

**CITY OF SANTA BARBARA
CITY COUNCIL**

Randy Rowse
Mayor

Meagan Harmon
Mayor Pro Tempore

Kristen W. Sneddon
Ordinance Committee Chair

Eric Friedman
Finance Committee Chair

Alejandra Gutierrez
Oscar Gutierrez
Mike Jordan



Rebecca Bjork
City Administrator

Sarah J. Knecht
City Attorney

City Hall
735 Anacapa Street
<http://www.SantaBarbaraCA.gov>

**JANUARY 10, 2023, 2:00 PM
SPECIAL COUNCIL MEETING AGENDA
DAVID GEBHARD ROOM, 620 GARDEN ST., SANTA BARBARA, CA 93101**

IN-PERSON PUBLIC COMMENT: At the beginning of each meeting of the City Council, Finance Committee, or Ordinance Committee, any member of the public may address the City Council concerning any item not on the Council's agenda. Any person wishing to make such address should first complete and deliver a "Request to Speak" form prior to the time that public comment is taken up by the City Council. Each speaker will be given a total of 3 minutes to address the Council. Pooling of time is not allowed during general public comment. The time allotted for general public comment at the beginning of the 2:00 p.m. session is 30 minutes. Any member of the public who did not speak during the 2:00 p.m. session but who submitted a request to do so during the 2:00 p.m. 30 minute session may do so at the end of the meeting when the additional "Public Comment (If Necessary)" is announced. The City Council, upon majority vote, may decline to hear a speaker on the grounds that the subject matter is beyond their jurisdiction.

REMOTE PUBLIC COMMENT: Members of the public wishing to speak must "raise their hand" in the Zoom platform by selecting the virtual hand icon when their item is called. The keyboard shortcut for this is Alt+Y for Windows and Option+Y for Macs. City staff will activate the speaker's microphone when the speaker's name is called. The speaker will then need to unmute themselves. The keyboard shortcut for this is Alt+M for Windows or Command-Shift-A for Macs.

HOW TO REMOTELY OBSERVE AND/OR SPEAK LIVE AT A MEETING

- https://santabarbaraca.gov.zoom.us/webinar/register/WN_BElyN5HVR-6pOBwFk3RUUsQ
(Participation via Zoom)
- **Telephone:** Dial 1-669-900-6833, Enter Webinar ID: 895 7542 0192
(press *9 to raise/lower hand; press *6 to mute/unmute)
- **Online Streaming:** Council meetings are streamed live at www.SantaBarbaraCA.gov/CAP
- **TV:** Each regular City Council meeting is broadcast live in English and Spanish on City TV Channel 18 and rebroadcast in English on Wednesdays and Thursdays at 7:00 p.m. and Saturdays at 8:00 a.m., and in Spanish on Sundays at 3:00 p.m. Each televised Council meeting is closed captioned for the hearing impaired. Check the City TV program guide at www.santabarbaraca.gov/citytv for rebroadcasts of Finance and Ordinance Committee meetings.

WRITTEN PUBLIC COMMENT: Public comments may also be submitted via email to Clerk@SantaBarbaraCA.gov prior to the beginning of the Council Meeting. All public comments submitted via email will be provided to City Council and will become part of the public record.

ORDER OF BUSINESS: Regular meetings of the Finance Committee and the Ordinance Committee begin at 12:30 p.m. The regular City Council meeting begins at 2:00 p.m. in the Council Chambers at City Hall.

(CONTINUED ON NEXT PAGE)

REPORTS: Copies of the reports relating to agenda items are available for review at <http://www.SantaBarbaraCA.gov/CAP>. In accordance with state law requirements, this agenda generally contains only a brief general description of each item of business to be transacted or discussed at the meeting. Should you wish more detailed information regarding any particular agenda item, you are encouraged to obtain a copy of the Council Agenda Report (a "CAR") online at the City's website (<http://www.SantaBarbaraCA.gov/CAP>). Materials related to an item on this agenda submitted to the City Council after distribution of the agenda packet are posted to the City's website as soon as reasonably feasible.

CONSENT CALENDAR: The Consent Calendar is comprised of items that will not usually require discussion by the City Council. A Consent Calendar item is open for discussion by the City Council upon request of a Councilmember, City staff, or member of the public. Items on the Consent Calendar may be approved by a single motion. Should you wish to comment on an item listed on the Consent Agenda, after turning in your "Request to Speak" form, you should come forward to speak or raise your hand in Zoom at the time the Council considers the Consent Calendar.

SPANISH INTERPRETATION: If you need interpretation of your communications to Council from Spanish into English, please contact the City Clerk's Office at 564-5309 or by email at Clerk@SantaBarbaraCA.gov. If possible, notification of at least 48 hours will usually enable the City to make arrangements.

INTERPRETACIÓN EN ESPAÑOL: Si necesita una interpretación del español al inglés, para sus comunicaciones al Consejo, comuníquese con la Oficina del Secretario Municipal al 564-5309, o por correo electrónico a Clerk@SantaBarbaraCA.gov. Si es posible, la notificación de al menos 48 horas generalmente permitirá a la Ciudad hacer los arreglos.

AMERICANS WITH DISABILITIES ACT: If you need auxiliary aids or services or staff assistance to attend or participate in this meeting, please contact the City Administrator's Office at 564-5305 or by email at Clerk@SantaBarbaraCA.gov. If possible, notification at least 48 hours prior to the meeting will usually enable the City to make reasonable arrangements. For those who need accessibility accommodation in using the "raise hand" function and/or registering to participate in the Zoom session, please contact the Clerk's office by 5:00 p.m. the day before the meeting for assistance. Additionally, a speaker may email Clerk@SantaBarbaraCA.gov by 5:00 p.m. the day before a meeting, stating which item they wish to speak on. Specialized services, such as sign language interpretation or documents in Braille, may require additional lead time to arrange.

**JANUARY 10, 2023 , 2:00 PM
SPECIAL COUNCIL MEETING AGENDA**

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

CEREMONIAL ITEMS

- 1. Subject: Human Trafficking Awareness Month - January 2023 (120.04)**
- 2. Subject: Employee Recognition – Service Award Pins (120.04)**

Recommendation: That Council authorize the City Administrator to express the City's appreciation to employees who are eligible to receive service award pins for their years of service through January 31, 2023.

CHANGES TO THE AGENDA

PUBLIC COMMENT

CONSENT CALENDAR

- 3. Subject: Minutes**

Recommendation: That Council waive reading and approve the minutes of the regular meeting of December 13, 2022; and the special meetings of December 6, 2022; and December 13, 2022.

- 4. Subject: Establishment of a Standing Finance Committee [Ordinance Adoption]**

Recommendation: That Council adopt, by reading of title only, an Ordinance of the Council of the City of Santa Barbara Amending the Santa Barbara Municipal Code to Add Chapter 2.06 to Establish a Standing Finance Committee and Rescind Resolution No. 94-130.

5. Subject: Ordinance Committee Process Revisions [Ordinance Adoption] (120.03)

Recommendation: That Council adopt, by reading of title only, an Ordinance of the Council of the City of Santa Barbara Amending Chapter 2.05 of the Municipal Code Pertaining to the Powers and Duties of the Ordinance Committee.

6. Subject: Grant Agreement in the Amount of \$525,000 with the California State Coastal Conservancy for the City of Santa Barbara Hazardous Fuels Mitigation Project [Resolutions; Agreement] (520.03)

Recommendation: That Council:

- A. Adopt, by reading of title only, a Resolution of the Council of the City of Santa Barbara Authorizing the Fire Chief to Enter into a Grant Agreement Between the City and the California State Coastal Conservancy for the City of Santa Barbara Hazardous Fuels Mitigation Project; and
- B. Adopt, by reading of title only, a Resolution of the Council of the City of Santa Barbara Amending Resolution No. 22-059, Adopting the Budget for Fiscal Year 2023, to Appropriate California Coastal Conservancy Grant Funds for the Fiscal Year 2023 Hazardous Fuels Mitigation Project.

7. Subject: Allocation of Partial Payment for Destruction of Trees on Paterna Road [Resolution] (570.05)

Recommendation: That Council adopt, by reading of title only, a Resolution of the Council of the City of Santa Barbara Amending Resolution No. 22-059, Adopting the Budget for Fiscal Year 2023, to Appropriate \$200,000 from General Fund Reserves, and Approve an Increase of Revenue and Expenditure Appropriations in Fiscal Year 2023 in the Parks and Recreation Department, Parks Division, Forestry Program in the amount of \$200,000.

8. Subject: Contracts for Construction of Fiscal Year 2022B Pavement Maintenance Project and Program Support [Resolution; Agreement] (530.04)

Recommendation: That Council:

- A. Ratify the determination that the Fiscal Year 2022B Pavement Maintenance Project is exempt from the California Environmental Quality Act Section §15301 (Repair and Maintenance of Existing Facilities) and approve the Project and the filing of a notice of exemption in compliance with State California Environmental Quality Act Section §15062;
- B. Award a contract to Lash Construction, Inc., in their low bid amount of \$10,754,120 for construction of the Fiscal Year 2022B Pavement Maintenance Project, Bid No. 4088, and authorize the Public Works Director to execute the contract and approve expenditures up to \$1,075,412 to cover any cost increases that may result from contract change orders for extra work and differences between estimated bid quantities and actual quantities measured for payment;
- C. Authorize the Public Works Director to execute a contract with Flowers & Associates, Inc., in the amount of \$789,034 for construction support services, and approve expenditures of up to \$78,903 for extra services that may result from necessary changes in the scope of work;
- D. Authorize the Public Works Director to execute a contract with Flowers & Associates, Inc., in the amount of \$155,000 to perform limited professional engineering and construction support services to the City's Streets Operations and Infrastructure Management Division relating to the Pavement Maintenance Program and approve expenditures of up to \$15,500 for extra services that may result from necessary changes in the scope of work;
- E. Authorize the Public Works Director to execute a contract with Nichols Consulting Engineers, CHTD in the amount of \$59,380 to perform pavement inspection services, and approve expenditures of up to \$5,938 for extra services that may result from necessary changes in the scope of work; and
- F. Adopt, by reading of title only, a Resolution of the Council of the City of Santa Barbara Amending Resolution No. 22-059, Adopting the Budget for Fiscal Year 2023, to Appropriate 2023 Local Surface Transportation Program Grant Funds and City Funds for the Fiscal Year 2022B Pavement Maintenance Project and Program Support.

9. Subject: Authorization to Amend the Legal Services Agreement with Colantuono, Highsmith & Whatley, PC for Special Counsel Services [Agreement] (160.03)

Recommendation: That Council authorize the City Attorney to execute an amended legal services agreement with Colantuono, Highsmith & Whatley, PC, to increase the not-to-exceed amount from \$100,000 to \$250,000 for special counsel services related to the Boring case.

10. Subject: Third Contract Amendment with Stantec Consulting Services Inc for Permitting Support for the City's Sediment Management Plan [Agreement] (530.03)

Recommendation: That Council authorize the Public Works Director to execute the Third Contract Amendment to City Professional Services Agreement No. 22100186 with Stantec Consulting Services Inc, formerly Cardno, Inc., in the amount of \$31,415 to provide continued permitting support for the City of Santa Barbara's Sediment Management Plan.

11. Subject: November 2022 Investment Report (260.02)

Recommendation: That Council accept the November 2022 Investment Report.

12. Subject: Fiscal Year 2023 Interim Financial Statements for the Five Months Ended November 30, 2022 (250.02)

Recommendation: That Council accept the Fiscal Year 2023 Interim Financial Statements for the five months ended November 30, 2022.

13. Subject: Set a Date for Public Hearing Regarding Parks and Recreation Commission's Denial of Tree Removal (570.08)

Recommendation: That Council:

- A. Set the date of March 21, 2023, at 2:00 p.m., for hearing the appeal filed by Douglas Tucker of the Parks and Recreation Commission's denial of tree removal; and
- B. Set the date of March 20, 2023, at 1:30 p.m., for a site visit to the property located at 3775 Modoc Road.

14. Subject: Set a Date for Public Hearing Regarding Single Family Design Board's Project Design Approval and Final Approval for 229 Vista del Mar Dr (640.07)

Recommendation: That Council:

- A. Set the date of March 7, 2023, at 2:00 p.m. for hearing the appeal filed by Julie Kayda, Jeff Harris and Norman Gardner of the Single Family Design Board's Project Design Approval and Final Approval of a two-story 1,200 square foot detached Accessory Dwelling Unit (ADU), a 200 square foot covered deck, and a 200 square foot second floor deck, associated with an existing one-story 1,920 square foot single-unit residence with an attached 446 square foot garage, located in the Hillside Design District and Non-Appealable Jurisdiction of the City's Coastal Zone. The project also includes landscape screening. Staff Hearing Officer approval of a Coastal Development Permit was granted on March 23, 2022; and
- B. Set the date of March 6, 2023, at 1:30 p.m. for a site visit to the property located at 229 Vista del Mar Dr.

15. Subject: Withdrawal of the Single Family Design Board Appeal for 691 N Hope Ave (640.07)

Recommendation: The public hearing originally scheduled for January 24, 2023, at 2:00 to hear an appeal of the Single Family Design Review Board's approval for 691 N Hope Ave has been cancelled due to the withdrawal of the appeal. A City Council site visit originally scheduled for January 23, 2023, at 1:30 p.m. to the property located at 691 N Hope Ave, has been cancelled due to the withdrawal of the appeal.

This concludes the Consent Calendar.

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

CITY ADMINISTRATOR

16. Subject: Adoption of Resolution and Public Hearing Modifying the 2022 Management District Plan of the Santa Barbara South Coast Tourism Business Improvement District [Resolution] (180.02)

Recommendation: That Council:

- A. Hold a final public hearing to modify the 2022 Santa Barbara South Coast Tourism Business Improvement Management District Plan and declare results of a majority protest proceeding; and
- B. Adopt, by reading of title only, a Resolution of the Council of the City of Santa Barbara Modifying the 2022 Santa Barbara South Coast Tourism Business Improvement Management District Plan.

COMMUNITY DEVELOPMENT DEPARTMENT

17. Subject: Zoning Ordinance Amendments for Accessory Dwelling Units [Ordinance Introduction] (660.04)

Recommendation: That Council:

- A. Introduce and subsequently adopt, by reading of title only, an Ordinance of the Council of the City of Santa Barbara Amending the Santa Barbara Municipal Code by Amending Section 30.185.040, Pertaining to Regulations for Accessory Dwelling Units; and
- B. Introduce and subsequently adopt, by reading of title only, an Ordinance of the Council of the City of Santa Barbara Amending the Santa Barbara Municipal Code by Amending Chapter 28.86, Pertaining to Regulations for Accessory Dwelling Units.

PUBLIC WORKS DEPARTMENT

18. Subject: Proposed State Street Outdoor Business Facility Charge (530.01)

Recommendation: That Council consider and provide final direction to City staff to establish a schedule for Outdoor Business Facility Charges for use of the public right-of-way on the State Street Promenade, including the 400 and 1300 blocks of State Street, and return to Council for adoption of a resolution setting the Outdoor Business Facility Charges as recommended.

COUNCIL AND STAFF COMMUNICATIONS

COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

PUBLIC COMMENT (IF NECESSARY)

CLOSED SESSIONS

19. Subject: Conference with City Attorney – Existing Litigation – Gov. Code §54956.9(d)(1) (160.03)

Recommendation: That Council hold a closed session to consider pending litigation pursuant to subsection (d)(1) of section 54956.9 of the Government Code and take appropriate action as needed.

The pending litigation is Hector Balboa v. City of Santa Barbara WCAB Case Nos.: ADJ5804924, ADJ Unassigned, ADJ Unassigned.

Scheduling: Duration 15 mins; anytime
Report: None anticipated

20. Subject: Conference with City Attorney – Existing Litigation – Gov. Code §54956.9(d)(1) (160.03)

Recommendation: That Council hold a closed session to consider pending litigation pursuant to subsection (d)(1) of section 54956.9 of the Government Code and take appropriate action as needed.

The pending litigation is Fernando Arroyo v. City of Santa Barbara WCAB Case Nos.: ADJ12472590, ADJ10271755, ADJ12472581, ADJ13019569.

Scheduling: Duration 15 mins; anytime
Report: None anticipated

ADJOURNMENT



PROCLAMATION

**HUMAN TRAFFICKING
AWARENESS MONTH**

JANUARY 2023

***WHEREAS**, human trafficking is a form of modern slavery that occurs in every state, including California, wherein victims are forced to work in various forms of labor exploitation including, but not limited to, commercial sex acts and other services that are induced through force, fraud, or coercion; and*

***WHEREAS**, due to its isolated and discrete nature, many individuals across the globe are unaware that trafficking exists in their communities; and*

***WHEREAS**, it is estimated that more than 28 million people around the world are victims of human trafficking; and*

***WHEREAS**, Human Trafficking victims face a cruelty that has no place in a civilized world. It is a crime that can take many forms, and one that tears at our social fabric, debases our common humanity, and violates what we stand for as a country; and*

***WHEREAS**, increased education about how to identify human trafficking along with increased knowledge of in-state resources and services for those affected by criminal exploitation can help decrease the number of future victims; and*

***WHEREAS**, the Santa Barbara County Human Trafficking Task Force is committed to creating legal frameworks for investigating human trafficking and prosecuting those engaged in it; and*

***WHEREAS**, the Santa Barbara County Human Trafficking Task Force has worked diligently to bring awareness to the fact that human trafficking occurs closer to home than one might think, and that California ranks number 1 in the country for reported human trafficking cases; and*

***WHEREAS**, Human Trafficking Awareness Month is an opportunity to recognize the critical role all Santa Barbara residents play in preventing, reporting, and adjudicating these heinous crimes;*

NOW, THEREFORE, I, RANDY ROWSE, by virtue of the authority vested in me as Mayor of the City of Santa Barbara, do hereby proclaim January 2023 as **Human Trafficking Awareness Month in Santa Barbara**.

***IN WITNESS WHEREOF**, I have hereunto set my hand and caused the Official Seal of the City of Santa Barbara, California to be affixed this 10th day of January, 2023.*

MAYOR RANDY ROWSE





CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 10, 2023

TO: Mayor and Councilmembers

FROM: City Administrator's Office

SUBJECT: Employee Recognition – Service Award Pins

RECOMMENDATION:

That Council authorize the City Administrator to express the City's appreciation to employees who are eligible to receive service award pins for their years of service through January 31, 2023.

DISCUSSION:

The City appreciates the loyalty to the community and the dedication to public service that are demonstrated by City employees throughout the organization every day. Since 1980, the City Employees' Recognition Program has recognized length of City Service. Service award pins are presented to employees for every five years of service. Those employees achieving 25 years of service or more are eligible to receive their pins in front of the City Council.

Attached is a list of those employees who will be awarded pins for their service through January 31, 2023.

ATTACHMENT(S): January 2023 Service Awards

PREPARED BY: Talhia Dorado, Administrative Specialist

SUBMITTED BY: Rebecca Bjork, City Administrator

APPROVED BY: City Administrator's Office

January 2023 SERVICE AWARDS

January 10, 2023 Council Meeting

5 Years

Kristen Sneddon, Councilmember, City Administrator's Office Department

Eric Friedman, Councilmember, City Administrator's Office Department

Matthew Niro, Associate Planner, Community Development Department

Ellen Kokinda, Senior Planner I, Community Development Department

Jason Ramirez, Streets Maintenance Crew Leader, Public Works Department

Julio Gamino, Harbor Operations Assistant, Waterfront Department

10 YEARS

Richard Stokes, Maintenance Worker II, Public Works Department

Christopher Hevesy, Wastewater Treatment Plant Operator III, Public Works Department

15 YEARS

Benjamin Ahrens, Police Sergeant, Police Department

Thomas Van Eyck, Police Officer, Police Department

Robert Blackstone, Senior Airport Operations Specialist, Airport Department

25 YEARS

Susan Segura, Police Records Supervisor, Police Department

Keld Hove, Police Officer, Police Department

Jeffrey James, Electronics Technician II, Public Works Department

30 Years

Christopher Mailes, Fire Chief, Fire Department

Christopher Auringer, Fire Captain, Fire Department



CITY OF SANTA BARBARA CITY COUNCIL MINUTES

**REGULAR MEETING
DECEMBER 13, 2022**

**COUNCIL CHAMBERS, CITY HALL, 735 ANACAPA STREET;
320-A WEST ORTEGA STREET, SANTA BARBARA, CA 93101**

CALL TO ORDER

Mayor Randy Rowse called the meeting to order at 2:00 p.m. (The Ordinance Committee met at 12:30 p.m. The Finance Committee, which normally meets at 12:30 p.m., did not meet on this day.)

PLEDGE OF ALLEGIANCE

Mayor Rowse.

ROLL CALL

Councilmembers present: Eric Friedman, Alejandra Gutierrez (2:07 p.m.), Oscar Gutierrez, Meagan Harmon, Mike Jordan, Kristen W. Sneddon, Mayor Rowse.

Councilmembers absent: None.

Staff present: City Administrator Rebecca Bjork, Acting City Attorney Sarah Knecht, City Clerk Services Manager Sarah Gorman.

Mayor Rowse announced that in closed session the Council unanimously voted (with Councilmember A. Gutierrez absent) to appoint Sarah Knecht as City Attorney. City Attorney Knecht made remarks.

CHANGES TO THE AGENDA

PUBLIC COMMENT

Members of the Public: Brad Smith; Aron Ashland

CONSENT CALENDAR (Items 1 – 17)

The titles of the Resolutions and Ordinances were read.

Motion:

Councilmembers A. Gutierrez/Harmon to approve the Consent Calendar as recommended.

Vote:

Unanimous roll call vote.

1. Subject: Lease Agreement for Office Space for the Sustainability and Resilience Department at 801 Garden Street [Ordinance Adoption; Agreement] (330.04)

Recommendation: That Council adopt, by reading of title only, an Ordinance of the Council of the City of Santa Barbara Authorizing the Sustainability and Resilience Director to Execute an Office Lease Agreement with Hayes Property Management, for the Property Located at 801 Garden Street, Suite 200, Commencing Upon the Effective Date of the Lease Agreement, January 16, 2023.

Action: Approved the recommendation; Ordinance No. 6096; Agreement No. 28,226.

2. Subject: Establishment of a Standing Finance Committee [Ordinance Introduction] (210.01)

Recommendation: That Council introduce and subsequently adopt, by reading of title only, an Ordinance of the Council of the City of Santa Barbara Amending the Santa Barbara Municipal Code to Add Chapter 2.06 to Establish a Standing Finance Committee and Rescind Resolution No. 94-130.

Action: Approved the recommendation; Proposed Ordinance; (December 13, 2022 Council Agenda Report and any attachments).

3. Subject: Ordinance Committee Process Revisions [Ordinance Introduction] (120.03)

Recommendation: That Council introduce and subsequently adopt, by reading of title only, an Ordinance of the Council of the City of Santa Barbara Amending Chapter 2.05 of the Municipal Code Pertaining to the Powers and Duties of the Ordinance Committee.

Action: Approved the recommendation; Proposed Ordinance; (December 13, 2022 Council Agenda Report and any attachments).

4. Subject: Amendment to Position Salary Control Resolution 22-064 with Updates to Classification and Compensation for Certain Positions [Resolution] (410.06)

Recommendation: That Council adopt, by reading of title only, a Resolution of the Council of the City of Santa Barbara Amending Resolution 22-064, the Position Salary Control Resolution for Fiscal Year 2023, to Amend the Established Salary for Positions Listed and to Establish the Assistant Police Chief and Police Administrative Manager Job Classifications, with Effective Dates as Listed.

Action: Approved the recommendation; Resolution No. 22-127 (December 13, 2022 Council Agenda Report and any attachments).

5. Subject: Resolution of Intention to Modify the Management District Plan of the Santa Barbara South Coast Tourism Business Improvement District [Resolution] (610.04)

Recommendation: That Council adopt, by reading of title only, a Resolution of the Council of the City of Santa Barbara Declaring Its Intention to Modify the Existing Santa Barbara South Coast Tourism Business Improvement District.

Action: Approved the recommendation; Resolution No. 22-128 (December 13, 2022 Council Agenda Report and any attachments).

6. Subject: Establishing Customer Facility Charge for Rental Car Contracts at the Santa Barbara Airport [Resolution] (560.01)

Recommendation: That Council adopt, by reading of title only, a Resolution of the Council of the City of Santa Barbara Approving Establishment of a Customer Facility Charge to be Imposed by and Collected by Airport Rental Car Companies to be Used to Proportionately Reimburse Capital Expenditures for Southfield Redevelopment Project and Finance, Design, and Construction of the Airport Parking Structure.

Action: Approved the recommendation; Resolution No. 22-129 (December 13, 2022 Council Agenda Report and any attachments).

7. Subject: Records Destruction for Airport Department [Resolution] (160.06)

Recommendation: That Council adopt, by reading of title only, a Resolution of the Council of the City of Santa Barbara Relating to the Destruction of Records Held by the Airport Department in the Operations Division.

Action: Approved the recommendation; Resolution No. 22-130 (December 13, 2022 Council Agenda Report and any attachments).

8. Subject: Statement of Investment Policy and Delegation of Investment Authority for Calendar Year 2023 [Resolution] (260.01)

Recommendation: That Council adopt, by reading of title only, a Resolution of the Council of the City of Santa Barbara Adopting the Investment Policy for the City and Rescinding Resolution No. 21-084.

Action: Approved the recommendation; Resolution No. 22-131 (December 13, 2022 Council Agenda Report and any attachments).

9. Subject: Acceptance of Parma Park Trust Funds for the Sustainable Trails Project [Resolution] (570.05)

Recommendation: That Council adopt, by reading of title only, a Resolution of the Council of the City of Santa Barbara Amending Resolution No. 22-059, Adopting the Budget for Fiscal Year 2023, to increase appropriations and estimated revenues by \$94,541 in the Parks and Recreation Department Fiscal Year 2023 Miscellaneous Grants Fund for Phase 1 through 3 of the Sustainable Trails Project.

Action: Approved the recommendation; Resolution No. 22-132 (December 13, 2022 Council Agenda Report and any attachments).

10. Subject: Santa Barbara Airport Master Drainage Plan Update [Resolution; Agreement] (560.04)

Recommendation: That Council:

- A. Authorize the Airport to execute a City Professional Services Agreement with Mead and Hunt Inc. in the amount of \$312,361, for planning services to update the 2001 Santa Barbara Airport Master Drainage Plan and authorize the Airport Director to amend the Agreement and approve expenditures of up to \$31,236 for extra services that may result from necessary changes in the scope of work for a total of \$343,597; and
- B. Adopt, by reading of title only, a Resolution of the Council of the City of Santa Barbara Amending Resolution No. 22-059, Adopting the Budget for Fiscal Year 2023, to appropriate funds for professional services contract for Santa Barbara Airport Master Drainage Plan.

Action: Approved the recommendation; Resolution No. 22-133; Agreement No. 28,227; (December 13, 2022 Council Agenda Report and any attachments).

11. Subject: Utility Users Tax Management and Audit Services [Agreement] (210.01)

Recommendation: That Council authorize the Finance Director to execute an agreement with MuniServices, LLC, to provide Utility Users Tax management and audit services for a term of three years, with two optional one-year extensions.

Action: Approved the recommendation; Agreement No. 28,228 (December 13, 2022 Council Agenda Report and any attachments).

12. Subject: Approval of Final Subdivision Actions for Residential and Commercial Condos at 412, 414A, and 414B Anacapa Street [Agreements] (640.08)

Recommendation: That Council approve and authorize the City Administrator to execute and record Parcel Map Numbers 20,837; 20,838; and 20,839 and standard agreements relating to the approval of one residential unit and one commercial unit on each lot at the subject addresses.

Action: Approved the recommendation; Agreement No. 28,229; Agreement No. 28,230; Agreement No. 28,231; (December 13, 2022 Council Agenda Report and any attachments).

13. Subject: City Attorney Employment Agreement [Agreement] (450.01)

Recommendation: That Council approve and authorize the Mayor to execute, an employment agreement with Sarah Knecht to serve as the permanent City Attorney effective December 17, 2022.

Action: Approved the recommendation; Agreement No. 28,232; (December 13, 2022 Council Agenda Report and any attachments).

14. Subject: Approval of Benefit Plans Effective January 1, 2023 (430.06)

Recommendation: That Council:

- A. Approve the renewal rates for the CalPERS Health Plans; Delta Dental Plans; Vision Service Plans; Employee Assistance Program (EAP); Health and Dependent Care Flexible Spending Accounts (FSA) benefits, and the Hartford Term Life and Disability Insurance Plans; and
- B. Authorize the City Administrator to execute any necessary contracts or any amendments to agreements or contracts.

Action: Approved the recommendations; (December 13, 2022 Council Agenda Report and any attachments).

15. Subject: Fiscal Year 2023 Interim Financial Statements for the Four Months Ended October 31, 2022 (250.02)

Recommendation: That Council accept the Fiscal Year 2023 Interim Financial Statements for the four months ended October 31, 2022.

Action: Approved the recommendations; (December 13, 2022 Council Agenda Report and any attachments).

16. Subject: Update on Implementation of Small Wireless Facility Ordinance

Recommendation: That Council receive an update on the status of the implementation of the Small Wireless Facility Ordinance (Municipal Code Chapter 9.170) and application activity.

Action: Approved the recommendation; (December 13, 2022 Council Agenda Report and any attachments).

17. Subject: Special Recruitment for City Advisory Groups, Planning Commission and Other Commissions, if needed

Recommendation: That Council:

- A. Authorize and direct the City Clerk's office to accept applications through January 9, 2023 at 5:00 p.m. to fill vacancies on Boards and Commissions;
- B. Direct scheduling of City Council interviews of applicants for vacancies on Tuesday, January 24, 2023; and
- C. Direct scheduling of City Council appointments to fill the vacancies on Tuesday, January 31, 2023.

This concluded the Consent Calendar.

REPORT FROM THE ORDINANCE COMMITTEE

Ordinance Committee Chair Sneddon reported that the Ordinance Committee considered the proposed Municipal Code Amendments pertaining to the Santa Barbara Arts and Crafts Show; Council will consider the amendments.

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

CITY ADMINISTRATOR

18. Subject: Annual Presentation from Visit Santa Barbara

Recommendation: That Council receive a presentation from Visit Santa Barbara.

Documents:

- December 13, 2022 Council Agenda Report and any attachments
- PowerPoint Presentation prepared and made by Santa Barbara County

Speakers:

- Staff: Senior Assistant to the City Administrator Brandon Beaudette.
- Visit Santa Barbara: Kathy Janega-Dykes.
- Members of the Public: Lee Heller.

Discussion:

- Councilmembers' questions were answered.

MAYOR AND COUNCIL REPORTS

19. Subject: Appointments to the Fire and Police Commission (140.05)

Recommendation: That Council:

- A. End the terms of service for current members of the Fire and Police Commission as of December 13, 2022; and
- B. Appoint five new members to the Fire and Police Commission with two members serving until December 31, 2024, and three members serving until December 31, 2026.

Documents:

- December 13, 2022 Council Agenda Report and any attachments
- PowerPoint Presentation prepared and made by Santa Barbara County

Speakers:

- Staff: Deputy City Clerk Niko Lopez.
- Members of the Public: None.

Discussion:

- Councilmembers' questions were answered.

Councilmember A. Gutierrez stated that she reviewed the recording of the applicant interviews.

Councilmember O. Gutierrez nominated Rodriguez, Zepeda, Dozer, Hill, and Herlinger.

Councilmember Sneddon additionally nominated Burns.

Councilmember A. Gutierrez additionally nominated Thyne and Hannah.

Councilmember Jordan additionally nominated Bishar and Trotter.

Votes for five Commission members:

Councilmember Friedman: Dozer, Rodriguez, Zepeda, Hill, Herlinger

Councilmember Sneddon: Burns, Dozer, Hill, Rodriguez, Zepeda

Councilmember Harmon: Rodriguez, Zepeda, Hill, Dozer, Herlinger

Councilmember O. Gutierrez: Dozer, Herlinger, Hill, Rodriguez, Zepeda

Councilmember Jordan: Rodriguez, Zepeda, Dozer, Hill, Herlinger

Councilmember A. Gutierrez: Dozer, Hannah, Rodriguez, Thyne, Zepeda

Mayor Rowse: Bishar, Burns, Dozer, Herlinger, Rodriguez

The following members were appointed to the Commission: Linda Esparza Dozer; Daniel Robert Herlinger; Gary Jon Hill; Lizzie Rodriguez; Ana Alicia Zepeda.

Councilmembers then voted for three persons to be appointed to the three seats for four year terms on the Commission.

Councilmember Sneddon: Dozer, Hill, Zepeda

Councilmember Harmon: Dozer, Rodriguez, Zepeda

Councilmember O. Gutierrez: Dozer, Rodriguez, Zepeda

Councilmember Jordan: Dozer, Hill, Herlinger

Councilmember A. Gutierrez: Dozer, Zepeda, Rodriguez

Councilmember Friedman: Dozer, Rodriguez, Zepeda

Mayor Rowse: Dozer, Herlinger, Hill

The following members were appointed to four year terms on the Commission: Linda Esparza Dozer; Lizzie Rodriguez; Ana Alicia Zepeda.

The following members were appointed to two year terms on the Commission: Daniel Robert Herlinger; Gary Jon Hill.

Motion:

Councilmembers Jordan/A. Gutierrez to approve recommendation A and make the appointments for recommendation B as voted above.

Vote:

Unanimous roll call vote.

COUNCIL AND STAFF COMMUNICATIONS

COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

Councilmember Friedman reported on their attendance or made the following comment(s): 1. Cortona Point apartment grand opening; 2. State Street Design Workshop; 3. Santa Barbara Beautiful holiday party; 4. Milpas holiday parade; 5. Democratic Women event; 6. Walked 3rd Street Promenade in Santa Monica.

Councilmember O. Gutierrez reported on their attendance or made the following comment(s): 1. CBD store ribbon cutting; 2. Christmas parties for TV SB and Santa Barbara Historical Museum; 3. Walk on waterfront with SB Act, other community stakeholders and Mayor Rowse; 4. Meeting with Mayor Rowse, Jim Armstrong and Neighborhood clinic representatives; 5. Cortana Point grand opening; 6. SB Cast Christmas party; 6. State Street community design workshop; 8. Milpas holiday parade; 9. Parade of Lights; 10. Downtown Santa Barbara business mixer; 11. NAC meeting cancelled.

Councilmember Sneddon reported on their attendance or made the following comment(s): 1. Housing Crisis ad hoc committee; 2. SCE government advisory panel meeting; 3. Create State Street community meetings; 4. Parade of lights; 5. School Board meeting; 6. Democratic Women event.

PUBLIC COMMENT (IF NECESSARY)

ADJOURNMENT

Mayor Rowse adjourned the meeting at 3:18 p.m.

Approved and adopted by the City Council of the City of Santa Barbara on January 10, 2023.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

_____ RANDY ROWSE MAYOR	ATTEST:	_____ SARAH GORMAN CITY CLERK SERVICES MANAGER
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CITY OF SANTA BARBARA CITY COUNCIL MINUTES

SPECIAL MEETING DECEMBER 6, 2022 COUNCIL CHAMBERS, 735 ANACAPA STREET

CALL TO ORDER

Mayor Randy Rowse called the meeting to order at 11:01 a.m.

PLEDGE OF ALLEGIANCE

Mayor Rowse.

ROLL CALL

Councilmembers present: Eric Friedman, Oscar Gutierrez, Mike Jordan, Kristen W. Sneddon, Mayor Rowse.

Councilmembers absent: Alejandra Gutierrez, Meagan Harmon.

Staff present: City Administrator Rebecca Bjork, Acting City Attorney Sarah Knecht, Deputy City Clerk Naomi Kovacs.

PLEDGE OF ALLEGIANCE

ROLL CALL

CLOSED SESSION

1. Subject: Public Employee Recruitment (450.01)

Recommendation: That Council hold a closed session, per Government Code Section 54957(b)(1), to discuss recruitment for the position of City Attorney.

Scheduling: Duration: 30 minutes; anytime

Document:

- December 6, 2022, report from the Human Resources Director.

Report: None anticipated

Time:

- 11:07 a.m. – 11:29 a.m.

2. Subject: Sustainability and Resilience Director Appointment (450.01)

Recommendation: That Council hold a closed session, pursuant to California Government Code Section 54957(b)(1), to discuss the appointment of the Sustainability and Resilience Director.

Scheduling: Duration: 30 Minutes

Document:

- December 6, 2022, report from the City Administrator

Time:

- 11:03 a.m. – 11:07 a.m.

Report:

- Mayor Rowse reported that the Council voted to elevate Alelia Parenteau to the position of the Director of Sustainability and Resilience Department by a motion by Councilmember Sneddon, seconded by Councilmember Friedman, with a unanimous vote (Councilmembers A. Gutierrez and Harmon absent).
- City Administrator Rebecca Bjork reported that Alelia Parenteau will be present at the 2:00 p.m. Council meeting today to address the Council after the item of changes to the agenda.

ADJOURNMENT

Mayor Rowse adjourned the meeting at 11:33 a.m.

Approved and adopted by the City Council of the City of Santa Barbara on January 10, 2023.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

RANDY ROWSE
MAYOR

ATTEST: _____
SARAH GORMAN
CITY CLERK SERVICES MANAGER



CITY OF SANTA BARBARA CITY COUNCIL MINUTES

**SPECIAL MEETING
DECEMBER 13, 2022
COUNCIL CHAMBERS, CITY HALL, 735 ANACAPA STREET;
320-A WEST ORTEGA STREET, SANTA BARBARA, CA 93101**

CALL TO ORDER

Mayor Randy Rowse called the meeting to order at 11:01 a.m.

PLEDGE OF ALLEGIANCE

Mayor Rowse.

ROLL CALL

Councilmembers present: Eric Friedman, Alejandra Gutierrez, Oscar Gutierrez, Meagan Harmon, Mike Jordan, Kristen W. Sneddon, Mayor Rowse.

Councilmembers absent: None.

Staff present: City Administrator Rebecca Bjork, Deputy City Clerk Niko Lopez.

CLOSED SESSION

1. Subject: Public Employee Appointment: City Attorney (450.01)

Recommendation: That Council hold a closed session to consider employment for the position of City Attorney.

Scheduling: Duration: 30 minutes; anytime

Document:

- December 13, 2022, report from the Human Resources Director.

Time:

- 11:04 a.m. – 11:09 a.m.

Report:

- Mayor Rowse reported that the Council voted to elevate Sarah Knecht to the position of City Attorney with a unanimous vote (Councilmember A. Gutierrez absent).

ADJOURNMENT

Mayor Rowse adjourned the meeting at 11:09 a.m.

Approved and adopted by the City Council of the City of Santa Barbara on January 10, 2023.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

_____	ATTEST: _____
RANDY ROWSE	SARAH GORMAN
MAYOR	CITY CLERK SERVICES MANAGER

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA AMENDING THE SANTA BARBARA MUNICIPAL CODE TO ADD CHAPTER 2.06 TO ESTABLISH A STANDING FINANCE COMMITTEE AND TO RESCIND RESOLUTION NO. 94-130

THE CITY COUNCIL OF THE CITY OF SANTA BARBARA DOES ORDAIN AS FOLLOWS:

SECTION 1. Chapter 2.06 of Title 2 of the Santa Barbara Municipal Code is added to read as follows:

2.06.010 Finance Committee Established.

A standing Finance Committee composed of three members of the City Council is established.

2.06.020 Appointment and Term of Office.

The members of the Finance Committee shall be appointed by the City Council for a specific or indefinite term. The City Council shall designate one of its members as the chairperson of said Committee. The City Council may remove or reassign members of the Finance Committee by motion, with or without cause.

2.06.030 Duties of the Committee.

The Finance Committee shall receive reports from the City Administrator and Finance Director, and make recommendations to the City Council, upon matters that have a substantial budgetary or financial impact on the City. These matters will include, but shall not be limited to, the following:

- A. Debt financing;
- B. Affordable housing loans;
- C. New, or changes to existing, department fees and charges;
- D. Consideration of tax or other revenue generating measures;
- E. Significant appropriation requests where (1) multiple funding options may exist and should be considered, and/or (2) the request requires the use of reserves, which would reduce the fund's reserve level below the City Council policy target;

- F. Budget development topics;
- G. Annual Comprehensive Financial Report (ACFR);
- H. Quarterly financial update reports; and
- I. Annual investment report.

2.06.040 Public Meetings.

Meetings of the Finance Committee shall be open and public pursuant to City Charter Section 510 and the Ralph M. Brown Act, Government Code Sections 54950, et seq., as it may be amended from time to time.

2.06.050 Duties of the City Administrator and Finance Director.

The City Administrator or Finance Director shall report the recommendations of the Finance Committee to the City Council.

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF
SANTA BARBARA AMENDING CHAPTER 2.05 OF THE
MUNICIPAL CODE PERTAINING TO THE POWERS AND
DUTIES OF THE ORDINANCE COMMITTEE

THE CITY COUNCIL OF THE CITY OF SANTA BARBARA DOES ORDAIN AS
FOLLOWS:

SECTION 1. Chapter 2.05 of Title 2 of the Santa Barbara Municipal Code is
amended to read as follows:

2.05.010 Ordinance Committee Established.

A standing Ordinance Committee composed of three members of the City Council
is established.

2.05.020 Appointment and Term of Office.

The members of the Ordinance Committee shall be appointed by the City Council
for a specific or indefinite term as determined by the City Council at the time of the
appointment. The City Council shall designate one of its members as the Chairperson of
the Committee. The City Council may remove or reassign members of the Ordinance
Committee by motion, with or without cause.

2.05.030 Duties of the Committee.

The Ordinance Committee shall review, and may make recommendations to the
City Council, on all ordinances adding, amending or repealing sections of the Municipal
Code of the City, except as provided in this Chapter.

2.05.040 Public Meetings.

Meetings of the Ordinance Committee shall be open and public pursuant to City
Charter Section 510 and the Ralph M. Brown Act, Government Code Sections 54950, et
seq., as it may be amended from time to time.

2.05.050 Exempt Ordinances.

The following categories of ordinances shall be exempt from Ordinance Committee
review, and may be introduced as ordered by the City Council:

- A. ordinances calling or otherwise relating to an election;

- B. ordinances relating to improvement or assessment proceedings which are adopted pursuant to state or federal law or an ordinance;
- C. unless directed by City Council, urgency or interim ordinances as authorized by law;
- D. emergency ordinances as provided in City Charter Section 511;
- E. ordinances subject to referendum which approve the sale, transfer, disposition or encumbrance of City land;
- F. ordinances subject to referendum which approve a contract or lease or extension thereof by which the City is bound for a longer period than five years;
- G. ordinances awarding a franchise;
- H. ordinances establishing position control or salary scales or amounts;
- I. unless directed by City Council, ordinances which, in the opinion of the City Attorney, do not involve substantive revision or establishment of City legislation;
- J. ordinances which the City Council determines, in its sole discretion, not to refer to the Ordinance Committee.

2.05.060 Presentation of Draft Ordinances and Ordinance Concepts to Ordinance Committee.

The Ordinance Committee shall consider proposed ordinances or ordinance concepts that are referred to it by the City Council, the City Attorney, or the City Administrator.

2.05.070 Duties of the City Attorney for Drafting.

After review of a proposed ordinance or ordinance concept, the Ordinance Committee may direct the City Attorney to revise the proposed ordinance or draft an ordinance based upon Ordinance Committee direction.

2.05.080 Further Action by Ordinance Committee.

The City Attorney shall draft the proposed ordinance as requested by the Committee and send copies to the City Administrator and to the Committee. The Ordinance Committee shall by majority vote determine to submit the subject ordinance with or without revision to the City Council, or shall determine to table the ordinance without submission. If to be submitted, the ordinance shall be introduced at the next regular meeting of the City Council feasible to allow such final redrafting by the City Attorney as may be required.

2.05.090 Ordinances Tabled by Ordinance Committee.

An ordinance tabled by the Ordinance Committee, may be brought to City Council for introduction if a majority of the City Council, following the procedures to place the matter on a City Council agenda, affirmatively vote to pass the ordinance out of Ordinance Committee and submit the subject ordinance to City Council. If submitted, the ordinance shall be introduced at the next regular meeting of the Council.



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 10, 2023

TO: Mayor and Councilmembers

FROM: Administration Division, Fire Department
Administration Division, Parks and Recreation

SUBJECT: Grant Agreement in the Amount of \$525,000 with the California State Coastal Conservancy for the City of Santa Barbara Hazardous Fuels Mitigation Project [Resolution; Agreement]

RECOMMENDATION: That Council:

- A. Adopt, by reading of title only, a Resolution of the Council of the City of Santa Barbara Authorizing the Fire Chief to enter into a Grant Agreement between the City and the California State Coastal Conservancy for the City of Santa Barbara Hazardous Fuels Mitigation Project; and
- B. Adopt, by reading of title only, a Resolution of the Council of the City of Santa Barbara Amending Resolution No. 22-059, Adopting the Budget for Fiscal Year 2023, to Appropriate California Coastal Conservancy Grant Funds for the Fiscal Year 2023 Hazardous Fuels Mitigation Project.

DISCUSSION:

Project Background

The Fire Department, together with the Parks and Recreation Department, have collaborated to develop a hazardous fuels mitigation project (Project) for seven open space parks: Parma Park, Honda Valley Park, Elings Park, Hale Park, Franceschi Park, Stevens Park, and the Douglas Family Preserve. The primary goal of the Project is to implement a comprehensive and sustainable approach to reducing hazardous vegetation in open space parks located within High Fire Hazard Areas of the City, in accordance with the objectives stated in the City's *2021 Community Wildfire Protection Plan* (CWPP).

The Project will support vegetation management activities in open space parks. The first phase of the Project will develop planning documents, including detailed biological resources reports that will contain a literature review, vegetation mapping, habitat

suitability assessment, and a rare plant survey for each park. These assessments will be conducted by biological consultants under contract with the City. The planning documents will establish the baseline for existing biological resources, approaches to addressing fuels management objectives, and provide for guided opportunities to undertake native habitat restoration consistent with wildland fire management objectives.

The second phase of the project includes community outreach and vegetation management work plans for each park. Fire and Parks and Recreation staff will hold at least one community meeting at each park. The meetings will educate the public on priority areas and hazardous fuel reduction methods, and how a balanced approach will reduce fire risk while avoiding disruption of the natural ecosystem. The meeting will include a site walk and the opportunity for public input to the work plan. In addition to the community meetings, City online fire resiliency resources will be updated to: (1) encourage and demonstrate to homeowners the importance of maintaining defensible space around their homes; (2) increase knowledge about fire patterns in open space parks; and (3) increase awareness of the management efforts being taken in each open space park.

The vegetation management methods used at each park will be determined based on the results of each biological assessment report. The Project is consistent with the City's CWPP and will demonstrate the City's commitment to a fire-safe community.

California State Coastal Conservancy Grant

On May 13, 2022, Fire Department and Parks and Recreation staff applied for a \$525,000 grant through the California State Coastal Conservancy (Coastal Conservancy), Wildfire Resilience Grant Program. On September 23, 2022, City staff were notified that Coastal Conservancy staff recommended the project for approval at the February 2, 2023 Coastal Conservancy Board Meeting. The Conservancy Grant Program guidelines require that the City Council adopt a resolution approving the execution of the grant agreement.

BUDGET/FINANCIAL INFORMATION:

The total Project cost is estimated to be approximately \$612,800. In addition to the \$525,000 grant from the Conservancy, the Fire Department is providing \$87,800 towards the implementation of site-specific work plans. This in-kind value of staff hours and field equipment for implementation does not require new appropriations to the Fire Department's annual operating or capital program budgets.

SUSTAINABILITY IMPACT:

This project aims to reduce fire risk while avoiding disruption of the natural ecosystem, taking an active step in making the City of Santa Barbara a more fire-wise and resilient community. The Project vision and approach is long term. This Project will support a

comprehensive and sustainable approach to hazardous fuels management, particularly through creation of the biological planning documents. The planning documents created as part of this project will guide and inform work plans within City open space parks for years to come. The implementation phase of this Project will directly remove high-fire risk invasive species and contribute to both active and passive restoration of our native vegetation communities.

A copy of the agreement is available from the Fire Department for public review; please contact Mark VonTillow at mvontillow@SantaBarbaraCA.gov to request a copy.

