



City of Santa Barbara

PLANNING COMMISSION

MINUTES

DECEMBER 12, 2024

1:00 P.M.

City Hall, Council Chambers
735 Anacapa Street
SantaBarbaraCA.gov

COMMISSION MEMBERS:

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

CITY COUNCIL LIAISON:

Mike Jordan

STAFF:

Tava Ostrenger, Assistant City Attorney
Megan Arciniega, Senior Planner
Kira Esparza, Administrative Assistant

CALL TO ORDER

Chair Baucke called the meeting to order at 1:01 p.m.

I. ROLL CALL

Chair John M. Baucke, Vice Chair Devon Wardlow, Commissioners Brian Barnwell, Lucille Boss, Donald DeLuccio, and Lesley Wiscomb

Absent: Sheila Lodge

STAFF PRESENT

Tava Ostrenger, Assistant City Attorney
Allison DeBusk, City Planner
Dan Gullett, Principal Planner
Dana Falk, Project Planner
Brenda Beltz, Planning Analyst
Jessica Grant, Supervising Transportation Planner
Christopher Bell, City TV Production Supervisor
Janet Ahern, City TV Production Specialist
Kira Esparza, Administrative Assistant
Jasper Carman, 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 the following:

1. On December 10, 2024 City Council heard the appeal at 17-21 West Montecito, which they denied, upholding the project and the Planning Commission's conditions of approval and findings.

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

Public comment opened at 1:02 p.m., and as no one wished to speak, it closed.

III. **DISCUSSION ITEM**

ACTUAL TIME: 1:02 P.M.

HE-1 ADAPTIVE REUSE ORDINANCE DISCUSSION

Application Number: PLN2024-00411

Applicant: City of Santa Barbara, Planning Division

Discussion of a draft adaptive reuse ordinance intended to facilitate conversion of existing nonresidential buildings to housing. The draft adaptive reuse ordinance implements the 2023–2031 Housing Element Program HE-1: Facilitate Conversion of Nonresidential Buildings to Housing.

The Planning Commission will receive a presentation on the draft adaptive reuse ordinance, receive public comment, hold a discussion, and provide feedback to staff. No formal action will be taken at this meeting.

Staff Contact: Dana Falk, Project Planner

DFalk@SantaBarbaraCA.gov, (805) 564-5470, ext. 4556

Staff Report*

**Available for viewing online at SantaBarbaraCA.gov/PC*

Dana Falk, Project Planner, gave the Staff presentation. Dan Gullet, Principal Planner; Brenda Beltz, Planning Analyst, and Jessica Grant, Supervising Transportation Planner, were available to answer questions.

*** THE COMMISSION RECESSED FROM 1:06 TO 1:28 P.M. ***

Public comment opened at 1:54 p.m., and the following individuals spoke:

1. Karl Hutterer
2. Ben Romo
3. Brian Cearnal

Written correspondence from Patricia Saley, Ben Romo, and Peter Lewis was acknowledged.

Public comment closed at 2:05 p.m.

Commissioner comments:

Commissioner Boss:

- Appreciates the background and years of work that have gone into this, having gone through the Housing Element and feedback from several different City Councils and Planning Commissions.
- Thanks Staff and recognizes the complexity.
- Glad to see that it not only complies with State laws, but goes beyond State incentives too. That is something they are already hearing from developers that it will encourage housing.
- In next Housing Element update cycle, it would be helpful to include potential adaptive reuse opportunities in suitable sites inventory.
- The Adaptive Reuse Ordinance should expand and apply to all of Title 30 where residential is allowed, including M-C but excluding Single Family.
- It might be helpful to have a percentage rather than the specified 35-foot depth in regard to the required ground floor nonresidential space on State Street.

Commissioner Wiscomb:

- Agrees with Commissioner Boss' comment to expand adaptive reuse to all residential zones excluding the Single Family zones.
- Agrees with Commissioner Boss' comment about using a percentage rather than a 35-foot depth for nonresidential space on State Street, and would also like to see some flexibility on the additional 250 sq. ft. allowance. Maybe some sort of percentage or a "and/or" scenario to try to avoid limiting developers.
- It is imperative that Staff continues to work with the Creeks Division on SWMP regulations. There may be a possibility of identifying buildings downtown that are adjacent to one another that could share stormwater facilities if they need to be changed or upgraded. There should be creative ways to incentivize adaptive reuse.
- Agrees with Commissioner DeLuccio that Historic Landmarks Commission involvement would play an important role.
- In-lieu fees need to be finalized as soon as possible. Pleased to hear Mr. Gullett say that it is ahead of where it's supposed to be at this point in time, but it has been a stumbling block to Downtown development and needs to be done so housing can be built. Would like to see the in-lieu fees deposited into the Affordable Housing Trust Fund and then let the experts that build affordable housing do their part, and the developers who build residential housing without the inclusionary portion do their part.
- Appreciates the incentives that have been developed. They are very well thought out.
- Planning Staff have done a really thorough job, and have had great answers to all questions asked.
- Wants to see this go through and start to work for us. There may be a few more steps that need to happen before it works, but it's on its way.

Commissioner DeLuccio:

- Would love to see it expand to all Title 30 zones where residential is permitted, but at the same time it would be good to even see this get adopted because it's more than we have now.
- In regard to the first floor requirements, likes the approach where it's not square footage but instead it's a percentage.

- Thanks Staff for reducing the requirement from 100% very low or low income to 50% that can be moderate, low, or very low income to qualify because that will help us with the missing middle and to address workforce housing.
- Glad that buildings would have to stay within the footprint for adaptive reuse and if there is open space already, that it would have to be preserved.
- Supports any kind of streamlining processes that can be done. Reduction of fees as a result of streamlining would be welcomed by the community and developers.
- Would like to see Staff who can address stormwater runoff questions more in depth at the next hearing.
- Supports in-lieu fees into the housing fund in lieu of putting the units on site.
- Thanks Staff and thinks they have done a wonderful job.

