



City of Santa Barbara California

PLANNING COMMISSION STAFF REPORT

REPORT DATE: December 5, 2024
AGENDA DATE: December 12, 2024
PROJECT: Municipal Code Amendments for Adaptive Reuse (PLN2024-00411)
TO: Planning Commission
FROM: Planning Division
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 Dana Falk, Project Planner

I. RECOMMENDATION

That the Planning Commission receive a presentation on the draft adaptive reuse ordinance, receive public comment, hold a discussion, and provide feedback to staff.

II. BACKGROUND

A. Project Background

Program HE-1: Facilitate Conversion of Nonresidential Buildings to Housing

The 2023–2031 Housing Element of the City’s General Plan identifies Santa Barbara’s housing needs and establishes goals, policies, and 32 programs to advance the City’s commitment to the production of affordable housing and sound community planning. The Housing Element was adopted by City Council on December 12, 2023, and on February 13, 2024 the State Department of Housing and Community Development (HCD) certified that it is in substantial compliance with State Housing Element Law (Gov. Code, §65580 et seq).

Program HE-1 from the 2023–2031 Housing Element directs Planning Division staff to draft an adaptive reuse ordinance for buildings to convert to multi-unit or mixed-use residential. The full text of Program HE-1 is available in Exhibit A.

Adaptive Reuse

Adaptive reuse is the process of converting buildings from their original purpose to accommodate new uses. Commonly used to revitalize historic structures, adaptive reuse to create housing has become more attractive nationwide following the COVID-19 pandemic and the associated underutilization of existing nonresidential spaces intended for office or retail. Adaptive reuse is one method to increase housing supply and has been gaining popularity in response to high commercial vacancy rates and the need for housing.

Santa Barbara is especially suited to support adaptive reuse due to the City’s zoning scheme, known as “pyramid zoning.” In pyramid zoning, uses are arranged in a hierarchical structure, similar to a pyramid, with the most restrictive uses (like single-family residential) at the top and less restrictive uses (like industrial) at the bottom. This means the more restrictive residential

uses are permitted in the less restrictive zones near the bottom of the pyramid, but not vice versa. In the City of Santa Barbara, residential uses, as the more restrictive use, are allowed in all but two of the zones lower on the hierarchical pyramid.¹ Due to the city's pyramid zoning, converting an existing nonresidential building to a residential use is easier than in cities where residential uses are not allowed in commercial zones. The City's permitting process to convert a building's use is called a change-in-use.

Change-in-Use

Change-in-use is a permitting process that varies in complexity depending on the existing building and use, site location and zoning, proposed new use, and area (square footage) being converted. Change-in-use is allowed citywide when the proposed use is allowed by right in the zone. Change-in-use covers a range of project types; from a tenant improvement like converting a retail shop into a restaurant, up to a more complex reuse project converting an office into housing. It is often easier to convert a building from a nonresidential use to another nonresidential use (e.g., retail to restaurant) than to convert a nonresidential use to a new residential use (e.g., office to housing) because of the zoning development standards associated with the uses.

Applying residential development standards to an existing building, that was not designed to meet them, can be complex and require relief from development standards to make the change-in-use feasible. Density, for example, as a measure of dwelling units per acre, is not regulated for nonresidential uses. Automobile parking requirements for nonresidential uses are typically insufficient for residential uses and may require additional parking spaces to meet multi-unit residential requirements. Open Yard is a development standard solely applicable to residential uses. Projects pursuing a change-in-use from nonresidential to residential may request zoning modifications or concessions allowed under the State Density Bonus Law (SDBL) to reduce or eliminate certain residential development standards. The most common requests for projects converting to residential units are for relief from density, automobile parking, or open yard standards.

The planning review process for a change-in-use project varies in duration and complexity, correlated to the project location and specific issues of the project site. Planning review may require both design review approval, if exterior alterations are proposed, and a land use decision by the Staff Hearing Officer or Planning Commission, if modifications to zoning standards are requested. At the simplest, change-in-use projects require no public hearings, whereas more complex projects with zoning modifications require both design review and land use decision hearings.

In addition to an approved planning permit, change-in-use projects require a building permit when there is a change in occupancy classification. There are three California building codes available for a project: California Building Code, California Existing Building Code, or California Historic Building Code. For change-in-use projects, the more stringent requirements imposed by the building code for fire and life safety, structural safety, and access compliance may pose considerable obstacles, separate from any zoning considerations. Much like a zoning

¹ Residential uses in Title 30 Zoning—Inland are allowed in RS Residential Single Unit, R-M Residential Multi-Unit, R-MH Residential Multi-Unit and Hotel, O-R Office Restricted, O-M Office Medical, C-R Commercial Restricted, C-G Commercial General, and M-C Manufacturing Commercial. Residential uses are not allowed in M-I Manufacturing Industrial or P-R Park and Recreation. Amendments to Title 28 Zoning—Coastal are not proposed and therefore it is not included in this report.

modification in the planning permit process, projects can request a Code Modification or Alternate for increased flexibility in meeting building code requirements without diminishing compliance with minimum standards. These requests may be granted by the Building Official “where there are practical difficulties meeting specific code requirements so long as the intent of the code is accomplished” when an applicant demonstrates “the modification does not lessen any health, accessibility, life and fire safety, or structural requirements.”²

B. Legislative Background

Recently, the State has enacted three assembly bills focused on adaptive reuse projects. Staff’s proposed adaptive reuse ordinance not only complies with these state laws but allows more adaptive reuse projects to be eligible for increased incentives.

- Assembly Bill 2263 Designated historical resource: conversion or adaption: required parking (2017)
- Assembly Bill 1490 Affordable housing development projects: adaptive reuse (2023)
- Assembly Bill 529 Adaptive reuse projects (2023)

C. Public Hearings and Community Engagement Background

Public hearings and other public engagement efforts have informed development of a draft adaptive reuse ordinance.

November 2021 Planning Commission

A conceptual draft adaptive reuse ordinance was presented to Planning Commission on November 4, 2021 as part of a larger discussion item for multi-unit housing zoning ordinance amendments. The full 2021 draft ordinance and an excerpt from the meeting minutes are provided in Exhibit D. A detailed comparison of the 2021 conceptual draft ordinance and the current draft adaptive reuse ordinance is included in the Discussion section.

Planning Commissioners were supportive and comments ranged from refinement to topics to explore. Some comments suggested the following topics:

- Allow waivers by the Community Development Director on specific development standards
- Correlation to building codes
- Reduce age requirement for eligible buildings
- Reduce ground floor commercial requirement

Public comment was supportive of the 2021 conceptual draft adaptive reuse ordinance. Comments were made regarding development standard relief and other city regulations that would impact an adaptive reuse project.

July 2024 Joint City Council and Planning Commission Work Session

At the Joint City Council and Planning Commission Work Session on July 26, 2024, staff asked for direction on an adaptive reuse ordinance.

² Building and Safety Handouts, Information and Request Form for Code Modification or Alternate.

The presentation outlined the development standard incentives and applicability categories for adaptive reuse projects to implement Housing Element Program HE--1. Staff asked one multi-part question to facilitate discussion on adaptive reuse. Answers were captured in multiple straw polls and from comments made by Councilmembers and Commissioners. See Exhibit E for meeting minutes and straw poll results.

