

Elections Code Section 9212 Report

An Initiative Measure to Change and/or Readopt the City of Carpinteria's General Plan Designation and Zoning Designation for Two Parcels of City-Owned Property (APN 004-105-011 and APN 004-105-026) Located Adjacent to the Railroad Tracks to the West of Linden Avenue and to Amend the Definition of the Open Space/Recreation (OSR) Land Use Category of the General Plan Land Use Element



5775 Carpinteria Avenue
Carpinteria, CA 93013
www.carpinteriaca.gov

December 2021

TABLE OF CONTENTS

1.	Introduction	1
2.	Summary Overview	2
3.	Background.....	5
4.	Planning Analysis.....	8
A.	General Plan.....	8
	1. Change the Land Use Category for Parcel A.....	8
	2. Maintain the Land Use Category for Parcel B.....	8
	3. Amend the Definition of OSR	9
	a. Addition of “Existing Parking”	9
	b. Allowing Residential Overlay on OSR Parcels.....	10
B.	Specific Plan	13
C.	Zoning Consistency	13
D.	Limitations on City Actions Under Section 65008 of the Government Code and Chapters 4.2 (Commencing with Section 65913) and 4.3 (Commencing with Section 65915) of Division 1 of Title 7 of the Government Code	18
E.	Impact on the Availability and Location of Housing, and the Ability of the City to Meet its Regional Housing Needs.....	18
F.	Impact on Agricultural Lands, Areas Designated for Revitalization, and Uses of Vacant Parcels of Land.....	18
5.	Fiscal Impact.....	19
A.	Financial Profile of Parcels A and B	
	i. Existing Conditions Scenario	19
	ii. Preliminary Development Proposals Scenario	20
	iii. Housing Scenario	23
B.	Business Attraction and Retention.....	24
C.	Employment.....	25

6.	Infrastructure.....	25
7.	Initiative Amendment	26
8.	Effective Date Should the Initiative Be Adopted.....	27
9.	Conclusion	28

ATTACHMENTS

Exhibit A – Notice of Intent to Circulate Initiative Petition & Initiative Petition

Exhibit B – Map Depicting Location of Parcel A and Parcel B

Exhibit C – City’s General Plan Land Use Map (2016)

Exhibit D – Letter Dated 8/16/21 from Strumwasser & Woocher, LLP re: SB 330

Exhibit E – City’s Zoning Map

1. **INTRODUCTION**

The Notice of Intent to Circulate Petition and accompanying initiative measure (“Initiative”), both of which are attached to this report (“Report”) as **Exhibit A**, were submitted to the City of Carpinteria (“City”) on June 4, 2021 by Beverly Palmer of the law firm of Strumwasser & Woocher, LLP.¹ The official title of the Initiative, prepared by the City Attorney pursuant to Elections Code Section 9203, is “An Initiative Measure to Change and/or Readopt the City of Carpinteria's General Plan Designation and Zoning Designation for Two Parcels of City-Owned Property (APN 004-105-011 and APN 004-105-026) Located Adjacent to the Railroad Tracks to the West of Linden Avenue and to Amend the Definition of the Open Space/Recreation (OSR) Land Use Category of the General Plan Land Use Element.” The Initiative Proponents refer to their measure as the “Save Our Downtown Beach and Parking Lot Initiative.”

On August 16, 2021, the City Council adopted Resolution No. 6070, directing staff to prepare an analysis of the proposed Initiative. This Report contains the analysis of the Initiative’s impacts and effects based on the subject areas set forth in California Elections Code Section 9212, which are as follows:²

- (1) Its fiscal impact.
- (2) Its effect on the internal consistency of the city’s general and specific plans, including the housing element, the consistency between planning and zoning, and the limitations on city actions under Section 65008 of the Government Code and Chapters 4.2 (commencing with Section 65913) and 4.3 (commencing with Section 65915) of Division 1 of Title 7 of the Government Code.
- (3) Its effect on the use of land, the impact on the availability and location of housing, and the ability of the city to meet its regional housing needs.
- (4) Its impact on funding for infrastructure of all types, including, but not limited to, transportation, schools, parks, and open space. The report may also discuss whether the measure would be likely to result in increased infrastructure costs or savings, including the costs of infrastructure maintenance, to current residents and businesses.
- (5) Its impact on the community’s ability to attract and retain business and employment.
- (6) Its impact on the uses of vacant parcels of land.

