City of Santa Barbara

PLANNING COMMISSION MINUTES OCTOBER 9, 2025

1:00 P.M.
City Hall, Council Chambers
735 Anacapa Street
SantaBarbaraCA.gov

COMMISSION MEMBERS:
Devon Wardlow, *Chair*
Lucille Boss, *Vice Chair*
Brian Barnwell
John M. Baucke
Donald DeLuccio
Benjamin Peterson
Lesley Wiscomb

CITY COUNCIL LIAISON:
Mike Jordan

STAFF:
Tava Ostrenger, Assistant City Attorney
Megan Arciniega, Senior Planner
Jasper Carman, Commission Secretary

CALL TO ORDER

Vice Chair Boss called the meeting to order at 1:00 p.m.

I. ROLL CALL

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

Absent: Chair Devon Wardlow and Commissioner Benjamin Peterson

STAFF PRESENT

Kelly McAdoo, City Administrator
Sarah Knecht, City Attorney
Dan Hentschke, Assistant City Attorney
Tess Harris, State Street Master Planner
Megan Arciniega, Senior Planner
Barbara Burkhart, Project Planner
Patsy Price, Contract Planner
Christopher Bell, City TV Production Supervisor
Janet Ahern, City TV Production Specialist
Jasper Carman, Commission Secretary

II. PRELIMINARY MATTERS

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

Ms. Arciniega announced that the item at 816 Cacique Street regarding the PATH update, which was noticed for the October 16, 2025 hearing, has been continued to the November 6, 2025 hearing.

B. Announcements and appeals:

No announcements.

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

1. August 14, 2025 Planning Commission Minutes

2. August 21, 2025 Planning Commission Minutes

3. Planning Commission Resolution No. 008-25
3405, 3407, & 3425 Sea Ledge Lane and 3357 Cliff Drive

4. Planning Commission Resolution No. 009-25
3429 Sea Ledge Lane

MOTION: DeLuccio / Baucke
Approve the August 14, 2025 minutes as presented.

The motion carried by the following vote:
Ayes: 5 Noes: 0 Abstain: 0 Absent: 2 (Wardlow and Peterson)

MOTION: Wiscomb / Baucke
Approve the August 21, 2025 minutes and resolutions as presented.

The motion carried by the following vote:
Ayes: 4 Noes: 0 Abstain: 1 (Boss) Absent: 2 (Wardlow and Peterson)

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

Public comment opened at 1:03 p.m., and as no one wished to speak, it closed.

Written correspondence from Onalisa Hoodes and Steve Johnson was acknowledged.

III. CONSENT ITEM

ACTUAL TIME: 1:04 P.M.

102 W DE LA GUERRA STREET

Assessor's Parcel Number: 037-042-038
Zoning Designation: C-G
Application Number: PLN2024-00246
Applicant: Greg Reitz / ReThink Development
Owner: Greg Reitz / 101 CP LLC

Revise Planning Commission Resolution No. 002-25, approved by the Planning Commission on May 15, 2025, to correct a clerical error.

The action under the jurisdiction of the Planning Commission at this hearing is:

A. Approve revised Planning Commission Resolution No. 002-25.

Public comment opened at 1:04 p.m., and as no one wished to speak, it closed.

MOTION: DeLuccio / Wiscomb **Assigned Resolution No. 002-25**
Approve the revision to correct a clerical error on Resolution No. 002-25, outlined in the Staff Memo dated October 9, 2025.

The motion carried by the following vote:
Ayes: 5 Noes: 0 Abstain: 0 Absent: 2 (Wardlow and Peterson)

IV. CONCEPT REVIEW

ACTUAL TIME: 1:05 P.M.

