



City of Santa Barbara California

PLANNING COMMISSION

STAFF REPORT

REPORT DATE: March 1, 2006
AGENDA DATE: March 9, 2006
TO: Planning Commission
FROM: Planning Division, Community Development Department
 John Ledbetter, Principal Planner *JL*
 Adam Nares, Planning Technician *AN*
SUBJECT: **CHARTER SECTION 1508 (MEASURE E)
 DEVELOPMENT ACTIVITY STATUS REPORT**

The primary purpose of this report is to provide the Planning Commission with information on recent Measure E non-residential development activity that occurred in the City during 2005, as well as cumulative Measure E development activity to date. In addition, summary totals of residential development activity are also included.

NON-RESIDENTIAL DEVELOPMENT ACTIVITY

Measure E Allocation Categories

Measure E limits new non-residential development in the City to no more than 3,000,000 square feet from 1990 to the year 2010. The measure also states that new non-residential development in the City must be allocated from one or more of the following categories:

<u>Category</u>	<u>Square Footage Allocation</u>
Approved Projects	900,000 s.f.
Pending Projects	700,000 s.f.
Vacant Property	500,000 s.f.
Small Additions	600,000 s.f.
Community Priority	300,000 s.f.
Total	3,000,000 s.f.

Planning Staff monitors and tracks all new non-residential square footage applications for consistency with the Charter and the development plan allocation system.

Cumulative Totals for All Measure E Category Allocations

Exhibit A is a summary chart displaying the square foot cumulative totals in each development category. Please note that while 2005 Small Addition square footage figures are shown separately, they are counted in the Total Small Addition category figures in the line above.

The cumulative status of all 3,000,000 square feet allocated is also represented graphically in **Exhibit B**. A total of 406,646 square feet (13%) of development is allocated and pending approval. A total of 528,990 square feet (17%) of development has been approved but not issued a building permit. Building permits or certificates of occupancy have been issued for 1,235,643 square feet (39%) of development and 996,968 square feet (31%) remains unallocated and available for future development.

Approved Projects

The Approved Projects category is for projects that were assigned an approved status during the implementation of Measure E in 1990. At the request of the property owners of the Cabrillo Plaza Specific Plan, the City Council approved the move of 155,000 square feet from the Pending Projects to the Approved Projects Category during 2005. The expired, withdrawn, and denied square footage from this category (currently 58,621 square feet) is available to Economic Development projects.

Pending Projects

The Pending Projects category is for the implementation of specific plans approved prior to April 1986 and projects which were pending during the implementation of Measure E in 1990. As in the Approved Projects category, no new projects are eligible to receive allocations from this category, and the expired, withdrawn, and denied square footage (currently 570,288 square feet) is available to Economic Development projects. The large amount of expired, withdrawn, and denied square footage is attributable primarily to projects that have expired.

Vacant Property

Exhibit C shows the status of projects in the Vacant Property category. This category was allocated 500,000 square feet based on a survey of vacant land in the City in 1988. A total of 81,277 square feet (16%) in this category has been issued a building permit or Certificate of Occupancy, 50,970 square feet (10%) has been approved, and 39,509 (8%) of the available square footage is currently pending. Unallocated square footage in this category totals 328,244 square feet (66%) and must remain for use by vacant properties and is not available for Economic Development projects.

Small Addition

Total Small Addition: **Exhibit D** depicts cumulative activity within the Small Addition development category from 1990 through December 2005. The allocations under this category are limited to 30,000 square feet per year. Thus, the total allocation for the 20-year period beginning in 1990 is 600,000 square feet. Of the 600,000 square feet, 214,685 square feet (36%) has been issued a building permit or certificate of occupancy. A total of 13,716 square feet (2%) has been approved but not issued building permits. The amount of development pending approvals is 59,612 square feet (10%). Unallocated square footage totals 120,000 square feet (20%). The unallocated Small Addition square footage will be available for Small Addition use in future years through the Economic Development allocations. Square footage that has either expired or that was not applied for through December 2005 totals 191,987 square feet (32%), and is now available for Economic Development projects

2005 Small Addition: **Exhibit E** shows the status of the square footage available from the Small Addition category for 2005. As of December, no building permits or certificate of occupancy has been issued. 585 square feet (2%) has been approved, and 22,591 square feet (75%) is pending approval. 6,824 square feet (23%) is unallocated and is available for the remainder of the year.

Community Priority

Exhibit F displays the status of square footage in the Community Priority category, which contains 300,000 square feet of development potential. Of the 300,000 square feet, 99,005 square feet (33%) has received a building permit or certificate of occupancy, 47,956 square feet (16%) has been approved, 112,325 square feet (37%) is pending approval, and 40,714 square feet (14%) remains unallocated. The unallocated square footage is not available to Economic Development projects and will remain in the Community Priority category for future needs.

