



City of Santa Barbara

PLANNING COMMISSION

MINUTES

NOVEMBER 4, 2021

1:00 P.M.

This Meeting was Conducted Electronically
SantaBarbaraCA.gov

COMMISSION MEMBERS:

Deborah L. Schwartz, Chair
Gabriel Escobedo, Vice Chair
Roxana Bonderson
Jay D. Higgins
Sheila Lodge
Barrett Reed
Lesley Wiscomb

STAFF:

Tava Ostrenger, Assistant City Attorney
Allison DeBusk, Senior Planner
Gillian Fennessy, Commission Secretary

CALL TO ORDER

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

I. ROLL CALL

Chair Deborah L. Schwartz, Vice Chair Gabriel Escobedo, Commissioners Roxana Bonderson, Jay D. Higgins, Sheila Lodge, Barrett Reed, and Lesley Wiscomb

Absent: None.

STAFF PRESENT

Tava Ostrenger, Assistant City Attorney
Renee Brooke, City Planner
Daniel Gullett, Principal Planner
Allison DeBusk, Senior Planner
Ellen Kokinda, Planning Analyst
Brenda Beltz, Project Planner
Jessica Metzger, Project Planner
Timmy Bolton, Project Planner
Jessica Grant, Supervising Transportation Planner
Tony Ruggieri, City TV Production Supervisor
Janet Ahern, City TV Production Specialist
Gillian Fennessy, Commission Secretary

II. PRELIMINARY MATTERS

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

No requests.

B. Announcements and appeals:

No announcements.

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

1. October 14, 2021 Planning Commission Minutes

MOTION: Wiscomb / Bonderson

Approve the minutes as presented.

The motion carried by the following vote:

Ayes: 7 Noes: 0 Abstain: 0 Absent: 0

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

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

III. DISCUSSION ITEM

ACTUAL TIME: 1:04 P.M.

**PROPOSED ZONING ORDINANCE AMENDMENTS FOR MULTI-UNIT HOUSING;
PLN2021-00223**

The Planning Commission will review and comment on potential draft Zoning Ordinance amendments for multi-unit housing standards including further discussion to regulate multi-unit housing projects by building size; Precise Plan Review by Planning Commission; Community Benefit Projects and related findings; Adaptive Reuse; and Open Yard Standards.

Jessica Metzger, Project Planner, gave the Staff presentation. Renee Brooke, City Planner; Daniel Gullett, Principal Planner; Ellen Kokinda, Planning Analyst; Brenda Beltz, Project Planner; and Jessica Grant, Supervising Transportation Planner were available to answer questions.

Public comment opened at 1:43 p.m., and the following individuals spoke:

1. Clarissa Montenegro
2. Detlev Peikert
3. Alex Pujo
4. Fred Sweeney
5. Linda Honikman

Public comment closed at 1:56 p.m.

Written correspondence from Lisa Carlos; Allied Neighborhoods Association; Greg Reitz; Pat Saley; League of Women Voters of Santa Barbara; Richard Closson; and Steve Johnson was acknowledged.

The following specific questions were posed to the Planning Commission to facilitate discussion on the Precise Plan Process:

1. Do you support the proposed land use review/ entitlement process for larger multi-unit housing projects, which shifts the primary decision-making body from ABR/HLC to the Planning Commission?
2. Do the Proposed findings satisfy projects that would be reviewed for a Precise Plan?
3. What should trigger the requirement for a Precise Plan when additions or alternations are proposed to existing development?

Commissioner comments:

Commissioner Wiscomb:

- Supports the proposed land use review/ entitlement process for larger multi-unit housing projects, which shifts the primary decision-making body from ABR/HLC to the Planning Commission.
- Finds that there is more subjectivity in Finding B (“The project will not have a significant, quantifiable, direct, and unavoidable impact upon public health or safety”) than she would like.
- For Finding B she would like to add the phrase “that cannot be mitigated” to the end of the finding.
- She recommends using some Housing Accountability Act language if Staff were to rework Finding B and examine the use of “and” and maybe replacing with “or”.
- Believes that Finding B as proposed sets a high bar and could be argued as not quantifiable.
- Believes that the way Finding B is written includes lofty terms in order to deny a project.
- Anything with height addition should go through the Precise Plan review.
- Doesn't think the example of a property with 20 existing units permitted under the AUD program requesting to add one new unit by splitting the two-bedroom unit into two studio units should go through the Precise Plan review.
- Doesn't think that the example of an existing 1970s apartment building with 110 units proposing a new carport that results in a reduction of parking and open yard compliance with new multi-unit standards should go through Precise Plan review as long as the project complies with the new standards that Council has passed.
- Agrees that additional footprint deserves a Precise Plan review.
- Yes to question 1 because the Commission has struggled for years with comments only, they are the land use decision body, it removes them from the design category where they get stuck, and which should be the responsibility of ABR and HLC.
- Yes to question 2 with the changes discussed in Finding B for mitigation.
- In response to question 3, she believes the following should trigger the requirement for a Precise Plan: adding stories, increasing footprint, and projects with potential inconsistencies with Bicycle, Pedestrian, and Vision Zero master plans.
- Potential inconsistencies means that there might be future projects pending that relate to these master plans where there might be a potential inconsistency in the development and should be looked at.
- Any major projects or significant square-foot remodels that require a Coastal Development Permit (CDP) should require a Precise Plan.

