

CITY OF SANTA BARBARA

SPECIAL ORDINANCE COMMITTEE **MEETING**

MEETING AGENDA

DATE: July 29, 2025
TIME: 11:30 a.m.
PLACE: Council Chambers

Kristen W. Sneddon, Chair
Oscar Gutierrez
Mike Jordan

Office of the City
Administrator

Office of the City
Attorney

Kelly McAdoo
City Administrator, City Administrator's Office

Sarah Knecht
City Attorney

Nicole Grisanti
Supervisor, City Administrator's Office

IN-PERSON PUBLIC COMMENT: Any person wishing to address the Ordinance Committee should first complete and deliver a "Request to Speak" form prior to the time that public comment is taken up by the Committee Member. Each speaker will be given a total of 3 minutes to address the Committee. The Ordinance Committee, upon majority vote, may decline to hear a speaker on the grounds that the subject matter is beyond their jurisdiction.

WRITTEN PUBLIC COMMENT: Public comments may also be submitted via email to ngrisanti@santabarbaraca.gov prior to the beginning of the Ordinance Committee Meeting. All public comments submitted via email will be provided to the Ordinance Committee and will become part of the public record.

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

- **WEB:** <https://santabarbaraca-gov.zoom.us/j/83099911799?pwd=N0fwX914FLbpUNNMPr2foEbiub5ovC.1>
Passcode: 199458
- **TELEPHONE: Phone one-tap:**
+16699006833,,83099911799# US (San Jose)
+16694449171,,83099911799# US

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.

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 ngrisanti@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 ngrisanti@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.

ITEMS FOR CONSIDERATION

1. SUBJECT: Amendments to Title 30 to Add an Adaptive Reuse Ordinance

RECOMMENDATION: That Ordinance Committee:

- A. Consider the proposed Adaptive Reuse Ordinance and forward the Proposed Ordinance to City Council for introduction and adoption;
- B. Determine that the Ordinance is exempt from the California Environmental Quality Act (CEQA); and
- C. Determine that the Ordinance is consistent with the General Plan, and forward the proposed Adaptive Reuse Ordinance to City Council for introduction and adoption.

2. SUBJECT: Introduction of Ordinance for Water Metering for Adaptive Reuse Projects

RECOMMENDATION: That Ordinance Committee forward to Council for introduction, an Ordinance of the Council of the City of Santa Barbara Amending Section 14.08.150 of the Santa Barbara Municipal Coded Relating to Water Meters for Adaptive Reuse Projects.



CITY OF SANTA BARBARA

ORDINANCE COMMITTEE AGENDA REPORT

AGENDA DATE: July 29, 2025
TO: Ordinance Committee
FROM: Community Development Department
SUBJECT: Amendments to Title 30 to Add an Adaptive Reuse Ordinance

RECOMMENDATION:

That Ordinance Committee:

- A. Consider the proposed Adaptive Reuse Ordinance and forward the proposed ordinance to City Council for introduction and adoption;
- B. Determine that the ordinance is exempt from the California Environmental Quality Act (CEQA); and
- C. Determine that the ordinance is consistent with the General Plan, and forward the proposed Adaptive Reuse Ordinance to City Council for introduction and adoption.

EXECUTIVE SUMMARY:

The proposed adaptive reuse ordinance (Attachment 1) facilitates and incentivizes the conversion of nonresidential buildings to housing by offering development incentives. The ordinance would allow adaptive reuse projects anywhere in the City that allows multi-unit residential use (shown in Attachment 2), except the coastal zone, provided that the building is at least five years old. The development incentives for adaptive reuse projects allow unlimited residential density and reduce or eliminate requirements for open yard, parking, and setbacks. Adaptive reuse projects are further incentivized with a waiver of pre-application and concept review requirements.

The adaptive reuse ordinance implements Housing Element Program HE-1: Facilitate Conversion of Nonresidential Buildings to Housing from the 2023–2031 Housing Element.

DISCUSSION:

Adaptive reuse is the process of converting buildings from their original purpose to accommodate new uses. Commonly used to revitalize historic structures, adaptive reuse 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.

Background

The proposed adaptive reuse ordinance is the implementation action for Housing Element Program HE-1: Facilitate Conversion of Nonresidential Buildings to Housing, to carry out Housing Element Goal 1: Create New Housing¹. HE-1 directs staff to draft an adaptive reuse ordinance to facilitate the conversion of buildings to multi-unit residential or mixed-use residential spaces. The time frame for completing this program is December 2025. Program HE-1 focused on adaptive reuse of existing buildings in the Central Business District and designated historic resources; however, the current version has been expanded to apply citywide based on direction from City Council and Planning Commission.

City Council provided guidance for the adaptive reuse ordinance in a Joint Work Session with Planning Commission on July 26, 2024. The Planning Commission provided additional feedback on December 12, 2024. The ordinance was further refined through public participation, including multiple focus group interviews, comments at public hearings, and presentations at the Historic Landmarks Commission and Architectural Board of Review on January 29 and March 17, 2025, respectively. The Planning Commission recommended adoption of the ordinance to City Council on June 12, 2025. Minutes from these hearings are included as Attachments 4, 5, and 6.

Overview: Adaptive Reuse Ordinance

Currently, converting a nonresidential space to housing requires zoning modifications because the buildings often don't provide the open yard areas, parking, or setbacks that are required for residential development. The proposed adaptive reuse ordinance would eliminate the need for these zoning modifications and the required discretionary hearing, thereby reducing development risk and expediting the approval process to facilitate conversion to housing.

¹ Housing Element Goal 1: Create New Housing. Create new healthy, safe, and energy-efficient housing that meets community needs, within our resources.

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, such as Assembly Bill 1490 (2023)² or Assembly Bill 2263 (2017)³. Projects that do not meet the minimum requirements of the proposed adaptive reuse ordinance, or projects located in the Coastal Zone⁴, may still pursue a conversion from nonresidential to residential if the proposed use is allowed in the zone; however, these change in use projects would not qualify for the development incentives provided by the adaptive reuse ordinance.⁵

Following is an overview of key provisions in the proposed adaptive reuse ordinance. See Attachment 1 for the proposed ordinance.

Existing Building: The existing building must be at least five years old.

Zones. Allowed in all Title 30 zones that allow multi-unit residential use,⁶ as shown in Attachment 2. The proposed ordinance does not include any changes to the allowed uses within these zones.

Uses. Requires conversion from nonresidential use(s) to a multi-unit residential use or a mixed-use residential project. Adaptive reuse projects cannot involve conversion from or to industrial uses. Existing hotel or similar uses can be converted into housing, but new hotel uses are not allowed in an adaptive reuse project.

