income inclusionary units that they must provide by using the middle-income category.
- The AUD Program should do more to increase the rate of housing production. It needs to be more flexible for private developers. On page 25 of the AUD Progress Report it states, “65% of AUD projects are fewer than 10 units.” The City needs to have the means and tools to incentivize affordability in smaller projects. Suggestion to change to one required parking space for the 3-bedroom units. Partnering with the Downtown parking program would help. There was a limited amount of annual passes issued for private citizens to park in City garages, but more could be done and advertise better.
- Density calculations need to be rounded up.
- In-lieu fees need to be analyzed and increased because they are very low and haven’t been increased in many years.
- Allow developers the flexibility to pay in-lieu fees as opposed to building a deed restricted unit.
- In the last PC discussion on the AUD Progress Report, Ms. DeBusk stated that developers said it is difficult to get financing with deed restricted units. Increasing the in-lieu fees and allowing the developer the flexibility of contributing could help be a source of dedicated funding for the affordable housing trust fund and allow the City to build more affordable housing.
- Suggestion to revise rental housing in the community benefit category to allow for consideration of height increase in rental housing in exchange for deed restricted affordable units.
- Consider restricting square footage of building amenities since they tend to make rents higher.
- According to page 28 of the AUD Progress Report, almost 25% of all AUD projects are in the Central Business District (CBD). In-lieu fees should be higher in the CBD, priority overlay, or correlated to the number of units in a project, where projects with fewer units have a lower fee.
- Page 29 of the AUD Progress Report states that 28% of AUD projects are mixed-use while only 17% of AUD issued building permits are in the high density zones where mixed-use projects are potentially feasible. The City needs to encourage more mixed-use projects especially in the high density zones.

- 59% of issued building permits are in the priority overlay and 35% are in the medium-high density zones with the most land area. The City needs to consider ways to encourage mixed-use projects in these zones.
- Add more choices for smaller units at greater densities in all categories and in all zones.
- Goleta defines workforce housing as affordable to households earning 120-200% of the area median income. There is another jurisdiction that defines it as including households earning 80-200% AMI. Those are two different ways to look at workforce housing.
- Commissioner Lodge stated that there should be areas of 100% affordable housing in the City. In each individual housing project and in our community the City likes diversity. Commissioner Wiscomb disagrees that there should be an area that is all affordable housing. She thinks that puts labels on people and households. She prefers the idea of the City, developers, the housing authority, and other non-profits developing housing that includes a diversity of income levels because it makes for a stronger community.

Commissioner Boss:

- Agrees with most of Commissioner Wiscomb's comments.
- Encourage smaller units.
- The City needs more density and increased dwelling units per acre. The Commission heard from recent hotel projects that they could have made housing instead of hotels with increased density.
- There is an opportunity to provide more incentives to projects located near transit-rich areas, commercial services, and recreational opportunities as the City continues to pursue sustainability and transportation circulation goals.
- The City needs a definition of workforce housing and attainable housing that is based on the AMI of the City's actual work force. There is confusion around what the City's primary work force is in different areas of the City, what is attainable for them, and how attainable is defined.
- The AUD Program should do more to increase the rate of housing production, specifically more affordable housing.

Commissioner DeLuccio:

- The AUD Program was successful in creating rental housing, which was an objective. It was not successful in creating affordable units, which was not an objective.
- The City needs a definition of workforce housing. Suggestion that the definition is around the missing middle, which could be moderate-income or slightly above moderate-income. That's where the City is lacking in providing housing.
- The City needs a definition of community benefit. Right now, it is defined as rental housing including market rate housing. The City has market rate housing, but needs affordable housing. Community benefit needs to be defined in a way that helps the City get more affordable housing.

Commissioner Baucke:

- Doesn't agree with the idea of trying to make the AUD Program an affordable housing program. The AUD Program has done what it was supposed to do, which is produce more rental units. It has provided smaller units and more density, but it falls short of ever becoming an affordable housing program. The City shouldn't waste time trying to make the AUD Program an affordable housing program, and should instead create a separate affordable housing program.