Some of the Community Priority category applications include:

- Elings Park at 1298 Las Positas Rd (12,190 square feet)
- Planned Parenthood at 518 Garden Street (3,565 square feet)
- Bishop Diego High School Expansion at 4000 La Colina Rd (9,432 square feet)
- Mental Health Assoc. at 617 Garden St. (2,703 square feet)

Economic Development

A total of 820,896 square feet, as reflected in **Exhibit A**, has been made available to the Economic Development category, consisting of expired, denied, withdrawn, and unallocated square footage from the Approved Projects, Pending Projects, and Small Addition categories.

The status of square footage in the Economic Development category is shown in **Exhibit G**. Currently, 0 square feet (0%) is pending approval, 289,261 square feet (29%) has been approved, 191,872 square feet (19%) has received a building permit or certificate of occupancy and 508,010 square feet (52%) remains unallocated. The "Building Permit Issued" category consists of the 168,247 square feet of Minor Additions associated with 1997 - 2005 Small Additions and 23,625 square feet of building permits or certificates of occupancy issued for Economic Development projects for a total of 191,872 square feet. Per Resolution 99-036, Minor Addition square footage developed in conjunction with Small Additions is to be subtracted annually from the square footage available to Economic Development projects.

Commercial Vacancy Rates

In response to the request from the Planning Commission during its review of our prior report at year end 2004, commercial vacancy rates have been included in this report. The 2005 Santa Barbara City vacancy rates are as follows;

Commercial Type	Jan. 2005 Vacancy Rate	July 2005 Vacancy Rate	Jan. 2006 Vacancy Rate
Office	5.2%	4.3%	2.8%
Industrial	0.9%	1.0%	2.4%
Retail	0.3%	0.75%	0.6%

Source: Radius Group Commercial Real Estate

Non-Residential Building Permits Issued

A summary of building permit activity for new, commercial projects from 1990 through December 2005 is presented in **Exhibit H**. During 2005, building permits have been issued for 36,812 net square feet of development, about average for the past five years. (39,309 square feet) Per Planning Commission's request, for comparison purposes, **Exhibit H** is a combination of both residential and non-residential projects from the past 16 years.

RESIDENTIAL DEVELOPMENT ACTIVITY

Building Permits Issued (January – December 2005)

A total of 192 net new residential units were issued building permits during 2005 as shown in **Exhibit I**. A total of 20 units were removed from the market through demolition and conversion to nonresidential. Of the residential units built, 19 were single family units, 79 were part of mixed use projects, and 114 were multiple family units. Seventy units were located in residential zones and 142 were located in commercial zones.

Building Permit Issued through 2005

The net new residential units built per year from 1990 through December 2005 are shown in **Exhibit H**. In comparison to the past 16 years, this graph indicates the past 2 years the busiest in terms of amount of net new units. 192 net new units were built in 2005 of which 105 were market rate and 87 were affordable.

Pipeline Projects Approved, Pending, and Building Permit Issued Units

As of December 2005, the following describes the status of residential development activity in the city that results in a net increase of one or more units.

- 495 units under construction (building permit issued)
- 278 units approved (but not yet under construction)
- 909 number pending review and approval.

In total, as of December 2005 there are 1,682 units in the pipeline. This includes 151 units from annexations.

A Housing in the Pipeline Map of pending, approved, and under construction units in the Downtown Area is included in **Exhibit J**.

EXHIBITS:

- A. Development Allocation Category Totals
- B. Status of Projects – All Categories
- C. Status of Vacant Property Projects
- D. Status of 1990-2005 Small Addition Projects
- E. Status of 2005 Small Addition Projects
- F. Status of Community Priority Projects
- G. Status of Economic Development Projects
- H. Commercial Square Footage Built – All Categories 1990-2005/ Net New Residential Units
- I. Residential Development Activity
- J. Housing in the Pipeline Map – Downtown and Vicinity

MEASURE E - Square Foot Cumulative Totals for all Category Allocations Through December 2005

Exhibit A
March 9, 2006

Category	Pending	Approved	Building Permit/C of O Issued	Unallocated	To Economic Development
Approved Projects (900,000) ^{1,2}	155,000	115,996	570,383	0	58,621
Pending Projects (700,000)	40,200	11,091	78,421	0	570,288
Vacant Property (500,000)	39,509	50,970	81,277	328,244	N/A
Total Small Addition (600,000) ^{3,4}	59,612	13,716	214,685	120,000	191,987
2005 Small Addition (30,000) ⁵	22,591	585	0	0	6,824
Community Priority (300,000)	112,325	47,956	99,005	40,714	0
Economic Development ⁶	0	289,261	191,872	508,010	
Total (3,000,000)⁷	406,646	528,990	1,235,643	996,968	820,896

¹ Includes Rancho Arroyo and Park Plaza Specific Plans

² Includes 155,000 of Pending square footage for Cabrillo Plaza Specific Plan.