Floor Area. Adaptive reuse projects are focused on the interior reuse of space in the existing building. There is no restriction on new floor area for residential use within the shell of the existing building, meaning lofts, mezzanines, and additional floors could be permitted within the building envelope. New floor area outside the existing building envelope is limited to 1) residential amenity space that serves all units on-site, or 2) additions necessary for egress, circulation, accessibility, or other improvements to comply with the Building Code. New floor area additions for residential amenity space are limited

² [Assembly Bill 1490](#): Affordable housing development projects: adaptive reuse (2023). This bill removes local development standards relating to maximum density and floor area ratios, as well as removing requirements for additional parking or open space, for “extremely affordable adaptive reuse projects” creating very low and low income units.

³ [Assembly Bill 2263](#): Designated historic resource: conversion or adaption: required parking (2017). This bill reduces parking requirements for projects adaptively reusing a designated historic resource.

⁴ The adaptive reuse ordinance is proposed as an amendment to Title 30, Zoning—Inland. At present, Title 30 is not in effect in the Coastal Zone. Staff is not proposing to amend Title 28, Zoning—Coastal at this time because Section 30222 of the Coastal Act, and related Local Coastal Plan policies and regulations, clearly prioritize visitor-serving facilities to enhance public opportunities for coastal recreation and access over private residential development.

⁵ Change in use projects may use a modification to request relief from development standards.

⁶ Title 30 has seven zones that allow multi-unit residential: Residential Multi-Unit (R-M), Residential Multi-Unit and Hotel (R-MH), Office Restricted (O-R), Office Medical (O-M), Commercial Restricted (C-R), Commercial General (C-G), and Manufacturing Commercial (M-C), not including coastal-oriented zones.

in size to 600 square feet or 10 percent of the existing floor area, whichever is greater. Additions to comply with Building Code are limited to the minimum square footage necessary to meet compliance. An adaptive reuse project may not demolish nor substantially redevelop the existing building.

Unit Size. Proposed residential units may be up to 800 square feet on average for rental units and 1,200 square feet on average for ownership units.

Inclusionary Housing. Adaptive reuse projects would be required to comply with the existing inclusionary housing requirements⁷ like any other multi-unit or mixed-use housing project. A separate staff effort is underway to study the feasibility of updating the City's inclusionary housing requirements. No change to the current inclusionary housing requirements is included in the proposed adaptive reuse ordinance as such.

Incentives. The four development incentives are:

- Remove density limitations,
- Remove open yard requirements for the new residential use,
- Reduce parking requirements (no parking required beyond the existing quantity on site or what is required by ordinance, whichever is less), and
- Allow residential units to use existing building setbacks.

Process. Eligible adaptive reuse projects can proceed to building permit application without a discretionary land use decision due to the by-right incentives that codify commonly approved zoning modifications.⁸ Additionally, the review process is slightly amended to waive the Pre-Application and Concept Review required for a larger Average Unit-Size Density Incentive Program project. Any changes to a building's exterior that currently trigger design review—either with the Architectural Board of Review or Historic Landmarks Commission—would still trigger design review for adaptive reuse projects.

Planning Commission Recommendation

On June 12, 2025, Planning Commission unanimously recommended that City Council amend the Santa Barbara Municipal Code to add Section 30.185.045, Adaptive Reuse Projects.⁹ The motion included minor changes to the ordinance (listed below), a recommendation to report on adaptive reuse projects in the General Plan Annual Progress Report, and a recommendation to “accelerate consideration” to City Council

⁷ Ownership units per Chapter 30.160, Inclusionary Housing. Rental units per Section 30.150.110, Inclusionary Requirements for Rental Housing Projects.

⁸ Zoning modification decisions are made by the Staff Hearing Officer or Planning Commission at a noticed public hearing.

⁹ Planning Commission vote: five ayes, two absent (Wardlow, Peterson).

about the separate work effort on inclusionary housing requirements. Staff concurred and has incorporated Planning Commission's recommended changes as follows:

- Change the minimum building age from 10 years to 5 years (Section 30.185.045.B.2)
- Change the maximum average unit size for rental units from 1,200 square feet to 800 square feet (Section 30.185.045.G.1)
- Change the maximum average unit size for ownership units from 2,000 square feet to 1,200 square feet (Section 30.185.045.G.2)

BUDGET/FINANCIAL IMPACT:

This action does not have a budget/financial impact on the City.

SUSTAINABILITY IMPACT:

Adaptive reuse is considered sustainable development because it extends the life of existing buildings and reduces construction waste. This minimizes the environmental impact not only because of the reduced waste, but also the reduced need for new construction materials with their associated carbon footprint.

ENVIRONMENTAL REVIEW:

Staff has determined this action qualifies for an exemption from further environmental review under Section 15061(b)(3) [General Rule] of the California Environmental Quality Act (CEQA) Guidelines because it can be seen with certainty that the ordinance will not have a significant effect on the environment. The proposed adaptive reuse ordinance establishes a regulatory framework for converting existing structures to residential or mixed-use development and does not directly approve or authorize any specific construction, nor does it grant entitlements or directly result in any physical changes to the environment. Staff evaluated the ordinance in terms of land use, unit quantities, additions to the building envelope, and potentially contaminated soils.

- *Change in Use:* Adaptive reuse projects are simply a subset of change in use projects allowed under the current zoning ordinance. These projects are already allowed to convert from an existing nonresidential use to residential units, consistent with General Plan land use designations. The ordinance does not change allowed uses in a zone and, therefore, does not result in new impacts compared to the existing regulatory setting.
- *Residential Unit Quantities:* In adaptive reuse projects, the number of new residential units is limited by the size of the existing building envelope and building code standards, rather than by density limitations. These units replace existing nonresidential uses, potentially resulting in lower environmental impacts compared

to existing conditions. The number of units facilitated by the adaptive reuse ordinance is not anticipated to exceed any established regional growth forecasts or the Regional Housing Needs Allocation; therefore, the proposed ordinance would not have any growth-inducing impacts.

- *Existing Building Envelope:* Any project altering the façade or adding floor area outside the existing building envelope requires a discretionary permit and design review under the current zoning ordinance, which would be subject to site-specific environmental review. This requirement remains unchanged for adaptive reuse projects; therefore, the ordinance would not approve physical changes that would result in environmental impacts without site-specific environmental review.
- *Environmental Review:* Adaptive reuse projects requiring a discretionary entitlement will continue to be subject to environmental review. For projects that do not trigger discretionary review, environmental requirements remain the same as for other allowed change in use projects, with one exception: if an adaptive reuse project involves foundation work or soil disturbance in areas where contaminated fill may be present, the appropriate agency must determine that the site is suitable for residential occupancy. This new requirement would increase safety from hazardous sites for adaptive reuse projects. As written, the proposed ordinance provides an added environmental safeguard related to public health protection, further reducing the possibility of adverse environmental effects.

ATTACHMENTS:

1. Proposed Section 30.185.045, Adaptive Reuse Projects
2. Map of Title 30 Zones that Allow Multi-Unit Residential Use
3. General Plan Policies and Consistency Analysis
4. Planning Commission (June 12, 2025) Minutes
5. Planning Commission (December 12, 2024) Minutes
6. Joint City Council and Planning Commission Work Session (July 26, 2024) Minutes

PREPARED BY: Dana Falk, Project Planner

SUBMITTED BY: Allison DeBusk, Interim Community Development Director

APPROVED BY: Kelly McAdoo, City Administrator

ORDINANCE NO. _____

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 OF TITLE 30 PERTAINING TO
REGULATIONS FOR ADAPTIVE REUSE PROJECTS

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 Projects.