- In return for offering incentives, the City needs a corresponding return and benefit in the public interest. That can be achieved by collecting additional property taxes associated with increased assessed evaluations resulting from new projects under the AUD Program. The City needs to tie a value recapture system such as an Enhanced Infrastructure Finance District into this program and any affordable housing program. That's the only way the City will get dollars to target that piece of the affordable housing spectrum which isn't getting tax credits and the market itself can't provide because of the cost of construction and land cost.
- The AUD Program needs to go to the Coastal Commission for approval so that it can be applied in the coastal zone.
- Consider expanding the high-density tier to match the priority housing overlay that is shown on page 10 of the AUD Progress Report. Consider the locations identified by former Commissioner Campanella in his public comment letter as locations where increased densities should be considered.
- Suggestion to allow the open yard requirement to be satisfied on other levels instead of just the ground floor. Courtyard housing projects can be designed with patios and common areas do that very well.
- The inclusionary requirement should be increased to match what either Goleta has or somewhere that has the same economics as the City.
- The in-lieu fee should be reviewed and updated annually. The cost of construction continues to increase and the City's in-lieu fee is low in comparison to the actual cost of building these units.
- Consider having applicants pay an in-lieu fee rather than provide units on-site. That way, it can be written into their pro forma. Then that pro forma is presented to the bank and the check goes to the City in an inclusionary program. The City could tier off the inclusionary program to go to the housing authority or other non-profit builders to get affordable housing that is deed restricted and will work long term.
- The AUD Program needs to have an annual progress report to the PC.
- Suggestion to establish an FAR approach for 100% affordable projects and projects under a revised city density bonus program. This would make it have more incentives than the AUD Program.
- Suggestion to consider an expedited process for 100% deed restricted affordable housing projects.
- The City needs to adopt an adaptive reuse program. He suggests using the FAR approach.
- The local density bonus ordinance needs to be updated and targeted at workforce housing to focus on affordability above Low-Income Housing Tax Credits
- As other Commissioners noted, the City needs a definition of workforce housing. Suggestion to use the Urban Land Institute's definition and calibrate to the Santa Barbara workforce.

Commissioner Lodge:

- Agrees with Vice Chair Baucke's comments.
- The rents will be what the market will bear. Go in a completely different direction and create a priority overlay that is entirely Capital "A" (deed-restricted) affordable housing as Cambridge, Massachusetts has done. Commissioner Lodge spoke to one of the planners there and this has been extremely successful. The land values of Santa Barbara are high and the only way to get more affordable housing is to require deed-restricted affordable housing.

Chair Bonderson:

- Smaller units should be encouraged.
- Units should be located close to public transit and recreational opportunities, but the City needs to define a measurement for “close”. She thinks the City is deficient in the transit and circulation model for public transportation provided in the community. There are extensive amounts of limitations that detract someone from wanting to or being able to use the City’s public transportation. If the City can solve this and have a functional, attractive, useful transit model for all, then the overall ability to create housing is going to be promoted and supportable. It needs to be addressed in order to really facilitate housing. We need a Master Plan for what that infrastructure will look like.
- It’s not appropriate to eliminate parking until you have a viable transit plan. We need later buses, more stops and more service lines, need better lighting and safety, consider a trolley for shorter distances; commuter buses for those with non-standard schedules.
- The City needs a clear definition of workforce housing. AMI is skewed here. The City needs to start putting a numerical value on rents and income, even if that numerical value changes annually. The City needs to use real numbers and that may require the deed restriction to help keep numbers lower so that the income rates can keep up or meet the market value.
- The City should consider looking into public/ private partnerships. The County is a good example of these partnerships. There is a lot of money that can be harnessed that may shift the way the City manages the housing efforts.