- A CDP in areas of potential sea level rise impacts, e.g. coastal bluffs, might require a Precise Plan in order to comply with the Sea Level Rise and Adaptation Plan and what is going on in the City's Coastal Zone.

Commissioner Lodge:

- In favor of the change to 10,000 square feet as the trigger for Planning Commission. As liaison to HLC, when Planning Commission comments go to HLC they are not prepared to make those kinds of decisions that appropriately belong with the Planning Commission and so she believes that this is a change that needs to be made.
- Answers yes to question 1.
- Supports the direction Commissioner Wiscomb was going on question 2 with the changes to Finding B to include mitigation verbiage.
- For question 3, the division of a single unit into two units should not have to go to Planning Commission, but the other examples given should come to the Planning Commission.
- However, simple things where there is no change in height or footprint should be ministerially approved.

Commissioner Escobedo:

- Yes to question 1 because it makes sense for all of the reasons his fellow Commissioners outlined.
- For the future when we incorporate the LCP and Sea Level Rise policies into code make sure to review the findings for the Precise Plan and alter them accordingly.
- Yes to question 2.
- Supports the findings and likes the changes that Chair Schwartz and Commissioner Wiscomb made to finding B.
- For question 3, likes something that is really objective and easy to interpret in determining the requirement for a Precise Plan.
- If there is additional height or if it expands the footprint those are really easy, objective, and clear ways for staff to make determinations on when a Precise Plan is needed.
- Would like to make an exception for solar panel structures, not just the panels e.g. the Granada Garage.
- Solar panels themselves are exempt by State law, but the structures that hold them can be incorporated into height findings.
- If a building is adding solar panels and needs a structure to put them up, that structure itself shouldn't trigger a requirement for a Precise Plan.

Commissioner Bonderson:

- Yes to question 1.
- As the Transportation and Circulation Committee liaison, there is a lot of information that isn't necessarily in the Planning Commission's general purview of knowledge and so it would be in the best interest of the Commission to have training or regular visits from a representative from transportation to give updates beyond the liaison role.
- It is in our best interest to be as up to date and knowledgeable about upcoming transportation projects that may not be fully ready for presentation so that the Commission can be thinking ahead on how these projects fit into these management strategies, and master plans.
- Projects reviewed by the Planning Commission go hand in hand with other projects that are happening with the Transportation Division, so it is really important to have the utmost

understanding of it so Planning Commission decisions work closely with what is going on in the bigger picture.

- Believes that it is really important for Staff to provide a definition of the term underdeveloped.
- Important to have clear definitions for the public when it comes to a Precise Plan review.
- It is important that any terminology that may lend itself to subjectivity is defined so that there is no confusion.
- Yes to question 2 findings with the mitigation addition to Finding B.
- Agrees with previous commission members on triggers of footprint and height for Precise Plan.

Commissioner Reed:

- Yes to question 1.
- Yes to question 2 with the changed mitigation language.
- In response to question 3, he would like to see everything done at Staff level assuming it doesn't go over the height requirement for the zone.
- Believes that the footprint expansion can be handled at the Staff level.
- Okay with a height increase being handled at the Staff level assuming it doesn't go over the zoning height limit for whatever part of town it is in.

Commissioner Higgins:

- Supports Mr. Sweeney's suggestion of calling the Precise Plan something different.
- If project is consistent with the General Plan and the Zoning Ordinance, which is the first finding, then we probably don't need to reference all of the other elements of the General Plan (such as Historic Resources) to keep it simple.
- Needs more information about what other kinds of projects would be under the Precise Plan review.
- Wouldn't want anything other than new projects to be encumbered by this discretionary process. Amendments to constructed projects should not necessarily require a new Precise Plan.
- Would like the findings to be as limited as possible.
- Wouldn't want existing projects, e.g. a 20 unit project going to a 21 unit project, to require Precise Plan review.
- If the height of a project is not being increased then it shouldn't have to go through the discretionary process, should be ministerial.
- Agrees with how concise Commissioner Reed was with his commentary (which was question 1 yes, question 2 yes with added language on mitigation, and question 3 would only apply if the request was for additional height above that allowed per zone.