³ Includes unallocated square footage from 2005 Small Addition allocation.

⁴ 191,987 square feet under "To Economic Development" is comprised of 1/1/90-06/30/96 expired and 1/1/90-12/31/05 "not applied for" square footage.

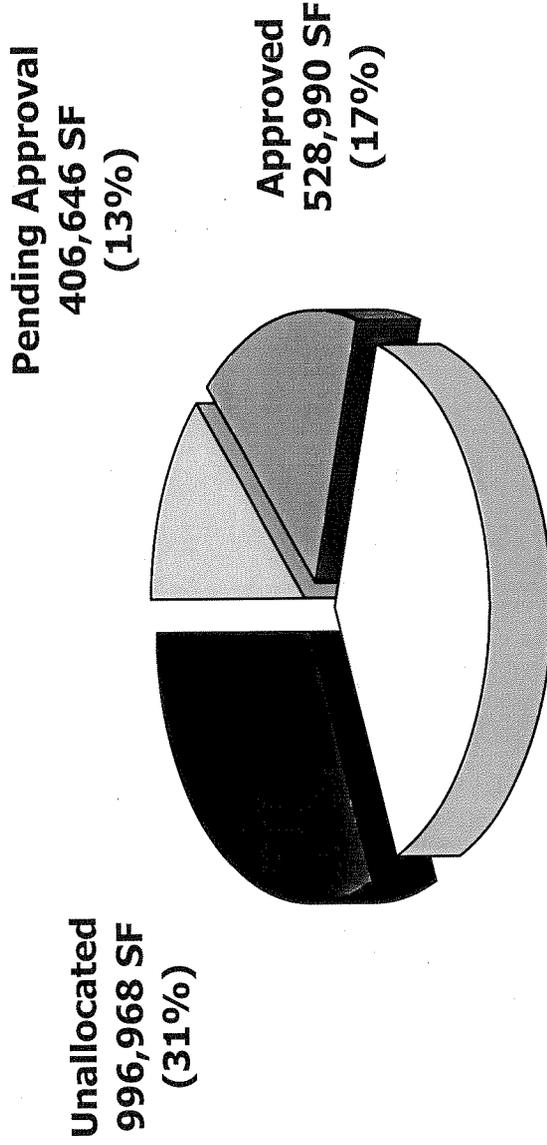
⁵ Included in the total Small Additions calculations above.

⁶ 168,247 square feet under "Building Permit/C of O Issued" is comprised of Minor Additions associated with 1997-2005 Small Additions and Economic Development square footage that received building permits, as required by Council Resolution 99-036

⁷ 820,896 square feet under "To Economic Development" is included in calculations for the Economic Development category, but not counted in 3,000,000 sf total.

NOTE: Per Council Resolution Economic Development SF tracked differently. Shown here for representative purposes only.