PREPARED BY: Monique O'Conner, Associate Park Planner
Mark VonTillow, Fire Inspector II

SUBMITTED BY: Chris Mailes, Fire Chief
Jill Zachary, Parks and Recreation Director

APPROVED BY: City Administrator's Office

RESOLUTION NO. _____

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA
BARBARA AUTHORIZING THE FIRE CHIEF TO ENTER
INTO A GRANT AGREEMENT BETWEEN THE CITY AND
THE CALIFORNIA STATE COASTAL CONSERVANCY
FOR THE CITY OF SANTA BARBARA HAZARDOUS
FUELS MITIGATION PROJECT

WHEREAS, The California State Coastal Conservancy authorizes \$525,000 of non-bond funded monies to be used to support activities that increase fire safety in Santa Barbara open space parks; and

WHEREAS, the California State Coastal Conservancy has agreed to provide the City of Santa Barbara with \$525,000 to develop biological resource planning documents, site specific workplans, and funding for fuel reduction projects in seven Santa Barbara open space parks;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SANTA BARBARA THAT the City:

1. Approves the application and agreement between the City of Santa Barbara and the California State Coastal Conservancy for grant funds in the amount not to exceed \$525,000 for the Santa Barbara Hazardous Fuels Mitigation Project according to the terms and conditions set forth in the agreement.
2. Certifies that said applicant has or will have sufficient funds to operate and maintain the project.
3. Certifies that funds under the jurisdiction of the Council of the City of Santa Barbara are available to begin the project.
4. Certifies that said applicant will expend grant funds prior to December 31, 2024.
5. Appoints the Fire Chief, or a designee, as agent of the Council of the City of Santa Barbara to conduct all negotiations, execute, and submit all documents including, but not limited to applications, agreements, amendments, payment requests, and so on, which may be necessary or convenient for the completion of the aforementioned project.

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA AMENDING RESOLUTION NO. 22-059, ADOPTING THE BUDGET FOR FISCAL YEAR 2023, TO APPROPRIATE CALIFORNIA COASTAL CONSERVANCY GRANT FUNDS FOR THE FISCAL YEAR 2023 HAZARDOUS FUELS MITIGATION PROJECT.

WHEREAS, in accordance with the City Charter, the City Administrator filed with the Council a proposed budget for the fiscal year beginning July 1, 2022;

WHEREAS, the City Council is required to adopt a budget before the beginning of the fiscal year on July 1, 2022;

WHEREAS, the City Charter provides that at any public meeting after the adoption of the budget, the City Council may amend or supplement the budget by motion adopted by the affirmative votes of at least a majority of the total members of the City Council; and

WHEREAS, as authorized by Resolution No. 22-059, this Resolution approves the amendment to the budget as provided herein

NOW, THEREFORE, be it resolved by the Council of the City of Santa Barbara that in accordance with the provisions of Section 1205 of the City Charter, the budget for the fiscal year 2023, as adopted by Resolution No. 22-059, is hereby amended as follows:

1. The Council approves an increase in revenue and expenditure appropriations in the General Fund in Fiscal Year 2023 in the amount of \$525,000, funded by 2023 California Coastal Conservancy grant funds, for the proposed Hazardous Fuels Mitigation Project coordinated by the Parks and Recreation and Fire Departments.



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 10, 2023

TO: Mayor and Councilmembers

FROM: Parks Division, Parks and Recreation

SUBJECT: Allocation of Partial Payment for Destruction of Trees on Paterna Road
[Resolution]

RECOMMENDATION:

That Council adopt, by reading of title only, a Resolution of the Council of the City of Santa Barbara Amending Resolution No. 22-059, Adopting the Budget for Fiscal Year 2023, to Appropriate \$200,000 from General Fund Reserves, and Approve an Increase of Revenue and Expenditure Appropriations in Fiscal Year 2023 in the Parks and Recreation Department, Parks Division, Forestry Program in the amount of \$200,000.

DISCUSSION:

The City Attorney's Office received \$200,000 on March 17, 2022 as a non-refundable partial payment from the defendant in pending litigation commenced by the City Attorney's Office. The litigation relates to the unlawful removal of city street trees at 1708 Paterna Road. These funds were initially placed in the City Attorney Civil Litigation Settlement Revenue and then rolled over into the General Fund upon commencement of the 2023 fiscal year. The proposed resolution will reallocate the funds to the Parks and Recreation Department for tree replacement and maintenance.

PREPARED BY: Tina Nelson, Business Manager

SUBMITTED BY: Jill Zachary, Parks and Recreation Director

APPROVED BY: City Administrator's Office

RESOLUTION NO.

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA AMENDING RESOLUTION NO. 22-059, ADOPTING THE BUDGET FOR FISCAL YEAR 2023, TO APPROPRIATE \$200,000 FROM GENERAL FUND RESERVES, AND APPROVE AN INCREASE OF REVENUE AND EXPENDITURE APPROPRIATIONS IN FISCAL YEAR 2023 IN THE PARKS AND RECREATION DEPARTMENT, PARKS DIVISION, FORESTRY PROGRAM IN THE AMOUNT OF \$200,000

WHEREAS, in accordance with the City Charter, the City Administrator filed with the Council a proposed budget for the fiscal year beginning July 1, 2022;

WHEREAS, the City Council is required to adopt a budget before the beginning of the fiscal year on July 1, 2022;

WHEREAS, the City Charter provides that at any public meeting after the adoption of the budget, the City Council may amend or supplement the budget by motion adopted by the affirmative votes of at least a majority of the total members of the City Council; and

WHEREAS, this Resolution adopted by City Council shall memorialize that action to amend the budget as provided herein.

NOW, THEREFORE, be it resolved by the Council of the City of Santa Barbara that in accordance with the provisions of Section 1205 of the City Charter, the budget for the fiscal year 2023, as adopted by Resolution No. 22-059, is hereby amended as follows:

1. The Council approves appropriation from General Fund Reserves in the amount of \$200,000 to the Parks and Recreation Department, Parks Division, Forestry Program.
2. The Council approves of the increase in revenue and expenditure appropriation of \$200,000 in the Fiscal Year 2023 Parks and Recreation, Parks Division, Forestry Program.



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 10, 2023

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Contracts for Construction of Fiscal Year 2022B Pavement Maintenance Project and Program Support [Resolution; Agreement]

RECOMMENDATION: That Council:

- A. Ratify the determination that the Fiscal Year 2022B Pavement Maintenance Project is exempt from the California Environmental Quality Act Section §15301 (Repair and Maintenance of Existing Facilities) and approve the Project and the filing of a notice of exemption in compliance with State California Environmental Quality Act Section §15062;
- B. Award a contract to Lash Construction, Inc., in their low bid amount of \$10,754,120 for construction of the Fiscal Year 2022B Pavement Maintenance Project, Bid No. 4088, and authorize the Public Works Director to execute the contract and approve expenditures up to \$1,075,412 to cover any cost increases that may result from contract change orders for extra work and differences between estimated bid quantities and actual quantities measured for payment;
- C. Authorize the Public Works Director to execute a contract with Flowers & Associates, Inc., in the amount of \$789,034 for construction support services, and approve expenditures of up to \$78,903 for extra services that may result from necessary changes in the scope of work;
- D. Authorize the Public Works Director to execute a contract with Flowers & Associates, Inc., in the amount of \$155,000 to perform limited professional engineering and construction support services to the City's Streets Operations and Infrastructure Management Division relating to the Pavement Maintenance Program and approve expenditures of up to \$15,500 for extra services that may result from necessary changes in the scope of work;
- E. Authorize the Public Works Director to execute a contract with Nichols Consulting Engineers, CHTD in the amount of \$59,380 to perform pavement inspection services, and approve expenditures of up to \$5,938 for extra services that may result from necessary changes in the scope of work; and

Council Agenda Report

Contracts for Construction of Fiscal Year 2022B Pavement Maintenance Project and Program Support [Resolution; Agreement]

January 10, 2023

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- F. Adopt, by reading of title only, a Resolution of the Council of the City of Santa Barbara Amending Resolution No. 22-059, Adopting the Budget for Fiscal Year 2023, to Appropriate 2023 Local Surface Transportation Program Grant Funds and City Funds for the Fiscal Year 2022B Pavement Maintenance Project and Program Support.

EXECUTIVE SUMMARY:

Construction of the Fiscal Year 2022B Pavement Maintenance Project (Project) will rehabilitate high-priority streets throughout the City of Santa Barbara (City) by grinding and overlaying with new asphalt and constructing concrete improvements, such as Americans with Disabilities Act (ADA)-compliant sidewalk access ramps.

Staff recommends approval of the construction contract with Lash Construction, Inc. (Lash) and a contract for construction support services, including inspection and material testing, with Flowers & Associates, Inc. (Flowers) to ensure the successful delivery of this Project.

In addition, to support the City's ongoing Pavement Maintenance Program, staff recommends approval of a contract for limited professional engineering services with Flowers to support the City's Streets Operations and Infrastructure Management Division's in-house paving operations, and approval of a Professional Services Contract with Nichols Consulting Engineers, CHTD (NCE) for pavement inspection services.

DISCUSSION:

Project Description

The Project will address high-priority pavement maintenance needs throughout the City. It consists of grinding off deteriorated asphalt pavement and overlaying with new asphalt, replacing sidewalk, installing ADA-compliant sidewalk access ramps, improving and updating traffic signals, and adding new traffic and pedestrian markings. The Project will eliminate road defects and structural failures and create a smoother road surface, thereby improving roadway safety. Additionally, the Project will construct the final section of the multiuse path on the western City limit of Modoc Road connecting to the County portion of the path. Work is anticipated to begin in February 2023 and be complete in approximately one year. The streets that will be maintained with this Project are listed below and shown in Attachments 1 and 2.

Council Agenda Report

Contracts for Construction of Fiscal Year 2022B Pavement Maintenance Project and Program Support [Resolution; Agreement]

January 10, 2023

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STREET/LOT	FROM	TO
Anacapa Street	Gutierrez Street	Cota Street
Chapala Street	Haley Street	Sola Street
Garden Street	Los Olivos Street	Anapamu Street
Haley Street	Castillo Street	Alisos Street
Olive Street	Sola Street	Ortega Street
Ortega Street	Olive Street	Salsipuedes Street
Sola Street	Garden Street	Olive Street
Parking Lot #10 Entrance	Anacapa Street	Anacapa Street

A portion of the grind and overlay work on Garden, Ortega, and Sola Streets is along the route of the recently installed Desal Link pipeline. To efficiently restore the pavement along the new pipeline alignment and provide the best end result while minimizing disruption to residents, the Desal Link Project is contributing its share of pavement restoration costs to this Project.

Contract Bids

A total of four bids were received for the work:

BIDDER	BID AMOUNT
1. Lash Construction, Inc. Santa Barbara, CA	\$10,754,120.00
2. Granite Construction Company Santa Barbara, CA	\$11,338,511.00
3. C.A. Rasmussen, Inc. Valencia, CA	\$13,490,962.00
4. Toro Enterprises, Inc. Oxnard, CA	\$15,129,010.08

The low bid of \$10,754,120, submitted by Lash, is an acceptable bid that is responsive to and meets the requirements of the bid specifications. The change order funding recommendation of \$1,075,412, or 10 percent, is typical for this type of work and size of the Project.

Construction Phase Contract Services

Staff recommends that Council authorize the Public Works Director to execute a contract with Flowers in the amount of \$789,034 for construction management, inspection, and testing services, and authorize the Public Works Director to issue amendments for up to \$78,903 for potential extra services, for a total amount of \$867,937.

In Fiscal Year 2019, Flowers was selected through a competitive Request for Qualifications process to provide design and construction support services for the City's Annual Pavement Maintenance Projects for Fiscal Years 2020 through 2025.

Pavement Maintenance Professional Service Support Contracts

Staff recommends that Council authorize the Public Works Director to execute a contract with Flowers in the amount of \$155,000 for professional engineering and construction support services and authorize the Public Works Director to approve amendments for up to \$15,500 for potential extra services.

Staff recommends that Council authorize the Public Works Director to execute a contract with NCE in the contract amount of \$59,380 for pavement inspection services and authorize the Public Works Director to approve amendments for up to \$5,938 for potential extra services. NCE was selected through a competitive Request for Qualifications process to inspect the City's Pavement Zones 5 and 6 using StreetSaver standard inspection criteria, enter all collected field inspection data into the City's StreetSaver database, and provide on-call trained staff.

Community Outreach

The Project's milestones and tentative schedule will be maintained and updated on the City's Major Projects Map website. Key updates will be posted on City News in Brief. Following the award of the construction contract, staff will send a notification to residents and property owners with detailed information about the upcoming work in their neighborhood. The contractor is required to perform door-to-door outreach with all businesses directly affected by the work at a minimum of two weeks prior to the scheduled work. In addition, the contractor is required to deliver door hangers to each property adjacent to the work area 72 hours in advance of work commencement to notify residents of the planned schedule. The contractor will post No Parking signs 72 hours in advance of work commencement.

BUDGET/FINANCIAL INFORMATION:

Pavement maintenance is typically funded from a variety of sources, primarily Measure C, Measure A, Utility Users' Tax, and State Gas Taxes. Local Surface Transportation Program grant funds are also being appropriated for pavement maintenance.

There are sufficient expenditure appropriations in the Pavement Surface and Paseo Maintenance Project in the Downtown Parking Capital Fund in Fiscal Year 2023 to cover the Parking Lot 10 paving costs of \$104,426.

Inadequate expenditure appropriations exist in the Desal Conveyance Project in the Water Capital Fund in Fiscal Year 2023 to cover the paving costs resulting from the Desal Link Project; however, adequate available reserves exist above Council policy in the Water Operating Fund in Fiscal Year 2023 to fulfill this report's recommendation of funding the Desal Link Project paving costs of \$694,700.

With the recommended appropriations, there will be sufficient expenditure appropriations in the Measure C Capital Fund, Streets Grant Capital Fund, Downtown Parking Capital Fund, and Water Capital Fund to cover the proposed contracts, including extra services, with Lash, Flowers, and NCE for the construction and support costs for the Project.

The following summarizes all Project design costs, construction contract funding, and other Project costs:

**FISCAL YEAR 2022B PAVEMENT MAINTENANCE PROJECT
ESTIMATED TOTAL PROJECT COST**

Flowers Design	\$395,584
City Staff Costs	\$124,941
<i>Design Subtotal</i>	\$520,525
Construction Contract	\$10,754,120
Construction Change Order Allowance	\$1,075,412
<i>Subtotal</i>	\$11,829,532
Flowers Construction Management/Inspection	\$867,937
City Staff Construction Management/Inspection	\$222,476
<i>Subtotal</i>	\$1,090,413
<i>Construction Subtotal</i>	\$12,919,945
TOTAL PROJECT COST	\$13,440,470*

**Cents have been rounded to the nearest dollar in this table.*

A copy of the contract agreements are available for public view from the Public Works Department; please contact PWInfo@SantaBarbaraCA.gov to request a copy.

ENVIRONMENTAL REVIEW:

Under Chapter 22.100 of the Santa Barbara Municipal Code, the Public Works Director determined the Project exempt under the California Environmental Quality Act Section §15301 (Existing Facilities) on September 15, 2022.

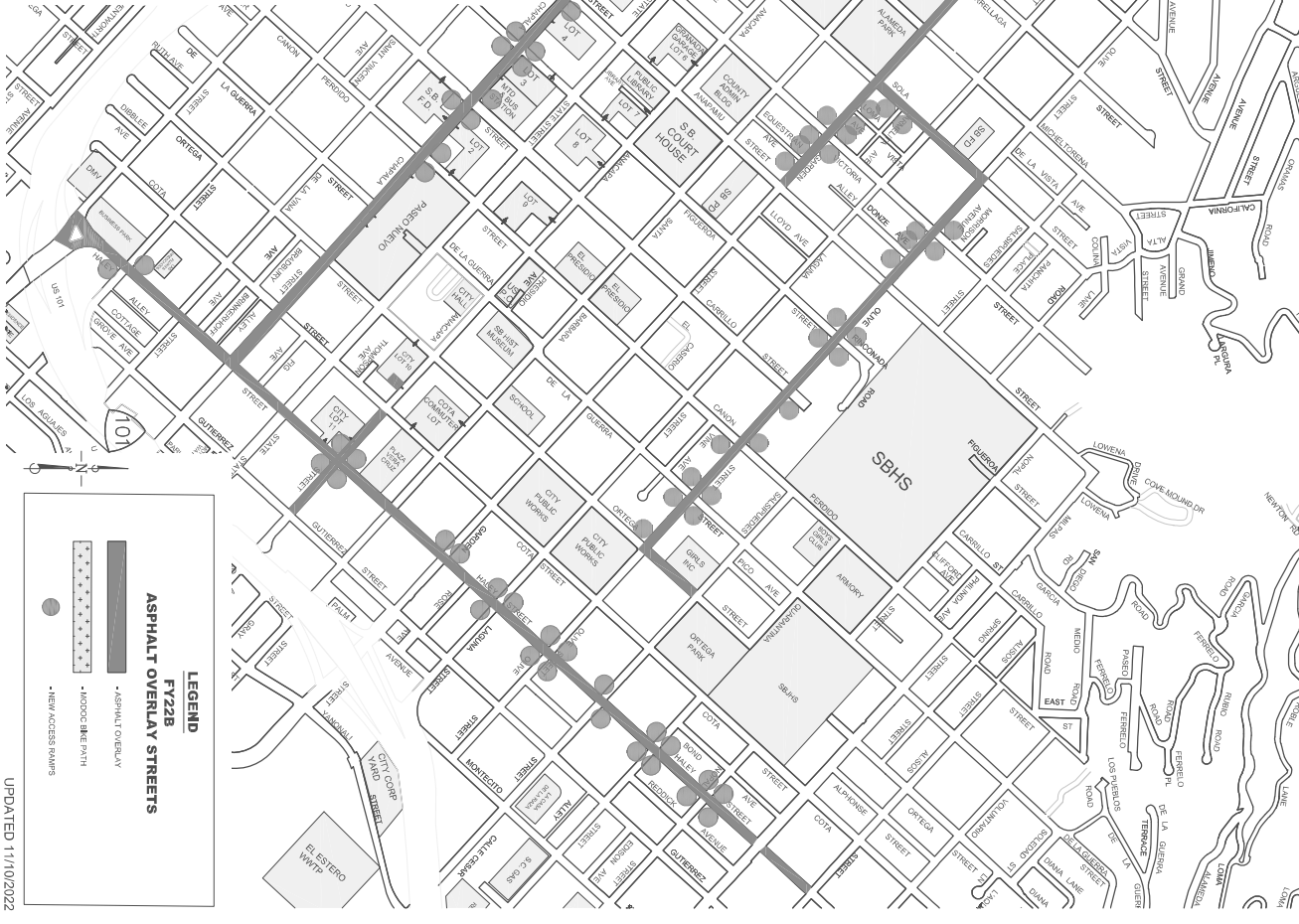
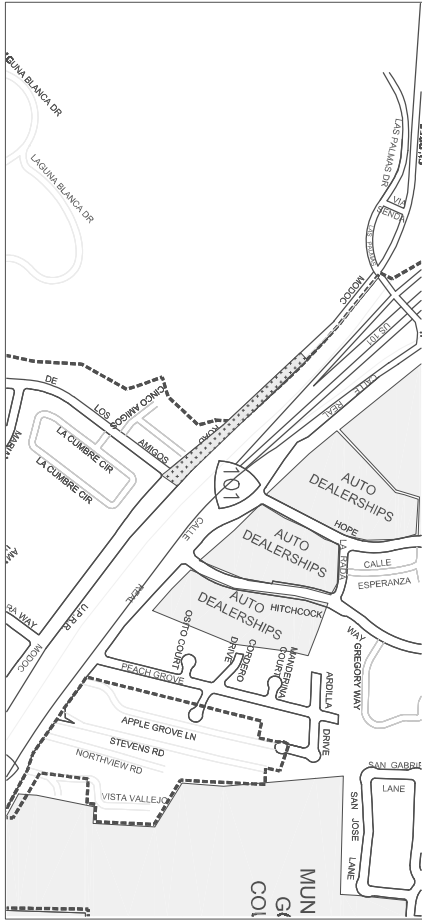
ATTACHMENTS: 1. Project Location Map
2. Project Street Listing

PREPARED BY: Brian D'Amour, P.E., City Engineer/AZ/rl

SUBMITTED BY: Clifford M. Maurer, P.E., Public Works Director

APPROVED BY: City Administrator's Office

ENLARGED DETAIL - MODOC BIKE PATH



LEGEND

FY22B

ASPHALT OVERLAY STREETS

- ASPHALT OVERLAY
- MODOC BIKE PATH
- NEW ACCESS POINTS

STREET MAP OF SANTA BARBARA, CALIFORNIA, 1:50,000 SCALE, 1998 EDITION, 2000 EDITION, 2002 EDITION, 2004 EDITION, 2006 EDITION, 2008 EDITION, 2010 EDITION, 2012 EDITION, 2014 EDITION, 2016 EDITION, 2018 EDITION, 2020 EDITION, 2022 EDITION

UPDATED 11/10/2022

W.O. 2/009

Fiscal Year 2022- B Pavement Maintenance Project (Overlay)

Street*	From	To
Anacapa Street	Gutierrez Street	Cota Street
Chapala Street	Haley Street	Sola Street
Garden Street	Los Olivos Street	Anapamu Street
Haley Street	Castillo Street	Alisos Street
Olive Street	Sola Street	Ortega Street
Ortega Street	Olive Street	Salsipuedes Street
Sola Street	Garden Street	Olive Street

Parking Lot #10 Entrance	Anacapa Street	Anacapa Street
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RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA AMENDING RESOLUTION NO. 22-059, ADOPTING THE BUDGET FOR FISCAL YEAR 2023, TO APPROPRIATE LOCAL SURFACE TRANSPORTATION PROGRAM GRANT FUNDS AND CITY FUNDS FOR THE FISCAL YEAR 2022B PAVEMENT MAINTENANCE PROJECT AND PROGRAM SUPPORT.

WHEREAS, in accordance with the City Charter, the City Administrator filed with the Council a proposed budget for the fiscal year beginning July 1, 2022;

WHEREAS, the City Council is required to adopt a budget before the beginning of the fiscal year on July 1, 2022;

WHEREAS, the City Charter provides that at any public meeting after the adoption of the budget, the City Council may amend or supplement the budget by motion adopted by the affirmative votes of at least a majority of the total members of the City Council; and

WHEREAS, as authorized by Resolution No. 22-059, this Resolution approves the amendment to the budget as provided herein

NOW, THEREFORE, be it resolved by the Council of the City of Santa Barbara that in accordance with the provisions of Section 1205 of the City Charter, the budget for the fiscal year 2023, as adopted by Resolution No. 22-059, is hereby amended as follows:

1. The Council approves the appropriation of available reserve funds in the Water Operating Fund into the Desal Conveyance Project in the Water Capital Fund budget in Fiscal Year 2023 in the amount of \$694,700 for the proposed contracts with Lash Construction, Inc. and Flowers & Associates, Inc., including extra services, for the Desal Link Project paving and support services costs.
2. The Council approves an increase in revenue and expenditure appropriations in the Streets Grant Capital Fund in Fiscal Year 2023 in the amount of \$338,511, funded by 2023 Local Surface Transportation Program grant funds, for the proposed contracts with Lash Construction, Inc. and Flowers & Associates, Inc. for the construction of the Fiscal Year 2022B Pavement Maintenance Project and support services.
3. The Council approves the allocation of available expenditure appropriations in the Overlays Project in the Measure C Capital Fund in the amount of \$287,153 to the Modoc Multiuse Path Extension Project in the Measure C Capital Fund for the proposed contract with Lash Construction, Inc. for the construction of the Modoc Multiuse Path portion of the Fiscal Year 2022B Pavement Maintenance Project.



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 10, 2023

TO: Mayor and Councilmembers

FROM: City Attorney's Office

SUBJECT: Authorization to Amend the Legal Services with Colantuono, Highsmith & Whatley, PC for Special Counsel Services [Agreement]

RECOMMENDATION:

That Council authorize the City Attorney to execute an amended legal services agreement with Colantuono, Highsmith & Whatley, PC, to increase the not-to-exceed amount from \$100,000 to \$250,000 for special counsel services related to the *Boring* case.

DISCUSSION:

The staffing needs associated with defending the case of *Boring v. Murrillo, et al.* exceed the current capacity of the City Attorney's Office.

The staff from the City Attorney's Office will provide legal guidance for the Colantuono firm. Risk Management staff will handle the contract administration and financial oversight. The City Attorney's Office and the Risk Management team routinely collaborate to effectively defend the City in similar types of legal matters.

BUDGETARY IMPACTS:

The cost for legal support and related costs for this case will be paid from the Self-Insurance Fund (SIF) using the existing expenditure appropriations established in Fiscal Year 2023. The SIF maintains adequate funding to cover the expected costs anticipated under this contract for services. Staff will monitor expenditure appropriations and actual expenses throughout the fiscal year and may propose additional expenditure appropriation using SIF available reserves as necessary.

SUBMITTED BY: Sarah J. Knecht, City Attorney

APPROVED BY: Sarah J. Knecht, City Attorney

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 10, 2023

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Third Contract Amendment with Stantec Consulting Services Inc for Permitting Support for the City's Sediment Management Plan [Agreement]

RECOMMENDATION:

That Council authorize the Public Works Director to execute the Third Contract Amendment to City Professional Services Agreement No. 22100186 with Stantec Consulting Services Inc, formerly Cardno, Inc., in the amount of \$31,415 to provide continued permitting support for the City of Santa Barbara's Sediment Management Plan.

DISCUSSION:

Background

The purpose of the Sediment Management Plan (SMP) is to maintain safe maritime navigation, minimize hazardous shoaling conditions, protect adjacent development from wave damage and flooding, maintain appropriate sand balance to offset erosion, and maintain sandy beaches and aesthetics at the Santa Barbara Harbor, surrounding beaches, and Waterfront area operated by the City of Santa Barbara (City).

The SMP covers all City beaches and the Santa Barbara Harbor, and allows for many essential maintenance activities. The three primary components are: (a) sediment management to dredge sand from the harbor and create ideal beach conditions; (b) storm drain outlet maintenance to ensure proper functioning of storm drains; and (c) beach grooming to provide clean and safe beaches for recreation. The SMP also allows for building protective berms, placing lifeguard towers, and other activities.

The SMP requires regulatory approvals from the California Coastal Commission (CCC), the Army Corps of Engineers (ACOE), and the Regional Water Quality Control Board (RWQCB).

Council Agenda Report

Third Contract Amendment with Stantec Consulting Services Inc for Permitting Support for the City's Sediment Management Plan [Agreement]

January 10, 2023

Page 2

Current Status

In 2021, under the original contract, Cardno, Inc. (Cardno), now Stantec Consulting Services Inc (Stantec), updated the Biological Resources Assessment for the SMP.

In 2021, a First Contract Amendment was approved to update the Biological Resources Assessment based on CCC comments, prepare a Sampling and Analysis Plan (SAP), and present the SAP to the Southern California Dredge Materials Management Team (SC-DMMT).

In 2022, a Second Contract Amendment was approved to support the City in responding to SC-DMMT comments and preparing a revised SAP. The City's need for harbor dredging became clearer after a bathymetric survey was completed by others.

The purpose of this recommended Third Contract Amendment is to facilitate ongoing support of the City's SMP with the three permitting agencies (CCC, ACOE, and RWQCB). The Amendment will allow for Stantec's services to extend through 2023 and to include permitting support and permit acquisition for SMP implementation.

Given their experience with the SMP and permitting process, Stantec is uniquely positioned to provide the critical support necessary to meet permitting requirements for key maintenance activities throughout the Waterfront.

A copy of the Third Contract Amendment is available for public review from the Public Works Department; please contact PWInfo@SantaBarbaraCA.gov to request a copy.

BUDGET/FINANCIAL INFORMATION:

The following summarizes the expenditures recommended in this report:

PROFESSIONAL SERVICES CONTRACT FUNDING SUMMARY

Current Contract Amount	\$34,892
Proposed Amendment	\$31,415
Total	\$66,307

With the approval of the Third Contract Amendment, the total professional services contract expenditure will increase to \$66,307.

Council Agenda Report

Third Contract Amendment with Stantec Consulting Services Inc for Permitting Support for the City's Sediment Management Plan [Agreement]

January 10, 2023

Page 3

There are sufficient expenditure appropriations in the Sediment Management Plan Project in the Waterfront Operating Fund in Fiscal Year 2023 to cover the cost of the proposed contract amendment with Stantec.

ENVIRONMENTAL REVIEW:

A Mitigated Negative Declaration (MND) was prepared for the SMP in 1999, and a MND Addenda was prepared in 2005.

Amending current contracts does not require California Environmental Quality Act review.

PREPARED BY: Brian D'Amour, P.E., City Engineer/BAC/rl

SUBMITTED BY: Clifford M. Maurer, P.E., Public Works Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 10, 2023

TO: Mayor and Councilmembers

FROM: Treasury Division, Finance Department

SUBJECT: November 2022 Investment Report

RECOMMENDATION:

That Council accept the November 2022 Investment Report.

DISCUSSION:

The attached investment report includes Investment Activity, Interest Revenue, a Summary of Cash and Investments, and Investment Portfolio detail as of November 30, 2022.

ATTACHMENT: November 2022 Investment Report

PREPARED BY: Salvatore Parrilla, Finance Analyst

SUBMITTED BY: Keith DeMartini, Finance Director

APPROVED BY: City Administrator's Office

ATTACHMENT

CITY OF SANTA BARBARA
Activity and Interest Report
November 30, 2022

INVESTMENT ACTIVITY		INVESTMENT INCOME	
PURCHASES OR DEPOSITS		POOLED INVESTMENTS	
11/4 USTB	\$ 3,000,000	Interest Earned on Investments	\$ 398,642
11/22 FHLMC	3,000,000	Amortization	37,741
11/29 FHLB	3,000,000		
11/29 FFCB	3,000,000		
11/30 FHLMC	3,000,000		
Total	\$ 15,000,000	Total	\$ 436,383
SALES, MATURITIES, CALLS OR WITHDRAWALS			
Total	\$ -		
ACTIVITY TOTAL	\$ 15,000,000	INCOME TOTAL	\$ 436,383

CITY OF SANTA BARBARA
Summary of Cash and Investments
November 30, 2022

ENDING BALANCE AS OF October 31, 2022

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
MUFG Union Bank NA Checking Account	\$ 27,245,254	0.750%	8.63%	1 (1)
State of California LAIF	55,000,000	1.772%	17.42%	1 (2)
Treasury Securities - Coupon	50,684,120	1.182%	16.05%	875
Treasury Discount	2,886,017	4.289%	0.91%	338
Federal Agency Issues - Coupon	148,950,603	1.701%	47.18%	941
Corporate/Medium Term Notes	14,984,896	2.185%	4.75%	556
Supranationals Obligations	15,973,362	1.321%	5.06%	966
	<u>315,724,252</u>	<u>1.575%</u>	<u>100.00%</u>	<u>663</u>
Totals and Averages	<u>\$ 315,724,252</u>	<u>1.575%</u>	<u>100.00%</u>	<u>663</u>
Total Cash and Investments	<u>\$ 315,724,252</u>			

NET CASH AND INVESTMENT ACTIVITY FOR November 2022

\$ 11,857,389

ENDING BALANCE AS OF November 30, 2022

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
MUFG Union Bank NA Checking Account	\$ 19,210,182	0.750%	5.86%	1 (1)
State of California LAIF	60,000,000	2.007%	18.32%	1 (2)
Treasury Securities - Coupon	50,693,752	1.182%	15.48%	845
Treasury Discount	5,769,434	4.552%	1.76%	322
Federal Agency Issues - Coupon	160,945,608	1.941%	49.13%	909
Corporate/Medium Term Notes	14,986,733	2.185%	4.57%	526
Supranationals Obligations	15,975,932	1.321%	4.88%	936
	<u>327,581,641</u>	<u>1.793%</u>	<u>100.00%</u>	<u>653</u>
Totals and Averages	<u>\$ 327,581,641</u>	<u>1.793%</u>	<u>100.00%</u>	<u>653</u>
Total Cash and Investments	<u>\$ 327,581,641</u>			

Note: (1) Earnings Credit Rate (ECR) is provided at the rate of 0.750% by MUFG Union Bank, N.A. to help offset banking fees.

(2) The average life of the LAIF portfolio as of November 30, 2022 is 298 days.

CITY OF SANTA BARBARA

Investment Portfolio

November 30, 2022

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING MOODY'S	S & P	STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
LOCAL AGENCY INVESTMENT FUNDS											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	2.007	2.007	60,000,000.00	60,000,000.00	60,000,000.00	0.00	
Subtotal, LAIF							60,000,000.00	60,000,000.00	60,000,000.00	0.00	
TREASURY SECURITIES - DISCOUNT											
U S TREASURY BILL	10/13/22	10/05/23	Aaa	AA+	4.047	4.289	3,000,000.00	2,896,134.12	2,884,890.00	(11,244.12)	
U S TREASURY BILL	11/04/22	11/02/23	Aaa	AA+	4.525	4.817	3,000,000.00	2,873,300.00	2,874,120.00	820.00	
Subtotal, Treasury Securities							6,000,000.00	5,769,434.12	5,759,010.00	(10,424.12)	
TREASURY SECURITIES - COUPON											
U S TREASURY NOTE	05/03/19	04/30/24	Aaa	AA+	2.250	2.342	2,000,000.00	1,997,560.59	1,935,240.00	(62,320.59)	
U S TREASURY NOTE	01/22/20	02/28/23	Aaa	AA+	1.500	1.527	2,000,000.00	1,999,871.13	1,985,660.00	(14,211.13)	
U S TREASURY NOTE	01/22/20	06/30/23	Aaa	AA+	1.375	1.534	2,000,000.00	1,998,213.65	1,961,960.00	(36,253.65)	
U S TREASURY NOTE	01/12/21	09/15/23	Aaa	AA+	0.125	0.185	3,000,000.00	2,998,582.22	2,893,950.00	(104,632.22)	
U S TREASURY NOTE	02/12/21	07/31/25	Aaa	AA+	0.250	0.380	3,000,000.00	2,989,716.91	2,709,150.00	(280,566.91)	
U S TREASURY NOTE	06/02/21	05/31/25	Aaa	AA+	0.250	0.553	2,000,000.00	1,985,054.93	1,814,680.00	(170,374.93)	
U S TREASURY NOTE	06/02/21	12/31/25	Aaa	AA+	0.375	0.700	2,000,000.00	1,980,325.83	1,790,540.00	(189,785.83)	
U S TREASURY NOTE	09/03/21	06/30/25	Aaa	AA+	0.250	0.575	2,000,000.00	1,983,446.68	1,812,960.00	(170,486.68)	
U S TREASURY NOTE	09/24/21	04/30/25	Aaa	AA+	0.375	0.663	2,000,000.00	1,986,276.28	1,825,780.00	(160,496.28)	
U S TREASURY NOTE	09/24/21	05/31/26	Aaa	AA+	0.750	0.878	2,000,000.00	1,991,248.63	1,787,820.00	(203,428.63)	
U S TREASURY NOTE	09/24/21	07/31/26	Aaa	AA+	0.625	0.900	2,000,000.00	1,980,319.31	1,771,800.00	(208,519.31)	
U S TREASURY NOTE	10/08/21	08/31/26	Aaa	AA+	0.750	1.004	2,000,000.00	1,981,456.67	1,776,260.00	(205,196.67)	
U S TREASURY NOTE	10/08/21	09/30/26	Aaa	AA+	0.875	1.015	2,000,000.00	1,989,539.24	1,781,640.00	(207,899.24)	
U S TREASURY NOTE	01/18/22	04/15/24	Aaa	AA+	0.375	1.040	3,000,000.00	2,973,024.27	2,831,610.00	(141,414.27)	
U S TREASURY NOTE	01/12/22	04/30/26	Aaa	AA+	0.750	1.450	3,000,000.00	2,930,761.23	2,688,990.00	(241,771.23)	
U S TREASURY NOTE	01/18/22	01/15/25	Aaa	AA+	1.125	1.210	3,000,000.00	2,994,695.10	2,806,530.00	(188,165.10)	
U S TREASURY NOTE	01/31/22	01/31/24	Aaa	AA+	0.875	1.145	3,000,000.00	2,990,680.16	2,872,020.00	(118,660.16)	
U S TREASURY NOTE	02/28/22	02/29/24	Aaa	AA+	1.500	1.548	2,000,000.00	1,998,832.93	1,924,540.00	(74,292.93)	
U S TREASURY NOTE	02/28/22	11/30/26	Aaa	AA+	1.625	1.863	2,000,000.00	1,981,865.64	1,829,620.00	(152,245.64)	
U S TREASURY NOTE	03/15/22	03/15/25	Aaa	AA+	1.750	1.827	3,000,000.00	2,994,885.07	2,837,940.00	(156,945.07)	
U S TREASURY NOTE	03/17/22	05/31/24	Aaa	AA+	2.000	2.006	2,000,000.00	1,999,808.62	1,925,460.00	(74,348.62)	
U S TREASURY NOTE	03/17/22	12/31/26	Aaa	AA+	1.750	2.170	2,000,000.00	1,967,586.51	1,837,960.00	(129,626.51)	
Subtotal, Treasury Securities							51,000,000.00	50,693,751.60	47,402,110.00	(3,291,641.60)	
FEDERAL AGENCY ISSUES - COUPON											
FED AGRICULTURAL MTG CORP	05/09/19	04/03/23	-	-	2.360	2.371	2,000,000.00	1,999,930.48	1,985,500.00	(14,430.48)	
FED AGRICULTURAL MTG CORP	02/12/20	02/12/24	-	-	1.390	1.480	2,000,000.00	1,997,910.85	1,920,860.00	(77,050.85)	
FED AGRICULTURAL MTG CORP	03/02/21	09/22/25	-	-	0.480	0.480	3,000,000.00	3,000,000.00	2,689,410.00	(310,590.00)	Callable 09/22/23, Q
FED AGRICULTURAL MTG CORP	06/09/22	08/20/24	-	-	2.910	2.911	3,000,000.00	3,000,000.00	2,905,560.00	(94,440.00)	Callable 06/09/23, Q
FEDERAL FARM CREDIT BANK	01/31/19	10/23/23	Aaa	AA+	2.650	2.670	2,000,000.00	1,999,674.59	1,962,880.00	(36,794.59)	
FEDERAL FARM CREDIT BANK	06/27/19	12/12/22	Aaa	AA+	1.875	1.830	2,000,000.00	2,000,026.33	1,998,560.00	(1,466.33)	
FEDERAL FARM CREDIT BANK	06/15/21	06/15/26	Aaa	AA+	0.900	0.900	2,000,000.00	2,000,000.00	1,777,460.00	(222,540.00)	Callable, P
FEDERAL FARM CREDIT BANK	05/06/21	05/06/25	Aaa	AA+	0.710	0.710	2,000,000.00	2,000,000.00	1,825,420.00	(174,580.00)	Callable, P
FEDERAL FARM CREDIT BANK	09/08/21	09/08/26	Aaa	AA+	0.870	0.870	2,000,000.00	2,000,000.00	1,763,920.00	(236,080.00)	Callable, P
FEDERAL FARM CREDIT BANK	12/16/21	07/02/24	Aaa	AA+	0.570	0.873	3,000,000.00	2,985,787.34	2,806,890.00	(178,897.34)	Callable, P
FEDERAL FARM CREDIT BANK	12/23/21	06/23/25	Aaa	AA+	1.170	1.170	3,000,000.00	3,000,000.00	2,760,030.00	(239,970.00)	Callable, P
FEDERAL FARM CREDIT BANK	12/22/21	06/22/26	Aaa	AA+	1.390	1.390	3,000,000.00	3,000,000.00	2,711,100.00	(288,900.00)	Callable, P
FEDERAL FARM CREDIT BANK	01/27/22	01/26/27	Aaa	AA+	1.780	1.780	3,000,000.00	3,000,000.00	2,721,300.00	(278,700.00)	Callable 01/26/23, P
FEDERAL FARM CREDIT BANK	02/16/22	02/16/27	Aaa	AA+	2.180	2.180	3,000,000.00	3,000,000.00	2,750,670.00	(249,330.00)	Callable 02/16/24, P

CITY OF SANTA BARBARA

Investment Portfolio

November 30, 2022

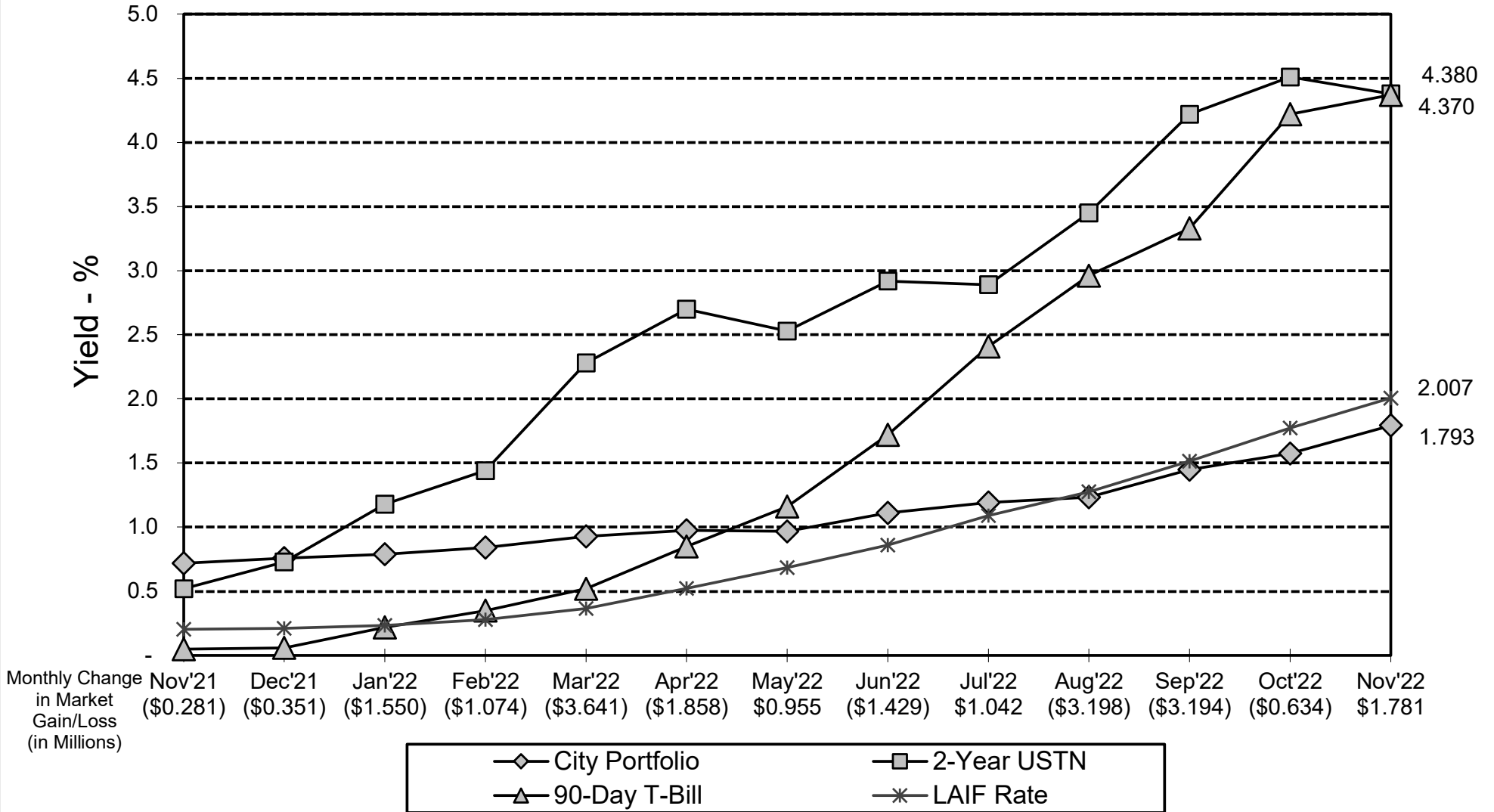
DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING MOODY'S S & P	STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
FEDERAL FARM CREDIT BANK	08/30/22	02/25/26	Aaa AA+	3.320	3.470	3,000,000.00	2,986,395.53	2,924,850.00	(61,545.53)	
FEDERAL FARM CREDIT BANK	05/26/22	05/26/26	Aaa AA+	3.375	3.375	3,000,000.00	3,000,000.00	2,878,020.00	(121,980.00)	Callable 05/26/23, P
FEDERAL FARM CREDIT BANK	09/20/22	10/17/23	Aaa AA+	4.125	4.089	3,000,000.00	3,000,000.00	2,979,540.00	(20,460.00)	
FEDERAL FARM CREDIT BANK	10/19/22	10/19/26	Aaa AA+	4.250	4.264	3,000,000.00	2,998,543.75	3,014,010.00	15,466.25	
FEDERAL FARM CREDIT BANK	11/29/22	11/18/24	Aaa AA+	4.500	4.650	3,000,000.00	2,991,623.70	2,998,770.00	7,146.30	
FEDERAL HOME LOAN BANK	01/28/21	01/28/26	Aaa AA+	0.580	0.580	3,000,000.00	3,000,000.00	2,663,610.00	(336,390.00)	Callable 01/28/23, Q
FEDERAL HOME LOAN BANK	01/28/21	01/28/26	Aaa AA+	0.700	0.610	3,000,000.00	3,000,000.00	2,699,250.00	(300,750.00)	
FEDERAL HOME LOAN BANK	01/28/21	01/28/26	Aaa AA+	0.750	0.650	3,000,000.00	3,000,000.00	2,703,630.00	(296,370.00)	
FEDERAL HOME LOAN BANK	02/25/21	11/25/25	Aaa AA+	0.500	0.500	3,000,000.00	3,000,000.00	2,672,940.00	(327,060.00)	Callable 02/25/23, A
FEDERAL HOME LOAN BANK	03/16/21	03/16/26	Aaa AA+	0.500	0.798	2,000,000.00	2,000,000.00	1,784,480.00	(215,520.00)	Callable 12/16/22, Q - S/U
FEDERAL HOME LOAN BANK	05/20/21	05/20/26	Aaa AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,784,360.00	(215,640.00)	Callable 02/20/23, Q
FEDERAL HOME LOAN BANK	05/26/21	12/26/25	Aaa AA+	0.900	0.900	3,000,000.00	3,000,000.00	2,698,620.00	(301,380.00)	Callable 02/26/23, Q
FEDERAL HOME LOAN BANK	05/26/21	11/26/24	Aaa AA+	0.550	0.550	2,000,000.00	2,000,000.00	1,843,540.00	(156,460.00)	Callable 02/26/23, Q
FEDERAL HOME LOAN BANK	06/10/21	06/10/25	Aaa AA+	0.690	0.690	2,000,000.00	2,000,000.00	1,816,860.00	(183,140.00)	Callable 12/10/22, Q
FEDERAL HOME LOAN BANK	06/10/21	06/10/26	Aaa AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,781,500.00	(218,500.00)	Callable 12/10/22, Q
FEDERAL HOME LOAN BANK	06/28/21	03/28/25	Aaa AA+	0.600	0.600	2,000,000.00	2,000,000.00	1,824,660.00	(175,340.00)	Callable 12/28/22, Q
FEDERAL HOME LOAN BANK	09/23/21	10/23/24	Aaa AA+	0.470	0.470	2,000,000.00	2,000,000.00	1,846,320.00	(153,680.00)	Callable 12/23/22, Q
FEDERAL HOME LOAN BANK	09/28/21	03/28/25	Aaa AA+	0.600	0.600	2,000,000.00	2,000,000.00	1,824,660.00	(175,340.00)	Callable 12/28/22, Q
FEDERAL HOME LOAN BANK	09/28/21	09/28/26	Aaa AA+	0.900	0.900	2,000,000.00	2,000,000.00	1,759,940.00	(240,060.00)	Callable 12/28/22, Q
FEDERAL HOME LOAN BANK	10/28/21	10/28/26	Aaa AA+	1.250	1.125	2,000,000.00	2,000,000.00	1,781,860.00	(218,140.00)	
FEDERAL HOME LOAN BANK	12/28/21	06/28/24	Aaa AA+	0.920	0.920	3,000,000.00	3,000,000.00	2,821,680.00	(178,320.00)	Callable 12/28/22, Q
FEDERAL HOME LOAN BANK	12/28/21	02/28/25	Aaa AA+	1.125	1.125	3,000,000.00	3,000,000.00	2,776,980.00	(223,020.00)	Callable 12/28/22, Q
FEDERAL HOME LOAN BANK	12/29/21	12/29/23	Aaa AA+	0.700	0.700	3,000,000.00	3,000,000.00	2,867,730.00	(132,270.00)	Callable, P
FEDERAL HOME LOAN BANK	12/30/21	12/30/24	Aaa AA+	1.000	1.000	3,000,000.00	3,000,000.00	2,789,280.00	(210,720.00)	Callable, P
FEDERAL HOME LOAN BANK	01/26/22	01/26/27	Aaa AA+	1.125	1.788	3,000,000.00	3,000,000.00	2,726,700.00	(273,300.00)	Callable 01/26/24, 1x - S/U
FEDERAL HOME LOAN BANK	02/28/22	05/28/24	Aaa AA+	1.450	1.450	3,000,000.00	3,000,000.00	2,851,950.00	(148,050.00)	Callable 02/28/23, 1x
FEDERAL HOME LOAN BANK	03/29/22	03/29/27	Aaa AA+	2.375	2.375	3,000,000.00	3,000,000.00	2,760,180.00	(239,820.00)	Callable 03/29/23, Q
FEDERAL HOME LOAN BANK	04/21/22	04/21/26	Aaa AA+	3.000	3.000	2,000,000.00	2,000,000.00	1,940,840.00	(59,160.00)	Callable 04/21/23, A
FEDERAL HOME LOAN BANK	04/25/22	04/25/25	Aaa AA+	2.750	2.750	2,000,000.00	2,000,000.00	1,909,000.00	(91,000.00)	Callable 04/25/23, 1x
FEDERAL HOME LOAN BANK	09/20/22	07/20/23	Aaa AA+	3.500	3.590	3,000,000.00	2,998,397.00	2,991,420.00	(6,977.00)	Callable 12/20/22, 1x
FEDERAL HOME LOAN BANK	11/29/22	11/28/23	Aaa AA+	4.875	4.875	3,000,000.00	3,000,000.00	3,001,380.00	1,380.00	
FEDERAL HOME LOAN MTG CORP	11/25/20	11/25/25	Aaa AA+	0.625	0.625	3,000,000.00	3,000,000.00	2,679,480.00	(320,520.00)	Callable on 11/25/23, A
FEDERAL HOME LOAN MTG CORP	11/24/20	11/24/23	Aaa AA+	0.320	0.320	3,000,000.00	3,000,000.00	2,866,710.00	(133,290.00)	Callable 02/24/23, Q
FEDERAL HOME LOAN MTG CORP	09/09/20	12/09/24	Aaa AA+	0.500	0.500	3,000,000.00	3,000,000.00	2,766,000.00	(234,000.00)	Callable 12/09/22, Q
FEDERAL HOME LOAN MTG CORP	06/22/22	03/22/24	Aaa AA+	2.750	2.738	4,000,000.00	4,000,000.00	3,904,720.00	(95,280.00)	Callable 06/22/23, 1x
FEDERAL HOME LOAN MTG CORP	06/23/22	06/23/27	Aaa AA+	3.500	3.500	3,000,000.00	3,000,000.00	2,903,880.00	(96,120.00)	Callable 12/23/22, Q
FEDERAL HOME LOAN MTG CORP	06/28/22	06/28/24	Aaa AA+	3.050	3.050	4,000,000.00	4,000,000.00	3,909,200.00	(90,800.00)	Callable 12/28/22, Q
FEDERAL HOME LOAN MTG CORP	09/29/22	09/29/27	Aaa AA+	4.750	4.750	3,000,000.00	3,000,000.00	3,002,160.00	2,160.00	Callable 09/29/23, Q
FEDERAL HOME LOAN MTG CORP	09/19/22	09/19/24	Aaa AA+	3.700	3.700	3,000,000.00	3,000,000.00	2,974,770.00	(25,230.00)	Callable 09/19/23, 1x
FEDERAL HOME LOAN MTG CORP	09/08/22	06/19/23	Aaa AA+	2.750	3.532	3,000,000.00	2,987,317.99	2,966,670.00	(20,647.99)	
FEDERAL HOME LOAN MTG CORP	11/22/22	11/22/27	Aaa AA+	5.125	5.125	3,000,000.00	3,000,000.00	3,034,590.00	34,590.00	Callable 11/22/24, 1x
FEDERAL HOME LOAN MTG CORP	11/30/22	08/28/24	Aaa AA+	5.000	5.005	3,000,000.00	3,000,000.00	3,000,540.00	540.00	Callable 08/28/23, 1x
FEDERAL NATL MORTGAGE ASSN	08/17/20	08/17/23	Aaa AA+	0.310	0.310	3,000,000.00	3,000,000.00	2,903,790.00	(96,210.00)	Callable 02/17/2023, Q
FEDERAL NATL MORTGAGE ASSN	08/26/20	08/26/25	Aaa AA+	0.600	0.600	4,000,000.00	4,000,000.00	3,606,200.00	(393,800.00)	Callable 02/26/23, Q
FEDERAL NATL MORTGAGE ASSN	11/17/20	05/17/24	Aaa AA+	0.375	0.375	3,000,000.00	3,000,000.00	2,811,450.00	(188,550.00)	Callable 02/17/2023, Q
Subtotal, Federal Agencies						161,000,000.00	160,945,607.56	151,628,280.00	(9,317,327.56)	

