



**REVISED ADDENDUM TO
2011 GENERAL PLAN PROGRAM ENVIRONMENTAL IMPACT REPORT
(SCH 2009011031)
FOR THE AVERAGE UNIT-SIZE DENSITY INCENTIVE PROGRAM AMENDMENTS
FOCUSED ON THE CENTRAL BUSINESS DISTRICT
July 2, 2020**

This Addendum to the certified Program Environmental Impact Report (PEIR) for the 2011 General Plan documents environmental analysis under the California Environmental Quality Act (CEQA) for the Average Unit-Size Density Incentive (AUD) Program Amendments Focused on the Central Business District (CBD).

This EIR Addendum is prepared in accordance with State CEQA Guidelines Sections 15168 (Program EIR), 15162 (Subsequent EIRs), and 15164 (Addendum to an EIR).

Section 15168 provides that a program EIR may be prepared for a series of actions characterized as one large project, such as a citywide General Plan update. This allows for a comprehensive consideration of policies and effects and avoids later duplicative environmental analysis. When subsequent implementing actions are undertaken, the activities may be approved as within the scope of the plan covered by the program EIR when no new significant effects would occur. Section 15162 identifies criteria requiring a subsequent EIR when project or implementing actions would involve new significant impacts not identified in the prior program EIR.

Section 15164 provides that an addendum to a previous EIR may be prepared for a project or plan if some changes or additions to the previous EIR are necessary, and the changes do not involve new significant impacts or substantial increases in previously identified impacts.

The CEQA Guidelines provide that an EIR addendum need not be circulated for public review, but is attached to the EIR. The decision-making body (City Council) considers the Addendum together with the certified EIR in deciding on the project.

PRIOR ENVIRONMENTAL DOCUMENT

The PEIR for the 2011 General Plan update was certified by the Planning Commission in September 2010 and by City Council in December 2011. The PEIR evaluated citywide effects on the environment from incremental growth to the year 2030 under General Plan policies and programs. The General Plan includes various land use and development policies, including policies creating the AUD Program to incentivize multi-unit housing in the City's urban core. The General Plan adopted in 2011 assumed a growth to the year 2040 of up to 1.85 million square feet of additional nonresidential development and 2,795 additional residential units. This was similar to

the “Hybrid Alternative” analyzed in the PEIR that considered growth to the year 2030 of up to 1.5 million square feet of net additional nonresidential development and 2,795 additional housing units. Several other alternatives were analyzed in the PEIR, including development ranging from 1 million to 2 million square feet of net additional nonresidential development and between 2,000 and 4,360 additional housing units.

Class 1 (Significant, Unavoidable) Impacts

In 2011 the PEIR identified significant traffic and climate change impacts that could not be fully mitigated (Class 1 impacts) from General Plan policies and citywide incremental growth to the year 2030. The PEIR projected that the General Plan could increase congestion at roadway intersections, with a number of intersections exceeding the City’s level of service thresholds. Citywide greenhouse gas emissions were also projected to increase over the 20-year period and, therefore, potentially not meet State AB 32 emission reduction targets for 2020 and then-undefined SB 375 regional targets.

The PEIR also identified that these traffic and climate change impacts could be reduced with expanded transportation demand management measures and intersection improvements. While such mitigation measures were included in the General Plan, City Council found that it was not feasible at that time (in 2011) to develop details of the mitigation measures to the extent necessary to ensure their effectiveness. As such, full mitigation credit was not given for the purpose of CEQA impact analysis and the impact levels remained Class 1 (Significant, Unavoidable). In adopting the General Plan, the City Council adopted findings of overriding consideration that the benefits of the General Plan outweighed these potential significant impacts.

In 2012, the City approved a Climate Action Plan. An Addendum to the 2011 General Plan PEIR was prepared for the City Climate Action Plan that documented further analysis of climate change impacts and demonstrated that, with implementation of the Climate Action Plan, citywide greenhouse gas emissions would be less than significant.