Adaptive reuse projects shall be located, developed, and operated in compliance with the following
standards:

- A. **Purpose.** The purpose of this section is to encourage and facilitate the conversion of
existing nonresidential buildings into new residential uses.
- B. **Definitions.** The following words or phrases as used in this section shall have the following
meanings:
 - 1. ***Adaptive Reuse Project.*** A change of use of all or any portion of an existing
building envelope from nonresidential use to one or more new residential units.
 - 2. ***Existing Building Envelope.*** The building volume within the fully enclosed
exterior walls, foundations, roof, windows, and doors of a building that existed with a final
inspection/certificate of occupancy issued at least 5 years prior to the date of application
submittal for an adaptive reuse project.
- C. **Where Allowed.** Adaptive reuse projects are allowed in all zones that allow multi-unit
residential use, subject to the development standards in this section.
- D. **Conversion Types.** Adaptive reuse projects may only convert:
 - 1. Nonresidential land uses to a residential use.

AMENDMENTS TO TITLE 30
Staff Draft Showing Changes
From Current Code

2. Nonresidential land uses to either mixed use or live-work, consistent with the land uses allowed by the zone.

3. The following uses are prohibited in an adaptive reuse project:

- a. New Hotel or Similar Use
- b. New or conversion of Industrial Uses

4. Notwithstanding any of the foregoing, any existing floor area may convert to an adaptive reuse project if allowed by State law; 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.

E. **Existing Buildings.** An adaptive reuse project shall be located within the existing building envelope, with no additions proposed outside the building volume, except as follows:

1. Maximum 600 square feet or 10% of the existing building floor area, whichever is greater, of additional floor area is allowed outside the existing building envelope to provide residential amenities that serve all units on-site (such as a laundry room, bicycle storage room, or recreation room).

2. Additions necessary for egress, circulation, accessibility, or other improvements to comply with the Building Code, are allowed outside the existing building envelope, up to the minimum size required by the Building Code.

3. Residential additions may be constructed within the existing building envelope, such as mezzanines and lofts.

F. **Demolition.** An adaptive reuse project shall not demolish or substantially redevelop the existing building as defined in Section 30.140.200, Substantial Redevelopment.

G. **Average Unit Size.** All the residential units in an adaptive reuse project must meet the standards in Section 30.140.150, Residential Unit, and shall not exceed the following average unit size:

- 1. ***Rental Units:*** 800 square feet
- 2. ***Ownership Units:*** 1,200 square feet

AMENDMENTS TO TITLE 30
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From Current Code

Exception: The Community Development Director may approve larger unit sizes with a determination that the unit sizes are necessary to accommodate the existing building size or shape; the location of building elements such as vertical circulation, exterior windows, access doors; or to facilitate the legalization of preexisting unauthorized residential units.

H. **Required Ground Floor Nonresidential Space on State Street.** For 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 onto 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. **Development Incentives.** Adaptive reuse projects are entitled to the following incentives:

1. **Density.** The addition of residential units shall not be counted toward the maximum residential density limits applicable for the lot.
2. **Open Yard.** Any minimum open yard areas required for residential uses shall not apply.
3. **Setbacks.** Existing building setbacks shall remain, and any setback requirements related to the conversion of existing buildings to residential use shall not apply. Additions to the existing building envelope to accommodate new floor area as specified in Subsection E, may continue nonconforming setbacks.
4. **Parking.** An adaptive reuse project is not required to provide additional automobile parking spaces, if all the following conditions are met:
 - a. Bicycle parking in accordance with Chapter 30.175, Parking Regulations, is provided.
 - b. Parking spaces shall be maintained, or may be reduced or increased, in accordance with the requirements of Chapter 30.175, Parking Regulations; except that when calculating the minimum number of parking spaces for residential units, the required number shall not exceed one space per unit.
 - c. Any requirement to provide electric vehicle supply equipment or parking spaces that are accessible to persons with disabilities is met.

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J. **Review Process.**

1. ***Building Permits.*** Adaptive reuse projects must comply with applicable state and local building codes and require approval of a building permit. Alternative building standards shall be considered pursuant to the California Existing Building Code and the California Historic Building Code, as applicable.
2. ***Discretionary Review.*** Adaptive reuse projects shall be exempt from all City discretionary review with the following exceptions:
 - a. If the project is in the coastal zone, an application for a Coastal Development Permit shall be submitted as required by Chapter 30.210, Coastal Permits.
 - b. If the project includes a subdivision, an application shall be submitted as required by Title 27, Subdivisions. The incentives identified in subsection 30.185.045.I, Development Incentives, shall apply to condominium development, notwithstanding Section 27.13.060, Physical Standards for Condominiums.
 - c. If the project includes allowed additions, or exterior alterations, it will be processed according to the discretionary review procedures (e.g., design review, development plan) applicable to multi-unit residential or mixed-use development in the same zone except as follows:
 - i. Adaptive reuse projects are exempt from any mandatory pre-application or concept review.
 - ii. Minor design alterations, as specified in the applicable Design Guidelines, may be approved as a ministerial action by the Community Development Director without review by the Design Review body.
3. ***Inclusionary Housing.*** An adaptive reuse project shall include inclusionary housing consistent with Chapter 30.160, Inclusionary Housing, or Section 30.150.110, Inclusionary Requirements for Rental Housing Projects, as applicable.
4. ***Historic Resources.*** Adaptive reuse projects for Designated Historic Resources must comply with Chapter 30.157, Historic Resources.

AMENDMENTS TO TITLE 30
Staff Draft Showing Changes
From Current Code

5. ***Contaminated Fill.*** If an adaptive reuse project is proposed in the “Area of Potential Contaminated Fill,” as identified on a map on file with the Community Development Department – Planning Division, and there is ground disturbance or foundation repair proposed as part of the project, it shall not be approved unless the applicable agency makes a determination pursuant to subdivision (c) of Section 25296.10 of the Health and Safety Code, that the site is suitable for residential use.