City Council and Planning Commission were supportive of an adaptive reuse ordinance, as were public commenters. Councilmembers, Commissioners, and the public commented on the following:

- Ground floor commercial requirement (from the November 2021 conceptual draft ordinance)
- Inclusionary unit requirement in the CBD
- Minor additions to existing buildings
- Existing building age requirement (from the November 2021 conceptual draft ordinance)
- City regulations outside Title 30, Zoning-Inland, including building code, storm water management program (SWMP), and water meters (not in the Council Agenda Report or staff's presentation)

September - November 2024 Focus Group Interviews

Targeted community engagement occurred in Fall 2024 in the form of two external and four internal focus group interviews.

External focus group interviews were held virtually; the first with the local chapter of the American Institute of Architects (AIA) Advocacy Committee and the second with local architects, land use planners, developers, and past change-in-use project applicants. Overall, the focus group participants supported an adaptive reuse ordinance. Participants provided feedback on their experience with change-in-use projects, zoning modifications necessary for their change-in-use project experience, regulatory requirements that were burdensome, and process steps to reconsider. Increased project applicability and increased flexibility in requirements were the main topics of discussion with both groups. Participants cited additional city regulations that were impactful to the viability of a change-in-use project; many of the mentioned regulations are managed by divisions outside Planning, such as stormwater management plan and building code requirements.

Internal focus group interviews with staff were conducted to discuss Municipal Code requirements that apply to adaptive reuse projects. Meetings occurred with staff from Transportation Planning, Building & Safety, Creeks, and Water Distribution. These meetings informed other City staff of Planning Division's efforts to facilitate adaptive reuse projects to create housing and discussed past change-in-use projects with anecdotal recaps of the permit review processes and challenges to better understand other City requirements that impact adaptive reuse projects. Municipal Code requirements beyond zoning requirements are not within the purview of the Planning Division and no changes beyond Title 30 zoning amendments are currently proposed.

III. DISCUSSION

Recent state legislation, direction from Planning Commission and City Council, public comments from past hearings, and staff feedback informed the draft adaptive reuse ordinance.

The draft adaptive reuse ordinance is proposed as an amendment to Title 30, and therefore would not be applicable in the Coastal Zone. The coastal zone is excluded currently because additional work is needed to align the draft ordinance for consistency with Section 30222 of the Coastal Act and related Coastal Land Use Plan policies and regulations. These policies prioritize the use of private land for visitor-serving facilities to enhance public opportunities for coastal recreation and access over private residential or general commercial development. As such, converting nonresidential uses to housing could conflict with these policies, as could the elimination of parking requirements (affects public access), which is one of the proposed incentives.

Adoption of an adaptive reuse ordinance does not eliminate the City's current process for change-in-use; nor does it preclude an applicant from using state legislation instead of this local adaptive reuse ordinance.

A. Applicability

The draft adaptive reuse ordinance is available to projects in four applicability categories: CBD, Historic Resources, Hotels, and Affordable Housing. A project is required to comply with at least one category for adaptive reuse incentives to be applicable.

1. In the Central Business District

Multiple city initiatives focus on the CBD to support creation of a vibrant downtown with a complimentary mix of residential and nonresidential uses in a walkable environment. The General Plan has numerous goals and polices, including multiple Housing Element programs, promoting these initiatives (see Exhibit A). Increasing residential uses in the CBD is a major component in bringing economic activity and vibrancy to Santa Barbara's core. The adaptive reuse ordinance incentivizes housing creation while maintaining the beloved character of the downtown.

Staff considered expanding the ordinance's geographic area beyond the CBD, especially considering the comments received from Councilmembers and Planning Commissioners in July 2024. After analysis of availability of transportation methods and connectivity, quality-of-life elements such as parks and recreation, access to employment and services, and careful deliberation for consistency with the General Plan, staff elected to focus solely on the CBD in the initial implementation of the draft adaptive reuse ordinance. The CBD was included in the 2021 conceptual draft ordinance, is explicitly listed in HE-1, and was fully supported from the July 2024 Joint Work Session as an applicability category.

Changes to the geographic scope of the ordinance must consider the impacts of the associated incentives, specifically: unlimited density, no parking, and no residential open yard areas. Impacts to neighborhoods that do not have the same infrastructure capacity as the CBD would need to be carefully considered and analyzed. Additionally, housing in the CBD is a vital component for an economically prosperous downtown. Limiting the adaptive reuse ordinance to this area and not allowing the proposed incentives across the city will focus potential creation of housing units in the CBD as a means to revitalize the area.

2. Historic Resources

Aligning with by state legislation (AB 2263, 2017), supported by the City Council and Planning Commission, and included in the 2021 conceptual draft ordinance, the conversion of nonresidential historic resources citywide is proposed as one of the applicable categories because it aligns with General Plan goals and policies, particularly those of the Historic Resources Element, which specifically identify adaptive reuse as a way to preserve historic resources.

3. Hotels

The 2021 conceptual draft ordinance did not specifically consider conversion of hotels to residential units. Hotels are uniquely suited to become housing since a hotel room is already design as a living space with plumbing to each room. Staff proposes hotels as an applicability category to correlate to other Housing Element Programs and to promote housing in zones where both hotels and residential uses are allowed. City Council and Planning Commission fully supported this category citywide during the July 2024 Work Session.

4. Affordable Housing Development

The 2021 conceptual draft ordinance did not consider housing projects providing affordable units as an applicable project category. Recently passed state legislation (AB 1490, 2023) provides development incentives for extremely affordable adaptive reuse projects with 100 percent of units for low or very low income households. During the July 2024 Work Session, 100 percent low or very low income affordable housing projects were fully supported in straw poll voting. Discussion during the meeting, and a subsequent straw poll vote, revised the required percentage of units and their affordability levels to expand the applicability category to projects with 50 percent of the units affordable to moderate, low, or very low income households citywide.

B. Eligibility

Staff has proposed seven eligibility criteria, all of which must be met for a project to qualify as an eligible adaptive reuse project.

1. New Residential Units. Only projects proposing one or more new residential units are eligible.

The 2021 conceptual draft ordinance did not limit adaptive reuse projects solely to those proposing a residential use. Program HE-1, and other Housing Element Programs, are focused on creation of housing. This applicability criteria was revised to promote residential uses by incentivizing housing projects with development standard relief.

The change-in-use process for nonresidential to nonresidential, residential to residential, and residential to nonresidential remains available without the incentives in the adaptive reuse ordinance.

2. Constructed 10 Years Prior. The existing nonresidential building must be at least 10 years old. This ensures the project meets the intent of the conversion ordinance and there is not an unintended loophole on new buildings providing reduced residential development standards.

Staff considered comments from November 2021 and July 2024 public hearings to lower the age criteria from 20 years to 10 years so that more buildings would be potentially eligible.

3. Within Existing Building Envelope. The retrofitting or repurposing must be entirely within the existing building envelope.

The incentives for adaptive reuse projects remove some development standards that control the mass, bulk, and scale of a development. By limiting reuse to the existing building envelope, adaptive reuse projects maintain the character of their context. This requirement remains the same from the 2021 conceptual draft ordinance to the draft adaptive reuse ordinance.