In 2013, the California legislature enacted SB 743, which required that the California Office of Planning and Research (OPR) adopt new guidelines for assessing transportation impacts using vehicle miles traveled. SB 743 stated that when new guidelines are enacted, traffic congestion shall no longer be considered in assessing a significant impact under CEQA. The purpose of SB 743 was to better align transportation impacts analysis under CEQA with the state’s goals of reducing greenhouse gas emissions and traffic-related air pollution and promoting multimodal transportation networks and a diversity of land uses. In January 2019, the OPR issued new CEQA Guidelines for analyzing transportation impacts pursuant to SB 743. Amended Public Resources Code Section 21099 and CEQA Guidelines Section 15064.5 now state that effective July 1, 2020, traffic delay, as measured by level of service or similar measures of vehicular capacity, and traffic congestion shall not be considered significant impacts on the environment pursuant to CEQA. Due to SB 743, all of the Class I significant impacts previously identified in the 2011 PEIR related to traffic congestion and level of service are no longer considered significant environmental impacts pursuant to CEQA.

Class 2 (Potentially Significant, but Avoidable) Impacts

The PEIR analysis identified the following potentially significant impacts that could be mitigated to less than significant levels (Class 2 impacts): air quality (*diesel emissions*); biological resources (*upland and creek/riparian habitats and species*); geological conditions (*sea cliff retreat*); heritage resources (*effects of development on historic resources*); hydrology (*extended range sea level rise*); noise (*transportation noise*); open space (*loss or fragmentation of open space*); public utilities (*solid waste management*); and transportation (*intersections with roadway improvement mitigation; roadway corridor congestion*). Identified mitigation measures associated with these impacts were incorporated into the General Plan as policies and programs.

Class 3 (Less than Significant) Impacts

The PEIR analysis concluded that, with policies and programs already in place, the following other impacts would be less than significant (Class 3 impacts): air quality (*consistency with Clean Air Plan for air quality standards; construction emissions*); biological resources (*grasslands; coastal resources; individual specimen trees*); geological conditions (*seismic, geologic, soil hazards*); hazards (*accident risks, wildfire; hazardous materials*); heritage resources (*archeological and paleontological resources*); hydrology and water quality (*development in floodplains and near creeks; storm water runoff; water quality of creeks, groundwater, coastal and marine water*); noise (*noise guidelines; mixed use nuisance noise; construction noise*); open space and visual resources (*scenic views; community character; lighting*); public services (*police; fire protection; parks and recreation; schools*); public utilities (*water supply, wastewater treatment*); and transportation (*reduction in per capita vehicle commute trips - Class 4 beneficial*).

Additional Environmental Analysis

The PEIR also included a detailed analysis of impacts associated with energy, climate change (both greenhouse gas emissions contributing to climate change, and climate change effects on the City), population and jobs/housing balance, and socioeconomic issues.

CURRENT PROJECT DESCRIPTION

The AUD Program Amendments Focused on the CBD (the Project) would amend the City of Santa Barbara Municipal Code and the General Plan to modify the existing AUD Program. These amendments would further encourage the construction of multi-unit housing in the CBD.

In 2013, the AUD Program was adopted into the Municipal Code and carried out a key implementation action of the City's 2011 General Plan. The AUD Program facilitates housing development and specifically encourages the construction of smaller residential units near transit and within easy walking and biking distance to commercial services and parks. Increased densities and development standard incentives are allowed in most multi-family and commercial zones of the City to promote additional housing. Rental, employer-sponsored, and limited equity housing

cooperative units that provide housing opportunities to the City's workforce are especially encouraged. The AUD Program includes three density tiers:

- The Medium-High Density tier applies to those lots with a General Plan land use designation of Medium-High Density Residential. The Medium-High density tier allows the development of projects at residential densities ranging from 15 to 27 residential units per acre. The maximum average unit size within this tier varies from 1,450 square feet of floor area to 905 square feet of floor area, depending on the number of units per acre being developed.
- The High Density tier applies to those lots with a General Plan land use designation of High Density Residential. The High Density tier allows the development of projects at residential densities ranging from 28 to 36 residential units per acre. The maximum average unit size within this tier varies from 1,245 square feet of floor area to 970 square feet of floor area, depending on the number of units per acre being developed.
- The Priority Housing Overlay tier applies to lots within the City with a City General Plan land use designation of High Density Residential and lots zoned M-C (Manufacturing Commercial). The Priority Housing Overlay allows the development of projects at residential densities ranging from 37 to 63 residential units per acre. The maximum average unit size within this overlay varies from 970 square feet of floor area to 811 square feet of floor area, depending on the number of units per acre being developed. The densities allowed within the Priority Housing Overlay are only available for rental housing, employer sponsored housing, or limited-equity housing cooperatives.