SECTION 2. Severability

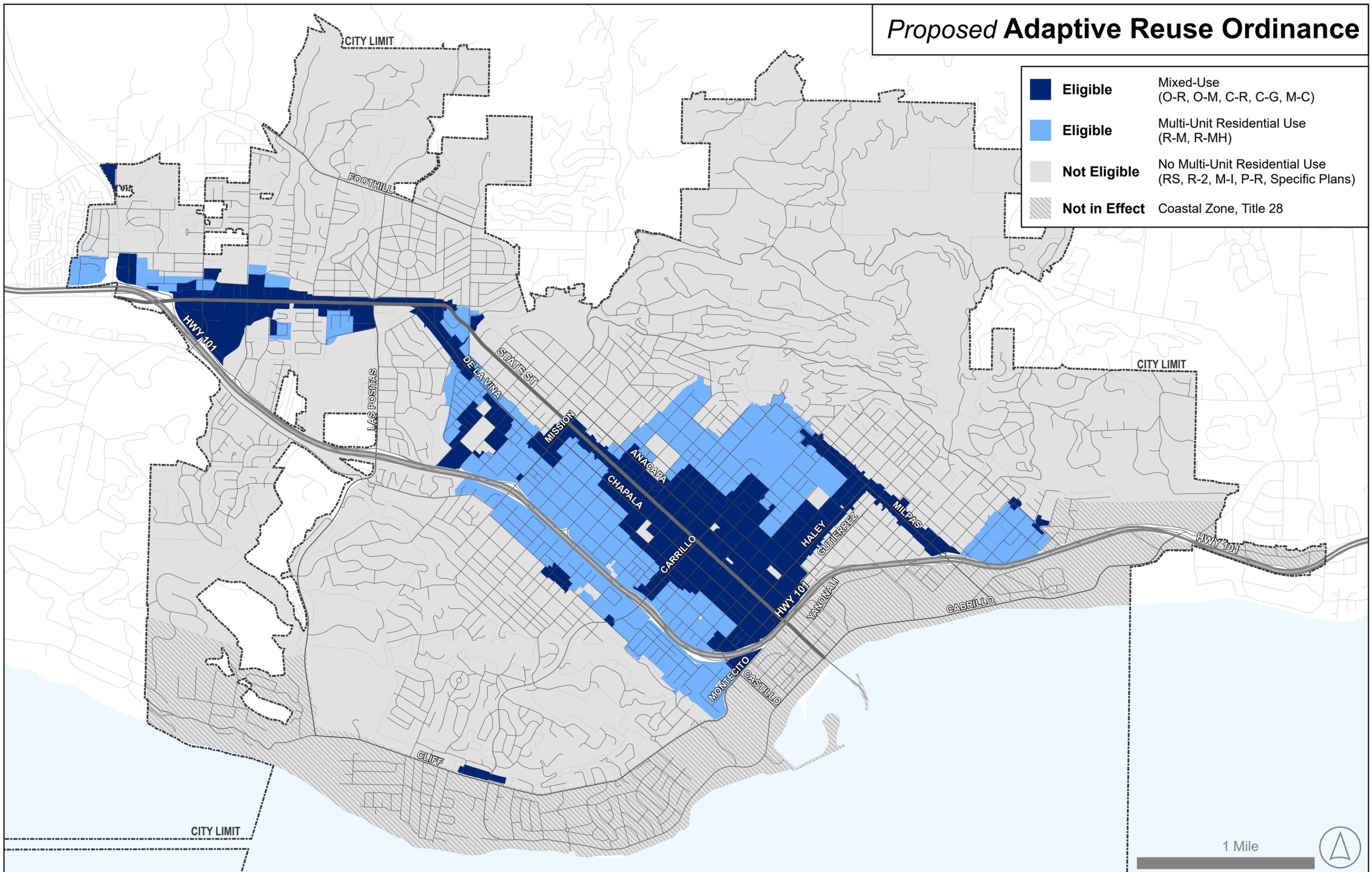
If any provision of this Ordinance or the application thereof to any persons or circumstances is held invalid, such invalidity shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision or application and, to this end, the provisions of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

SECTION 3. California Environmental Quality Act

This action is exempt from further environmental review pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15061(b)(3) [General Rule]. The proposed adaptive reuse ordinance establishes a regulatory framework that facilitates the conversion of existing structures to residential or mixed use development and does not directly approve or authorize any specific construction nor does it grant entitlements or directly result in any physical changes to the environment.

Proposed Adaptive Reuse Ordinance

	Eligible	Mixed-Use (O-R, O-M, C-R, C-G, M-C)
	Eligible	Multi-Unit Residential Use (R-M, R-MH)
	Not Eligible	No Multi-Unit Residential Use (RS, R-2, M-I, P-R, Specific Plans)
	Not in Effect	Coastal Zone, Title 28



GENERAL PLAN POLICIES AND CONSISTENCY ANALYSIS

Staff has determined that the Adaptive Reuse Ordinance is consistent with General Plan policies and programs that encourage adaptive reuse, a mix of land uses, sustainable neighborhood planning, and infill housing.

Consistency Analysis	General Plan Policies
<p>The adaptive reuse ordinance is consistent with General Plan policies supporting adaptive reuse. The ordinance creates development incentives to facilitate adaptive reuse projects that convert existing nonresidential buildings to housing.</p>	<p>Housing Element, Policy 1.3 Adaptive Reuse</p> <p>Economic and Fiscal Health Element, EF12. Re-Use of Commercial Space</p> <p>Historic Resources Element, HR4. Adaptive Reuse</p>
<p>The adaptive reuse ordinance is consistent with General Plan policies supporting infill housing, efficient development, and sustainable neighborhoods. The ordinance intends to revitalize and reuse existing buildings in zones that allow multi-unit residential uses to focus adaptive reuse projects in areas near jobs, commercial services, and transit.</p>	<p>Land Use Element, LG4. Principles for Development</p> <p>Land Use Element, LG15. Sustainable Neighborhood Planning</p> <p>Housing Element, Policy 1.1 Sustainable and Livable Neighborhoods</p> <p>Housing Element, Policy 1.2 Infill Housing</p> <p>Housing Element, Policy 1.7 Prioritize Housing and Community Benefit</p> <p>Circulation Element, 8.5 Downtown Housing</p> <p>Circulation Element, 13.2 Compact Development</p>
<p>The adaptive reuse ordinance is consistent with General Plan policies to protect industrial use. The ordinance excludes industrial uses thereby protecting those uses by not allowing their conversion in projects using the ordinance.</p>	<p>Land Use Element, LG8. Manufacturing Uses</p> <p>Economic and Fiscal Health Element, EF15. Protect Industrial Zoned Areas</p>

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Consistency Analysis	General Plan Policies
<p>The adaptive reuse ordinance is consistent with General Plan policies supporting active transportation. The ordinance reduces parking requirements while maintaining all bicycle and pedestrian requirements to promote active transportation modes and goals.</p>	<p>Land Use Element, LG4. Principle for Development</p> <p>Land Use Element, LG15. Sustainable Neighborhood Planning</p> <p>Housing Element, Policy 1.1 Sustainable and Livable Neighborhoods</p> <p>Circulation Element, 7.7 Bicycle Parking and Other Needs</p>
<p>The adaptive reuse ordinance is consistent with General Plan policies for more flexible and fewer regulations that may impede housing development. The ordinance provides development incentives directly correlated to residential uses to reduce constraints and allows for more flexibility in other standards.</p>	<p>Housing Element, Policy 1.6 Reduce Constraints</p> <p>Housing Element, Policy 1.8 Flexible Standards</p>
<p>The adaptive reuse ordinance is consistent with General Plan policy to minimize demolition. The reuse of existing buildings reduces demolition and upcycles existing buildings.</p>	<p>Historic Resources Element, HR3. Discourage Demolition</p>

Land Use Element

Goals

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.