701 STATE STREET ET AL. & 914 CHAPALA STREET – PASEO NUEVO / LOT 2

Assessor's Parcel Number:	037-400-002, 037-400-003, 037-400-004, & 039-321-047
Zoning Designation:	C-G (Commercial General)
Application Number:	PRE2025-00121
Applicant:	Edward Gellert / Paseo Propco, LLC.
Owner:	Paseo Propco, LLC

The project consists of redevelopment of a portion of Paseo Nuevo Mall including demolition of approximately 135,000 square feet of existing retail space formerly occupied by Macy's (APNs 037-400-002, 037-400-003, 037-400-004), and the development of 233 residential rental units over Parking Lot 1 (the underground and above ground parking structure at Paseo Nuevo Mall), a new approximately 20,000-square foot retail space at the corner of State and Ortega Streets, and the addition of 28 parking spaces. The project also includes demolition of approximately 186 parking spaces in Parking Lot 2 (adjacent to Paseo Nuevo Mall, APN 039-321-047) and replacement with approximately 80 units of income-restricted, affordable rental housing units. The project proposes utilizing the City's Average Unit-Size Density Incentive Program and State Density Bonus law. The maximum height of new construction at the former Macy's site would be approximately 75 feet and the maximum height of the new residential construction at Parking Lot 2 would be up to approximately 70 feet.

Kelly McAdoo, City Administrator and Patsy Price, Contract Planner gave the Staff presentation. Sarah Knecht, City Attorney and Tess Harris, State Street Master Planner were available to answer questions.

Robert Ooley, Vice Chair of the Historic Landmarks Commission (HLC), was available to answer questions regarding the HLC's comments on the project.

Duncan Paterson, Gensler Architecture, gave the Applicant presentation, and was joined by Graham Lyons, Mullen & Henzel L.L.P. and Seth Pantalony, The Georgetown Company.

Public comment opened at 1:41 p.m., and the following individuals spoke:

1. Rob Fredericks
2. Pat Saley
3. Cameron Gray
4. Steve Johnson
5. Citizens Planning Association

Written correspondence from Paulina Conn, Anonymous, Patricia Saley, Rob Fredericks, Steve Johnson, Fred Sweeney, Grace Holbrook, Brian Miller, Brian Cearnal, and Mary Louise Days was acknowledged.

Public comment closed at 1:57 p.m.

*** THE COMMISSION RECESSED FROM 3:47 TO 3:57 P.M. ***

<u>MOTION: Baucke / Wiscomb</u>

1. The Commission is in support of:
    a. The applicant advancing design elements that contribute to placemaking [Policy LG 15].
    b. The increase in housing in the downtown area, especially the addition of affordable housing.
    c. The HLC's comments on the project.
    d. The applicant pursuing HLC's direction for a design that reads as a collection of buildings.
2. The Commission requests:
    a. That a complete project proposal, including the Nordstrom site, be considered to help prevent the future disruption of additional construction.
    b. Connecting the paseos throughout the project.
    c. The applicant provide an Floor-Area-Ratio analysis.
    d. Addition of more articulation to the building design.
    e. The parking figures be corrected to be accurate.
    f. The applicant create a landscape plan that includes open space and/or open yard.
    g. The financial feasibility or proforma documents are provided to aid in decision making.
    h. The affordable housing building is treated with the same dignity as the market rate building, including access to the amenities offered to the market rate units.
    i. Reconsider the implied upscale or exclusive retail inclusion in the project [to be consistent with Policy EF 14].
    j. That Lot 2 is transferred directly to the Santa Barbara Housing Authority or another affordable housing developer.
    k. That the Santa Barbara Housing Authority be included in negotiations.
    l. That the Disposition and Development Agreement (DDA) is brought before the Planning Commission for its review.
    m. A condition is added in the DDA to incorporate local preference in occupancy.
    n. A condition is added in the DDA that the property can't be sold until the project is complete and the city has approved of the transferee, and timing of the transfer to or ownership by the affordable housing developer.
    o. That the DDA require the exploration of the impact on the nearby theatre and art museum if all of Paseo Nuevo is developed.
    p. That Building Division staff or structural engineer analyze the build-type to confirm applicant assertions regarding feasibility.
    q. That the public outreach and stakeholder interested party efforts be improved.