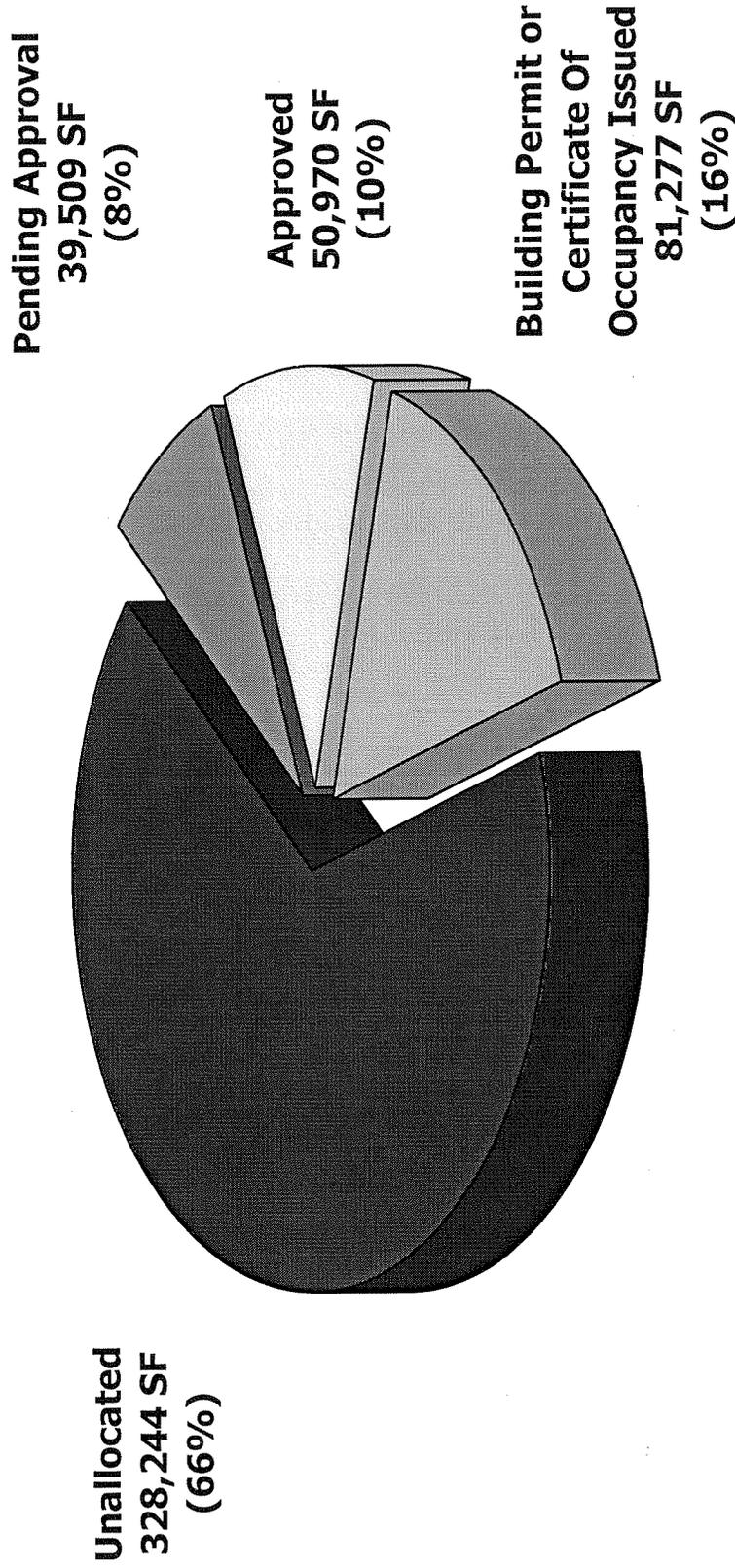
MEASURE E - Square Foot Cumulative Totals for all Category Allocations Through December 2005



