

City of Santa Barbara  
**DEVELOPMENT TRENDS REPORT 1990-2007**  
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Thanks to the many individuals and community groups that have taken the time to participate and provide insight on the PlanSB effort through workshops, hearings, and public comment.

**FOR MORE INFORMATION**

For more information, log on to the Plan Santa Barbara website at <http://www.youplansb.org>.

This report is also available online, or a copy may be picked up at the City Planning Division office located at 630 Garden Street, Santa Barbara, CA.

# Plan Santa Barbara Development Trends Report

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## I. Introduction and Next Steps

This Development Trends Report presents information on non-residential and residential development in the City of Santa Barbara over the past 18 years. Non-residential development is primarily discussed in the context of Charter Section 1508 policies and residential development in light of existing policies and zoning. Table, Figures, and Maps further illustrate how much, what type and where the development has occurred.

Initial parameters are presented to use in the implications analysis of continuing these policies and trends. This is an important starting point to evaluate the effects of development in the future. Further, the potential effects can be useful in developing alternative policies that promote desired outcomes (i.e. diverse community) and avoid negative effects (i.e. impacts on water resources).

Council guidance and community values are the overarching framework to use while considering this information and evaluating how to move forward.

The public process to consider the Development Trends Report information begins with the April 7<sup>th</sup> Planning Commission Worksession (3:30 p.m.), at which the Commission and community will give their initial reactions and consider questions such as: Did the development occur as anticipated? What have been some unintended consequences? Lessons learned? What appears to be positive trends that support community values? Further, the Planning Commission may provide guidance on what policy issues should be posed with this information in the Development Trends Community Workshops scheduled for Saturday, April 19<sup>th</sup> (9:00 a.m. to noon) and Wednesday, April 23<sup>rd</sup> (6:00 to 9:00 p.m. - all meetings are held at the Faulkner Gallery in the Main Library, 40 E. Anapamu Street).

Following the Development Trends discussions there will be a similar public process through the summer to develop and discuss policy options. This effort will lead to a set of draft preferred policies to be included in the initiation of General Plan Land Use and Housing Element Updates. The policies will likely vary little from existing resource and zoning capacities, with the exception perhaps of a scenario that assesses the recently mandated Regional Housing Needs Housing Allocation<sup>1</sup>. A number of other issues such as sustainability and economics also play a role in the quality of life in Santa Barbara, and will also be addressed by policy alternatives. The next increment of growth will also most likely again be metered through a growth management program such as Charter Section 1508, and be further defined by Sound Community Planning Principles as the measure of community values.

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<sup>1</sup> Regional Housing Needs Allocation (RHNA) is a State requirement for Counties and Cities to plan for certain numbers of units in the Housing Element process.

## **II. Past and Present Development Trends and Policies**

### **A. Background and Policy Context**

To initiate Plan Santa Barbara (Plan SB) in March 2005, the City Council re-affirmed the General Plan Update goals that were adopted in the 1980s to guide the last update process. The wording of the seven goals was slightly revised, and two new goals were added related to encouraging public participation and developing explicit sustainability policies. Thus far, these goals have proved to be on target and will provide the core of draft Sound Community Planning Principles to be the basis of future policy decisions.

#### **Council Goals to Guide Plan SB (March 2005)**

1. Live within resources by balancing development with available resources and promoting sustainable, pedestrian scale, transit-oriented development.
2. Ensure affordable housing opportunities for all economic levels in the community, while protecting the character of established neighborhoods.
3. Provide safe and convenient transportation through improved transit, circulation and parking.
4. Ensure a strong economy that provides the revenue base necessary for essential services and community enhancements.
5. Advance regional thinking, collaboration and solutions.
6. Maintain the unique character and desirability of Santa Barbara as a place to live, work and visit.
7. Provide adequate services and facilities.
8. Encourage public involvement and participation at all levels of city planning and other government activities.
9. Develop explicit environmentally sustainable policies.

During Phase I of the Plan SB process, the community was asked through a number of different sources (interviews, workshops, grassroots community group meetings, website submittals, and a city-wide brochure mailing) to weigh in with their concerns, appreciations, and hopes for the future of Santa Barbara. Interestingly, the results of this extensive public outreach effort, summarized in the Community Input Summary Report, December 2007, parallel very closely the Goals set out by the Council in 2005.

#### **Community Input Summary Report Findings (December 2007)**

The Council and community are both clearly concerned about the same topics: growth management/Living within Our Resources, affordable housing, transportation, the economy, Santa Barbara's unique character, public facilities and services, sustainability and the environment. The Council also identified issues of regional collaboration and public participation. Another issue identified by the community in Phase I is promoting a healthy community; this is an emerging area of urban planning. The following are

summary findings from the Phase I community outreach effort as described in the Community Input Summary Report.

Growth: Future growth and development needs to be considered within the context of Living Within Our Resources, in order to preserve our quality of life in balance with other community values and priorities.

Community Design: Preserve our historic character and retain the small-town feel of the City with appropriate size and scale of development, a walkable town, increased urban landscaping and open space, and maintenance of scenic views.

Housing: A wide range of housing options is important to maintain an economically and socially diverse population; creative and innovative approaches are needed to retain the workforce and the City's economic and cultural diversity.

The Environment: Preserve our natural resources and scenic beauty; incorporate environmentally protective principles into the framework of the General Plan, making Santa Barbara an environmental leader.

Transportation: Avoid increased traffic congestion and increase the availability and attractiveness of walking, bicycling, and transit; create a transportation system that supports other community values, such as economic vitality, the small-town feel, a wide range of housing options, environmental stewardship, and, an active, healthy community.

Sense of Community: Our unique community values a small-town feel and intimate scale; reinforces social connectedness; preserves and celebrates economic and cultural diversity; promotes civic engagement; and provides housing and economic opportunities for the future.

The Economy: Economic vitality should support a wide range of businesses, with particular emphasis on small local establishments; retain and expand the depth of our workforce; better balance economic tourism needs with those of the community; preserve our economic and cultural diversity by implementing innovative housing strategies, and focus on the worker/housing balance.

Public Facilities, Services and Infrastructure: Public facilities and services need to be further developed to serve the diverse needs of our population now and in the future; and we need to better understand and address the necessities of our youth and aging residents.

Healthy Community: A healthy, active community with low levels of chronic disease and obesity is a priority; we need to support accessible medical care, a City infrastructure that promotes an active lifestyle, recreational spaces, places for community gardens, and availability of locally grown foods.

The context of community values is essential in reviewing the development trends that have occurred over the last 20 years and looking at potential implications should these trends continue with current development policies.

These community values are broadly stated, and most would agree these are laudable. However, how these underlying values are developed into policies and implementation strategies is a more challenging effort, and there will likely be some areas of conflict. For example, how compatible are the values to maintain the small-town character of Santa Barbara, and continue to provide affordable housing and maintain socio-economic diversity. While the Plan SB process will develop as many creative, forward thinking, win-win solutions as possible to achieve all of the community's goals, ultimately difficult values trade-offs may need to be considered.

### **Sound Community Planning Principles**

The Planning Commission has recommended an important step toward translating many of these community values into meaningful policies is to identify a set of Sound Community Planning Principles to guide future land use decisions. The idea is that adoption of the General Plan, other legislative actions, public investment projects, and reviews of private development projects that come before City decision makers would require findings of consistency with these principles. At this point of the process, staff has identified draft principles that correspond to each Council Goal as a starting point for community discussion. These principles will be further developed and refined through upcoming Community Workshops.

#### **Live within resources**

Development shall be designed and constructed with a small town, pedestrian oriented scale and to sustainably function within and contribute to the City's infrastructure and natural environment.

#### **Ensure affordable housing**

Multi-family and mixed use residential development shall contribute to the provision of affordable housing needs or work force housing by design.

#### **Provide safe and convenient transportation**

The size, scale, and location of land development shall be linked to the availability of transportation alternatives in order to reduce or maintain current congestion levels.

#### **Ensure a strong economy**

Development proposals shall demonstrate their economic value to the community and contribute to the health and longevity of the economy.

#### **Regional thinking**

The City will create working partnerships with other jurisdictions and agencies that promote living within its resources throughout the region.

### **Maintain the unique character**

Development shall retain and enhance the character of Santa Barbara with design and function that promotes the historical and small-town feel, reinforces social connectedness, and promotes civic engagement.

### **Provide adequate services and facilities**

Public facilities and land development shall be sustainable, adequate and appropriately designed to serve the diverse needs of the population now and in the future.

### **Public participation**

The public participation process shall be inclusive, responsive, and balanced with regard to the broad needs of the community.

### **Develop environmentally sustainable policies**

Sustainability shall be reflected in the development of all planning and environmental policies.

### **(NEW) Create a healthy community**

City infrastructure and development shall promote a healthy and active lifestyle with transportation choices, recreational spaces, and availability of locally grown foods.

## **B. Planning History and Policy Development**

The City's current land development policy framework is a result of decades of community involvement, consensus building and critical decision making by Councils, Commissioners and residents.