Vice Chair Wardlow:

- Thanks staff and recognizes this has been a long time coming and there has been substantial progress made.
- Supports a lot of the adjustments that have been made and are proposed.
- The Commission would really like to see the Adaptive Reuse Ordinance apply to every area of the city under Title 30 that allows residential except for single family residential. That is really crucial to getting this done now, as it has been explained that it is very unlikely that this will come back and be amended in the near future. We should get it right the first time because it would be a missed opportunity and we want to make sure that we have the most eligible sites that are available to utilize this program.
- Agrees with flexibility on the building envelope piece that some of the Commissioners have mentioned. Moving to a percentage may make more sense but wants to make sure that the flexibility is there. It might need to be more clear for developers.
- It is very important that we get the same type of flexibility language that we are including for other components of eligibility to be included around the stormwater requirements. Defers to Staff on what that's going to take to work with the Creeks Department, but really hopes that next time either there is a representative from Creeks or that this is addressed with some type of language. We should proactively address any issues since this will not be amended later.
- Strongly believes that the inclusionary requirement should be included and maintained as required in the Central Business District. Is very excited to see the upcoming feasibility study and knows everyone is anxiously awaiting this as the hope is that we are increasing the inclusionary and in-lieu fees. As an example, the City of Santa Monica requires 30% inclusionary that is applied across the City and across the board in their adaptive reuse policy. We are at 10% and she looks forward to the study coming back and increasing that.
- Excited with a lot of the updates that have been made and believes we are really close.

Commissioner Barnwell:

- Recognizes how emphatic the Commission is about the things they want to get done and commends Staff for being so diplomatic.
- The Commissioners are passionate about this and do believe this is a crisis but knows that Staff is under different marching orders. Staff is doing their part very well.
- On the percentage versus the 35-foot depth comment, unsure of how you would figure out that percentage, and is in favor of the 35-foot depth from personal experience.

- We need to work with Creeks and get the stormwater issue ironed out. Unsure of how to do it, it might have to come from the City Council, either way we have to diplomatically arrange how we can work with them to make it happen.
- Believes the incentives are great.
- Appreciates that staff has been able to answer all questions without being flummoxed.
- Likes the open spaces on roofs, but is unsure on how to incentivize it.
- Reiterated how important the in-lieu fees are.
- There needs to be a better discussion of parking.
- Would like to see this expand beyond the Central Business District, maybe not all of Title 30, but areas like the Westside, Haley, State St. or Milpas St. Those areas are similar to the Central Business District.

Chair Baucke:

- It is clear that we need to apply this city wide to the extent feasible and that includes the coastal zone.
- Understands the rationale for focusing the Adaptive Reuse Ordinance on the Central Business District, but would rather be ahead of things instead of chug along in pieces.
- There is a need for consideration for some kind of an allowance and flexibility for additions so modifications can actually look architecturally correct.
- Agrees with Commissioners that the inclusionary requirement, at whatever percentage it is, should be applied as in-lieu fees as these are small projects with few units. The in-lieu fees should be an appropriate dollar amount.
- If there was an enhanced infrastructure finance district in the CBD, when the project's assessed valuation increases upon completion, the additional tax revenue that comes from the property taxes for the higher assessed valuation could be added directly to the housing fund, and would make it no longer a per developer problem. It would be better to have the experts in affordable housing development be those projects that utilize the system instead of trying to incentivize it as a big system.
- Understands that from the City Manager that the City, as part of the BAE feasibility study, will be looking at an enhanced infrastructure finance district.
- The SWMP issues in the downtown area need to be addressed on a system wide basis and all of downtown is treated like a master plan development. Given that the city already is a master plan, a city-wide public works based water quality system would be most effective. This would be another project that could be paid for by the enhanced infrastructure finance district, and the taxes that could be recaptured by the radically different assessed property valuations once projects are completed can be used for the public benefit of the whole downtown area
- Supports the square footage requirements and appreciates the flexibility while not promoting larger than needed units. Open to a conversation in the future about potential micro units.
- Important to analyze the building code issues and fire code issues. Encourages Staff to have a conversation with the Fire Chief about systems that can provide the necessary requirements but aren't the most expensive options on the market. Feels that a building going from not having sprinklers to having them so they are up to code is a large enough step that they don't need to be the most expensive sprinklers out there.
- Agrees with Commissioners and public comments that this needs to be applied city wide. We need more supply and going city wide will give us more housing supply.
- Thanks Staff for confirming that rooftop facilities would be helpful and could be done.

- The City should come up with an understanding of what parking is currently available and how the Central Business District parking could operate as a system, how to allow residential uses when parking lots are under parked. We should come up with a system that is a much more proactive use of parking.
- There needs to be a minimum depth of active commercial space on State St, and the 35 feet does serve the purpose of activation. Percentages could be combined with 35 feet depth minimum, but does not recommend getting rid of the 35 feet.

IV. **ADMINISTRATIVE AGENDA**

ACTUAL TIME: 3:40 P.M.

A. Committee and Liaison Reports:

1. Staff Hearing Officer Liaison Report

Commissioner Boss reported on the Staff Hearing Officer meeting of December 11, 2024.

2. Other Committee and Liaison Reports

No reports.

B. Discussion on Subcommittees and Workshops

No discussion held.

V. **ADJOURNMENT**

Chair Baucke adjourned the meeting at 3:41 p.m.

Submitted by,



Kira Esparza, Administrative Assistant