Chair Schwartz:

- Supports the proposed land use review/entitlement process as discussed in question 1.
- Yes to question 2 with the addition of some sort of mitigation against adverse impacts language.
- In response to question 3, she is satisfied with the triggers others spoke of.
- Unless the applicant requests a height increase or footprint expansion that go beyond the City's stated policy as opposed to a modification, she doesn't see that it needs to go to the Commission.

- Driving this toward having as many decisions being made objectively with standards between the applicant and staff as opposed to coming to public discretionary hearings because they only get five hearings.

*** THE COMMISSION RECESSED FROM 3:22 P.M. TO 3:30 P.M. ***

The following specific questions were posed to the Planning Commission to facilitate discussion on Community Benefit:

1. Do you agree with the proposed categories of community priority housing, priority project, and other priority uses?
2. Are the previous Precise Plan findings sufficient for the Height Exemption?
3. Would be in favor of replacing the height exception findings with the Precise Plan findings?

Commissioner comments:

Commissioner Lodge:

- Yes to question 1, except for rental housing.
- Yes to question 2.
- Yes to question 3.
- Shared that from her recollection New Vehicle Sales was created because most of the auto dealers were wiped out due to the construction of the freeway and the City wanted to hold onto them for tax revenue purposes so they needed to be relocated.
- Believes that it is time to remove New Vehicle Sales from the necessity of going to City Council for any additions or changes that they want to make.

Commissioner Bonderson:

- Noticed that there are multiple definitions of Community Benefit on the State and local levels.
- Would like to clearly develop the definitions so that the definitions that move forward with this section and community benefit as a whole can be as clear as possible.
- Appreciates the four categories included in the Staff Report.
- Likes that residential and nonresidential categories are clearly stated.
- It is a nice catch-all for other priority uses.
- Yes to all questions.

Commissioner Wiscomb:

- Agrees that we need to eliminate market-rate rental housing with 10% inclusionary, or whatever is the required minimum inclusionary requirement, from the Community Benefit list.
- That category needs to be the very low, low and moderate-income levels to qualify for Community Benefit. Agrees with the proposed categories with the exception of the market-rate rental category.
- Understands that Community Benefit projects go through Precise Plan process so there is no need to double the review process, so yes to question 2.
- Yes to question 3, the Precise Plan findings are sufficient for the Height Exemption.
- Is in favor of replacing the Height Exception with Precise Plan findings because the Commission has struggled with those findings for a long time.

- Supports the addition of the economic or cultural benefit projects to the list and thinks that it covers some things that may not have been covered before.
- Struggles with the New Vehicle Sales category.
- Doesn't know the answer to the percentage of inclusionary that could qualify a project as community benefit, but maybe 50%.
- Appreciates what Ms. Montenegro from the Housing Authority said about rental housing's effect on the market.
- Rental housing should be the very low, low, or moderate-income levels to qualify for Community Benefit.
- Agrees with Commissioner Reed on removing the rental housing from Priority Housing.
- Would like the phrase "deed restricted" added into the Priority Housing category in front of multi-unit housing affordable to very low, low, moderate, or middle-income housing.

Commissioner Higgins:

- The categories of Community Benefit need to remain with projects that are market-rate, this is what was intended because no rental housing had been built.
- Yes to question 1, with no change.
- There is valid concern in the community that the pricing is beyond what we thought it would be for market-rate apartments, but we are at the peak of the market cycle and we have pent up demand.
- There have been apartment projects with a lot of amenities so they were priced according to their amenities, fine architecture, and locations.
- Believes that we shouldn't be encumbering these projects with additional inclusionary rates, we already have a 10% requirement.
- If you want to prevent housing construction, you should increase the inclusionary housing rate.
- If you want housing construction, you should decrease the inclusionary housing rate.
- Inclusionary housing and price restrictions are an impediment to housing production.
- The Precise Plan findings are better than the existing height findings, so yes to question 2.
- Appreciates Staff's reorientation of all of this into an attempt to become cleaner for applicants to go through the process.
- Supports the direction of question 3.
- Okay with where the categories are at and does not want to mess with New Vehicle Sales because that is a policy decision that Council made a long time ago about tax revenue.

Commissioner Reed:

- Does not believe that rental housing without affordability is a community benefit so it should be pulled from Priority Housing category.
- Not going to propose a percentage for affordability to qualify as community benefit because we start cannibalizing ourselves, and so would remove it entirely.
- Only 100% affordable housing projects should qualify.
- Yes to questions 2 and 3.