CITY OF SANTA BARBARA
Investment Portfolio
November 30, 2022

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING MOODY'S	S & P	STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
SUPRANATIONAL OBLIGATIONS											
INTERNATIONAL BANK FOR RECONST	01/22/21	10/28/25	Aaa	AAA	0.500	0.500	3,000,000.00	3,000,000.00	2,699,460.00	(300,540.00)	
INTERNATIONAL BANK FOR RECONST	09/09/22	09/09/27	Aaa	AAA	4.000	4.000	3,000,000.00	3,000,000.00	2,931,840.00	(68,160.00)	Callable 09/09/2024, A
INTERNATIONAL FINANCE CORP	02/22/21	08/22/24	Aaa	AAA	0.250	0.255	3,000,000.00	2,999,748.64	2,781,780.00	(217,968.64)	
INTERNATIONAL FINANCE CORP	03/23/21	03/23/26	Aaa	AAA	0.750	0.805	2,000,000.00	1,996,424.00	1,783,160.00	(213,264.00)	
INTERNATIONAL FINANCE CORP	06/03/21	07/16/25	Aaa	AAA	0.375	0.621	2,000,000.00	1,987,255.56	1,812,140.00	(175,115.56)	
INTERNATIONAL FINANCE CORP	03/14/22	03/20/23	Aaa	AAA	0.500	1.334	3,000,000.00	2,992,504.02	2,964,810.00	(27,694.02)	
Subtotal, Supranationals							16,000,000.00	15,975,932.22	14,973,190.00	(1,002,742.22)	
CORPORATE/MEDIUM TERM NOTES											
APPLE INC	04/23/19	05/03/23	Aaa	AA+	2.400	2.718	2,000,000.00	1,997,471.56	1,980,080.00	(17,391.56)	
APPLE INC	09/11/19	09/11/24	Aaa	AA+	1.800	1.903	2,000,000.00	1,996,522.67	1,911,540.00	(84,982.67)	
APPLE INC	02/17/21	02/08/26	Aaa	AA+	0.700	0.705	3,000,000.00	2,999,519.68	2,677,680.00	(321,839.68)	
BERKSHIRE HATHAWAY INC	04/05/18	03/15/23	Aa2	AA	2.750	3.016	2,000,000.00	1,998,581.39	1,990,760.00	(7,821.39)	
MICROSOFT CORP	05/23/19	08/08/23	Aaa	AAA	2.000	2.535	2,000,000.00	1,993,070.96	1,965,340.00	(27,730.96)	
TOYOTA MOTOR CREDIT	07/27/18	07/20/23	A1	A	3.419	3.392	2,000,000.00	2,000,311.63	1,983,440.00	(16,871.63)	
TOYOTA MOTOR CREDIT	03/16/20	02/13/25	A1	A	1.800	1.770	2,000,000.00	2,001,255.01	1,883,940.00	(117,315.01)	
Subtotal, Corporate Securities							15,000,000.00	14,986,732.90	14,392,780.00	(593,952.90)	
CHECKING ACCOUNT											
MUFG UNION BANK NA CHKNG ACCNT	-	-	-	-	0.750	0.750	19,210,182.36	19,210,182.36	19,210,182.36	0.00	
Subtotal, Checking Account							19,210,182.36	19,210,182.36	19,210,182.36	0.00	
TOTALS							328,210,182.36	327,581,640.76	313,365,552.36	(14,216,088.40)	

Market values have been obtained from the City's safekeeping agent, MUFG Union Bank, N.A. - The Private Bank (UBTPB).

INVESTMENT YIELDS





CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 10, 2023

TO: Mayor and Councilmembers

FROM: Accounting Division, Finance Department

SUBJECT: Fiscal Year 2023 Interim Financial Statements for the Five Months Ended November 30, 2022

RECOMMENDATION:

That Council accept the Fiscal Year 2023 Interim Financial Statements for the five months ended November 30, 2022.

DISCUSSION:

The interim financial statements for the five months ended November 30, 2022 (41.7% of the fiscal year) are attached. The interim financial statements include budgetary activity in comparison to actual activity for the General Fund, Enterprise Funds, Internal Service Funds, and select Special Revenue Funds.

ATTACHMENT: Interim Financial Statements for the Five Months Ended November 30, 2022

PREPARED BY: Doug B. Smith, Accounting Manager

SUBMITTED BY: Keith DeMartini, Finance Director

APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
Summary by Fund
For the Five Months Ended November 30, 2022 (41.7% of Fiscal Year)

	<u>Revised Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
GENERAL FUND (pages 3-7)						
Revenue	184,575,308	71,481,299	3,005	113,097,014	38.7%	69,909,802
Expenditures	<u>191,950,760</u>	<u>71,805,800</u>	<u>4,895,469</u>	115,249,490	40.0%	<u>70,256,296</u>
Addition to / (use of) reserves	<u>(7,375,452)</u>	<u>(324,501)</u>	<u>(4,898,474)</u>			<u>(346,494)</u>
SOLID WASTE FUND (page 9)						
Revenue	34,140,749	14,496,220	-	19,644,529	42.5%	14,157,903
Expenditures	<u>34,402,762</u>	<u>12,852,908</u>	<u>658,356</u>	20,891,497	39.3%	<u>11,637,920</u>
Addition to / (use of) reserves	<u>(262,013)</u>	<u>1,643,312</u>	<u>(658,356)</u>			<u>2,519,983</u>
WATER OPERATING FUND (page 10)						
Revenue	70,492,814	32,375,564	-	38,117,250	45.9%	30,454,748
Expenditures	<u>70,942,295</u>	<u>22,522,273</u>	<u>6,700,360</u>	41,719,662	41.2%	<u>27,172,635</u>
Addition to / (use of) reserves	<u>(449,481)</u>	<u>9,853,290</u>	<u>(6,700,360)</u>			<u>3,282,113</u>
WASTEWATER OPERATING FUND (page 11)						
Revenue	27,441,554	11,457,345	-	15,984,209	41.8%	10,845,485
Expenditures	<u>28,320,673</u>	<u>9,026,101</u>	<u>1,911,399</u>	17,383,172	38.6%	<u>8,856,422</u>
Addition to / (use of) reserves	<u>(879,119)</u>	<u>2,431,244</u>	<u>(1,911,399)</u>			<u>1,989,063</u>
DOWNTOWN PARKING FUND (page 12)						
Revenue	10,266,997	4,229,590	-	6,037,407	41.2%	2,866,315
Expenditures	<u>10,750,380</u>	<u>3,869,971</u>	<u>1,329,633</u>	5,550,777	48.4%	<u>3,081,003</u>
Addition to / (use of) reserves	<u>(483,383)</u>	<u>359,619</u>	<u>(1,329,633)</u>			<u>(214,688)</u>
AIRPORT OPERATING FUND (page 13)						
Revenue	27,185,151	11,178,770	-	16,006,381	41.1%	10,308,109
Expenditures	<u>30,498,023</u>	<u>9,736,203</u>	<u>3,327,636</u>	17,434,184	42.8%	<u>10,187,334</u>
Addition to / (use of) reserves	<u>(3,312,872)</u>	<u>1,442,566</u>	<u>(3,327,636)</u>			<u>120,775</u>
GOLF COURSE FUND (page 14)						
Revenue	3,837,489	1,856,492	-	1,980,997	48.4%	1,655,359
Expenditures	<u>3,294,658</u>	<u>1,271,075</u>	<u>1,678,461</u>	345,123	89.5%	<u>1,153,824</u>
Addition to / (use of) reserves	<u>542,831</u>	<u>585,417</u>	<u>(1,678,461)</u>			<u>501,535</u>
FACILITIES MANAGEMENT FUND (page 15)						
Revenue	6,974,899	2,853,867	-	4,121,032	40.9%	2,512,006
Expenditures	<u>7,277,281</u>	<u>2,588,959</u>	<u>647,438</u>	4,040,885	44.5%	<u>2,553,251</u>
Addition to / (use of) reserves	<u>(302,382)</u>	<u>264,908</u>	<u>(647,438)</u>			<u>(41,245)</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
Summary by Fund
For the Five Months Ended November 30, 2022 (41.7% of Fiscal Year)

	Revised Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
FLEET REPLACEMENT FUND (page 16)						
Revenue	3,761,445	1,460,566	-	2,300,880	38.8%	1,428,778
Expenditures	3,946,635	380,292	1,105,177	2,461,166	37.6%	1,006,619
<i>Addition to / (use of) reserves</i>	<u>(185,190)</u>	<u>1,080,273</u>	<u>(1,105,177)</u>			<u>422,159</u>
FLEET MAINTENANCE FUND (page 17)						
Revenue	3,226,802	1,364,628	-	1,862,174	42.3%	1,245,360
Expenditures	3,282,043	1,267,158	324,107	1,690,777	48.5%	1,202,333
<i>Addition to / (use of) reserves</i>	<u>(55,241)</u>	<u>97,469</u>	<u>(324,107)</u>			<u>43,026</u>
SELF INSURANCE TRUST FUND (page 18)						
Revenue	13,067,765	5,425,834	-	7,641,931	41.5%	4,153,497
Expenditures	14,203,713	5,161,171	386,856	8,655,686	39.1%	4,391,828
<i>Addition to / (use of) reserves</i>	<u>(1,135,948)</u>	<u>264,664</u>	<u>(386,856)</u>			<u>(238,331)</u>
INFORMATION TECHNOLOGY FUND (page 19)						
Revenue	5,261,982	2,114,897	-	3,147,085	40.2%	1,904,160
Expenditures	5,158,024	2,578,498	49,963	2,529,563	51.0%	2,407,651
<i>Addition to / (use of) reserves</i>	<u>103,958</u>	<u>(463,601)</u>	<u>(49,963)</u>			<u>(503,492)</u>
WATERFRONT OPERATING FUND (page 20)						
Revenue	17,036,131	8,612,967	-	8,423,165	50.6%	7,600,136
Expenditures	19,277,276	7,593,110	950,673	10,733,494	44.3%	6,503,357
<i>Addition to / (use of) reserves</i>	<u>(2,241,145)</u>	<u>1,019,857</u>	<u>(950,673)</u>			<u>1,096,779</u>
SANTA BARBARA CLEAN ENERGY FUND (page 21)						
Revenue	34,000,000	13,085,817	-	20,914,183	38.5%	704,749
Expenditures	33,400,235	11,060,788	1,974,486	20,364,961	39.0%	570,883
<i>Addition to / (use of) reserves</i>	<u>599,765</u>	<u>2,025,029</u>	<u>(1,974,486)</u>			<u>133,865</u>
ENERGY AND CLIMATE MANAGEMENT FUND (page 22)						
Revenue	2,552,568	1,142,170	-	1,410,398	44.7%	1,156,155
Expenditures	2,922,691	799,152	279,599	1,843,939	36.9%	687,605
<i>Addition to / (use of) reserves</i>	<u>(370,123)</u>	<u>343,018</u>	<u>(279,599)</u>			<u>468,550</u>
TOTAL FOR ALL FUNDS						
Revenue	443,821,654	183,136,025	3,005	260,688,633	41.3%	160,902,562
Expenditures	459,627,451	162,513,460	26,219,615	270,894,376	41.1%	151,668,962
<i>Addition to / (use of) reserves</i>	<u>(15,805,797)</u>	<u>20,622,566</u>	<u>(26,222,620)</u>			<u>9,233,600</u>

*** It is City policy to adopt a balanced budget. In most cases, encumbrance balances exist at year-end. These encumbrance balances are obligations of each fund and must be reported at the beginning of each fiscal year. In addition, a corresponding appropriations entry must be made in order to accommodate the 'carried-over' encumbrance amount. Most differences between budgeted annual revenues and expenses are due to these encumbrance carryovers.*

CITY OF SANTA BARBARA
General Fund
Interim Statement of Budgeted and Actual Revenues
For the Five Months Ended November 30, 2022 (41.7% of Fiscal Year)

	Revised Budget	YTD Actual	Remaining Balance	Percent Received	Previous YTD	Change Over Prior Year
TAXES						
Sales and Use	26,704,042	12,786,838	13,917,204	47.9%	12,782,611	0.0%
Measure C Sales Tax	28,323,342	13,722,527	14,600,815	48.4%	13,429,375	2.2%
Property Taxes	43,250,489	6,090,018	37,160,471	14.1%	5,642,696	7.9%
Utility Users Tax	7,779,112	2,969,831	4,809,281	38.2%	3,229,535	-8.0%
Transient Occupancy Tax	23,583,553	14,108,393	9,475,160	59.8%	12,976,346	8.7%
Business License	2,714,006	655,606	2,058,400	24.2%	956,595	-31.5%
Cannabis Excise Tax	1,879,977	583,993	1,295,984	31.1%	815,935	-28.4%
Real Property Transfer Tax	1,328,218	492,528	835,690	37.1%	630,727	-21.9%
<i>Total Tax Revenues</i>	<u>135,562,739</u>	<u>51,409,734</u>	<u>84,153,005</u>	<u>37.9%</u>	<u>50,463,821</u>	<u>1.9%</u>
LICENSES & PERMITS						
Licenses & Permits	159,858	59,407	100,451	37.2%	85,504	-30.5%
<i>Total</i>	<u>159,858</u>	<u>59,407</u>	<u>100,451</u>	<u>37.2%</u>	<u>85,504</u>	<u>-30.5%</u>
FINES & FORFEITURES						
Police	2,358,618	524,244	1,834,374	22.2%	1,236,146	-57.6%
Other Fines & Forfeitures	660,302	308,366	351,936	46.7%	19,526	1479.2%
<i>Total</i>	<u>3,018,920</u>	<u>832,610</u>	<u>2,186,310</u>	<u>27.6%</u>	<u>1,255,672</u>	<u>-33.7%</u>
USE OF MONEY & PROPERTY						
Investment Income	529,185	438,719	90,466	82.9%	142,819	207.2%
Rents & Concessions	1,392,631	602,883	789,748	43.3%	356,548	69.1%
<i>Total</i>	<u>1,921,816</u>	<u>1,041,603</u>	<u>880,213</u>	<u>54.2%</u>	<u>499,367</u>	<u>108.6%</u>
INTERGOVERNMENTAL						
Library	905,598	16,454	889,143	1.8%	165,460	-90.1%
Fire	1,000,000	128,314	871,686	12.8%	240,864	-46.7%
Other Intergovernmental	709,932	139,543	570,389	19.7%	209,064	-33.3%
<i>Total</i>	<u>2,615,530</u>	<u>284,311</u>	<u>2,331,219</u>	<u>10.9%</u>	<u>615,388</u>	<u>-53.8%</u>
FEES & SERVICE CHARGES						
Community Development	6,313,279	3,283,348	3,029,931	52.0%	3,275,347	0.2%
Parks & Recreation	4,511,330	2,024,164	2,487,166	44.9%	1,793,488	12.9%
Other Service Charges	4,042,475	1,898,817	2,143,659	47.0%	1,310,995	44.8%
<i>Total</i>	<u>14,867,084</u>	<u>7,206,329</u>	<u>7,660,756</u>	<u>48.5%</u>	<u>6,379,830</u>	<u>13.0%</u>
OTHER REVENUES						
Interfund Charges & Reimbursement	11,944,594	4,270,293	7,674,301	35.8%	4,117,298	3.7%
Overhead Indirect Allocations	9,654,155	4,004,325	5,649,830	41.5%	3,744,608	6.9%
Interfund Transfers	592,510	247,427	345,083	41.8%	813,124	-69.6%
Interfund Loans	(24,140)	10,058	(34,198)	-41.7%	10,058	0.0%
Miscellaneous	116,442	222,317	(105,875)	190.9%	59,241	275.3%
Donations	138,709	1,165	137,544	0.8%	2,295	-49.2%
Franchise Fees	4,007,090	1,891,720	2,115,370	47.2%	1,863,596	1.5%
<i>Total</i>	<u>26,429,360</u>	<u>10,647,305</u>	<u>15,782,055</u>	<u>40.3%</u>	<u>10,610,221</u>	<u>0.3%</u>
<i>Subtotal Non-Tax Revenues</i>	<u>49,012,569</u>	<u>20,071,565</u>	<u>28,941,004</u>	<u>41.0%</u>	<u>19,445,982</u>	<u>3.2%</u>
TOTAL REVENUES	<u>184,575,308</u>	<u>71,481,299</u>	<u>113,094,009</u>	<u>38.7%</u>	<u>69,909,802</u>	<u>2.2%</u>

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Five Months Ended November 30, 2022 (41.7% of Fiscal Year)

	Revised Budget	YTD Actual	Encum- brances	Remaining Balance	YTD Expended and Encumbered	Previous YTD
GENERAL GOVERNMENT						
<u>Mayor & City Council</u>						
MAYOR & CITY COUNCIL	1,045,553	389,223	9,936	646,394	38.2%	367,146
ARTS AND COMMUNITY PROMOTIONS	2,324,403	1,133,101	1,073,034	118,268	94.9%	1,011,613
<i>Total</i>	<u>3,369,956</u>	<u>1,522,324</u>	<u>1,082,970</u>	<u>764,662</u>	<u>77.3%</u>	<u>1,378,759</u>
<u>City Attorney</u>						
CITY ATTORNEY-ADMINISTRATION	1,041,128	387,861	192,691	460,575	55.8%	391,009
CITY ATTORNEY-ADVISORY	1,510,447	598,196	-	912,251	39.6%	584,068
CITY ATTORNEY-CIVIL LITIGATION	1,433,714	498,235	-	935,479	34.8%	414,230
CITY ATTORNEY-CODE ENFORCEMENT	511,545	170,846	-	340,699	33.4%	196,220
<i>Total</i>	<u>4,496,834</u>	<u>1,655,138</u>	<u>192,691</u>	<u>2,649,004</u>	<u>41.1%</u>	<u>1,585,527</u>
<u>Administration</u>						
CITY ADMINISTRATOR	2,499,241	815,364	62,747	1,621,129	35.1%	809,924
CITY TV	729,923	293,401	106,012	330,510	54.7%	240,745
CITY CLERK	721,579	255,187	30,684	435,707	39.6%	298,677
<i>Total</i>	<u>3,950,742</u>	<u>1,363,953</u>	<u>199,443</u>	<u>2,387,346</u>	<u>39.6%</u>	<u>1,349,346</u>
<u>Human Resources</u>						
HUMAN RESOURCES	2,579,904	775,969	33,326	1,770,609	31.4%	684,525
EMPLOYEE RELATIONS	425,310	113,776	76,547	234,987	44.7%	90,070
EMPLOYEE DEVELOPMENT	42,699	4,701	-	37,998	11.0%	1,708
<i>Total</i>	<u>3,047,913</u>	<u>894,446</u>	<u>109,873</u>	<u>2,043,594</u>	<u>33.0%</u>	<u>776,303</u>
<u>Finance</u>						
ADMINISTRATION	331,809	125,426	38,631	167,752	49.4%	171,457
REVENUE & CASH MANAGEMENT	773,693	233,332	12,243	528,118	31.7%	218,989
CASHIERING & COLLECTION	636,968	220,227	-	416,741	34.6%	236,135
LICENSES & PERMITS	766,641	211,085	2,942	552,614	27.9%	180,967
BUDGET MANAGEMENT	816,288	384,410	1	431,877	47.1%	227,770
ACCOUNTING	1,141,852	412,479	77,470	651,903	42.9%	388,683
PAYROLL	479,984	190,008	-	289,976	39.6%	188,695
ACCOUNTS PAYABLE	278,278	114,914	-	163,365	41.3%	107,855
CITY BILLING & CUSTOMER SERVICE	833,618	235,820	2,376	595,423	28.6%	246,278
PURCHASING	840,556	329,064	57	511,436	39.2%	352,708
CENTRAL WAREHOUSE	244,738	97,181	-	147,557	39.7%	96,423
MAIL SERVICES	163,466	62,085	2,574	98,806	39.6%	58,910
<i>Total</i>	<u>7,307,891</u>	<u>2,616,029</u>	<u>136,293</u>	<u>4,555,569</u>	<u>37.7%</u>	<u>2,474,869</u>
TOTAL GENERAL GOVERNMENT	<u>22,173,337</u>	<u>8,051,890</u>	<u>1,721,271</u>	<u>12,400,176</u>	<u>44.1%</u>	<u>7,564,803</u>

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Five Months Ended November 30, 2022 (41.7% of Fiscal Year)

	Revised Budget	YTD Actual	Encum- brances	Remaining Balance	YTD Expended and Encumbered	Previous YTD
PUBLIC SAFETY						
<u>Police</u>						
CHIEF'S STAFF	717,769	537,435	3,732	176,602	75.4%	750,434
BUSINESS OFFICE	675,625	230,811	4,130	440,684	34.8%	216,573
RECORDS BUREAU	2,142,109	648,986	2,292	1,490,832	30.4%	700,752
STRATEGIC OPERATIONS AND PERSONNEL	1,902,857	772,444	206,672	923,741	51.5%	772,634
PROPERTY ROOM	259,996	104,569	-	155,428	40.2%	79,295
TRAINING, RECRUITMENT AND WELLNESS	2,118,941	690,684	58,948	1,369,309	35.4%	672,709
RANGE AND EQUIPMENT	1,553,310	660,098	19,675	873,537	43.8%	618,710
COMMUNITY & MEDIA RELATIONS	488,574	61,730	-	426,844	12.6%	149,403
INFORMATION TECHNOLOGY/CRIME ANALYSIS	1,736,115	894,095	36,664	805,356	53.6%	773,480
CRIMINAL INVESTIGATIONS & INTERNAL OP'S	6,549,715	2,219,806	6,442	4,323,467	34.0%	2,196,269
CRIME LAB	170,298	61,499	-	108,800	36.1%	62,069
FIELD OPERATIONS DIVISION	23,290,608	8,247,499	11,846	15,031,263	35.5%	7,499,821
TRAFFIC	772,855	190,300	-	582,555	24.6%	467,611
SPECIAL EVENTS	627,643	385,285	544	241,814	61.5%	406,978
STREET CRIMES UNIT	2,731,971	601,117	-	2,130,854	22.0%	502,473
SPECIAL ENFORCEMENT TEAM	884,466	95,166	-	789,299	10.8%	384,653
PARKING AND STREET SWEEPING	397,555	165,873	-	231,682	41.7%	152,856
PARKING ENFORCEMENT	1,482,760	291,446	100,406	1,090,907	26.4%	365,756
COMBINED COMMUNICATIONS CENTER	3,129,417	1,349,467	-	1,779,950	43.1%	1,336,781
ANIMAL CONTROL	954,668	285,037	117,251	552,379	42.1%	300,309
<i>Total</i>	<u>52,587,249</u>	<u>18,493,345</u>	<u>568,601</u>	<u>33,525,303</u>	<u>36.2%</u>	<u>18,409,566</u>
<u>Fire</u>						
ADMINISTRATION	1,322,186	522,993	601	798,592	39.6%	457,187
EMERGENCY SERVICES AND PUBLIC ED	578,117	180,468	-	397,648	31.2%	197,697
PREVENTION	1,598,680	520,082	525	1,078,074	32.6%	514,242
WILDLAND FIRE MITIGATION PROGRAM	738,902	144,153	21,041	573,708	22.4%	94,820
OPERATIONS	26,399,047	10,350,635	113,632	15,934,780	39.6%	11,255,514
TRAINING AND RECRUITMENT	1,187,072	306,456	-	880,617	25.8%	250,331
ARFF	3,105,504	1,273,455	21,890	1,810,159	41.7%	1,226,851
<i>Total</i>	<u>34,929,508</u>	<u>13,298,241</u>	<u>157,689</u>	<u>21,473,578</u>	<u>38.5%</u>	<u>13,996,641</u>
TOTAL PUBLIC SAFETY	<u>87,516,757</u>	<u>31,791,586</u>	<u>726,289</u>	<u>54,998,881</u>	<u>37.2%</u>	<u>32,406,207</u>
PUBLIC WORKS						
<u>Public Works</u>						
ADMINISTRATION	1,464,933	532,917	21,590	910,427	37.9%	502,732
ENGINEERING SVCS	7,094,124	2,289,705	49,810	4,754,609	33.0%	2,316,179
PUBLIC RT OF WAY MGMT	2,092,273	632,196	41,645	1,418,431	32.2%	641,479
ENVIRONMENTAL PROGRAMS	806,576	181,765	192,645	432,167	46.4%	271,894
<i>Total</i>	<u>11,457,906</u>	<u>3,636,583</u>	<u>305,689</u>	<u>7,515,634</u>	<u>34.4%</u>	<u>3,732,283</u>
TOTAL PUBLIC WORKS	<u>11,457,906</u>	<u>3,636,583</u>	<u>305,689</u>	<u>7,515,634</u>	<u>34.4%</u>	<u>3,732,283</u>

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Five Months Ended November 30, 2022 (41.7% of Fiscal Year)

	Revised Budget	YTD Actual	Encum- brances	Remaining Balance	YTD Expended and Encumbered	Previous YTD
COMMUNITY SERVICES						
<u>Parks & Recreation</u>						
REC PROGRAM MGMT	1,102,673	343,817	20,831	738,025	33.1%	246,040
FACILITIES & SPECIAL EVENTS	1,574,152	611,228	238,400	724,524	54.0%	473,525
YOUTH ACTIVITIES	1,631,330	682,745	17,046	931,539	42.9%	575,185
ACTIVE ADULTS	1,109,737	378,877	9,203	721,658	35.0%	360,893
AQUATICS	2,223,422	915,655	152,391	1,155,376	48.0%	888,218
SPORTS	856,188	284,530	145,718	425,940	50.3%	275,401
TENNIS	558,388	181,051	154,350	222,987	60.1%	164,630
NEIGHBORHOOD & OUTREACH SERV	1,235,466	438,514	11,696	785,256	36.4%	409,478
ADMINISTRATION	1,249,735	462,894	795	786,047	37.1%	415,868
PROJECT MANAGEMENT TEAM	722,212	254,854	20,567	446,791	38.1%	204,579
PARK OPERATIONS MANAGEMENT	1,043,643	399,673	3,114	640,856	38.6%	249,906
GROUND & FACILITIES MAINTENANCE	5,926,303	2,283,981	123,606	3,518,716	40.6%	2,112,864
FORESTRY	1,607,592	549,894	108,032	949,666	40.9%	542,706
BEACH MAINTENANCE	158,254	42,172	7,723	108,359	31.5%	62,198
MEDIANS PARKWAYS & CONTRACTS	607,447	164,585	119,922	322,939	46.8%	201,538
<i>Total</i>	<u>21,606,542</u>	<u>7,994,470</u>	<u>1,133,392</u>	<u>12,478,680</u>	<u>42.2%</u>	<u>7,183,029</u>
<u>Library</u>						
ADMINISTRATION	932,821	413,350	51,823	467,647	49.9%	239,563
CENTRAL LIBRARY	5,946,744	2,103,459	60,400	3,782,886	36.4%	1,806,722
EASTSIDE LIBRARY	386,328	110,932	1,556	273,839	29.1%	127,847
LIBRARY ON THE GO	192,691	48,450	-	144,241	25.1%	37,921
ADULT EDUCATION	212,056	12,844	-	199,212	6.1%	-
<i>Total</i>	<u>7,670,640</u>	<u>2,689,035</u>	<u>113,780</u>	<u>4,867,825</u>	<u>36.5%</u>	<u>2,212,053</u>
TOTAL COMMUNITY SERVICES	<u>29,277,182</u>	<u>10,683,505</u>	<u>1,247,172</u>	<u>17,346,505</u>	<u>40.8%</u>	<u>9,395,082</u>
COMMUNITY DEVELOPMENT						
<u>Community Development</u>						
ADMINISTRATION	2,014,906	799,841	46,306	1,168,758	42.0%	561,329
RENTAL HOUSING MEDIATION	321,113	118,533	-	202,580	36.9%	117,166
HUMAN SERVICES	862,824	173,087	491,200	198,538	77.0%	295,580
LONG RANGE PLAN & SPEC STUDY	995,328	365,857	349	629,122	36.8%	422,864
DEVEL & ENVIRONMENTAL REVIEW	1,736,654	595,709	14,759	1,126,186	35.2%	604,945
ZONING INFO & ENFORCEMENT	1,744,050	521,354	18,131	1,204,565	30.9%	558,416
DESIGN REV & HIST PRESERVATION	1,582,720	553,845	3,244	1,025,631	35.2%	614,242
BLDG INSP & CODE ENFORCEMENT	1,776,300	518,240	32,731	1,225,330	31.0%	718,257
RECORDS ARCHIVES & CLER SVCS	797,593	261,826	39,798	495,970	37.8%	268,404
BLDG COUNTER & PLAN REV SVCS	2,646,010	855,694	190,995	1,599,320	39.6%	850,254
CODE COMPLIANCE	771,758	213,930	213	557,615	27.7%	-
<i>Total</i>	<u>15,249,256</u>	<u>4,977,916</u>	<u>837,727</u>	<u>9,433,614</u>	<u>38.1%</u>	<u>5,011,456</u>
TOTAL COMMUNITY DEVELOPMENT	<u>15,249,256</u>	<u>4,977,916</u>	<u>837,727</u>	<u>9,433,614</u>	<u>38.1%</u>	<u>5,011,456</u>

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Five Months Ended November 30, 2022 (41.7% of Fiscal Year)

	Revised Budget	YTD Actual	Encum- brances	Remaining Balance	YTD Expended and Encumbered	Previous YTD
SUSTAINABILITY AND RESILIENCE						
<u>Sustainability and Resilience</u>						
ADMINISTRATION	222,146	41,083	57,322	123,741	44.3%	17,999
<i>Total</i>	222,146	41,083	57,322	123,741	44.3%	17,999
TOTAL SUSTAINABILITY AND RESILIENCE	222,146	41,083	57,322	123,741	44.3%	17,999
NON-DEPARTMENTAL						
<u>Non-Departmental</u>						
ANTICIPATED SALARY SAVINGS	(4,420,842)	-	-	(4,420,842)	0.0%	-
TRANSFERS OUT	858,743	357,810	-	500,933	41.7%	1,439,541
CAPITAL OUTLAY TRANSFER	29,437,026	12,265,427	-	17,171,599	41.7%	10,688,924
APPROP. RESERVE	179,250	-	-	179,250	0.0%	-
<i>Total</i>	26,054,177	12,623,237	-	13,430,940	48.4%	12,128,466
TOTAL NON-DEPARTMENTAL	26,054,177	12,623,237	-	13,430,940	48.4%	12,128,466
TOTAL EXPENDITURES	191,950,760	71,805,800	4,895,469	115,249,490	40.0%	70,256,296

*** The legal level of budgetary control is at the department level for the General Fund. Therefore, as long as the department as a whole is within budget, budgetary compliance has been achieved. The City actively monitors the budget status of each department and takes measures to address potential over budget situations before they occur.*

For Enterprise and Internal Service Funds, the level of budgetary control is at the fund level. The City also monitors and addresses these fund types for potential over budget situations.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
Special Revenue Funds
For the Five Months Ended November 30, 2022 (41.7% of Fiscal Year)

	Revised Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
TRAFFIC SAFETY FUND						
Revenue	245,000	70,854	-	174,146	28.9%	94,195
Expenditures	245,000	70,854	-	174,146	28.9%	94,195
<i>Revenue Less Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>
CREEK RESTORATION/WATER QUALITY IMPRVMT						
Revenue	4,845,513	2,909,634	-	1,935,879	60.0%	2,638,530
Expenditures	5,253,695	1,695,414	630,262	2,928,019	44.3%	1,373,644
<i>Revenue Less Expenditures</i>	<u>(408,182)</u>	<u>1,214,220</u>	<u>(630,262)</u>	<u>(992,140)</u>		<u>1,264,886</u>
COMMUNITY DEVELOPMENT BLOCK GRANT						
Revenue	1,166,858	119,773	-	1,047,085	10.3%	287,676
Expenditures	2,424,220	226,762	893,794	1,303,664	46.2%	456,399
<i>Revenue Less Expenditures</i>	<u>(1,257,362)</u>	<u>(106,989)</u>	<u>(893,794)</u>	<u>(256,578)</u>		<u>(168,723)</u>
COUNTY LIBRARY						
Revenue	446,729	1,630	-	445,099	0.4%	1,855
Expenditures	466,874	157,383	13,344	296,147	36.6%	322,855
<i>Revenue Less Expenditures</i>	<u>(20,146)</u>	<u>(155,754)</u>	<u>(13,344)</u>	<u>148,952</u>		<u>(321,000)</u>
STREETS FUND						
Revenue	13,178,081	5,407,188	-	7,770,893	41.0%	5,385,692
Expenditures	13,326,601	4,980,079	316,797	8,029,726	39.7%	4,779,102
<i>Revenue Less Expenditures</i>	<u>(148,520)</u>	<u>427,110</u>	<u>(316,797)</u>	<u>(258,833)</u>		<u>606,590</u>
MEASURE A FUND						
Revenue	5,045,484	1,915,934	-	3,129,550	38.0%	1,712,013
Expenditures	5,059,908	1,702,341	381,904	2,975,664	41.2%	1,522,969
<i>Revenue Less Expenditures</i>	<u>(14,424)</u>	<u>213,593</u>	<u>(381,904)</u>	<u>153,886</u>		<u>189,044</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Five Months Ended November 30, 2022 (41.7% of Fiscal Year)

SOLID WASTE FUND

	Revised Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Service charges	33,716,747	13,991,100	-	19,725,647	41.5%	13,241,497
Other Fees & Charges	70,000	15,655	-	54,345	22.4%	888,151
Investment Income	44,500	40,136	-	4,364	90.2%	12,283
Grants	23,279	155,450	-	(132,171)	667.8%	23,211
Miscellaneous	286,223	293,880	-	(7,657)	102.7%	(7,238)
TOTAL REVENUES	34,140,749	14,496,220	-	19,644,529	42.5%	14,157,903
EXPENSES						
Salaries & Benefits	1,736,916	540,415	-	1,196,502	31.1%	600,287
Materials, Supplies & Services	30,916,125	12,170,248	479,576	18,266,301	40.9%	10,953,885
Special Projects	1,366,410	70,255	33,398	1,262,757	7.6%	51,747
Transfers-Out	50,000	20,833	-	29,167	41.7%	20,833
Capital Outlay Transfers	973	405	-	568	41.7%	811
Equipment	269,918	50,752	145,382	73,784	72.7%	10,357
Other	40,000	-	-	40,000	0.0%	-
Appropriated Reserve	22,420	-	-	22,420	0.0%	-
TOTAL EXPENSES	34,402,762	12,852,908	658,356	20,891,497	39.3%	11,637,920
<i>Revenue Less Expense</i>	<u>(262,013)</u>	<u>1,643,312</u>	<u>(658,356)</u>	<u>(1,246,969)</u>		<u>2,519,983</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Five Months Ended November 30, 2022 (41.7% of Fiscal Year)

WATER OPERATING FUND

	Revised Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Water Sales- Metered	60,197,486	28,207,653	-	31,989,833	46.9%	27,784,411
Service Charges	208,765	126,774	-	81,991	60.7%	150,565
Cater JPA Treatment Charges	2,359,556	683,750	-	1,675,806	29.0%	909,697
Investment Income	901,175	628,460	-	272,715	69.7%	282,722
Reimbursements	6,759,704	2,649,008	-	4,110,696	39.2%	1,075,543
Miscellaneous	66,128	79,918	-	(13,790)	120.9%	115,867
TOTAL REVENUES	70,492,814	32,375,564	-	38,117,250	45.9%	30,454,748
EXPENSES						
Salaries & Benefits	13,981,945	4,845,892	-	9,136,053	34.7%	4,786,806
Materials, Supplies & Services	21,048,760	6,231,127	6,336,683	8,480,950	59.7%	5,212,782
Special Projects	803,622	156,118	244,318	403,186	49.8%	142,878
Water Purchases	11,084,565	3,318,345	-	7,766,220	29.9%	3,892,719
Debt Service	9,221,536	2,006,993	-	7,214,543	21.8%	1,943,199
Capital Outlay Transfers	14,080,186	5,866,744	-	8,213,442	41.7%	11,062,745
Equipment	247,606	20,236	5,683	221,687	10.5%	27,776
Capitalized Fixed Assets	290,275	42,330	113,676	134,269	53.7%	72,254
Other	33,800	34,488	-	(688)	102.0%	31,475
Appropriated Reserve	150,000	-	-	150,000	0.0%	-
TOTAL EXPENSES	70,942,295	22,522,273	6,700,360	41,719,662	41.2%	27,172,635
<i>Revenue Less Expense</i>	(449,481)	9,853,290	(6,700,360)	(3,602,411)		3,282,113

NOTE-These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Five Months Ended November 30, 2022 (41.7% of Fiscal Year)

WASTEWATER OPERATING FUND

	Revised Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Service Charges	26,609,956	11,047,217	-	15,562,739	41.5%	10,563,052
Fees	584,826	267,596	-	317,231	45.8%	196,442
Investment Income	180,700	118,936	-	61,764	65.8%	56,108
Rents & Concessions	61,072	20,418	-	40,655	33.4%	25,447
Miscellaneous	5,000	3,179	-	1,821	63.6%	4,437
TOTAL REVENUES	27,441,554	11,457,345	-	15,984,209	41.8%	10,845,485
EXPENSES						
Salaries & Benefits	8,562,134	3,155,138	-	5,406,996	36.8%	3,019,222
Materials, Supplies & Services	10,216,367	3,345,943	1,579,915	5,290,509	48.2%	3,070,322
Special Projects	993,283	20,700	329,984	642,599	35.3%	119,472
Debt Service	3,551,087	480,880	-	3,070,207	13.5%	502,005
Capital Outlay Transfers	4,743,055	1,976,273	-	2,766,782	41.7%	2,058,267
Equipment	128,500	18,794	-	109,706	14.6%	42,749
Capitalized Fixed Assets	122,246	26,860	-	95,386	22.0%	42,899
Other	4,000	1,513	1,500	988	75.3%	1,485
TOTAL EXPENSES	28,320,673	9,026,101	1,911,399	17,383,172	38.6%	8,856,422
<i>Revenue Less Expense</i>	<i>(879,119)</i>	<i>2,431,244</i>	<i>(1,911,399)</i>	<i>(1,398,963)</i>		<i>1,989,063</i>

NOTE-These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Five Months Ended November 30, 2022 (41.7% of Fiscal Year)

DOWNTOWN PARKING FUND

	Revised Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Improvement Tax	900,000	550,433	-	349,567	61.2%	446,267
Parking Fees	8,283,728	3,158,708	-	5,125,020	38.1%	1,816,517
Other Fees & Charges	30,000	6,463	-	23,537	21.5%	11,531
Investment Income	37,400	25,240	-	12,160	67.5%	12,168
Rents & Concessions	157,760	136,771	-	20,989	86.7%	68,233
Miscellaneous	144,366	54,583	-	89,783	37.8%	206,727
Operating Transfers-In	713,743	297,393	-	416,350	41.7%	304,873
TOTAL REVENUES	10,266,997	4,229,590	-	6,037,407	41.2%	2,866,315
EXPENSES						
Salaries & Benefits	5,255,213	1,888,524	-	3,366,689	35.9%	1,608,625
Materials, Supplies & Services	4,277,554	1,596,666	994,755	1,686,133	60.6%	1,200,087
Special Projects	439,362	79,541	334,878	24,943	94.3%	175,710
Capital Outlay Transfers	721,087	300,453	-	420,634	41.7%	94,344
Equipment	47,165	4,787	-	42,378	10.2%	2,237
Appropriated Reserve	10,000	-	-	10,000	0.0%	-
TOTAL EXPENSES	10,750,380	3,869,971	1,329,633	5,550,777	48.4%	3,081,003
<i>Revenue Less Expense</i>	(483,383)	359,619	(1,329,633)	486,630		(214,688)

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CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Five Months Ended November 30, 2022 (41.7% of Fiscal Year)

AIRPORT OPERATING FUND

	Revised Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Leases-Commercial/Industrial	5,607,214	2,043,490	-	3,563,724	36.4%	2,223,004
Leases-Terminal	9,757,487	4,449,122	-	5,308,365	45.6%	3,681,999
Leases-Non-Commercial Aviation	4,658,247	2,019,383	-	2,638,864	43.4%	2,073,559
Leases-Commercial Aviation	6,374,208	2,464,619	-	3,909,589	38.7%	2,111,424
Investment Income	200,500	153,523	-	46,977	76.6%	59,280
Grants	437,036	-	-	437,036	0.0%	-
Miscellaneous	150,459	47,957	-	102,502	31.9%	33,169
TOTAL REVENUES	27,185,151	11,178,770	-	16,006,381	41.1%	10,308,109
EXPENSES						
Salaries & Benefits	10,376,693	3,726,243	-	6,650,449	35.9%	3,451,475
Materials, Supplies & Services	13,141,778	4,404,308	2,188,893	6,548,577	50.2%	3,927,007
Special Projects	3,439,705	272,540	1,091,124	2,076,041	39.6%	224,379
Transfer-Out	250,000	104,167	-	145,833	41.7%	-
Debt Service	1,551,750	646,563	-	905,188	41.7%	648,229
Capital Outlay Transfers	1,352,551	563,563	-	788,988	41.7%	1,870,597
Equipment	253,990	18,820	47,619	187,551	26.2%	65,646
Appropriated Reserve	131,556	-	-	131,556	0.0%	-
TOTAL EXPENSES	30,498,023	9,736,203	3,327,636	17,434,184	42.8%	10,187,334
<i>Revenue Less Expense</i>	<i>(3,312,872)</i>	<i>1,442,566</i>	<i>(3,327,636)</i>	<i>(1,427,802)</i>		<i>120,775</i>

NOTE-These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Five Months Ended November 30, 2022 (41.7% of Fiscal Year)

GOLF COURSE FUND

	Revised Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Fees & Card Sales	3,652,737	1,742,034	-	1,910,703	47.7%	1,577,926
Investment Income	22,500	18,236	-	4,264	81.0%	6,981
Rents & Concessions	162,252	95,399	-	66,853	58.8%	70,956
TOTAL REVENUES	3,837,489	1,856,492	-	1,980,997	48.4%	1,655,359
EXPENSES						
Salaries & Benefits	87,333	33,060	-	54,273	37.9%	30,702
Materials, Supplies & Services	2,937,895	1,142,852	1,678,461	116,583	96.0%	1,035,356
Debt Service	41,430	-	-	41,430	0.0%	-
Capital Outlay Transfers	228,000	95,000	-	133,000	41.7%	87,765
Equipment	-	163	-	(163)	100.0%	-
TOTAL EXPENSES	3,294,658	1,271,075	1,678,461	345,123	89.5%	1,153,824
<i>Revenue Less Expense</i>	542,831	585,417	(1,678,461)	1,635,874		501,535

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CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Five Months Ended November 30, 2022 (41.7% of Fiscal Year)