**Impacts to Growth:** Santa Barbara's current policies were significantly influenced by the events in the 1970's. By then the population growth had become a major concern. There were concerns about what impacts growth would have on jobs, retail businesses, air quality, water supply, taxes, income, traffic, land uses and parks.<sup>2</sup> The Santa Barbara Planning Task Force, a group of local citizens, was asked by the City Council to provide an analytic base to help them determine an optimum level of population. The City provided funding and members of the Task Force enlisted dozens of citizens both professional and amateur, in a series of projects and related studies. The resulting publication was the *Santa Barbara Impacts of Growth* (1974). In the report, they make no recommendation of the optimum population size but rather, as a result of research, presented thoughtful information and approaches to growth management for the future of Santa Barbara.<sup>3</sup>

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<sup>2</sup> Santa Barbara- How many people should there be? Help your City Council Decide. December 6, 1974

<sup>3</sup> Santa Barbara The Impacts of Growth: City wide Effects, pp.1.2

The report recognized, with the assumption of continued dispersed land use patterns and automobile use patterns, that the existing city road and parking system would be inadequate to accommodate future traffic demands as the population grows.<sup>4</sup>

**Transportation:** The *Impacts to Growth* discusses the limited capacity of the road network and how increases in vehicle travel would ultimately restrict mobility. In the report, circulation issues are considered to have a social impact as well. Individual motorists would be impacted by way of delay, inconvenience, and increased gas consumption. Shop owners, residents and pedestrians would be impacted by increased noise and car emissions and increased spillover of non-residential traffic to residential neighborhoods.

The report suggests a number of programs aimed at increasing the use of alternative modes of transportation from the 5% mode share of the day (auto use was estimated at 95% or more of all trips). In order to increase overall trip capacity of all modes, the programs included: increasing bus ridership by providing more trip options and other service improvements, encouraging bicycles as a viable form of transportation by increasing bicycle infrastructure and implementing the City's Bicycle Master Plan, as well as consider parking policy strategies to limit auto growth and promote transit use.<sup>5</sup>

As indicated in the *Impacts of Growth* report, these strategies were done to limit congestion and encourage alternative modes of travel. As a result of these efforts, the use of alternative modes of travel in and out of the Downtown represented 15% of peak hour trips in a 1983 Downtown modal study.<sup>6</sup>

The current Circulation Element (CE) takes Santa Barbara's tradition of avoiding traffic congestion one step further towards focusing on the availability and attractiveness of alternative forms of transportation. The CE Vision Statement is intended to be the foundation of all the goals and policies of the document:

*While sustaining or increasing economic vitality and quality of life, Santa Barbara should be a city in which alternative forms of transportation and mobility are so available and so attractive that use of an automobile is a choice, not a necessity. To meet this challenge, the City is rethinking its transportation goals and land use policies, and focusing its resources on developing balanced mobility solutions.*

This vision encapsulates the entire document, which covers walking, bicycling, transit, parking, land use, neighborhood traffic impacts, regional coordination, and traffic standards with an emphasis on economic vitality and equality among transportation mode choice.

Since the adoption of the CE, over five miles of sidewalk have been constructed, the number of bike lane miles has doubled to 26, MTD transit service has been increased, and the neighborhood traffic management program implemented. Additionally, two master planning documents have been created: the Bicycle Master Plan and the

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<sup>4</sup> Santa Barbara The Impacts of Growth: City Wide Effects, pp 4.13

<sup>5</sup> Santa Barbara The Impacts of Growth: City Wide Effects, pp 4.25-31

<sup>6</sup> Santa Barbara CBD Travel Mode Survey, City of Santa Barbara 1983, pp.11

Pedestrian Master Plan. Although great strides have been made in the area of increasing the availability of alternative modes, little has been done to implement the parking policies and the Parking Master Plan is still a forthcoming work product.

While public parking supplies have been increased Downtown (Granada Garage), parking requirements have not yet been adjusted with the exception of the required parking for residential Downtown, which was reduced to one space per unit, with no required provision of guest parking. This reduced residential parking requirement has not been fully realized, as developers assert that market demands require a need for two parking spaces per unit, and often times the public and decision makers have asked for more parking. Additionally, the community generally views parking and transportation as unrelated issues, adding to the complexity of making parking policy adjustments.

**Housing Element:** The Housing Element history chapter outlines and summarizes the significant decision points in the development of our current land use, housing and transportation planning policies. Exhibit 1, List of Key Planning Decisions includes a number of documents and other actions that shape Santa Barbara's unique planning history.

For informed decision-making, this planning history must be considered. In the late 1980's, the City encouraged and facilitated a community-wide dialog about future growth. The outcome of that process was ballot Measure E to amend the City Charter setting limits to commercial growth and a Land Use Element amendment to address the consequences of a limited growth future.

**Recent Implementation Efforts:** For 15+ years, the City has been steadily following through on those 1990 decisions and strategies. These included a Housing Element update to encourage multi-family, mixed-use development in and around Downtown and commercial areas, transportation corridors, and a Circulation Element Update to encourage reduced reliance on the car and increased use of alternative modes.

The mid-1990's planning assumptions were as follows:

- Attached multi-family units would provide housing opportunities for Downtown workers, entry-level ownership and empty-nesters.
- Higher densities and more units would spread land and development costs resulting in market-provided (non-subsidized) attainable housing.
- A compact Downtown would result in less need to own, park and drive multiple cars per household reducing dependence and traffic congestion.

In addition to the policy context, the City has specific zoning standards and requirements. Many of these standards were revised in the mid-1990's to encourage mixed-use and residential development Downtown. Most notably, variable density standards were extended to commercial zones. The intent was to encourage more, smaller units. What has been occurring in recent years is the use of variable density standards to create more, larger, expensive condos. The 2005 Housing Element calls for finding way to change the Zoning Ordinance so that the use of variable density standards more closely matches the original intent.

Issues related to current growth and development trends include: housing, open space, transportation, community character, scale and design of physical development, small town feel, demographic and economic diversity, preservation of historic resources, energy, environment, and sustainability. All of these issues are complex, complicated, inter-related, and cannot be analyzed in a vacuum.

Is there a way to address all of these things at once? Santa Barbara's General Plan policies and zoning regulations were developed and then amended in the 1980s to address these issues comprehensively, but the State and local housing market as well as the global economy seems to have trumped local policies. Many of the assumptions about who was going to live in multi-family units, whether they worked, how they got to work, etc. are no longer valid today.

Nevertheless, many of the reasons for supporting compact development in and around Downtown and other commercial areas are still valid:

- Reduces dependence on the car for every single trip or errand
- Supports a vibrant downtown
- Creates walkable areas with associated public health benefits
- Accommodates an aging population in the Downtown
- Encourages the re-use, revitalization and green re-building of aging buildings
- Utilizes real estate as an economic engine

It has been 19 years since a comprehensive analysis of the City's growth and development policies has occurred. The intent of PlanSB is to provide the context to evaluate, affirm, or revise the growth and development policy framework.

### III. Type, Amount, and Location of Growth: 1990-2007

#### A. Non-Residential

In November 1989, City voters passed Measure E, which created Charter Section 1508. Charter Section 1508 limits the amount of new net increase in non-residential<sup>7</sup> development within the City to 3 million square feet through December 31, 2009. This growth management measure resulted in a significant reduction from the prior General Plan potential build out of 116 million square feet of non-residential uses.

The adoption of Measure E was primarily in response to residents' concerns about living within existing resources available to Santa Barbara and the preservation of quality of life. Charter Section 1508 and a series of implementing policies, including General Plan Amendment 1-90, various guidelines and ordinances, have been effective in regulating and pacing non-residential growth, while at the same time stimulating the redevelopment of existing structures and the development of mixed use projects.

The 3 million square feet was allocated into categories available to different types of projects. The original categories were: Approved Projects, Pending Projects, Vacant Property, Small Additions, and Community Priority. In 1995 the Economic Development floor area allocation category was created in order to reallocate unused square footage from the "Approved," "Pending" and "Small Addition" categories to projects which promote economic development of the City.

The following table reflects how square footage was originally allocated and the amounts that remain in each category at this time.

Allocation Category	Original S.F. Allocation	Remaining S.F.
Approved Projects	900,000	0
Pending	700,000	0
Vacant Property	500,000	316,110
Small Additions	600,000	60,000
Community Priority	300,000	32,781
Economic Development	N/A	398,485
<b>Totals</b>	<b>3,000,000</b>	<b>807,376</b>

A total of **2,157,109** square feet of development is currently in "the pipeline" or built, as summarized in the following table:

Status of Project	Allocated Square Feet
Pending	480,311
Approved	129,401
Building Permit/C of O Issued <sup>8</sup>	1,547,397
<b>Total</b>	<b>2,157,109*</b>

\*minor projects are included in this data.

<sup>7</sup> Non-residential land uses include commercial retail and offices, industrial/manufacturing, healthcare, government, educational and other institutional uses.

<sup>8</sup> C of O means Certificate of Occupancy, that allows a new structure to be occupied

(Note that the combined allocated and unallocated total square footage is approximately 35,000 s.f. less than 3 million due to the timing the data on projects was generated. The data is changing on a daily and weekly basis, so square footages shift, but it is still less than the maximum 3 million s.f. that could be allocated by the 2009 sunset of Charter Section 1508)

#### Minor Additions:

In addition to the overall 3 million square feet limitation, Measure E acknowledged the need to allow minor projects to proceed with additions of 1,000 square feet or less. Minor Additions of 1,000 square feet or less are not counted in the 3 million square foot limitation, nor are Development Plan findings required. (Note: Those proposed projects that would develop with 1,000 s.f. or less, are not represented on the maps but are included as new square feet in the data. Some Minor Additions are tied to Small Addition projects as the first 1,000 s.f.).