Commissioner Escobedo:

- Would love to see the commuter lot on Cabrillo and Castillo be as dense as possible.
- Nonprofit developers are on same level playing field as private developers and he does not think that should be the case.

- In the past there were more funding streams for nonprofit developers.
- Ideally, you would build in incentives for nonprofits into the development process as well.
- Understands that there are State mechanisms to incentivize deed-restricted housing and would like to challenge the Commission to go beyond what the State mandates to give added incentive to nonprofit developers and the Housing Authority and to think of ways to do that.
- On question 1 and Priority Housing, we strike multi-unit rental housing as it relates to market-rate housing.
- Understands there is no middle-income category for the purposes of RHNA, but when the AUD program started, people thought the first units on the market would be around 160% area median income.
- Would be supportive of leaving rental housing as a community benefit if it had the required inclusionary rate for the project, and the remainder of the project was up to 160% or whatever we can agree on what middle income is.
- If we cap it at 120% AMI, doesn't know that we can sincerely say that we are going to generate housing Downtown.
- Supportive of allowing deed-restricted multi-unit housing that is affordable middle-income households which gets the rent up to 160% AMI, which is more reasonable to generate projects, rather than cap a Community Benefit Priority Housing Project at 120% AMI.
- On question 2, the Precise Plan findings are sufficient for the Height Exemption.
- Yes to question 3.
- Would like to see data on the rents from when we first collected data to now for some of the first AUD projects in order to get better context for what Commissioner Higgins commented on.
- Would be in favor of height by right for deed-restricted affordable projects.

Chair Schwartz:

- During the pandemic, real estate has gone through the roof throughout the City, it was not a typical two-year period.
- We need to ask the real estate experts what is reasonable in looking at the last two years because they were abnormal with so many people wanting to move to the City.
- If we were looking at a normal 8-year period, as the housing stock would begin to age, we should see some rents begin to flatten out, but because of the pandemic she doesn't know when that would happen.
- Wonders what the justification is as to whether or not New Vehicle Sales should continue to be Community Benefit projects.
- Doesn't see New Vehicle Sales applicable to what we want to encourage in the way of development through the Community Benefit incentive.
- Yes to all questions.

The following specific questions were posed to the Planning Commission to facilitate discussion on Adaptive Reuse:

1. Do you support the new adaptive reuse section and definition?
2. Are there any other incentives that should be considered for adaptive reuse projects?

Commissioner comments:

Commissioner Wiscomb:

- Confirmed that the discussion of height in subsection C.2 refers to both existing rooftop construction and new.
- Finds the phrase “where feasible” to be too subjective.
- Would like to add “as determined by the Community Development Director” to Open Yard subsection of the new Adaptive Reuse Section to Title 30.
- Has reservations about elimination of the open yard requirement because of the “where feasible” clause.
- Believes that question 2 was covered well in the new Title 30 section and Staff did a great job.

Commissioner Higgins:

- As long as the nonconformity is not exacerbated, adaptive reuse should be allowed.
- Yes to both questions.
- Suggests that allowing minor alterations (e.g. seismic bracing, fire compliance) should be explored as a code option.

Commissioner Bonderson:

- Recommends that the language defining adaptive reuse be clearer.
- Agrees with commissioner Wiscomb with regard to the word “feasible” and would like to make any updated language less subjective.
- Would really appreciate clearer language on how the building code will be applied which is often a very important part of a design puzzle.
- In cooperation with waived and reduced parking in the CBD, the City should make progress on mobility options and public transportation be considered and designed as part of ongoing reduction in parking.
- Emphasizes that one issue cannot work without the other one being designed and developed together with the future goal being met together.
- As we reduce parking, we sincerely have to consider adding other forms of transportation whether it be increased bus lines, new locations for stops, perhaps a trolley, or etc.
- Believes that mobility is a piece of a much larger program, so when talking about parking these two things have to be considered and planned in tandem.
- Long term transportation has to be considered when talking about modifications or amendments having to do with reduced parking.
- Agrees with the additions that Commissioner Reed and Vice Chair Escobedo made for adaptive reuse incentives.

Commissioner Lodge:

- Uncomfortable with waiving open yard requirement because it is such a big part of livability.

- Finds that there is a lot of open space on the flat roofs of buildings and would like to see the language worded in such a way that flat roof open spaces be utilized.
- Believes that adaptive reuse is great, but would like it to be done well.
- Hopes Staff can find a way where the open yard requirement is not done away entirely and provide some flexibility within it so that where there is a roof that is available that it is used.
- Generally supports the adaptive reuse sections and definitions.