¹ The local proponents of the Initiative (“Initiative Proponents”) are Amrita M. Salm and Gary Campopiano.

² Because the Initiative mainly impacts the City’s land use policies, the organization of this Report does not sequentially follow the list of topics set out in Elections Code Section 9212. Instead, the Report starts with an examination of the Initiative’s proposed land use changes.

- (7) Its impact on agricultural lands, open space, traffic congestion, existing business districts, and developed areas designated for revitalization.

The Report must be presented to the City Council no later than 30 days after the City Clerk certifies to the City Council the sufficiency of the petition (i.e., that the petition complies with all statutory requirements and has been signed by at least 10 percent of the City's electorate).³

Staff analyzed the Initiative by consulting the City's General Plan/Local Coastal Land Use Plan ("General Plan"),⁴ Zoning Code ("Zoning" or "Zoning Code"), 2021 Carpinteria Valley Economic Profile (California Economic Forecast, 2021), the Downtown Carpinteria Parking Study (Walker Consultants, 2020), the Draft Carpinteria Hotel Financial Analysis (Keyser Marston Associates, 2016), and Carpinteria Hotel Market Conditions Memorandum (Keyser Marston Associates, 2016), all of which are available on the City's website.⁵ Based on these resources, this Report summarizes staff's interpretation of the Initiative and its potential impacts on the City in the context of California Elections Code Section 9212.

2. SUMMARY OVERVIEW

The Initiative seeks to (1) amend or readopt the General Plan Land Use categories and Zoning designations for two parcels—defined in Section 3 of this Report as Parcel A and Parcel B—owned by the City, and (2) modify the definition of the Open Space Recreation ("OSR") Land Use category of the City's General Plan.⁶ Parcel A is a City-owned parcel located at 499 Linden Avenue, which currently serves as Parking Lot No. 3. Parcel B also is owned by the City and is an unimproved lot located directly south of the railroad tracks from Parcel A. **Exhibit B**, attached to this Report, provides a map depicting the location of Parcel A and Parcel B.

The Initiative proposes to change both the General Plan Land Use category and the Zoning district designation for Parcel A from General Commercial ("GC") to Open Space

³ Elections Code Section 9212(b).

⁴ The City has a combined General Plan / Local Coastal Land Use Plan ("CLUP"), though the two are theoretically standalone policy documents with overlapping subject matter. Because the two documents cannot be separated, it is assumed that the Initiative's amendments to the City's General Plan in fact seek to modify the provisions of the General Plan / CLUP. Therefore, all references to the "General Plan" in this Report relate to the General Plan / CLUP.

⁵ The General Plan and Zoning Code are found by clicking on the "City Hall" tab at the top of the City's webpage, selecting "Community Development" then "Planning." The 2021 Carpinteria Valley Economic Profile is found by clicking on the "Business" tab at the top of the City's webpage and selecting "Economic Profile." The Downtown Carpinteria Parking Study is available by clicking on the "City Hall" tab at the top of the webpage, selecting "Public Works" then clicking on the "Engineering Division" tab and scrolling down to the "Carpinteria Downtown Parking Study" button under the section titled "Transportation, Parking and Lighting Program." The Draft Carpinteria Hotel Financial Analysis and the Carpinteria Hotel Market Conditions Memorandum are found by clicking on the "Hot Topics" tab at the top of the webpage and selecting the "Surfing Inn" tab.

⁶ The Initiative refers to the City's General Plan Land Use categories and Zoning as "designations"; however, to be consistent with the language used in the City's adopted regulations, this Report refers to the General Plan Land Use categories and Zoning or Zoning districts.

/ Recreation (“OSR”) and from Commercial Planned Development (“CPD”) to Recreation (“REC”) with a Residential Overlay (“R”), respectively. The Initiative readopts the current OSR Land Use category designation and REC Zoning district for Parcel B.

The Initiative also amends the General Plan Land Use Element’s definition of the OSR Land Use category to (1) state that existing parking is allowed on OSR parcels, and (2) allow residential uses on OSR parcels only if those parcels are located within a Residential Overlay (“R”) Zone District.