In addition to increased densities, other development standards including setback, parking, and open yard requirements were adjusted to encourage multi-unit housing in the program area. The AUD Program was originally proposed with a limited initial duration of 8 years (August 2021) or until 250 units were constructed in the High Density or Priority Housing Overlay areas. Policies direct that as the end of the initial trial period approaches, the City should evaluate the program and make adjustments as necessary. Evaluation of the program began in 2016 with the Housing Task Force. City Council gave direction for adjustments in December 2019. Staff estimates that the 250th unit will receive a Certificate of Occupancy in fall or winter of 2020.

A number of amendments to the AUD Program are being considered. This Addendum considers a suite of amendments, acknowledging that some of the changes may not be eventually approved and that would not change the overall environmental findings contained in this document. Potential amendments to the AUD Program being considered are as follows:

- Adding High Density with Priority Overlay in the majority of the CBD, effectively changing the maximum allowable densities for these areas from 15-27 units per acre to 37-63 units per acre (Exhibits 1 and 2).
- Increasing the maximum building height limit from 45 feet to 48 feet in the C-G and M-C Zones, within the Priority Housing Overlay, inside the CBD.
- Eliminating the open yard requirement on properties in the CBD and/or allowing open yard requirements to be met with roof top decks and other designs.
- Changing the parking requirements for multi-unit residential development in the CBD including potentially allowing developers to pay parking in-lieu fees, instead of providing the required on-site parking; limiting parking for units with the use of parking maximums, reduced minimum parking requirements; and allowing for unbundled parking (decoupling the cost of parking from the cost of housing).
- Changing to the expiration date of the AUD Program, including potential removal of any expiration date for the program, thereby resulting in continuation of the program indefinitely.

CHANGES IN ENVIRONMENTAL CIRCUMSTANCES

Since certification of the 2011 PEIR, the following has occurred with respect to land development, water supply, wildfire hazards, and traffic conditions.

Total residential development since 2011 has averaged 121 net new units per year. The development of multi-unit housing has increased as anticipated with the housing policies of the 2011 General Plan and updated 2015 Housing Element. Since 2017, development of accessory dwelling units on single-unit residential parcels has increased due to the passage of several state laws (e.g. SB 1069) that encourage housing production by significantly removing local regulation of accessory dwelling units. Nonresidential development since 2011 has been below that projected in the PEIR (1.85 million square feet to 2030).

The Santa Barbara region has just recovered from a seven-year drought during which the City activated its Water Contingency Plan and required extraordinary water conservation measures that resulted in a substantial decrease in demand. The City also further diversified its existing water supply portfolio.

In 2017, the City experienced what was then considered to be the largest wildfire in California history (Thomas Fire), quickly followed by the catastrophic Montecito Debris Flow that occurred in 2018. The debris flow predominantly affected the unincorporated area of Montecito and a portion of the City at the western end of Coast Village Road, which is not a subject of the current Project.

Gradual changes to traffic conditions have occurred, as was forecasted in the PEIR. The City is currently in the midst of a stay-at-home order due to the COVID-19 pandemic, which has temporarily reduced vehicle traffic, and improved air quality with reduced greenhouse gas emissions and vehicle miles traveled.

PROJECT IMPACTS AND MITIGATION

The Project amends the existing AUD Program to further incentivize multi-unit housing downtown in existing developed urban areas.

The Hybrid Alternative in the PEIR, which was similar to the final adopted 2011 General Plan, assumed that residential buildout between 2008-2030 could result in up to 2,795 new housing units (averaging 127 net new units per year). An Additional Housing Alternative was also analyzed in the PEIR that contemplated a potential for up to 4,360 additional new housing units between 2008-2030 (averaging 198 housing units per year). The additional residential development assumed in the Additional Housing Alternative was achieved through increased allowed densities downtown and allowance for accessory dwelling units in single-family neighborhoods of the City. While the impacts associated with the Additional Housing Alternative were found to be somewhat different than those resulting from the Hybrid Alternative, the impact levels had the same overall class or level of significance and required the same mitigation measures as those adopted for the Hybrid Alternative.