4. Allowed Zones. The project must be in a zone that allows multi-unit residential.

The City's pyramid zoning allows multi-unit residential uses by right in all nonresidential zones except the M-I Manufacturing Industrial and P-R Park and Recreation zones. The more restrictive single-family zones are excluded from the program.

5. Nonresidential Uses Allowed. Nonresidential uses that are allowed in the zone are allowed in a mixed-use adaptive reuse project, with the exception of a new Hotel or Similar Use, or an Industrial use. Industrial uses cannot be included, reduced, removed, or relocated in an adaptive reuse project.

This requirement aligns with other Housing Element Programs and General Plan policies to protect manufacturing and industrial uses.³ Limiting new hotel use as part of an adaptive reuse project supports implementation efforts of HE-20: Evaluate Hotel Zones, while also focusing incentives in the ordinance on new residential uses. Restricting the conversion of industrial uses protects these uses from disappearing.

6. Open Space to be Maintained. Adaptive reuse projects must retain existing open space on site at the time of application submittal.

Existing buildings that were constructed for nonresidential uses, which do not require open yard, may have landscaped areas, trees, or other open space. To complement an incentive that removes residential open yard requirements for adaptive reuse projects, any existing landscaping, trees, or other open space on a site must be retained. This requirement aligns with AB 2263 incentives to conserve planted areas to promote quality of life amenities for the new residential units. Flexibility to this standard may be granted by the applicable design review body if the reduction of open space is necessary to provide egress, flexibility in site design, enhanced circulation, or shared residential amenities.

7. Automobile Parking to be Maintained. Adaptive reuse projects must retain existing required automobile parking, but do not need to provide additional parking spaces for the new use.

Maintaining existing automobile parking corresponds to an incentive (no additional automobile parking required) for adaptive reuse projects. Although an adaptive reuse project must maintain existing required parking stalls, the project may remove existing non-required

³ In particular, General Plan policies LG8 Manufacturing Uses and EF 15 Protect Industrial Zoned Areas. A full list of supporting General Plan policies is included in Exhibit A.

(or optional) stalls that are in excess of the quantity required for the proposed uses. For example, if zero automobile parking spaces are required because the site is in a parking Zone of Benefit, but the site was originally developed with 10 parking spaces, those 10 spaces may be reduced or eliminated if needed to provide an outdoor seating area or similar types of uses.

Automobile parking stall minimum requirements are calculated according to a building's use. Parking requirements for nonresidential uses are calculated by building area, whereas residential uses are calculated per unit. Most commercial uses require one parking stall for every 250 square feet of net floor area—except in the CBD where parking is required at one stall per 500 square feet and may be reduced further (up to 100 percent) if there is a Zone of Benefit for lots adjacent to a city parking lot.⁴ Residential uses require one or two stalls per unit, depending on the number of bedrooms.⁵ Currently, a nonresidential building, when reused for a residential use, is required to provide conforming parking for the new residential units. This may or may not require more parking stalls to be added; the quantity of stalls is dependent on the existing building area, if the site is conforming or nonconforming to current parking standards, if it is within half mile of transit and eligible for state law exemptions, and the proposed quantity of units. This requirement aligns with AB 2263 incentives. This criteria is intended to retain parking supply for residents while minimizing impacts to existing street parking without over-burdening the proposed residential development.

C. Incentives

The proposed ordinance provides four development standard incentives for adaptive reuse projects.

1. Residential Density. Maximum residential density requirements do not apply.

The city regulates maximum residential density to ensure a balance between housing needs, infrastructure capacity, transportation, community character and quality of life. While the idea of unlimited residential density might seem overwhelming, it's crucial to understand that adaptive reuse projects are confined to the physical limits of existing structures. This means that while the interior use might change, the overall size and footprint of the building remain the same. Unit sizes are regulated (minimum and average maximum size) by the draft ordinance. An existing building has a finite amount of area that can be converted into units. In effect, density is regulated by the existing building envelope and a project's creative design of the building interior. By removing a set density cap, a project has the flexibility to convert the interior of an existing building into an appropriate quantity of units while respecting what the structure can accommodate.

The residential density incentive to remove a maximum density limit remains the same from the 2021 conceptual draft ordinance.

⁴ Table 30.175.040: Required Off-Street Parking Spaces. Stall requirements range from one stall per 100 net square feet to one stall per 1,000 net square feet depending on use.

⁵ Table 30.175.040: Required Off-Street Parking Spaces and Section 30.150.090, Additional Development Incentives. Stall requirements range from maximum one stall per unit to minimum two stalls per unit.

2. Setbacks. Converted existing buildings are not required to meet setbacks.

Adaptive reuse projects are contained within an existing building envelope. Residential uses often require larger setbacks than nonresidential uses per the zoning ordinance; however, that is not possible while maintaining the existing building.

The setback incentive remains the same from the 2021 conceptual draft ordinance. This incentive was not explicitly discussed in past public hearings or during public comments.

3. Automobile Parking. Additional automobile parking is not required.

The locational focus on the CBD in the draft adaptive reuse ordinance was calibrated to align with areas with reduced or no parking requirements, as well as an area with transit, services, and recreation that reduce car dependency. State law removes parking minimums in the majority of the CBD, for extremely affordable adaptive reuse projects, and for conversions of historic resources to residential use. The draft ordinance applicability categories were carefully considered in conjunction with the development standard incentives mandated by the State and local policies.

The 2021 conceptual draft ordinance included a similar automobile parking incentive for adaptive reuse projects, with greater limitations on relief for historic resource adaptive reuse projects. Discussion at the Joint Work Session was split on the parking incentive: some supported the incentive while others expressed concern over removing minimum parking requirements.

4. Open Yard. Additional open yard is not required.

Open yard is a quality-of-life element required by the zoning ordinance for residential uses. Existing buildings constructed for nonresidential uses were not required to provide open yard. Converting a nonresidential building to housing typically requires reconfiguring to meet residential open yard requirements. Change-in-use projects have requested and been granted zoning modifications to remove or reduce the open yard requirement. The draft adaptive reuse ordinance proposes incentivizing the creation of housing by eliminating this development standard for adaptive reuse projects.

Included in the 2021 conceptual draft ordinance, and a topic of discussion in both November 2021 and July 2024 public hearings, the incentive to remove open yard requirements for adaptive reuse projects was generally supported.

D. Additional Requirements

Along with applicability and eligibility, adaptive reuse projects must comply with the following additional requirements. This list is not exhaustive of all additional requirements in the adaptive reuse ordinance.

- *Inclusionary housing requirements*

Inclusionary housing requirements, that require a portion of new housing developments to be affordable to moderate- or middle-income households, apply to rental and ownership housing, respectively, and are proposed to apply to adaptive reuse projects. These requirements were not specified in the 2021 conceptual ordinance iteration. The

requirement for inclusionary housing was commented on by the public, Councilmembers, and Commissioners at the Joint Work Session.