FACILITIES MANAGEMENT FUND

	Revised Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Service Charges	3,355,887	1,398,286	-	1,957,601	41.7%	1,286,627
Work Orders - Bldg Maint.	3,608,512	1,455,492	-	2,153,020	40.3%	1,223,778
Miscellaneous	10,500	89	-	10,411	0.8%	1,602
TOTAL REVENUES	6,974,899	2,853,867	-	4,121,032	40.9%	2,512,006
EXPENSES						
Salaries & Benefits	4,629,735	1,680,502	-	2,949,233	36.3%	1,567,156
Materials, Supplies & Services	2,070,928	677,951	503,386	889,591	57.0%	715,419
Special Projects	287,955	147,184	144,053	(3,282)	101.1%	69,773
Capital Outlay Transfers	193,598	80,666	-	112,932	41.7%	198,833
Equipment	10,000	2,655	-	7,345	26.6%	2,071
Appropriated Reserve	85,065	-	-	85,065	0.0%	-
TOTAL EXPENSES	7,277,281	2,588,959	647,438	4,040,885	44.5%	2,553,251
<i>Revenue Less Expense</i>	<i>(302,382)</i>	<i>264,908</i>	<i>(647,438)</i>	<i>80,148</i>		<i>(41,245)</i>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Five Months Ended November 30, 2022 (41.7% of Fiscal Year)

FLEET REPLACEMENT FUND

	Revised Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Vehicle Rental Charges	3,182,866	1,234,346	-	1,948,520	38.8%	1,254,659
Investment Income	204,248	102,166	-	102,082	50.0%	51,737
Rents & Concessions	107,553	42,989	-	64,564	40.0%	49,834
Miscellaneous	68,000	81,065	-	(13,065)	119.2%	43,548
Operating Transfers-In	198,778	-	-	198,778	0.0%	29,000
TOTAL REVENUES	3,761,445	1,460,566	-	2,300,880	38.8%	1,428,778
EXPENSES						
Salaries & Benefits	231,260	70,586	-	160,674	30.5%	79,223
Materials, Supplies & Services	21,038	1,617	-	19,421	7.7%	8,534
Debt Service	407,593	-	407,593	(0)	100.0%	-
Capitalized Fixed Assets	3,286,744	308,090	697,584	2,281,071	30.6%	464,282
TOTAL EXPENSES	3,946,635	380,292	1,105,177	2,461,166	37.6%	1,006,619
<i>Revenue Less Expense</i>	<u>(185,190)</u>	<u>1,080,273</u>	<u>(1,105,177)</u>	<u>(160,287)</u>		<u>422,159</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Five Months Ended November 30, 2022 (41.7% of Fiscal Year)

FLEET MAINTENANCE FUND

	<u>Revised Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Vehicle Maintenance Charges	3,161,802	1,312,013	-	1,849,789	41.5%	1,212,565
Reimbursements	5,000	2,083	-	2,917	41.7%	2,083
Miscellaneous	60,000	50,531	-	9,469	84.2%	30,712
TOTAL REVENUES	<u>3,226,802</u>	<u>1,364,628</u>	<u>-</u>	<u>1,862,174</u>	<u>42.3%</u>	<u>1,245,360</u>
EXPENSES						
Salaries & Benefits	1,698,636	594,646	-	1,103,989	35.0%	598,382
Materials, Supplies & Services	1,463,788	648,383	249,202	566,204	61.3%	537,784
Special Projects	64,994	23,019	44,631	(2,657)	104.1%	26,400
Capital Outlay Transfers	1,467	611	-	856	41.7%	30,223
Equipment	7,884	499	-	7,385	6.3%	580
Capitalized Fixed Assets	30,275	-	30,275	-	100.0%	8,966
Appropriated Reserve	15,000	-	-	15,000	0.0%	-
TOTAL EXPENSES	<u>3,282,043</u>	<u>1,267,158</u>	<u>324,107</u>	<u>1,690,777</u>	<u>48.5%</u>	<u>1,202,333</u>
<i>Revenue Less Expense</i>	<u>(55,241)</u>	<u>97,469</u>	<u>(324,107)</u>	<u>171,397</u>		<u>43,026</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Five Months Ended November 30, 2022 (41.7% of Fiscal Year)

SELF INSURANCE TRUST FUND

	Revised Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Insurance Premiums	7,658,599	3,191,083	-	4,467,516	41.7%	1,705,438
Workers' Compensation Premiums	4,572,008	1,903,858	-	2,668,151	41.6%	1,735,042
OSH Charges	292,974	122,073	-	170,902	41.7%	120,929
Unemployment Insurance Premium	427,559	170,944	-	256,615	40.0%	115,637
Investment Income	40,800	6,284	-	34,516	15.4%	12,071
Operating Transfers-In	75,825	31,594	-	44,231	41.7%	463,094
TOTAL REVENUES	13,067,765	5,425,834	-	7,641,931	41.5%	4,153,497
EXPENSES						
Salaries & Benefits	928,263	317,438	-	610,825	34.2%	313,439
Materials, Supplies & Services	13,275,041	4,843,083	386,856	8,045,101	39.4%	4,078,048
Capital Outlay Transfers	409	170	-	239	41.7%	341
Equipment	-	479	-	(479)	100.0%	-
TOTAL EXPENSES	14,203,713	5,161,171	386,856	8,655,686	39.1%	4,391,828
<i>Revenue Less Expense</i>	<i>(1,135,948)</i>	<i>264,664</i>	<i>(386,856)</i>	<i>(1,013,755)</i>		<i>(238,331)</i>

The Self Insurance Trust Fund is an internal service fund of the City, which accounts for the cost of providing workers' compensation, property and liability insurance as well as unemployment insurance and certain self-insured employee benefits on a city-wide basis. Internal Service Funds charge other funds for the cost of providing their specific services.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Five Months Ended November 30, 2022 (41.7% of Fiscal Year)

INFORMATION TECHNOLOGY FUND

	Revised Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Service charges	5,261,982	2,114,897	-	3,147,085	40.2%	1,869,160
Operating Transfers-In	-	-	-	-	0.0%	35,000
TOTAL REVENUES	5,261,982	2,114,897	-	3,147,085	40.2%	1,904,160
EXPENSES						
Salaries & Benefits	3,420,556	1,059,415	-	2,361,141	31.0%	982,881
Materials, Supplies & Services	1,612,951	1,457,510	49,454	105,987	93.4%	1,285,049
Special Projects	200	632	-	(432)	316.0%	9,382
Capital Outlay Transfers	111,677	46,532	-	65,145	41.7%	125,886
Equipment	12,640	14,409	509	(2,278)	118.0%	4,453
TOTAL EXPENSES	5,158,024	2,578,498	49,963	2,529,563	51.0%	2,407,651
<i>Revenue Less Expense</i>	<u>103,958</u>	<u>(463,601)</u>	<u>(49,963)</u>	<u>617,522</u>		<u>(503,492)</u>

NOTE-These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Five Months Ended November 30, 2022 (41.7% of Fiscal Year)

WATERFRONT OPERATING FUND

	Revised Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Leases - Commercial	2,000,000	1,135,841	-	864,159	56.8%	1,106,612
Leases - Food Service	3,100,000	1,726,507	-	1,373,493	55.7%	1,609,841
Slip Rental Fees	5,070,940	2,156,597	-	2,914,343	42.5%	2,039,681
Visitors Fees	750,000	318,792	-	431,208	42.5%	405,673
Slip Transfer Fees	1,100,000	587,900	-	512,100	53.4%	598,650
Parking Revenue	3,254,325	1,688,207	-	1,566,118	51.9%	1,283,183
Wharf Parking	220,000	144,292	-	75,708	65.6%	127,089
Grants	-	12,752	-	(12,752)	100.0%	-
Other Fees & Charges	252,630	115,598	-	137,033	45.8%	114,357
Investment Income	112,700	84,804	-	27,896	75.2%	40,228
Rents & Concessions	392,316	192,479	-	199,837	49.1%	180,880
Miscellaneous	783,220	449,198	-	334,022	57.4%	93,940
TOTAL REVENUES	17,036,131	8,612,967	-	8,423,165	50.6%	7,600,136
EXPENSES						
Salaries & Benefits	8,297,772	2,997,251	-	5,300,521	36.1%	3,057,939
Materials, Supplies & Services	6,062,375	2,192,936	899,261	2,970,179	51.0%	1,836,830
Special Projects	296,875	92,144	14,245	190,486	35.8%	77,296
Debt Service	2,036,965	1,467,316	-	569,649	72.0%	1,467,989
Capital Outlay Transfers	2,250,000	833,333	-	1,416,667	37.0%	45,589
Equipment	147,075	8,617	525	137,933	6.2%	16,201
Capitalized Fixed Assets	83,840	-	36,643	47,197	43.7%	-
Other	2,375	1,513	-	863	63.7%	1,513
Appropriated Reserve	100,000	-	-	100,000	0.0%	-
TOTAL EXPENSES	19,277,276	7,593,110	950,673	10,733,494	44.3%	6,503,357
Revenue Less Expense	(2,241,145)	1,019,857	(950,673)	(2,310,329)		1,096,779

NOTE - These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Five Months Ended November 30, 2022 (41.7% of Fiscal Year)

SANTA BARBARA CLEAN ENERGY FUND

	Revised Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Service Charges	34,000,000	13,085,817	-	20,914,183	38.5%	1,507
Investment Income	-	-	-	-	0.0%	73
Operating Transfers-In	-	-	-	-	0.0%	703,169
TOTAL REVENUES	34,000,000	13,085,817	-	20,914,183	38.5%	704,749
EXPENSES						
Salaries & Benefits	177,610	70,599	-	107,011	39.7%	46,035
Materials, Supplies & Services	31,800,411	10,604,114	1,923,974	19,272,323	39.4%	429,201
Special Projects	1,110,847	386,075	50,513	674,259	39.3%	95,648
Other	311,368	-	-	311,368	0.0%	-
TOTAL EXPENSES	33,400,235	11,060,788	1,974,486	20,364,961	39.0%	570,883
<i>Revenue Less Expense</i>	599,765	2,025,029	(1,974,486)	549,222		133,865

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
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ENERGY AND CLIMATE MANAGEMENT FUND

	Revised Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Service charges	2,552,568	1,063,570	-	1,488,998	41.7%	987,113
Grants	-	78,600	-	(78,600)	100.0%	169,041
Miscellaneous	-	-	-	-	0.0%	1
TOTAL REVENUES	2,552,568	1,142,170	-	1,410,398	44.7%	1,156,155
EXPENSES						
Salaries & Benefits	691,985	233,317	-	458,668	33.7%	197,537
Materials, Supplies & Services	1,997,753	555,596	147,680	1,294,478	35.2%	431,315
Special Projects	127,778	-	51,744	76,034	40.5%	6,665
Debt Service	24,140	10,058	-	14,082	41.7%	10,058
Capital Outlay Transfers	435	181	-	254	41.7%	42,029
Equipment	2,000	-	1,576	424	78.8%	-
Capitalized Fixed Assets	78,600	-	78,600	-	100.0%	-
TOTAL EXPENSES	2,922,691	799,152	279,599	1,843,939	36.9%	687,605
<i>Revenue Less Expense</i>	<i>(370,123)</i>	<i>343,018</i>	<i>(279,599)</i>	<i>(433,541)</i>		<i>468,550</i>

NOTE-These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 10, 2023

TO: Mayor and Councilmembers

FROM: City Administrator's Office

SUBJECT: Adoption of Resolution and Public Hearing Modifying the 2022 Management District Plan of the Santa Barbara South Coast Tourism Business Improvement District [Resolution]

RECOMMENDATION: That Council:

- A. Hold a final public hearing to modify the 2022 Santa Barbara South Coast Tourism Business Improvement Management District Plan and declare results of a majority protest proceeding; and
- B. Adopt, by reading of title only, a Resolution of the Council of the City of Santa Barbara Modifying the 2022 Santa Barbara South Coast Tourism Business Improvement Management District Plan.

DISCUSSION:

On September 28, 2010 the Santa Barbara City Council established the Santa Barbara South Coast Tourism Business Improvement District (SBSCTBID) and approved the Management District Plan. The SBSCTBID is a benefit assessment district proposed to continue a revenue source to help fund destination marketing, sales, and destination improvement programs, and related administration and policy development programs for Santa Barbara South Coast lodging businesses. It was renewed by Council for a six-year term on January 1, 2015 and then on December 10, 2019, Council modified the term to end on December 31, 2024 pursuant to the Parking and Business Improvement District Law of 1994 (California Streets and Highway Code § 36600 et seq.) ("94 Law"). On May 17, 2022, the City Council took action to renew with a new term, beginning July 1, 2022 through June 30, 2032.

The 94 Law allows City Council to to modify the SBSCTBID's Management District Plan in accordance with Section §36600. To initiate the modification process, Visit Santa Barbara ("VSB") has requested that City Council modify the current SBSCTBID's Management District Plan ("MDP"). The proposed modification of the SBSCTBID MDP

will modify the definition of “gross short-term rental revenue.” This modification will ensure clarity when collecting the assessment from lodging businesses. As modified, the definition will read:

The term “gross short-term rental revenue” as used herein means: the consideration charged on the room rate for the occupancy of space in a lodging business valued in money, not including other charges such as destination fees, resort fees, reservation fees, forfeited deposits, cancellation fees, attrition fees, no-show fees, parking fees, internet fees, roll-a-way beds fees, early and/or late checkout fees, or any other charges or fees (existing or in the future).

District Modification Process

- December 13, 2022 - RESOLUTION OF INTENTION TO MODIFY HEARING

Upon the written request of the District’s Owners’ Association, the City Council may modify the SBSCTBID’s Management District Plan.

VSB provided a letter (Attachment 2) requesting modification of the SBSCTBID. This written request allowed the Council to initiate proceedings for District modification at the December 13, 2022 meeting.

- On or before December 30, 2022 - NOTICE

A copy of the Resolution of Intention to Modify was mailed, by first class mail to the owners of all businesses proposed to be within the SBSCTBID at least ten days before the date of the Public Hearing.

A copy of the Resolution of Intention to Modify was also published in a newspaper of general circulation at least seven days before the date of the Public Hearings.

- January 10, 2023 - PUBLIC HEARING

Unless there is a majority protest to the proposed modification to the SBSCTBID Management District Plan, the Council may adopt a Resolution to Modify the Plan.

BUDGET/FINANCIAL INFORMATION:

The proposed amendment could reduce the total assessment amount collected by a nominal amount. The City will continue to receive a fee of three percent (3%) of the amount collected to cover its costs of administration.

ATTACHMENT:

1. Visit Santa Barbara Letter to City of Santa Barbara
2. Modified 2022 Santa Barbara South Coast Tourism Business Improvement District Management District Plan

PREPARED BY:

Brandon Beaudette, Senior Assistant to the City Administrator

Council Agenda Report

Adoption of Resolution and Public Hearing Modifying the 2022 Management District Plan
of the Santa Barbara South Coast Tourism Business Improvement District [Resolution]

January 10, 2023

Page 3

SUBMITTED BY: Rebecca Bjork, City Administrator

APPROVED BY: City Administrator's Office

VISIT SANTA BARBARA

November 18, 2022

Honorable Mayor and Councilmembers
City of Santa Barbara
735 Anacapa Street
Santa Barbara, CA 93101

RE: Santa Barbara South Coast Tourism Business Improvement District

Honorable Mayor and Councilmembers:

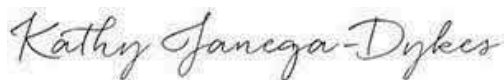
As the Santa Barbara South Coast Tourism Business Improvement District (SBCTBID) Owners' Association, Visit Santa Barbara, hereby requests modification of the SBCTBID Management District Plan enacted in 2022, pursuant to Streets and Highways Code §36635.

Specifically, we request that the language be modified in the Management District Plan for the definition of "gross short-term rental revenue". Please see attached a redline of the draft modification.

We ask that you consider this item at your December 13, 2022, City Council meeting. It is our understanding that a public hearing will also be necessary to complete the modification; we ask that you set the public hearing for January 10, 2023.

Should you have any questions regarding the SBCTBID or the modification, please feel free to contact me directly at kathyjd@santabarbaraca.com or (805)-966-9222.

Best Regards,



Ms. Kathy Janega-Dykes
President and CEO
Visit Santa Barbara

2022-2032



SANTA BARBARA SOUTH COAST TOURISM BUSINESS IMPROVEMENT DISTRICT MANAGEMENT DISTRICT PLAN

*Prepared pursuant to the Property and Business Improvement District Law of
1994, Streets and Highways Code section 36600 et seq.*

~~March 3,~~
2022 November 18.

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Prepared by
Civitas



www.civitasadvisors.com

I. OVERVIEW

Developed by Visit Santa Barbara (VSB), a non-profit public benefit corporation whose members are individuals and entities with an interest in promoting convention and visitor businesses in Santa Barbara County, and Santa Barbara South Coast lodging businesses, the Santa Barbara South Coast Tourism Business Improvement District (SBSTBID) is an assessment district proposed to continue providing specific benefits to payors, by funding programs that specifically benefit assessed businesses. The SBSTBID was created in 2011 and renewed in 2014 and 2019; lodging businesses now wish to renew it for an additional ten (10) years.

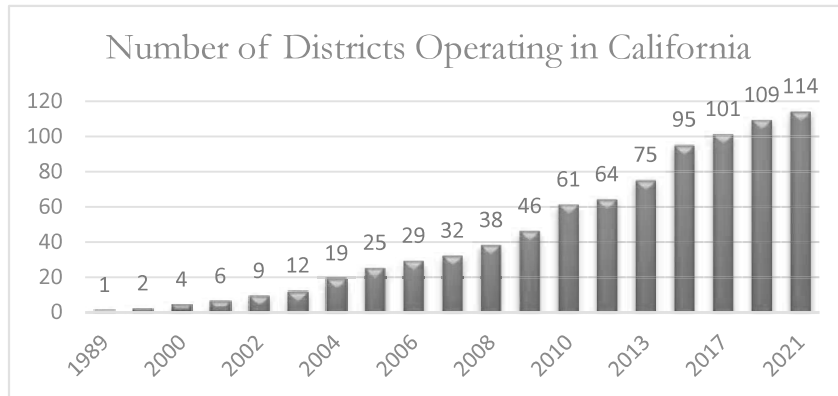
- Location:** The SBSTBID includes the cities of Santa Barbara and Goleta, and portions of unincorporated southern Santa Barbara County, as shown on the map in Section III. Only lodging businesses within the SBSTBID boundary will be subject to the SBSTBID assessment.
- Services:** The SBSTBID is designed to provide specific benefits directly to payors by increasing room night sales. Destination marketing, sales and destination improvement programs and related administration and policy development programs will increase room night sales.
- Budget:** The total SBSTBID annual assessment budget for the first twelve months of its ten (10) year operation is anticipated to be approximately \$8,239,702. A similar budget is expected to apply to subsequent years, but this budget is expected to fluctuate as room sales do, and if the assessment rate is increased pursuant to this plan.
- Cost:** The initial assessment rate is two percent (2%) of gross short term room rental revenue. The assessment rate may be subject to increases during the ten (10) year term if initiated by the TBID Committee and approved by assessees who pay more than fifty percent (50%) of the total annual assessment. If the TBID Committee wishes to increase the assessment rate, VSB shall provide a notice and ballot to assessed lodging businesses of the proposed increase. The assessment rate may be increased up to a maximum rate of three percent (3%) of gross short-term room rental revenue. Any increase authorized by the TBID Committee and weighted vote of the payors based on how much they pay in assessment, shall be reflected in the annual report described in Section V. Assessments pursuant to the SBSTBID shall not include prepaid contracts executed prior to June 30, 2022.
- Collection:** The cities and County will be responsible for collecting the assessment on a monthly basis (including any delinquencies, penalties and interest) from each lodging business located in the boundaries of the SBSTBID, within their respective jurisdictions. The cities and County will take all reasonable efforts to collect the assessments from each assessed lodging business subject to reimbursement of collection costs by SBSTBID..
- Duration:** The SBSTBID will have a ten (10) year renewal period, beginning July 1, 2022 or as soon as possible thereafter, and end ten (10) years from its start date. Once per year, beginning on the anniversary of SBSTBID renewal, there is a thirty (30) day period

in which owners paying fifty percent (50%) or more of the assessment may protest and initiate a Santa Barbara City Council hearing on SBSCTBID termination.

Management: Visit Santa Barbara will continue to serve as the SBSCTBID's Owners' Association. The Owners' Association is charged with managing funds and implementing programs in accordance with this Plan and must provide annual reports to the Santa Barbara City Council.

II. BACKGROUND

TBIDs are an evolution of the traditional Business Improvement District. The first TBID was formed in West Hollywood, California in 1989. Since then, over 110 California destinations have followed suit. In recent years, other states have begun adopting the California model – Montana, South Dakota, Washington, Colorado, Texas and Louisiana have adopted TBID laws. Several other states are in the process of adopting their own legislation. The cities of Wichita, Kansas and Newark, New Jersey used an existing business improvement district law to form a TBID. And, some cities, like Portland, Oregon and Memphis, Tennessee have utilized their home rule powers to create TBIDs without a state law.



California's TBIDs collectively raise over \$300 million annually for local destination marketing. With competitors raising their budgets, and increasing rivalry for visitor dollars, it is important that Santa Barbara South Coast lodging businesses continue to invest in stable, lodging-specific marketing programs.

TBIDs utilize the efficiencies of private sector operation in the market-based promotion of tourism districts. TBIDs allow lodging business owners to organize their efforts to increase demand for room night sales. Lodging business owners within the TBID pay an assessment and those funds are used to provide services that increase demand for room night sales.

In California, most TBIDs are formed pursuant to the Property and Business Improvement District Law of 1994. This law allows for the creation of a benefit assessment district to raise funds within a specific geographic area. *The key difference between TBIDs and other benefit assessment districts is that funds raised are returned to the private non-profit corporation governing the district.*

There are many benefits to TBIDs:

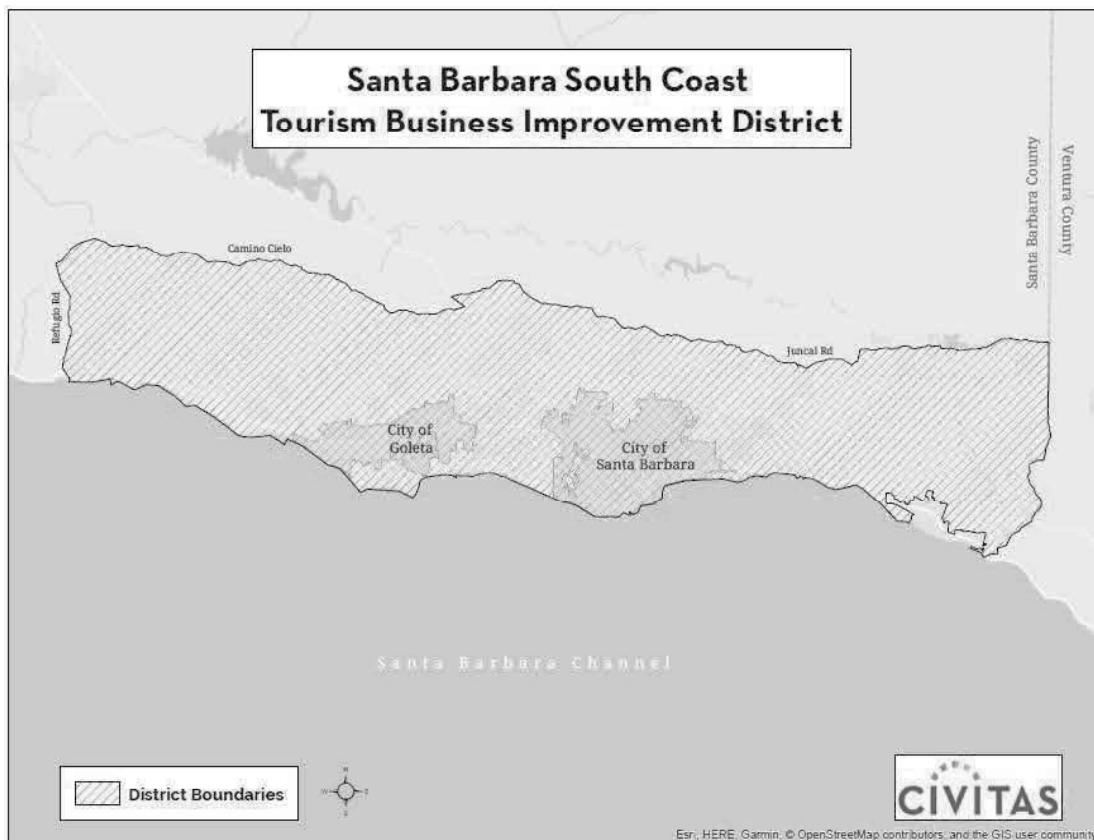
- Funds must be spent on services and improvements that provide a specific benefit only to those who pay;
- Funds cannot be diverted to general government programs;
- They are customized to fit the needs of payors in each destination;
- They allow for a wide range of services;
- They are ***designed, created and governed by those who will pay*** the assessment; and
- They provide a stable, long-term funding source for tourism promotion.

III. BOUNDARY

The SBSCTBID encompasses all territory within the boundaries of cities of Santa Barbara and Goleta, and portions of unincorporated southern Santa Barbara County. In connection with the SBSCTBID, an assessment is levied against all lodging businesses, including both existing lodging businesses and lodging businesses that open during the existence of the SBSCTBID.

Lodging business means: any structure, or any portion of any structure, which is occupied or intended for occupancy by transients for dwelling, lodging, or sleeping purposes, and includes and hotel, inn, tourist home or house, short term vacation rental, motel, studio hotel, bachelor hotel, lodging house, rooming house, apartment house, dormitory, public or private club, mobile home or house trailer at a fixed location, or other similar structure or portion thereof. As used herein, the term “transient” means: any person who exercises occupancy or is entitled to occupancy by reason of concession, permit, right of access, license or other agreement for a period of thirty (30) consecutive calendar days or less, counting portions of calendar days as full days. Any such person so occupying space in a lodging business will be deemed a transient until the period of thirty (30) days has expired unless there is an agreement in writing between the lodging business operator and the occupant providing for a longer period of occupancy; provided that the occupant of an apartment unit, constructed under a building permit as such, or in building which have been legally converted into apartments, will not be deemed to be a transient if his or her occupancy is for a period of more than thirty (30) days and with or without such written agreement.

The boundary, as shown in the map below, currently includes 343 lodging businesses. A complete listing of lodging businesses within the SBSCTBID can be found in Appendix 2.

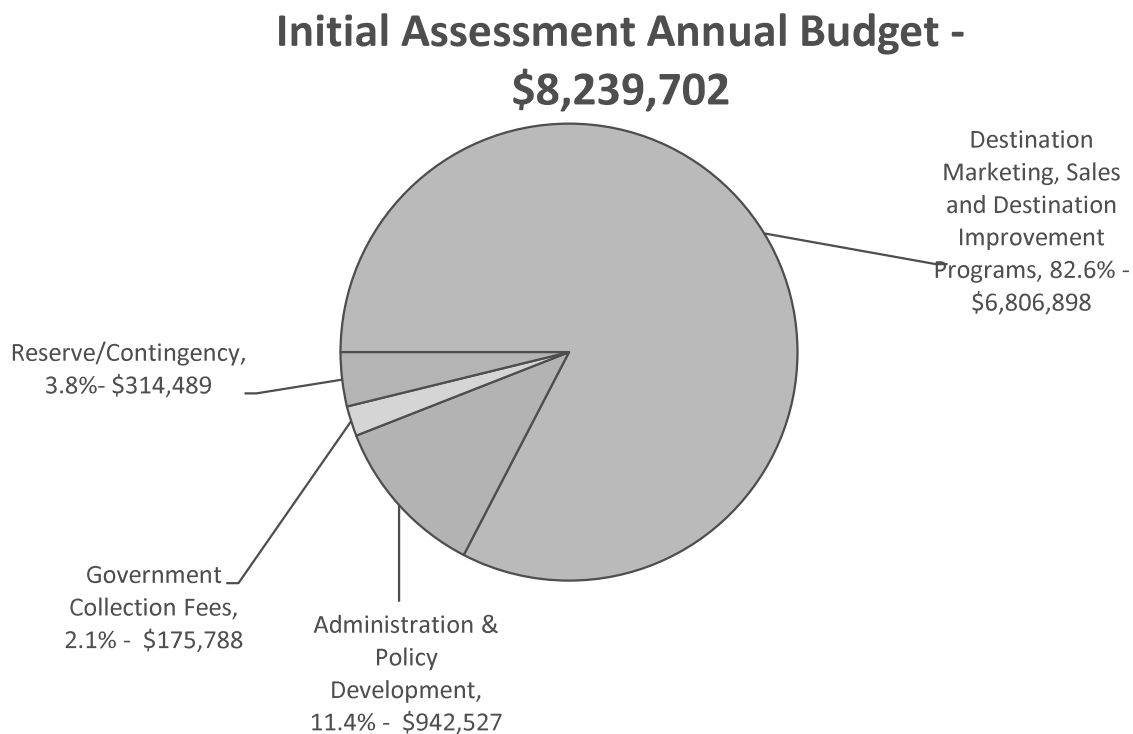


IV. BUDGET AND SERVICES

A. Annual Service Plan

Assessment funds will be spent to provide specific benefits conferred, and services provided, directly to the payors that are not provided to those not charged, and which do not exceed the reasonable cost to the City of conferring the benefits. The services provided with the SBSCTBID funds are destination marketing, sales and destination improvement programs and related administration and policy development programs available only to assessed businesses. These expenditures generate the specific benefit of increased room night bookings at assessed lodging businesses.

A service plan budget, set forth below, has been developed to deliver services that benefit the assessed businesses. A detailed annual budget will be developed and approved by VSB. The table below illustrates the initial annual assessment budget allocations. The total initial assessment budget is \$8,239,702.



Although actual revenues will fluctuate due to market conditions, the proportional allocations of the budget will remain the same. However, the VSB Board of Directors will have the authority to adjust budget allocations between the categories by no more than twenty-five percent (25%) of the total budget per year. For example if the total budget was \$8,239,702, then up to \$2,059,925.50 can be moved between service categories after the initial year of the district ($0.25 \times \$8,239,702 = \$2,059,925.50$). A description of the proposed improvements and activities for the initial year of operation is below. The same activities are proposed for subsequent years. In the event of a legal challenge against the SBSCTBID, all assessment funds may be used for the costs of defending the SBSCTBID.

Each budget category includes all costs related to providing that service. For example, the sales budget includes the cost of staff time dedicated to overseeing and implementing the sales program. Staff time dedicated purely to administrative tasks is allocated to the administrative portion of the budget. The

costs of an individual staff member may be allocated to multiple budget categories. The staffing levels necessary to provide the services below will be determined by VSB on an as-needed basis.

DESTINATION MARKETING, SALES, AND DESTINATION IMPROVEMENT PROGRAMS

Develop an annual destination marketing, sales and management programs strategy to generate demand for the assessed businesses targeting leisure, meetings and events. Develop marketing programs to attract overnight visitors. The destination marketing, sales and management programs may include, with limitation, the following activities:

Marketing & Public Relations

Marketing promotes Santa Barbara South Coast lodging businesses through paid media including digital and print. This includes paid brand marketing campaigns, retail promotions that highlight special offers, co-op marketing campaigns between VSB and local lodging businesses, air carriers that service Santa Barbara and/or tour operators that promote Santa Barbara, and direct response marketing that generate requests for visitor magazines and email newsletter subscriptions.

Content marketing amplifies lodging businesses through storytelling on owned media channels including SantaBarbaraCA.com, social media accounts, consumer databases and third-party websites. This includes the production of our website, visitor magazine, social media content and community management, consumer newsletters and cooperative partnerships.

Public relations generate earned media coverage that excites and inspires travelers to choose the Santa Barbara South Coast over other competing destinations, while elevating lodging business awareness and reinforcing key motivators for overnight travel to the Santa Barbara South Coast.

The marketing and public relations program will build greater awareness of assessed lodging businesses in an effort to drive room night sales. The following list includes examples of the marketing and public relations activities that may be provided:

- Hosting journalist familiarization trips, bringing key media influencers in-market to experience the Santa Barbara South Coast first-hand in an effort to generate overnight visitation and room sales to assessed businesses.
- Managing SantaBarbaraCA.com, and Visit Santa Barbara social media channels to showcase the breadth of reasons to visit the destination to generate overnight visitation and room sales to assessed businesses.
- Conducting research to drive overnight visitation and room sales to assessed businesses.
- Media programs providing targeted reach of growth markets to generate overnight visitation and room sales to assessed businesses.
- Maintaining a robust library of fresh photos, videos other digital assets to be used by VSB and assessed businesses to generate overnight visitation and room sales to assessed businesses.
- Local destination marketing may be used for programs which drive room night sales to assessed lodging businesses in Santa Barbara, Goleta, Montecito and/or Summerland. Programs included in this service may include content marketing via specialized websites and visitor magazines, visitor centers, and support for community events that generate overnight visitation and room sales to assessed businesses. These services do not preclude assessed businesses from the benefits conveyed through their inclusion within programs promoting the broader Santa Barbara brand. These activities may be conducted directly by VSB, or through

grants from VSB to other organizations such as the Santa Barbara South Coast Chamber of Commerce, or others.

Sales

Group sales strategies convert leads to hotel contracts from clients looking to hold conferences, meetings, retreats and other programs in the Santa Barbara South Coast. Leads are converted from meeting planners in corporate, incentive, social, wedding, regional, state, and national association markets. Sales efforts are direct and indirect through research, sales call prospecting, in-person client appointments, tradeshow, organized client events, local site inspections, and destination familiarization tours. Separately, travel trade sales generate individual and group bookings through selling Santa Barbara South Coast lodging businesses to domestic and international travel agents, wholesaler operators, receptive operators, and tour operators.

The sales program will promote the Santa Barbara South Coast area as a destination and will work to attract overnight groups and individual travelers. The following list includes examples of the sales activities that may be provided:

- Maintaining an experienced sales staff to target the meeting and conference market to generate overnight visitation and room sales to assessed businesses.
- Maximizing alliances with professional organizations that target group business, or database services that track group opportunities to develop new leads for assessed businesses.
- Incentivizing conferences and meetings to book at Santa Barbara South Coast.

Destination Improvement

In order to maximize the benefit of VSB's marketing, public relations and sales programs, funds may be used in limited ways to increase the appeal and accessibility of the destination for overnight visitors. Such services, if budgeted by the TBID Committee and VSB Board of Directors, will focus on items that are critical to the local lodging industry. These services are not intended to supplant government services or provide direct benefit to the general public or to non-assessed businesses. Programs may include, but are not limited to:

- Visitors center operations that provide visitors with information designed to improve the visitor experience and encourage overnight visitation and future room sales to assessed businesses.
- Incentives to attract and promote new air service to increase inbound visitation and room sales to assessed businesses.
- Developing a cruise itinerary program designed to attract repeat visitation at assessed businesses.
- Local workforce development that positions the hospitality industry as an attractive career option for residents and local students. Service may include job fairs, outreach to improve vocational instruction/internships through high schools and colleges, local marketing and public relations campaigns to encourage job seekers to consider professions in the lodging industry and relevant industry employment research.
- Services to improve the visitor's experience.
- Hospitality education and training support aimed at improving the visitor experience leading to increased demand for overnight visitation and room sales to assessed businesses.

ADMINISTRATION AND POLICY DEVELOPMENT

The administrative and operations portion of the budget will be utilized for administrative staffing costs, all office costs, board and committee meeting support, policy development, and other general administrative costs such as telecommunications, information technology, insurance, legal and accounting fees.

RESERVE/CONTINGENCY

Policies relating to contributions to the reserve fund, the target amount of the reserve fund, and expenditure of monies from the reserve fund will be set by the VSB Board of Directors. Policies relating to the contributions to the reserve fund, the target amount of the reserve fund, and expenditures of monies from the reserve fund shall be set by the VSB Board. The reserve fund may also be used for the costs of renewing the TBID or debt service.

COLLECTION COSTS

The County of Santa Barbara and the City of Goleta, if they collect District assessments, will each be paid one percent (1%) of the amount collected in their respective jurisdictions to cover the costs of collection and administration. The City of Santa Barbara will be paid three percent (3%) of the amount collected to cover the costs of collection and administration. The City of Santa Barbara shall have the right to audit the SBSCTBID.

B. Annual Assessment Budget

The total ten (10) years) improvement and service plan assessment budget is projected at approximately \$8,239,702 annually, or \$137,568,573 through 2032 if the maximum assessment rate increases are implemented. This amount may fluctuate as sales increase or decrease at assessed businesses and if assessment rate increases are implemented. If the maximum assessment rate increases are implemented, the annual assessment budget will increase as estimated in the following table. The table below demonstrates the estimated maximum budget with the assumption that the assessment rates will be increased in 2022 as it is a required disclosure, it is not the anticipated course of action. Additionally, a three percent (3%) annual increase in the total budget is shown to account for anticipated room rate inflation.

Estimated Annual Budget if Maximum Assessment Rates are Implemented 2022-2032

Year	Destination Marketing, Sales and Destination Improvement Programs	Administration & Policy Development	Government Collection Fees	Contingency/ Reserve	Total
2022-23	\$6,806,898	\$942,527	\$175,788	\$314,489	\$8,239,702
2023-24	\$ 10,516,657	\$1,456,204	\$271,593	\$485,885	\$12,730,340
2024-25	\$ 10,832,157	\$1,499,890	\$279,740	\$500,462	\$13,112,250
2025-26	\$ 11,157,122	\$1,544,887	\$288,132	\$515,476	\$13,505,617
2026-27	\$ 11,491,835	\$1,591,234	\$296,776	\$530,940	\$13,910,786

2027-28	\$ 11,836,591	\$1,638,971	\$305,680	\$546,868	\$14,328,109
2028-29	\$ 12,191,688	\$1,688,140	\$314,850	\$563,274	\$14,757,953
2029-30	\$ 12,557,439	\$1,738,784	\$324,296	\$580,173	\$15,200,691
2030-31	\$ 12,934,162	\$1,790,947	\$334,025	\$597,578	\$15,656,712
2031-32	\$ 13,322,187	\$1,844,676	\$344,045	\$615,505	\$16,126,413
Total	\$ 113,646,737	\$15,736,260	\$2,934,925	\$5,250,651	\$137,568,573

The table below demonstrates the annual improvement and service plan budget with the assumption that the rates will not be increased during the SBSCTBID's ten (10) year term. Additionally, a three percent (3%) annual increase in the total budget is shown, to account for estimated increased room night sales as a result of SBSCTBID efforts.

**Estimated Annual Budget If Maximum Assessment Rates Are Not Adopted
2023-2032**

Year	Destination Marketing, Sales and Destination Improvement Programs	Administration & Policy Development	Government Collection Fees	Contingency/ Reserve	Total
2022-23	\$6,806,898	\$942,527	\$175,788	\$314,489	\$8,239,702
2023-24	\$7,011,105	\$970,803	\$181,062	\$323,924	\$8,486,893
2024-25	\$7,221,438	\$999,927	\$186,494	\$333,641	\$8,741,500
2025-26	\$7,438,081	\$1,029,925	\$192,088	\$343,651	\$9,003,745
2026-27	\$7,661,224	\$1,060,822	\$197,851	\$353,960	\$9,273,857
2027-28	\$7,891,060	\$1,092,647	\$203,787	\$364,579	\$9,552,073
2028-29	\$8,127,792	\$1,125,427	\$209,900	\$375,516	\$9,838,635
2029-30	\$8,371,626	\$1,159,189	\$216,197	\$386,782	\$ 10,133,794
2030-31	\$8,622,775	\$1,193,965	\$222,683	\$398,385	\$ 10,437,808
2031-32	\$8,881,458	\$1,229,784	\$229,364	\$410,337	\$ 10,750,942
Total	\$ 78,033,457	\$10,805,016	\$2,015,213	\$3,605,264	\$94,458,949

C. California Constitutional Compliance

The SBSCTBID assessment is not a property-based assessment subject to the requirements of Proposition 218. Rather, the SBSCTBID assessment is a business-based assessment, and is subject to Proposition 26. Pursuant to Proposition 26 levies are taxes unless they fit one of seven exceptions. Two of these exceptions apply to the SBSCTBID, a “specific benefit” and a “specific government service.” Both require that the costs of benefits or services do not exceed the reasonable costs to the City of conferring the benefits or providing the services.

1. Specific Benefit

Proposition 26 permits that assessment funds be expended on “a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the

privilege.”¹ The services in this Plan are designed to provide targeted benefits directly to assessed businesses, and are intended only to provide benefits and services directly to those businesses paying the assessment. These services are designed and intended not to serve the general public, businesses in general, or parcels of land, but rather to serve the specific assessed lodging businesses within the SBSCTBID. The activities described in this Plan are specifically targeted to increase room night sales for assessed lodging businesses within the boundaries of the SBSCTBID. SBSCTBID funds will be used exclusively to provide the specific benefit of increased room night sales directly to the assessed lodging businesses. Assessment funds will not be used to feature non-assessed lodging businesses in SBSCTBID programs, or to directly generate sales for non-assessed businesses. The activities paid for from assessment revenues are services to businesses that constitute and provide specific benefits to the assessed businesses.

The assessment imposed by this SBSCTBID is for a specific benefit conferred to the payors that is not provided to those not charged. The specific benefit conferred to the payors is an increase in room night sales. The specific benefit of an increase in room night sales for assessed lodging businesses will be provided only to lodging businesses paying the SBSCTBID assessment, with SBSCTBID programs promoting lodging businesses paying the SBSCTBID assessment. The SBSCTBID programs will be designed to increase room night sales at each assessed lodging business. Because they are necessary to provide the destination marketing, sales and destination improvement programs that specifically benefit the assessed lodging businesses, the administration and policy development and contingency / reserve services also provide the specific benefit of increased room night sales to the assessed lodging businesses.

Although the SBSCTBID, in providing specific benefits to payors, may produce incidental benefits to non-paying businesses, the incidental benefit does not preclude the services from being considered a specific benefit. The legislature has found that, “A specific benefit is not excluded from classification as a ‘specific benefit’ merely because an indirect benefit to a nonpayor occurs incidentally and without cost to the payor as a consequence of providing the specific benefit to the payor.”²

2. Specific Government Service

Pursuant to Proposition 26, an assessment may also be utilized to provide, “a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product.”³ SBSCTBID destination marketing, sales and destination improvement programs are designed and intended to increase overnight stays and direct visitors to assessed lodging businesses, sales programs are designed and intended to attract group businesses to assessed lodging businesses, and local destination marketing programs are designed and intended to increase overnight visitation and direct visitors to assessed lodging businesses. The legislature has recognized that marketing and promotions services like those to be provided by the SBSCTBID are government services within the meaning of Proposition 26⁴. Further, the legislature has determined that “a specific government service is not excluded from classification as a ‘specific government service’ merely because an indirect benefit to a nonpayor occurs incidentally and without cost to the payor as a consequence of providing the specific government service to the payor.”⁵

¹ Cal. Const. art XIII C § 1(e)(1)

² Government Code § 53758(a)

³ Cal. Const. art XIII C § 1(e)(2)

⁴ Government Code § 53758(b)

⁵ Government Code § 53758(b)

3. Reasonable Cost

SBSCTBID services will be implemented carefully to ensure they do not exceed the reasonable cost of such services. The full amount assessed will be used to provide the services described herein. Funds will be managed by VSB, and reports submitted on an annual basis to the City of Santa Barbara pursuant to a contract between VSB and the City of Santa Barbara. Only assessed lodging businesses will be featured in marketing materials, receive sales leads generated from SBSCTBID-funded activities, be featured in destination marketing and sales campaigns, and benefit from other SBSCTBID-funded services. Non-assessed lodging businesses will not receive these, nor any other, SBSCTBID-funded services and benefits.

The TBID-funded programs are all targeted directly at, and feature only assessed businesses. It is, however, possible that there will be a spill over benefit to non-assessed businesses. If non-assessed businesses receive incremental room nights, that portion of the promotion or program generating those room nights shall be paid with non-TBID funds. TBID funds shall only be spent to benefit the assessed businesses and shall not be spent on that portion of any program which directly generates incidental room nights for non-assessed businesses.

D. Assessment

The initial assessment rate is two percent (2%) of gross short term room rental revenue. The assessment rate may be subject to increases during the ten (10) year term if initiated by the TBID Committee and approved by assesseees who pay more than fifty percent (50%) of the total annual assessment. If the TBID Committee wishes to increase the assessment rate, VSB shall provide a notice and ballot to assessed lodging businesses of the proposed increase. The assessment rate may be increased up to a maximum rate of three percent (3%) of gross short-term room rental revenue. Any increase authorized by the TBID Committee and weighted vote of the payors based on how much they pay in assessment, shall be reflected in the annual report described in Section V. Assessments pursuant to the SBSCTBID shall not include prepaid contracts executed prior to June 30, 2022.

The term “gross short-term rental revenue” as used herein means: the consideration charged; on the room rate whether or not received, for the occupancy of space in a lodging business valued in money, not including other charges such as destination fees, resort fees, reservation fees, forfeited deposits, cancellation fees, attrition fees, no-show fees, parking fees, internet fees, roll-a-way beds fees, early and/or late checkout fees, internet fees, or any other charges or fees (existing or in the future) or fees (existing or in the future), whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits and property and services of any kind or nature, without any deduction therefrom whatsoever.

The assessment is levied upon and a direct obligation of the assessed lodging business. However, the assessed lodging business may, at its discretion, pass the assessment on to transients. The amount of assessment, if passed on to each transient, will be disclosed in advance and separately stated from the amount of rent charged and any other applicable taxes, and each transient will receive a receipt for payment from the business. If the SBSCTBID assessment is identified separately it will be disclosed as the “SBSCTBID Assessment.” As an alternative, the disclosure may include the amount of the SBSCTBID assessment and the amount of the assessment imposed pursuant to the California Tourism Marketing Act, Government Code §13995 et seq. and will be disclosed as the “Tourism Assessment.” The assessment is imposed solely upon and is the sole obligation of the assessed lodging

business even if it is passed on to transients. The assessment will not be considered revenue for any purpose, including calculation of transient occupancy taxes.

Bonds will not be issued.

E. Penalties and Interest

The SBSCTBID will reimburse the cities and County for any costs associated with collecting unpaid assessments. If other delinquent obligations owed to the cities and County are sought to be recovered in the same collection action by the cities or County, the SBSCTBID will bear its pro rata share of such collection costs. Assessed businesses which are delinquent in paying the assessment will be responsible for paying:

1. *Original Delinquency:* Any assessed lodging business that fails to remit any assessment imposed within the time required will pay a penalty of ten percent (10%) of the amount of the assessment in addition to the amount of the assessment.
2. *Continued Delinquency:* Any assessed lodging business that fails to remit any delinquent remittance on or before a period of thirty (30) days following the date on which the remittance first became delinquent will pay a second delinquency penalty of ten percent (10%) of the amount of the assessment in addition to the amount of the assessment and the ten percent (10%) penalty first imposed.
3. *Fraud:* If the cities or County determines that the non-payment of any remittance due is due to fraud, a penalty of twenty-five percent (25%) of the amount of the assessment will be added thereto in addition to the penalties stated in subparagraphs 1 and 2 of this subsection E.
4. *Interest:* In addition to the penalties imposed, any assessed lodging business that fails to remit any assessment imposed will pay interest at the rate of one-half of one percent (0.5%) per month, or fraction thereof, on the amount of the assessment, exclusive of penalties, from the date on which the remittance first became delinquent until paid.
5. *Penalties and Interest Merged with Assessment:* Every penalty imposed and such interest as accrues under the provisions of this subsection E will become part of the assessment herein required to be paid.

F. Time and Manner for Collecting Assessments

The SBSCTBID assessment will be implemented beginning July 1, 2022, or as soon as possible thereafter, and end ten (10) years from its start date. The cities and County will be responsible for collecting the assessment on a monthly basis (including any delinquencies, penalties and interest) from each lodging business located in the boundaries of the SBSCTBID, within their respective jurisdictions. The cities and County will forward the assessments collected to the Owners' Association pursuant to contracts between VSB and the cities and County. The cities and County may retain penalties and interest collected on delinquent assessments to cover their actual costs associated with collecting the delinquent assessments.