Policies

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.

LG8. Manufacturing Uses. Preserve and encourage the long-term integrity of light manufacturing uses.

- LG8.2 Limit Residential
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

Goals

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

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

Policies

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

Programs

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)

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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

Economic and Fiscal Health Element

Goals

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.

Policies

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

Goals

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.

Policies

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

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

Policies

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.



City of Santa Barbara

PLANNING COMMISSION

MINUTES

JUNE 12, 2025

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

COMMISSION MEMBERS:

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

CITY COUNCIL LIAISON:

Mike Jordan

STAFF:

Tava Ostrenger, Assistant City Attorney
Ellen Kokinda, Acting City Planner
Jasper Carman, Commission Secretary

CALL TO ORDER

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

I. ROLL CALL

Vice Chair Lucille Boss, Commissioners Brian Barnwell, John M. Baucke, Donald DeLuccio, Benjamin Peterson (until 2:31 p.m.), and Lesley Wiscomb

Absent: Chair Devon Wardlow

STAFF PRESENT

Allison DeBusk, Interim Community Development Director
Tava Ostrenger, Assistant City Attorney
Ellen Kokinda, Acting City Planner
Tina Dye, Chief Building Official
Rosie Dyste, Acting Principal Planner
Brenda Beltz, Planning Analyst
Dana Falk, Project Planner
Christopher Bell, City TV Production Supervisor
Janet Ahern, City TV Production Specialist
Jasper Carman, Commission Secretary

II. PRELIMINARY MATTERS

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

No requests.

B. Announcements and appeals:

Ms. Kokinda announced the following:

1. The mixed-use development at 418 N. Milpas St. has been appealed and will be heard at City Council on August 12, 2025.
2. The development at 633 E. Cabrillo Blvd. has been appealed and is slated to be heard at City Council on September 23, 2025. This appeal date will be confirmed at the City Council hearing next Tuesday, June 17, 2025.
3. The next Planning Commission hearing on June 19, 2025 is cancelled due to the Juneteenth holiday. The following hearing on July 3, 2025 is confirmed and will include a lunch meeting for legislative updates.

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

1. May 15, 2025 Planning Commission Minutes
2. Planning Commission Resolution No. 003-25
500 James Fowler / End of Runway 33
3. Planning Commission Resolution No. 004-25
633 E. Cabrillo Blvd. / Hilton Santa Barbara Beachfront Resort

MOTION: DeLuccio / Wiscomb

Approve the minutes and resolutions as presented.

The motion carried by the following vote:

Ayes: 6 Noes: 0 Abstain: 0 Absent: 1 (Wardlow)

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

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

III. NEW ITEM

ACTUAL TIME: 1:04 P.M.

HE-1 ADAPTIVE REUSE ORDINANCE

Application Number: PLN2024-00411

Applicant: City of Santa Barbara, Planning Division

The adaptive reuse ordinance implements Housing Element Program HE-1 from the 2023–2031 Housing Element, with the purpose of facilitating conversion of nonresidential buildings to housing.

The discretionary actions under the jurisdiction of the Planning Commission at this hearing are:

- A. Recommendation to City Council to amend the Santa Barbara Municipal Code to add Section 30.185.045, Adaptive Reuse Projects,

- B. Recommendation to City Council to determine that the adaptive reuse ordinance is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3), and
- C. Recommendation to City Council to determine that the adaptive reuse ordinance is consistent with the General Plan.

EX PARTE COMMUNICATION: Commissioner Barnwell disclosed an ex parte communication with a public commenter, Ben Romo, regarding his written public comment submission.

Dana Falk, Project Planner, gave the Staff presentation. Allison DeBusk, Interim Community Development Director; Tina Dye, Chief Building Official; Rosie Dyste, Acting Principal Planner; and Brenda Beltz, Planning Analyst were available to answer questions.

Public comment opened at 1:18 p.m., and the following individuals spoke:

1. Rob Fredricks
2. Linda Honikman on behalf of Strong Towns Santa Barbara
3. Ben Romo
4. Lisa Carlos
5. Steve Johnson

Written correspondence from Pat Saley, Steve Johnson, Ben Romo, Fran Galt, Dianne Black on behalf of the League of Women Voters of Santa Barbara, Craig Minus on behalf of the Coastal Housing Coalition, Peter Lewis, Matt Gries on behalf of the AIA Santa Barbara, and Strong Towns Santa Barbara was acknowledged.

Public comment closed at 1:33 p.m.

MOTION: Baucke / Wiscomb

Approve the ordinance, making the findings for the Recommendation to City Council as outlined in the Staff Report dated June 5, 2025, with the following modifications to the ordinance:

1. In section 1, subsection B, definition 2 “Existing Building Envelope”, modify the certificate of occupancy down to 5 years prior.
2. In section 1, subsection G, change the rental unit size to 800 square feet and ownership unit size to 1,200 square feet.
3. The Commission requests an update on adaptive reuse projects in the Annual Housing Element Progress Report.
4. The Commission strongly recommends to City Council that the inclusionary housing in-lieu fees program gets accelerated consideration as it is preferred over in-lieu deed restricted units.
5. Consider treating in-lieu fees differently or waiving them altogether for adaptive reuse projects in the Central Business District.

The motion carried by the following vote:

Ayes: 5 Noes: 0 Abstain: 0 Absent: 2 (Peterson and Wardlow)

IV. ADMINISTRATIVE AGENDA

ACTUAL TIME: 2:38 P.M.

A. Committee and Liaison Reports:

1. Staff Hearing Officer Liaison Report

Commissioner DeLuccio reported on the Staff Hearing Officer meeting of June 11, 2025.

2. Other Committee and Liaison Reports

- a. Commissioner Wiscomb reported on the Waterfront Harbor Community Survey.
- b. Commissioner DeLuccio reported on the June 4, 2025 meeting of Historic Landmarks Commission.

B. Discussion on Subcommittees and Workshops

No discussion held.

V. ADJOURNMENT

Vice Chair Boss adjourned the meeting at 2:41 p.m.

Submitted by,



Jasper Carman, Commission Secretary



City of Santa Barbara

PLANNING COMMISSION

MINUTES

DECEMBER 12, 2024

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

COMMISSION MEMBERS:

John M. Baucke, *Chair*
Devon Wardlow, *Vice Chair*
Brian Barnwell
Lucille Boss
Donald DeLuccio
Sheila Lodge
Lesley Wiscomb

CITY COUNCIL LIAISON:

Mike Jordan

STAFF:

Tava Ostrenger, Assistant City Attorney
Megan Arciniega, Senior Planner
Kira Esparza, Administrative Assistant

CALL TO ORDER

Chair Baucke called the meeting to order at 1:01 p.m.