Minor Additions permitted since 1990 are as shown in the following table. These figures include projects that received Minor Addition sq. ft only, and also larger projects that used both Minor Addition s.f., and s.f. from other categories:

<u>Status of Project</u>	<u>Amount Permitted</u>
Pending	39,513 s.f
Approved	31,859 s.f.
<u>Building Permit/C of O Issued</u>	<u>188,769 s.f.</u>
<b>Total</b>	<b>260,141 s.f.</b>

#### **Types of Development**

Non-residential development can be in the form of:

- Redevelopment (demolition and replacement) of the same or less square footage;
- Redevelopment with new square footage added from Measure E allocation categories or Transfer of Existing Development Rights (TEDR);
- Conversion of residential to non-residential; and/or
- Redevelopment with residential, i.e., mixed use.

Since Measure E was adopted, City staff has monitored new non-residential square footage, as well as residential projects, through bi-annual reports to the Planning Commission. The amount and location of non-residential, residential as well as mixed use projects “in the pipeline” (pending and approved permits) and those that are built (permitted, under construction, or with Certificate of Occupancy-C of O) are identified in Exhibit 2, Map of Nonresidential Projects Approved and Pending Approval and Exhibit 3, Map of Nonresidential Projects – Built and Under Construction.<sup>9</sup>

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<sup>9</sup> The projects represent database information from January 1990 to December 2007, reflecting the last 18 years of development. The information on maps and graphs depicts net new square footage and net new units.

One of the goals of Charter Section 1508 was to encourage redevelopment of existing sites; therefore, a conscious decision was made by Council not to require a Development Plan and findings for these projects, as an incentive of simple permitting process.<sup>10</sup>

Since 1990, 14 projects have been permitted, ranging in existing size of 600 – 18,000 square feet, that have demolished the existing structure(s) and replaced them with non-residential uses, while expanding no more than 1,000 square feet. The total square footage demolished was 44,846 s.f. with additional Minor Additions of 6,518 s.f. that were then reconstructed, for a combined total of 51,336 s.f. rebuilt area. See Exhibit 4, List of Projects Demolished and Replaced with less than 1,000 s.f.

While Charter Section 1508 strongly encourages redevelopment of existing parcels, it does not address change of use to higher intensity uses, or potential associated effects. In 1998, due to concerns with large redevelopment projects in the C-P zone (typically commercially zoned properties adjacent and often surrounded by residentially zoned areas), an ordinance was passed that requires Development Plan approvals and findings for any reconstruction projects of 10,000 square feet or more in the C-P zone.

What is not directly measured is redevelopment that may result in more intense uses. Because a Development Plan and findings are not required for projects adding less than 1,000 new s.f., the permit review process is limited to design review and compliance with zoning standards. Change in non-residential uses are not currently tracked, but future monitoring could be considered.

#### Demolished Square Footage (not replaced)

When demolished square footage is proposed to be reconstructed, it is not taken from the 3 million square feet because Charter Section 1508 is only for net new non-residential floor area. One recent trend is total demolition or partial demolition that is rebuilt with less non-residential floor area and new residential units or mixed use (see below).

Since 1990, there have been approximately 85 projects with a partial or total demolition and reconstruction with less non-residential square footage (46 projects) or with no non-residential square footage (39 projects). See Exhibit 5, List of Projects with Partial or Total Demolition.

In summary the following depicts the redevelopment activity:

<u>Previously Existing S.F.</u>	<u>Total S.F. Reconstructed</u>	<u>Demolished Not Replaced</u>
1,181,372 s.f.	677,753 s.f.	<b>503,619 s.f.</b>

Projects have resulted in approximately 500,000 square feet demolished throughout the City that has not been reconstructed to date. Under existing policy and the

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<sup>10</sup> For purposes of this report, redevelopment projects are defined as those that are either rebuilt through demolition and replacement of the total existing commercial square footage, or rebuilding of the same square footage with an addition of no more than 1,000 square feet (Minor Addition).

Development Plan Ordinance, this square footage can be rebuilt on the site or proposed as a transfer to another site via a TEDR (see below).

### Transfer of Existing Development Rights (TEDR)

The TEDR Ordinance was adopted in 1992 in order to “ensure a strong economy...to encourage new development, but not new floor area,...promote the efficient use of under used space and the creative re-use of existing buildings; provide flexibility for redirecting growth within the growth cap of Measure; and to encourage the construction of housing.” The TEDR ordinance allows the transfer of approved, demolished, or converted (from non-residential to residential) square footage from a “sending site” to another “receiving” site in the City. Because projects can use a combination of square footage allocations along with a TEDR, the City has processed a number of TEDR projects for those projects requesting more square footage than allowed via their Measure E allocation allowances.

Exhibit 6, is a list of projects that included use of TEDRs. Approximately 60,400 square feet are part of TEDR requests. Again, this is square footage that already exists in the community and not net new square footage.

## Location by Zones

The following table represents non-residential square footage in various zoning districts including, residential, commercial, waterfront, industrial, parks, and airport zones. Exhibits 2 and 3 identify all projects with non-residential square footage citywide by development status. The data used for commercial development square footages will be available on the City's Plan SB website at [www.YouPlanSB.org](http://www.YouPlanSB.org).

<b>Table 3, Non-Residential Development Activity by Zone District 1990 - 2007</b>					
<b>Zones</b>	<b>C of O</b>	<b>Approved</b>	<b>Bldg Permit</b>	<b>Pending</b>	<b>Total</b>
<b>Single Family</b>	103,168	466	11,629	70,397	<b>185,660</b>
<b>Multi-Family</b> <sup>2</sup>	69,025	10,214	0	12,232	<b>91,471</b>
<b>Commercial</b> <sup>3</sup>	838,701	30,944	232,931	176,116	<b>1,278,692</b>
<b>Waterfront</b> <sup>4</sup>	89,217	11,184	40,064	15,805	<b>156,270</b>
<b>Industrial</b> <sup>5</sup>	99,177	7,794	15,361	71,757	<b>194,089</b>
<b>Parks &amp; Rec</b>	15,130	10,089	0	5,030	<b>30,249</b>
<b>Specific Plan</b>	3,000	0	0	0	<b>3,000</b>
<b>Airport</b> <sup>6</sup>	28,634	58,710	1,360	128,974	<b>217,678</b>
<b>TOTAL S.F.:</b>	<b>1,246,052</b>	<b>129,401</b>	<b>301,345</b>	<b>480,311</b>	<b>2,157,109</b>

Footnotes:

1. Single Family Includes A-1, A-2, E-1, E-3 and PUD zone districts
2. Multi-Family Includes R-2, R-3 and R-4 zone districts
3. Commercial Includes C-1, C-2, C-L, C-M, C-O, C-P zone districts
4. Water Front Includes OC, OM, HRC, HC zone districts
5. Industrial includes the M-1 zone district
6. Airport includes A-F, A-I, A-C, C-R zone districts

Approximately 60% of the non-residential square footage has occurred in the City's main commercial zones i.e., C-1, C-2, C-L, C-M, C-O, C-P zones. Other non-residential development has occurred as follows: 10%, Airport and Commercial, Industrial Specific Plan Areas, 13% Single-Family and Multi-Family Zones, 7% Waterfront Area, 9% M-1 Industrial Zone, and 1% in City Parks.

## Residential Zones

Approximately 18,736 square feet of non-residential square footage has been developed in the R-2 zone. Projects have included additions to:

- 1900 Lassuen, El Encanto Hotel
- 600 Arrellaga, Saint Francis Convent
- 36 Hitchcock Way, YMCA
- 202 N. Soledad, Educational Facility

Approximately 44,680 square feet of non-residential square footage has been processed in the R-3 zones. Projects have included additions to:

- 1535 Santa Barbara Street, Unitarian Church
- 632 E. Canon Perdido, Boys Club
- 702 and 814 Laguna Street, Santa Barbara Housing Authority

Approximately 28,055 square feet of non-residential square footage has been developed in the R-4 zone, which allows hotels. Projects have included additions to:

- Childcare
- Various bed and breakfasts/hotels, including the Lemon Tree Hotel

### **Airport**

The total amount of net new square footage currently allocated to airport operation areas and the adjacent Commercial/Industrial Specific Plan area is 217,678 square feet.

To date, 71,069 net new square feet has been approved, permitted, or received a Certificate of Occupancy on the Airport properties within the airport operation areas, most of which has been allocated to projects such as the Terminal Expansion Project, the aircraft rescue and firefighter station, and office additions associated with aircraft hangars.

In the Specific Plan Area, a total of 146,609 net new square feet has been allocated and includes Community Priority and Economic Development allocations. Of this amount 128,974 square feet some are pending projects, including 6100 Hollister Avenue.

### **Industrial Areas**

A number of projects in the industrial zones typically involve the demolition of 1-2 units and redevelopment of the site with a Minor or Small Addition. The amount of net new square footage associated with projects in the M-1, OM-1, and C-M zones is 221,300 square feet (Note that this number is different than the industrial figure in the Table 3, because that figure 194,089 sq ft is for the M-1 zoned parcels only).

Approximately 18 residential units have been demolished in the M-1 zone, where new residential development is not permitted. However, there is also a pending project at 535 E. Montecito requesting a rezone to allow 48 new residential units in what is now the M-1 zone. The C-M zone data shows 144 residential units in various permit stages. Also, 51 residential units are under construction as part of the Santa Barbara Mental Health project at 617 Garden Street, and 33 units are pending at 318 State Street, the Andalucia Building.