The proposed AUD Program Amendments Focused on the CBD would result in an increase in number of housing units downtown within the scope of the Additional Housing Alternative and would be expected to have similar environmental impacts to those identified in the PEIR. The Additional Housing Alternative contemplated other changes that are not currently proposed in the AUD Program Amendments Focused on the CBD, such as limiting nonresidential growth to 1 million square feet. However, the differences between the Additional Housing Alternative and the current amendments would not result in significant new impacts not contemplated in the PEIR.

Transportation, Greenhouse Gas Emissions, Air Quality, and Noise

The PEIR identified significant unavoidable impacts (Class 1) related to traffic congestion and impacts to level of service on roadways and some city intersections for the Hybrid Alternative. The Additional Housing Alternative places new multi-unit housing downtown near job centers and commercial resources, thereby reducing vehicular trips. The PEIR, therefore, identified a small increase in construction-related traffic associated with the Additional Housing Alternative, but substantially less traffic volumes during the operation phase.

Since the PEIR was certified, the legislature amended the Public Resources Code to eliminate traffic congestion and level of service as a significant impact under CEQA effective July 1, 2020. The purpose of these CEQA amendments was to refocus transportation impacts on vehicle miles traveled, which are a better indicator of potential greenhouse gas emissions and global warming impacts. According to the PEIR, the Additional Housing Alternative would result in a net reduction of vehicle miles traveled compared to the Hybrid Alternative. Similarly, the proposed Project

would reduce vehicle miles traveled as it places housing next to transit corridors, job centers, and commercial resources.

While the Additional Housing Alternative in the PEIR and the subject Project would have somewhat greater construction-related air and greenhouse gas emissions compared to the Hybrid Alternative, they would have substantially lower operational emissions due to reductions in traffic volumes and vehicle miles traveled.

Impacts from increases in roadway noise from the Project would be less than that contemplated in the PEIR for the Hybrid Alternative due to lower traffic volumes anticipated from placing housing near commercial and job centers. Noise impacts from mixing residential and commercial uses would be somewhat greater than the Hybrid Alternative, but mitigated by existing noise policies.

The impacts of the Project associated with transportation, air quality, greenhouse gas emissions, and noise would be within the range of the original project and alternatives studied in the PEIR.

Open Space and Visual Resources

The Additional Housing Alternative envisioned significantly increased densities downtown and along State Street, including the potential for taller and more massive buildings than anticipated with the Hybrid Alternative. The Additional Housing Alternative assumed maximum height limits of 60 feet in downtown commercial areas and 45 feet outside downtown, which was a continuation of height limits in place at the time the PEIR was prepared. The Hybrid Alternative assumed maximum height limits of 45 feet throughout the City with an increase above this limit available with a super-majority vote of Planning Commission and community benefit findings. Analysis of the Additional Housing Alternative showed somewhat greater changes in downtown character and potential obstruction of scenic views than the Hybrid Alternative. However, the PEIR found that impacts to community character and views could be reduced to less than significant levels by application of existing design review standards and the mitigation measures outlined in the PEIR.

The Project would raise maximum height limits downtown from 45 feet to 48 feet without special approval and community benefit findings. This increase of height limit by 3 feet would not substantially impact visual resources and would be well below the height limits of 60 feet proposed analyzed under the Additional Housing Alternative in the EIR. The impacts of the Project associated with visual resources would be within the range of the original project and alternatives studied in the PEIR.

Historic and Cultural Resources

The analysis of the Additional Housing Alternative in the PEIR found that while increased allowable densities could increase the number of multiple story buildings downtown that could

potentially affect historic structures, application of existing design policies and mitigation measures in the PEIR would reduce any impacts to less than significant.

As the Project would increase densities through infill and redevelopment of existing developed urban areas, the Project would not change impact levels to archaeological or paleontological resources from those contained in the PEIR.

