DATE: July 27, 2020
TO: Peter T. Imhof, Director
FROM: Mary Chang, Supervising Senior Planner
SUBJECT: Residential Unit in Old Town Goleta
5836 Hollister Avenue; APN 071-053-013
Case No. 18-076-DPAM/CUP

RECOMMENDATION

If the Zoning Administrator concurs with staff recommendation, then the following actions are recommended:

1. Adopt the Development Plan Amendment (DPAM) Findings, Conditional Use Permit (CUP) Findings, and CEQA Findings provided in Attachment A.
2. Approve Minor Site Improvements DPAM and the Residential Use CUP (Case No. 18-076-DPAM/CUP), subject to the conditions included in Attachment B.
3. Accept the CEQA Notice of Exemption in Attachment C.

If the Zoning Administrator takes other than the recommended action, refer the matter back to staff for the preparation of appropriate findings and conditions.

APPLICANT
John Weh Ho
Property Owner
5964 Berkeley
Goleta, CA 93117

AGENT
Dennis Story
HomeSafe Design and Build
7823 Wagon Wheel Drive
Goleta, CA 93117

JURISDICTION

The Director is authorized to hear this request pursuant to GMC Sections 35-317 and 35-315.
REQUEST SUMMARY

The proposed project requests approval to legalize an existing 1,953 gross square foot office to an as-built residential apartment unit in Old Town. Existing development on the project site includes a retail commercial space of approximately 4,427 square feet on the front portion of the property, and 3,737 square feet of office and warehouse building located on the rear portion of the site. The most recent permit for the property included a small landscape strip at the rear of the property which will be relocated to the parking lot area as a rock garden. The parking lot will be reconfigured to accommodate 10 parking spaces, and a two-car garage for the residential unit.

In order to facilitate these changes, the applicant requests approval of: (1) a Development Plan Amendment (“DPAM”) under GMC Section 35-317, for minor site alterations associated with improving parking lot layout and landscaping; (2) a Minor Conditional Use Permit (“CUP”) under GMC Section 35-325.5 (20), to permit a residential unit in a commercial zoning district; and (3) acceptance of a categorical exemption pursuant to the California Environmental Quality Act (Public Resources Code Sections 21000, et seq., “CEQA”) and the regulations promulgated thereunder (14 California Code of Regulations Sections 15000, et seq., “CEQA Guidelines”), Sections 15301, 15303, 15304, and 15311.

BACKGROUND

The project site is a .31-acre site located along Hollister Avenue in Old Town. The main building facing Hollister Avenue is a 4,427 SF commercial building permitted in 1959, under County Land Use Rider Permit #72414. In 1968, another permit was granted for over site changes and improvements under Permit #68-M-45 (“M” serves as a Development Plan under current City process). Later, in 1975, a second building was permitted in the rear of the property under County Land Use Rider Permit #62629. This 3,737 SF building is two-stories and was permitted for office and warehouse use consisting of a 1,784 square foot first floor and a 1,953 square foot second floor. Access to the rear of the property is from Magnolia Avenue via an easement across adjacent property to the west. The City’s GP/CLUP Land Use Designation and Zoning for the site is Old Town-Commercial (OT). *The previous Zoning Ordinance designation for the site was General Commercial (C-2)*

In 2018, the use of the second floor of the office/warehouse building as a residential unit (unpermitted) was discovered. Since that time, the applicant has been working with staff to bring the site into compliance and legalize the unpermitted residential unit.

This project is being processed under Goleta Municipal Code Article III of Chapter 35, Inland Zoning Ordinance. The new Zoning Ordinance, Title 17, has provisions to allow the applicant to choose to continue to process an application under Article III or under Title 17, if the project was deemed complete prior to September 1, 2019 (Chapter 17.01.040.E.4.). This project was deemed complete on July 31, 2019 and the applicant has chosen to have his project processed under Article III.
**PROJECT DESCRIPTION**

**Development Plan Amendment**

As indicated above, the applicant proposes to amend the existing Development Plan (68-M-45) regarding parking lot improvements and landscape location change. The parking lot, behind the front main building, will be reconfigured and re-striped to provide for ten parking spaces with two additional optional spaces. The County of Santa Barbara Fire Department reviewed and accepted the parking design layout and accessibility. One handicap parking space was required per building code, which has been incorporated into the new parking configuration. Parking is further discussed in the Zoning Consistency Analysis below.

A small strip of landscaping was part of the permit for the rear building which is proposed to be relocated within the parking lot in the northwest corner, as a rock garden. The rock garden will not require additional water demand and is a more visible feature than a landscape strip behind a building.