Staff acknowledges the concern of needing to protect M-1 Industrial zoned properties for use by light manufacturing and industrial uses. The M-1 zone comprises less than 1% of land area in the City. Many M-1 zoned parcels have been developed with other non-industrial/ manufacturing type uses such as office as allowed by the City's pyramid zoning. Understanding the redevelopment of parcels and change of uses in this area will be an important consideration of the Land Use Element update.

The 1989 General Plan Update included a strategy to consider allowing residential uses in the M-1 Zone. Over the years, studies have been started, and discussions held, but implementation was never prioritized. However, the issue has never been fully pursued or resolved. In the 1990's, the non-conforming regulations were loosened slightly to allow existing homes to upgrade. There are just over 100 existing, non-conforming residential units in the area.

From 1999 - 2001, in response to a request from the public to allow artists' live-work space in the M-1 zone, additional analysis and discussions were held. The conclusion was that protection of the small M-1 zoned area and M-1 land uses was the highest priority for the area. There was also concern that allowing residential uses could lead to gentrification of the area. Since that time, Council has initiated a policy changes to allow consideration of a 100% Affordable Housing project at 535 E. Montecito Street. No other projects have been proposed.

## **Waterfront**

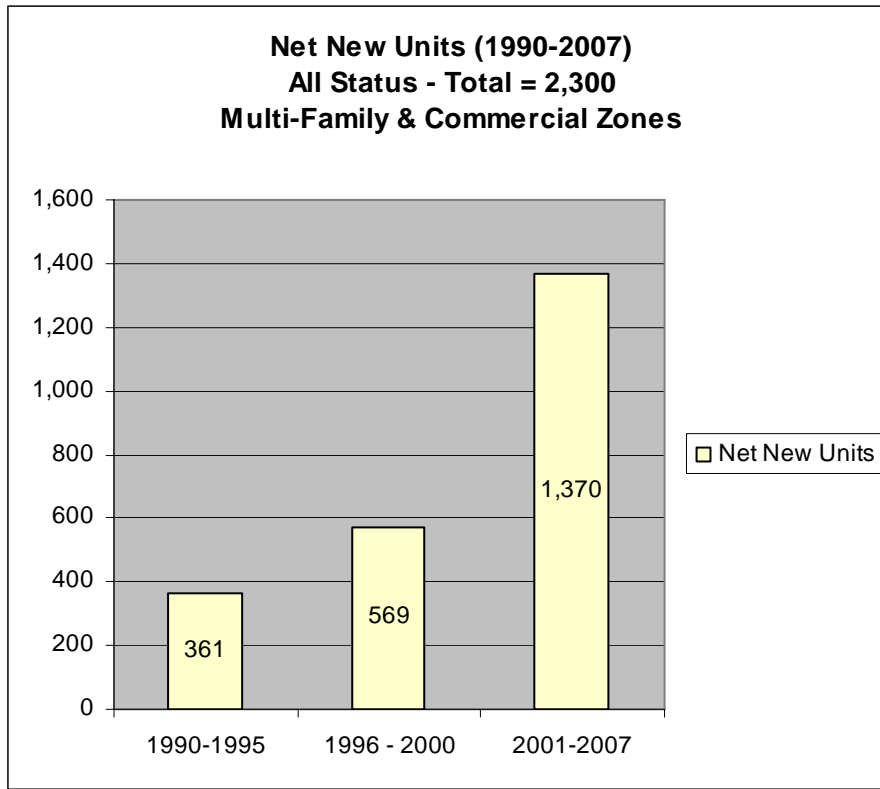
The Waterfront area has been allocated 156,270 square feet under Measure E categories. Most of the square footage is constructed or approved with only 15,805 square feet currently pending. Projects in the Waterfront include a number of projects in the Harbor Commercial area, the Sea Center expansion on the Wharf, hotel projects and commercial additions.

## **B. Residential**

The City's Housing Element has a detailed analysis of residential development activity for the 1992-2001 timeframe. A similar analysis will occur for the 2001-2007 planning period as we prepare the Housing Element Update as part of the Plan SB process.

The following chart shows the increasing amount of residential development activity occurring in the multi-family and commercial areas of the City. This increase in housing in and around Downtown is encouraged by the City's Housing and Circulation Element policies. It was also an intended outcome of the commercial growth restrictions put in place in 1990. The City purposefully restricted commercial development and encouraged residential development on commercial properties in hopes of improving the balance of jobs and housing in future development. Table 4 provides an overall summary residential development activity by zones in the City. Pending annexations are shown as single-family zones.

**Figure 1**



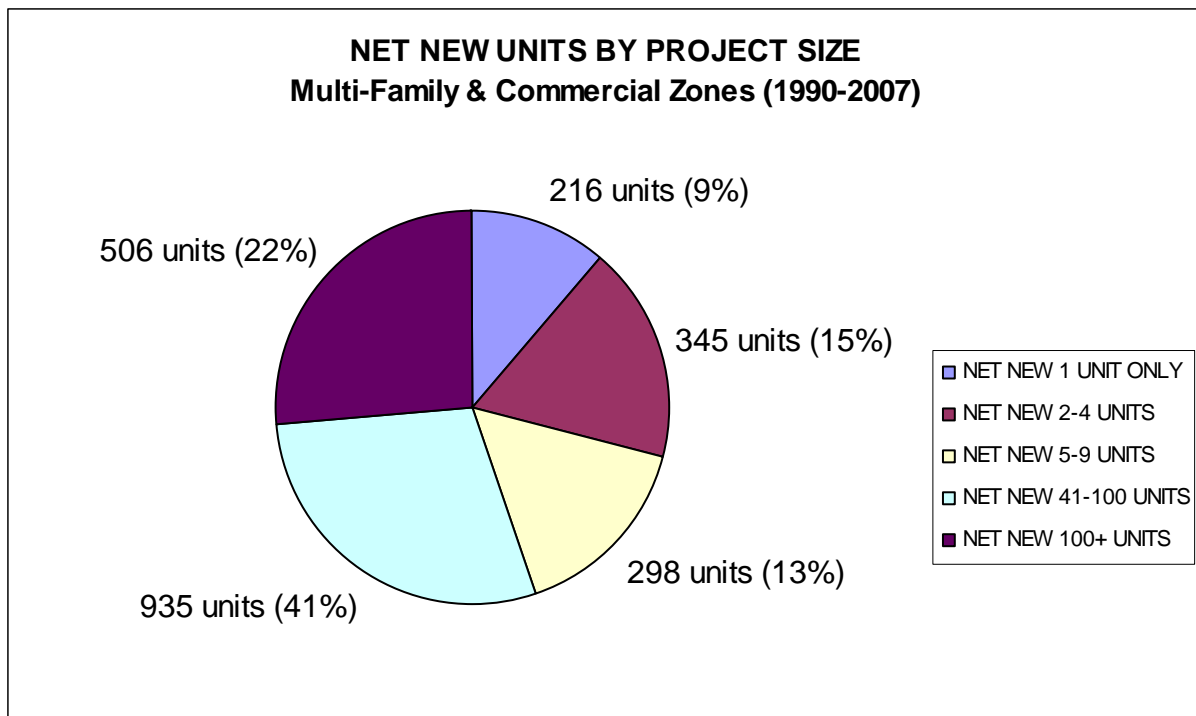
<b>Table 4, Residential Development Activity by Zone District 1990 - 2007</b>					
<b>Zones</b>	<b>C of O</b>	<b>Bldg Permit</b>	<b>Approved</b>	<b>Pending</b>	<b>Total:</b>
<b>Single Family</b> <sup>1</sup>	273	31	59	199	<b>562</b>
<b>Multi-Family</b> <sup>2</sup>	622	237	49	55	<b>963</b>
<b>Commercial</b> <sup>3</sup>	309	163	171	360	<b>1,003</b>
<b>Waterfront</b> <sup>4</sup>	41	0	6	110	<b>157</b>
<b>Industrial</b> <sup>5</sup>	-14	-2	0	47	<b>31</b>
<b>Park/Rec.</b>	1	0	0	0	<b>1</b>
<b>Total Units:</b>	<b>1,232</b>	<b>429</b>	<b>285</b>	<b>771</b>	<b>2,717</b>

Footnotes:

1. Single Family Includes A-1, A-2, E-1, E-3 and PUD zone districts
2. Multi-Family Includes R-2, R-3 and R-4 zone districts
3. Commercial Includes C-1, C-2, C-L, C-M, C-O, C-P zone districts
4. Water Front Includes OC, OM, HRC, HC zone districts
5. Industrial includes the M-1 zone district
6. Airport includes A-F, A-I, A-C, C-R zone districts

Since 1990, small projects adding less than 10 units to multi-family or commercial properties are a key component of the housing supply (37% of units). Well over half of the units in projects over 100 units are deed-restricted Affordable Housing units.

**Figure 2**



Another view of the development activity with respect to project size involves the number of applications processed from 1990-2007 in the multi-family and commercial areas. Half of all applications were adding one net new unit. Eighty-two percent of all applications involved projects with less than 5 net new units.