V. GOVERNANCE

A. Owners' Association

The City Council, through adoption of this Management District Plan, has the right, pursuant to Streets and Highways Code §36651, to identify the body that will implement the proposed program, which will be the Owners' Association of the SBSCTBID as defined in Streets and Highways Code §36612. Funds will be paid by the cities and County to VSB as a contractor, and only pursuant to agreements between VSB and the cities and County.

Within the SBSCTBID, the President and CEO of VSB will continue to be charged with the day-to-day operations of the SBSCTBID. The VSB TBID committee will continue to be charged with developing budgets and priorities for the SBSCTBID. The TBID committee will continue to be comprised of a diverse group taking into consideration the size of lodging businesses and geographic area. Members of the TBID committee are selected by the vote of assessed lodging businesses in accordance with VSB's bylaws. The criteria for the membership of the TBID committee, as set forth in the VSB bylaws, is shown in the table below. The TBID committee criteria may be revised during the SBSCTBID's term, as modified by an amendment to the VSB bylaws. These classifications will be based on hotel class as defined by STR, a division of CoStar Group Inc.⁶

<u>Representation</u>	<u>Number of Seats</u>
Short Term Rentals Economy Class Midscale Class Upper Midscale Class Upscale Class Upper Upscale Class	9-11 Seats
Luxury Class	6-8 Seats

B. Brown Act and California Public Records Act Compliance

VSB is a private entity. Under state law, an Owner's Association is not "considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. [However], an owners' association shall comply with the Ralph M. Brown Act [regarding open meetings], at all times when matters within the subject matter of the district are heard, discussed, or deliberated, and with the California Public Records Act, for all records relating to activities of the district."

C. Annual Report

VSB will present an annual report at the end of each year of operation to the Santa Barbara City Council pursuant to Streets and Highways Code §36650 (see Appendix 1). A copy of the annual report will also be provided to the City of Goleta and the County of Santa Barbara. The annual report will include:

- Any proposed changes in the boundaries of the improvement district or in any benefit zones or classification of businesses within the district.
- The improvements and activities to be provided for that fiscal year.
- An estimate of the cost of providing the improvements and the activities for that fiscal year.

⁶ **Class Segments**

Hotels are categorized by STR, a division of CoStar, Inc. into the following class segments: Luxury, Upper Upscale, Upscale, Upper Midscale, Midscale and Economy. Short-term vacation rentals are classified as short term rentals class for the purpose of this plan. The the most current class segment assigned will be used for new hotels, rebranded hotels or hotels otherwise reclassified by STR/CoStar Inc. for the duration of this plan.

- The method and basis of levying the assessment in sufficient detail to allow each business owner to estimate the amount of the assessment to be levied against his or her business for that fiscal year.
- The estimated amount of any surplus or deficit revenues to be carried over from a previous fiscal year.
- The estimated amount of any contributions to be made from sources other than assessments levied pursuant to this part.

APPENDIX 1 – LAW

*** THIS DOCUMENT IS CURRENT THROUGH THE 2022 SUPPLEMENT ***
(ALL 2021 LEGISLATION)

STREETS AND HIGHWAYS CODE DIVISION 18. PARKING PART 7. PROPERTY AND BUSINESS IMPROVEMENT DISTRICT LAW OF 1994

CHAPTER 1. General Provisions

ARTICLE 1. Declarations

36600. Citation of part

This part shall be known and may be cited as the “Property and Business Improvement District Law of 1994.”

36601. Legislative findings and declarations; Legislative guidance

The Legislature finds and declares all of the following:

- (a) Businesses located and operating within business districts in some of this state’s communities are economically disadvantaged, are underutilized, and are unable to attract customers due to inadequate facilities, services, and activities in the business districts.
- (b) It is in the public interest to promote the economic revitalization and physical maintenance of business districts in order to create jobs, attract new businesses, and prevent the erosion of the business districts.
- (c) It is of particular local benefit to allow business districts to fund business related improvements, maintenance, and activities through the levy of assessments upon the businesses or real property that receive benefits from those improvements.
- (d) Assessments levied for the purpose of conferring special benefit upon the real property or a specific benefit upon the businesses in a business district are not taxes for the general benefit of a city, even if property, businesses, or persons not assessed receive incidental or collateral effects that benefit them.
- (e) Property and business improvement districts formed throughout this state have conferred special benefits upon properties and businesses within their districts and have made those properties and businesses more useful by providing the following benefits:
 - (1) Crime reduction. A study by the Rand Corporation has confirmed a 12-percent reduction in the incidence of robbery and an 8-percent reduction in the total incidence of violent crimes within the 30 districts studied.
 - (2) Job creation.
 - (3) Business attraction.
 - (4) Business retention.
 - (5) Economic growth.
 - (6) New investments.
- (f) With the dissolution of redevelopment agencies throughout the state, property and business improvement districts have become even more important tools with which communities can combat blight, promote economic opportunities, and create a clean and safe environment.
- (g) Since the enactment of this act, the people of California have adopted Proposition 218, which added Article XIII D to the Constitution in order to place certain requirements and restrictions on the formation of, and activities, expenditures, and assessments by property-based districts. Article XIII D of the Constitution provides that property-based districts may only levy assessments for special benefits.
- (h) The act amending this section is intended to provide the Legislature’s guidance with regard to this act, its interaction with the provisions of Article XIII D of the Constitution, and the determination of special benefits in property-based districts.
 - (1) The lack of legislative guidance has resulted in uncertainty and inconsistent application of this act, which discourages the use of assessments to fund needed improvements, maintenance, and activities in property-based districts, contributing to blight and other underutilization of property.
 - (2) Activities undertaken for the purpose of conferring special benefits upon property to be assessed inherently produce incidental or collateral effects that benefit property or persons not assessed.

Therefore, for special benefits to exist as a separate and distinct category from general benefits, the incidental or collateral effects of those special benefits are inherently part of those special benefits. The mere fact that special benefits produce incidental or collateral effects that benefit property or persons not assessed does not convert any portion of those special benefits or their incidental or collateral effects into general benefits.

(3) It is of the utmost importance that property-based districts created under this act have clarity regarding restrictions on assessments they may levy and the proper determination of special benefits. Legislative clarity with regard to this act will provide districts with clear instructions and courts with legislative intent regarding restrictions on property-based assessments, and the manner in which special benefits should be determined.

36602. Purpose of part

The purpose of this part is to supplement previously enacted provisions of law that authorize cities to levy assessments within property and business improvement districts, to ensure that those assessments conform to all constitutional requirements and are determined and assessed in accordance with the guidance set forth in this act. This part does not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes.

36603. Preemption of authority or charter city to adopt ordinances levying assessments

Nothing in this part is intended to preempt the authority of a charter city to adopt ordinances providing for a different method of levying assessments for similar or additional purposes from those set forth in this part. A property and business improvement district created pursuant to this part is expressly exempt from the provisions of the Special Assessment Investigation, Limitation and Majority Protest Act of 1931 (Division 4 (commencing with Section 2800)).

36603.5. Part prevails over conflicting provisions

Any provision of this part that conflicts with any other provision of law shall prevail over the other provision of law, as to districts created under this part.

36604. Severability

This part is intended to be construed liberally and, if any provision is held invalid, the remaining provisions shall remain in full force and effect. Assessments levied under this part are not special taxes.

ARTICLE 2. Definitions

36606. “Activities”

“Activities” means, but is not limited to, all of the following that benefit businesses or real property in the district:

- (a) Promotion of public events.
- (b) Furnishing of music in any public place.
- (c) Promotion of tourism within the district.
- (d) Marketing and economic development, including retail retention and recruitment.
- (e) Providing security, sanitation, graffiti removal, street and sidewalk cleaning, and other municipal services supplemental to those normally provided by the municipality.
- (f) Other services provided for the purpose of conferring special benefit upon assessed real property or specific benefits upon assessed businesses located in the district.

36606.5. “Assessment”

“Assessment” means a levy for the purpose of acquiring, constructing, installing, or maintaining improvements and providing activities that will provide certain benefits to properties or businesses located within a property and business improvement district.

36607. “Business”

“Business” means all types of businesses and includes financial institutions and professions.

36608. “City”

“City” means a city, county, city and county, or an agency or entity created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code, the public member agencies of which includes only cities, counties, or a city and county, or the State of California.

36609. “City council”

“City council” means the city council of a city or the board of supervisors of a county, or the agency, commission, or board created pursuant to a joint powers agreement and which is a city within the meaning of this part.

36609.4. “Clerk”

“Clerk” means the clerk of the legislative body.

36609.5. “General benefit”

“General benefit” means, for purposes of a property-based district, any benefit that is not a “special benefit” as defined in Section 36615.5.

36610. “Improvement”

“Improvement” means the acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of five years or more including, but not limited to, the following:

- (a) Parking facilities.
- (b) Benches, booths, kiosks, display cases, pedestrian shelters and signs.
- (c) Trash receptacles and public restrooms.
- (d) Lighting and heating facilities.
- (e) Decorations.
- (f) Parks.
- (g) Fountains.
- (h) Planting areas.
- (i) Closing, opening, widening, or narrowing of existing streets.
- (j) Facilities or equipment, or both, to enhance security of persons and property within the district.
- (k) Ramps, sidewalks, plazas, and pedestrian malls.
- (l) Rehabilitation or removal of existing structures.

36611. “Management district plan”; “Plan”

“Management district plan” or “plan” means a proposal as defined in Section 36622.

36612. “Owners’ association”

“Owners’ association” means a private nonprofit entity that is under contract with a city to administer or implement improvements, maintenance, and activities specified in the management district plan. An owners’ association may be an existing nonprofit entity or a newly formed nonprofit entity. An owners’ association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. Notwithstanding this section, an owners’ association shall comply with the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code), at all times when matters within the subject matter of the district are heard, discussed, or deliberated, and with the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code), for all records relating to activities of the district.

36614. “Property”

“Property” means real property situated within a district.

36614.5. “Property and business improvement district”; “District”

“Property and business improvement district,” or “district,” means a property and business improvement district established pursuant to this part.

36614.6. “Property-based assessment”

“Property-based assessment” means any assessment made pursuant to this part upon real property.

36614.7. “Property-based district”

“Property-based district” means any district in which a city levies a property-based assessment.

36615. “Property owner”; “Business owner”; “Owner”

“Property owner” means any person shown as the owner of land on the last equalized assessment roll or otherwise known to be the owner of land by the city council. “Business owner” means any person recognized by the city as the owner of the business. “Owner” means either a business owner or a property owner. The city council has no obligation to obtain other information as to the ownership of land or businesses, and its determination of ownership shall be final and conclusive for the purposes of this part. Wherever this part requires the signature of the property owner, the signature of the authorized agent of the property owner shall be sufficient. Wherever this part requires the signature of the business owner, the signature of the authorized agent of the business owner shall be sufficient.

36615.5. “Special benefit”

“Special benefit” means, for purposes of a property-based district, a particular and distinct benefit over and above general benefits conferred on real property located in a district or to the public at large. Special benefit includes incidental or collateral effects that arise from the improvements, maintenance, or activities of property-based districts even if those incidental or collateral effects benefit property or persons not assessed. Special benefit excludes general enhancement of property value.

36616. “Tenant”

“Tenant” means an occupant pursuant to a lease of commercial space or a dwelling unit, other than an owner.

ARTICLE 3. Prior Law

36617. Alternate method of financing certain improvements and activities; Effect on other provisions

This part provides an alternative method of financing certain improvements and activities. The provisions of this part shall not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes. Every improvement area established pursuant to the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500) of this division) is valid and effective and is unaffected by this part.

CHAPTER 2. Establishment

36620. Establishment of property and business improvement district

A property and business improvement district may be established as provided in this chapter.

36620.5. Requirement of consent of city council

A county may not form a district within the territorial jurisdiction of a city without the consent of the city council of that city. A city may not form a district within the unincorporated territory of a county without the consent of the board of supervisors of that county. A city may not form a district within the territorial jurisdiction of another city without the consent of the city council of the other city.

36621. Initiation of proceedings; Petition of property or business owners in proposed district

- (a) Upon the submission of a written petition, signed by the property or business owners in the proposed district who will pay more than 50 percent of the assessments proposed to be levied, the city council may initiate proceedings to form a district by the adoption of a resolution expressing its intention to form a district. The amount of assessment attributable to property or a business owned by the same property or business owner that is in excess of 40 percent of the amount of all assessments proposed to be levied, shall not be included in determining whether the petition is signed by property or business owners who will pay more than 50 percent of the total amount of assessments proposed to be levied.
- (b) The petition of property or business owners required under subdivision (a) shall include a summary of the management district plan. That summary shall include all of the following:
 - (1) A map showing the boundaries of the district.
 - (2) Information specifying where the complete management district plan can be obtained.
 - (3) Information specifying that the complete management district plan shall be furnished upon request.
- (c) The resolution of intention described in subdivision (a) shall contain all of the following:
 - (1) A brief description of the proposed improvements, maintenance, and activities, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or businesses within the district, a statement as to whether bonds will be issued, and a description of the exterior boundaries of the proposed district, which may be made by reference to any plan or map that is on file with the clerk. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements, maintenance, and activities, and the location and extent of the proposed district.
 - (2) A time and place for a public hearing on the establishment of the property and business improvement district and the levy of assessments, which shall be consistent with the requirements of Section 36623.

36622. Contents of management district plan

The management district plan shall include, but is not limited to, all of the following:

- (a) If the assessment will be levied on property, a map of the district in sufficient detail to locate each parcel of property and, if businesses are to be assessed, each business within the district. If the assessment will be levied on businesses, a map that identifies the district boundaries in sufficient detail to allow a business owner to reasonably determine whether a business is located within the district boundaries. If the assessment will be levied on property and businesses, a map of the district in sufficient detail to locate each parcel of property and to allow a business owner to reasonably determine whether a business is located within the district boundaries.
- (b) The name of the proposed district.
- (c) A description of the boundaries of the district, including the boundaries of benefit zones, proposed for establishment or extension in a manner sufficient to identify the affected property and businesses included, which may be made by reference to any plan or map that is on file with the clerk. The boundaries of a proposed property assessment district shall not overlap with the boundaries of another existing property assessment district created pursuant to this part. This part does not prohibit the boundaries of a district created pursuant to this part to overlap with other assessment districts established pursuant to other provisions of law, including, but not limited to, the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500)). This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with another business assessment district created pursuant to this part. This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with a property assessment district created pursuant to this part.
- (d) The improvements, maintenance, and activities proposed for each year of operation of the district and the maximum cost thereof. If the improvements, maintenance, and activities proposed for each year of operation are the same, a description of the first year's proposed improvements, maintenance, and activities and a

statement that the same improvements, maintenance, and activities are proposed for subsequent years shall satisfy the requirements of this subdivision.

(e) The total annual amount proposed to be expended for improvements, maintenance, or activities, and debt service in each year of operation of the district. If the assessment is levied on businesses, this amount may be estimated based upon the assessment rate. If the total annual amount proposed to be expended in each year of operation of the district is not significantly different, the amount proposed to be expended in the initial year and a statement that a similar amount applies to subsequent years shall satisfy the requirements of this subdivision.

(f) The proposed source or sources of financing, including the proposed method and basis of levying the assessment in sufficient detail to allow each property or business owner to calculate the amount of the assessment to be levied against his or her property or business. The plan also shall state whether bonds will be issued to finance improvements.

(g) The time and manner of collecting the assessments.

(h) The specific number of years in which assessments will be levied. In a new district, the maximum number of years shall be five. Upon renewal, a district shall have a term not to exceed 10 years. Notwithstanding these limitations, a district created pursuant to this part to finance capital improvements with bonds may levy assessments until the maximum maturity of the bonds. The management district plan may set forth specific increases in assessments for each year of operation of the district.

(i) The proposed time for implementation and completion of the management district plan.

(j) Any proposed rules and regulations to be applicable to the district.

(k) (1) A list of the properties or businesses to be assessed, including the assessor's parcel numbers for properties to be assessed, and a statement of the method or methods by which the expenses of a district will be imposed upon benefited real property or businesses, in proportion to the benefit received by the property or business, to defray the cost thereof.

(2) In a property-based district, the proportionate special benefit derived by each identified parcel shall be determined exclusively in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the activities. An assessment shall not be imposed on any parcel that exceeds the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are assessable, and a property-based district shall separate the general benefits, if any, from the special benefits conferred on a parcel. Parcels within a property-based district that are owned or used by any city, public agency, the State of California, or the United States shall not be exempt from assessment unless the governmental entity can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit. The value of any incidental, secondary, or collateral effects that arise from the improvements, maintenance, or activities of a property-based district and that benefit property or persons not assessed shall not be deducted from the entirety of the cost of any special benefit or affect the proportionate special benefit derived by each identified parcel.

(l) In a property-based district, the total amount of all special benefits to be conferred upon the properties located within the property-based district.

(m) In a property-based district, the total amount of general benefits, if any.

(n) In a property-based district, a detailed engineer's report prepared by a registered professional engineer certified by the State of California supporting all assessments contemplated by the management district plan.

(o) Any other item or matter required to be incorporated therein by the city council.

36623. Procedure to levy assessment

(a) If a city council proposes to levy a new or increased property assessment, the notice and protest and hearing procedure shall comply with Section 53753 of the Government Code.

(b) If a city council proposes to levy a new or increased business assessment, the notice and protest and hearing procedure shall comply with Section 54954.6 of the Government Code, except that notice shall be mailed to the owners of the businesses proposed to be assessed. A protest may be made orally or in writing by any interested person. Every written protest shall be filed with the clerk at or before the time fixed for the public hearing. The city council may waive any irregularity in the form or content of any written protest. A written protest may be withdrawn in writing at any time before the conclusion of the public hearing. Each written protest shall contain a description of the business in which the person subscribing the protest is interested sufficient to identify the business and, if a person subscribing is not shown on the official records

of the city as the owner of the business, the protest shall contain or be accompanied by written evidence that the person subscribing is the owner of the business or the authorized representative. A written protest that does not comply with this section shall not be counted in determining a majority protest. If written protests are received from the owners or authorized representatives of businesses in the proposed district that will pay 50 percent or more of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protests to less than 50 percent, no further proceedings to levy the proposed assessment against such businesses, as contained in the resolution of intention, shall be taken for a period of one year from the date of the finding of a majority protest by the city council.

(c) If a city council proposes to conduct a single proceeding to levy both a new or increased property assessment and a new or increased business assessment, the notice and protest and hearing procedure for the property assessment shall comply with subdivision (a), and the notice and protest and hearing procedure for the business assessment shall comply with subdivision (b). If a majority protest is received from either the property or business owners, that respective portion of the assessment shall not be levied. The remaining portion of the assessment may be levied unless the improvement or other special benefit was proposed to be funded by assessing both property and business owners.

36624. Changes to proposed assessments

At the conclusion of the public hearing to establish the district, the city council may adopt, revise, change, reduce, or modify the proposed assessment or the type or types of improvements, maintenance, and activities to be funded with the revenues from the assessments. Proposed assessments may only be revised by reducing any or all of them. At the public hearing, the city council may only make changes in, to, or from the boundaries of the proposed property and business improvement district that will exclude territory that will not benefit from the proposed improvements, maintenance, and activities. Any modifications, revisions, reductions, or changes to the proposed assessment district shall be reflected in the notice and map recorded pursuant to Section 36627.

36625. Resolution of formation

(a) If the city council, following the public hearing, decides to establish a proposed property and business improvement district, the city council shall adopt a resolution of formation that shall include, but is not limited to, all of the following:

- (1) A brief description of the proposed improvements, maintenance, and activities, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property, businesses, or both within the district, a statement on whether bonds will be issued, and a description of the exterior boundaries of the proposed district, which may be made by reference to any plan or map that is on file with the clerk. The descriptions and statements need not be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements, maintenance, and activities and the location and extent of the proposed district.
- (2) The number, date of adoption, and title of the resolution of intention.
- (3) The time and place where the public hearing was held concerning the establishment of the district.
- (4) A determination regarding any protests received. The city shall not establish the district or levy assessments if a majority protest was received.
- (5) A statement that the properties, businesses, or properties and businesses in the district established by the resolution shall be subject to any amendments to this part.
- (6) A statement that the improvements, maintenance, and activities to be conferred on businesses and properties in the district will be funded by the levy of the assessments. The revenue from the levy of assessments within a district shall not be used to provide improvements, maintenance, or activities outside the district or for any purpose other than the purposes specified in the resolution of intention, as modified by the city council at the hearing concerning establishment of the district. Notwithstanding the foregoing, improvements and activities that must be provided outside the district boundaries to create a special or specific benefit to the assessed parcels or businesses may be provided, but shall be limited to marketing or signage pointing to the district.
- (7) A finding that the property or businesses within the area of the property and business improvement district will be benefited by the improvements, maintenance, and activities funded by the proposed assessments, and, for a property-based district, that property within the district will receive a special benefit.

- (8) In a property-based district, the total amount of all special benefits to be conferred on the properties within the property-based district.
- (b) The adoption of the resolution of formation and, if required, recordation of the notice and map pursuant to Section 36627 shall constitute the levy of an assessment in each of the fiscal years referred to in the management district plan.

36627. Notice and assessment diagram

Following adoption of the resolution establishing district assessments on properties pursuant to Section 36625, the clerk shall record a notice and an assessment diagram pursuant to Section 3114. No other provision of Division 4.5 (commencing with Section 3100) applies to an assessment district created pursuant to this part.

36628. Establishment of separate benefit zones within district; Categories of businesses

The city council may establish one or more separate benefit zones within the district based upon the degree of benefit derived from the improvements or activities to be provided within the benefit zone and may impose a different assessment within each benefit zone. If the assessment is to be levied on businesses, the city council may also define categories of businesses based upon the degree of benefit that each will derive from the improvements or activities to be provided within the district and may impose a different assessment or rate of assessment on each category of business, or on each category of business within each zone.

36628.5. Assessments on businesses or property owners

The city council may levy assessments on businesses or on property owners, or a combination of the two, pursuant to this part. The city council shall structure the assessments in whatever manner it determines corresponds with the distribution of benefits from the proposed improvements, maintenance, and activities, provided that any property-based assessment conforms with the requirements set forth in paragraph (2) of subdivision (k) of Section 36622.

36629. Provisions and procedures applicable to benefit zones and business categories

All provisions of this part applicable to the establishment, modification, or disestablishment of a property and business improvement district apply to the establishment, modification, or disestablishment of benefit zones or categories of business. The city council shall, to establish, modify, or disestablish a benefit zone or category of business, follow the procedure to establish, modify, or disestablish a property and business improvement district.

36630. Expiration of district; Creation of new district

If a property and business improvement district expires due to the time limit set pursuant to subdivision (h) of Section 36622, a new management district plan may be created and the district may be renewed pursuant to this part.

CHAPTER 3. Assessments

36631. Time and manner of collection of assessments; Delinquent payments

The collection of the assessments levied pursuant to this part shall be made at the time and in the manner set forth by the city council in the resolution levying the assessment. Assessments levied on real property may be collected at the same time and in the same manner as for the ad valorem property tax, and may provide for the same lien priority and penalties for delinquent payment. All delinquent payments for assessments levied pursuant to this part may be charged interest and penalties.

36632. Assessments to be based on estimated benefit; Classification of real property and businesses; Exclusion of residential and agricultural property

- (a) The assessments levied on real property pursuant to this part shall be levied on the basis of the estimated benefit to the real property within the property and business improvement district. The city council may

classify properties for purposes of determining the benefit to property of the improvements and activities provided pursuant to this part.

(b) Assessments levied on businesses pursuant to this part shall be levied on the basis of the estimated benefit to the businesses within the property and business improvement district. The city council may classify businesses for purposes of determining the benefit to the businesses of the improvements and activities provided pursuant to this part.

(c) Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and service funded through these assessments, and shall not be subject to any assessment pursuant to this part.

36633. Time for contesting validity of assessment

The validity of an assessment levied under this part shall not be contested in an action or proceeding unless the action or proceeding is commenced within 30 days after the resolution levying the assessment is adopted pursuant to Section 36625. An appeal from a final judgment in an action or proceeding shall be perfected within 30 days after the entry of judgment.

36634. Service contracts authorized to establish levels of city services

The city council may execute baseline service contracts that would establish levels of city services that would continue after a property and business improvement district has been formed.

36635. Request to modify management district plan

The owners' association may, at any time, request that the city council modify the management district plan. Any modification of the management district plan shall be made pursuant to this chapter.

36636. Modification of plan by resolution after public hearing; Adoption of resolution of intention

(a) Upon the written request of the owners' association, the city council may modify the management district plan after conducting one public hearing on the proposed modifications. The city council may modify the improvements and activities to be funded with the revenue derived from the levy of the assessments by adopting a resolution determining to make the modifications after holding a public hearing on the proposed modifications. If the modification includes the levy of a new or increased assessment, the city council shall comply with Section 36623. Notice of all other public hearings pursuant to this section shall comply with both of the following:

- (1) The resolution of intention shall be published in a newspaper of general circulation in the city once at least seven days before the public hearing.
- (2) A complete copy of the resolution of intention shall be mailed by first class mail, at least 10 days before the public hearing, to each business owner or property owner affected by the proposed modification.

(b) The city council shall adopt a resolution of intention which states the proposed modification prior to the public hearing required by this section. The public hearing shall be held not more than 90 days after the adoption of the resolution of intention.

36637. Reflection of modification in notices recorded and maps

Any subsequent modification of the resolution shall be reflected in subsequent notices and maps recorded pursuant to Division 4.5 (commencing with Section 3100), in a manner consistent with the provisions of Section 36627.

CHAPTER 3.5. Financing

36640. Bonds authorized; Procedure; Restriction on reduction or termination of assessments

(a) The city council may, by resolution, determine and declare that bonds shall be issued to finance the estimated cost of some or all of the proposed improvements described in the resolution of formation adopted

pursuant to Section 36625, if the resolution of formation adopted pursuant to that section provides for the issuance of bonds, under the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500)) or in conjunction with Marks-Roos Local Bond Pooling Act of 1985 (Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code). Either act, as the case may be, shall govern the proceedings relating to the issuance of bonds, although proceedings under the Bond Act of 1915 may be modified by the city council as necessary to accommodate assessments levied upon business pursuant to this part.

(b) The resolution adopted pursuant to subdivision (a) shall generally describe the proposed improvements specified in the resolution of formation adopted pursuant to Section 36625, set forth the estimated cost of those improvements, specify the number of annual installments and the fiscal years during which they are to be collected. The amount of debt service to retire the bonds shall not exceed the amount of revenue estimated to be raised from assessments over 30 years.

(c) Notwithstanding any other provision of this part, assessments levied to pay the principal and interest on any bond issued pursuant to this section shall not be reduced or terminated if doing so would interfere with the timely retirement of the debt.

CHAPTER 4. Governance

36650. Report by owners' association; Approval or modification by city council

(a) The owners' association shall cause to be prepared a report for each fiscal year, except the first year, for which assessments are to be levied and collected to pay the costs of the improvements, maintenance, and activities described in the report. The owners' association's first report shall be due after the first year of operation of the district. The report may propose changes, including, but not limited to, the boundaries of the property and business improvement district or any benefit zones within the district, the basis and method of levying the assessments, and any changes in the classification of property, including any categories of business, if a classification is used.

(b) The report shall be filed with the clerk and shall refer to the property and business improvement district by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following information:

- (1) Any proposed changes in the boundaries of the property and business improvement district or in any benefit zones or classification of property or businesses within the district.
- (2) The improvements, maintenance, and activities to be provided for that fiscal year.
- (3) An estimate of the cost of providing the improvements, maintenance, and activities for that fiscal year.
- (4) The method and basis of levying the assessment in sufficient detail to allow each real property or business owner, as appropriate, to estimate the amount of the assessment to be levied against his or her property or business for that fiscal year.
- (5) The estimated amount of any surplus or deficit revenues to be carried over from a previous fiscal year.
- (6) The estimated amount of any contributions to be made from sources other than assessments levied pursuant to this part.

(c) The city council may approve the report as filed by the owners' association or may modify any particular contained in the report and approve it as modified. Any modification shall be made pursuant to Sections 36635 and 36636.

The city council shall not approve a change in the basis and method of levying assessments that would impair an authorized or executed contract to be paid from the revenues derived from the levy of assessments, including any commitment to pay principal and interest on any bonds issued on behalf of the district.

36651. Designation of owners' association to provide improvements, maintenance, and activities

The management district plan may, but is not required to, state that an owners' association will provide the improvements, maintenance, and activities described in the management district plan. If the management district plan designates an owners' association, the city shall contract with the designated nonprofit corporation to provide services.

CHAPTER 5. Renewal

36660. Renewal of district; Transfer or refund of remaining revenues; District term limit

- (a) Any district previously established whose term has expired, or will expire, may be renewed by following the procedures for establishment as provided in this chapter.
- (b) Upon renewal, any remaining revenues derived from the levy of assessments, or any revenues derived from the sale of assets acquired with the revenues, shall be transferred to the renewed district. If the renewed district includes additional parcels or businesses not included in the prior district, the remaining revenues shall be spent to benefit only the parcels or businesses in the prior district. If the renewed district does not include parcels or businesses included in the prior district, the remaining revenues attributable to these parcels shall be refunded to the owners of these parcels or businesses.
- (c) Upon renewal, a district shall have a term not to exceed 10 years, or, if the district is authorized to issue bonds, until the maximum maturity of those bonds. There is no requirement that the boundaries, assessments, improvements, or activities of a renewed district be the same as the original or prior district.

CHAPTER 6. Disestablishment**36670. Circumstances permitting disestablishment of district; Procedure**

- (a) Any district established or extended pursuant to the provisions of this part, where there is no indebtedness, outstanding and unpaid, incurred to accomplish any of the purposes of the district, may be disestablished by resolution by the city council in either of the following circumstances:
 - (1) If the city council finds there has been misappropriation of funds, malfeasance, or a violation of law in connection with the management of the district, it shall notice a hearing on disestablishment.
 - (2) During the operation of the district, there shall be a 30-day period each year in which assesseses may request disestablishment of the district. The first such period shall begin one year after the date of establishment of the district and shall continue for 30 days. The next such 30-day period shall begin two years after the date of the establishment of the district. Each successive year of operation of the district shall have such a 30-day period. Upon the written petition of the owners or authorized representatives of real property or the owners or authorized representatives of businesses in the district who pay 50 percent or more of the assessments levied, the city council shall pass a resolution of intention to disestablish the district. The city council shall notice a hearing on disestablishment.
- (b) The city council shall adopt a resolution of intention to disestablish the district prior to the public hearing required by this section. The resolution shall state the reason for the disestablishment, shall state the time and place of the public hearing, and shall contain a proposal to dispose of any assets acquired with the revenues of the assessments levied within the property and business improvement district. The notice of the hearing on disestablishment required by this section shall be given by mail to the property owner of each parcel or to the owner of each business subject to assessment in the district, as appropriate. The city shall conduct the public hearing not less than 30 days after mailing the notice to the property or business owners. The public hearing shall be held not more than 60 days after the adoption of the resolution of intention.

36671. Refund of remaining revenues upon disestablishment or expiration without renewal of district; Calculation of refund; Use of outstanding revenue collected after disestablishment of district

- (a) Upon the disestablishment or expiration without renewal of a district, any remaining revenues, after all outstanding debts are paid, derived from the levy of assessments, or derived from the sale of assets acquired with the revenues, or from bond reserve or construction funds, shall be refunded to the owners of the property or businesses then located and operating within the district in which assessments were levied by applying the same method and basis that was used to calculate the assessments levied in the fiscal year in which the district is disestablished or expires. All outstanding assessment revenue collected after disestablishment shall be spent on improvements and activities specified in the management district plan.
- (b) If the disestablishment occurs before an assessment is levied for the fiscal year, the method and basis that was used to calculate the assessments levied in the immediate prior fiscal year shall be used to calculate the amount of any refund.

APPENDIX 2 – ASSESSED BUSINESSES

Name of Establishment	Jurisdiction	Class	Mailing Address	City/State/Zip
The Leta	City of Goleta	Upper Upscale Class	5650 Calle Real	Goleta, CA 93117
1005 Monte Cristo	County Of Santa Barbara	Short Term Rental	1005 Monte Cristo Lane	Santa Barbara CA 93108
Gretchen Zee	City Of Goleta	Short Term Rental	1011 Via Bolzano	Goleta, CA 93124
The Palace	County Of Santa Barbara	Short Term Rental	1015 Debra Drive	Santa Barbara CA 93110
Ala Mar Motel	City Of Santa Barbara	Midscale Class	102 W Cabrillo Blvd	Santa Barbara, CA 93101-3505
Alamar Motel	City Of Santa Barbara	Midscale Class	102 W Cabrillo Blvd	Santa Barbara, CA 93101-3505
1508 Miramar Beach	County Of Santa Barbara	Short Term Rental	10250 Constellation Blvd 5th Fl	Los Angeles CA 90067
Harbor House Inn	City Of Santa Barbara	Midscale Class	104 Bath St	Santa Barbara, CA 93101-3805
Gledhill, David	County Of Santa Barbara	Short Term Rental	1040 Mission Canyon Road	Santa Barbara CA 93105
Casa Del Sol	County Of Santa Barbara	Short Term Rental	1043 Via Chaparral	Santa Barbara CA 93105
David & Janette Delorie	City Of Santa Barbara	Short Term Rental	1052 Vereda Del Ciervo	Goleta, CA 93117-5304
Damron, Bonnie	County Of Santa Barbara	Short Term Rental	1076 Fairway Rd	Santa Barbara CA 93108
Coastal Properties	County Of Santa Barbara	Short Term Rental	1086 Coast Village Rd	Santa Barbara CA 93108
Franciscan Inn & Suites	City Of Santa Barbara	Upscale Class	109 Bath St	Santa Barbara, CA 93101-3804
Bb Pacific Llc	City Of Santa Barbara	Short Term Rental	1103 Portesuello Av	Santa Barbara, CA 93105
Christine Chavez	City Of Santa Barbara	Short Term Rental	1107 5th St	Davis, CA 95616-3920
Duris, Maureen	County Of Santa Barbara	Short Term Rental	111 Crestview Lane	Santa Barbara CA 93108
Young, David & Kristen	County Of Santa Barbara	Short Term Rental	1110 Oriole Rd	Santa Barbara CA 93108
Mar Monte Hotel (Formerly Hyatt Centric)	City Of Santa Barbara	Luxury Class	1111 E Cabrillo Blvd	Santa Barbara, CA 93103-3701

Santa Barbara House	City Of Santa Barbara	Luxury Class	1111 E Cabrillo Blvd	Santa Barbara, CA 93103-3701
Riven Rock Management, LLC	County Of Santa Barbara	Short Term Rental	1114 State St, Ste 250	Santa Barbara CA 93101
La Maison Santa Barbara	City Of Santa Barbara	Short Term Rental	112 E Ortega St Ste 301	Santa Barbara, CA 93101-1631
Tres Perros Beach House	County Of Santa Barbara	Short Term Rental	1130 Iliff St	Pacific Palisades CA 90272
Butterfly Homestay	County Of Santa Barbara	Short Term Rental	1132 Hill Rd	Santa Barbara CA 93108
Brace, Kyle	County Of Santa Barbara	Short Term Rental	116 Hermosillo Rd	Santa Barbara CA 93108
Bryan R Smith	City Of Santa Barbara	Short Term Rental	116 San Rafael Ave	Santa Barbara, CA 93109-2077
Donald Campbell/Joy Kelly	City Of Santa Barbara	Short Term Rental	118 Chapala St Apt 1	Santa Barbara, CA 93101-5224
Dominic, Andrea	County Of Santa Barbara	Short Term Rental	1187 Coast Village Rd #413	Santa Barbara CA 93108
Inn On Summer Hill & Spa	County Of Santa Barbara	Upper Midscale Class	1187 Coast Village Rd #508	Santa Barbara, CA 93108
Coast Village Inn	City Of Santa Barbara	Upper Midscale Class	1188 Coast Village Rd	Santa Barbara, CA 93108-2717
The Wayfarer	City Of Santa Barbara	Upper Midscale Class	12 E Montecito St	Santa Barbara, CA 93101-2323
Loon Point Cottages	County Of Santa Barbara	Short Term Rental	120 Morgan Lane	Carpinteria CA 93013
Simpson House Inn	City Of Santa Barbara	Luxury Class	121 E Arrellaga St	Santa Barbara, CA 93101-1903
Riviera Beach House (Formerly Hotel Indigo Santa Barbara)	City Of Santa Barbara	Upper Upscale Class	121 State St	Santa Barbara, CA 93101-3529
Sapphire Land & Development	County Of Santa Barbara	Short Term Rental	1212 Mark Ave	Carpinteria CA 93013
Mission Canyon Peace	County Of Santa Barbara	Short Term Rental	1220 Mission Canyon Pl	Santa Barbara CA 93105
124 Rincon Point Road	County Of Santa Barbara	Short Term Rental	124 Rincon Point	Carpinteria CA 93013
De La Vina Inn	City Of Santa Barbara	Upper Upscale Class	1246 Hoover St	Menlo Park, CA 94025-4217
Rincon Seaside Retreat	County Of Santa Barbara	Short Term Rental	126 Montecello Ave	Piedmont CA 94611
Four Seasons Resort The Biltmore Santa Barbara	County Of Santa Barbara	Luxury Class	1260 Channel Drive	Santa Barbara, CA 93108

Montecito Inn	City Of Santa Barbara	Upscale Class	1295 Coast Village Rd	Santa Barbara, CA 93108-2748
Presidio Motel	City Of Santa Barbara	Economy Class	1304 Portesuello Ave	Santa Barbara, CA 93105-4623
Palm Tree Properties	County Of Santa Barbara	Short Term Rental	131 Hermosillo Rd	Santa Barbara CA 93108
3081 Via Real Llc	County Of Santa Barbara	Short Term Rental	1310 San Antonio Creek Rd	Santa Barbara CA 93111
Kimberly & John Bianchi	City Of Santa Barbara	Short Term Rental	1311 Suffield Ln	Bakersfield, CA 93312-4681
Mike Rosie Rental	City Of Santa Barbara	Short Term Rental	1333 Cliff Dr	Santa Barbara, CA 93109-1729
Pape, Nancy	County Of Santa Barbara	Short Term Rental	1335 40th Street	Sacramento CA 95819
Peterson Rentals	County Of Santa Barbara	Short Term Rental	1342 Virginia Rd	Santa Barbara CA 93108
Arneson, Pamela & Eric	County Of Santa Barbara	Short Term Rental	1345 Virginia Rd	Santa Barbara CA 93108
Montecito Cottage	County Of Santa Barbara	Short Term Rental	1355 Danielson Rd	Santa Barbara CA 93108
Sea Steppe	County Of Santa Barbara	Short Term Rental	1363 Danielson Rd	Santa Barbara CA 93108
The Beach Loft	County Of Santa Barbara	Short Term Rental	1371 Santa Clara Way	Santa Barbara CA 93108
The Beach Cottage	County Of Santa Barbara	Short Term Rental	1371 Santa Clara Way	Santa Barbara CA 93108
Montecito Vacation Home	County Of Santa Barbara	Short Term Rental	1371 Santa Clara Way	Santa Barbara CA 93108
Rutherford, John & Lynn	County Of Santa Barbara	Short Term Rental	1374 Danielson Rd #B	Santa Barbara CA 93108
Cottage By The Sea	County Of Santa Barbara	Short Term Rental	1390 Virginia Road	Santa Barbara CA 93108
Upham Hotel	City Of Santa Barbara	Upper Upscale Class	1404 De La Vina St	Santa Barbara, CA 93101-3027
Montecito, LLC	County Of Santa Barbara	Short Term Rental	1410 N Jameson Lane	Santa Barbara CA 93108
East Beach Cottages	City Of Santa Barbara	Short Term Rental	1415 Cantera Ave	Santa Barbara, CA 93110-2402
Mid-Century Hideaway	County Of Santa Barbara	Short Term Rental	1418 N Jameson Lane	Santa Barbara CA 93108
Eric & Amy Ryan	City Of Santa Barbara	Short Term Rental	1424 San Miguel Ave	Santa Barbara, CA 93109-2045

Chambers Homestay	County Of Santa Barbara	Short Term Rental	145 Walnut St	Santa Barbara CA 93111
Connors Properties LLC	City Of Santa Barbara	Short Term Rental	1475 Cougar Ridge Rd	Buellton, CA 93427-9414
Epstein, Seth & Monica	County Of Santa Barbara	Short Term Rental	1482 E Valley Rd Suite #234	Santa Barbara CA 93108
Dealy, Catherine & Peter	County Of Santa Barbara	Short Term Rental	1482 East Valley Rd #245	Santa Barbara CA 93108
Scott C Boydston Trust	County Of Santa Barbara	Short Term Rental	1485 S Jameson Lane	Santa Barbara CA 93108
Cota Lane Properties	County Of Santa Barbara	Short Term Rental	1490 Wyant Road	Santa Barbara CA 93108
Villa Rosa	City Of Santa Barbara	Upper Midscale Class	15 Chapala St	Santa Barbara, CA 93101-3507
Hyatt Place Santa Barbara	County Of Santa Barbara	Upscale Class	150 W Harris Ave	South San Francisco, CA 94030
7490 Magnolia, LLC	County Of Santa Barbara	Short Term Rental	151 Kalmus Dr, M-4	Costa Mesa CA 92626
Hamilton, Justine	County Of Santa Barbara	Short Term Rental	1521 Sinaloa Dr	Santa Barbara CA 93108
Patricia Woodruff	City Of Santa Barbara	Short Term Rental	1529 San Miguel Ave	Santa Barbara, CA 93109-2046
Signature Rentals - California, Inc	County Of Santa Barbara	Short Term Rental	15475 N Greenway Hayden Loop Ste B2	Scottsdale AZ 85260
Casa Valerio	City Of Santa Barbara	Short Term Rental	1550 Tiburon Blvd # G-343	Tiburon, CA 94920-2564
Villa Malaga	City Of Santa Barbara	Short Term Rental	1557 La Cresta Cir	Santa Barbara, CA 93109-1741
Villa Flora	County Of Santa Barbara	Short Term Rental	1581 Green Lane	Santa Barbara CA 93108
Paradise Retreats	County Of Santa Barbara	Short Term Rental	16 E Arrellaga St	Santa Barbara CA 93101
Breakaway Retreat	City Of Santa Barbara	Short Term Rental	16 E Arrellaga St	Santa Barbara, CA 93101-0000
Sea Glass Cottage	City Of Santa Barbara	Short Term Rental	16 E Arrellaga St	Santa Barbara, CA 93101-2502
Cottages At West Beach	City Of Santa Barbara	Short Term Rental	16 E Arrellaga St	Santa Barbara, CA 93101-2502
Mesa Bliss	City Of Santa Barbara	Short Term Rental	16 E Arrellaga St	Santa Barbara, CA 93101-2502

The Sea Captain's House	City Of Santa Barbara	Short Term Rental	16 E Arrellaga St	Santa Barbara, CA 93101-2502
Tropical Retreat	City Of Santa Barbara	Short Term Rental	16 E Arrellaga St	Santa Barbara, CA 93101-2502
Mesa Life	City Of Santa Barbara	Short Term Rental	16 E Arrellaga St	Santa Barbara, CA 93101-2502
Sandwaves	City Of Santa Barbara	Short Term Rental	16 E Arrellaga St	Santa Barbara, CA 93101-2502
Downtown Villa	City Of Santa Barbara	Short Term Rental	16 E Arrellaga St	Santa Barbara, CA 93101-2502
Happy Place	City Of Santa Barbara	Short Term Rental	16 E Arrellaga St	Santa Barbara, CA 93101-2502
West Beach Oasis	City Of Santa Barbara	Short Term Rental	16 E Arrellaga St	Santa Barbara, CA 93101-2502
East Beach Sophisticate	City Of Santa Barbara	Short Term Rental	16 E Arrellaga St	Santa Barbara, CA 93101-2502
Bluewater Retreat	City Of Santa Barbara	Short Term Rental	16 E Arrellaga St	Santa Barbara, CA 93101-2502
Harbor Retreat	City Of Santa Barbara	Short Term Rental	16 E Arrellaga St	Santa Barbara, CA 93101-2502
Surfer's Paradise	City Of Santa Barbara	Short Term Rental	16 E Arrellaga St	Santa Barbara, CA 93101-2502
Sea Change	City Of Santa Barbara	Short Term Rental	16 E Arrellaga St	Santa Barbara, CA 93101-2502
Juniper Cottage	City Of Santa Barbara	Short Term Rental	16 E Arrellaga St	Santa Barbara, CA 93101-2502
1608 Bath St Vacation Rental	City Of Santa Barbara	Short Term Rental	1608 Bath St	Santa Barbara, CA 93101-2908
Blaser Living Trust	County Of Santa Barbara	Short Term Rental	1639 Posilipo Lane	Santa Barbara CA 93108
Rh Management Inc	City Of Santa Barbara	Short Term Rental	1650 Veteran Ave Apt 307	Los Angeles, CA 90024-5555
David Sullins	City Of Santa Barbara	Short Term Rental	1683 Manor Rd	Englewood, FL 34223-4929
David Sullins Vacation Rental	City Of Santa Barbara	Short Term Rental	1683 Manor Rd	Englewood, FL 34223-4929
Holiday Inn Express Santa Barbara	City Of Santa Barbara	Upper Midscale Class	17 W Haley St	Santa Barbara, CA 93101-3428
Holiday Inn Express Hotel Virginia	City Of Santa Barbara	Upper Midscale Class	17 W Haley St	Santa Barbara, CA 93101-3428
Magic Retreat Home	County Of Santa Barbara	Short Term Rental	1705 San Marcos Pass Rd	Santa Barbara CA 93105
Perfect Surf	City Of Santa Barbara	Short Term Rental	1717 Sunset Ave	Santa Monica, CA 90405-5919

Alex & Erik Funke	City Of Santa Barbara	Short Term Rental	1718 Se Mulberry Ave	Portland, Or 97214-4764
Sunset Inn	City Of Santa Barbara	Economy Class	1787 E Thompson Blvd	Ventura, CA 93001-3326
Casa Del Mar Inn	City Of Santa Barbara	Upper Midscale Class	18 Bath St	Santa Barbara, CA 93101-3803
Circle Bar B	County Of Santa Barbara	Upper Upscale Class	1800 Refugio Rd	Goleta, CA 93117
718 Castillo Street LLC	City Of Santa Barbara	Short Term Rental	1815 State St Ste A	Santa Barbara, CA 93101-8405
Stan Krome	City Of Santa Barbara	Short Term Rental	1843 El Camino De La Luz	Santa Barbara, CA 93109-1924
Winthrop, Stuart & Elizabeth	County Of Santa Barbara	Short Term Rental	1959 Las Tunas Rd	Santa Barbara CA 93103
The Whale House	County Of Santa Barbara	Short Term Rental	1979 N Refugio Rd	Santa Ynez CA 93460
Strand Hus Unit A	County Of Santa Barbara	Short Term Rental	2 Desilva Island Ct	Mill Valley CA 94941
8 Rincon Point, LLC	County Of Santa Barbara	Short Term Rental	2006 Palisades Dr	Pacific Palisades CA 90272
Crawford Wilson Rentals	City Of Santa Barbara	Short Term Rental	2016 Edgewater Way	Santa Barbara, CA 93109-1917
Ocean View Cottage	County Of Santa Barbara	Short Term Rental	2018 Foothill Rd	Santa Barbara CA 93105
Fiesta Inn And Suites	City Of Santa Barbara	Economy Class	2019 State St	Santa Barbara, CA 93105-3553
A J & Stephanie Castagnola	City Of Santa Barbara	Short Term Rental	206 Bath St	Santa Barbara, CA 93101-3807
Lavender Inn By The Sea	City Of Santa Barbara	Upper Upscale Class	206 Castillo St	Santa Barbara, CA 93101-3812
Marina Beach Motel	City Of Santa Barbara	Upper Midscale Class	21 Bath St	Santa Barbara, CA 93101-3802
Wimberly, Ed & Joan	County Of Santa Barbara	Short Term Rental	211 Ocean View Rd	Carpinteria CA 93013
Goena-Welch, Mina	County Of Santa Barbara	Short Term Rental	2115 Anacapa Street	Santa Barbara CA 93105
Eberwein, Kristin & William	County Of Santa Barbara	Short Term Rental	2121 Manzanita Ave	Menlo Park CA 94025
Castillo Inn	City Of Santa Barbara	Economy Class	22 Castillo St	Santa Barbara, CA 93101-3809
1031 Del Sol LLC	City Of Santa Barbara	Short Term Rental	22046 Martinez St	Woodland Hills, CA 91364-1611