Commissioner Reed:

- Supports the adaptive reuse section.
- Adaptive reuse is not just about housing and affordability, it is about revitalization.
- Suggests property tax credits and free reductions as other incentives considered for adaptive reuse projects.
- Under B. Eligibility, suggests exploring 10 years instead of 20 years and looking at some of the ordinances to allow as few as 5 years.
- Finds that 50% of the ground floor on three-story buildings or taller that contains street frontage on State Street being a commercial use might be a little high, so would like to explore bringing it down if feasible.
- Understands concerns about waiving open yard, but believes that is important in the CBD.
- Suggests looking into some type of waiver for open yard for true adaptive reuse projects outside the CBD.

Commissioner Escobedo:

- Supports many of the suggestions that Commissioner Reed has provided.
- Supports the idea of looking into tax break incentives and fee reductions to try to incentivize people to use underutilized buildings for housing.
- In favor of building code flexibility, without compromising health and safety, to make the process easier to reuse these buildings.
- Because these buildings are already in our environment we don't have to have a discussion on the effect on the character of the neighborhood since it is already there.
- Would like to push for as much flexibility and ease in the process as possible for adaptive reuse.
- In favor of having no open yard requirement for adaptive reuse.
- Interested in looking into having an adaptive reuse process for large single family homes as well.
- Overall supports the section and definition.
- Would like to add incentives on building codes.

Chair Schwartz:

- Yes to questions 1 and 2.
- Her thoughts are in alignment with Vice Chair Escobedo.
- Believes that the phrase "where feasible" is problematic, too subjective, and needs to be pulled out.
- Staff needs to find a more objective way to address the intention behind the phrase "where feasible."

Open Yard

All Commissioners agreed to delay discussion of the proposed open yard standards until the Commission is provided with the proposed Landscape section because they should be reviewed in tandem.

Other Comments

Commissioner comments:

Commissioner Wiscomb:

- Discussed Priority Housing Overlay with Commissioner Lodge and perhaps allowing micro units or small efficiency units which are 200-400 square feet at a higher density than 63 units per acre.
- There has been a lot of talk among developers to add micro units to the equation in the AUD program.
- Currently we are looking at 63 dwelling units per acre and maximum unit size of 811 square feet.
- Proposes Staff to consider the maximum average unit size that has to be a sliding scale down to 300 square feet or whatever staff thinks is appropriate and a density increase that coincides with that to give developers a chance to develop micro units.

Commissioner Lodge:

- Would like Staff to ask the Housing Authority if they are interested in having the open yard requirement removed.
- The proposal to allow micro/small efficiency units would be limited to the CBD.

Commissioner Higgins:

- Would support Commissioner Wiscomb's micro-unit proposal, but believes that it may be something that can be accommodated with FAR.
- The best thing for developers and the planning department is to have clear, understandable, and constant rules. Would resist the temptation to keep changing the rules until the rules are settled.

Commissioner Reed:

- Likes the idea of micro/ small efficiency units.

Commissioner Bonderson:

- Supports Commissioner Wiscomb's proposal and would like to be part of the process.

Commissioner Escobedo:

- Split on the idea of adding micro/small efficiency units because he has concern that the more projects they add onto Staff to research, the further we get away from implementing whatever succeeds the AUD program.
- Would be supportive if it was the easiest possible process.

Chair Schwartz:

- The City is behind in terms of implementing recommendations that could have moved the City forward with some more rental housing inventory.

- Generally concerned about the time it is taking to vet and secure approval on changes when we have an ever increasingly expensive and static housing inventory.
- Until we get more appropriate and sensitively placed housing stock, the existing housing stock is going to continue to rise in cost for everyone.
- In support of efficiency units.

IV. **ADMINISTRATIVE AGENDA**

ACTUAL TIME: 5:24 P.M.

A. Committee and Liaison Reports:

1. Staff Hearing Officer Liaison Report

Commissioner Higgins reported on the Staff Hearing Officer meeting of November 3, 2021.

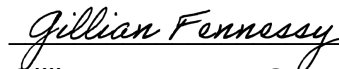
2. Other Committee and Liaison Reports

- a. Commissioner Wiscomb announced the next Plaza De La Guerra Subcommittee meeting on November 8, 2021 at 9:00 a.m.
- b. Commissioner Bonderson reported on the October 18, 2021 and November 1, 2021 meetings of the Architectural Board of Review.

V. **ADJOURNMENT**

Chair Schwartz adjourned the meeting at 5:31 p.m.

Submitted by,



Gillian Fennessy, Commission Secretary