**Figure 3**

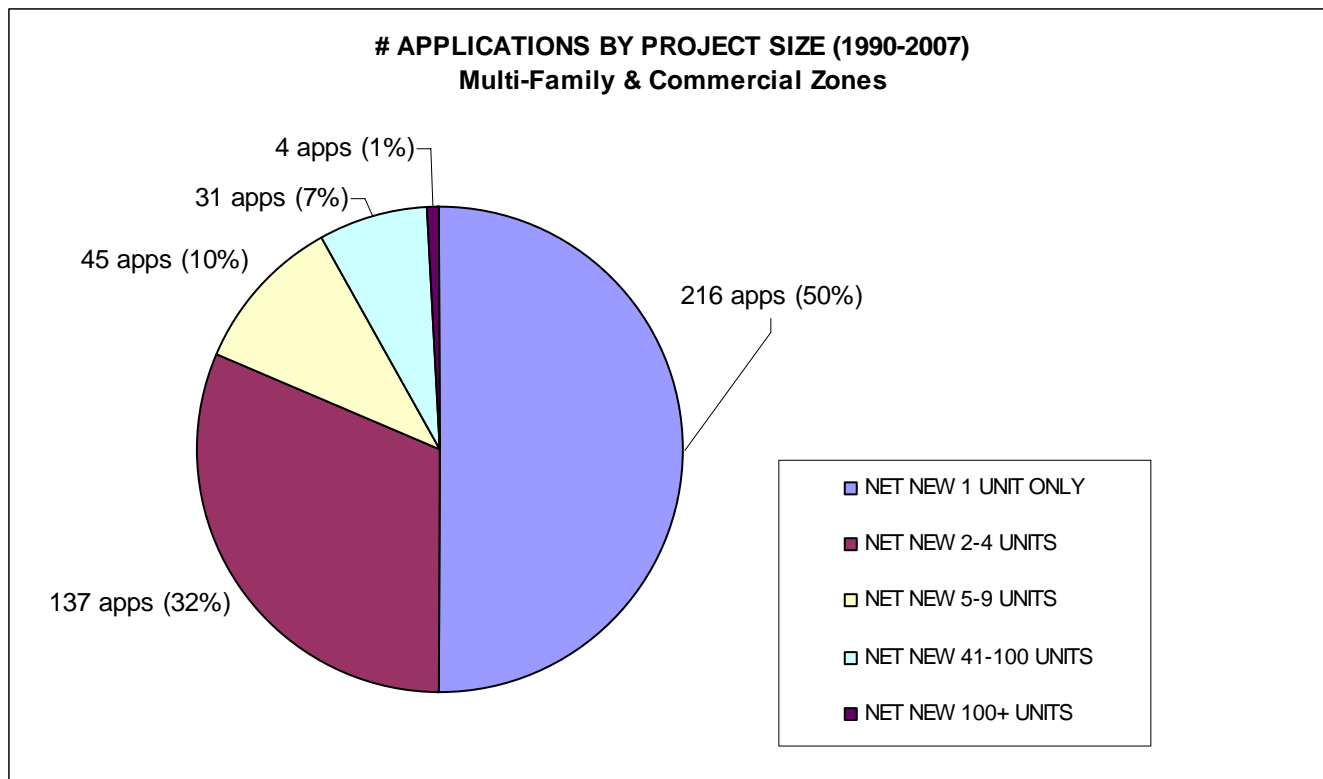


Exhibit 7 is a map that shows where residential projects have been built or are under construction in the multi-family and commercial areas of the City since 1990. Exhibit 8 is a map that shows residential projects that have been approved or are pending review and approval in the multi-family and commercial areas of the City.

Single Family Zones: During the past 18 years, 304 single family residential units have been built or are under construction. That is an average of 17 units per year.

The following table shows the residential activity by status in the single family zones throughout the City. See Exhibit 9, Map of Residential Projects, Single Family Zones, which shows areas of new single family residential activity.

<u>Status</u>	<u>Number of Net New Units</u>
Pending	199
Approved	59
Building Permit	31
C of O	273
<b>Total</b>	<b>562</b>

Of these 199 pending units, 159 units are associated with pending annexation projects including 1235 Veronica Springs and 900-1100 Las Positas Road. The City has also processed approximately 10 “granny units”.

Data shows that there has also been non-residential activity of approximately 186,000 square feet in the single family zones as a result of Conditional Use Permit, Community Priority, and/or Specific Plan type of non-residential uses. Examples of the types of projects that have received non-residential square footage allocations in single family zones include additions to:

- 1150 San Roque Rd, Cater Water Treatment Plant
- 2130 Mission Ridge Road, Marymount
- 920 Summit Road, Montecito Country Club
- 2559 Puesta Del Sol, Santa Barbara Museum of Natural History
- 1435 Cliff Drive, Free Methodist Church

### R-2, Two-Family and R-3/R-4 Multiple Family Residence Zones

Since 1990, we have seen a total of 861 units constructed in the R-2, Two Family Residence Zone and the R-3, and R-4, Multiple Family Residence Zones. That is a yearly average of 48 units over the past 18 years.

In 2003, the R-2, Two Family Residence Zone was amended to allow a small second unit on lots of 5,000 to 6,000 s.f. Since that time the City has processed 13 Accessory Dwelling Units.

<u>Status</u>	<u>Number of Net New Units</u>
Pending	59
Approved	49
Building Permit	237
C of O	624
<b>Total</b>	<b>969</b>

Buildout Analysis: The historical estimate for maximum remaining residential build-out in the City under existing General Plan and Land Use designations has been 40,005 additional residential units based on studies that have completed over time. This figure was estimated prior to implementation of mixed use incentives, and assumed no change in the existing number of residential units in the commercial zones. Based upon current policies, Zoning Ordinance provisions, and recent development activity, the estimate for residential development in the commercial zones is being updated. The current estimate is a range representing residential potential within the commercial zones as 5,865 to 6,267 additional residential units. Exhibit 10, Commercial Zones Residential Buildout Analysis, describes the steps taken and assumptions made to develop this estimate. Exhibit 11, Map of Commercial Zones Residential Buildout Analysis, is a map showing potential buildout parcels and where this development could occur.

### C. Mixed Use

Mixed use projects are developments with both residential and commercial components on the same site. The City's General Plan, specifically the Land Use, Housing and Circulation Elements, encourage mixed use projects for a variety of reasons including the reduction of local traffic trips, a vibrant commercial district, creating a better jobs/housing balance, etc. A Mixed Use Housing Task Force was formed in 1995 to explore the creation of incentives for housing in commercial areas and non-traditional housing. A subsequent Ordinance was adopted in 1996 that resulted in an incentive package for mixed use developments including:

- Elimination of interior yard setbacks
- Allowing tandem parking configurations
- Reduction in parking requirements by 50% and elimination of covered parking for mixed use where residential uses occupy less than 50% of the building
- Reduction of residential parking for mixed use to 1 parking space per unit, and elimination of guest parking requirements in the Central Business District

In the early 1990's, it was not fully envisioned that some of the commercial zones, particularly downtown, would largely redevelop with less commercial than existed and/or would maximize residential densities, in addition to the allowable commercial square footage. Changes have occurred in financing options and given high value of land and residential development returns, more residential development was proposed in the downtown commercial zones than was expected.

Since 1990, 85 new mixed use<sup>11</sup> development projects of various sizes and stories have been processed (Exhibit 12, Mixed Use Projects). The following information is based on the 85 mixed use projects that are currently Pending, Approved, Issued Building Permit, or Constructed (C of O issued) as of December 31, 2007<sup>12</sup>. This information is derived from projects processed from January 1990 to December 31, 2007.

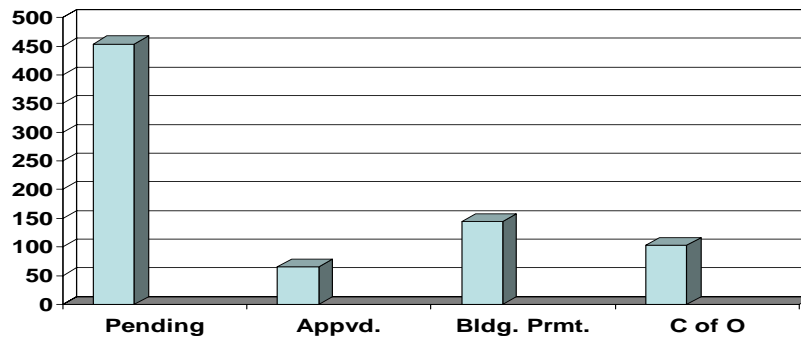
<b>Table 5, Mixed Use Projects 1990 – 2007</b>					
<b>Project Status</b>	<b>Number of Projects</b>	<b>Total Non-Res.</b>	<b>Net New Non-Res.</b>	<b>Total Res. Units</b>	<b>Net New Res. Units</b>
<b>Pending</b>	27	390,992 s.f.	167,308 s.f.	461	454
<b>Approved</b>	14	48,379 s.f.	3,802 s.f.	69	65
<b>Building Permit</b>	9	88,613 s.f.	6,653 s.f.	157	144
<b>Certificate of Occupancy</b>	35	133,249 s.f.	62,067 s.f.	143	107
<b>Total</b>	<b>85</b>	<b>661,233 s.f.</b>	<b>239,830 s.f.</b>	<b>830</b>	<b>770</b>

<sup>11</sup> This data identifies *new* mixed use, not previously existing mixed use that may have added s.f. or units.

<sup>12</sup> Due to Pending status of many projects, the statistics are preliminary; therefore, proposed stories, s.f., unit count, and modification requests are subject to change through the planning process.

**Figure 4**

Mixed Use Projects (85 Projects)  
Residential Unit Component (net new units)  
1990 - 2007



What this information shows is that net new square footage and units for pending and approved projects is significantly greater than for the earlier projects of the reporting period that have receive Certificate of Occupancy. In aggregate, the 41 “pipeline” projects (pending and approved) in the system represent potential 171,110 square feet net new commercial development and 519 net new residential units. Approximately 125,000 square feet are associated with three larger projects currently pending in the system. The remaining 38 projects that are pending or approved make up the remaining 46,000 net new square feet. Projects that are under construction, or completed (C of O) since 1990 include 68,720 square feet of net new non-residential development and 251 residential units.