Best Western Plus Santa Barbara (Formerly Bw Encina)	City Of Santa Barbara	Upper Midscale Class	2220 Bath St	Santa Barbara, CA 93105-4322
Stay Sb Luxury Vacation Rentals	County Of Santa Barbara	Short Term Rental	2229 State St	Santa Barbara CA 93105
Brisas Del Mar Inn At The Beach	City Of Santa Barbara	Upper Upscale Class	223 Castillo St	Santa Barbara, CA 93101-3811
Inn By The Harbor	City Of Santa Barbara	Upscale Class	223 Castillo St	Santa Barbara, CA 93101-3811
Dolphin Inn Vacation Rentals	City Of Santa Barbara	Short Term Rental	223 W Mason St	Santa Barbara, CA 93101-3598
Anderson, Michael & Hilary	County Of Santa Barbara	Short Term Rental	2255 Las Canoas Road	Santa Barbara CA 93105
The Hill House, By The Sea	County Of Santa Barbara	Short Term Rental	2274 Whitney Ave	Summerland CA 93067
The Eagle Inn	City Of Santa Barbara	Upper Upscale Class	232 Natoma Ave	Santa Barbara, CA 93101-3522
La Quinta Inns & Suites Santa Barbara Downtown	City Of Santa Barbara	Upper Midscale Class	2333 Nw Vaughn St	Portland, OR 97210-2311
Calle Culebra	County Of Santa Barbara	Short Term Rental	23460 Camino Hermoso	Los Altos Hills CA 94024
1350 Virginia Road	County Of Santa Barbara	Short Term Rental	23460 Camino Hermoso Dr	Los Altos Hills CA 94024
Bingham, Wendy	County Of Santa Barbara	Short Term Rental	238 Toro Canyon Rd	Carpinteria CA 93013
Gottlieb, Susan	County Of Santa Barbara	Short Term Rental	240 Toro Canyon Rd	Carpinteria CA 93013
Bryce, Frank & Ian Anderson	City Of Santa Barbara	Short Term Rental	2410 State St	Santa Barbara, CA 93105-3562
Wanderlust Luxury Rentals	County Of Santa Barbara	Short Term Rental	2429 Bath St	Santa Barbara CA 93105
Ron & Dana Macksoud	City Of Santa Barbara	Short Term Rental	2507 Honolulu Ave	Montrose, CA 91020-1805
Stephen Thompson	City Of Goleta	Short Term Rental	253 Calle Serrento	Goleta, CA 93125
Haley Hotel	City Of Santa Barbara	Upscale Class	26 E Haley St	Santa Barbara, CA 93101-2316
Grand Welcome	County Of Santa Barbara	Short Term Rental	2601 Airport Dr, Suite 270	Torrance CA 90505
Hudson, David Lamont	County Of Santa Barbara	Short Term Rental	2620 Dorking Pl	Santa Barbara CA 93105
Pied-A-Terre	County Of Santa Barbara	Short Term Rental	2660 Dorking Pl	Santa Barbara CA 93105

Nelson, Thomas	County Of Santa Barbara	Short Term Rental	2676 Glendessary Lane	Santa Barbara CA 93105
103 Chapala LLC	City Of Santa Barbara	Short Term Rental	27 W Anapamu St # 228	Santa Barbara, CA 93101-3107
Adventures At Arroyo Burro	City Of Santa Barbara	Short Term Rental	27 W Anapamu St # 228	Santa Barbara, CA 93101-3107
Villa Portofino LLC	City Of Santa Barbara	Short Term Rental	27 W Anapamu St # 228	Santa Barbara, CA 93101-3107
Santa Barbara Vacation Rentals, LLC	County Of Santa Barbara	Short Term Rental	27 W Anapamu St #228	Santa Barbara CA 93101
Rosenblatt, Mindy	County Of Santa Barbara	Short Term Rental	2709 Foothill Rd	Santa Barbara CA 93105
Under The Oaks Homestay	County Of Santa Barbara	Short Term Rental	2720 Puesta Del Sol	Santa Barbara CA 93105
Sun El Capitan Canyon	County Of Santa Barbara	Luxury Class	27777 Franklin Rd Ste 200	Southfield MI 48034
El Capitan Canyon	County Of Santa Barbara	Luxury Class	27777 Franklin Rd Ste 200	Southfield, MI 48034
Harbor View Inn	City Of Santa Barbara	Upscale Class	28 W Cabrillo Blvd	Santa Barbara, CA 93101-3504
Town & Country Inn	City Of Santa Barbara	Economy Class	2800 State St	Santa Barbara, CA 93105-3416
Lemon Tree Inn	City Of Santa Barbara	Upscale Class	2819 State St	Santa Barbara, CA 93105-3415
Secret Garden Inn	City Of Santa Barbara	Upper Upscale Class	2821 Ben Lomond Dr	Santa Barbara, CA 93105-2204
Holiday Lodge	City Of Santa Barbara	Economy Class	2825 State St	Santa Barbara, CA 93105-3424
Humphreys, Crystal	County Of Santa Barbara	Short Term Rental	2835 Ivory Ave	Simi Valley CA 93063
Weisbart, Harry & Judith	County Of Santa Barbara	Short Term Rental	2879 Exeter Place	Santa Barbara CA 93105
Brown Credit Trust	City Of Santa Barbara	Short Term Rental	2973 Glen Albyn Dr	Santa Barbara, CA 93105-2219
Pacific Time Management LLC	City Of Santa Barbara	Short Term Rental	30 W Quinto St	Santa Barbara, CA 93105-3923
Blue Sands Inn	City Of Santa Barbara	Upper Upscale Class	301 N Canon Dr Ste 302	Beverly Hills, CA 90210-4724
Hideaway Santa Barbara	City Of Santa Barbara	Luxury Class	301 N Canon Dr Ste 302	Beverly Hills, CA 90210-4724
Best Western Plus Pepper Tree Inn	City Of Santa Barbara	Upper Midscale Class	301 N Canon Dr Ste 305	Beverly Hills, CA 90210-4726

Quality Inn Santa Barbara	City Of Santa Barbara	Midscale Class	3055 De La Vina St	Santa Barbara, CA 93105-3351
Canary Hotel	City Of Santa Barbara	Upper Upscale Class	31 W Carrillo St	Santa Barbara, CA 93101-3212
John Sharkey	City Of Goleta	Short Term Rental	312 Pebble Beach Dr	Goleta, CA 93126
Perry, Rosario	County Of Santa Barbara	Short Term Rental	312 Pico Blvd	Santa Monica CA 90405
Caird Family Revocable Trust	City Of Santa Barbara	Short Term Rental	315 Meigs Rd # A284	Santa Barbara, CA 93109-1900
Caird Family Trust	City Of Santa Barbara	Short Term Rental	315 Meigs Rd # A284	Santa Barbara, CA 93109-1900
Caird Family Revocable Trust	City Of Santa Barbara	Short Term Rental	315 Meigs Rd # A284	Santa Barbara, CA 93109-1900
Humphrey Road Retreat	County Of Santa Barbara	Short Term Rental	315 Meigs Rd #A284	Santa Barbara CA 93109
228 W Yanonali St	City Of Santa Barbara	Short Term Rental	315 Meigs Rd Ste A284	Santa Barbara, CA 93109-1900
Kurt & Amy Chambliss	City Of Santa Barbara	Short Term Rental	315 Meigs Rd Ste A284	Santa Barbara, CA 93109-1900
Dorwin Lane Rental	County Of Santa Barbara	Short Term Rental	315 Meigs Rd Suite A284	Santa Barbara CA 93109
Theilmann, Theodore & Mary Anne	County Of Santa Barbara	Short Term Rental	3198 Via Real	Carpinteria CA 93013
Linker, Gary & Victoria	County Of Santa Barbara	Short Term Rental	320 Malaga Drive	Santa Barbara CA 93108
Bath Street Inn Bed & Breakfast	City Of Santa Barbara	Upper Upscale Class	3222 State St	Santa Barbara, CA 93105-3329
Agave Inn	City Of Santa Barbara	Economy Class	3222 State St # 13	Santa Barbara, CA 93105-3329
Levet, Benoit & Vinita Srinivas	County Of Santa Barbara	Short Term Rental	3238 Balboa - A	San Francisco CA 94121
Mason Beach Inn	City Of Santa Barbara	Upscale Class	324 W Mason St	Santa Barbara, CA 93101-3822
Santa Barbara Classic	City Of Santa Barbara	Short Term Rental	330 N Jefferson St Apt 2301	Chicago, IL 60661-1220
Oasis Inn & Suites	City Of Santa Barbara	Economy Class	3344 State St	Santa Barbara, CA 93105-2624
Beachside Inn	City Of Santa Barbara	Upper Upscale Class	336 W Cabrillo Blvd	Santa Barbara, CA 93101-3855
Poolside Home	County Of Santa Barbara	Short Term Rental	3463 State St #531	Santa Barbara CA 93105
Gerlach, Kari Ann	County Of Santa Barbara	Short Term Rental	3475 W Oak Trail Rd #B	Santa Ynez CA 93460

Sandpiper Lodge	City Of Santa Barbara	Economy Class	3525 State St	Santa Barbara, CA 93105-2627
Pure Vida Casas	County Of Santa Barbara	Short Term Rental	3588 La Entrada	Santa Barbara CA 93105
Hotel Californian	City Of Santa Barbara	Luxury Class	36 State St	Santa Barbara, CA 93101-4983
Cheshire Cat Inn	City Of Santa Barbara	Upper Midscale Class	36 W Valerio St	Santa Barbara, CA 93101-2524
Rose Garden Inn	City Of Santa Barbara	Economy Class	3643 State St	Santa Barbara, CA 93105-2521
Ross, Jan	County Of Santa Barbara	Short Term Rental	3671 Berry Dr	Studio City CA 91604
Amy Bankoff	City Of Goleta	Short Term Rental	37 Colusa Dr.	Goleta, CA 93127
Hope Hacienda	County Of Santa Barbara	Short Term Rental	370 N La Cumbre	Santa Barbara CA 93110
Beachin Santa Barbara, LLC	County Of Santa Barbara	Short Term Rental	3719 Santa Claus Ln, Ste C	Carpinteria CA 93013
The Summerland Nest	County Of Santa Barbara	Short Term Rental	3785 Santa Claus Lane	Carpinteria CA 93013
Courtyard Santa Barbara Goleta	City Of Goleta	Upscale Class	401 Stork Rd	Goleta, CA 93118
Jeff & Leann Crosby	City Of Santa Barbara	Short Term Rental	4055 Lake Washington Blvd Ne Ste 200	Kirkland, WA 98033-7871
Pool, Harry	County Of Santa Barbara	Short Term Rental	4138 Vista Clara Rd	Santa Barbara CA 93110
Pierce, Monique	County Of Santa Barbara	Short Term Rental	4156 Vista Clara Rd	Santa Barbara CA 93110
The 3 Dux	City Of Santa Barbara	Short Term Rental	417 Alta Loma Ln	Santa Cruz, CA 95062-3917
Pacific Crest Santa Barbara	City Of Santa Barbara	Upper Midscale Class	433 Corona Del Mar	Santa Barbara, CA 93103-3601
Carlos Noa	City Of Goleta	Short Term Rental	433 Ellwood Beach	Goleta, CA 93128
Yarolsav Prykhitko	City Of Goleta	Short Term Rental	435 Rex Place	Goleta, CA 93129
Hotel Milo	City Of Santa Barbara	Luxury Class	44 Hersha Dr	Harrisburg, PA 17102-2241
Carter Casa	City Of Santa Barbara	Short Term Rental	4449 Hill Ct	Santa Maria, CA 93455-6669
Inn At East Beach	City Of Santa Barbara	Upscale Class	4562 El Captain Pl	Camarillo, CA 93012-0000

Country Getaway	County Of Santa Barbara	Short Term Rental	4610 Vista Buena Rd	Santa Barbara CA 93110
Sollenne, Gregory & Denise	County Of Santa Barbara	Short Term Rental	4643 Puente Plaza	Santa Barbara CA 93110
Ramada Santa Barbara	County Of Santa Barbara	Midscale Class	4770 Calle Real	Santa Barbara, CA 93110
Kalia Rork	City Of Goleta	Short Term Rental	479 N. Kellogg Ave	Goleta, CA 93130
Natures Retreat	County Of Santa Barbara	Short Term Rental	4862 Vieja Dr	Santa Barbara CA 93110
Montecito Beach House	County Of Santa Barbara	Short Term Rental	49 Humphrey Rd	Santa Barbara CA 93108
The Lillie House	County Of Santa Barbara	Short Term Rental	52 Calle Capistrano	Santa Barbara CA 93105
Naumu, Levi & Natalie	County Of Santa Barbara	Short Term Rental	5215 San Vicente Dr	Santa Barbara CA 93111
Drift Hotel	City Of Santa Barbara	Tbd Once Operating	524 State St	Santa Barbara, CA 93101-1602
Uhler, Carey	County Of Santa Barbara	Short Term Rental	5245 James Road	Santa Barbara CA 93111
Hotel Santa Barbara	City Of Santa Barbara	Upper Midscale Class	525 3rd St	Beloit, WI 53511-6221
Private Patio-Master Bedroom Suite	County Of Santa Barbara	Short Term Rental	5250 Califia Court	Santa Barbara CA 93111
Gilkeson, Annette	County Of Santa Barbara	Short Term Rental	5292 Austin Road	Santa Barbara CA 93111
Nimmer Beach House	County Of Santa Barbara	Short Term Rental	5296 El Carro Lane	Carpinteria CA 93013
Pacifica Suites	City Of Goleta	Upper Upscale Class	5490 Hollister Ave	Goleta, CA 93131
Turnkey Vacation Rentals	County Of Santa Barbara	Short Term Rental	5508 Us Hwy 290 West, Ste 300	Austin TX 78735
White, Kristine Mainland	County Of Santa Barbara	Short Term Rental	555 El Sueno Road	Santa Barbara CA 93110
Cul-De-Sac Family Retreat	County Of Santa Barbara	Short Term Rental	557 Dentro Drive	Santa Barbara CA 93111
Best Western Plus South Coast Inn	City Of Goleta	Upper Midscale Class	5620 Calle Real	Goleta, CA 93132
Lizbeth Savage	City Of Goleta	Short Term Rental	5628 Berkeley	Goleta, CA 93133
Rbh Prooperty	County Of Santa Barbara	Short Term Rental	563 Stoney Peak Ct	Simi Valley CA 93065

Hampton By Hilton Inn Santa Barbara/Goleta	City Of Goleta	Upper Midscale Class	5665 Hollister Ave	Goleta, CA 93121
Trysten Mertens	City Of Goleta	Short Term Rental	5670 Cielo Ave.	Goleta, CA 93134
Blackrock Beach House	County Of Santa Barbara	Short Term Rental	5736 Thornwood Dr	Goleta CA 93117
Laxman Perera	City Of Goleta	Short Term Rental	5762 Aguila Ave	Goleta, CA 93135
Motel 6 Santa Barbara - Goleta	City Of Goleta	Economy Class	5897 Calle Real	Goleta, CA 93122
Butterfly Beach House	County Of Santa Barbara	Short Term Rental	60 Butterfly Lane	Santa Barbara CA 93108
West Beach Inn A Coast Hotel	City Of Santa Barbara	Upscale Class	600 Stewart St Ste 1920	Seattle, WA 98101-1238
Mark Lewis	City Of Goleta	Short Term Rental	6004 Berkeley	Goleta, CA 93136
Kirk Evans	City Of Goleta	Short Term Rental	6007 Paseo Palmilla	Goleta, CA 93137
Super 8 Santa Barbara/Goleta	City Of Goleta	Economy Class	6021 Hollister Ave	Goleta, CA 93123
Palihouse Santa Barbara (Formerly Spanish Garden Inn)	City Of Santa Barbara	Luxury Class	615 Hampton Dr Unit A101	Venice, CA 90291-2791
Pali House Santa Barbara	City Of Santa Barbara	Luxury Class	615 Hampton Dr Unit A101	Venice, CA 90291-2791
Sarah Douglas	City Of Goleta	Short Term Rental	6241 Stow Cyn Rd	Goleta, CA 93138
Private Garden Retreat	County Of Santa Barbara	Short Term Rental	626 Tabor Lane	Santa Barbara CA 93108
Hilton Santa Barbara Beachfront Resort	City Of Santa Barbara	Upper Upscale Class	633 E Cabrillo Blvd	Santa Barbara, CA 93103-3611
Residence Inn Santa Barbara Goleta	City Of Goleta	Upscale Class	6350 Hollister Ave	Goleta, CA 93120
John Dematteo	City Of Goleta	Short Term Rental	6526 Calle Koral	Goleta, CA 93139
Hima Sharma	City Of Goleta	Short Term Rental	6536 Camino Venturoso	Goleta, CA 93140
Kevin Ahlers	City Of Goleta	Short Term Rental	655 Windsor Ave	Goleta, CA 93141
Avania Inn	City Of Santa Barbara	Economy Class	656 N Mount Juliet Rd	Mount Juliet, TN 37122-3323
Tropicana Gardens	City Of Goleta	N/A	6585 El Colegio	Goleta CA 93117
Villas At Tropicana	City Of Goleta	N/A	6585 El Colegio Rd	Goleta CA 93117

Tropicana Del Norte	City Of Goleta	N/A	6585 El Colegio Rd	Goleta CA 93117
Jacob & Deborah Atkinson	City Of Goleta	Short Term Rental	6588 Calle Koral	Goleta, CA 93142
Rosewood Miramar Beach	County Of Santa Barbara	Luxury Class	66 Eucalyptus Lane	Montecito CA 93108
Joel Bozekowski	City Of Goleta	Short Term Rental	6607 Calle Koral	Goleta, CA 93143
Mojdeh Sensamici	City Of Goleta	Short Term Rental	6651 Calle Koral	Goleta, CA 93144
Hilton Garden Inn Santa Barbara Goleta	City Of Goleta	Upscale Class	6878 Hollister Ave	Goleta, CA 93119
Thost, Erika	County Of Santa Barbara	Short Term Rental	6895 Sabado Tarde Rd	Goleta CA 93117
Gabriela Ferreria	City Of Goleta	Short Term Rental	71 Cardinal Ave	Goleta, CA 93145
Snellen-Jackson, Judith	County Of Santa Barbara	Short Term Rental	7105 Gobernador Cyn Rd	Carpentaria CA 93013
Beatriz Leon	City Of Goleta	Short Term Rental	7120 Alameda	Goleta, CA 93146
Verano Del Mar	County Of Santa Barbara	Short Term Rental	720 East Mountain Dr	Santa Barbara CA 93108
Santa Claus Lane	County Of Santa Barbara	Short Term Rental	720 East Mountain Dr	Santa Barbara CA 93108
Moriarty, Kerry	County Of Santa Barbara	Short Term Rental	74 Olive Mill Rd	Santa Barbara CA 93108
Designer Perfect	County Of Santa Barbara	Short Term Rental	751 N Fairfax Ave #4	Los Angeles CA 90046
Stever, Virginia	County Of Santa Barbara	Short Term Rental	760 S Orange Grove Blvd	Pasadena CA 91105
Leslie Stephens	City Of Goleta	Short Term Rental	77 Alpine Dr.	Goleta, CA 93147
El Zapato	City Of Santa Barbara	Short Term Rental	77 Spruce Cove Rd	Harpwell, ME 04079-4335
Belmond Hotels El Encanto	City Of Santa Barbara	Luxury Class	800 Alvarado Pl	Santa Barbara, CA 93103-2176
Hiller-Adams, C Page	County Of Santa Barbara	Short Term Rental	811 Poinsettia Way	Santa Barbara CA 93111
Bourbon, Rita & Montino	County Of Santa Barbara	Short Term Rental	825 Rockbridge Road	Santa Barbara CA 93108
Ritz-Carlton Bacara Santa Barbara	City Of Goleta	Luxury Class	8301 Hollister Ave	Goleta, CA 93117

Jeffus, Monica	County Of Santa Barbara	Short Term Rental	854 Cheltenham Rd	Santa Barbara CA 93105
Donahue, Joseph	County Of Santa Barbara	Short Term Rental	89 Lassen Drive	Santa Barbara CA 93111
Chan, Christine	County Of Santa Barbara	Short Term Rental	897 San Antonio Creek Rd	Santa Barbara CA 93111
Montecito Secluded Serene Retreat	County Of Santa Barbara	Short Term Rental	900 Chelham Way	Santa Barbara CA 93108
San Ysidro Ranch	County Of Santa Barbara	Luxury Class	900 San Ysidro Lane	Montecito CA 93108
Santa Barbara Inn	City Of Santa Barbara	Luxury Class	901 E Cabrillo Blvd	Santa Barbara, CA 93103-3642
205 Natoma LLC	City Of Santa Barbara	Short Term Rental	9206 W Lake Highlands Dr	Dallas, TX 75218-2725
Vacation Rentals Of Santa Barbara	County Of Santa Barbara	Short Term Rental	924 Laguna #B	Santa Barbara CA 93101
Friedman Vacation Rental	City Of Santa Barbara	Short Term Rental	924 Laguna St # B	Santa Barbara, CA 93101-1405
El Jardin	City Of Santa Barbara	Short Term Rental	924 Laguna St Ste B	Santa Barbara, CA 93101-1405
Cabrillo At The Beach	City Of Santa Barbara	Economy Class	931 E Cabrillo Blvd	Santa Barbara, CA 93103-3642
Walk To The More Mesa Beach	County Of Santa Barbara	Short Term Rental	935 Via Nieto	Santa Barbara CA 93110
Montesano, Arlene	County Of Santa Barbara	Short Term Rental	937 Cima Linda Lane	Santa Barbara CA 93108
Vasek, Jeff	County Of Santa Barbara	Short Term Rental	948 Debra Dr	Santa Barbara CA 93110
Westmont College	County Of Santa Barbara	N/A	955 La Paz Rd	Santa Barbara CA 93108
Yanover House	County Of Santa Barbara	Short Term Rental	9563 Lime Orchard Rd	Beverly Hills CA 91210
Raging Tide Exchange, LLC	County Of Santa Barbara	Short Term Rental	9595 Wilshire Blvd Ste 700	Beverly Hills CA 90212
Durelle, Shawn & Dena	County Of Santa Barbara	Short Term Rental	9626 W Electra Lane	Peoria AZ 85383
Mariposa	City Of Santa Barbara	Short Term Rental	980 Debra Dr	Santa Barbara, CA 93110-1261
Gaurav Sharma	City Of Goleta	Short Term Rental	985 Mangrove Ave Apt. A	Sunnyvale, CA 94086
Noel Hughes	City Of Goleta	Short Term Rental	99 Manchester Place	Goleta, CA 93117
Sunny's Santa Barbara	City Of Santa Barbara	Short Term Rental	999 W Main St Ste 300	Boise, ID 83702-9012

Vacasa	County Of Santa Barbara	Short Term Rental	PO Box 10130	Portland OR 97296
Gault, Tim Sr	County Of Santa Barbara	Short Term Rental	PO Box 1019	Summerland CA 93067
La Playa Inn	City Of Santa Barbara	Upscale Class	PO Box 1092	Santa Barbara, CA 93102-1092
Skyview Beach Cottage	County Of Santa Barbara	Short Term Rental	PO Box 1181	Summerland CA 93067
Herschorn Family Trust	County Of Santa Barbara	Short Term Rental	PO Box 1198	Summerland CA 93067
Poppy's Cottage	County Of Santa Barbara	Short Term Rental	PO Box 1312	Summerland CA 93067
Adama	County Of Santa Barbara	Short Term Rental	PO Box 1346	Summerland CA 93067
Parker, Gail	County Of Santa Barbara	Short Term Rental	PO Box 1384	Summerland CA 93067
Christine Sieburg	City Of Santa Barbara	Short Term Rental	PO Box 1388	Boise, ID 83701-1388
Garde House	County Of Santa Barbara	Short Term Rental	PO Box 1392	Summerland CA 93067
Lomonaco, Crescent	County Of Santa Barbara	Short Term Rental	PO Box 1428	Summerland CA 93067
Paradise Cottage	County Of Santa Barbara	Short Term Rental	PO Box 1608	Summerland CA 93067
Cottages At Polo Run	County Of Santa Barbara	Short Term Rental	PO Box 20357	Santa Barbara CA 93120
Summerland Studio 2	County Of Santa Barbara	Short Term Rental	PO Box 205	Summerland CA 93067
Peppers	County Of Santa Barbara	Short Term Rental	PO Box 23101	Santa Barbara CA 93121
La Petite Maison Blanche	City Of Santa Barbara	Short Term Rental	PO Box 23634	Santa Barbara, CA 93121-3634
2225 Lillie	County Of Santa Barbara	Short Term Rental	PO Box 237	Summerland CA 93067
Summerland Studio	County Of Santa Barbara	Short Term Rental	PO Box 294	Summerland CA 93067
Tunberg, Thomas	County Of Santa Barbara	Short Term Rental	PO Box 3089	Greenwood CO 80155
Best Of 52, LLC	County Of Santa Barbara	Short Term Rental	PO Box 3089	Greenwood Village CO 80155
Curry, Jessica Hoyt	County Of Santa Barbara	Short Term Rental	PO Box 3089	Greenwood Village CO 80155
Stalcup, Alan	County Of Santa Barbara	Short Term Rental	PO Box 3089	Greenwood Village CO 80155

Shapiro, Michael	County Of Santa Barbara	Short Term Rental	PO Box 3089	Greenwood Village CO 80155
Summerland Beach House	County Of Santa Barbara	Short Term Rental	PO Box 381	Summerland CA 93067
Phillips, Jacqueline	County Of Santa Barbara	Short Term Rental	PO Box 40238	Santa Barbara CA 93140
Craig, Patricia	County Of Santa Barbara	Short Term Rental	PO Box 413	Summerland CA 93067
Millworks	City Of Santa Barbara	Short Term Rental	PO Box 41459	Santa Barbara, CA 93140-1459
The Beach House Inn	City Of Santa Barbara	Upscale Class	PO Box 427	Summerland, CA 93067-0427
Villa Elegante	City Of Santa Barbara	Short Term Rental	PO Box 4836	Santa Barbara, CA 93140-4836
Extended Stay America Santa Barbara - Calle Real	County Of Santa Barbara	Economy Class	PO Box 49550	Charlotte, NC 28277
Cabana Las Floras	County Of Santa Barbara	Short Term Rental	PO Box 50132	Santa Barbara CA 93150
Wilkinson, Chris	County Of Santa Barbara	Short Term Rental	PO Box 50516	Santa Barbara CA 93150
Petite Retreat	County Of Santa Barbara	Short Term Rental	PO Box 50715	Santa Barbara CA 93150
Toro Canyon	County Of Santa Barbara	Short Term Rental	PO Box 539	Summerland CA 93067
Mainstay Luxury Estates	County Of Santa Barbara	Short Term Rental	PO Box 544	Santa Ynez CA 93460
201 Bath LLC (12 Units)	City Of Santa Barbara	Short Term Rental	PO Box 5457	Santa Barbara, CA 93150-5457
2942 Torito Road	County Of Santa Barbara	Short Term Rental	PO Box 5464	Santa Barbara CA 93150
Babcock Vintner's House	County Of Santa Barbara	Short Term Rental	PO Box 637	Lompoc CA 93438
Casa Tropical Summerland	County Of Santa Barbara	Short Term Rental	PO Box 644	Summerland CA 93067
2280 Varley Street	County Of Santa Barbara	Short Term Rental	PO Box 646	Summerland CA 93067
Mediterranean Guest Quarters	County Of Santa Barbara	Short Term Rental	PO Box 663	Summerland CA 93067
Miller, Jody & Ben	County Of Santa Barbara	Short Term Rental	PO Box 695	Carpinteria CA 93014
2305 Golden Gate	County Of Santa Barbara	Short Term Rental	PO Box 733	Summerland CA 93067

Motel 6 Santa Barbara - Beach	City Of Santa Barbara	Economy Class	PO Box 8000	Monsey, NY 10952-8505
Motel 6 Santa Barbara - State Street	City Of Santa Barbara	Economy Class	PO Box 8000	Monsey, NY 10952-8505
Summer House	County Of Santa Barbara	Short Term Rental	PO Box 811	Summerland CA 93067
Summerland Inn	County Of Santa Barbara	Upper Upscale Class	PO Box 845	Summerland CA 93067
Summerland Double Dolphin	County Of Santa Barbara	Short Term Rental	PO Box 933	Summerland CA 93067

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SANTA BARBARA MODIFYING THE 2022 MANAGEMENT
DISTRICT PLAN OF THE SANTA BARBARA SOUTH COAST
TOURISM MARKETING BUSINESS IMPROVEMENT DISTRICT

WHEREAS, on May 17, 2022, the City Council of the City of Santa Barbara ("City Council") adopted Resolution Num 22-038 adopting the Management District Plan and renewing the Santa Barbara South Coast Tourism Improvement District (SBSCTBID); and

WHEREAS, the Property and Business Improvement District Law of 1994, Streets and Highways Code §36600 et seq., allows the City to modify the Management District Plan ("MDP") at the request of the owners' association; and

WHEREAS, the SBSCTBID owners' association, Visit Santa Barbara (VSB) has requested modification of the MDP; and

WHEREAS, a modified MDP has been prepared that modifies the definition of "gross short-term rental revenue" as requested by VSB; and

WHEREAS, on December 13, 2022, at 2:00 PM, at 735 Anacapa Street, Santa Barbara, CA 93101, the City Council adopted a Resolution of Intention to modify the MDP, Resolution No. 22-128; and

WHEREAS, the public hearing to consider the modification of the SBSCTBID has been properly noticed in accordance with Streets and Highways Code §36623; and

WHEREAS, on January 10, 2023, at 2:00 PM, at 735 Anacapa Street, Santa Barbara, CA 93101, the City Council held a public hearing regarding the modification of the SBSCTBID MDP, and the City Council heard and received objections and protests, if any, to the modification of the 2022 SBSCTBID MDP; and

WHEREAS, the City Council has determined that there was no majority protest. A majority protest is defined as written protests received from owners of businesses in the proposed district which would pay fifty percent (50%) or more of the assessments proposed to be levied. Protests are weighted based on the assessment proposed to be levied on each lodging business.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA BARBARA THAT:

1. The recitals set forth herein are true and correct.

2. The Management District Plan as adopted by Resolution No. 22-038 is modified to replace the definition of of “gross short-term rental revenue” with the following paragraph:

a. The term “gross short-term rental revenue” as used herein means: the consideration charged on the room rate for the occupancy of space in a lodging business valued in money, not including other charges such as destination fees, resort fees, reservation fees, forfeited deposits, cancellation fees, attrition fees, no-show fees, parking fees, internet fees, roll-a-way beds fees, early and/or late checkout fees, or any other charges or fees (existing or in the future).

3. This resolution shall take effect immediately upon its adoption by the City Council.



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 10, 2023

TO: Mayor and Councilmembers

FROM: Planning Division, Community Development Department

SUBJECT: Zoning Ordinance Amendments for Accessory Dwelling Units
[Ordinance Introduction]

RECOMMENDATION: That Council:

- A. Introduce and subsequently adopt, by reading of title only, an Ordinance of the Council of the City of Santa Barbara Amending the Santa Barbara Municipal Code by Amending Section 30.185.040, Pertaining to Regulations for Accessory Dwelling Units; and
- B. Introduce and subsequently adopt, by reading of title only, an Ordinance of the Council of the City of Santa Barbara Amending the Santa Barbara Municipal Code by Amending Chapter 28.86, Pertaining to Regulations for Accessory Dwelling Units.

EXECUTIVE SUMMARY:

New state legislation intended to increase production of Accessory Dwelling Units (ADUs) necessitates updating the City's zoning regulations. Assembly Bill (AB) 2221 and Senate Bill (SB) 897, which both take effect on January 1, 2023, include numerous changes to the state ADU laws. The changes proposed by the new state laws include an increase to the maximum building height limit and a number of technical changes intended to make ADUs easier to build.

In addition to amendments required for compliance with State Law, staff is recommending several changes to further facilitate production of ADUs, consistent with the City's Draft 2023–2031 Housing Element program recommendations regarding conversion of commercial portions of mixed-use buildings to ADUs and construction of two ADUs (double-ADUs) on existing multi-unit properties.

DISCUSSION:

Amendments are proposed for both the Inland Zoning Ordinance and Coastal Zoning Ordinance. After adoption by City Council, the Title 28 amendments would be submitted to the California Coastal Commission as a stand-alone Local Coastal Program amendment.

The proposed amendments fall into three categories:

- **Local Standards.** New or changed content intended to facilitate the production of ADUs and consistent with the City's Draft 2023–2031 Housing Element. These changes are discussed below and summarized in Table 1.
- **State Requirements.** New or changed content necessitated by Senate Bill (SB) 897 and Assembly Bill (AB) 2221, effective January 1, 2023. Please refer to Attachment 2.
- **Clean-Up Items.** Minor changes to wording, formatting, or location within the Ordinance for clarification. May include minor content change for ease of use, provided that changes maintain the intent of the previously adopted ordinances. Please refer to Attachment 1.

The Planning Commission reviewed the proposed amendments on November 17, 2022 and the Ordinance committee reviewed the proposed amendments on December 6, 2022. Both hearing bodies forwarded a recommendation to City Council for adoption.

The discussion in this report focuses on the proposed amendments to the local standards with new or changed content, and on the state requirements that amend the maximum height for ADUs. All of the other changes are considered minor and are discussed in the attachments included with this report.

ADUs and the 2023 Draft Housing Element

Although the City has approved a growing number of ADUs, property owners have expressed interest in increasing the allowed number of ADUs on properties with existing multi-unit development.

The City will conduct outreach to evaluate and implement procedural changes to assist ADU applicants and develop additional guidance to support residents who are seeking City ADU approvals. In addition, the City will research and collaborate with community organizations and nonprofits who are interested in offering ADUs as deed-restricted affordable housing and look for ways to implement a pilot program with incentives for property owners to provide ADUs as deed-restricted housing or housing choice vouchers for low-income seniors, students, and other community members in need of affordable housing.

Types of Accessory Dwelling Units Allowed

The City allows three different types of ADUs: Standard ADUs, Special ADUs, and Junior ADUs. An ADU is defined as an attached or a detached residential unit that provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residential unit. ADUs are allowed in any zone that allows residential use on a lot developed or proposed to be developed with one or more residential unit(s). Current standards for each category of ADU is provided below.

Standard ADUs:

- Only one ADU allowed per lot
- May be attached to, or located within, the proposed or existing primary unit, including attached garages, or an accessory structure
- 850 to 1,200 square-feet, if detached
- Maximum 50 percent of existing primary unit floor area, if attached
- Height must match existing height, or 17 feet, whichever is greater. In some cases, up to 30 feet in height is allowed if constructed over a garage.

Special ADUs:

- One or more may be allowed on a lot
- Must be a new or detached unit or conversion of existing floor area
- Maximum 800 square-feet, if detached
- Maximum height is 16 feet
- On single-unit lots, one detached new unit, plus one Junior ADU is allowed
- On multi-unit lots, may convert non-livable areas up to 25% of existing units; or two detached ADUs.
- Only one ADU allowed on lots within the Extreme Foothill and Foothill High Fire Areas

Junior ADUs:

- A unit within the walls of an existing or proposed home
- 500 square-foot maximum
- Owner Occupied
- Have its own bathroom or share a bathroom
- Exterior entrance

Recommendation of Local Standards Changes

A summary of amendments proposed to local standards is included below in Table 1. State Law (Gov. Code, §65852.2) allows local jurisdictions to impose certain standards on accessory dwelling units that include, but are not limited to, parking, height, setback, landscape, architectural review, and maximum size of a unit. Although the majority of the City's ADU regulations are mandated by State Law, City staff included for discussion some local standards that are unique to our community. The proposed amendments to

local standards are informed from five years of reviewing permit applications for ADUs and staff observations of minor improvements intended to help remove barriers to ADU construction and development.

Open Yard Reduction. The current ADU Ordinance allows an ADU to encroach into the minimum open yard area for single-unit and two-unit residential development. The ordinance allows this same open yard reduction for an ADU built over a new 500-square-foot garage.

Staff has received requests from ADU applicants for an additional open yard reduction for a small utility area that serves the primary residence. However, if there is not enough open yard area, the only way to accommodate a small utility area is through a zoning modification. Staff proposes allowing a small 150-square-foot addition to encroach into the open yard area, along with a new ADU built over a two-car garage, to reduce the number of projects that need to request a zoning modification.

Greater Flexibility for Double-ADUs. Under the current rules, if the owner of a multi-unit development wants to build two new ADUs, the double-ADU must either be new construction, or the lot must be currently developed with eight existing dwelling units. This is because the law only allows 25 percent of the existing number of units to be converted from existing floor area. Staff is recommending an amendment to the local standards for a double-ADU to allow up to two ADUs—instead of one—to be converted from existing floor area. This will facilitate the conversion of an existing garage or basement to two ADUs rather than requiring the garage be demolished to build new construction.

Convert Upper-Floor Commercial Areas to ADUs. State law allows residential floor area to be converted to ADUs—but it does not allow commercial floor area such as retail or office to be converted. Amendments to the City’s local ordinance would allow upper-floor commercial spaces to be converted to ADUs and provide more flexibility and adaptive reuse of existing buildings. Allowing upper-floor commercial spaces to be converted to ADUs promotes mixed-use development while providing more flexibility and the adaptive reuse of existing buildings. Staff recommends only the upper-floor areas, not the ground floor commercial spaces, be allowed to convert to an ADU to support and maintain mixed-use development along commercial corridors and activation on the street.

LOCAL STANDARDS
Open Yard Reduction for ADU Over Detached Garage – Revised the open yard encroachments to allow an additional 150-square-foot area for a staircase or laundry/storage.
Converted Non-Livable Space – Allows up to two – rather than just <i>one</i> – special ADUs on lots with existing multi-unit development to be converted from existing non-livable floor area (garage, basement etc.).
Configuration – Two-Unit, Multi-Unit or Mixed-Use Lots – Allows existing upper-floor <i>commercial</i> floor area in a mixed-use development – rather than just floor area of an existing <i>residential</i> structure – to be converted to one or more special ADUs.

Maximum Height and Bedrooms – In response to the state-mandated height increase from 16 feet to 18 feet, newly constructed special ADUs may not exceed a maximum of one story.

Summary of ADU Building Height Changes

A significant change made to the state ADU law pertains to maximum building height. The City's current ADU height regulations are less restrictive than state law for standard ADUs and are the same as state law for special ADUs. The City's proposed amendments attempt to balance the concerns of the community to ensure ADUs are compatible with existing residential development while incorporating the state-mandated changes intended to facilitate new housing construction.

Local agencies must allow ADUs taller than 16 feet in the following circumstances:

- If located within a half-mile of a major transit stop or high-quality transit corridor, a detached ADU on a lot with a single-unit or multi-unit dwelling may be up to 18 feet in height by right, and up to two feet taller (for a maximum of 20 feet) if necessary to match the roof pitch to the main house.
- If a detached ADU is on a lot with an existing or proposed multi-story, multi-unit dwelling, the ADU may be up to 18 feet in height (again, by right), regardless of how close it is to transit.
- An attached ADU may be up to 25 feet in height or as tall as the primary dwelling, whichever is lower; however, a city may still limit the ADU to two stories.

Staff recommends increasing the maximum height for a standard detached ADU from 17 to 18 feet and for a special detached ADU from 16 to 18 feet to be consistent with state law. Allowing an 18-foot height maximum for standard and special ADUs regardless of the ADU's proximity to a major transit stop or high-quality transit corridor, or location on a lot developed with a multi-unit development, creates a uniform measure that is easier to implement and understand. Since a significant portion of the City is located within a half-mile of a major transit stop or high-quality transit corridor, staff recommends the height increase be applied citywide.

Due to the state-mandated height increase from 16 feet to 18 feet, staff also recommends not allowing newly constructed special ADUs to exceed a maximum of one story citywide. This recommendation is made to limit the density/intensity of ADUs in fire prone neighborhoods whose residents often must evacuate on narrow, winding roads in emergencies.

The proposed amendments to ADU building height are shown in Table 2 below. The changes from existing are shown as underlined text.

Table 2: Amendments to ADU Building Height

CURRENT HEIGHT	PROPOSED HEIGHT
Standard ADU	Standard ADU
The greater of: <ul style="list-style-type: none"> Height of the primary residential unit; or Number of stories of the primary residential unit; or 17 feet; or <ul style="list-style-type: none"> If ADU is over a garage—maximum height or number of stories allowed in the zone; or With discretionary approval—maximum height or number of stories allowed in the zone 	The greater of: <ul style="list-style-type: none"> Height of the primary residential unit; or Number of stories of the primary residential unit; or <u>18 feet; with an additional two feet in height if necessary to match the roof pitch and height of the primary residential unit; or</u> <u>25 feet for an attached unit; or</u> If the ADU is over a garage—maximum height or number of stories allowed in the zone; or With discretionary approval—maximum height or number of stories allowed in the zone
Special ADU	Special ADU
<ul style="list-style-type: none"> 16 feet 	<ul style="list-style-type: none"> <u>18 feet; with an additional two feet in height if necessary to match the roof pitch and height of the primary residential unit; and maximum one-story</u>

NEXT STEPS:

Title 30 amendments are effective 30 days after adoption by City Council. For applicants who have submitted an ADU application but have not yet been issued a building permit by the effective date of the new ordinance, staff recommends a 60-day time limit from the effective date of the new ordinance for applicants to choose to either continue ADU application review under state law regulations or to apply the new regulations.

The Title 28 amendments are not effective until after certification by the California Coastal Commission (CCC). Following adoption, Title 28 amendments will be submitted as a Local Coastal Program Amendment to the CCC. CCC staff will review the submittal and determine if it is a minor (*de minimis*) amendment or requires a public hearing. As required by state law, the adopted Title 30 and Title 28 amendments will also be submitted to the Department of Housing and Community Development for review within 60 days of adoption.

ENVIRONMENTAL REVIEW:

Under California Public Resources Code Section 21080.17, the California Environmental Quality Act (CEQA) does not apply to the adoption of an ordinance by a city or county implementing the provisions of Section 65252.2 and 65852.22 of the Government Code, which is the state Accessory Dwelling Unit law.

BUDGET/FINANCIAL IMPACT:

The recommended action does not have a budgetary/financial impact on the City.

ATTACHMENTS:

1. Proposed Title 30 and Title 28 Clean-Up Items
2. Proposed Title 30 and Title 28 State Requirements

PREPARED BY: Jillian Ferguson, Assistant Planner

SUBMITTED BY: Elias Isaacson, Community Development Director

APPROVED BY: City Administrator's Office

Summary of Accessory Dwelling Unit (ADU) Ordinance Amendments

CLEAN-UP ITEMS

High Fire - Corrected terminology for High Fire Hazard Areas.	Throughout
Parking Terminology - Unified garage and parking terminology.	Throughout
Rental Terms - Clarifies that rental terms (30+ days) applies to both primary and accessory units	SBMC §30.185.040.D.4 / §28.86.035.D
Coastal Discretionary Approval - Removed reference to “ministerial approval” in the Coastal Zone because most ADUs require discretionary approval of a Coastal Development Permit per updated guidance from Coastal Commission.	Inland N/A / SBMC §28.86.080.A.3
Residential Elements - Deleted “fire-rated door” – not required on JADUs	SBMC §30.185.040.F.4 / §28.86.050.C
Unit Configuration - Designates the primary residential unit when there are multiple units or attached units	SBMC §30.185.040.C & K / §28.86.030.C.2 & §28.86.085
High Fire Hazard Area Parking - Simplified parking exemption for studio units – replaces the ambiguous statement “one per unit or bedroom, whichever is less”	SBMC §30.185.040.K.5 / Coastal Zone N/A
Development Standards for Special ADUs - Corrected error to allow both newly constructed <i>and converted</i> detached special ADUs to be combined with JADUs	SBMC §30.185.040.L.2.d / §28.86.090.B.4
Change in Occupancy - Clarifies Certificate of Occupancy/Final Inspection may not occur on ADU until after Certificate of Occupancy/Final Inspection for primary unit occurs	SBMC §30.185.040.M.4.b / §28.86.100.E.2

Summary of Accessory Dwelling Unit (ADU) Ordinance Amendments

STATE REQUIREMENTS

Building Permit Required - Building permit clarifications: ADU not considered a change in occupancy; City must provide written corrections when an ADU application is disapproved; limits the City from disapproving an ADU due to unrelated pre-existing violations.	SBMC §30.185.040.M.1 & 2 & 3 / §28.86.100.B & C & D
Fire Sprinklers - The construction of an ADU does not require fire sprinklers in the primary residential unit.	SBMC §30.185.040.F.4 / §28.86.050.D
Maximum Height - Building height maximum altered from 16 feet (special ADUs) and 17 feet (standard ADUs) to 18 feet.	SBMC §30.185.040.H.7 / §28.86.060.G and throughout. See Table 2 in staff report for clarification on height changes.
Development Standards - Revised the “state-exempt” ADU description to eliminate the 16-foot height maximum and allow front setback reductions.	SBMC §30.185.040.G.1.d & §30.185.040.L.6/ §28.86.055.A.4 & §28.86.090.F
Objective Design Standards - Clarified language regarding screening and design style to be objective.	SBMC §30.185.040.H.8 & 9/ §28.86.060.H & I
Combined Permits - Allows a demolition permit for a garage to be combined with a permit for a new ADU.	SBMC §30.185.040.M.4/ §28.86.100.E.1
Posted Sign - Eliminates a “posted sign” requirement for the demolition of a detached garage that is to be replaced with an ADU, unless the property is located within an architecturally and historically significant historic district.	SBMC §30.185.040.M.6/ §28.86.100.G.4

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AN ORDINANCE OF THE COUNCIL OF THE CITY OF
SANTA BARBARA AMENDING THE SANTA BARBARA
MUNICIPAL CODE BY AMENDING SECTION 30.185.040,
PERTAINING TO REGULATIONS FOR ACCESSORY
DWELLING UNITS

THE CITY COUNCIL OF THE CITY OF SANTA BARBARA DOES ORDAIN AS
FOLLOWS:

SECTION 1. Section 30.185.040 of Chapter 30.185 of Title 30 of the Santa
Barbara Municipal Code is amended to read as follows:

30.185.040 Accessory Dwelling Units.

Accessory dwelling units and junior accessory dwelling units shall be located,
developed, and occupied subject to the following provisions:

A. Purpose. The purpose of this Section is to:

1. Expand opportunities in the City to create additional housing to suit the
spectrum of individual lifestyles and space needs, allow more efficient use of existing
housing stock and public infrastructure, and provide a range of housing opportunities.

2. Allow accessory dwelling units or junior accessory dwelling units as an
accessory use to a primary residential unit, consistent with California Government
Code Section 65852.2 or 65852.22, as applicable.

3. Promote accessory dwelling units or junior accessory dwelling units
with high-quality designs that are compatible with the surrounding neighborhood, historic

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resources, and historic districts; preserve the City's visual resources; promote long-term sustainability; and contribute to a desirable living environment.

B. Definitions. For the purposes of this Section, the following words and phrases shall have the following meanings:

1. Accessory Dwelling Unit. An attached or a detached residential unit that provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residential unit. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation and be located on the same parcel that the primary residential unit is or will be situated. An accessory dwelling unit can also be an efficiency unit, as defined in Section 17958.1 of the Health and Safety Code, or a manufactured home, as defined in Section 18007 of the Health and Safety Code. The following categories of accessory dwelling units are subject to specific development standards:

a. Special Accessory Dwelling Unit. These are specific types of smaller accessory dwelling units and junior accessory dwelling units with certain size, height, and setback standards described in subsection L, Development Standards for Special Accessory Dwelling Units. Special accessory dwelling units allow for more than one accessory dwelling unit on a lot.

b. Standard Accessory Dwelling Unit. These are typically larger accessory dwelling units with size, height, and setback standards generally described in

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subsection G, Development Standards for Standard Accessory Dwelling Units. Standard accessory dwelling units do not allow for more than one accessory dwelling unit on a lot.