Assembly Bill 52, passed in 2014, requires consultations with California Native American Tribes in compliance with Government Code §65352.3(a)(1) and Public Resources Code § 21080.3.1 for a wider range of projects than previously required when the PEIR was certified. The City, therefore, conducted tribal consultations in compliance with these code sections for the subject Project. On December 10, 2019, in compliance with Government Code §65352, the City of Santa Barbara contacted the Barbareno/Ventureno Band of Mission Indians, Chumash Council of Bakersfield, yak tityu tityu yak tilhini – Northern Chumash Tribe, Coastal Band of the Chumash Nation, Northern Chumash Tribal Council, San Luis Obispo County Chumash Council, and the Santa Ynez Band of Chumash Indians with an invitation to consult on the AUD Program Amendments. Government Code §65352.3 provides that upon receipt of an invitation for consultation, a tribe has 90 days to respond. As of May 11, 2020, staff has received no requests for consultation.

Water Supply and Other Public Services

On a per-unit basis, multi-unit housing requires less water than single-unit residential (average 0.16 AFY/unit for multi-unit housing versus average 0.40 AFY/unit for single-unit residential). Also, redevelopment results in reduced water demand through replacement of old fixtures with water efficient fixtures and ordinance requirements for water-conserving landscaping. On average, new development and redevelopment in the last ten years has required an average of 26 AFY of new water demand each year. This represents approximately 0.17% or 0.27% of the overall City's water demand depending on if you assume demands in a normal water year or a drought water year.

The PEIR found that the Additional Housing Alternative would demand more water than the Hybrid Alternative (958 AFY for the Additional Housing Alternative to the year 2030 versus 791 AFY for the Hybrid Alternative to the year 2030). However, the analysis in the PEIR showed that the additional water demand from the Additional Housing Alternative could be met with existing supplies in normal water years and a multiple-year drought. Water demands per unit in the City have decreased over time as reduced landscaping, replacement low-water use landscaping, and other conservation measures have become more popular in the wake of the recent seven-year drought. Since 2011, the City has had the ability to diversify its water supply portfolio further to ensure more resiliency.

Similarly, the PEIR found that the City could meet any additional needs for wastewater, schools, recreation, fire and police, and other utilities that might occur from housing development contemplated under the Additional Housing Alternative with existing policies and regulations in place.

The impacts of the Project associated with water supply and other public services would be within the range of the original project and alternatives studied in the PEIR.

Other Impacts

A number of other categories would not change in impact level for the proposed Project from that envisioned in the PEIR. No changes to densities are proposed in or even near the high wildfire risk areas of the City. Existing regulations and mitigation measures in the PEIR would reduce any potential impacts in the areas of biological resources, geology, hazards, water quality, and energy to less than significant. The cumulative impacts associated with the combination of the proposed Project and additional accessory dwelling unit development from State legislation in 2017 have been considered in the impact analysis contained in this Addendum.

The impacts of the Project associated with the remaining impact categories contained in the CEQA Guidelines Checklist, including cumulative impacts, would be within the range of the original project and alternatives studied in the PEIR.

CEQA FINDING

Based on the Addendum review of the AUD Program Amendments Focused on the CBD, and in accordance with State CEQA Guidelines Section 15162, no Subsequent Negative Declaration or Environmental Impact Report is required for the project because the project setting, description, impacts, and mitigations do not involve new significant impacts or a substantial increase in the severity of impacts previously identified in the final General Plan PEIR.

This Addendum, together with the certified General Plan PEIR, constitutes adequate environmental documentation in compliance with CEQA for the AUD Program Amendments Focused on the CBD Amendments.

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Exhibit 1: Existing Densities

Exhibit 2: Proposed Densities

The following project-specific documents were used in staff's review and analysis of the project and are available upon request:

- City of Santa Barbara General Plan
- City of Santa Barbara Municipal Code

- City of Santa Barbara 2011 General Plan Program Environmental Impact Report and following Addendums
- City of Santa Barbara 2012 Climate Action Plan and Addendum
- Proposed Amendments of the Municipal Code and General Plan for the Average Unit-Size Density Incentive Program Amendments Focused on the Central Business District

Exhibit 1