Discussion mainly focused on flexibility of inclusionary housing requirements and the possibility of waiving inclusionary housing requirements for adaptive reuse projects within the CBD. Planning staff is currently working on a feasibility study to inform possible amendments to inclusionary housing and other fee-based requirements (implementing Housing Element Programs HE-12, HE-13, and HE-31). The initial feasibility study is expected in spring 2025, with completion by December 2026. Waiving inclusionary housing may be considered as part of this other staff effort, which would impact adaptive reuse projects. The adaptive reuse ordinance refers to existing inclusionary housing requirements, so if those are amended in the future, they would automatically apply to adaptive reuse projects.

- *Unit Size*

Adaptive reuse projects, while not limited with a maximum unit quantity via the unlimited density incentive, are restricted with a maximum average unit size (1,200 square feet for rental units and 2,000 square feet for ownership units) and a minimum unit size. This correlates to unit size regulations in place under the Average Unit-Size Density Incentive Program. Because adaptive reuse projects make use of the existing building shell, the maximum unit size requirement can be waived by the Community Development Director if necessary to adapt the existing building configuration to accommodate the new residential units.

- *New Floor Area restrictions*

There are limits on additions or expansion of floor area for adaptive reuse projects. The 2021 conceptual draft ordinance did not allow any floor area creation for a project. Discussion at the Joint Work Session suggested adding an allowance to increase floor area, which was included in this draft ordinance. Floor area is allowed as new floors or mezzanines if fully within the existing building envelope. The draft ordinance proposes to allow a limited quantity of additional floor area outside the existing building envelope for circulation, egress, or as necessary for Building Code requirements, and up to 250 square feet for a residential amenity that is available to all residents.

Staff considered an increased allowance for additional development outside the building envelope; however, the existing building envelope, in lieu of a maximum density limit, is the control mechanism for development intensity of a project. Increased allowance for additional development should be considered with extreme caution when correlated with removal of density maximums.

- *Ground Floor Commercial required on State Street*

Adaptive reuse projects on State Street between Montecito and Sola Streets are required to have nonresidential space on the ground floor as a means to support the economic vitality of State Street as the epicenter of Santa Barbara's civic life and create a dynamic pedestrian-level façade. The 2021 conceptual ordinance required commercial development on a larger portion of the ground floor for adaptive reuse projects, which

was a topic of discussion in November 2021 and July 2024. This requirement was reduced in size and geographic location based on feedback received at public hearings.

- *Bicycle parking requirements*

Unlike the incentive to reduce automobile parking requirements, minimum bicycle parking requirements, consistent with ordinance requirements, applies to adaptive reuse projects. Alternative transportation and high-quality active transportation facilities for walking and biking have been a focus of City efforts to create multi-modal and connected network (sidewalks and bike lanes) as well as parking facilities in developments, supported by the General Plan and Transportation Master Plans.⁶ The 2021 conceptual ordinance did not address bicycle parking standards. Discussion at the July 2024 Joint Work Sessions was particular about bicycle parking and the area required for larger, electric bicycles. The adaptive reuse ordinance is explicit about bicycle parking requirements to align with other City efforts, to respond to State legislation removing minimum parking regulation near major transit stops, and to align with comments from the Joint Work Session.

E. Review Process

Adaptive reuse projects require the same planning review process as any other project requiring planning approval, with one major exception—the Pre-Application and Concept Review required for a large Average Unit-Size Density Incentive Program project are waived for adaptive reuse projects.

In addition, as noted above, the adaptive reuse ordinance reduces the planning process for most adaptive reuse projects compared to the current process by removing the need for a zoning modification for relief from automobile parking, setback and open yard requirements. This means fewer fees and reduced entitlement durations.

F. General Plan Consistency

Section 30.235.100, General Plan Consistency Required for Zoning Amendments, requires all Zoning Ordinance Amendments to be found consistent with the General Plan. Goals, policies, and actions from the General Plan that support the draft adaptive reuse ordinance are included in Exhibit A.

IV. NEXT STEPS

Staff will return to the Planning Commission at a to-be-determined date in 2025 for a recommendation to City Council on the adaptive reuse ordinance. Program HE-1 is required to be complete by December 2025 per the 2023-2031 Housing Element.

Exhibits:

- A. Housing Element Program HE-1 and Applicable General Plan Goals, Policies, and Actions
- B. Draft Title 30 Zoning Ordinance Amendment

⁶ The Circulation Element (2011) and Bicycle Master Plan (2016) support alternative transportation methods and include policies for bicycle amenities in developments. A full list of supporting General Plan policies is included in Exhibit A.

- C. Example Change-in-Use Projects
- D. Planning Commission (November 2021) excerpt from Approved Minutes and 2021 Conceptual Draft Ordinance
- E. Joint City Council and Planning Commission Work Session (July 2024) Approved Minutes and Straw Poll Voting Results

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Planning Commission: Municipal Code Amendments for Adaptive Reuse
(PLN2024-00411)
December 12, 2024

**HOUSING ELEMENT PROGRAM AND
APPLICABLE GENERAL PLAN GOALS, POLICIES, AND ACTIONS**

Housing Element

HE-1: Facilitate Conversion of Nonresidential Buildings to Housing

The City has older commercial, office, and industrial buildings and larger single-unit residential buildings that are appropriate for conversion (i.e., adaptive reuse) to multi-unit or mixed-use residential. There are also historic buildings that could be converted to residential use or expanded to accommodate multiple residential units consistent with the Secretary of Interior's Standards for Rehabilitation. The City will draft an Adaptive Reuse Ordinance for adoption, proposed to initially apply to existing buildings within the Central Business District (CBD), where there is sufficient transit and services, and existing buildings designated as a historic resource, where residential use is allowed.

The City shall prepare outreach materials, and online forms and applications to encourage adaptive reuse to property owners and interested developers.

Funding Source: General Fund (staff)

Responsibility: Planning Division

Time Frame: Start Date Q2 2024. End Date Q4 2025.

Corresponding Goal/Policy: Goal 1; Policies 1.1, 1.2, 1.3, 1.4, 1.7, and 1.8

Land Use Element

Design: Protect and enhance the community's character with appropriately sized and scaled buildings, a walkable town, usable and well-located open space, and abundant, sustainable landscaping.

Historic Preservation: Protect, preserve and enhance the City's historic resources.

- LG1. Resource Allocation Priority.
Prioritize the use of available resources capacities for additional affordable housing for extremely low, very low, low, moderate, and middle income households over all other new development.
 - LG1.1 Affordable Housing
Support affordable housing consistent with Housing Element goals and requirements and develop incentives in the form of flexibility in densities or

standards for affordable housing projects if supported by available resource capacities.