**Minor Conditional Use Permit (CUP)**

A minor CUP is requested to permit (and legalize) the existing residential unit on the second level of the rear building. This is a 2-bedroom, 2-bath, 1,953 SF apartment unit. A 2-car garage will be provided for the residential unit per parking requirements. Section 35.225.5 (20) of the Inland Zoning Ordinance allows residential uses in Old Town with the approval of a Minor CUP. Interior tenant improvements will be made as well as exterior painting. An existing garage will be used to provide the two covered parking spaces required for the two-bedroom residential unit.

**ANALYSIS**

**General Plan Consistency**

The Land Use Element in the General Plan/Coastal Land Use Plan (GP/CLUP) designates the property as Old Town Commercial (C-OT). The C-OT designation allows for mixed-use of commercial, office and residential. Land Use Element Policy LU 3.4 g. allows residential and office uses on the second floor of a structure or behind the portion of a building adjacent to the street. Land Use Element Policy LU 3.4 h. allows residential uses in conjunction with a permitted principal nonresidential use on the same site. This project complies with both these policies as the residential unit is located on a second level of a building, is located behind the main commercial building that fronts on Hollister Avenue, and the majority of the uses on site will remain commercial. The project also is in keeping with the overall Land Use Element policy of LU 3.4.

The proposed residential (rental) unit also meets Housing Element Policy HE 2: “Facilitate New Housing Development to Meet Growth Needs for Persons of All Income Levels.” Although only one unit, the project contributes to the City’s RHNA and needs of the local
workforce. Additionally, Housing Element Policy HE 2.1 d. encourages mixed-use housing including areas designated Old Town Commercial.

**Zoning Regulations Consistency**

The Inland Zoning Ordinance designates the property as Retail Commercial (C-2; GMC Section 35-225). The C-2 zone district requires approval of the requested DPAM for the site improvements and a Minor CUP Permit for residences, provided the residential use is secondary to a permitted use in the same lot (GMC Section 35-225.5). The site currently provides nine parking spaces which conforms with the parking required under the permit approved by the County of Santa Barbara in 1972. The applicant is redesigning the parking lot to be consistent with the applicable parking standards of Article III in effect at the time the application was deemed complete. These parking standards required 10 spaces (one handicap, 6 regular spaces, and 3 compact spaces) for the commercial spaces and 2 covered spaces within a garage for the residential unit. No other site improvements are proposed, and no changes are being made to building placement/orientation or height.

The current buildings were permitted with a zero front and side yard setback and a 10-foot rear yard setback. Under Article III for the Old Town district, the rear yard setback is 10 feet, the side yard setback is zero, and the front yard setback is to be 10% of the lot depth, no greater than 10 feet. As the zero front yard setback was originally approved, it would be considered legal but non-conforming. Article III, Section 35-307 allows non-conforming uses, specifically related to setbacks, to remain as long as the building or structure is conforming to use. This only applies to the front building which is not under consideration of this process and the rear building is in conformance with the setback requirements. All other project components are consistent with zoning regulations per original permit and the site and parking changes meet the applicable Article III regulations.

**Findings and Public Comment**

The DPAM/CUP requests are consistent with the findings of Sections 35-317.7 and 35-315.4 of the Inland Zoning Ordinance as there is no new development and the project site continues to be adequate in size, shape, and location to accommodate the density and intensity of the project and potential adverse impacts are mitigated to the maximum extent feasible. Further, there are residential uses directly north and west of the subject building and property, providing neighborhood compatibility. A public comment was received in support of mixed-uses, specifically housing, in Old Town. Attachment A summarizes the project’s consistency with the necessary findings required for approval of the DPAM/CUP requests.

**Environmental Review**
The proposed DPAM and minor CUP are categorically exempt pursuant to the California Environmental Quality Act (Public Resources Code §§ 21000, et seq.; “CEQA”) and CEQA Guidelines (14 Cal. Code Regs. §§ 15000, et seq.). Specifically, the project is categorically exempt from environmental review pursuant to CEQA Guidelines § 15301(a) (Interior alterations); § 15303(b) (Conversion of small structure); § 15304(b) (New gardening or landscaping) and § 15311(b) (Small parking lots).

The existing development is located within an urbanized area in commercial land use and zoning designations (described in Project Location). The proposed DPAM and CUP will make minor changes to the site layout for parking and landscaping. No new building square footage is proposed and the use of second floor of an existing building will be changed from commercial to residential. The property will continue to be served by existing streets and driveways and will not change the demand on the existing services. Further, the project would not alter any biological resources, cultural resources, geologic, drainage, or have visual resources. Therefore, given the minor nature of improvements, the project will not a significant effect on the environment.

APPEALS PROCEDURE

The action of the Zoning Administrator may be appealed to the City Council within 10 calendar days following final action.

ATTACHMENTS

A. Findings
B. Conditions of Approval
C. CEQA Notice of Exemption
D. Project Plans