Both Parcel A and B are subject to a Lease Disposition and Development Agreement (“LDDA”) between the City and 499 Linden Managers, LLC, which contemplates the potential development of the Surfliner Inn project (“Surfliner Inn Project”). If adopted, the Initiative would preclude development of the Surfliner Inn Project, as well as other potential City-sponsored development projects currently in the planning stage.

The following paragraphs provide an overview of the main points of the analysis in this Report.

Uncertainty regarding Scope. The Initiative’s stated intent is to maintain two parcels owned by the City—Parcel A and Parcel B—in their current respective states. To do this, the Initiative proposes to change and/or readopt General Plan Land Use category designations and Zoning designations for these Parcels. The Initiative explicitly states that it “does not adopt, alter, or change any other land use classification or zoning on any other real property in the City of Carpinteria.”

However, the Initiative also seeks to amend the General Plan Land Use Element’s definition of the OSR Land Use category by (1) stating that existing parking is allowed on OSR parcels, and (2) allowing residential uses on OSR parcels only if those parcels are located within a Residential Overlay (“R”) Zone district (“Residential Overlay”). The OSR Land Use category is a Citywide designation. Therefore, while it is true that the General Plan Land Use categories and Zoning districts for all City parcels—other than Parcels A and B—will remain unchanged, the proposed change to the definition of the OSR Land Use category would result in a change to the allowable uses of all OSR Land Use category parcels within the City. In drafting this Report, staff has attempted to interpret the Initiative according to its plain text, while still making note of any ambiguities or alternative interpretations.

Impact on Parking. The Initiative proposes to amend the General Plan Land Use Element’s definition of the OSR Land Use category to include existing parking as an allowable use on OSR parcels. The Initiative’s addition of “existing parking” to the OSR Land Use category definition could be interpreted to imply, by omission, that “new parking” is not allowed on OSR parcels. The Initiative does not, however, address how “new parking” is affected. Should the Initiative result in an interpretation that all new parking on OSR Land Use category parcels is prohibited, the effect would be to bar construction of any new parking on City parcels with the OSR Land Use category. Should this be a result of the Initiative,

any site in the City with the OSR Land Use category that generates demand for parking, such as a park or open space area, could be precluded from building new or additional parking.

The Initiative would preserve existing parking spaces in Parking Lot No. 3 on Parcel A, while potentially precluding the development of new parking on Parcel B, effectively resulting in no change in existing parking on Parcels A and B. *For additional analysis on this issue see Section 4.A.(3)(a) and Section 6 of this Report.*

Fiscal Impact. If the Initiative is adopted, the current financial profiles for Parcels A and B could either remain unchanged because the status quo would be maintained (i.e., both Parcels would remain in their existing state) or the financial profile could be augmented by the allowance for development of housing on Parcel A. As noted above, adoption of the Initiative would prohibit development of the Surfliner Inn Project.

If the Initiative is not adopted, the City's various proposed development projects could proceed as planned, pending grant availability and development review approval. Potential development projects include the Los Angeles-San Diego-San Luis Obispo ("LOSSAN") rail platform and undercrossing improvements and the Surfliner Inn Project, which in addition to construction of a new inn would expand parking and construct a new pedestrian trail. The City likely would receive increased municipal revenues from ground lease payments associated with the Surfliner Inn Project, property tax, transient occupancy tax and sales tax. *For additional analysis on this issue see Section 5 of this Report.*

Compliance with State Laws Concerning the Preservation of Parcels for Open Space and Recreation. The Initiative may allow the City to apply a Residential Overlay on any land in the City that has an OSR General Plan Land Use category designation. This proposed change conflicts with state laws that aim to preserve OSR parcels for open space and recreation use. *For additional analysis on this issue see Section 4.A. of this Report.*

Compliance with State Housing Crisis Act of 2019. The Initiative changes the Zoning for Parcel A from CPD to REC with a Residential Overlay. The Residential Overlay was added by Initiative Proponents to ensure compliance with the Housing Crisis Act of 2019 ("HCA"), which generally prohibits changes to a general plan or zoning designation that results in removal of housing as an allowable use or reduction of the intensity of residential use. Even with the imposition of a Residential Overlay on Parcel A, however, the Initiative's General Plan and Zoning amendments for Parcel A may result in a downzoning in violation of the HCA because the City's Residential Overlay District requires development to be consistent with the standards and regulations of the underlying Zoning district. Compared to a CPD district, the REC district has constrained development standards such that fewer residential housing units

could be built on Parcel A should the Initiative be approved by voters. *For additional analysis on this issue see Section 4.A.(3)(b) of this Report.*