I. ROLL CALL

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

Absent: Sheila Lodge

STAFF PRESENT

Tava Ostrenger, Assistant City Attorney
Allison DeBusk, City Planner
Dan Gullett, Principal Planner
Dana Falk, Project Planner
Brenda Beltz, Planning Analyst
Jessica Grant, Supervising Transportation Planner
Christopher Bell, City TV Production Supervisor
Janet Ahern, City TV Production Specialist
Kira Esparza, Administrative Assistant
Jasper Carman, Commission Secretary

II. PRELIMINARY MATTERS

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

No requests.

B. Announcements and appeals:

Ms. DeBusk announced the following:

1. On December 10, 2024 City Council heard the appeal at 17-21 West Montecito, which they denied, upholding the project and the Planning Commission's conditions of approval and findings.

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

Public comment opened at 1:02 p.m., and as no one wished to speak, it closed.

III. **DISCUSSION ITEM**

ACTUAL TIME: 1:02 P.M.

HE-1 ADAPTIVE REUSE ORDINANCE DISCUSSION

Application Number: PLN2024-00411

Applicant: City of Santa Barbara, Planning Division

Discussion of a draft adaptive reuse ordinance intended to facilitate conversion of existing nonresidential buildings to housing. The draft adaptive reuse ordinance implements the 2023–2031 Housing Element Program HE-1: Facilitate Conversion of Nonresidential Buildings to Housing.

The Planning Commission will receive a presentation on the draft adaptive reuse ordinance, receive public comment, hold a discussion, and provide feedback to staff. No formal action will be taken at this meeting.

Staff Contact: Dana Falk, Project Planner

DFalk@SantaBarbaraCA.gov, (805) 564-5470, ext. 4556

Staff Report*

**Available for viewing online at SantaBarbaraCA.gov/PC*

Dana Falk, Project Planner, gave the Staff presentation. Dan Gullet, Principal Planner; Brenda Beltz, Planning Analyst, and Jessica Grant, Supervising Transportation Planner, were available to answer questions.

*** THE COMMISSION RECESSED FROM 1:06 TO 1:28 P.M. ***

Public comment opened at 1:54 p.m., and the following individuals spoke:

1. Karl Hutterer
2. Ben Romo
3. Brian Cearnal

Written correspondence from Patricia Saley, Ben Romo, and Peter Lewis was acknowledged.

Public comment closed at 2:05 p.m.

Commissioner comments:

Commissioner Boss:

- Appreciates the background and years of work that have gone into this, having gone through the Housing Element and feedback from several different City Councils and Planning Commissions.
- Thanks Staff and recognizes the complexity.
- Glad to see that it not only complies with State laws, but goes beyond State incentives too. That is something they are already hearing from developers that it will encourage housing.
- In next Housing Element update cycle, it would be helpful to include potential adaptive reuse opportunities in suitable sites inventory.
- The Adaptive Reuse Ordinance should expand and apply to all of Title 30 where residential is allowed, including M-C but excluding Single Family.
- It might be helpful to have a percentage rather than the specified 35-foot depth in regard to the required ground floor nonresidential space on State Street.

Commissioner Wiscomb:

- Agrees with Commissioner Boss' comment to expand adaptive reuse to all residential zones excluding the Single Family zones.
- Agrees with Commissioner Boss' comment about using a percentage rather than a 35-foot depth for nonresidential space on State Street, and would also like to see some flexibility on the additional 250 sq. ft. allowance. Maybe some sort of percentage or a "and/or" scenario to try to avoid limiting developers.
- It is imperative that Staff continues to work with the Creeks Division on SWMP regulations. There may be a possibility of identifying buildings downtown that are adjacent to one another that could share stormwater facilities if they need to be changed or upgraded. There should be creative ways to incentivize adaptive reuse.
- Agrees with Commissioner DeLuccio that Historic Landmarks Commission involvement would play an important role.
- In-lieu fees need to be finalized as soon as possible. Pleased to hear Mr. Gullett say that it is ahead of where it's supposed to be at this point in time, but it has been a stumbling block to Downtown development and needs to be done so housing can be built. Would like to see the in-lieu fees deposited into the Affordable Housing Trust Fund and then let the experts that build affordable housing do their part, and the developers who build residential housing without the inclusionary portion do their part.
- Appreciates the incentives that have been developed. They are very well thought out.
- Planning Staff have done a really thorough job, and have had great answers to all questions asked.
- Wants to see this go through and start to work for us. There may be a few more steps that need to happen before it works, but it's on its way.

Commissioner DeLuccio:

- Would love to see it expand to all Title 30 zones where residential is permitted, but at the same time it would be good to even see this get adopted because it's more than we have now.
- In regard to the first floor requirements, likes the approach where it's not square footage but instead it's a percentage.

- Thanks Staff for reducing the requirement from 100% very low or low income to 50% that can be moderate, low, or very low income to qualify because that will help us with the missing middle and to address workforce housing.
- Glad that buildings would have to stay within the footprint for adaptive reuse and if there is open space already, that it would have to be preserved.
- Supports any kind of streamlining processes that can be done. Reduction of fees as a result of streamlining would be welcomed by the community and developers.
- Would like to see Staff who can address stormwater runoff questions more in depth at the next hearing.
- Supports in-lieu fees into the housing fund in lieu of putting the units on site.
- Thanks Staff and thinks they have done a wonderful job.

Vice Chair Wardlow:

- Thanks staff and recognizes this has been a long time coming and there has been substantial progress made.
- Supports a lot of the adjustments that have been made and are proposed.
- The Commission would really like to see the Adaptive Reuse Ordinance apply to every area of the city under Title 30 that allows residential except for single family residential. That is really crucial to getting this done now, as it has been explained that it is very unlikely that this will come back and be amended in the near future. We should get it right the first time because it would be a missed opportunity and we want to make sure that we have the most eligible sites that are available to utilize this program.
- Agrees with flexibility on the building envelope piece that some of the Commissioners have mentioned. Moving to a percentage may make more sense but wants to make sure that the flexibility is there. It might need to be more clear for developers.
- It is very important that we get the same type of flexibility language that we are including for other components of eligibility to be included around the stormwater requirements. Defers to Staff on what that's going to take to work with the Creeks Department, but really hopes that next time either there is a representative from Creeks or that this is addressed with some type of language. We should proactively address any issues since this will not be amended later.
- Strongly believes that the inclusionary requirement should be included and maintained as required in the Central Business District. Is very excited to see the upcoming feasibility study and knows everyone is anxiously awaiting this as the hope is that we are increasing the inclusionary and in-lieu fees. As an example, the City of Santa Monica requires 30% inclusionary that is applied across the City and across the board in their adaptive reuse policy. We are at 10% and she looks forward to the study coming back and increasing that.
- Excited with a lot of the updates that have been made and believes we are really close.