While not all pending projects will be approved, or may be reduced through the land development review and permitting process, it is clear that pending projects are larger in number of units and square footage than earlier projects that have been permitted or constructed.

Another mixed use trend is an increase in the number of projects with 10 units or more units. Currently, there are ten mixed use projects that are pending with a total of 373 net new units. Two projects have been approved with a total of 25 net new units. Four projects have received a building permit with a total of 130 net new units. Two projects have been constructed with a total of 57 net new units.

For projects proposing 10 or more units, there is a 15% inclusionary requirement for middle income restricted units to be part of the project. For example, the Wright project on Garden Street includes 11 middle income units as part of the condominium project within the Specific Plan.

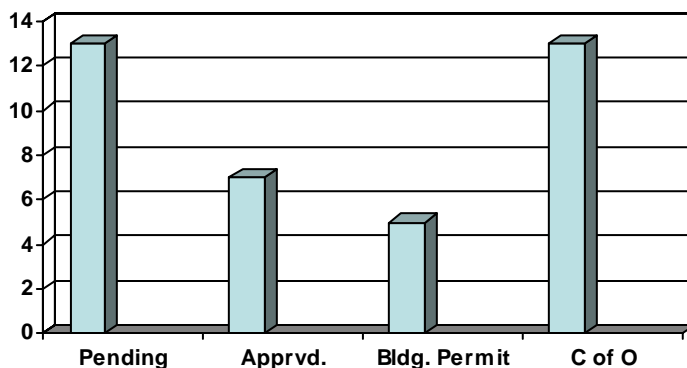
Mixed Use Modifications

The number of projects with modifications has slightly increased over those projects already constructed during this period. This is due in part to the Inclusionary Ordinance requirement which allows bonus density units that require a lot area modification. In some cases, that was the only modification granted.

<b>Table 6, Mixed Use Projects with Modifications</b>				
<b>Project Status</b>	<b>Number of Projects</b>	<b>Number of Projects w/Modifications</b>	<b>% Condo</b>	<b>% Non-condo units</b>
<b>P</b>	27	13 (48%)	22 (81)%	5 (19)%
<b>A</b>	14	7 (50%)	9 (64%)	5 (36%)
<b>BP</b>	9	5 (56%)	4 (44%)	5 (56%)
<b>C of O</b>	35	13 (37%)	11 (31%)	24 (69%)
<b>Total</b>	<b>85</b>	<b>38 (45%)</b>	<b>46 (54%)</b>	<b>39 (46%)</b>

**Figure 5**

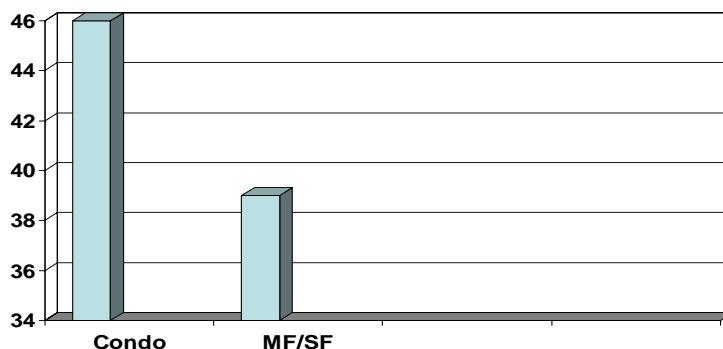
Mixed Use Projects (38 projects)  
 with Zoning Modifications  
 1990 - 2007



The total number of mixed use projects that have been processed with condominium residential units (46%) is not much higher than those developed with a single unit or two or more multi-family units (39%), however, it is clear from the data that the ratio of pending and approved “pipeline” projects that involve condominiums is increasing. A total of 31 pipeline projects are proposing condominium units vs 10 that are not. Of earlier projects constructed 69% were non-condominium vs 31% condominium, thus the trend is shifting towards development of more mixed use condominium projects. A majority of the pending units currently in the process are associated with mixed use projects.

**Figure 6**

Mixed Use Projects (85)  
Condo vs MF/SF  
1990 - 2007  
(does not include single family zones)



### Mixed Use Buildings – Stories & Heights

#### **Four-story<sup>13</sup> Projects**

Between 1990 and 2007, 11 four-story projects have been submitted. All four story projects were submitted in the last seven years, from 2001 to 2007. Only 1 four-story project at 810 Bond Street has been constructed during the reporting period (submitted in 2001 and received C of O in 2007).

Seven four-story projects have been approved or are under construction, and three are currently pending permit approval. Over the course of the next few years, if all approved and pending projects proceed as proposed and zoning standards remain the same, the City could see 10 built projects with four story components. That is a substantial increase in the number of four-story projects given that none were constructed from 1990 - 2000.

Table 8, shows that the three four-story projects last approved between 2005 – 2007 range in building height from 46.6 feet to 52.6 feet.

#### **Three-story Projects**

Between 1990 and 2007, 36 applications have been submitted to the City for three-story projects. Of these, only two were constructed before 2000. Nine projects were constructed between 2000 and 2007. 23 three-story projects are currently pending permits or approved. There is a substantial increase in the number of projects being proposed as three stories compared to what occurred from 1990 to 2000.

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<sup>13</sup> In calculating stories, a project was identified as four stories if there is any 4-story component. The same applies to 3-story projects.

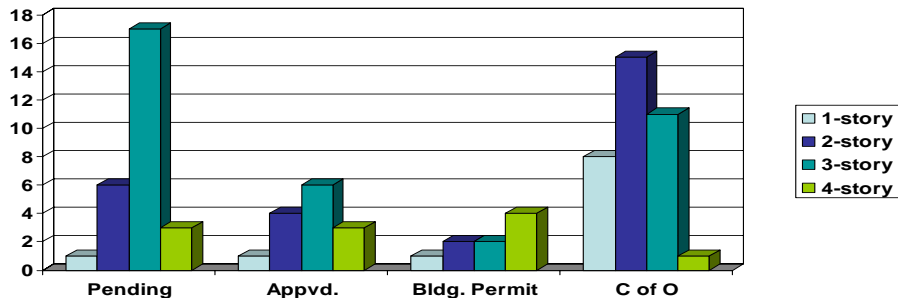
In summary, 18 projects with three to four stories have been permitted or constructed during the reporting period 1990 - 2007. Nine have been approved, and more than likely will proceed to permits and construction. Twenty are pending and, therefore, still subject to approval. The data shows that mixed use projects are generally getting taller, or at least have more stories.

Table 8, shows that the three-story projects range in building height from 36 feet to 46 feet.

Project Status	Number of Projects	1-story projects	2-story projects	3-story projects	4-story projects
P	27	1	6	17	3
A	14	1	4	6	3
BP	9	1	2	2	4
C of O	35	8	15	11	1
<b>Total</b>	<b>85</b>	11 (13%)	27 (32%)	36 (42%)	11 (13%)

**Figure 7**

Mixed Use Projects (85 Projects)  
by Proposed Stories  
1990 - 2007



Address	Zone	Total Com.	Total Units	Existing Stories	Approved Stories	Approved Height
110 E. Cota	C-M	1,824	5	0	3	41'
117 W. De La Guerra	C-M	2,000	9	1	4	48'-6"
1528 State	C-2	4,100	3	1	3	46'
817 N. Milpas	C-2	778	5	1	3	36'
116 E. Yanonali	OC/SD-3	4,615	6	0	3	42.5'
819 Garden	C-2	1,500	1	1	4	46' - 6"
1829 State	C-2/R-4	2,539	6	1	3	43'
1025 Santa Barbara	C-2	12,397	15	0	4	52'-6"
1722 State	C-2/R-1	8,400	10	2	3	39.8'

## Location of Mixed Use Projects

Exhibit 13, Map titled New Mixed Use Projects, identifies all of the mixed use projects in commercial and multi-family zones citywide. They are represented by status within the development review process. To simplify the map, those permitted, under construction, or having Certificates of Occupancy are shown as built projects.

As can be seen on the map, the mixed use projects are currently occurring primarily in the downtown area, in the Milpas/Eastside area, and along Upper State Street. There are also a couple of mixed use projects in the Cottage Hospital area and West Montecito area below the freeway.

### Upper State Street

There are currently eight mixed use projects in the Upper State Street area between Las Positas and La Cumbre Road. Of those eight, six are pending. The following chart identifies these pending projects.

Address	Total Com	New Com.	Total Units	New Units	Exiting Stories	Proposed Stories	Mods	Condos
3757 State	63,400	6,855	15	15	1,2,3	3	Yes	Yes
560 N La Cumbre	10,600	10,600	5	5	1	2	no	yes
3880 State	4,289	1,733	8	8		2	no	no
15 S Hope	1,150	-7,218	16	16	1	3	yes	yes
3714 State	18,848	9,060	73	73	2	3	yes	yes
3887 State	6,234	-21,526	44	44	2	3	yes	yes
<b>TOTAL</b>		<b>-496</b>		<b>161</b>				

As proposed, this could result in up to 161 net new units with approximately 28,000 net new square feet (associated with four of the projects). Approximately 30,000 square feet would also be demolished and not rebuilt from 15 S. Hope and 3887 State Street. The projects are all proposed with two and three stories. Over the past 10 years, the Upper State Street corridor has had two mixed use projects approved with a total of 10 new condominium units (3408 and 3791 State).