Impact of Initiative on Future Amendments. The Initiative specifies that its changes to the General Plan Land Use categories and Zoning districts can only be amended via submission to the voters. For example, if the Initiative were adopted and the City wanted to change the General Plan Land Use category or Zoning designation of either Parcel A or B from Open Space Recreation (OSR) / Recreation District (REC) to something else, that change would need to be put to an election. *For additional analysis on this issue see Section 7 of this Report.*

California Coastal Commission (“Coastal Commission”) and California Department of Housing and Community Development Certification. If the Initiative is adopted, further action will and/or may be required to effectuate its provisions, such as submitting the measure for approval to the Coastal Commission and for review to the California Department of Housing and Community Development. *For additional analysis on this issue see Section 8 of this Report.*

3. BACKGROUND

The Initiative’s stated intent is to maintain two parcels owned by the City in their current respective states. The Initiative refers to these parcels as Parcel A and Parcel B, and the Report maintains this terminology for convenience and clarity. A map depicting the location of Parcels A and B (jointly, “Parcels”) is included in this Report as **Exhibit B**.

Parcel A (APN 004-105-011), located at the southwest corner of Linden Avenue and 5th Street, is currently developed and in use as a public parking lot with one hundred and thirteen (113) parking spaces and a public restroom. It is known as the City’s Parking Lot No. 3.

Parcel B (APN 004-105-026), located immediately south of Parcel A across the railroad tracks, is primarily used by two private property owners for hobby gardening under a lease between the City and one of the private property owners doing business as UPPO’S GARDEN, LLC.⁷ The City also occasionally uses Parcel B for storing heavy equipment used for beach maintenance and for special event parking.⁸

Both Parcels are currently subject to various future development proposals, which are dependent on grant funding and development application approvals, including the construction of (1) a grade-separated pedestrian rail crossing to serve, in part, as a safe route to school for students at nearby Aliso Elementary School, and (2) parking and

⁷ More information about the lease arrangement between the City and UPPO’S GARDEN, LLC is available at the staff report for the October 11, 2021 City Council meeting, Agenda Item No. 8.

⁸ The Initiative refers to Parcel B as “Coastal Open Space Corridor Property,” which is a name given to it by the Initiative Proponents. It is not an official designation by the City, Santa Barbara County, or the State of California. As is depicted on the close-up view map in Exhibit B (Map Depicting Location of Parcel A and Parcel B), Parcel B does not extend along the entire length of land from Linden Avenue to Holly Avenue.

pedestrian improvements in support of a passenger train siding and second passenger platform on the south side of the existing Union Pacific Railroad (“UPRR”) rail corridor.

The Parcels are also subject to a Lease Disposition and Development Agreement (“LDDA”) between the City and 499 Linden Managers, LLC, which contemplates the potential development of the Surfliner Inn project (“Surfliner Inn Project”) on an approximately 30,000 square foot portion of Parcel A closest to Linden Avenue.⁹ The Surfliner Inn Project currently envisions a thirty-nine (39) guest room inn with a street-level public café.¹⁰ As part of the Surfliner Inn Project, the western boundary of Parking Lot No. 3 would be expanded approximately sixty (60) feet onto the adjacent parcel (APN 004-105-016),¹¹ allowing for the addition of sixteen (16) parking spaces for a total of sixty-one (61) Parking Lot No. 3 spaces serving both Surfliner Inn guests and the general public (if and when the Surfliner Inn Project is completed). Under this development proposal, Parcel B would be developed with a new public parking lot with eighty-three (83) parking spaces, public restrooms (relocated from Parcel A), and a new trail connecting Linden Avenue to Holly Avenue.¹²

The Initiative seeks to change both the General Plan Land Use category and the Zoning District designation for Parcel A and readopt them for Parcel B as follows:

<i>General Plan Land Use Categories</i>		
	Current Land Use Category	Proposed Land Use Category
Parcel A	General Commercial (GC)	Open Space / Recreation (OSR)
Parcel B	Open Space / Recreation (OSR)	Open Space / Recreation (OSR)

<i>Zoning Districts</i>		
	Current Zoning District	Proposed Zoning District
Parcel A	Commercial Planned Development (CPD)	Recreation / Residential Overlay (REC / R)
Parcel B	Recreation (REC)	Recreation (REC)

⁹ For more information regarding the LDDA, see the July 19, 2021 City Council Agenda regarding adoption of Resolution No. 6067 approving the lease disposition and development agreement between City and 499 Linden Managers LLC, available on the City’s website.