Changes to Consider: About the Projects

Commissioner comments:

Commissioner Wiscomb:

- John Campanella’s public comment letter identified a few areas that could be modified to allow for greater density. Specifically, the Haley-Cota corridor, State Street from Arrellaga up to Mission, State Street from Constance up to Hope, along De La Vina Street, and from Constance up to the State Street intersection. These are currently all medium-high density and they could be good prospects for high density.
- It’s important that the City remains flexible with negotiations about Paseo Nuevo and Macy’s so that housing can eventually be developed there.
- Density should not be limited when repurposing existing buildings City wide. There are a lot of buildings that are vacant and could potentially be used for housing.
- One parking space should be allowed for three-bedroom units. A stronger program to connect the downtown parking lots with the rental units needs to be considered so that those that have cars have the flexibility to park in the nearby City facilities.
- Consider relaxing, but not necessarily eliminating, open yard requirements within projects that are within a quarter mile or less of public open space. Consider balconies and open yard not on grade.
- Density calculations should be rounded up.

Commissioner DeLuccio:

- Density calculations should be rounded up.
- Agrees with the zones identified in John Campanella’s letter to consider increasing density, as Commissioner Wiscomb stated.
- One parking space for three bedroom units should be considered.

- The State just removed parking requirements if you are within one half mile of public transit and that needs to be taken into consideration.
- Need to think about how state density bonus law is affecting the Program.
- The City needs to offer more incentives to get affordable housing out of this Program. For example, relaxing open yards, reducing setbacks, greater heights, parking reduction, reduced processing fees, or streamlining approvals.
- Right now it's 10% moderate that has to be offered as inclusionary units, but the City could increase inclusionary percentage requirement for affordable housing with corresponding increased incentives.

Commissioner Boss:

- Supports an affordable housing overlay if that was to incentivize meeting the community needs and the housing that is demanded by the City's RHNA figures.
- Staff has heard from community members about modifications to density tier boundaries and zones. Suggestion to revisit those materials.
- Density should not be limited when repurposing existing buildings, especially if producing affordable housing units.
- One of the survey respondents in the progress report noted a recommendation to eliminate density constraints and consider a floor area ratio.
- The most important incentive by far is the reduced parking requirement. One space for a zip car or a shared vehicle could make sense combined with the requirement that residents not have a vehicle with regard to reducing parking requirements. Another option might be requiring permits for overnight street parking. It's important to note that public housing authorities can require no vehicle and can check DMV registration to make sure that there aren't any vehicles.
- Recommendation to reduce or relax open yard minimums especially in areas where there are recreational opportunities.
- Density calculations should be rounded up to allow for more units.

Commissioner Baucke:

- The City's public parking lots should be part of a system with permits for parking on a 24-hour basis. This is what most urban downtown management programs have and they tweak the allowance of time for parking at certain locations to get the right turnover. Look to Ventura's parking program as an example.
- Density calculations should be rounded up.
- Suggestion to have a fractional portion of the inclusionary be part of the in-lieu fee (it should not round up).
- Agrees with a comment on page 29 of the AUD Progress Report stating that the AUD Program shouldn't allow conversion of AUD projects to hotels. Suggestion to prohibit the conversion of residential units to hotels and to require a conditional use permit at a minimum with required findings that show there is no net loss in housing units from hotel conversions.

Commissioner Lodge:

- Agrees with Vice Chair Baucke's comment regarding hotel conversions.
- Increasing density won't be beneficial. The more housing units that are available the less pressure there is on the current development and competition amongst renters.

- What developers consider constraints are things that she thinks are very important to preserve, especially the open yard. She is concerned about the livability of these units. The quality of life is greatly decreased when one cannot step outside one's unit.
- Density calculations should be rounded up.

Chair Bonderson:

- If the City's zoning allows both residential and commercial there are going to continue to be projects that have the option of switching from housing to a hotel because applicants need to be able to manage the development in a way that makes economic sense.
- Suggestion for staff and review boards to be trained in how the inclusionary requirement forces the market-rate units to increase rents or cost of sale to cover the cost of the inclusionary unit once the project has been completed. Lenders often look at that issue as if a developer is only getting a 2% turnaround on an inclusionary unit. This may cause the lender to see the project as a risk. In order for a developer to get real numbers and predictability it's easier for them to pay the in-lieu fee, know what their bottom line is, and move forward. They recover the cost later by hiking up the rental value or the sale value of the market rate rental units. That doesn't help keep the City's rental or sale rates at a place that supports the income of the community.
- Outdoor space is vital. Supports light, air, and access to the outside.
- Open yard requirements should be looked at on a project-to-project basis especially when looking at projects that can promote adaptable reuse. An example the Commission saw earlier this year was a condo hotel on Garden Street. The Commission asked the applicant if they had considered housing. The Applicant stated that they worked with staff to try to make housing work, but they weren't able meet the open yard and parking requirements, so they had no other choice but to move to a hotel.
- Parking tends to be an inclusivity and exclusivity issue. Not everyone can get rid of a car in lieu of a bicycle or walking. When we look at the elderly, families with small children or people with disabilities, removing parking causes exclusivity. This doesn't mean the City ignores State mandates, but continue to encourage people with these types of disabilities or disadvantages to be able to park nearby. Whether that is with some of the City's empty lots or an agreement with the property owner.
- Density calculations need to be rounded up.

Changes to consider: About the Units

Commissioner comments:

Commissioner Wiscomb:

- First time home ownership should be encouraged. If the City went to an option of an all-in-lieu fee (not requiring units to be built on-site), part of that should be available to first time home buyers as low interest loans.
- Condominiums should be allowed in the priority overlay because ownership is the real investment downtown.
- The City needs to offer the option of in-lieu fees as low-cost loans for first time home buyers and the affordable housing trust fund so the housing authority and other nonprofits can leverage these funds into deed restricted units. A good example of that is the project that the Commission approved on the Carrillo commuter lot. It is a very diverse Housing Authority project with a partnership between private developers and the Housing

Authority. It includes a diversity in the deed restricted units. That is kind of a model project that the City should be looking towards.

- The Commission has gotten feedback from private developers that it is difficult to obtain financing for developments with deed restricted units. On page 60 of the AUD Progress Report, it states that after inclusionary went into effect there was a slight slowdown by one application per year from 3.7 to 2.7 for projects of 10 units or more. Most of our projects are less than 10 units, but that is a 30% decrease, so it is not slight.
- Deed restricted units should be a mix of very low-, low-, middle-, and moderate-income if feasible to provide diversity in developments. HCD doesn't count middle, but she thinks the City needs to include middle-income.
- The City's density bonus program should be amended to allow for more flexibility and affordability levels. The City needs more moderate-income housing.
- Workforce housing needs to be defined and the City should encourage a variety of affordability levels within any development.
- The AUD Program alone is not the only way to target homeownership.

Commissioner Boss:

- Some concerns were expressed in public comments about allowing ownership and possibly relaxing rental housing development. The AUD Progress Report states that, "the priority housing overlay requires units to be rental housing and just 59% of AUD units are in the priority housing overlay. 41% of remaining AUD units have the opportunity of being developed as either ownership or rental units, yet almost none of the AUD projects are ownership units." This Program was developed to incentive development of rental housing, not home ownership and it did that. If we are going to consider ownership in or outside of the priority housing overlay, it is important to prioritize or require affordable housing.
- Prioritize first time home ownership. There was a note in the survey section of the Progress Report that there is a place in the market for smaller home ownership units and the City should have the ability to address that buyer type. The City has smaller units with owners who use them as vacation rentals or vacation homes; the City should not encourage more of that.
- The City needs home ownership units for all different income categories. Lower income brackets need to be prioritized. There are programs that are working to incentivize first time home buyers who are in the lower income brackets such as family self-sufficiency programs.
- Incentivizing employer-sponsored housing needs to be considered.
- Community benefit should only be considered for affordable housing.
- Suggestion for a higher in-lieu fee.
- Any development that provides 100% deed restricted affordable housing should have increased flexibility. This could include setbacks, height limits, and open space waivers, but keeping these incentives focused on housing that is targeted at low-income categories.
- The AUD Progress Report noted that the inclusionary housing requirement was one of the most disliked elements of the Program and was perceived as a significant hurdle keeping projects from moving forward. Survey respondents noted that a higher in-lieu fee is preferred but said it's also critical to have mechanisms to offset the costs such as density bonuses. The data shows that the number of applications mostly remained the same after the inclusionary requirement was put in place.