Commissioner Barnwell:

- Recognizes how emphatic the Commission is about the things they want to get done and commends Staff for being so diplomatic.
- The Commissioners are passionate about this and do believe this is a crisis but knows that Staff is under different marching orders. Staff is doing their part very well.
- On the percentage versus the 35-foot depth comment, unsure of how you would figure out that percentage, and is in favor of the 35-foot depth from personal experience.

- We need to work with Creeks and get the stormwater issue ironed out. Unsure of how to do it, it might have to come from the City Council, either way we have to diplomatically arrange how we can work with them to make it happen.
- Believes the incentives are great.
- Appreciates that staff has been able to answer all questions without being flummoxed.
- Likes the open spaces on roofs, but is unsure on how to incentivize it.
- Reiterated how important the in-lieu fees are.
- There needs to be a better discussion of parking.
- Would like to see this expand beyond the Central Business District, maybe not all of Title 30, but areas like the Westside, Haley, State St. or Milpas St. Those areas are similar to the Central Business District.

Chair Baucke:

- It is clear that we need to apply this city wide to the extent feasible and that includes the coastal zone.
- Understands the rationale for focusing the Adaptive Reuse Ordinance on the Central Business District, but would rather be ahead of things instead of chug along in pieces.
- There is a need for consideration for some kind of an allowance and flexibility for additions so modifications can actually look architecturally correct.
- Agrees with Commissioners that the inclusionary requirement, at whatever percentage it is, should be applied as in-lieu fees as these are small projects with few units. The in-lieu fees should be an appropriate dollar amount.
- If there was an enhanced infrastructure finance district in the CBD, when the project's assessed valuation increases upon completion, the additional tax revenue that comes from the property taxes for the higher assessed valuation could be added directly to the housing fund, and would make it no longer a per developer problem. It would be better to have the experts in affordable housing development be those projects that utilize the system instead of trying to incentivize it as a big system.
- Understands that from the City Manager that the City, as part of the BAE feasibility study, will be looking at an enhanced infrastructure finance district.
- The SWMP issues in the downtown area need to be addressed on a system wide basis and all of downtown is treated like a master plan development. Given that the city already is a master plan, a city-wide public works based water quality system would be most effective. This would be another project that could be paid for by the enhanced infrastructure finance district, and the taxes that could be recaptured by the radically different assessed property valuations once projects are completed can be used for the public benefit of the whole downtown area
- Supports the square footage requirements and appreciates the flexibility while not promoting larger than needed units. Open to a conversation in the future about potential micro units.
- Important to analyze the building code issues and fire code issues. Encourages Staff to have a conversation with the Fire Chief about systems that can provide the necessary requirements but aren't the most expensive options on the market. Feels that a building going from not having sprinklers to having them so they are up to code is a large enough step that they don't need to be the most expensive sprinklers out there.
- Agrees with Commissioners and public comments that this needs to be applied city wide. We need more supply and going city wide will give us more housing supply.
- Thanks Staff for confirming that rooftop facilities would be helpful and could be done.

- The City should come up with an understanding of what parking is currently available and how the Central Business District parking could operate as a system, how to allow residential uses when parking lots are under parked. We should come up with a system that is a much more proactive use of parking.
- There needs to be a minimum depth of active commercial space on State St, and the 35 feet does serve the purpose of activation. Percentages could be combined with 35 feet depth minimum, but does not recommend getting rid of the 35 feet.

IV. **ADMINISTRATIVE AGENDA**

ACTUAL TIME: 3:40 P.M.

A. Committee and Liaison Reports:

1. Staff Hearing Officer Liaison Report

Commissioner Boss reported on the Staff Hearing Officer meeting of December 11, 2024.

2. Other Committee and Liaison Reports

No reports.

B. Discussion on Subcommittees and Workshops

No discussion held.

V. **ADJOURNMENT**

Chair Baucke adjourned the meeting at 3:41 p.m.

Submitted by,



Kira Esparza, Administrative Assistant



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.

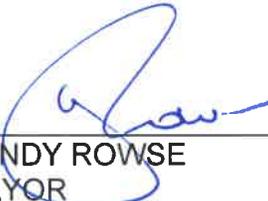
ADJOURNMENT

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



CITY OF SANTA BARBARA

ORDINANCE COMMITTEE AGENDA REPORT

AGENDA DATE: July 29, 2025

TO: Ordinance Committee

FROM: Public Works Department

SUBJECT: Introduction of Ordinance for Water Metering for Adaptive Reuse Projects

RECOMMENDATION:

That Ordinance Committee forward to Council for introduction, an Ordinance of the Council of the City of Santa Barbara Amending Section 14.08.150 of the Santa Barbara Municipal Code Relating to Water Meters for Adaptive Reuse Projects.

DISCUSSION:

Staff is recommending updates to Section 14.08.150 of the City's Municipal Code, Title 14, which governs the City's water system. The updates are related to water metering requirements for adaptive reuse projects, as described below.

Background

To promote water-use efficiency, the City of Santa Barbara (City) has a long-standing requirement that each new dwelling unit must be served by a separate City water meter. Separate metering establishes a relationship directly between the City and the end water user for purposes of billing, communication, and water use information. The City requires that its water meters be located at the curb line of the street to allow for meter reading and maintenance. In cases where it is not physically feasible to place all the required water meters in the public right-of-way, the Public Works Director may authorize a City master meter to be installed at the curb with individual, privately owned submeters on private property.

On January 28, 2025, City Council adopted an ordinance amending section 14.08.150 of the Municipal Code, which waived the requirement for separate water metering or submetering of individual residential units specifically for adaptive reuse projects where one hundred percent of units are affordable to very low or low income households. At the ordinance introduction Council meeting on January 14, 2025, City Council directed staff to examine water metering requirements for all adaptive reuse projects, regardless of affordability.

In response to City Council's request, Public Works staff have considered water metering requirements for adaptive reuse projects with no affordability requirements, and have been coordinating with Community Development while they develop an ordinance adopting development incentives for adaptive reuse projects. Staff researched the policies of other water agencies and learned that other agencies are allowing private submetering. Staff also discussed with local developers, architects, and property managers to gain insight on their experiences with installing and maintaining private submeters.

Proposed Metering Requirements for Adaptive Reuse Projects

No changes are proposed to the regulations adopted by City Council in January 2025 regarding metering regulations for one hundred percent affordable adaptive reuse projects. This proposed ordinance focuses on adaptive reuse projects that have no affordability requirements.

This ordinance would expand the option of private submetering to all adaptive reuse developments with no affordability requirements, regardless of space constraints in the public right-of-way. Private submetering of residential units will be allowed for projects that qualify as an Adaptive Reuse Project pursuant to Section 30.185.045 of the Santa Barbara Municipal Code, which is a proposed ordinance not yet in effect. The subject ordinance proposed is intended to align with Community Development's proposed ordinance adding Section 30.185.045 to the Municipal Code relating to regulations for adaptive reuse projects.

Other water metering requirements will remain in place, such as applicable irrigation metering specifications and that non-residential uses within the building be metered by City water meters separate from those serving the residential units.