**Building Permit or
Certificate of
Occupancy Issued**
1,235,643 SF
(39%)

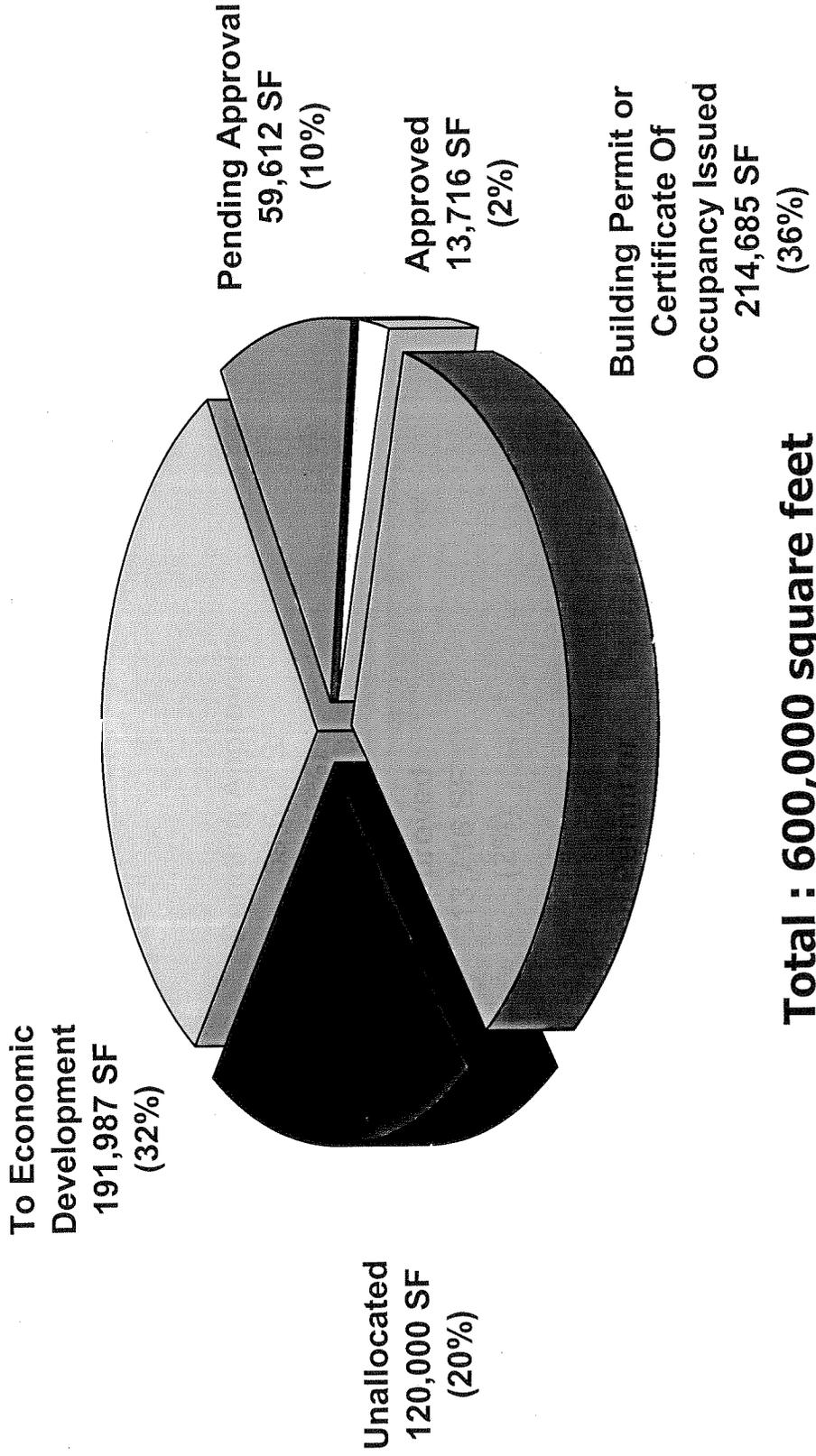
Total: 3,000,000 square feet

MEASURE E - Square Foot Status Vacant Property Through December 2005

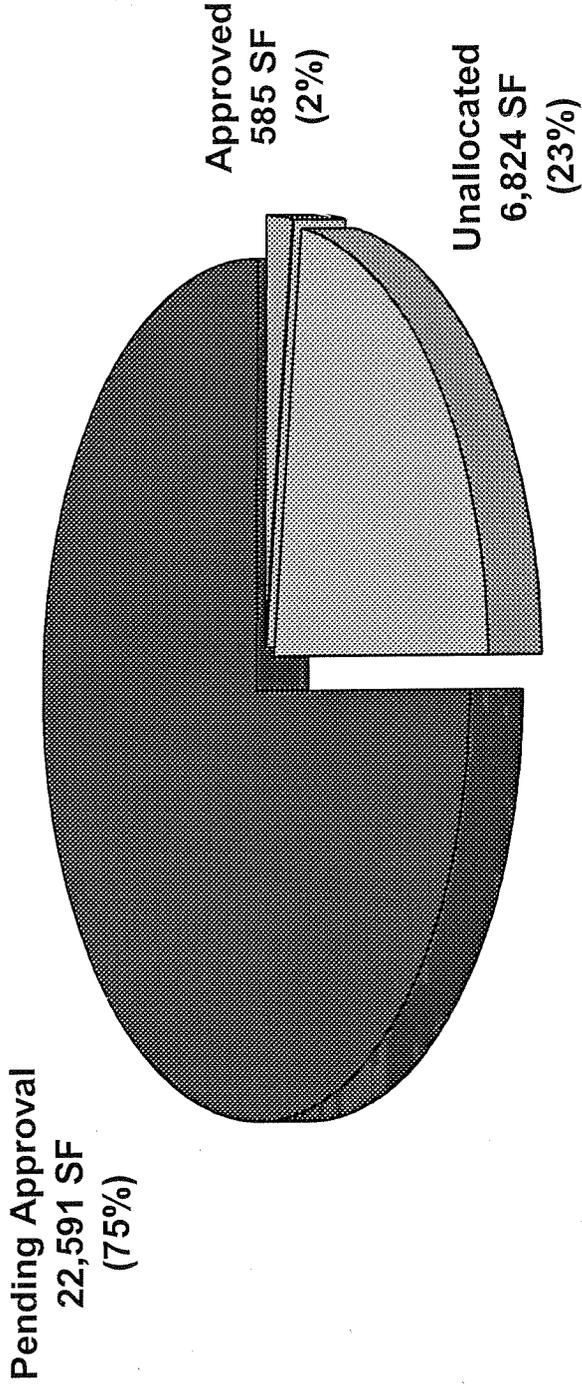


Total : 500,000 square feet

MEASURE E - Square Foot Status Total Small Addition Through December 2005