¹⁰ The particulars of the development project are accurate up to the date of this Report, but are subject to change as the Surfliner Inn Project proceeds through the City’s standard development review process.

¹¹ This adjacent parcel (APN 004-105-016), which contains the City’s Community Garden, is not subject to the Initiative. However, as discussed in Section 4.A. of this Report, the Initiative’s interpretation may impact whether Parking Lot No. 3 could be expanded onto this Parcel.

¹² This proposed trail would be an expansion of the City’s Coastal Vista Trail, which is part of the larger California Coastal Trail system.

Moreover, the Initiative also amends the General Plan Land Use Element's definition of the OSR Land Use category. Specifically, the Initiative would change the definition to (1) state that existing parking is allowed on OSR parcels, and (2) allow residential uses on OSR parcels only if those parcels are located within a Residential Overlay ("R") Zone district ("Residential Overlay").

Section 5 of the Initiative is titled "Effect of Initiative on General Plan Land Use Classification and Zoning on Subject Properties Only." It provides as follows: "This Initiative adopts General Plan designations and zoning designations only for [Parcel A] and [Parcel B] properties, which are specifically identified in this Initiative. The Initiative does not adopt, alter, or change any other land use classification or zoning on any other real property in the City of Carpinteria."

Read alone, Section 5 may be viewed as meaning that all General Plan and Zoning amendments made by the Initiative only apply to Parcels A and B. Section 3(A)(1) of the Initiative, however, proposes to revise the OSR Land Use category definition by changing the allowable uses. The OSR Land Use category is a Citywide designation. Therefore, while it is true that the General Plan Land Use categories and Zoning districts for all City parcels—other than Parcels A and B—will remain unchanged, the proposed change to the definition of the OSR Land Use category would result in a change to the allowable uses of all OSR Land Use category parcels within the City.

The interpretation of initiatives is governed by the same rules applicable to the construction of statutes: they must be read according to their "plain meaning."¹³ Hence, the views of the Initiative drafters or Initiative Proponents—such as by letters written to the City or comments presented at a City Council meeting—are not grounds on which to construe the intent of the Initiative if such views contradict the plain wording of the measure, as there is no necessary correlation between what Initiative drafters or Initiative Proponents understand the text to mean and what the voters enacting the measure understand it to mean.¹⁴ Per Elections Code requirements, the Initiative petition that was circulated included a copy of the entire measure. Consistent with how the average citizen would read the measure and with the rules of statutory interpretation, in drafting this Report, staff has attempted to interpret the Initiative according to its plain text, while still making note of any ambiguities or alternative interpretations.

¹³ *C-Y Development Co. v. City of Redlands* (1982) 137 Cal. App. 3d 926, 929-30 (stating that "[t]he construction of a municipal initiative or ordinance is governed by the same rules as the construction of statutes. As a general rule, the court must interpret a statute by looking to the plain meaning of the words of the statute. It is elementary that the meaning of a statute must, in the first instance, be sought in the language in which the act is framed, and if that is plain, and if the law is within the constitutional authority of the law-making body which passed it, the sole function of the courts is to enforce it according to its terms.")

¹⁴ *Id.*, at 392.

4. PLANNING ANALYSIS

A. General Plan

The General Plan is the City's long-term planning blueprint that sets forth the City's goals and policies for its land use decisions.¹⁵ A general plan typically covers a 10 to 20-year time period, and has both broad general goals, as well as specific policies and programs to implement those goals for a city's physical development. Generally, a city may not approve a land use regulation (e.g., zone change) or development project unless it is consistent with its general plan.¹⁶ California law requires there be consistency between both the various elements making up a general plan (internal or horizontal consistency) as well as between a general plan and a zoning ordinance (vertical consistency).