~~An accessory dwelling unit also includes the following:~~

~~_____ a. An efficiency unit, as defined in Section 17958.1 of the Health and Safety Code.~~

~~_____ b. A manufactured home, as defined in Section 18007 of the Health and Safety Code.~~

2. Efficiency Kitchen. A kitchen that includes at a minimum:

a. Appliances for cooking food and refrigeration, either built-in or countertop.

b. A sink for food preparation greater than 12 inches by 12 inches, excluding the sink located in the bathroom.

c. A food preparation counter.

3. Existing Floor Area. A legally permitted building constructed on the site with a final inspection or certificate of occupancy as of the date of application submittal, that conforms to current zoning standards or is legal nonconforming as to current zoning standards.

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4. Junior Accessory Dwelling Unit. A unit that is no more than 500 square feet in size and contained entirely within the structure of an existing or proposed single residential unit. A junior accessory dwelling unit may include separate sanitation facilities or may share sanitation facilities with the existing or proposed single residential unit and includes an efficiency kitchen.

5. Passageway. A pathway that is unobstructed clear to the sky and extends from a street to one entrance of the accessory dwelling unit.

6. Primary Residential Unit. The existing or proposed residential unit on a lot on which an accessory dwelling unit or junior accessory dwelling unit is permitted. The primary residential unit shall comprise one of the residential housing types described in Section 30.295.020.A (i.e., single-unit residential, two-unit residential, multi-unit residential) or mixed-use development.

7. Principal Place of Residence. The residence where a property owner actually lives for the greater part of time, or the place where the property owner remains when not called elsewhere for some special or temporary purpose and to which the property owner returns frequently and periodically, as from work or vacation. There may be only one “principal place of residence,” and where more than one residence is maintained or owned, the burden shall be on the property owner to show that the primary residential unit, or accessory dwelling unit, or junior accessory dwelling unit is the property owner’s principal place of residence as evidenced by qualifying for the homeowner’s tax exemption, voter registration, vehicle registration, or similar methods that demonstrate

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owner-occupancy. If multiple persons own the property as tenants in common or some other form of common ownership, a person or persons representing at least 50% of the ownership interest in the property shall reside on the property and maintain the property as a principal place of residence. Any person or persons who qualify for the homeowner's tax exemption under the California State Board of Equalization rules, may qualify as an owner occupant.

C. Where Permitted.

1. Accessory Dwelling Unit. An accessory dwelling unit may be permitted in any zone that allows residential use, located on a lot developed or proposed to be developed with one or more residential units, except as prohibited below.

2. Junior Accessory Dwelling Unit. A junior accessory dwelling unit may be permitted in any zone that allows residential use and shall be located on a lot developed with an existing or proposed single residential unit.

3. Prohibited Locations. No standard accessory dwelling unit shall be permitted on a lot located within the Foothill or Extreme Foothill High Fire Hazard Areas (Very High Fire Hazard Severity Zone) ~~(Extreme Foothill and Foothill)~~, or as may be ~~subsequently retitled in the future as the "Very High Fire Hazard Severity Zone,"~~ as defined in the City's Community Wildfire Protection Plan adopted by City Council.

a. Exception for Special Accessory Dwelling Units. Accessory dwelling units permitted in accordance with all the configuration, standards, and special

procedures outlined in subsection L. Development Standards for Special Accessory Dwelling Units, may be permitted on any lot, including lots located within ~~any the Foothill or Extreme Foothill High Fire Hazard Areas (Very High Fire Hazard Severity Zone) (Extreme Foothill and Foothill), or as may be subsequently retitled in the future as the “Very High Fire Hazard Severity Zone,” as defined in the City’s Community Wildfire Protection Plan adopted by City Council,~~ if the lot is zoned to allow for residential use and contains an existing or proposed primary residential unit.

D. Unit Configuration.

1. Only one accessory dwelling unit or junior accessory dwelling unit shall be permitted on a lot in addition to the primary residential unit in the configuration set forth in subsections D.2 and 3, below. However, multiple accessory units may be permitted in accordance with all the configuration, standards, and special procedures outlined in subsection L, Development Standards for Special Accessory Dwelling Units.

2. An accessory dwelling unit may be permitted in the following configurations:

a. Incorporated entirely within an existing or proposed primary residential unit;

b. Incorporated entirely within an existing accessory building, including garages, located on the same lot as the primary residential unit;

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c. Attached to or increasing the size of an existing primary residential unit or accessory building located on the same lot as the primary residential unit; or

d. Detached from and located on the same lot as the existing or proposed primary residential unit. An accessory dwelling unit that is attached to another detached accessory building, but not the primary residential unit, or is attached by a breezeway or porch, is considered detached.

3. A junior accessory dwelling unit must be incorporated entirely within the existing floor area of an existing or proposed single residential unit or attached garage.

4. One primary residential unit shall be designated and maintained on a lot on which an accessory dwelling unit or junior accessory dwelling unit is permitted. In the case when multiple residential units are existing or proposed on a lot, there shall be only one primary residential unit. When an accessory dwelling unit is to be attached to a residential unit, the residential unit the accessory dwelling unit is attached to shall be the designated primary residential unit.

E. **Sale, Rental, and Occupancy Terms.** All accessory dwelling units and junior accessory dwelling units shall be subject to the following sale, rental, and occupancy terms:

1. ***Not to Be Sold Separately.*** An accessory dwelling unit or junior accessory dwelling unit shall not be sold separately from the primary residential unit.

2. **Rental Terms.** ~~The accessory dwelling unit or junior accessory dwelling unit may be rented separately from the primary residential unit; however, if~~ rented, rental terms for the primary residential unit, accessory dwelling unit, or junior accessory dwelling unit shall not be less than 31 consecutive days, nor shall rental terms allow termination of the tenancy prior to the expiration of at least one 31-day period occupancy by the same tenant.

3. **Owner Occupancy.** The following types of projects are subject to an owner occupancy requirement:

a. All lots developed with junior accessory dwelling units; except that owner occupancy shall not be required if the owner is another governmental agency, land trust, or housing organization.

b. Any accessory dwelling unit located in an RS zone submitted on or after January 1, 2025, unless otherwise prohibited by State law, or upon repeal of Government Code Section 65852.2 (a)(6 8)(B) removing the state-imposed prohibition of an owner occupancy requirement, whichever occurs first.

4. **Owner's Unit.** If owner occupancy is required, the property owner shall reside in and maintain either the primary residential unit or the accessory dwelling unit/junior accessory dwelling unit, as the property owner's principal place of residence ("owner's unit"). Owners of lots developed with an accessory dwelling unit/junior accessory dwelling unit shall live on the lot as long as the lot is developed with an accessory dwelling unit/junior accessory dwelling unit. Owners may re-designate the

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primary residential unit or the accessory dwelling unit/junior accessory dwelling unit as the owner's unit upon written notice to the Community Development Director and written approval of the re-designation by the Community Development Director, which approval shall not be denied unreasonably. If owner occupancy is required, ~~the~~ the property owner shall not rent or lease both the primary residential unit and the accessory dwelling unit/junior accessory dwelling unit simultaneously.

5. ***Hardship Waiver.*** If owner occupancy is required, in the event of a hardship, such as the death or disability of the property owner, job transfer, or similar significant personal situation which prevents the property owner from occupying one of the units as the owner's unit, a property owner or estate representative may apply for a temporary waiver of the owner-occupation requirement for a specific time period to allow the owner's unit to be occupied by a non-property owner pending disposition of the property through probate or non-probate transfer to a new owner, or the cessation of the circumstances preventing the property owner from occupying the owner's unit on the property. The Community Development Director shall review applications for a hardship waiver. Any such waiver shall specify the period of time for which it is granted, provided that no such waiver may be granted for a period longer than three years.

6. ***Removal of Recorded Owner Occupancy Requirement.*** With the exception of owner occupancy covenants required to permit a junior accessory dwelling unit, the Community Development Director will, in a form acceptable to the City Attorney, release an owner occupancy requirement recorded against the property prior to ~~adoption~~ of this ordinance January 1, 2020, upon the request of the property owner. No other

covenants required pursuant to this section, and contained in the agreement recorded against the property, shall be released.

F. **Required Features.** Each accessory dwelling unit and junior accessory dwelling unit shall contain, at a minimum, the following features:

1. **Residential Elements.** Permanent provisions for separate residential occupancy must be provided as follows within the contiguous livable floor space of the accessory dwelling unit or junior accessory dwelling unit and must be independent from the primary residential unit:

a. A kitchen, consisting of a sink, cooking appliance, and refrigeration facilities. A junior accessory dwelling unit may utilize an efficiency kitchen.

b. A bathroom consisting of a toilet, sink, and bathtub or shower. A junior accessory dwelling unit may share sanitation facilities with the existing or proposed single residential unit.

c. A separate living room.

d. A separate sleeping room, except in studio residential units, where a living room is considered a sleeping room.

2. **Minimum Floor Area.** Notwithstanding the dwelling unit minimum described in Section 30.140.150, Residential Unit, the minimum floor area for a newly constructed accessory dwelling unit is as follows:

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- a. *Efficiency Unit*: 150 square feet.
- b. *Studio Unit*: 220 square feet.
- c. *All Other Units*: 400 square feet.

Such usable floor area shall be exclusive of open porches, garages, basements, cellars, and unfinished attics. The minimum floor area for accessory dwelling units that are created by converting existing structures is 150 square feet and must meet the definition of an efficiency unit.

3. ***Exterior Access.*** Exterior access to the unit, that is independent from the primary residential unit, must be provided. An interior connection consisting of one ~~fire-rated~~ lockable door between the primary residential unit and an accessory dwelling unit or junior accessory dwelling unit may be provided.

4. ***Fire Sprinklers.*** Fire sprinklers are required only if they are required for the primary residential unit. The construction of an accessory dwelling unit shall not trigger a requirement for fire sprinklers to be installed in the existing primary residential unit.

5. ***Permanent Foundation.*** Attached and detached units shall be constructed with an approved permanent foundation.

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6. **Property Addresses.** Addresses identifying all residential units on the lot, with minimum three- and one-half-inch numbers plainly visible from the street or road fronting the property shall be provided.

7. **Public Sewer.** Accessory dwelling units and junior accessory dwelling units shall be connected to a public sewer. If public sewer connection is not available, approval of a new or expanded onsite wastewater treatment system shall be required in accordance with the procedures from the Code of the County of Santa Barbara California prior to issuance of a building permit.

8. **Water Meter.** Accessory dwelling units shall comply with the water metering requirements of Title 14, Section 14.08.150 E.

9. **Passageway.** No passageway is required in conjunction with the construction of an accessory dwelling unit or junior accessory dwelling unit.

G. **Development Standards for Standard Accessory Dwelling Units.**

1. **Development Standards Generally.** The development standards listed in this Section apply to standard accessory dwelling units and junior accessory dwelling units, except for those units permitted in accordance with all the configuration, standards, and special procedures outlined in Subsection L, Development Standards for Special Accessory Dwelling Units.

a. The reductions and exceptions to the development standards normally applicable to residential development allowed in this Section are for the express

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purpose of promoting the development and maintenance of an accessory dwelling unit on the lot. If for any reason the accessory dwelling unit is not maintained on the lot in conformance with this Section, the lot shall be brought into compliance with all of the requirements for the residential development, or with the legal nonconforming condition of the lot prior to the development of the accessory dwelling unit, including, but not limited to, the requirements for open yard, setbacks, and covered parking.

b. Except as otherwise specified in this Subsection, projects developed in accordance with this Section shall otherwise comply with the development standards applicable to an attached or detached accessory building for the housing type and the base zone in which the lot is located.

c. One primary residential unit shall be designated on a lot on which an accessory dwelling unit or junior accessory dwelling unit is permitted.

d. ~~Notwithstanding the size limit of an attached accessory dwelling unit based on a percentage of the proposed or existing primary unit, or lot coverage, floor area ratio, open yard, and minimum lot size standards for an attached or detached accessory dwelling unit, an 800-square-foot, 16-foot high attached or detached accessory dwelling unit may be constructed in compliance with all other development standards for standard accessory dwelling units. A maximum 800-square-foot attached or detached standard accessory dwelling unit with four-foot interior setbacks may be constructed in compliance with all other development standards for standard accessory dwelling units, notwithstanding size based on a percentage of the~~

proposed or existing primary dwelling, or limits on lot coverage, floor area ratio, open space, front setback, and minimum lot size.

2. ***Maximum Floor Area.*** The maximum floor area for a standard accessory dwelling unit and junior accessory dwelling unit is as follows:

a. ***Attached Accessory Dwelling Unit.*** An accessory dwelling unit that is attached to, and increasing the size of, the primary residential unit shall not exceed 50% of the living area of the existing primary residential unit.

b. ***Converted Accessory Dwelling Unit.*** An accessory dwelling unit that is incorporated entirely within an existing primary residential unit, or within an existing accessory building, is not limited in size except that it shall not exceed the footprint of the existing structure.

c. ***Detached Accessory Dwelling Unit.*** An accessory dwelling unit that is detached from the primary residential unit and may or may not be attached to another detached accessory building, including detached garages, shall not exceed the following maximum floor area based on lot size and number of bedrooms:

(1) Lots up to 14,999 square feet and developed with one-bedroom or studio units: 850 square feet.

(2) Lots up to 14,999 square feet and developed with two or more-bedroom units: 1,000 square feet.

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(3) Lots 15,000 square feet or larger: 1,200 square feet.

d. *Junior Accessory Dwelling Unit.* The maximum floor area of a junior accessory dwelling unit shall be 500 square feet.

3. ***Building Separation.*** The minimum separation between the primary residential unit and a detached accessory dwelling unit shall be five feet.

4. ***Open Yard.*** No open yard areas are required for accessory dwelling units or junior accessory dwelling units. ~~The minimum area, dimensions, and location of the required open yard pursuant to Section 30.140.140.C, Open Yards, for the existing or proposed primary residential unit on lots developed with single-unit or two-unit residential, may be reduced as follows in order to construct a standard accessory dwelling unit pursuant to this subsection, or to construct an accessory dwelling unit proposed over a new or reconstructed maximum 500 square foot garage, provided all other open yard requirements are met: A new standard accessory dwelling unit may encroach into the open yard required pursuant to Section 30.140.140.C, Open Yards, for the existing or proposed primary residential unit on lots developed with single-unit or two-unit residential, provided all other open yard requirements are met, and the following minimum area and dimensions are provided:~~

a. *Minimum Area.*

(1) Lots less than 6,000 square feet: 500 square feet.

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(2) Lots 6,000 up to 7,999 square feet: 800 square feet.

(3) Lots 8,000 square feet up to 9,999 square feet: 1,000 square feet.

(4) Lots 10,000 square feet or greater: 1,250 square feet.

b. *Minimum Dimensions.* 15 feet long and 15 feet wide.

c. *Location in Driveways and Turnarounds.* Notwithstanding Section 30.140.140.E.6.a, Vehicle Areas, the required open yard may be located in driveways and turnarounds, but not parking areas, in order to allow the construction of a new accessory dwelling unit.

d. *Accessory Dwelling Unit Over A Detached Garage:* A standard accessory dwelling unit constructed entirely over a new or reconstructed detached garage may also encroach into the required open yard as described above, provided that the area of the garage does not exceed a maximum of 500 square feet, plus up to 150 square feet may be allowed for other uses such as an enclosed stairway, storage, workshop, or laundry area, which may be used for either unit. Garage and accessory areas shall comply with all other development standards, such as setbacks and maximum floor area, applicable to a detached accessory building for the housing type and the base zone in which the lot is located.

5. **Setbacks.** The following setbacks shall apply to new and converted standard accessory dwelling units approved pursuant to this Subsection:

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a. *New Construction.* Newly constructed accessory dwelling units shall comply with the following setback standards:

(1) Front Setback: Meet the minimum front setback for residential structures in the zone, unless further limited by Subsection H.8, Front Yard Location, below.

(2) Interior Setback: Four feet.

b. *Conversion.* No setback is required to convert the existing, legally permitted, floor area of a main or accessory building to an accessory dwelling unit. Improvements to existing nonconforming buildings, including conforming additions, are allowed pursuant to Chapter 30.165, Nonconforming Structures, Site Development, and Uses.

c. *Substantial Redevelopment.* No setback is required when an existing main or accessory building is substantially redeveloped and converted to an accessory dwelling unit, provided that the new building is reconstructed in the same location and with the same dimensions and floor area as the existing building.

(1) Exception for Small Conforming Additions. One small 150-square-foot conforming first floor addition may be permitted on a substantially redeveloped and converted nonconforming accessory building.

d. *New Construction Combined with Replacement of a Nonconforming Garage.* The construction of an accessory dwelling unit may be combined

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with the demolition and replacement of a nonconforming detached garage if all of the following requirements are met:

(1) The new garage is reconstructed in the same location and with the same dimensions as the existing garage; or

(2) The new garage is enlarged or altered in size only as necessary to provide the same number of parking spaces and to meet the dimension requirements of the City of Santa Barbara Access and Parking Design Standards, but located no closer to the property line as the existing garage; and

(3) The accessory dwelling unit is constructed above or attached to the reconstructed garage; and

(4) Any additions, which may include ~~The~~ accessory dwelling unit ~~and~~ or any additions to the garage for other structures or uses shall conform with current setbacks and other development standards of this Title;

(5) The new structure shall comply with all applicable height and building story limitations, and all other development standards are met.

e. *Setback Encroachments.* Setback encroachments allowed pursuant to Section 30.140.090, Encroachments into Setbacks and Open Yards, may be permitted for accessory dwelling units or junior accessory dwelling units.

H. **Architectural Review.** All accessory dwelling units or junior accessory dwelling units shall be subject to the following architectural design criteria as applicable to either new construction or exterior alterations, which shall be reviewed ministerially by the Community Development Director. For purposes of this Section, portions of a building or site considered to be the accessory dwelling unit shall include all of the contiguous interior livable floor area of the accessory dwelling unit and any exterior alterations directly attached to, and integral to, the livable floor area of the accessory dwelling unit.

1. **Prohibition of Shiny Roofing and Siding.** New roofing and siding materials that are shiny, mirror-like, or of a glossy metallic finish are prohibited.

2. **Roof Tile.** Where a new clay tile roof is proposed, the use of two-piece terra cotta (Mission “C-tile”) roof is required and “S-tile” is prohibited, unless necessary to match the S-tile roof materials of the existing primary residential unit.

3. **Skylights.** New skylights shall have flat glass panels. “Bubble” or dome type skylights are not allowed.

4. **Glass Guardrails.** New glass guardrails are not allowed, unless necessary to match the glass guardrails of the existing primary residential unit.

5. **Garage Conversion.** If a garage is converted to an accessory dwelling unit, the garage door opening shall be replaced with exterior wall coverings, or residential windows and doors, to match the existing exterior garage wall covering and detailing.

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6. **Grading.** No more than 250 cubic yards of grading (i.e., cut and/or fill under the main accessory dwelling unit building footprint and outside the main building footprint to accommodate the accessory dwelling unit) is proposed in the Hillside Design District or on lots in other parts of the City with a slope of 15% or greater.

7. **Height.** Building heights shall not exceed the maximum height or number of stories allowed for a detached or attached accessory building in the zone and are limited in accordance with Section 30.140.170, Solar Access Height Limitations. In addition, tThe construction of an accessory dwelling unit shall not exceed the following, whichever is greater:

- a. Height of the primary residential unit; or
- b. Number of stories of the primary residential unit; or
- c. 178 feet for a detached standard or special accessory dwelling unit; an additional two feet in height is allowed if necessary to match the roof pitch and height of the primary residential unit; or
- d. 25 feet for an attached standard accessory dwelling unit; or
- e. Up to the maximum height allowed in the zone for a standard accessory dwelling unit constructed entirely over a new or reconstructed detached garage, that meets all of the criteria in Subsection 30.185.040.G.4.d, above.

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~~This height limitation is not applicable to an accessory dwelling unit constructed above a garage, however, in no event shall the resulting building exceed the maximum height or number of stories allowed for a detached or attached accessory building in the zone.~~

8. ***Front Yard Location.*** The construction of a new detached accessory dwelling unit located in the front yard shall be subject to all of the following:

a. The new accessory dwelling unit must be located a minimum of 20 feet back from all front lot lines or meet the minimum front setback for the zone in which the lot is located, whichever is greater.

b. Unless constructed entirely over an existing, new, or reconstructed detached garage that meets all of the criteria in Subsection 30.185.040.G.4.d, above, the new unit shall be:

(1) No more than one-story; and

(2) Less than 178 feet in height; an additional two feet in height is allowed if necessary to match the roof pitch and height of the primary residential unit; and

(3) ~~Screened from the street by topography, location, or landscape, in a manner designed to blend into the surrounding architecture or landscape,~~ so as to minimize visibility of the accessory dwelling unit to the casual observer as viewed from the street.

9. ***Design Style.*** New detached or attached accessory dwelling units ~~shall be compatible with the design of the primary residential unit regarding style, fenestration, materials, colors, and details~~ shall be constructed using the same architectural style, roof pitch, exterior building materials, colors, and finishes as the primary unit if the accessory dwelling unit meets any of the following:

a. Attached to, or if any portion of the accessory dwelling unit is located within 20 feet of, the primary residential unit;

b. Located in the Hillside Design District and 20% or greater average slope;

c. Two or more stories tall, or 178 feet or taller in building height;

d. Located on a site on which there is a historical resource as follows:

(1) Listed on the National Register of Historic Places or the California Register of Historic Resources;

(2) Designated as a City of Santa Barbara Landmark or Structure of Merit; or

(3) Located in a designated historic district.

e. Located in the front yard.

10. ***Privacy Standards.*** The construction of an accessory dwelling unit where any portion of the proposed construction is either: two or more stories tall or 178 feet or taller in building height, shall comply with the following:

a. Upper story unenclosed landings, decks, and balconies greater than 20 square feet, that face or overlook the adjoining property, shall be located a minimum of 15 feet from the interior lot lines.

b. Upper story unenclosed landings, decks, and balconies, that do not face or overlook the adjoining property due to orientation or topography, may be located at the minimum interior setback line if an architectural screening element such as enclosing walls, trellises, awnings, or perimeter planters with a five-foot minimum height is incorporated into the unenclosed landing, deck, or balcony.

c. Upper story windows that face or overlook the adjoining property, located within 15 feet of the interior lot lines, shall be installed a minimum of 42 inches above finish floor.

11. ***Exceptions.*** Discretionary applications for design review may be requested in the following circumstances:

a. An applicant may propose an accessory dwelling unit that does not meet these design criteria subject to approval by the Single Family Design Board, Architectural Board of Review, or Historic Landmarks Commission, as appropriate.

b. Discretionary design review may be required for any exterior alterations to the project site or main buildings that are not an integral part of the accessory dwelling unit but are proposed in conjunction with the accessory dwelling unit, if required pursuant to Chapter ~~22.68, 22.69, or 28.86~~ 30.220 of this Code.

I. **Protection for Historic Resources.** No accessory dwelling unit or junior accessory dwelling unit shall be permitted if the proposal would cause a substantial adverse change in the significance of a historical resource listed on the National Register of Historic Places or the California Register of Historical Resources, designated as a City of Santa Barbara Landmark or Structure of Merit, or located in a designated historic district. The Community Development Director shall make this determination by reviewing the proposal for compliance with appropriate Secretary of Interior's *Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring and Reconstructing Historic Buildings*.

J. **Parking Standards.** No automobile parking spaces are required for accessory dwelling units or junior accessory dwelling units. The required parking for the existing residential units on site may be reduced or replaced as follows to construct an accessory dwelling unit:

1. **No Replacement Parking Required.** When an existing garage, carport, or other covered parking structure is converted to an accessory dwelling unit or demolished in order to construct an accessory dwelling unit, those off-street parking spaces for the existing residential unit are not required to be replaced.

2. ***Optional Parking Standards.*** If optional new or replacement parking spaces are proposed for either the primary residential unit or the accessory dwelling unit, those spaces may be provided as covered, uncovered, in a mechanical lift, or in a tandem configuration pursuant to Subsection J.2.f below. The new or replacement spaces shall meet all of the following:

a. Covered parking shall meet the development standards applicable to the primary residential unit within the zone in which the lot is located.

b. All parking spaces must meet the minimum dimensions and development standards consistent with the City Parking Access and Design Standards and Section 30.175.090, Parking Area Design and Development Standards.

c. In order to maintain visibility for adjacent driveways and intersections, uncovered parking spaces shall comply with Section 30.140.230, Visibility at Driveways and Intersections.

d. New or ~~R~~replacement uncovered parking spaces may be allowed in a front or interior setback, provided all uncovered parking spaces are contained within the area of an existing paved driveway and no increase to paved areas occurs in the setbacks.

e. New uncovered parking spaces that are not ~~replacement parking spaces~~ within an existing paved driveway, as described above, may be located in a new paved area three feet from any interior lot line, provided a minimum of three feet

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in width of planting area is provided for the length of the paved parking area along the interior lot line, if the paved parking area is parallel to the interior lot line.

f. Tandem parking configuration shall meet all the following:

(1) No more than two automobiles shall be placed one behind the other.

(2) Both automobile parking spaces parked in tandem shall be assigned to the same residential unit. ~~Tandem parking shall not create any traffic safety issues.~~

(3) Vertical or stackable tandem parking, provided by means of mechanical lifts, is subject to approval by the Public Works Director. Mechanical lifts shall be fully enclosed within a structure and shall require a recorded maintenance agreement, pursuant to Chapter 30.260, Recorded Agreements.

(4) Tandem parking in multi-unit and commercial zones is subject to approval by the Public Works Director. ~~Tandem parking shall not create traffic safety issues.~~

(5) Tandem parking shall not create traffic safety issues as determined by the Public Works Director.

K. **High Fire Hazard Area Standards.** All accessory dwelling units or junior accessory dwelling units located in any High Fire Hazard Area including the Coastal,

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Coastal Interior, Foothill and Extreme Foothill Areas, as defined in the City's Community Wildfire Protection Plan or as may be subsequently retitled in the future as a ("High" or "Very High Fire Hazard Severity Zone") as defined in the Community Wildfire Protection Plan adopted by City Council, shall comply with the following standards as applicable to new construction or parking:

1. **No Tandem Parking.** No parking space shall be developed in a tandem configuration.

2. **High Fire Construction.** The accessory dwelling unit shall be designed to meet high fire construction standards adopted or enforced by the City, as determined by the Chief Building Official or the Fire Code Official.

3. **No Variance or Modification.** No variance or modification to any Fire Code requirements or high fire construction standards shall be permitted.

4. **Defensible Space.** The site must meet defensible space requirements, pursuant to Chapter 8.04 of this Code, prior to occupancy and those requirements must be maintained.

5. **Parking.** No parking is required for studio units; One covered or uncovered automobile parking space per unit or bedroom, whichever is less is required for all other accessory dwelling units, unless the unit is exempt from parking per one of the exceptions outlined below. Parking spaces shall meeting all of the same parking

standards required for the primary residential unit as described in Subsection J.2, Parking Standards, ~~shall be required for an accessory dwelling unit.~~

a. ***Parking Exceptions for Certain Accessory Dwelling***

Units. Automobile parking is not required for an accessory dwelling unit, in any of the following instances:

(1) The accessory dwelling unit is located within a walking distance of one-half mile of a public transit stop, such as a bus stop or train station.

(2) The accessory dwelling unit is located within an architecturally and historically significant historic district. For purposes of this provision, El Pueblo Viejo Landmark District, Brinkerhoff Avenue Landmark District, Riviera Campus Historic District, and the El Encanto Hotel Historic District, constitute architecturally and historically significant historic districts within the City and any district hereafter created deemed to be architecturally and historically significant.

(3) The accessory dwelling unit is contained entirely within the permitted floor area of the existing primary residential unit or an existing accessory building.

(4) When on-street parking permits are required but not offered to the occupant(s) of the accessory dwelling unit.

(5) When there is a “carshare vehicle” as defined in Chapter 10.73 of this Code, located within a walking distance of 500 feet of the accessory dwelling unit.

L. Development Standards for Special Accessory Dwelling Units.

1. ***Development Standards Generally.*** The development standards listed in this Section apply to specific types of small accessory dwelling units and junior accessory dwelling units with certain size, height, and setback standards that, if followed, allow for an accessory dwelling unit to be permitted on lots in a Fire Hazard Area, or more than one accessory dwelling unit on a lot, and allows additional reductions and exceptions to development standards for open yard and maximum floor area. Applications utilizing the special standards described in this Section may not utilize the less restrictive configuration, size, and height standards allowed under another Section to achieve a larger unit or more than one unit.

a. Any reductions and exceptions in this Section are for the express purpose of promoting the development and maintenance of a special accessory dwelling unit or junior accessory dwelling unit on the lot. If for any reason the special accessory dwelling unit or junior accessory dwelling unit is no longer maintained on the lot, the lot shall be brought into compliance with all of the requirements for the remaining residential development, or with the legal nonconforming condition of the lot prior to the development of the accessory dwelling unit or junior accessory dwelling unit.

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b. Except as otherwise specified in this Section, projects developed in accordance with this Chapter shall otherwise comply with the development standards applicable to the housing type and base zone in which the lot is located.

~~c. One primary residential unit shall be designated on a lot on which an accessory dwelling unit or junior accessory dwelling unit is permitted. In the case when multiple residential units are existing on a lot, there shall be only one primary residential unit.~~

2. ***Configuration – Single Unit Lots.*** A lot developed with only one existing or proposed single-unit residence, may permit one of the following types of special accessory dwelling units:

a. *Converted Portion of Main Building.* Only one accessory dwelling unit or junior accessory dwelling unit contained entirely within the existing, legally permitted, fully enclosed livable floor area of the existing or proposed primary residential unit; or

b. *Converted Accessory Building.* Only one accessory dwelling unit contained entirely within the existing, legally permitted, fully enclosed floor area of a garage or other accessory building on the same lot as the primary residential unit, plus one 150-square-foot conforming first floor addition, if the expansion is limited to accommodating ingress and egress; or

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c. *One Unit – New Construction.* One newly constructed accessory dwelling unit, detached from any other main or accessory building; or

d. *Two Units – Combination.* One junior accessory dwelling unit contained entirely within the existing, legally permitted, fully enclosed livable floor area of the existing or proposed primary residential unit, plus one newly constructed or converted special accessory dwelling unit, ~~detached from any other main or accessory building.~~

3. ***Configuration – Two-Unit ~~or~~, Multi-Unit, or Mixed-Use Lots.*** A lot developed with two or more existing or proposed residential units, or one or more existing or proposed residential units in a mixed-use development, may permit one of the following types of special accessory dwelling units:

a. *Converted Non-Livable Space.* ~~At least one~~ Up to two accessory dwelling units, ~~and or~~ up to 25% of the existing number of residential units on a lot, whichever is greater, may be converted on a lot if contained entirely within portions of existing, legally permitted, fully enclosed floor area of a residential or mixed-use structure, or detached accessory structure, that is not used as livable space, including but not limited to storage rooms, boiler rooms, passageways, attics, basements, upper-floor commercial areas, attached or detached carports, or garages; or

b. *Two Units – New Construction.* No more than two newly constructed accessory dwelling units, detached from the main or accessory building.

c. Two Unit – Combination. One accessory dwelling unit contained entirely within the existing, legally permitted, fully enclosed non-livable floor area of a residential or mixed-use structure, or detached accessory structure; plus, one newly constructed accessory dwelling unit, detached from any other main or accessory building.

4. **Maximum Floor Area.**

a. *Detached Accessory Dwelling Unit.* The maximum floor area of any detached, new construction, special accessory dwelling unit approved pursuant to this Subsection is 800 square feet.

b. *Converted Accessory Dwelling Unit.* An accessory dwelling unit that is incorporated entirely within portions of existing floor area, approved pursuant to this Subsection, is not limited in size.

c. *Junior Accessory Dwelling Unit.* The maximum floor area of a junior accessory dwelling unit shall not exceed 500 square feet.

5. **Maximum Height – Detached Accessory Dwelling Unit.** The maximum building height of a detached, new construction, special accessory dwelling unit approved pursuant to this Subsection is ~~46 feet.~~ 18 feet and one story; an additional two feet in height is allowed if necessary to match the roof pitch and height of the primary residential unit.

6. ***Exempt from Other Size and Location Limitations.*** A special accessory dwelling unit or junior accessory dwelling unit ~~approved pursuant to in compliance with~~ this Subsection is exempt from ~~any other size or location~~ limitations in this title, based on a percentage of the proposed or existing primary dwelling, or limits on lot coverage, floor area ratio, open yard, front setback, and minimum lot size.

~~7. ***Exempt from Open Yard.*** No open yard is required for a special accessory dwelling unit or junior accessory dwelling unit approved pursuant to this subsection. Open yard for any existing residential units on a lot may be reduced or eliminated entirely in order to permit a special accessory dwelling unit meeting all the standards and criteria in this subsection.~~

M. **Building Permit Required.** All accessory dwelling units and junior accessory dwelling units shall comply with applicable state and local building codes and shall require approval of a building permit.

~~1. ***Combined Permits.*** An accessory dwelling unit or junior accessory dwelling unit permit shall not be combined with a permit for other proposed construction on the site unrelated to the accessory dwelling unit or junior accessory dwelling unit. If a permit application for an accessory dwelling unit or junior accessory dwelling unit is submitted at the same time as a permit application for a new single-unit dwelling, review of the permit for the accessory dwelling unit or junior accessory dwelling unit application shall be delayed until the permit for the single-unit dwelling has been approved.~~

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1. **Change in Occupancy.** The construction of an accessory dwelling unit shall not constitute a Group R occupancy change, as described in Section 310 of the California Building Code (Title 24 of the California Code of Regulations), unless the Building Official finds that the construction of the accessory dwelling unit could have a specific, adverse impact on public health and safety. This clause does not apply when changing the occupancy code of a space that was unhabitable space or was only permitted for nonresidential use and was subsequently converted for residential use.

2. **Review of Applications.** Applications for a permit to create an accessory dwelling unit or junior accessory dwelling unit shall be processed pursuant to Chapter 30.205, Common Procedures, and the specific requirements of this Section. The City shall ministerially approve or disapprove a complete building permit application for an accessory dwelling unit or junior accessory dwelling unit in compliance with time periods established by state law. If the City disapproves an application for an accessory dwelling unit or junior accessory dwelling unit, the City shall return in writing a full set of comments to the applicant with a list of items that are defective or deficient and a description of how the application can be remedied by the applicant.

3. **Pre-Existing Violations.** The City shall not disapprove an application to create an accessory dwelling unit or junior accessory dwelling unit solely due to the correction of nonconforming zoning conditions, building code violations, or unpermitted structures that do not present a threat to public health and safety and are unrelated to the construction of the accessory dwelling unit or junior accessory dwelling unit. However, any approvals granted under this Section shall not constitute authorization

for continuation of the violation, or waiver of or estoppel against any future enforcement action.

4. ***Combined Permits.*** An accessory dwelling unit or junior accessory dwelling unit permit shall not be combined with a permit for other proposed construction on the site unrelated to the accessory dwelling unit or junior accessory dwelling unit; except that:

a. Demolition permits for a detached garage that is to be replaced with an accessory dwelling unit may be reviewed with the application for the accessory dwelling unit and issued at the same time; and

b. A permit application for an accessory dwelling unit or junior accessory dwelling unit may be submitted at the same time as a permit application for a new primary residential unit; however, approval of the permit for the accessory dwelling unit or junior accessory dwelling unit application shall be delayed until the permit for the primary residential unit has been approved and issued. A certificate of occupancy/final inspection for an accessory dwelling unit shall not be issued before a certificate of occupancy/final inspection is issued for the primary residential unit.

25. ***Modifications and Minor Zoning Exceptions for Accessory Dwelling Units or Junior Accessory Dwelling Units.*** An accessory dwelling unit or junior accessory dwelling unit that is not in compliance with the development standards of this Section may be granted a modification or minor zoning exception if all the required

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findings can be met, pursuant to the procedures outlined in Chapter 30.250, Modifications, or Chapter 30.245, Minor Zoning Exceptions.

36. **Posted Sign.** Within five calendar days after submitting an initial building permit application to the City, the property owner shall install a public notice in the form of a posted sign on the property in a manner deemed acceptable by the Community Development Director, as follows: ~~The sign shall remain posted until a building permit is issued, or the application expires or is withdrawn. At the time of application submittal, the applicant shall sign an affidavit stating that he or she will post the required sign per this subsection. The validity of the permit shall not be affected by the failure of any property owner, resident, or neighborhood or community organization to receive this notice.~~

a. The sign shall remain posted until a building permit is issued, or the application expires or is withdrawn.

b. At the time of application submittal, the applicant shall sign an affidavit stating that the required sign will be posted per this Subsection.

c. The validity of the permit shall not be affected by the failure of any property owner, resident, or neighborhood or community organization to receive this notice.

d. The requirement for a posted sign does not apply to a project that only includes the demolition of a detached garage that is to be replaced with an

accessory dwelling unit, unless the property is located within an architecturally and historically significant historic district.

N. **Recorded Agreement.** Before obtaining a building permit for an accessory dwelling unit or junior accessory dwelling unit, the property owner shall execute an agreement, pursuant to Chapter 30.260, Recorded Agreements, containing a reference to the deed under which the property was acquired by the present owner which outlines the requirements regarding the sale, rental, and owner occupancy of lots developed with accessory dwelling units and junior accessory dwelling units as specified in Subsection E of this Section.

O. **Residential Density.** An accessory dwelling unit or junior accessory dwelling unit is a residential use that is consistent with the existing General Plan designations and zoning for lots within the allowable residential zones. Any accessory dwelling unit or junior accessory dwelling unit permitted pursuant to this Section does not exceed the allowable density for the lot upon which the accessory dwelling unit or junior accessory dwelling unit is located.

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AN ORDINANCE OF THE COUNCIL OF THE CITY OF
SANTA BARBARA AMENDING THE SANTA BARBARA
MUNICIPAL CODE BY AMENDING CHAPTER 28.86,
PERTAINING TO REGULATIONS FOR ACCESSORY
DWELLING UNITS

THE CITY COUNCIL OF THE CITY OF SANTA BARBARA DOES ORDAIN AS
FOLLOWS:

SECTION 1. Chapter 28.86 of Title 28 of the Santa Barbara Municipal Code is amended to read as follows:

28.86.010 Purpose. The purpose of this Chapter is to:

A. Expand opportunities in the City to create additional housing to suit the spectrum of individual lifestyles and space needs, allow more efficient use of existing housing stock and public infrastructure, and provide a range of housing opportunities.

B. Allow accessory dwelling units or junior accessory dwelling units as an accessory use to a primary residential unit, consistent with California Government Code Section 65852.2 or 65852.22 and the California Coastal Act, as applicable.

C. Promote accessory dwelling units or junior accessory dwelling units with high-quality designs that are compatible with the surrounding neighborhood, historic resources, and historic districts; preserve the City's coastal resources; promote long-term sustainability; and contribute to a desirable living environment.

28.86.020 Definitions.

As used in this Chapter, the following words and phrases shall have the following meanings:

A. ACCESSORY DWELLING UNIT. An attached or a detached residential unit that provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residential unit. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation and be located on the same parcel that the primary residential unit is or will be situated. An accessory dwelling unit can also be an efficiency unit, as defined in Section 17958.1 of the Health and Safety Code, or a manufactured home, as defined in Section 18007 of the Health and Safety Code. The following categories of accessory dwelling units are subject to specific development standards:

1. Special Accessory Dwelling Unit. These are specific types of smaller accessory dwelling units and junior accessory dwelling units with certain size, height, and setback standards described in Section 28.86.090, Development Standards for Special Accessory Dwelling Units. Special accessory dwelling units allow for more than one accessory dwelling unit on a lot.

2. Standard Accessory Dwelling Unit. These are typically larger accessory dwelling units with size, height, and setback standards generally described in Section 28.86.055, Development Standards for Standard Accessory Dwelling Units.

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Standard accessory dwelling units do not allow for more than one accessory dwelling unit on a lot.

~~An accessory dwelling unit also includes the following:~~

~~_____ a. An efficiency unit, as defined in Section 17958.1 of the Health and Safety Code.~~

~~_____ b. A manufactured home, as defined in Section 18007 of the Health and Safety Code.~~

B. CARSHARE VEHICLE. A motor vehicle that is operated as part of a regional fleet by a public or private car sharing company or organization which provides hourly or daily car sharing service to its members.

C. EFFICIENCY KITCHEN. A kitchen that includes at a minimum:

1. Appliances for cooking food and refrigeration, either built-in or countertop.

2. A sink for food preparation greater than 12 inches by 12 inches, excluding the sink located in the bathroom.

3. A food preparation counter.

D. EXISTING FLOOR AREA. A legally permitted building constructed on the site with a final inspection or certificate of occupancy as of the date of application

submittal, that conforms to current zoning standards or is legal nonconforming as to current zoning standards.

E. JUNIOR ACCESSORY DWELLING UNIT. A unit that is no more than 500 square feet in size and contained entirely within the existing floor area of an existing or proposed single residential unit. A junior accessory dwelling unit may include separate sanitation facilities or may share sanitation facilities with the existing or proposed single residential unit and includes an efficiency kitchen.

F. PASSAGEWAY. A pathway that is unobstructed clear to the sky and extends from a street to one entrance of the accessory dwelling unit.

G. PRIMARY RESIDENTIAL UNIT. The existing or proposed residential unit on a lot on which an accessory dwelling unit or junior accessory dwelling unit is permitted. The primary residential unit shall comprise one unit in either a single residential unit, two-residential unit, multiple residential unit, or mixed use development (as those terms are defined in Section 28.04.020 of this Title).

H. PRINCIPAL PLACE OF RESIDENCE. The residence where a property owner actually lives for the greater part of time, or the place where the property owner remains when not called elsewhere for some special or temporary purpose and to which the property owner returns frequently and periodically, as from work or vacation. There may be only one "principal place of residence," and where more than one residence is maintained or owned, the burden shall be on the property owner to show that the primary

residential unit, or accessory dwelling unit, or junior accessory dwelling unit is the property owner's principal place of residence as evidenced by qualifying for the homeowner's tax exemption, voter registration, vehicle registration, or similar methods that demonstrate owner-occupancy. If multiple persons own the property as tenants in common or some other form of common ownership, a person or persons representing at least 50% of the ownership interest in the property shall reside on the property and maintain the property as a principal place of residence. Any person or persons who qualify for the homeowner's tax exemption under the California State Board of Equalization rules, may qualify as an owner occupant.

28.86.030 Where Permitted.

A. ACCESSORY DWELLING UNIT. An accessory dwelling unit may be permitted in any zone that allows residential use, located on a lot developed or proposed to be developed with one or more residential units, except as prohibited below.

B. JUNIOR ACCESSORY DWELLING UNIT. A junior accessory dwelling unit may be permitted in any zone that allows residential use, and shall be located on a lot developed with an existing or proposed single residential unit.

C. PROHIBITED LOCATIONS.

1. No accessory dwelling unit shall be permitted in a location that would conflict with the coastal resource protection policies of the City's Coastal Land Use Plan.

2. No accessory dwelling unit shall be permitted on a lot located within the Foothill or Extreme Foothill High Fire Hazard Area ~~(Extreme Foothill and Foothill)~~ or as ~~subsequently amended for consistency with state-level~~ (Very High Fire Hazard Severity Zone) ~~mapping terminology~~ as defined in the City's Community Wildfire Protection Plan adopted by City Council.

a. Exception for Special Accessory Dwelling Units. Accessory dwelling units permitted in accordance with all the configuration, standards, and special procedures outlined in Section 28.86.090, Development Standards for Special Accessory Dwelling Units, may be permitted on any lot, including lots located within ~~any High Fire Hazard Area (the Foothill and Extreme Foothill High Fire Hazard Areas)~~ or as ~~subsequently amended for consistency with state-level~~ (Very High Fire Hazard Severity Zone) ~~mapping terminology as defined in the City's Community Wildfire Protection Plan adopted by City Council~~, if the lot is zoned to allow for residential use and contains an existing or proposed primary residential unit.

28.86.035 Unit Configuration.

A. Only one accessory dwelling unit or junior accessory dwelling unit shall be permitted on a lot in addition to the primary residential unit, pursuant to this Chapter. However, multiple accessory dwelling units may be permitted in accordance with all the configuration, standards, and special procedures outlined in Section 28.86.090, Development Standards for Special Accessory Dwelling Units.

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B. An accessory dwelling unit may be permitted in the following configurations:

1. Incorporated entirely within an existing or proposed primary residential unit.
2. Incorporated entirely within an existing accessory building, including garages, located on the same lot as the primary residential unit.
3. Attached to or increasing the size of an existing primary residential unit or accessory building located on the same lot as the primary residential unit.
4. Detached from and located on the same lot as the existing or proposed primary residential unit. An accessory dwelling unit that is attached to another detached accessory building, but not the primary residential unit, or is attached by a breezeway or porch, is considered detached.

C. A junior accessory dwelling unit must be incorporated entirely within the existing floor area of an existing or proposed single residential unit or attached garage.

D. One primary residential unit shall be designated and maintained on a lot on which an accessory dwelling unit or junior accessory dwelling unit is permitted. In the case when multiple residential units are existing or proposed on a lot, there shall be only one primary residential unit. When an accessory dwelling unit is to be attached to a residential unit, the residential unit the accessory dwelling unit is attached to shall be the designated primary residential unit.

28.86.040 Sale, Rental, and Occupancy Terms.

All accessory dwelling units and junior accessory dwelling units shall be subject to the following sale, rental, and occupancy terms:

A. NOT TO BE SOLD SEPARATELY. An accessory dwelling unit or junior accessory unit shall not be sold separately from the primary residential unit.

B. RENTAL TERMS. ~~The accessory dwelling unit or junior accessory dwelling unit may be rented; however, If rented, rental terms for the primary residential unit, accessory dwelling unit, or junior accessory dwelling unit~~ shall not be less than 31 consecutive days, nor shall rental terms allow termination of the tenancy prior to the expiration of at least one 31-day period occupancy by the same tenant.

C. OWNER OCCUPANCY. The following types of projects are subject to an owner occupancy requirement:

1. All lots developed with junior accessory dwelling units; except that owner occupancy shall not be required if the owner is another governmental agency, land trust, or housing organization.

2. Any accessory dwelling unit located in a One-Family Residence Zone submitted on or after January 1, 2025, unless otherwise prohibited by state law, or upon repeal of Government Code Section 65852.2 (a)(6 8)(B) removing the state-imposed prohibition of an owner occupancy requirement, whichever occurs first.

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D. OWNER'S UNIT. If owner occupancy is required in accordance with Subsection C, Owner Occupancy, the property owner shall reside in and maintain either the primary residential unit or the accessory dwelling unit/junior accessory dwelling unit as the property owner's principal place of residence ("owner's unit"). Owners of lots developed with an accessory dwelling unit/junior accessory dwelling unit shall live on the lot as long as the lot is developed with an accessory dwelling unit/junior accessory dwelling unit. Owners may re-designate the primary residential unit or the accessory dwelling unit/junior accessory dwelling unit as the owner's unit upon written notice to the Community Development Director and written approval of the re-designation by the Community Development Director, which approval shall not be denied unreasonably. If owner occupancy is required, ~~the~~ the property owner shall not rent or lease both the primary residential unit and the accessory dwelling unit/junior accessory dwelling unit simultaneously.

E. HARDSHIP WAIVER. If owner occupancy is required in accordance with Subsection C, Owner Occupancy, in the event of a hardship, such as the death or disability of the property owner, job transfer, or similar significant personal situation which prevents the property owner from occupying the owner's unit, a property owner or estate representative may apply for a temporary waiver of the owner-occupation requirement for a specific time period to allow the owner's unit to be occupied by a non-property owner pending disposition of the property through probate or non-probate transfer to a new owner, or the cessation of the circumstances preventing the property owner from occupying the owner's unit on the property. The Community Development Director shall

review applications for a hardship waiver. Any such waiver shall specify the period of time for which it is granted, provided that no such waiver may be granted for a period longer than three years.

F. REMOVAL OF RECORDED OWNER OCCUPANCY REQUIREMENT. With the exception of owner occupancy covenants required to permit a junior accessory dwelling unit, the Community Development Director will, in a form acceptable to the City Attorney, release an owner occupancy requirement recorded against the property prior to ~~adoption of the ordinance codified in this chapter, January 1, 2020,~~ upon the request of the property owner. No other covenants required pursuant to this Section, and contained in the agreement recorded against the property, shall be released.