- LG4. Principles for Development.
Establish the following Principles for Development to focus growth, encourage a mix of land uses, strengthen mobility options and promote healthy active living.
 - Focus Growth. Encourage workforce and affordable housing within a quarter mile of frequent transit service and commercial services through smaller units and increased density, transit resources, parking demand standards, targeted infrastructure improvements, and increased public areas and open space. Incorporate areas as a result of an employee survey.
 - Mix of Land Uses. Encourage a mix of land uses, particularly in the Downtown to maintain its strength as a viable commercial center, to include retail, office, restaurant, residential, institutional, financial and cultural arts, encourage easy access to basic needs such as groceries, drug stores, community services, recreation, and public space.
 - Mobility and Active Living. Link mixed-use development with main transit lines; promote active living by encouraging compact, vibrant, walkable places; encourage the use of bicycles; and reduce the need for residential parking.
- LG6. Location of Residential Growth.
Encourage new residential units in multi-family and commercial areas of the City with the highest densities to be located in the Downtown, La Cumbre Plaza/Five Points area and along Milpas Street.
 - LG6.1 Average Unit-Size Density Incentives Program.
Amend the Zoning Ordinance to incorporate an Average Unit-Size Density Incentive Program in multi-family and commercial zones based on smaller unit sizes and higher densities adjacent to transit and commercial uses and to implement Housing Element policies for higher densities for affordable and/or Community Benefit projects.
 - LG6.3 Priority Housing Overlay.
Encourage the construction of rental and employer housing and limited equity co-operatives in select multi-family and commercial zones where residential use is allowed by providing increased density (over Average Unit-Size Density Incentive Program).
 - LG6.7 Housing for Downtown Workers.
Encourage affordable housing projects by expediting and facilitating downtown housing construction that includes provisions prioritizing downtown workers to the extent legally possible.
- LG8. Manufacturing Uses.
Preserve and encourage the long-term integrity of light manufacturing uses.
 - LG8.2 Limit Residential

Planning Commission: Municipal Code Amendments for Adaptive Reuse
(PLN2024-00411)
December 12, 2024

Better define residential uses in the C-M Zone to both encourage priority housing and to protect existing manufacturing and industrial uses.

- LG15. Sustainable Neighborhood Planning.
Neighborhoods shall be encouraged to preserve and enhance the sense of place, provide opportunities for healthy living and accessibility, while reducing the community's carbon footprint.

2023-2031 Housing Element

Create New Housing: Create new healthy, safe, and energy-efficient housing that meets community needs, within our resources.

Promote Housing Stability: Implement tenant protection measures, promote full time occupancy of existing housing, and discourage conversion of housing to other uses.

- Policy 1.1 Sustainable and Livable Neighborhoods
Ensure that new housing programs, housing developments, and related infrastructure improvements include community-led strategies that encourage community revitalization in areas of lower opportunity to meet the needs of lower-income residents and are consistent with the City's sustainability initiatives for energy efficiency and active transportation goals.
- Policy 1.2: Infill Housing.
Encourage development of housing on infill sites near transit and jobs, particularly redevelopment of sites suitable for housing, while continuing to limit residential density in High Fire Hazard Areas.
- Policy 1.3 Adaptive Reuse.
Provide incentives and promote flexibility for adaptive reuse projects that convert existing structures to multi-unit housing in order to reduce construction waste and extend the life of existing buildings.
- Policy 1.4 Reduce Constraints.
Reduce and, where feasible and practical, remove unnecessary City-imposed constraints that impede housing development.
- Policy 1.7 Prioritize Housing and Community Benefit.
Prioritize residential development and nonresidential priority projects with broad community benefit on sites zoned for both residential and other uses.
- Policy 1.8 Flexible Standards.

Planning Commission: Municipal Code Amendments for Adaptive Reuse
(PLN2024-00411)
December 12, 2024

Increase flexibility in multi-unit housing densities and other standards to allow a variety of unit sizes and affordability levels.

- Policy 4.3 Housing for Residents.
Promote occupancy of existing housing for residents through ordinances, zoning changes, and vacancy tax programs that limit practices such as short-term rentals, conversions to hotels, and prolonged vacancies.

Economic and Fiscal Health Element

Interconnected Regional Economy: Recognize that commerce is intertwined with transportation, natural resources and housing, and together are key elements of a healthy economy that is regional in scope.

Minimize Impacts and Costs: Internalize impacts to the environment of new development and redevelopment, and avoid costs to the community.

- EF12. Re-Use of Commercial Space.
Provide incentives for adaptive re-use of vacant commercial buildings.
- EF15. Protect Industrial Zoned Areas.
Preserve the industrial zones as a resource for the service trades, product development companies, and other industrial businesses not precluding priority housing in the C-M, Commercial Manufacturing Zone.

Historic Resources Element

Protection and Enhancement of Historical Resources: Continue to identify, designate, protect, preserve and enhance the City's historical, architectural, and archaeological resources. Ensure Santa Barbara's "sense of place" by preserving and protecting evidence of its historical past, which includes but is not limited to historic buildings, structures, and cultural landscapes such as sites, features, streetscapes, neighborhoods, and landscapes.

- HR3. Discourage Demolition.
Develop effective measures to discourage and curtail the demolition of historic resources.
- HR4. Adaptive Reuse.
Encourage the adaption of historic buildings or structures for uses other than the original intended use when the original use is no longer viable.
 - HR4.1 Provide Incentives

Planning Commission: Municipal Code Amendments for Adaptive Reuse
(PLN2024-00411)
December 12, 2024

Provide incentives for the adaptive reuse of historic buildings. Support zoning modification approvals for parking and setbacks to allow more change of uses for historic properties and allow more flexible building code compliance alternatives. For example, employ the California State Historic Building Code to allow more flexibility in code compliance.

Circulation Element

- 1.1 Pedestrian and Bicycle Infrastructure
Emphasize high-quality public right-of-way infrastructure to include enhanced pedestrian and bicycle facilities.
- 7.7 Bicycle Parking and Other Needs
Require all multi-family and commercial projects to be designed to meet the needs of bicyclists (e.g., secure parking, storage, lockers, showers, etc.)
- 8.5 Downtown Housing.
The City shall promote/facilitate the development of housing to decrease the need for parking through an increased walking/biking population that lives, works, and shops Downtown (See Chapter 13).
- 13.2 Compact Development
Without increasing the City wide development potential as provided for in the existing Zoning Ordinance and General Plan, the City shall allow more compact, pedestrian oriented development along major transit corridors (see Traffic Standards Chapter, Implementation Strategy 11.1.1).
 - 13.2.2 Consider amending the Zoning Ordinance to:
 - Allow increased residential densities and more compact, pedestrian oriented, non-residential along streets identified as major transit corridors, and
 - Reduce parking requirements for properties near major transit corridors if it can be demonstrated that a negative impact will not occur. In conjunction with this reduction, the City shall evaluate and aggressively monitor the results to ensure continued use of alternative means of travel and to justify reduced parking demands.

AN ORDINANCE OF THE COUNCIL OF THE CITY OF
SANTA BARBARA AMENDING THE SANTA BARBARA
MUNICIPAL CODE BY ADDING SECTION 30.185.045 TO
CHAPTER 30.185 AND AMENDING CHAPTER 30.300 of
TITLE 30 PERTAINING TO REGULATIONS FOR ADAPTIVE
REUSE

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

SECTION 1. Section 30.185.045 is added to Chapter 30.185 of Title 30 of the
Santa Barbara Municipal Code to read as follows:

30.185.045 Adaptive Reuse

A. **Purpose.** The purpose of this section is to incentivize the creation of new residential units in existing nonresidential buildings by providing relief from certain zoning standards. Nothing in this section shall preclude an applicant from using the adaptive reuse provisions of State law in lieu of this section.