The Initiative proposes changing the City's General Plan by (1) re-designating the Land Use category for Parcel A, (2) maintaining the Land Use category for Parcel B, and (3) amending the definition of the OSR Land Use category.

(1) Change the Land Use Category for Parcel A

Parcel A currently has a General Plan Land Use category of General Commercial (GC), which allows for both commercial and residential uses. The City's General Plan describes the GC Land Use category as being "characterized by a mixture of retail, wholesale, service and office uses, usually located along major transportation corridors. This category includes a variety of commercial intensities [and] . . . is characterized by a variety of offices, retail businesses, specialty shops, entertainment uses, and residential land uses. . . ."¹⁷

The Initiative proposes to amend Parcel A's General Plan Land Use category from GC to OSR. The OSR Land Use category "is intended to provide recreational areas (passive or active), including City parks, beaches, golf courses and related uses. It also identifies open space areas."¹⁸ As a result of changing Parcel A's Land Use category to OSR, Parcel A could not be developed for commercial use, except for those limited commercial uses such as concessions supporting recreational activities, as allowed by the corresponding REC Zoning district.

(2) Maintain the Land Use Category for Parcel B

The Initiative would maintain the current OSR Land Use category (as amended by the Initiative) for Parcel B. By re-adopting the OSR Land Use category for Parcel B via the

¹⁵ See Footnote 4 for more information on the General Plan / CLUP.

¹⁶ General Plans and Zoning: A Toolkit for Building Healthy, Vibrant Communities, Lisa M. Feldstein, Public Health Law & Policy (2007), pg. 35.

¹⁷ General Plan, pg. 10.

¹⁸ General Plan, pg. 13.

Initiative, any future change to this designation could only occur by popular vote, as is further discussed in Section 7 of this Report.

(3) Amend the Definition of OSR

The Initiative would amend the text of the General Plan OSR Land Use category definition as follows (additions shown in underline; no strike-outs proposed):

“Open Space/Recreation (OSR). The OSR land use category is intended to provide recreational areas (passive or active), including existing parking, City parks, beaches, golf courses and related uses. It also identifies open space areas. The OSR land use category may also provide for residential uses, only if the property is included in the Residential Overlay zone.”

The City’s General Plan Land Use Map, attached to this Report as **Exhibit C**, identifies all OSR Land Use category-designated parcels within the City with green coloring. OSR parcels are mostly located along the coast, with coastal OSR parcels consisting of the Salt Marsh Nature Park, City Beach, State Beach, Tar Pits Park, Casitas Pier, the Seal Sanctuary, and the Bluffs Nature Preserve/Viola Field.¹⁹ Pockets of OSR Land Use category parcels that are inland generally represent public parks (Memorial Park, Heath Ranch Park, Franklin Park, El Carro Park, Carpinteria Creek Park and Monte Vista Park). If the Initiative is read to change the definition of the OSR Land Use category generally, and not just for Parcels A and B, OSR-designated parcels throughout the City would be impacted. If the Initiative is interpreted to apply only to Parcels A and B, then these Parcels would be the only land within the City subject to the Initiative’s proposed amendments to the definition of the OSR Land Use category. Based on the foregoing analysis of the Initiative—including the fact that the Initiative didoes not add text to create a new OSR Land Use category specific to Parcels A and B—City Staff find that the prior interpretation reflects a plain reading of the Initiative by the electorate.

(a) Addition of “Existing Parking”

The General Plan currently makes no distinction between existing or new parking in the definition of the OSR Land Use category. The Zoning district that implements the OSR General Plan Land Use category is Recreation District (commonly referred to as the Recreation zone (“REC”)), which permits “parking areas” as an allowable use and similarly does not make a distinction between new or existing parking.²⁰

The Initiative’s addition of “existing parking” to the OSR Land Use category definition could be interpreted to imply, by omission, that “new parking” is not allowed on OSR parcels. Such a reading would be consistent with the Initiative’s stated intent of maintaining the “current status” for Parcels A and B.²¹ However, the Initiative’s introduction of the phrase “existing parking” without addressing how “new parking” is

¹⁹ As part of its upcoming General Plan update, the City anticipates designating the Rincon Bluffs Preserve as OSR.

²⁰ See Carpinteria Municipal Code Section 14.38.040(4).