- There was a comment in the AUD Progress Report about providing offsets for inclusionary requirements to compensate developer's costs. For example, additional density, eliminating parking requirements, and implementing objective design review standards with expedited staff level approval.

Commissioner DeLuccio:

- Condominiums should be allowed in the priority overlay if they are entry-level households. The City needs a definition of "first time" home buyers.
- The in-lieu fee should be increased.
- Suggestion that when a project is over 10 units give the developer the option of either paying into an in-lieu fee or to put the units on site.
- The City's density bonus program should be amended to allow for flexibility. However, the City first needs to define what community benefit means. The City needs to have the flexibility to add lower affordable units into this Program and that is where incentives could kick in to encourage that.

Commissioner Baucke:

- The AUD Program should not be anything but a rental housing program.
- As Commissioner Wiscomb noted, there are benefits of having home ownership, especially entry-level home ownership, but this should be addressed through a separate program. This could be accomplished through amendments to the priority housing overlay, through changes to the City's density bonus program, or another mechanism. It should be considered, but it shouldn't be part of this Program.
- The inclusionary requirement should be increased to be similar to Goleta and the County to ensure that the City is not inconsistent with the market and reflects the cost of construction. The fee should not incentivize writing a check.
- The City's density bonus program needs to be expanded and enhanced. This is where the City can look at getting Capital "A" (deed-restricted) affordable housing. Suggestion to look at how the City can make this program target the over 60% AMI tier gap. The City should provide incentives that exceed the State.
- There was a comment on page 43 of the AUD Progress Report that states that, "Non-AUD rental projects are not required to have inclusionary." There shouldn't be a distinction between AUD rental projects and non-AUD rental projects.

Commissioner Lodge:

- It would be desirable to have home ownership opportunities, but she is unsure how to achieve that.
- The in-lieu fee needs to be examined and adjusted upwards.
- The City's density bonus program should allow more flexibility, particularly at different affordability levels.

Chair Bonderson:

- She would support rental units and first-time home ownership in the priority housing overlay.
- Recommendation that the City sits down with landowners and investors. The public sector needs to be at the table to provide incentives to those who are making financial investments and bearing financial burdens. As Commissioner Wiscomb mentioned, the Carrillo commuter lot project is a wonderful example of how that relationship has developed into a model project for our community. The City needs to encourage more of

these partnerships. The City needs to take the initiative to reach out to the private sector and workforce housing developers to have a diverse working group with both community professionals and City appointees to look at neighborhood development standards and provide a more nuanced development standard neighborhood by neighborhood.

- Workforce housing needs to be redefined. Consider students, parking enforcement staff, etc. She thinks the City needs to broaden and emphasize the definition by looking at salary or hourly rates and annual income, not just titles.
- Community benefit needs to be redefined.

*** THE COMMISSION RECESSED FROM 3:12 TO 3:20 P.M. ***

Changes to Consider: About the Process

Commissioner comments:

Commissioner Baucke:

- Agrees with all of John Campanella's recommendations listed in his public comment.
- To improve the permitting process, finalize the Objective Design and Development Standards (ODDS). Standardize projects for smaller lots like ADU preapproved plans. Utilize a HEU program or other permitting process reforms to improve the process. Shorten timeframes and eliminate any ambiguity because it causes concern to the development community.
- PC discretionary actions might not be needed if the project is AUD and ODDS compliant. Clarity in the ODDS program will be helpful. If a project is not compliant with the AUD and ODDS it should go to the design boards for review.
- Suggestion to make project visualizations available to the public online along with architectural drawings. Story poles should not be required unless there is a need as identified by the design review board.