### Milpas Area

The Milpas Street area had 12 mixed use projects constructed in the area between Salsipuedes and Milpas Street. Almost all of these projects are modest in comparison to the types of mixed use that are pending in the Downtown and Upper State Street Area. In reviewing the data, most of the projects involved sites that had 1-2 units and the site was redeveloped with an addition of 3,000 square feet or less. Only a handful of projects have been proposed directly on Milpas Street.

The following two projects are pending:

- 803 N. Milpas – 3,100 s.f. non-residential and 8 new units
- 114 N. Milpas - 1 unit/350 s.f. beauty salon

## Downtown

The Downtown district is undergoing the most mixed use activity citywide. For purposes of this report, the Downtown area is defined as between Bath and Laguna, and between the freeway and West Pedregosa. To date 26 mixed use projects have been built or are currently under construction. Ten mixed use projects were approved between 2005 and 2007.

Mixed use projects that are currently pending are identified on the following chart.

<b>Address</b>	<b>Total Com.</b>	<b>New Com.</b>	<b>Proposed Units</b>	<b>Existing Stories</b>	<b>Proposed Stories</b>	<b>Mods</b>	<b>Condos</b>
3714 State	18,848	9,060	73	2	3	yes	yes
517 Chapala	2,872	1,572	6	1	3	yes	yes
3757 State	63,400	6,855	15		3	yes	yes
412 Anacapa	6,375	6,375	7	0	3	no	yes
318 State	25,088	-15,276	33	1	4	yes	yes
630 Anacapa	11,507	6,000	10	1	3	no	yes
800 Santa Barbara	4,838	2,873	6	1	3	no	yes
710 Anacapa	577	577	2	1	3	yes	yes
528 Anacapa	3,300	835	7	1	4	no	yes
1224 State	10,176	1,936	2	2	4	no	no
1330 Chapala	15,000	15,000	29	0	3	yes	yes
825 De La Vina	564	564	8	0	3	yes	yes
110 W. Sola	2,209	-13,521	4	2	3	no	yes
210 W Carrillo	16,301	-2,246	32	1	3	yes	yes
<b>TOTAL</b>		20,604	234				

In addition to mixed use, the downtown area is seeing a significant amount of development activity. Exhibits 14 and 15, Maps of Residential and Nonresidential projects – Downtown, identify all projects constructed and those in the pipeline in the downtown area.

## **IV. Future Development Potential**

### **A. Potential Amount of Future Growth**

We next look ahead toward future growth within the City over the next 20-year planning horizon.

An estimate is made of the potential amount of additional future development that could occur if the City maintained its current set of Charter and General Plan growth management policies, and past development trends continued for the next 20 years. (This is an initial scenario to start the analysis. A comparative analysis of other policy options will be provided in the next stage of Plan Santa Barbara.)

This 20-year scenario of potential additional build-out: (1) assumes continuation of existing Charter and General Plan land use and growth management policies, and (2) extrapolates the historic development rate of the last 18 years ahead to the year 2030 (which also assumes that general economic cycles supporting a similar growth level would exist).

### **Future Non-Residential Policy Assumptions**

This future growth scenario assumes that existing City non-residential policies would continue over the next 20 years, including the following provisions:

- Existing Charter Section 1508 and ordinance provisions are assumed extended to the year 2030 to continue to limit and meter non-residential development to no more than 3 million square feet net additional square footage, assuming the remaining square footage of approximately 1.5 million square feet).
- Development Plan findings of no traffic, water, or affordable housing impacts would continue for Measure E projects per existing Charter and ordinance provisions.
- Demolition and replacement or remodeling of existing non-Measure E commercial space (i.e., with no net increase in square footage) would continue apart from the square footage cap and without Development Plan findings, per existing ordinance provisions (i.e., not counted as part of the 3,000,000 s.f. maximum).
- Minor Additions (< 1000 s.f.) would continue apart from the square footage cap per existing ordinance provisions (i.e., not counted as part of the 3,000,000 s.f. maximum).
- Transfers of Existing Development Rights (TEDR) could continue per existing policies and ordinance provisions.
- Pyramid range of uses within commercial zones would continue per existing Zoning Ordinance provisions.
- Building height limits of 45 and 60 feet in commercial zones would continue per existing Zoning Ordinance provisions.
- Mixed Use incentives would continue per existing General Plan policies.
- Economic vitality provisions, i.e., hotel incentives, would continue per existing policies.
- Annexation applications would continue per existing policies.

For purposes of this scenario, the remaining Charter non-residential square footage is assumed to be allocated among categories as shown in the following table. Projects with pending and approved applications that have received allocations are shown, and remaining amounts from original category allocations would continue for the Vacant Land, Small Additions, Community Priority, and Economic Development categories. (A redistribution of remaining unallocated 807,376 square feet among categories may be considered as a policy option for other scenarios.)

<b>Table 11 Future Non-Residential Square Footage Category Assumptions</b>	
<b>Category</b>	<b>Square Footage Allocation</b>
Approved	129,401
Pending	480,311
Vacant	316,110
Small Additions	60,000 <sup>14</sup>
Community Priority	32,781
Economic Development	398,485
<b>Totals</b>	<b>1,417,088</b>

### **Future Non-Residential Development Assumptions**

This future development scenario assumes that the recent growth trends for commercial and institutional development over the past 18 years would continue for the next 20 years:

- The maximum potential net new non-residential build-out for this future growth scenario is assumed to be the remaining unused 1,417,088 square footage (47% of the original 3 million square feet). (Of this remaining amount, 129,401 square feet have already been allocated from the various categories to projects that are approved but not yet constructed. An additional 408,311 square feet have been preliminarily allocated to projects that have pending but not approved permit applications. The final 807,376 square feet is unallocated.)
- Reconstruction of existing non-residential square footage.
- It is estimated that 260,000 square feet city-wide would be the future Minor Additions of less than 1,000 square feet per project in the next 20 years. It is expected that Minor and Small Additions of less than 3,000 square feet would continue to develop incrementally over time throughout the City where non-residential or Conditional Use Permit uses are allowed.
- Annexations potential for non-residential development.

Based on current financing parameters, it is expected that smaller mixed use projects would continue to redevelop with less commercial square footage, in order to accommodate the residential units.

Larger mixed use projects in the downtown and Upper State Street area would continue to redevelop with commercial square foot additions of greater than 3,000 square feet.

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<sup>14</sup> Note that the 60,000 is the amount remaining for 2008 and 2009. There will be none left for the remaining 20 years.

Based on the current pyramid zoning that allows residential uses in the main commercial zones, as well as the mixed use incentives and Circulation Element policies, it is assumed that the trend of mixed use along main commercial corridors would continue.

### **Future Residential Policy Assumptions**

This future growth scenario assumes continuation of current City residential development policies, including the following:

- Variable density (based on number of bedrooms) and pyramid range of uses would continue for R-3/R-4 and commercial zones per existing Zoning Ordinance provisions.
- State and City bonus density provisions (and associated process for lot area modifications) and City 15% inclusionary affordable housing provisions would continue per existing Zoning Ordinance provisions.
- Mixed use incentives for commercial zones would continue per existing General Plan Land Use Element policies.
- Building height limitations of 30, 45, and 60 feet in commercial zones would continue per existing policies and Zoning Ordinance provisions.
- Single-family and Multi-family residential use and development policies would continue per existing Zoning Ordinance provisions.
- R-2 zone density standards would continue per existing Zoning Ordinance provisions.
- Annexation applications would continue per existing policies.

### **Future Residential Development Assumptions**

This future growth projection looks at the amount of residential growth that could occur if it is assumed that the recent residential development trends of the past 18 years would continue on for the next 20 years:

- Commercial Zones. Additional residential development within commercial zones over the next 20 years is estimated by extending the average rates of build-out and permitting activity (pending approved and built units) of the past 18 years into the future. This is calculated as up to 1,320 additional residential units within the commercial zones (average rate of 66 units/year x 20 years) to the year 2030.
- Residential zones. Additional residential development over the next 20 years is estimated by extrapolating build-out and permitting activity rates from the past 18 years, into the future. This is calculated as up to 620 additional units in single-family zones (average rate of 31 units/year x 20 years), and up to 1080 additional units in the R-2, Two-Family, and Multiple-Family zones (average of 54 units/year x 20 years).
- Annexations potential for residential development.

Given the established, built-out nature of the existing single-family zones, no substantial change in the single family zones would be anticipated. Based on the last Housing Element Update in 2005 and public comments received through the Phase I Community Input Summary Report, no zoning changes to increase density potential would be expected. To date, most of the new single family units come from relatively small subdivisions of existing lots or those that are annexed into the City. A possible exception is if there is State housing legislation or changes to City policy that would encourage second units in some residential locations, this could result in increased development in residential zones.

Given the current trend of seeing most units proposed in non-residential zones, under the current climate and based on historic rates, little change would be expected in the R-2, R-3 and R-4 Zones. However, if standards are put in place to change the amount of residential development in the commercial corridors, residential would also likely change in the surrounding multiple family zones.

In March 2008, the Santa Barbara County Association of Governments (SBCAG) adopted a preliminary Regional Housing Needs Allocation for the City of Santa Barbara of 4,388 housing units over the next five years, which could potentially require General Plan and zoning changes to accommodate additional housing.