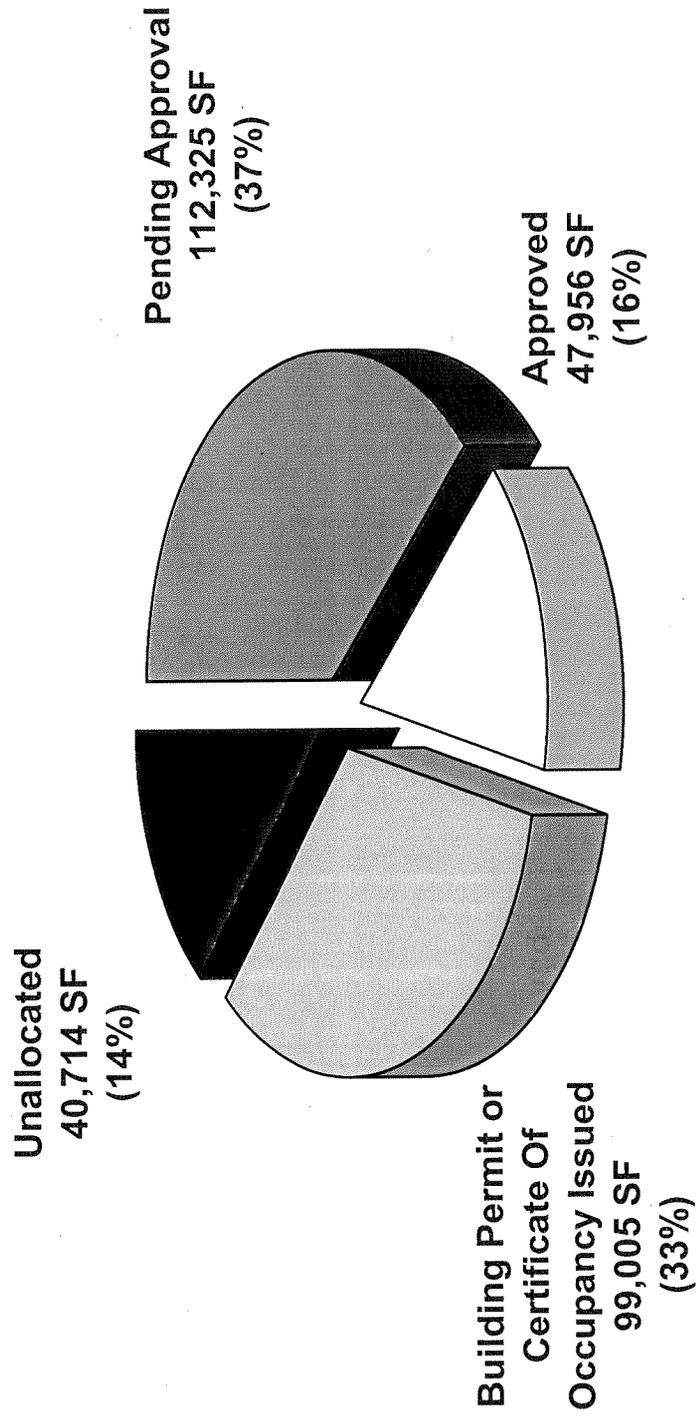


MEASURE E - Square Foot Status
2005 Small Addition
January - December 2005



Total : 30,000 square feet

MEASURE E - Square Foot Status Community Priority Through December 2005

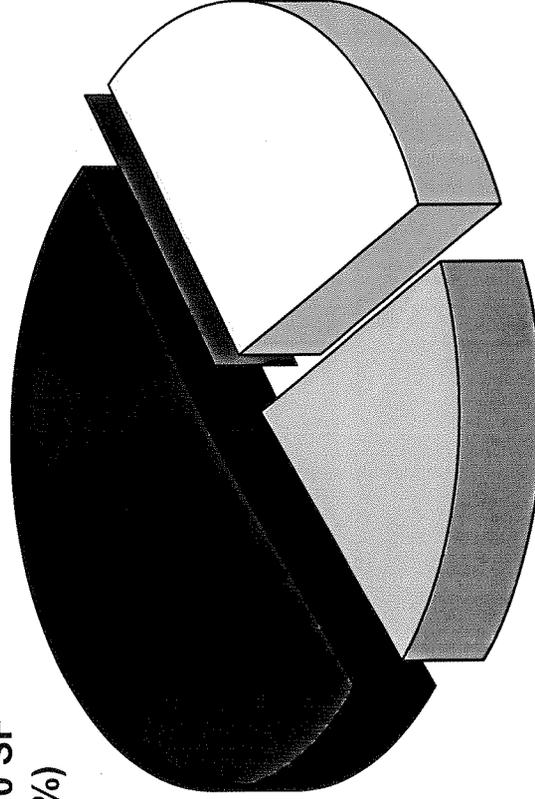


Total : 300,000 square feet

MEASURE E - Square Foot Status Economic Development Through December 2005

Pending
Approval
0 SF
(0%)