Commissioner Wiscomb:

- Agrees with most of former Commissioner Campanella's public comment.
- Suggestion to eliminate the mandatory PC concept review and make it at the applicant's discretion. Some applicants like to have a concept review, but making it mandatory for the larger projects is not necessary.
- Consider combining Project Design Approval and Final Approval whenever possible.
- On Page 61 of the AUD Progress Report, it states that one of the most disliked aspects is the permitting process. When architectural drawings go to the building department, they should be of caliber that allows review by the various City divisions and the building division. The building division should get one bite at the apple unless it is a rare case. Conflicting information can result because the same person is not reviewing the drawings from start to finish. The same reviewer should be assigned throughout the entire process.
- Projects with substantially more affordable housing should receive a discount on permit fees and expedited permits.
- Mandatory non-binding preliminary review should be eliminated on certain projects in favor of non-binding preliminary review at the applicant's discretion. Design review is essential to the quality of the projects in the City, but design review and PC need to work in tandem. Sometimes projects are forwarded to PC too early in the process with a laundry list of to dos from design review. Projects should only be forwarded to PC from the design review boards when most of the design review comments have been addressed.

- In almost every case, story poles should be eliminated. They are extremely expensive and project visualizations are sufficient. However, if the need for story poles is reduced, noticing needs to be clearly conveyed to the public with specific links to online visualizations in an acceptable timeframe prior to the meeting so that the public has an opportunity to comment on a walk through.

Commissioner Boss:

- Noticing requirements should be revised to account for new tools and technologies for project visualizations without the need for story poles.
- Agrees that PC's review should include a discretionary action in place of non-binding preliminary review, replacing design review as the primary approval body on AUD projects that meet certain thresholds. She stated that without having "certain thresholds" specifically defined she is cautiously in agreement.
- Permit fees should be lowered for affordable housing projects to incentivize lower affordable cost housing.

Commissioner DeLuccio:

- The permitting process should be streamlined to lower costs.
- Story poles shouldn't be eliminated permanently, but they should be a last resort. Project visualizations should be available in addition to architectural drawings.
- Projects should only come before PC for conceptual review if they require a future PC action. Coming to PC for conceptual review should be at the discretion of the applicants.
- Suggestion for a mandatory neighborhood meeting at some point in the process where public comments are collected and addressed in a public forum if they are land use related and the project is not coming before PC, so the public feels heard.

Commissioner Lodge:

- Keep projects with the same staff throughout the entire process. Need enough staff in order to do this.
- PC should be the primary approval body on AUD projects that meet certain thresholds. Design review bodies will be happier if they can stick to the design aspects.
- Presentations that are from a bird's eye view should not be allowed because it is hard to tell what the impact is on surrounding developments. Visualizations should be from a pedestrian's or human scale viewpoint.
- Agrees with Vice Chair Baucke that story poles should be required on larger projects where it is not easy to see what the impact would be in a project visualization.

Chair Bonderson:

- Staff should identify the single greatest applicant complaint across all types of housing applications. If the City can understand where those shortcomings are taking place, then issues can be addressed and improved based on real examples.
- Agrees the City needs to improve the permitting process to help reduce staff interpretations. Continuity on a project is essential. Staffing issues directly impact continuity. This creates an excessive burden on the community and review boards and leads to processing delays. City Council needs to allocate funds to staff.
- Suggestion for customized check lists since each project is different. Check lists should be prior to initial submittal. If the City can get a big picture overview up front it may reduce comments that come later in the process. Reduce grey areas, prevent late hits, avoid

conflicting comments. When plan check brings up issues applicants thought were cleared it creates frustration.

- Suggestion for a fee waiver or reduction and expedited permits when a project provides a certain amount of affordability beyond the requirement. When a developer introduces an affordable housing project the cost must be made up elsewhere and often is made up by increasing the cost of the rental units. There needs to be a financial incentive to allow projects to serve the community at fair rates.
- PC should be the primary land use decision-maker to take the burden off design review boards. The most complex multi-unit housing projects need to come before PC so there is consistency throughout the project. If the mandatory concept review is removed or made optional PC needs to be the final approval so there is consistency from the beginning to the end of a project.
- Suggestion to redefine the expectation and responsibility of applicants at PC. Applicants need a correct and fair understanding of what the Commission expects of them at a hearing. Continuances shouldn't be frowned upon because the Commission is not denying a project, but instead making sure it has been vetted properly.
- Supports project visualizations and encourages applicants to provide them as much as possible. Agrees with Commissioner Lodge that visualizations should be at a human view as opposed to a bird's eye view. Project visualizations make a significant difference in seeing the mass at a human level as if walking around it and in reducing cost for applicants. Story pole requirements should be removed unless the design board gives a reason they are needed.