Despite the benefits to the customer and water utility of separate City metering for purposes of customer communication, conservation, and rebate participation, private submetering provides a compromise by removing some upfront construction costs for developers of adaptive reuse projects associated with installing separate City meters, while still retaining some ability for end water users to be aware of their individual water usage via their submeter. This ordinance will also provide developers with more certainty at the outset of their adaptive reuse projects regarding what their water metering requirements will be. Overall, staff anticipates this ordinance will increase flexibility and decrease construction costs for adaptive reuse projects.

BUDGET/FINANCIAL INFORMATION:

The proposed action has no financial impact on the City.

SUSTAINABILITY IMPACT:

These changes only affect residential units that qualify as an Adaptive Reuse Project pursuant to Section 30.185.045 of the Santa Barbara Municipal Code. Additionally,

adaptive reuse projects are commonly located in dense areas with inherently small frontages that would already necessitate private submetering under the current ordinance. Therefore, staff does not anticipate material negative impacts to the City's overall water efficiency goals. These projects will still be required to abide by other water metering and water efficiency regulations as applicable, including but not limited to water efficient landscape standards.

WATER COMMISSION RECOMMENDATION:

This item was presented to Water Commission at its meeting on April 17, 2025, and the Commission voted 3-0-2 (yes, against, and absent, respectively) in support of staff's recommendation. The Water Commission's recommendation and approval supported consistency with Planning Commission.

ATTACHMENT: Ordinance for Water Metering for Adaptive Reuse Projects

PREPARED BY: Joshua Haggmark, P.E., Water Resources Manager/KM

SUBMITTED BY: Brian D'Amour, P.E., Acting Public Works Director

APPROVED BY: Kelly McAdoo, City Administrator

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF
SANTA BARBARA AMENDING SECTION 14.08.150 OF
THE SANTA BARBARA MUNICIPAL CODE RELATING TO
WATER METERS FOR ADAPTIVE REUSE PROJECTS

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

SECTION 1. Section 14.08.150 of Chapter 14.08 of Title 14 of the Santa
Barbara Municipal Code is amended to read as follows:

14.08.150 New Dwelling Units - Metering Requirements.

A. GENERAL RULE. Every new dwelling unit shall be served by a separate meter, unless submetered service has been authorized or required pursuant to Section 14.08.140(B), or except as provided in Subsection D, E, F, or G of this Section. As used in this Section, dwelling unit has the same meaning as in Titles 28 and 30 of this Code and includes newly constructed units and units resulting from a conversion or subdivision of all or a portion of an existing structure.

B. PROJECTS OF FOUR OR FEWER UNITS. For projects adding four or fewer new dwelling units, common area uses on the lots or parcels within the project including, but not limited to, irrigation, water features (pools, spas, fountains), and shared laundry facilities, may be served by the meter or meters measuring the water supplied to the dwelling units or may be served by a separate meter or meters. For purposes of this Subsection, if a project demolishes an existing dwelling unit and constructs a new dwelling unit in its place, the resulting unit shall be considered a new dwelling unit.

C. PROJECTS OF FIVE OR MORE UNITS. For projects adding five or more dwelling units, a meter measuring only the water supplied to the interior of a dwelling unit shall measure only the water used within the dwelling unit and any adjacent outside area exclusively for occupants of the dwelling unit. All other uses on the lots or parcels within the project, including, but not limited to, irrigation, water features (pools, spas, fountains), and shared laundry facilities, shall be served by one or more meters separate from the meters measuring the water supplied to the dwelling units. For purposes of this Subsection, if a project demolishes an existing dwelling unit and constructs a new dwelling unit in its place, the resulting unit shall be considered a new dwelling unit.

D. LOW INCOME HOUSING PROJECTS. One water meter may serve six residential dwelling units or submetering may be authorized for developments in which

100% of the units, except a manager's unit, are rental units that are affordable to very low or low income households if the following conditions are met:

1. A covenant is recorded in the Official Records of the County of Santa Barbara against the title which states: (a) all of the residential units on the real property shall be rented to very low or low income households, (b) the maximum rent and the maximum household income of tenants shall be determined as set forth in the Affordable Housing Policies and Procedures Manual of the City of Santa Barbara, which is adopted by City Council resolution from time to time, and (c) the maximum rent shall be controlled through recorded documents to assure continued affordability for a term that is consistent with the City's Affordable Housing Policies and Procedures Manual. The City shall be a party to the covenant; and

2. A covenant is recorded in the Official Records of the County of Santa Barbara against the title which states that the development has received a reduction in the number of water meters required because it is a project with 100% affordable units.

In the event that the real property, or any portion thereof, is not or cannot be used solely for very low or low income rental housing, either: (a) the structure(s) shall be redesigned and possibly reconstructed and the number of residential units shall be reduced so that there is compliance with the City's water metering requirements then in effect; or (b) the owner shall provide additional water meters as needed in order to comply with the City's water metering requirements then in effect and owner pay any applicable installation and/or capacity-based fees or costs associated with the additional water meters. The City shall be a party to the covenant.

E. ONE HUNDRED PERCENT AFFORDABLE ADAPTIVE REUSE PROJECTS. The requirement for separate metering or submetering of individual residential units may be waived for residential units that qualify as an Adaptive Reuse Project pursuant to section 30.185.045 of this Code, as may be amended from time to time, resulting from a development consisting of the retrofitting and repurposing of an existing non-residential, if all the following requirements are met:

1. All of the resulting residential units, except a manager's unit, are to be rented to very low or low income households at the maximum rent and with a maximum household income of tenants be determined as set forth in the Affordable Housing Policies and Procedures Manual of the City of Santa Barbara, as adopted by City Council resolution from time to time.

2. Non-residential uses within the building are metered separately from the residential units.

3. A covenant as specified in Subsection D is recorded for the project.

F. ADAPTIVE REUSE PROJECTS. Submetering of individual units may be authorized for residential units that qualify as an Adaptive Reuse Project pursuant to

section 30.185.045 of this Code, as may be amended from time to time, so long as non-residential uses within the building are metered separately from the residential units.

G.F. ACCESSORY DWELLING UNITS. An accessory dwelling unit described in California Government Code Section 66323(a)(1) may be served by the meter serving the lot, unless the accessory dwelling unit is constructed concurrently with a new single family dwelling. All other accessory dwelling units shall be separately metered as provided in Subsection A; provided, however, that the accessory unit may be served by a submeter if the meter for the property has sufficient capacity to serve both the primary and accessory dwelling units. The capacity charge for a separately metered accessory dwelling unit shall be in an amount established by City Council resolution consistent with Government Code Section 66324 (e).

H.G. ULTRA-HIGH WATER USE EFFICIENCY RESIDENTIAL PROJECTS. The Director may approve or require submetered service for a residential project having ultra-high water use efficiency verified by an independent rating institution approved by the Director, provided that a single meter may not serve more than six dwelling units. The Director may adopt an administrative policy for implementation of this subdivision, including standards for ultra-high water use efficiency, determination of meter size, and approval of independent rating institutions.