Unallocated
508,010 SF
(52%)



Approved
289,261 SF
(29%)

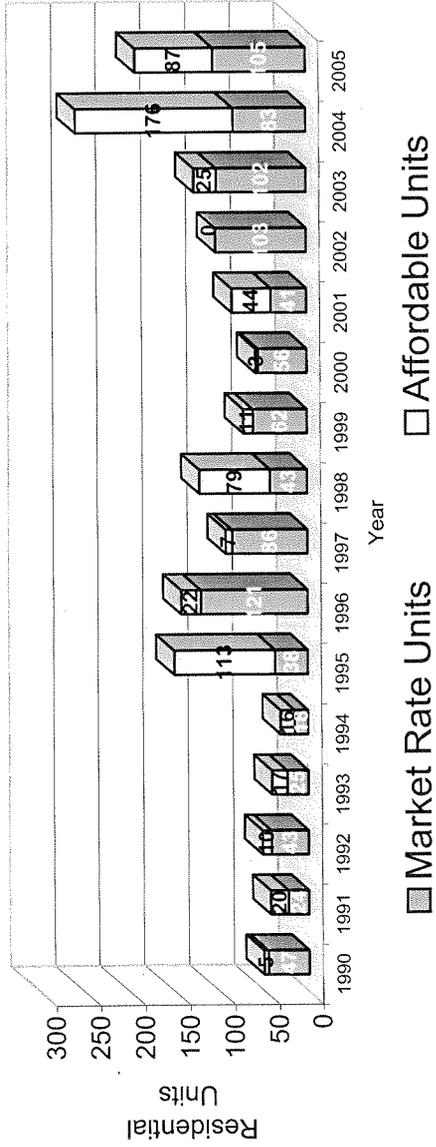
Building Permit or
Certificate Of
Occupancy Issued*
191,872 SF
(19%)

Total: 989,143 SF

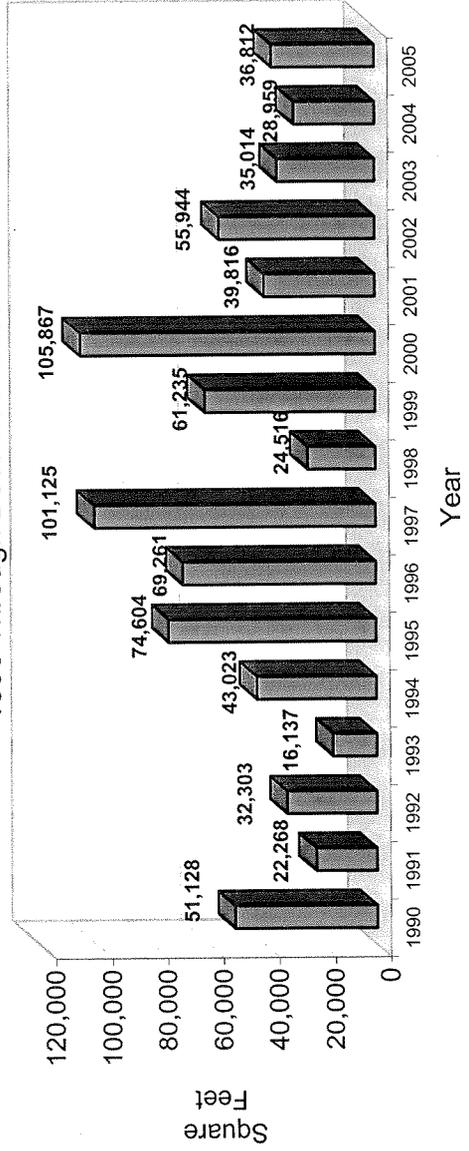
* 168,247 square feet under "Building Permit/C of O Issued" is comprised of Minor Additions associated with 1997-2005 Small Additions and 23,625 sq. ft. of Economic Development that received building permits, as required by Council Resolution 99-036

Residential and Non-Residential Building Permit Activity Comparison

Residential Development Activity
Building Permits Issued by Year
1990 Through December 2005