B. **Applicability.** An adaptive reuse project allowed under this section may occur within the following types of existing nonresidential buildings or for the following types of uses:

1. Nonresidential buildings located within the Central Business District, as delineated in Figure 30.175.050.B.
2. A nonresidential Historic Resource, as defined in Section 30.300.080 "H".
3. A Hotel or Similar Use, as defined in Section 30.295.040.P.

4. Conversion of a nonresidential building to a new housing development with at least 50 percent of the residential units of the project deed restricted for occupancy by households qualifying as moderate, low, or very low income households in accordance with the City's Affordable Housing Policies and Procedures.

C. **Eligibility.** For purposes of this section, adaptive reuse projects must meet all of the following criteria:

1. **New Residential Units.** The development is a residential or mixed-use project with one or more new residential units proposed.

2. **Constructed 10 Years Prior.** The development involves the retrofitting and repurposing of all or a portion of one or more legally permitted nonresidential buildings with a final inspection or final certificate of occupancy issued at least 10 years prior to the date of initial application submittal for adaptive reuse.

3. **Within Existing Building Envelope.** The development is entirely within the existing building envelope, except as otherwise provided in this section. Only fully enclosed, occupiable space can be used for adaptive reuse. Conversions shall not include any portion of existing residential floor area, or areas not used as occupiable space, such as parking garages, storage areas, or similar. Additions of new residential floor area may be constructed within the existing building envelope, such as mezzanines and lofts; but must not include additions of new nonresidential floor area in conjunction with an adaptive reuse project. Adaptive reuse projects shall not include demolition and reconstruction or substantial redevelopment, as described in Section 30.140.200, Substantial Redevelopment, of an existing building.

4. **Allowed Zones.** The development is in a zone that allows new multi-unit or mixed-use residential development.

5. **Nonresidential Uses Allowed.** Any nonresidential portions of a proposed mixed-use adaptive reuse project shall be consistent with the land uses allowed by the zone or a continuation of an existing nonconforming use, except as follows:

a. *Hotel Uses Precluded.* A new Hotel or Similar Use is not an allowed use in an adaptive reuse project.

b. *Industrial Uses Precluded.* An adaptive reuse project shall not include, expand, reduce, remove, or relocate any permitted industrial use, except if such industrial use is nonconforming in the zone and a conforming land use is proposed to replace it.

6. ***Open Space to be Maintained.*** The development will not eliminate any existing open space, landscape areas, or mature trees on the parcel, except as otherwise allowed by Section 30.140.090, Encroachments into Setbacks and Open Yards. The applicable design review body may approve an exception by finding the reduction of open space is necessary to provide egress, flexibility in site design, enhanced circulation, or shared residential amenities.

7. ***Automobile Parking to be Maintained.*** The development will not eliminate any existing required parking for the parcel, except as otherwise allowed in this title or by State law.

D. **Incentives.** Notwithstanding any provision of Title 30 to the contrary, an eligible adaptive reuse project submitted pursuant to this section shall not be required to conform to the following development standards in this title:

1. Any maximum residential density requirements.

2. Any setback requirements related to the conversion of existing buildings.

3. Any requirement to provide additional automobile parking beyond what is already existing.

4. Any requirement to provide additional open yard.

This section shall not reduce, eliminate, or preclude the enforcement of any requirement imposed on a new multi-unit residential, mixed-use, or nonresidential development to provide electric vehicle supply equipment installed in parking spaces or parking spaces that are accessible to persons with disabilities that would have otherwise applied to the development if this section did not apply.

E. Inclusionary Housing. An eligible adaptive reuse project shall include the highest percentage of affordable units, and meet the lowest income category for affordable units, as required by either subsection B, or this subsection E, and in compliance with the City's Affordable Housing Policies and Procedures.

1. Ownership Housing Projects. If residential ownership units are developed in accordance with this section, inclusionary housing must be provided in accordance with Chapter 30.160, Inclusionary Housing.

2. Rental Housing Projects. If residential rental units are developed in accordance with this section, inclusionary housing must be provided in accordance with Section 30.150.110, Inclusionary Requirements for Rental Housing Projects.

F. Unit Size.

1. Maximum Average Unit Size. The residential units in an eligible adaptive reuse project shall not exceed a maximum average unit size of 1,200 square feet for rental units or 2,000 square feet for ownership units. This requirement may be waived if the Community Development Director finds that larger unit sizes are warranted to adapt the existing building configuration to accommodate the new residential use. Factors which will be considered by the Director in determining whether to issue a waiver include, but are not limited to, the following: existing building size, location of existing building elements such as vertical circulation, exterior windows, or access doors, or to facilitate the legalization of preexisting unauthorized residential units.

2. Minimum Unit Size. Residential units must meet the minimum residential unit size and standards in Section 30.140.150, Residential Unit.

G. Limit on New Floor Area. An eligible adaptive reuse project shall not include the creation of new floor area outside the existing building envelope as part of the project, except as follows:

1. Circulation and Amenities. Up to 250 square feet is allowed as additional residential development outside the existing building envelope if it is necessary to provide residential amenities that serve all units on-site (such as a

laundry room, bicycle storage room, or recreation room). In addition, minor additions necessary for egress, circulation, accessibility, or other improvements necessary to comply with the Building Code, are allowed up to the minimum size required by the Building Code. The additions allowed under this subsection must conform to all height and setback standards, unless otherwise allowed pursuant to Chapter 30.165, Nonconforming Structures, Site Development, and Uses, or with a Modification pursuant to Chapter 30.250, Modifications.

H. **Required Ground Floor Nonresidential Space on State Street.** For eligible adaptive reuse projects located on State Street, from Montecito Street to Sola Street, nonresidential uses, excluding parking, storage or other non-occupiable space, are required on the ground floor for the full width of the ground floor fronting on to State Street. The required nonresidential space must be a minimum of 35 feet deep, measured perpendicular to the façade of the building, and may include common residential entries or lobbies but no portion of a residential unit.

I. **Bicycle Parking.** Eligible adaptive reuse projects shall include bicycle parking in accordance with Chapter 30.175 Parking Regulations.

J. **Combined Permits.** An eligible adaptive reuse project shall not be combined with a permit for other proposed construction on the site unrelated to the adaptive reuse project. Conforming additions, alterations, or new construction may be proposed after the adaptive reuse permit has been approved and issued, subject to the standards and procedures applicable to new development in this code.

K. **Related State Regulations for Adaptive Reuse.** Eligible adaptive reuse projects are not precluded from utilizing other State regulations pertaining to adaptive reuse; however, adaptive reuse projects utilizing State regulations are not eligible for the incentives in this section unless they meet all the requirements of this section.

L. **Alternative Building Standards for Adaptive Reuse.** For purposes of reference, the City has adopted alternative building standards including the California Existing Building Code and the California Historic Building Code per Section 22.04.010, Adoption of California Codes by Reference, which provide the Building Official and Fire Code Official with the ability to consider an alternate material, design, or method of construction where there are practical difficulties meeting specific code requirements.

M. **Preservation of Historic Resources.** Eligible adaptive reuse projects in which a designated historic resource is being converted or adapted must comply with all federal, state, and local standards necessary for the preservation, restoration, rehabilitation, safety, relocation, or continued use of the designated historical resource.