### **Summary of Future Development Potential**

Under this future development scenario, we consider the future growth potential to the year 2030 if the City did not change any land use or growth management policies, and the recent development trends of the last 18 years continued. Additional assumptions and options for alternative growth scenarios or policy changes will be considered and determined as PlanSB progresses.

### **B. Potential Implications of Future Growth**

The following presents in broad terms some of the possible implications of future growth and development in Santa Barbara if the City made no changes to its current growth management policies, and the development trends since 1990 continued to the year 2030.

Potential implications to City socioeconomic conditions, community character and design, transportation, infrastructure and services, and resources and hazards are considered. These implications will receive further analysis in the upcoming Plan Santa Barbara planning and environmental review process, and other policy options and growth scenarios will also be analyzed for comparative implications.

This discussion summarizes a number of issues examined in the 2005 *Conditions, Trends, and Issues* report (available on the City Plan SB website [www.YouPlanSB.org](http://www.YouPlanSB.org)). Exhibit 16 contains a further listing of Potential Implications of Future Growth.

These issues and implications reflect comments and concerns about growth expressed by residents and community interest groups that participated in the 2007 Plan SB outreach and workshop process. They are issues that will inform the upcoming community dialogue to reassess existing City land use and growth management policies toward determining which policies should be reaffirmed and which policies amended.

Identifying and comparing policy options and balancing among competing policy objectives will be key challenges in this effort.

### **Socioeconomic Implications**

Current development trends have furthered many of the City's Charter and General Plan Land Use, Housing, and Circulation Element objectives, including revitalization of existing buildings, development of new housing downtown, maintaining a healthy economy, promoting alternative transportation modes to increase overall transportation capacity, and development of affordable housing. More recently, there has been a slowdown in building permit activity within the City.

For non-residential development, Charter 1508 provisions limit overall square footage increases, however some job growth continues as a part of permitted commercial and institutional development, and redevelopments or tenant improvements that potentially intensify use.

Some economic and regional factors apart from City growth management policies have tremendous effects on the amount, type, location, and cost of housing and non-residential growth and development in the City. Examples are escalating land values and housing costs, general economic cycles for business and cost of living, development financing incentives/disincentives for particular types of development, and growth decisions by surrounding jurisdictions.

The City has had affordable housing programs and policies that have successfully produced some affordable housing in an area with very high land values. From 1990-2007, 698 units of affordable housing have been built or are under construction, with additional units approved or with applications pending (includes both City and private projects).

Continuing increases in land values and the cost of housing results in most new housing that will not be affordable to most of the work force. Under existing City variable density provisions without controls on unit sizes or density, additional future residential development may continue to be predominantly large and expensive condominiums.

Some potential socioeconomic implications of continuing current trends include:

- Additional residents and workers needing to move out of town due to housing costs, and resulting decrease in population diversity.
- Worsening jobs/housing imbalance due to continuing job growth without sufficient affordable housing
- Displacement and loss of existing affordable and rental housing
- Increasing incidence of overcrowding and illegal dwellings
- Loss of regular and critical service workers and difficulty recruiting skilled workers
- Decrease in economic diversity
- Loss of commercial and industrial space to residential use
- Loss of small and local businesses and increase in national chain stores
- Loss of sense of community due to more absentee property owners

## **Community Character and Design**

Numerous General Plan policies and design guidelines for site and architectural design, circulation, landscaping, historic preservation, and neighborhood preservation have been adopted and implemented by the City over the past 18 years. Development over this period has resulted in many benefits to the downtown commercial/mixed use core, including rehabilitation/ revitalization of buildings, landscape improvements, paseos, and other improvements that foster accessibility, visual character and aesthetics, and a sense of community.

The City of Santa Barbara is largely built out, and development predominately involves demolition and redevelopment of already built sites, and development of in-fill sites. The City's extensive development policies and design guidelines provide for substantial flexibility to allow for appropriate application to specific site circumstances. Therefore, substantial discretion on the part of decision-makers is also provided with respect to project sizes and compatibility issues. The current growth pattern of redevelopment is for larger and taller mixed-use structures and sizable condominiums within commercially zoned areas, and larger additions and home replacements in residential neighborhoods. The recently updated Neighborhood Preservation Ordinance addresses the latter issue.

Continuing this trend of additional larger redevelopment and in-fill development into the future has the following potential implications to community character and design:

- Further revitalization of aging buildings within commercial areas
- Improvements over time to the public streetscapes, including landscaping and pedestrian and vehicle circulation
- Additional pedestrian activity in the downtown and other commercial districts
- Cumulative and localized reduction in openness, light, and scenic views
- Changes in visual and historic character of the urban downtown
- Cumulative loss or fragmentation of open space

## **Transportation Implications**

Existing City Circulation Element policies and programs have resulted in numerous benefits to the City's circulation network and traffic management over the past decades. These have included land use policies that direct mixed use development within the downtown grid and along transportation corridors; roadway and intersection improvements; pedestrian and bicycle facility improvements and plans; parking policies; transit funding; and neighborhood mobility work.

External factors apart from City development and with limited City control affect increased traffic congestion more than land development. Examples include population levels, increasing per capita vehicle ownership, regional Highway 101 congestion levels, land economics and choices for locations of jobs and homes, and availability of commuter alternatives in other jurisdictions. Shifts in workforce home locations away from Santa Barbara in the past decade have focused traffic flows on the freeway interchanges and away from local streets, increasing congestion levels at freeway

interchanges. When freeway congestion increases, motorists will also divert from the freeway to City streets. Other external factors such as gas price increases or climate change pricing would influence toward reduced congestion and more alternative mode use.

Transportation implications of future growth may include the following:

- Additional residential and commercial development in the City and South Coast would generate new daily and peak-hour vehicle trips. Depending on the location and type of additional development, this could increase congestion at some intersections and roadways, particularly near freeway interchanges.
- The City's continuing position as a regional employment, commercial, educational, institutional, cultural, and recreational center could attract added trips from the surrounding region that would contribute to congestion at freeway interchanges and the City streets serving them.
- Additional job creation in the City without sufficient affordable housing would result in more commuters and freeway congestion, and intermittent traffic congestion at freeway interchanges in Santa Barbara, as well as potential traffic effects at jurisdictions housing workers.
- The construction process for planned highway improvements south of Santa Barbara will result in increased highway congestion over the next one to two decades.
- Over time, more work-force housing along transit corridors could lessen potential traffic increases at freeway interchanges.
- Implementation of further commuter rail improvements, regional bus service, flexwork programs and other Transportation Demand Management measures could reduce Highway 101 congestion associated with commuting.

### **Infrastructure and Services Implications**

Numerous City programs are in place to provide for water service, wastewater collection and treatment, storm drains, waste management and recycling, fire and police protection, schools, parks and recreation, disaster preparation, and other public facilities and services. There are also extensive regulations and development review criteria in place for considering the infrastructure and services issues of new development.

The continuing challenge is to ensure adequate public facilities and services commensurate with future growth.

Some potential implications of future development on infrastructure and services:

- Difficulties in continuing to provide adequate funding, as public facilities and service costs increase over time; funding availability for any expansion of services needed to support upgraded service levels or new development.
- Increase in long-term water demand exceeding the level presently planned for, along with potential reduction in Cachuma and Gibraltar surface water supplies due to environmental water releases and sedimentation.

- Potential increased facility and service needs for wastewater, solid waste management, police and fire protection and disaster planning, parks and recreation, schools and other child care and youth services, health care facilities, and County services.

### **Resources and Hazards**

There are extensive Federal, State, and City regulations and development review provisions in place to address potential environmental effects of development. The City has programs in place for maintaining beaches, improving water quality, watershed planning, energy conservation, solar energy, "green" building, protection of historic and archaeological resources, and wildfire and other disaster planning, among many others.

Environmental implications of future growth will be further analyzed in a Program Environmental Impact Report (EIR) on the *Plan Santa Barbara* General Plan update, which will evaluate the cumulative effects of twenty more years of development on the City's resources and hazards, and consider additional programs or development standards that could reduce environmental effects.

Potential future implications of additional growth over the next twenty years would include the cumulative effects of incremental development on resources and hazards:

- Increased air pollution emissions from more vehicles and vehicle trips
- Potential disturbance or loss of archaeological and historical resources
- Damage to Creeks and coastal resources
- Increased energy use and effects on climate change
- Increased exposure to fire hazard
- Geologic and earthquake hazards
- Effects on hydrology, flooding, and water quality
- Increased noise
- Potential safety hazards and increased hazardous materials use and management
- Harm or loss of wildlife and vegetation
- Loss of scenic views and open space

Please see Exhibit 16 for additional discussion of potential implications of future growth.

Exhibits:

1. List of Key Planning Decisions
2. Map of Nonresidential Projects Approved and Pending Approval
3. Map of Nonresidential Projects – Built and Under Construction
4. Projects Demolished and Replaced with less than 1,000 s.f.
5. List of Projects with Partial or Total Demolition
6. TEDR Projects
7. Map of Residential Projects – Built and Under Construction
8. Map of Residential Projects Approved and Pending
9. Map of Residential Projects, Single Family Zones
10. Commercial Zones Residential Buildout Analysis
11. Map of Commercial Zones Residential Buildout Analysis
12. Mixed Use Projects
13. Map of New Mixed Use Projects
14. Map of Residential and Nonresidential Projects, Downtown, Built and Under Construction
15. Map of Residential and Nonresidential Projects, Downtown, Approved and Pending Approval
16. Potential Implications of Future Growth