28.86.050 Required Features.

Each accessory dwelling unit and junior accessory dwelling unit shall contain, at a minimum, the following features:

A. RESIDENTIAL ELEMENTS. Permanent provisions for separate residential occupancy must be provided as follows within the contiguous livable floor space of the accessory dwelling unit or junior accessory dwelling unit and must be independent from the primary residential unit:

1. A kitchen, consisting of a sink, cooking appliances, and refrigeration facilities. A junior accessory dwelling unit may utilize an efficiency kitchen.

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2. A bathroom consisting of a toilet, sink, and bathtub or shower. A junior accessory dwelling unit may share sanitation facilities with the existing or proposed single residential unit.

3. A separate living room.

4. A separate sleeping room, except in studio residential units, where a living room is considered a sleeping room.

B. MINIMUM FLOOR AREA. Notwithstanding the dwelling unit minimum described in Section 28.87.150, Dwelling and Other Occupancies, the minimum floor area for a newly constructed accessory dwelling unit is as follows:

1. Efficiency Unit: 150 square feet.

2. Studio Unit: 220 square feet.

3. All Other Units: 400 square feet.

Such usable floor area shall be exclusive of open porches, garages, basements, cellars, and unfinished attics. The minimum floor area for accessory dwelling units that are created by converting existing structures is 150 square feet and must meet the definition of an efficiency unit.

C. EXTERIOR ACCESS. Exterior access to the unit, that is independent from the primary residential unit, must be provided. An interior connection consisting of one

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~~fire-rated~~ lockable door between the primary residential unit and an accessory dwelling unit or junior accessory dwelling unit may be provided.

D. FIRE SPRINKLERS. Fire sprinklers are required only if they are required for the primary residential unit. The construction of an accessory dwelling unit shall not trigger a requirement for fire sprinklers to be installed in the existing primary residential unit.

E. PERMANENT FOUNDATION. Attached and detached units shall be constructed with an approved permanent foundation.

F. PROPERTY ADDRESSES. Addresses identifying all residential units on the lot, with minimum three- and one-half-inch numbers plainly visible from the street or road fronting the property shall be provided.

G. PUBLIC SEWER. Accessory dwelling units and junior accessory dwelling units shall be connected to a public sewer. If public sewer connection is not available, approval of a new or expanded onsite wastewater treatment system shall be required in accordance with the procedures from the Code of the County of Santa Barbara California prior to issuance of a building permit.

H. WATER METER. Accessory dwelling units shall comply with the water metering requirements of Title 14, Section 14.08.150.E.

I. PASSAGEWAY. No passageway is required in conjunction with the construction of an accessory dwelling unit or junior accessory dwelling unit.

28.86.055 Development Standards for Standard Accessory Dwelling Units.

A. DEVELOPMENT STANDARDS GENERALLY. The development standards listed in this Section apply to standard accessory dwelling units and junior accessory dwelling units, except for those units permitted in accordance with all the configuration, standards, and special procedures outlined in Section 28.86.090, Development Standards for Special Accessory Dwelling Units.

1. The reductions and exceptions to the development standards normally applicable to residential development allowed in this Section are for the express purpose of promoting the development and maintenance of an accessory dwelling unit on the lot. If for any reason the accessory dwelling unit is not maintained on the lot in conformance with this Section, the lot shall be brought into compliance with all of the requirements for the residential development, or with the legal nonconforming condition of the lot prior to the development of the accessory dwelling unit, including, but not limited to, the requirements for open yard, setbacks, and covered parking.

2. Except as otherwise specified in this Section, projects developed in accordance with this Chapter shall otherwise comply with the development standards applicable to an attached or detached accessory building for the housing type and base zone in which the lot is located.

3. One primary residential unit shall be designated on a lot on which an accessory dwelling unit or junior accessory dwelling unit is permitted.

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4. ~~Notwithstanding the size limit of an attached accessory dwelling unit based on a percentage of the proposed or existing primary unit, or lot coverage, floor area ratio, open yard, and minimum lot size standards for an attached or detached accessory dwelling unit, an 800-square-foot, 16-foot high attached or detached accessory dwelling unit may be constructed in compliance with all other development standards for standard accessory dwelling units. A maximum 800-square-foot attached or detached standard accessory dwelling unit with four-foot interior setbacks may be constructed in compliance with all other development standards for standard accessory dwelling units, notwithstanding size based on a percentage of the proposed or existing primary dwelling, or limits on lot coverage, floor area ratio, open space, front setback, and minimum lot size.~~

B. MAXIMUM FLOOR AREA. The maximum floor area for a standard accessory dwelling unit and junior accessory dwelling unit is as follows:

1. Attached Accessory Dwelling Unit. An accessory dwelling unit that is attached to, and increasing the size of, the primary residential unit shall not exceed 50% of the living area of the existing primary residential unit.

2. Converted Accessory Dwelling Unit. An accessory dwelling unit that is incorporated entirely within an existing primary residential unit, or within an existing accessory building, is not limited in size.

3. Detached Accessory Dwelling Unit. An accessory dwelling unit that is detached from the primary residential unit and may or may not be attached to another

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detached accessory building, including detached garages, shall not exceed the following maximum floor area based on lot size and number of bedrooms:

- a. Lots up to 14,999 square feet:
 - (1) One-bedroom or studio units: 850 square feet.
 - (2) Two or more-bedroom units: 1,000 square feet.
- b. Lots 15,000 square feet or larger: 1,200 square feet.

4. Junior Accessory Dwelling Unit. The maximum floor area of a junior accessory dwelling unit shall not exceed 500 square feet.

C. RELATIONSHIP TO OTHER FLOOR AREA LIMITATIONS. The floor area of an accessory dwelling unit or junior accessory dwelling unit is included in any other floor area limitation in this title that is applicable to an attached or detached accessory building for the housing type and in the base zone in which the lot is located.

1. Exception. The floor area of a detached accessory dwelling unit shall be excluded from the aggregate maximum floor area allowed for other detached accessory buildings, such as work or storage sheds, pursuant to Section 28.87.160 of this title.

D. BUILDING SEPARATION. The minimum separation between the primary residential unit and a detached accessory dwelling unit shall be five feet.

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E. OPEN YARD. No open yard areas are required for accessory dwelling units or junior accessory dwelling units. ~~The minimum area, dimensions, and location of the required open yard pursuant to Sections 28.15.060.C and 28.18.060.C of this title for the existing or proposed primary residential unit may be reduced to the area identified below in order to construct a standard accessory dwelling unit, or to construct an accessory dwelling unit proposed over a new or substantially redeveloped maximum 500 square foot garage or other conforming accessory structure, in the One-Family and Two-Family Residence Zones, provided all other open yard requirements are met:~~ A new standard accessory dwelling unit may encroach into the required open yard, pursuant to Sections 28.15.060.C and 28.18.060.C of this title, for the existing or proposed primary residential unit on lots developed with single-unit or two-unit residential, provided all other open yard requirements are met, and the following minimum area and dimensions are provided:

1. Minimum Area.

- a. Lots less than 6,000 square feet: 500 square feet.
- b. Lots 6,000 up to 7,999 square feet: 800 square feet.
- c. Lots 8,000 square feet up to 9,999 square feet: 1,000 square feet.
- d. Lots 10,000 square feet or greater: 1,250 square feet.

2. Minimum Dimensions. 15 feet long and 15 feet wide.

3. Location in Driveways and Turnarounds. Notwithstanding Section 28.15.060.C.1.c.ii Setback and Open Yard Requirements of this title, the required open yard may be located in driveways and turnarounds, but not required parking areas, in order to allow the construction of a new accessory dwelling unit.

4. Accessory Dwelling Unit Over A Detached Garage. A standard accessory dwelling unit constructed entirely over a new or reconstructed detached garage may also encroach into the required open yard as described above, provided that the area of the garage does not exceed a maximum of 500 square feet, plus up to 150 square feet may be allowed for other uses such as an enclosed stairway, storage, workshop, or laundry area, which may be used for either unit. Garage and accessory areas shall comply with all other development standards, such as setbacks and maximum floor area, applicable to a detached accessory building for the housing type and the base zone in which the lot is located.

F. SETBACKS. The following setbacks shall apply to new and converted standard accessory dwelling units approved pursuant to this Section:

1. New Construction. Newly constructed accessory dwelling units shall comply with the following setback standards:

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a. Front Setback: Meet the minimum front setback for residential structures in the zone, unless further limited by Section 28.86.060.H, Front Yard Location, below.

b. Interior Setback: Four feet.

2. Converted. No setback is required to convert the existing, legally permitted, floor area of a main or accessory building to an accessory dwelling unit. Improvements to existing nonconforming buildings, including conforming additions, are allowed pursuant to Section 28.87.030.D, Nonconforming Buildings of this title and the policies of the City's Coastal Land Use Plan.

3. Demolished and Converted. No setback is required when an existing main or accessory building is demolished or substantially redeveloped and converted to an accessory dwelling unit, provided that the new building is reconstructed in the same location and with the same dimensions and floor area as the existing building.

a. Exception for Small Conforming Additions. One small 150-square-foot conforming first floor addition may be permitted on a substantially redeveloped and converted nonconforming accessory building.

4. New Construction Combined with Replacement of a Nonconforming Garage. The construction of an accessory dwelling unit may be combined with the demolition and replacement of a nonconforming detached garage if all of the following requirements are met:

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- a. The new garage is reconstructed in the same location and with the same dimensions as the existing garage; or
- b. The new garage is enlarged or altered in size only as necessary to provide the same number of parking spaces and to meet the dimension requirements of the City of Santa Barbara Access and Parking Design Standards, but located no closer to the property line as the existing garage; and
- c. The accessory dwelling unit is constructed above or attached to the reconstructed garage; and
- d. Any additions, which may include ~~The accessory dwelling unit and or any additions to the garage~~ for other structures or uses, shall conform with current setbacks and other development standards of this Title; and
- e. The new structure shall comply with all applicable height and building story limitations, and all other development standards are met.

5. Encroachments. Encroachments allowed pursuant to Section 28.87.062, Setback, Open Yard, Common Outdoor Living Space, and Distance Between Main Buildings Encroachments, may be permitted for accessory dwelling units or junior accessory dwelling units. However, no setback encroachment shall be located closer than three feet from any property line, except roof eaves, which may be located as close as two feet from any property line.

28.86.060 Architectural Review.

All accessory dwelling units or junior accessory dwelling units shall be subject to the following architectural design criteria as applicable to either new construction or exterior alterations, which shall be reviewed ministerially by the Community Development Director. For purposes of this Section, portions of a building or site considered to be the accessory dwelling unit shall include all of the contiguous interior livable floor area of the accessory dwelling unit and any exterior alterations directly attached to, and integral to, the livable floor area of the accessory dwelling unit.

A. PROHIBITION OF SHINY ROOFING AND SIDING. New roofing and siding materials that are shiny, mirror-like, or of a glossy metallic finish are prohibited.

B. ROOF TILE. Where a new clay tile roof is proposed, the use of two-piece terra cotta (Mission “C-tile”) roof is required and “S-tile” is prohibited, unless necessary to match the S-tile roof materials of the existing primary residential unit.

C. SKYLIGHTS. New skylights shall have flat glass panels. “Bubble” or dome type skylights are not allowed.

D. GLASS GUARDRAILS. New glass guardrails are not allowed, unless necessary to match the glass guardrails of the existing primary residential unit.

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E. GARAGE CONVERSION. If a garage is converted to an accessory dwelling unit, the garage door opening shall be replaced with exterior wall coverings, or residential windows or doors, to match the existing exterior garage wall covering and detailing.

F. GRADING. No more than 250 cubic yards of grading (i.e., cut or fill under the main accessory dwelling unit building footprint and outside the main building footprint to accommodate the accessory dwelling unit) is proposed in the Hillside Design District or on lots in other parts of the City with a slope of 15% or greater.

G. HEIGHT. Building heights shall not exceed the maximum height or number of stories allowed for a detached or attached accessory building in the zone and are limited in accordance with Section 30.140.170, Solar Access Height Limitations. In addition, tThe construction of an accessory dwelling unit shall not exceed the following, whichever is greater:

1. Height of the primary residential unit; or
2. Number of stories of the primary residential unit; or
3. 178 feet for a detached standard or special accessory dwelling unit; an additional two feet in height is allowed if necessary to match the roof pitch and height of the primary residential unit; or
4. 25 feet for an attached standard accessory dwelling unit; or

5. Up to the maximum height allowed in the zone for a standard accessory dwelling unit constructed entirely over a new or reconstructed detached garage, that meets all of the criteria in Subsection 28.86.055.E,4, above.

~~This height limitation is not applicable to an accessory dwelling unit constructed above a garage; however, in no event shall the resulting building exceed the maximum height or number of stories allowed for a detached or attached accessory building in the zone.~~

H. FRONT YARD LOCATION. The construction of a new detached accessory dwelling unit located in the front yard shall be subject to all of the following:

1. The new accessory dwelling unit must be located a minimum of 20 feet back from all front lot lines, or meet the minimum front setback for the zone in which the lot is located, whichever is greater.

2. Unless constructed entirely over a new or reconstructed detached garage that meets all of the criteria in Subsection 28.86.055.E,4, above, the new unit shall be:

a. No more than one-story and less than 17~~8~~ feet in height; an additional two feet in height is allowed if necessary to match the roof pitch and height of the primary residential unit; and

b. ~~Screened from the street by topography, location, or landscape, in a manner designed to blend into the surrounding architecture or landscape, so as to~~

minimize visibility of the accessory dwelling unit to the casual observer as viewed from the street.

I. DESIGN STYLE. New detached or attached accessory dwelling units ~~shall be compatible with the design of the primary residential unit regarding style, fenestration, materials, colors, and details~~ shall be constructed using the same architectural style, roof pitch, exterior building materials, colors, and finishes as the primary unit if the accessory dwelling unit meets any of the following:

1. Attached to, or if any portion of the accessory dwelling unit is located within 20 feet of, the primary residential unit;
2. Located in the Hillside Design District and 20% or greater average slope;
3. Two or more stories tall, or 178 feet or taller in building height;
4. Located in the front yard.
5. Located on a site on which there is a historical resource as follows:
 - a. Listed on the National Register of Historic Places or the California Register of Historic Resources;
 - b. Designated as a City of Santa Barbara Landmark or Structure of Merit; or

- c. Located in a designated historic district.

J. **PRIVACY STANDARDS.** The construction of an accessory dwelling unit where any portion of the proposed construction is either: two or more stories tall or 17~~8~~ feet or taller in building height, shall comply with the following:

- 1. Upper story unenclosed landings, decks, and balconies greater than 20 square feet, that face or overlook the adjoining property, shall be located a minimum of 15 feet from the interior lot lines.

- 2. Upper story unenclosed landings, decks, and balconies, that do not face or overlook the adjoining property due to orientation or topography, may be located at the minimum interior setback line if an architectural screening element such as enclosing walls, trellises, awnings, or perimeter planters with a five-foot minimum height is incorporated into the unenclosed landing, deck, or balcony.

- 3. Upper story windows that face or overlook the adjoining property, located within 15 feet of the interior lot lines, shall be installed a minimum of 42 inches above finish floor.

K. **EXCEPTIONS.** Discretionary applications for design review may be requested in the following circumstances:

1. An applicant may propose an accessory dwelling unit that does not meet these ministerial design criteria subject to approval by the Single Family Design Board, Architectural Board of Review, or Historic Landmarks Commission, as appropriate.

2. Discretionary design review may be required for any exterior alterations to the project site or main buildings that are not an integral part of the accessory dwelling unit, but are proposed in conjunction with the accessory dwelling unit, if required pursuant to Chapter ~~22.22, 22.68, or 22.69~~ 30.220 of this Code.

28.86.070 Protection for Historic Resources.

No accessory dwelling unit or junior accessory dwelling unit shall be permitted if the proposal would cause a substantial adverse change in the significance of a historical resource that is listed on the National Register of Historic Places or the California Register of Historical Resources, designated as a City of Santa Barbara Landmark or Structure of Merit, or located in a designated historic district. The Community Development Director shall make this determination by reviewing the proposal for compliance with appropriate Secretary of Interior's Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring and Reconstructing Historic Buildings.

28.86.080 Parking Standards.

Consistent with the requirements of the City's Coastal Land Use Plan Policies, sufficient off-street parking must be provided for any new development and substantial

redevelopment so as to avoid significant adverse impacts to public access to the shoreline and coastal recreation areas. Automobile parking, therefore, must be provided consistent with the Zoning Ordinance for lots developed with accessory dwelling units or junior accessory dwelling units located in the coastal zone, as follows:

A. PRIMARY RESIDENTIAL UNIT. Automobile parking for the primary residential unit shall be provided in compliance with Chapter 28.90, except as provided below.

1. Special Procedures for Conversion or Demolition of Existing Covered Parking to an Accessory Dwelling Unit. When an existing garage, carport, or other covered parking structure is converted to an accessory dwelling unit or junior accessory dwelling unit or demolished in conjunction with the construction of an accessory dwelling unit, the required covered parking spaces that are displaced by the conversion or demolition shall be replaced on the same lot as the primary residential unit in order to satisfy the automobile parking requirement of the existing residential unit. ~~The replacement spaces may be covered, uncovered, in a mechanical lift, or in a tandem configuration. The replacement spaces shall meet all of the following:~~

2. Parking Standards. If optional new or replacement parking spaces are proposed for either the primary residential unit or the accessory dwelling unit, those spaces may be provided as covered, uncovered, in a mechanical lift, or in a tandem configuration. The new or replacement spaces shall meet all of the following:

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a. Covered parking shall meet the development standards applicable to a residential unit within the zone in which the lot is located.

b. All parking spaces must meet the minimum dimensions and development standards consistent with the City of Santa Barbara Access and Parking Design Standards and Section 28.90.045.

c. In order to maintain visibility for adjacent driveways and intersections, uncovered parking spaces shall not obstruct the sightlines required for the safe operation of motor vehicles, as determined by the Public Works Director.

d. ~~Required~~ New or replacement uncovered parking spaces may be allowed in a front or interior setback, provided the uncovered parking space is contained within the area of an existing paved driveway and no increase to paved areas occurs in the setbacks.

e. New uncovered parking spaces that are not within an existing paved driveway, as described above, may be located in a new paved area three feet from any interior lot line, provided a minimum of three feet in width of planting area is provided for the length of the paved parking area along the interior lot line, if the paved parking area is parallel to the interior lot line.

~~e. No more than two automobiles shall be placed one behind the other. Tandem parking shall not create any traffic safety issues.~~

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f. Tandem parking configuration shall meet all the following:

(1) No more than two automobiles shall be placed one behind the other.

f.(2) Both automobile parking spaces parked in tandem shall be assigned to the same residential unit.

(3) Vertical or stackable tandem parking, provided by means of mechanical lifts, is subject to approval by the Public Works Director. Mechanical lifts shall be fully enclosed within a structure and shall require a recorded maintenance agreement.

g. (4) Tandem parking in multi-unit and commercial zones is subject to approval by the Public Works Director.

(5) Tandem parking shall not create traffic safety issues, as determined by the Public Works Director.

~~h. Vertical or stackable tandem parking, provided by means of mechanical lifts, is subject to approval by the Public Works Director. Mechanical lifts shall be fully enclosed within a structure and shall require a recorded maintenance agreement.~~

~~2.3. Nonconforming Conditions. If the accessory dwelling unit or junior accessory dwelling unit is developed in accordance with all the requirements of this Chapter, and is eligible for ministerial approval, the provision in Section 29.90.001.B,~~

Existing Parking Space, that requires nonconforming parking to be brought up to current standards if an enlargement of more than 50% of the existing net floor area is proposed, shall not apply if the new floor area consists solely of a new accessory dwelling unit.

B. JUNIOR ACCESSORY DWELLING UNITS. No automobile parking is required for junior accessory dwelling units, since they are not anticipated to increase parking demand generated by the development.

C. NO PARKING REQUIRED FOR CERTAIN ACCESSORY DWELLING UNITS. The following types of accessory dwelling units are not anticipated to increase parking demand generated by the development and therefore automobile parking is not required for the accessory dwelling unit if it meets all of the following criteria:

1. Outside Key Public Access Areas. The accessory dwelling unit is not located in a key public access parking area (West Beach, Lower State, and East Beach Component Areas) as delineated in Figure 3.1-2 of the Coastal Land Use Plan; and

2. On a Lot Developed with a Single Residential Unit. The accessory dwelling unit is located on a lot developed, or proposed to be developed with, only one single residential unit on the lot; and

3. Measures to Reduce Demand. The accessory dwelling unit meets at least one of the following measures that will sufficiently reduce the demand for off-street parking:

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a. The accessory dwelling unit is located within a walking distance of one-half mile of a public transit stop, such as a bus stop or train station; or

b. The accessory dwelling unit is located within an architecturally and historically significant historic district. For purposes of this provision, El Pueblo Viejo Landmark District constitutes an architecturally and historically significant historic district and any district hereafter created deemed to be architecturally and historically significant; or

c. The accessory dwelling unit is contained entirely within the permitted floor area of the existing primary residential unit or an existing accessory building; or

d. When on-street parking permits are required but not offered to the occupants of the accessory dwelling unit; or

e. When there is a carshare vehicle located within a walking distance of 500 feet of the accessory dwelling unit.

D. ALL OTHER UNITS. All other accessory dwelling units shall provide a minimum of one uncovered automobile parking space meeting all of the same parking standards required for the primary residential unit as described in Subsection A, above.

~~E. OPTIONAL PARKING SPACES. If new parking spaces are proposed, but are not required, for either the primary residential unit or the accessory dwelling unit, those~~

~~optional parking spaces shall comply with the development standards applicable to a residential unit within the zone in which the lot is located. Uncovered parking spaces may be located three feet from any interior lot line, provided a minimum of three feet in width of planting area is provided for the length of the paved parking area along the interior lot line.~~

28.86.085 Fire Hazard Area Standards.

All accessory dwelling units or junior accessory dwelling units located in any High Fire Hazard Area including the Coastal, Coastal Interior, Foothill and Extreme Foothill Areas, as defined in the City's Community Wildfire Protection Plan ~~or as may be subsequently retitled in the future as a ("High" or "Very High Fire Hazard Severity Zone") as defined in the Community Wildfire Protection Plan adopted by City Council,~~ shall comply with the following standards as applicable to new construction or parking:

A. NO TANDEM PARKING. No parking space shall be developed in a tandem configuration.

B. HIGH FIRE CONSTRUCTION. The accessory dwelling unit shall be designed to meet high fire construction standards adopted or enforced by the City, as determined by the Chief Building Official or the Fire Code Official.

C. NO VARIANCE OR MODIFICATIONS. No variance or modification to any Fire Code requirements or high fire construction standards shall be permitted.

D. DEFENSIBLE SPACE. The site must meet defensible space requirements, pursuant to Chapter 8.04 of this Code and the policies of the Coastal Land Use Plan, prior to occupancy and those requirements must be maintained.

28.86.090 Development Standards for Special Accessory Dwelling Units.

A. DEVELOPMENT STANDARDS GENERALLY. The development standards listed in this Section apply to specific types of small accessory dwelling units and junior accessory dwelling units with certain size, height, and setback standards that, if followed, allow for an accessory dwelling unit to be permitted on lots in a Fire Hazard Area, or more than one accessory dwelling unit on a lot, and allows additional reductions and exceptions to development standards for open yard and maximum floor area. Applications utilizing the special standards described in this Section may not utilize the less restrictive configuration, size, and height standards allowed under another Section to achieve a larger unit or more than one unit.

1. Any reductions and exceptions in this Section are for the express purpose of promoting the development and maintenance of a special accessory dwelling unit or junior accessory dwelling unit on the lot. If for any reason the accessory dwelling unit or junior accessory dwelling unit is no longer maintained on the lot, the lot shall be brought into compliance with all of the requirements for the remaining residential development, or with the legal nonconforming condition of the lot prior to the development of the accessory dwelling unit or junior accessory dwelling unit.

2. Except as otherwise specified in this Section, projects developed in accordance with this Chapter shall otherwise comply with the development standards applicable to the housing type and base zone in which the lot is located.

B. CONFIGURATION – SINGLE RESIDENTIAL UNIT LOTS. A lot developed with only one existing or proposed single residential unit, may permit one of the following types of special accessory dwelling units:

1. Converted Portion of Main Building. Only one accessory dwelling unit or junior accessory dwelling unit contained entirely within the existing, legally permitted, fully enclosed livable floor area of the existing or proposed primary residential unit; or

2. Converted Accessory Building. Only one accessory dwelling unit contained entirely within the existing, legally permitted, fully enclosed floor area of a garage or other accessory building on the same lot as the primary residential unit, plus one 150-square-foot conforming first floor addition, if the expansion is limited to accommodating ingress and egress; or

3. One Unit – New Construction. One newly constructed accessory dwelling unit, detached from any other main or accessory building; or

4. Two Units – Combination. One junior accessory dwelling unit contained entirely within the existing, legally permitted, fully enclosed livable floor area of the existing or proposed primary residential unit, plus one newly constructed or converted special accessory dwelling unit, ~~detached from any other main or accessory building.~~

C. CONFIGURATION – TWO-UNIT, MULTI-UNIT, OR MIXED-USE LOTS. A lot developed with two or more existing or proposed residential units, or one or more existing or proposed residential units in a mixed-use development, may permit one of the following types of special accessory dwelling units:

1. Converted Non-Livable Space. ~~At least one~~ Up to two accessory dwelling units, ~~and or~~ up to 25% of the existing number of residential units on a lot, whichever is greater, may be converted on a lot if contained entirely within portions of existing, legally permitted, fully enclosed floor area of a residential or mixed-use structure, or detached accessory structure, that is not used as livable space, including, but not limited to, storage rooms, boiler rooms, passageways, attics, basements, upper-floor commercial areas, attached or detached carports, or garages; or

2. Two Units – New Construction. No more than two newly constructed accessory dwelling units, detached from any other main or accessory building.

3. Two Unit – Combination. One accessory dwelling unit contained entirely within the existing, legally permitted, fully enclosed non-livable floor area of a residential or mixed-use structure, or detached accessory structure; plus, one newly constructed accessory dwelling unit, detached from any other main or accessory building.

D. MAXIMUM FLOOR AREA.

1. Detached Accessory Dwelling Unit. The maximum floor area of any detached, new construction, special accessory dwelling unit, approved pursuant to this Section, is 800 square feet.

2. Converted Accessory Dwelling Unit. An accessory dwelling unit that is incorporated entirely within portions of existing floor area, approved pursuant to this Section, is not limited in size.

3. Junior Accessory Dwelling Unit. The maximum floor area of a junior accessory dwelling unit shall not exceed 500 square feet.

E. MAXIMUM HEIGHT – DETACHED ACCESSORY DWELLING UNIT. The maximum building height of a detached, new construction, special accessory dwelling unit approved pursuant to this Section is ~~16 feet.~~ 18 feet and one story; an additional two feet in height is allowed if necessary to match the roof pitch and height of the primary residential unit.

F. EXEMPT FROM OTHER SIZE AND LOCATION LIMITATIONS. A special accessory dwelling unit or junior accessory dwelling unit ~~approved pursuant to in compliance with~~ this Section is exempt from any other size or location limitations, based on a percentage of the proposed or existing primary dwelling, or limits on lot coverage, floor area ratio, open yard, front setback, and minimum lot size. ~~including, but not limited to, the aggregate maximum floor area allowed for detached accessory buildings pursuant~~

~~to Section 28.87.160 of this title, or the Maximum Net Floor Area (Floor to Lot Area Ratio) for One-Family Residence Zones per Section 28.15.083 of this title, or the provision in Section 28.90.001.B, Existing Parking Space, that requires nonconforming parking to be brought up to current standards if an enlargement of more than 50% of the existing net floor area is proposed.~~

~~G. EXEMPT FROM OPEN YARD. No open yard is required for a special accessory dwelling unit or junior accessory dwelling unit approved pursuant to this section. Open yard for any existing residential units on a lot may be reduced or eliminated entirely in order to permit a special accessory dwelling unit meeting all the standards and criteria in this section.~~

28.86.100 Permits and Processing.

All accessory dwelling units and junior accessory dwelling units shall comply with applicable state and local building codes and shall require approval of Coastal Development Permit and a building permit if required. The City shall ministerially approve or disapprove a complete building permit application for an accessory dwelling unit or junior accessory dwelling unit in compliance with time periods established by State law, following any applicable discretionary coastal permit approvals.

~~A. COMBINED PERMITS. An accessory dwelling unit or junior accessory dwelling unit permit shall not be combined with a permit for other proposed construction on the site unrelated to the accessory dwelling unit or junior accessory dwelling unit. If a permit~~

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SHOWING CHANGES FROM CURRENT CODE

~~application for an accessory dwelling unit or junior accessory dwelling unit is submitted at the same time as a permit application for a new single-unit dwelling, review of the permit for the accessory dwelling unit or junior accessory dwelling unit application shall be delayed until the permit for the single-unit dwelling has been approved.~~

B. CHANGE IN OCCUPANCY. The construction of an accessory dwelling unit shall not constitute a Group R occupancy change, as described in Section 310 of the California Building Code (Title 24 of the California Code of Regulations), unless the Building Official finds that the construction of the accessory dwelling unit could have a specific, adverse impact on public health and safety. This clause does not apply when changing the occupancy code of a space that was unhabitable space or was only permitted for nonresidential use and was subsequently converted for residential use.

C. REVIEW OF APPLICATIONS. Applications for a permit to create an accessory dwelling unit or junior accessory dwelling unit shall be processed pursuant to Chapter 30.205, Common Procedures, and the specific requirements of this Section. The City shall ministerially approve or disapprove a complete building permit application for an accessory dwelling unit or junior accessory dwelling unit in compliance with time periods established by state law. If the City disapproves an application for an accessory dwelling unit or junior accessory dwelling unit, the City shall return in writing a full set of comments to the applicant with a list of items that are defective or deficient and a description of how the application can be remedied by the applicant.

D. PRE-EXISTING VIOLATIONS. The City shall not disapprove an application to create an accessory dwelling unit or junior accessory dwelling unit solely due to the correction of nonconforming zoning conditions, building code violations, or unpermitted structures that do not present a threat to public health and safety and are unrelated to the construction of the accessory dwelling unit or junior accessory dwelling unit. However, any approvals granted under this Section shall not constitute authorization for continuation of the violation, or waiver of or estoppel against any future enforcement action.

E. COMBINED PERMITS. An accessory dwelling unit or junior accessory dwelling unit permit shall not be combined with a permit for other proposed construction on the site unrelated to the accessory dwelling unit or junior accessory dwelling unit; except that:

1. Demolition permits for a detached garage that is to be replaced with an accessory dwelling unit may be reviewed with the application for the accessory dwelling unit and issued at the same time; and

2. A permit application for an accessory dwelling unit or junior accessory dwelling unit may be submitted at the same time as a permit application for a new primary residential unit; however, approval of the permit for the accessory dwelling unit or junior accessory dwelling unit application shall be delayed until the permit for the primary residential unit has been approved and issued. A certificate of occupancy/final

inspection for an accessory dwelling unit shall not be issued before a certificate of occupancy/final inspection is issued for the primary residential unit.

———BE. MODIFICATIONS. An accessory dwelling unit or junior accessory dwelling unit that is not in compliance with the development standards of this Chapter may be granted a modification if all the required findings can be met, pursuant to the procedures outlined in Section 28.92.110, Modifications, of this title.

———CG. POSTED SIGN. Within five calendar days after submitting an initial permit application to the City, the property owner shall install a public notice in the form of a posted sign on the property in a manner deemed acceptable by the Community Development Director., as follows: ~~The sign shall remain posted until a building permit is issued, or the application expires or is withdrawn. At the time of application submittal, the applicant shall sign an affidavit stating that he or she will post the required sign per this subsection. The validity of the permit shall not be affected by the failure of any property owner, resident, or neighborhood or community organization to receive this notice.~~

_____ 1. The sign shall remain posted until a building permit is issued, or the application expires or is withdrawn.

_____ 2. At the time of application submittal, the applicant shall sign an affidavit stating that the required sign will be posted per this Subsection.

3. The validity of the permit shall not be affected by the failure of any property owner, resident, or neighborhood or community organization to receive this notice.

4. The requirement for a posted sign does not apply to a project that only includes the demolition of a detached garage that is to be replaced with an accessory dwelling unit, unless the property is located within an architecturally and historically significant historic district.

~~_____DH.~~ RECORDED AGREEMENT. Before obtaining a building permit for an accessory dwelling unit or junior accessory dwelling unit, the property owner shall execute an agreement, containing a reference to the deed under which the property was acquired by the present owner which outlines the requirements regarding the sale, rental, and owner occupancy of lots developed with accessory dwelling units and junior accessory dwelling units as specified in Section 28.86.040 of this Chapter.

~~_____EI.~~ RESIDENTIAL DENSITY. An accessory dwelling unit or junior accessory dwelling unit is a residential use that is consistent with the existing Coastal Land Use Plan designation and zoning for lots within the allowable residential zones. Any accessory dwelling unit or junior accessory dwelling unit permitted pursuant to this Section does not exceed the allowable density for the lot upon which the accessory dwelling unit or junior accessory dwelling unit is located.



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 10, 2023

TO: Mayor and Councilmembers

FROM: Downtown Team Division, Public Works Department

SUBJECT: Proposed State Street Outdoor Business Facility Charge

RECOMMENDATION:

That Council consider and provide final direction to City staff to establish a schedule for Outdoor Business Facility Charges for use of the public right-of-way on the State Street Promenade, including the 400 and 1300 blocks of State Street, and return to Council for adoption of a resolution setting the Outdoor Business Facility Charges as recommended.

EXECUTIVE SUMMARY:

On September 20, 2022, Council took a number of actions regarding interim operations on State Street. One of the actions was directing City of Santa Barbara (City) staff to present payment options for businesses using the public right-of-way on the State Street Promenade, including the 400 and 1300 blocks of State Street, to the Finance Committee for consideration before returning to Council for approval of a payment structure for outdoor business facilities on State Street.

On December 6, 2022, the Finance Committee heard a presentation from City staff regarding proposed payment options for businesses using the public right-of-way on the State Street Promenade. After considerable discussion, the Finance Committee could not come to an agreement on a recommended payment structure and directed City staff to forward the item to Council for discussion and approval.

This report provides several proposed payment structures for Council's consideration. All proposals fulfill the State Street Interim Operations Ad Hoc Subcommittee's (Subcommittee) request that revenues from any outdoor business facility charges cover the costs associated with ongoing maintenance and operation of the State Street Promenade.

A final Council decision on a payment structure for outdoor business facilities on the State Street Promenade is requested.

DISCUSSION:

Over the course of the past year, the Subcommittee met and engaged with community stakeholders on a wide variety of State Street interim operation topics. The Subcommittee and City staff heard from businesses and the community that the City should charge a rate for commercial activities operating in the public right-of-way. To date, food and beverage businesses are operating approximately 50 outdoor business facilities. The Subcommittee advised City staff that the payment structure should be at a level sufficient to generate enough revenue to pay for costs associated with ongoing maintenance and operation of the State Street Promenade. This includes the 400 and 1300 blocks of State Street and the cost associated with employing a code compliance officer (or similar). The officer would provide regular enforcement of Americans with Disabilities Act (ADA) requirements and, if needed, design requirements throughout the same area and citywide parklets.

Promenade-related expenditures in Fiscal Year 2023 are estimated to be approximately \$515,000. This includes the cost of daily, weekly, and monthly cleaning, as well as the cost of deep cleaning, staffing, contracting, and equipment. These costs are solely due to State Street's closure and the introduction of outdoor business facilities in the right-of-way. The costs break down as follows:

State Street Promenade Service FY 2023	Cost
Janitorial – Daily in-street litter collection	\$95,268
Pressure Washing – Weekly pressure washing of sidewalks and quarterly pressure washing in the street	\$245,316
Hourly Maintenance Staff – Approximately 8 hourly maintenance workers to service promenade	\$160,000
Supplies & Services – Cleaning supplies and miscellaneous services	\$14,500
TOTAL	\$515,084

The costs detailed above are expected to increase in Fiscal Year 2024 due to the rising cost of supplies and contract services. Additionally, City Council, the Subcommittee, and community stakeholders have expressed an interest in adding a 0.5 Full Time Equivalent (FTE) for a code compliance officer for ADA, design, and other regulatory requirements promulgated in the State Street Promenade and citywide parklets. The estimated cost for such a position is \$83,000 per year. Therefore, City staff anticipate Fiscal Year 2024 costs to be approximately \$675,000. Currently, all Promenade-related maintenance costs are paid from the Downtown Parking Fund, which is funded through revenues collected from hourly and permit parking in the downtown parking lots. For Fiscal Year 2023, these costs were partially offset by \$300,000 in one-time American Rescue Plan Act (ARPA) funds.

Separate and distinct from the Promenade-related costs detailed above, Downtown Parking spends approximately \$410,000 annually to maintain the sidewalk and planter areas of the State Street Plaza. The costs break down as follows:

State Street Plaza Service FY 2023	Cost
Janitorial – Litter collection for sidewalks, and cleaning trash cans, fountains, and other fixtures	\$142,050
Pressure Washing – Weekly pressure washing of sidewalks.	\$77,052
Landscaping – Weekly maintenance of planters	\$80,257
Flag Rotation – Weekly rotation of decorative flags	\$56,980
Hourly Maintenance Staff – Approximately 8 hourly maintenance workers to service promenade	\$44,085
Supplies & Services – Cleaning supplies, and plumbing and electrical services	\$10,000
TOTAL	\$410,424

Payment Structure Considerations

In developing payment options, City staff considered the Subcommittee's recommendations, market rates for commercial leases, Council's comments at the September 20, 2022 meeting, and the potential for attrition once a charge is developed and enforced.

The Subcommittee recommended City staff pursue a payment structure that would recover the full cost of operating and maintaining the State Street Promenade. The Subcommittee also recommended that businesses expanding beyond the width of their business frontage (property line) should be subject to a higher rate for use of the additional public space, as well as receive formal approval from the adjacent tenant(s) and property owner(s). The higher rate was intended to offset stakeholder concerns about the equity of some businesses being allowed large expansions while others are constrained to their frontage.

In developing payment options, City staff continue to account for various attrition rates, understanding that several of the approximately 50 businesses with outdoor business facilities will likely opt out of the program or reduce the size of their outdoor business facility if required to pay fees. Currently, outdoor business facilities use approximately 14,000 square feet of the public right-of-way with approximately 9,500 square feet representing space immediately in front of businesses and 4,500 square feet reaching beyond business frontages. Assuming an overall attrition rate of 25 percent, the estimated total of remaining outdoor business facilities would be approximately 7,125 square feet of frontage space and 3,375 square feet of additional space.

Payment Option: Uniform Charge per Square Foot

The proposed payment option presented to Council on September 20, 2022 was a graduated rate based on square footage starting at \$5.00 per square foot per month. City staff recommended a graduated rate for the use of space as follows:

Proposed Rate:

- \$5.00 per square foot for all space within property frontage (from one to 100%)
 - Estimated Monthly Revenue: \$35,625 (\$5.00 per square foot x 7,125 square feet)
 - Estimated Annual Revenue: \$427,500

Proposed Rates for Additional Space Beyond Business Frontage:

- From 100 to 200% beyond the primary frontage: \$7.50 per square foot
- From 200% and beyond the primary frontage: \$10.00 per square foot
 - Estimated Monthly Revenue: \$25,313 (\$7.50 per square foot x 3,375 square feet)
 - Estimated Annual Revenue: \$303,750

Total estimated revenue from the Uniform Charge presented above is \$731,250.

The following charts provide additional rate options on a per-square-foot basis with a graduated rate as outlined above, from \$5.00 down to \$2.50, including the resulting monthly and annual revenue estimates:

At 75% of Current Total Square Footage (25% Rate of Attrition)				
Frontage Square Foot	Revenue	\$5 per Square Foot	\$4.50 per Square Foot	\$4 per Square Foot
7,125	Monthly Revenue	\$35,625	\$32,063	\$28,500
	Annual Revenue	\$427,500	\$384,750	\$342,000
Additional Space	Revenue	\$7.50 per Square Foot	\$6.75 per Square Foot	\$6.00 per Square Foot
3,375	Monthly Revenue	\$25,313	\$22,781	\$20,250
	Annual Revenue	\$303,750	\$273,375	\$243,000
Total Annual Revenue		\$731,250	\$658,125	\$585,000

At 75% of Current Total Square Footage (25% Rate of Attrition)				
Frontage Square Foot	Revenue	\$3.50 per Square Foot	\$3 per Square Foot	\$2.50 per Square Foot
7,125	Monthly Revenue	\$24,938	\$21,375	\$17,813
	Annual Revenue	\$299,250	\$256,500	\$213,750
Additional Space	Revenue	\$5.25 per Square Foot	\$4.50 per Square Foot	\$3.75 per Square Foot
3,375	Monthly Revenue	\$17,719	\$15,188	\$12,656
	Annual Revenue	\$212,625	\$182,250	\$151,875
Total Annual Revenue		\$511,875	\$438,750	\$365,625

The following charts provide the estimated revenues if the attrition rate is 50%, significantly higher than anticipated:

At 50% of Current Total Square Footage (50% Rate of Attrition)				
Frontage Square Foot	Revenue	\$5 per Square Foot	\$4.50 per Square Foot	\$4 per Square Foot
4,750	Monthly Revenue	\$23,750	\$21,375	\$19,000
	Annual Revenue	\$285,000	\$256,500	\$228,000
Additional Space	Revenue	\$7.50 per Square Foot	\$6.75 per Square Foot	\$6.00 per Square Foot
2,250	Monthly Revenue	\$16,875	\$15,188	\$13,500
	Annual Revenue	\$202,500	\$182,250	\$162,000
Total Annual Revenue		\$487,500	\$438,750	\$390,000

At 50% of Current Total Square Footage (50% rate of attrition)				
Frontage Square Foot	Revenue	\$3.50 per Square Foot	\$3 per Square Foot	\$2.50 per Square Foot
4,750	Monthly Revenue	\$16,625	\$14,250	\$11,875
	Annual Revenue	\$199,500	\$171,000	\$142,500
Additional Space	Revenue	\$5.25 per Square Foot	\$4.50 per Square Foot	\$3.75 per Square Foot
2,250	Monthly Revenue	\$11,813	\$10,125	\$8,438
	Annual Revenue	\$141,750	\$121,500	\$101,250
Total Annual Revenue		\$341,250	\$292,500	\$243,750

Payment Option: Variable Fees Based on Facility Design

At the September 20, 2022 meeting, Council members mentioned possible payments based on the block on which businesses are located (different blocks pay different rates), the type of business (restaurant, brewery, coffeehouse, etc.), and annual revenue generated based on business tax returns. Noting the many complications involved with pursuing some of the various payment options and the desire to provide a business environment that encourages businesses to develop outdoor business facilities, City staff

developed rate options based on outdoor facility design. This payment structure provides each business the opportunity to develop an outdoor business facility based on their business needs.

Below are payment options based on the facility design used by the business. The payments are graduated and provide lower price points for outdoor business facilities that are portable and at-grade. Portable facilities can be removed from the street with 24 hours' notice without the use of mechanized equipment and at-grade facilities do not have a platform. Portability allows for more regular cleaning by the business and access for the City's quarterly deep cleaning program. The more complex or permanent the structure, the higher the associated per-square-foot rate.

The proposed payments based on facility design are in the following tables for Council consideration:

Standard Rate (not portable, with platform and roof)*	
\$5.00 per square foot	up to 100%
\$7.50 per square foot	100-200%
\$10.00 per square foot	200%+

**Note: The proposed standard rate above would only impact existing facilities with a roof. On September 20, 2022, Council decided that all new facilities would not be allowed to include a roof.*

Rate for No Roof (not portable, with platform)**	
\$4.50 per square foot	up to 100%
\$6.75 per square foot	100-200%
\$9.00 per square foot	200%+

***Note: The proposed rate above would only impact existing facilities with a platform that is not portable. On September 20, 2022, Council decided that all new facilities must be portable.*

Rate for Portable (with platform, no roof)***	
\$4.00 per square foot	up to 100%
\$6.00 per square foot	100-200%
\$8.00 per square foot	200%+

****Note: The proposed rate above would only impact new facilities that choose to include a portable platform, or existing facilities that businesses modify for alignment with this rate. On September 20, 2022, Council decided that all new facilities must be portable.*

Rate for At-Grade (portable, no platform, no roof)****	
\$3.00 per square foot	up to 100%
\$4.50 per square foot	100-200%
\$6.00 per square foot	200%+

*****Note: The proposed rate above would only impact proposed at-grade new facilities, or existing facilities that businesses modify for alignment with this rate. On September 20, 2022, Council decided that all new facilities must be portable.*

Based on this variable payment structure, an assumed 25 percent rate of attrition, and a review of the various outdoor business facility structures currently on the State Street Promenade, the estimated annual revenue is approximately \$610,000. In addition to the estimated revenue generated from outdoor business facilities located on the 400 and 1300 blocks of State Street, City staff estimates total revenues to be approximately \$650,000, which is nearly enough to cover the approximate costs of \$675,000 associated with maintenance and operation of the State Street Promenade and the 400 and 1300 blocks of State Street in Fiscal Year 2024. If the rate of attrition is 50 percent, the estimated annual revenue is approximately \$405,000, resulting in an approximate \$270,000 annual shortfall in Fiscal Year 2024.

BUDGET/FINANCIAL INFORMATION:

The costs associated with operations and maintenance of the State Street Promenade are largely borne by the Downtown Parking Fund. The Subcommittee suggested that revenues from any future charges for business facilities be used to offset the costs associated with the operations and maintenance of the State Street Promenade. Expenditures are estimated to be approximately \$515,000 (does not include the cost of adding a 0.5 FTE code compliance officer for ADA, design, and other regulatory requirements) in Fiscal Year 2023, and approximately \$675,000 in Fiscal Year 2024 (includes the cost of a 0.5 FTE code compliance officer) with additional increases in future fiscal years. If Council decides on an outdoor business facility charge option that does not generate sufficient revenues to recover the annual expenditures associated with the interim State Street operations, the Downtown Parking Fund will likely be required to cover the shortfall.

CONCLUSION:

City staff is requesting final direction from Council to establish a schedule for Outdoor Business Facility Charges for use of the public right-of-way on the State Street Promenade, including the 400 and 1300 blocks of State Street. City staff will return to Council on the next available Consent Agenda for adoption of a resolution imposing the Outdoor Business Facility Charges as recommended.

PREPARED BY: Brian J. Bosse, Downtown Team Manager/nv

SUBMITTED BY: Clifford M. Maurer, P.E., Public Works Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 10, 2023

TO: Mayor and Councilmembers

FROM: City Attorney's Office

SUBJECT: Conference with City Attorney – Existing Litigation – Gov. Code § 54956.9(d)(1)

RECOMMENDATION:

That Council hold a closed session to consider pending litigation pursuant to subsection (d)(1) of section 54956.9 of the Government Code and take appropriate action as needed.

The pending litigation is *Hector Balboa v. City of Santa Barbara* WCAB Case Nos.: ADJ5804924, ADJ *Unassigned*, ADJ *Unassigned*.

Scheduling: Duration 15 mins; anytime

Report: None anticipated

PREPARED BY: Sarah J. Knecht, City Attorney

SUBMITTED BY: Sarah J. Knecht, City Attorney

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 10, 2023

TO: Mayor and Councilmembers

FROM: City Attorney's Office

SUBJECT: Conference with City Attorney – Existing Litigation – Gov. Code § 54956.9(d)(1)

RECOMMENDATION:

That Council hold a closed session to consider pending litigation pursuant to subsection (d)(1) of section 54956.9 of the Government Code and take appropriate action as needed.

The pending litigation is *Fernando Arroyo v. City of Santa Barbara* WCAB Case Nos.: ADJ12472590, ADJ10271755, ADJ12472581, ADJ13019569.

Scheduling: Duration 15 mins; anytime

Report: None anticipated

PREPARED BY: Sarah J. Knecht, City Attorney

SUBMITTED BY: Sarah J. Knecht, City Attorney

APPROVED BY: City Administrator's Office