N. **Review Process.** Eligible adaptive reuse projects will be processed according to standard procedures applicable to multi-unit residential or mixed-use development in the same zone except as follows:

1. Eligible adaptive reuse projects are exempt from mandatory pre-application and concept review pursuant to Section 30.150.060, Pre-Application and Concept Review Required.

SECTION 2. Chapter 30.300 of Title 30 of the Santa Barbara Municipal Code is amended to read as follows:

30.300.010 “A”.

Adaptive Reuse. The retrofitting and repurposing of an existing building to create new residential units. See also, Change in Use.

SECTION 3. Severability and Interpretation.

A. **Severability.** If any provision of this Ordinance or the application thereof to any persons or circumstances is held invalid, such invalidity shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision or application and, to this end, the provisions of this Ordinance are hereby declared to be severable.

B. **Interpretation.** This Ordinance shall be construed to confer upon the City the maximum power and authority allowed by state and federal law. In the event state or federal law is found to conflict with and preempt any provision of this Ordinance, or in the event state or federal law changes to conflict with and preempt any provision of this Ordinance, the remaining and non-conflicting provisions of this Ordinance shall be interpreted and construed to give maximum effect to the remaining and non-conflicting provisions so as to effectuate to the greatest extent possible the purposes and restrictions expressed herein.

Planning Commission: Municipal Code Amendments for Adaptive Reuse
(PLN2024-00411)
December 12, 2024

EXAMPLE CHANGE-IN-USE PROJECTS

Table 1: Example Change-in-Use Projects

Change-in-Use Project Address	Project Status*	Units	Density**	Zoning Modification or Concession		
				Auto- mobile Parking	Open Yard	Other Standard
1309 State St	Complete	1		X		
1325 State St	Complete	2		X	X	
16 W Mission St	Complete	23	SDBL			Landscape, Bicycle
821 State St	Complete	14	SDBL	N/A†	X	
1018 State St	Pending	8		N/A†	X	
12 E Carrillo St	Pending	14	SDBL, ADU	N/A†	X	
1514 Anacapa St	Pending	4	ADU	X	X	
801 State St	Pending	3	ADU	N/A†	X	
3055 De La Vina St	Pre-App	33	SDBL	x	X	Setbacks
* Project Status as of October 2024						
** ADUs don't count toward maximum density limits per state law						
† Sites within AB 2097 area do not require automobile parking						

Table 2: Example Change-in-Use Projects, Planning Review for Complete Projects

Change-in-Use Project Address	Public Hearings	Duration* (months)	Zoning Modification or State Density Bonus Law Concession
1309 State St	2 HLC, 1 PC	5	Zoning Modification (PC)
1325 State St	1 HLC, 1 PC	5	Zoning Modification (PC)
16 W Mission St	3 ABR	4	State Density Bonus Law Concession
821 State St	None	1	State Density Bonus Law Concession
* Approximate duration from First Application Submittal to Project Design Approval			

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

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

Commissioner comments:

Commissioner Wiscomb:

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

Commissioner Higgins:

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

Commissioner Bonderson:

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

Commissioner Lodge:

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

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

Commissioner Reed:

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

Commissioner Escobedo:

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

Chair Schwartz:

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

December 12, 2024

November 4, 2021 Planning Commission
Historic Staff Report Exhibit A

FOR REFERENCE ONLY

2021 Conceptual Draft Ordinance

This conceptual draft ordinance was discussed by Planning Commission in November 2021.

30.185.035 Adaptive Reuse

A. **Purpose.** The purpose of this section is to revitalize the downtown area, and maintain historic structures in and outside of the downtown, by facilitating the conversion of older, economically distressed, or historic buildings to residential units or live-work units. Eligible projects will benefit from relief of parking, setback, open yard, and residential density. This will encourage mixed commercial and residential uses in order to improve air quality and reduce vehicle trips by locating residents, jobs, and transit services near each other.

B. **Eligibility.** The provisions of this section shall apply to any project proposing to convert or adapt the following types of existing buildings to a new use:

1. Any existing building located within the Central Business District, as such district is delineated in Figure 30.175.050.B.
2. Any existing building designated as a historic resource, as defined in Section 30.300.080 “H”.

To qualify for the reductions and exceptions allowed by this section, the existing building must have been legally constructed prior to January 1, 2000, or the original certificate of occupancy for the building was issued at least 20 years prior to the proposed change of use. An adaptive reuse project may not include the addition or expansion of floor area to existing buildings or sites as part of the project.

C. **Development Standards.** The adaptive reuse of any eligible building may use the following development standards:

1. **Density.** The project may exceed the maximum allowable residential density for the site if all of the following are met:
 - a. Residential units shall meet the minimum residential unit size and standards in Section 30.140.150, Residential Unit;
 - b. Residential units shall not exceed a maximum average unit size of 1,200 square feet for rental units or 2,000 square feet for ownership units. This requirement may be waived by the Community Development Director on projects that include the legalization of unpermitted residential units, or when the applicant can demonstrate larger unit sizes are warranted to adapt the existing building configuration.
 - c. Fifty percent of the ground floor of a multi-level building with three stories or more containing street frontage on State Street shall be used as commercial or retail space. The amount of commercial or retail space on the ground floor may be reduced by the Community Development Director on projects that include the legalization of unpermitted residential units, or when the applicant can demonstrate that devoting the entire ground floor to commercial or retail use is impractical or unsustainable.
2. **Height.** The height of the structure, if it exceeds the maximum height of the zoning district, may remain and shall be considered nonconforming, and any rooftop constructions shall be included within the height exemption 30.140.100, Exceptions to Height Limitations.
3. **Live-Work.** Any residential units designated as “live-work” units shall comply with the applicable standards in Section 30.185.240, Live-Work Units, regarding any nonresidential activities.
4. **Open Yard.** No open yard is required for an eligible adaptive reuse project; however, if there is any existing on-site open space it shall be retained for the use of the residential occupants of the units and designed to limit its use to residential purposes, where feasible.
5. **Parking.** Parking spaces for an eligible adaptive reuse project may be reduced as follows:
 - a. **Central Business District.** For a project converting an existing building in the Central Business District from a nonresidential use to either another nonresidential use or to residential use, the following shall apply:
 1. The project may exceed the maximum allowable parking spaces for the site if all of the following are met:
 - a. The project is located within the Central Business District.
 - b. The project is located within the Central Business District.
 - c. The project is located within the Central Business District.
 2. The project is located within the Central Business District.
 3. The project is located within the Central Business District.

December 12, 2024

November 4, 2021 Planning Commission
Historic Staff Report Exhibit A

FOR REFERENCE ONLY

additional parking spaces are required beyond the number of parking spaces that existed on the project site at the time the application was submitted.