Commission Final Comments

Commissioner comments:

Commissioner Wiscomb:

- Thanks to staff for their remarkable work on the AUD Progress Report. The Commission received a lot of positive public correspondence over the two meetings about the information that is included in this Progress Report. The questions were very thoughtful.

Commissioner Lodge:

- Suggestion to look into the possibility of creating a 100% affordable housing requirement for the high priority area to get the housing that the City needs. A 100% affordable housing overlay has been very successful in at least one other City.

Commissioner DeLucio:

- Thanks to staff. Thanks to the public that continues to send the Commission comprehensive letters. He commends former Commissioner Campanella for staying engaged and sending helpful written correspondence.

Commissioner Boss:

- In support of exploring a 100% affordable housing overlay.
- Commends staff for a great report. The report was easy to digest and grounded in data and facts. Staff also sprinkled in feedback from focus groups and survey responses, which helped with the narrative. Thanks to the public for being engaged when the AUD Progress Report came to PC in October and again today.

Commissioner Baucke:

- This was the best report he has seen staff produce since he has been on the Commission. Kudos to all the work and effort. It gave the Commission a great understanding of what the AUD Program has accomplished and what it hasn't.
- Affordable housing is the biggest issue the City has, and it is so wide ranging. It's clearly a problem and the City needs to take this seriously and act on it.
- Suggestion to move on from the AUD Program and focus on either a separate program or change the city's density program to move towards that.
- Reiterated need for deed-restricted affordable housing and enhanced infrastructure financing district.

Chair Bonderson:

- Agrees with Commissioner comments. There was consensus today, more or less.
- The AUD Program needs a new name.
- Timing is of the essence with these amendments and streamlining efforts. The biggest problem the City facing is housing and it isn't being realized as quickly as it is needed. She wants to highlight that fall 2024 may be the earliest that the Commission will see objective design standards. This is because the City doesn't have the staffing needed. She urges City Council to reallocate and prioritize staff resources. Community Development needs a realistic budget in order to make their department whole again and to advance housing development in the City and to meet the state's RHNA numbers.
- City Council needs a clear list of obstacles to understand the challenges that applicants face when bringing a housing project through the development process from the initial submittal to final inspection and case completion.
- Suggestion for the Commission to have dedicated time to discuss the topics Commissioner Lodge and Vice Chair Baucke talked about today. To either adjust priority housing overlay, amend the city's density bonus program, or create an overlay to target affordable housing throughout the city.
- Need to create partnerships for public good.
- Council needs to make staff resources a top priority; need to fill vacancies, don't burn out the planners.
- Thank you to staff for the efforts on the AUD Progress Report. It is one of the best, most comprehensive data ever compiled into a staff report in recent years.

IV. ADMINISTRATIVE AGENDA

ACTUAL TIME: 4:30 P.M.

A. Committee and Liaison Reports:

1. Staff Hearing Officer Liaison Report
No report.
2. Other Committee and Liaison Reports

- a. Commissioner Wiscomb reported on the Harbor Commission meeting of October 19, 2023.
- b. Commissioner DeLuccio reported on the Historic Landmarks Commission meetings of October 23, 2023 and November 8, 2023.
- c. Chair Bonderson reported on the Architectural Board of Review meeting of October 2, 2023, the Transportation and Circulation Committee meeting of October 27, 2023, and the State Street Advisory Committee Meeting of October 23, 2023.

V. ADJOURNMENT

Chair Bonderson adjourned the meeting at 4:39 p.m.

Submitted by,

A handwritten signature in black ink that reads "Mariah Johnson". The signature is written in a cursive, flowing style. Below the signature is a horizontal line.

Mariah Johnson, Commission Secretary