Net Square Foot Status
Non-Residential Building Permits
1990 Through December 2005



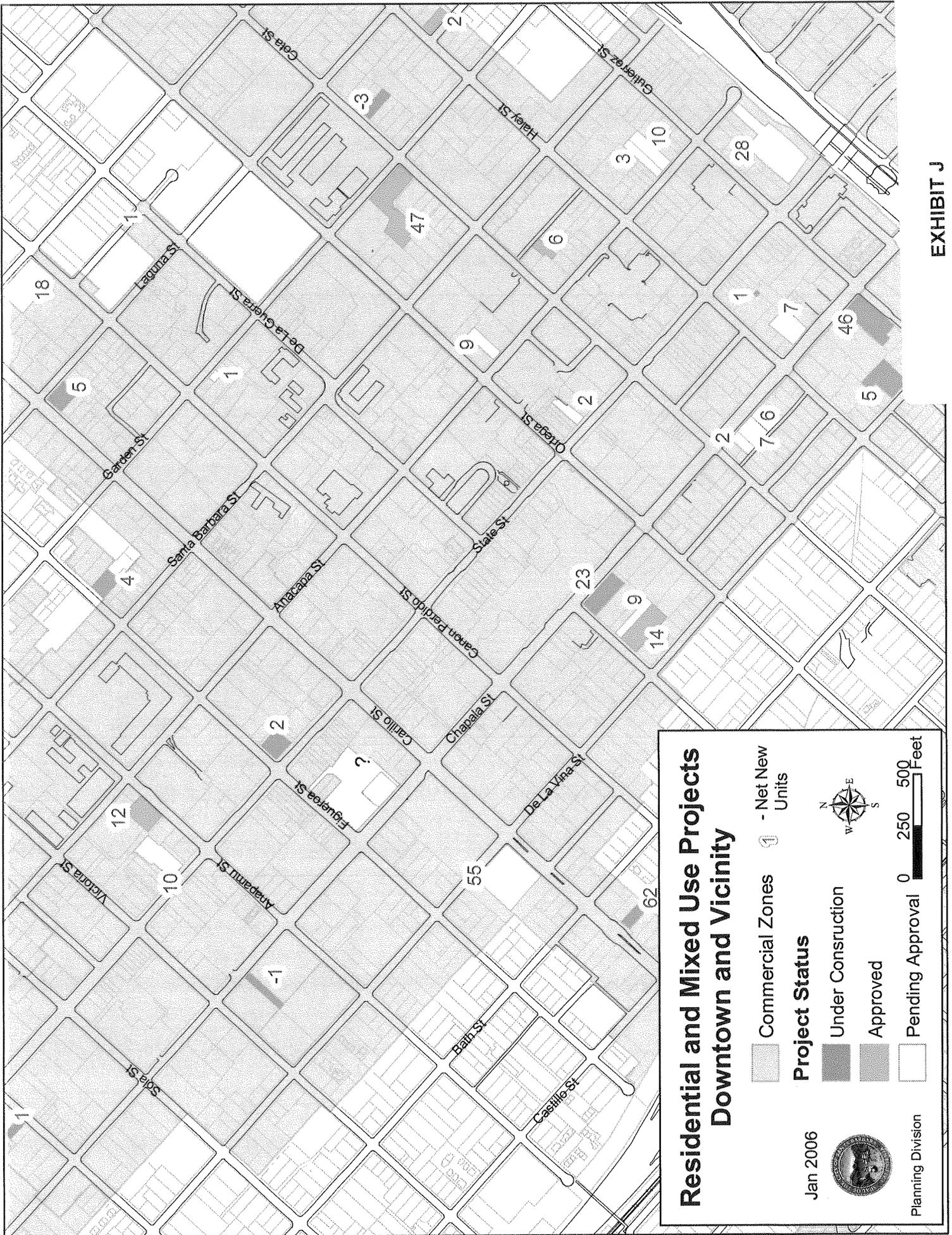
Total: 798,012 square feet
Average: 49,876 square feet

Residential Development Activity - 2005

Building Permits Issued

January - June 2005

Category	Non-Residential Zones	Residential Zones	Total
New Construction	142	70	212
Single Family Units	1	18	19
Mixed Use Units	79	N/A	79
Multi-Family Units	62	52	114
Demolition	-8	-12	-20
Conversion (Residential to Non-Residential)	0	0	0
Total Net New Units	134	58	192



Residential and Mixed Use Projects Downtown and Vicinity

Commercial Zones ① - Net New Units

Project Status

- Under Construction
- Approved
- Pending Approval

0 250 500 Feet

Jan 2006



Planning Division