- b. *Historic Resource to Residential Use.* For a project outside of the Central Business District, as delineated in Figure 30.175.050.B, converting or adapting a historic resource to a residential use, and which is located within one-half mile of a major transit stop, no additional parking spaces are required beyond the number of parking spaces that existed on the project site at the time the project application was submitted. If not located within one-half mile of a major transit stop, the project shall comply with Chapter 30.175 Parking Regulations.
 - c. *Historic Resource to Nonresidential Use.* For a project outside of the Central Business District, as delineated in Figure 30.175.050.B, converting or adapting a designated historic resource to a nonresidential use, a 25-percent reduction in the amount of required parking spaces is allowed.
5. **Setbacks.** Existing building setbacks may remain and shall be considered nonconforming, but no further encroachments shall be permitted into any nonconforming setback unless otherwise allowed pursuant to Chapter 30.165, Nonconforming Structures, Site Development, and Uses.
- D. Alternative Building Standards for Adaptive Reuse.** Eligible historic building adaptive reuse projects may be permitted to use alternative building standards including the California Historic Building Code and Sections 104.10 and 104.11 of the California Building Code which provide the Building Official and Fire Code Official with the ability to consider an alternate material, design, or method of construction where there are practical difficulties meeting specific code requirements.
- E. Preservation of Historic Resources.** A development project in which a designated historic resource is being converted or adapted that is eligible for reductions or exceptions pursuant to this section shall comply with all federal, state, and local standards necessary for the preservation, restoration, rehabilitation, safety, relocation, or continued use of the designated historical resource.



CITY OF SANTA BARBARA CITY COUNCIL MINUTES

SPECIAL JOINT CITY COUNCIL/PLANNING COMMISSION MEETING JULY 26, 2024 DAVID GEBHARD PUBLIC MEETING ROOM, 630 GARDEN STREET

CALL TO ORDER

Mayor Randy Rowse called the meeting to order at 9:01 a.m.

PLEDGE OF ALLEGIANCE

Mayor Rowse.

ROLL CALL

Councilmembers present: Eric Friedman, Alejandra Gutierrez (9:25 a.m.), Oscar Gutierrez (9:07 a.m.), Meagan Harmon (9:05 a.m.), Mike Jordan (9:05 a.m.), Kristen W. Sneddon, Mayor Randy Rowse.

Councilmembers absent: None.

Planning Commissioners present: Vice Chair Devon Wardlow, Brian Barnwell, Lucille Boss, Donald DeLuccio, Sheila Lodge, Lesley Wiscomb.

Planning Commissioners absent: Chair John M. Baucke.

Staff present: City Administrator Kelly McAdoo, City Attorney Sarah J. Knecht, Planning Commission Secretary Mariah Johnson.

WORK SESSION

**1. Subject: Joint City Council and Planning Commission Work Session:
Direction on Housing Element Program Implementation (650.06)**

Recommendation: That City Council and Planning Commission provide direction to staff on adaptive reuse and hotel use zoning amendments to implement Housing Element Programs (HE-1 and HE-20).

Documents:

- July 26, 2024, report from the Community Development Director.
- PowerPoint presentation prepared and made by staff.

Speakers:

- Staff: Community Development Director Elias Isaacson; Project Planner Dana Falk; Principal Planner Daniel Gullet; City Planner Allison DeBusk.

Discussion:

- Staff presented to City Council and Planning Commission direction for Adaptive Reuse and Hotel Use Zoning Ordinances (HE-1 & HE-20). Staff then presented overviews of a few of these directions, including an expected projection of the Housing Element from 2023-2031, an overview of Adaptive Reuse (Program HE-1), an overview of Hotel Zones (Program HE-20), and next steps for City Council and Planning Commission moving forward regarding the Housing Element.
- Councilmembers' and Planning Commissioners' questions were answered.

PUBLIC COMMENT ON ITEMS LISTED ON THE AGENDA

Members of the Public: Rhonda Dell; Dale Aazam; Dianne Black; Brian Cearnal; Ben Romo; Trey Pinner.

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 August 20, 2024.


SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE



RANDY ROWSE
MAYOR

ATTEST:



SARAH GORMAN
CITY CLERK SERVICES MANAGER

Planning Commission: Municipal Code Amendments for Adaptive Reuse
(PLN2024-00411)
December 12, 2024

JOINT CITY COUNCIL AND PLANNING COMMISSION WORK SESSION (7/26/24) STRAW POLL VOTING RESULTS

Straw poll voting was done using raised hands. Councilmembers and Commissioners were asked a series of questions by staff (Adaptive Reuse Project Category). Support or agreement was shown with a raised hand.

The following tables show support/agreement with a “Yes” response (raised hand). Votes were tallied during the meeting by staff and verified using the publicly available video recording of the joint work session.

Question: Do City Council and Planning Commission agree with focusing the adaptive reuse ordinance on the following?

Table 1: Straw Poll Voting Results

Adaptive Reuse Project Category	City Council		Planning Commission		Total	
	Yes	No	Yes	No	Yes	No
Central Business District	7 100%	0 0%	6 100%	0 0%	13 100%	0 0%
Priority Housing Overlay	6 86%	1 14%	5 83%	1 17%	11 85%	2 15%
Average Unit-Size Density Program Area	5 71%	2 29%	6 100%	0 0%	11 85%	2 15%
100%, Low or Very Low income	7 100%	0 0%	6 100%	0 0%	13 100%	0 0%
Min. 50%, Moderate, Low, or Very Low income	7 100%	0 0%	6 100%	0 0%	13 100%	0 0%
Designated Historic, density limit	7 100%	0 0%	6 100%	0 0%	13 100%	0 0%
Designated Historic, no density limit	4 57%	3 43%	5 83%	1 17%	9 69%	4 31%
Existing Hotels	7 100%	0 0%	6 100%	0 0%	13 100%	0 0%

Planning Commission: Municipal Code Amendments for Adaptive Reuse
(PLN2024-00411)
December 12, 2024

Table 2A: City Councilmember Straw Poll Voting Results

Adaptive Reuse Project Category	City Councilmembers						
	Friedman	A.Gutierrez	O.Gutierrez	Harmon	Jordan	Snedden	Rowse
Central Business District	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Priority Housing Overlay		Yes	Yes	Yes	Yes	Yes	Yes
Average Unit-Size Density Program Area		Yes	Yes	Yes	Yes	Yes	
100%, Low or Very Low income	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Min. 50%, Moderate, Low, or Very Low income	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Designated Historic, density limit	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Designated Historic, no density limit			Yes	Yes	Yes	Yes	
Existing Hotels	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Table 2B: Planning Commissioner Straw Poll Voting Results

Adaptive Reuse Project Category	Planning Commissioners					
	Wardlow	Barnwell	Boss	DeLuccio	Lodge	Wiscomb
Central Business District	Yes	Yes	Yes	Yes	Yes	Yes
Priority Housing Overlay	Yes	Yes	Yes		Yes	Yes
Average Unit-Size Density Program Area	Yes	Yes	Yes	Yes	Yes	Yes
100%, Low or Very Low income	Yes	Yes	Yes	Yes	Yes	Yes
Min. 50%, Moderate, Low, or Very Low income	Yes	Yes	Yes	Yes	Yes	Yes
Designated Historic, density limit	Yes	Yes	Yes	Yes	Yes	Yes
Designated Historic, no density limit	Yes	Yes	Yes	Yes		Yes
Existing Hotels	Yes	Yes	Yes	Yes	Yes	Yes