3. The Commission has the following concerns:
   a. It seems like this is an ill-defined proposal that is being rushed.
   b. The proposal is perceived as a gift of public funds which is contributing public land and assets to an investment company.
   c. The height is a concern, despite being allowed under State Density Bonus law, as it exceeds the city charter height limit.
   d. There are concerns that the project does not meet the EPV (El Pueblo Viejo) standards [Policy HR10.9].
   e. The request to bank affordable units is concerning.
   f. The location of the affordable housing building is concerning.
   g. Parking is proposed for the market rate units but not for affordable units, when neither is required by state law.
   h. The goal is to provide more housing downtown, but if parking is not included, we're relying on existing parking lots; study is needed to consider projected parking needs.
   i. It is concerning that environmental review under the California Environmental Quality Act must be completed before the DDA is made.
   j. Decisions are being requested based on financial feasibility assertions that are not publicly available; this information should be made available before any decisions are made.
   k. This proposal appears that we are helping an investment company recover a loss which is not a public purpose.
   l. It is concerning that the financial feasibility study by Maxima and Strategic Economics did not study a charter amendment for a 99-year lease which would be voted on by the public in lieu of the transfer of the land to AB Commercial.
4. The Commission found the following items to be missing or indeterminable from the presentation:
   a. The terms and conditions of the DDA for development of this project.
   b. Accuracy in elevation projections.
   c. Whether there is a demand for retail space.
   d. Whether the proposed unit size and unit mix is consistent with AUD (Average Unit-Size Density) standards.
   e. Whether the transfer of land for Lot 2 will be to AB Commercial or to the affordable housing developer.
   f. That all parties, AB Commercial, City of Santa Barbara, and Shopoff, will agree to the DDA; it is understood that this will be a condition prior to closing, but Shopoff has not agreed.
   g. The parking to be dedicated to various parties, including the affordable residential, market residential, market/grocery store, and general public, is unclear.
   h. No current value available of Lot 2 portion to be demolished, concerned with the idea of destroying city parking infrastructure.
   i. Long term parking needs have not been defined.
   j. Analysis of State Density Bonus laws requiring inclusionary units in a contiguous manner.
   k. Assurances that affordable units will be built concurrent to the market rate units, which should also be a condition prior to the closing of the land transfer.
   l. Confirmation that the applicant's contribution to the affordable housing development will be equivalent to at least the cost to build 24 units, including demo, or to cover the cost of all units if they are wishing to bank units.
5. Do not rush into this deal without the community's full scrutiny and all questions answered as it is too important of a project.

This motion carried by the following vote:
Ayes: 5 Noes: 0 Abstain: 0 Absent: 2 (Wardlow and Peterson)

V. NEW ITEM *(postponed to October 16, 2025)*

404 MOFFETT PLACE

Assessor's Parcel Number:	073-450-003
Zoning Designation:	A-A-O/C-Z (Aircraft Approach and Operation/Coastal Overlay)
Application Number:	PRE2024-00162
Applicant/Owner:	Brad Klinzing / City of Santa Barbara

The purpose of the hearing is a request to initiate a Zoning Map Amendment ("rezone") to change the zoning of the subject site from A-A-O/C-Z (Aircraft Approach and Operation/Coastal Overlay) to the A-F/C-Z (Airport Facilities/Coastal Overlay).

The project is being presented to the Planning Commission to receive direction on the appropriateness of the request, and to either initiate further study or to decline the request. No discretionary action will be made at this hearing and there is no appealable decision.

PLEASE NOTE: Item V is postponed to October 16, 2025.

VI. ADMINISTRATIVE AGENDA

ACTUAL TIME: 4:35 P.M.

A. Committee and Liaison Reports:

1. Staff Hearing Officer Liaison Report

   No report.

2. Other Committee and Liaison Reports

   No reports.

B. Discussion on Subcommittees and Workshops

No discussion.

VII. ADJOURNMENT

Vice Chair Boss adjourned the meeting at 4:35 p.m.

Submitted by,

Jasper Carman

Jasper Carman, Commission Secretary