²¹ See Initiative, Section 2(A)(6) and 2(B).

affected results in an unclear standard that could be interpreted to either allow or not allow new parking.

Should the Initiative result in an interpretation that all new parking on OSR Land Use category parcels is prohibited, the effect would be to bar construction of any new parking to serve existing and/or future recreational development. Limitations on the development and use of public parking is inconsistent with the City's General Plan policies that are aligned with the state Coastal Act to encourage unrestricted and affordable public coastal access.²² On the other hand, if the Initiative is interpreted to change the definition of the OSR Land Use category for Parcels A and B only, then these concerns would only impact the future development potential of these two Parcels. In addition, such a reading would effectuate the intent of the Initiative Proponents to preclude the construction of a new parking lot on Parcel B.

Generally, however, the list of allowed uses in both the General Plan and the Zoning Code are not considered to be exhaustive (i.e., the City may permit uses similar to the allowed uses in the General Plan and Zoning Code even if those uses are not expressly listed). Based on this general policy, City Staff interprets that the addition of "existing parking" to the OSR Land Use category definition does not by itself preclude "new parking" on OSR designated parcels within the City.

(b) Allowing Residential Overlay on OSR Parcels

The City's Residential Overlay District, which is described in CMC Chapter 14.49, is a zoning tool to allow residential-only development in Zone districts that would otherwise not permit such uses (i.e., commercial and industrial districts).²³

²² E.g., see General Plan LU-3i (pg. 24), Implementation Policy 29 (pg. 49).

²³ Commercial Zoning districts include Commercial Planned Development District (CPD), Central Business District (CBD), Commercial Planned Development District/Residential Overlay (CPD/R), and Resort District (RES). The Industrial Zone districts are the General Industry District (M), Coastal Industry District (M-CD), and Industrial / Research Park District (M-RP). See the City's Zoning Map, attached as Exhibit E. Residential Overlays, however, are specifically barred from being applied in the coastal-dependent industry (M-CD), Central Business District (CB), or visitor-serving commercial (VC) zones, with some exception for VC-designated parcels in the City's Downtown Core District. (CMC Section 14.49.020.) While not explicitly prohibited in CMC Chapter 14.49, City staff interprets establishment of a Residential Overlay as not currently allowed in the REC Zone district. CMC Section 14.49.010 states that "[t]he purpose of the [Residential Overlay] district is to provide the opportunity for residential-only development in [Z]one districts which would otherwise not permit such uses. The intent is to encourage rehabilitation of existing housing stock in certain commercial and industrial areas (excluding coastal dependent industry), to increase the [C]ity's stock of affordable housing through permission of new residential-only developments in areas which allow commercial, industrial and mixed use developments, and to assist the [C]ity in maintaining an appropriate balance between jobs and housing..." As the REC Zone district does not generally allow for commercial, industrial, or mixed use development, establishment of the Residential Overlay district on REC Zoned parcels would be inconsistent with the purpose and intent of the Residential Overlay district. Further, City staff believes allowing for residential uses on REC Zoned land would also be in conflict with State Planning and Zoning Law's provisions for Open Space Lands as codified in Government Code Sections 65560–65570.

Section 4(1) of the Initiative specifically adds a Residential Overlay to Parcel A.²⁴ Separately, and assuming the proposed amendment to the definition of the OSR Land Use category is interpreted to apply Citywide, Section 3(B)(1) of the Initiative allows a Residential Overlay to be applied to all OSR parcels in the City. However, because the Initiative readopts the OSR Land Use category for Parcel B, it is likely that a popular vote would be required to establish a Residential Overlay on Parcel B in the future, if that designation were desired.

The State Planning and Zoning Law's provisions for Open Space Lands are found at Government Code Sections 65560–65570. Government Code Section 65560(h) defines “open-space land” to mean any parcel or area of land designated on a local plan as open space for the preservation of natural resources; for the managed production of resources (such as forests and agriculture); outdoor recreation; public health and safety (e.g. areas requiring special management or regulation because of hazardous conditions like earthquakes); in support of the mission of military installations; and, the protection of places, features, and objects associated with Native American history and culture.

These same principles apply to the REC Zoning District that implements the OSR Land Use category of the General Plan, since vertical consistency is required. State law provides that “[n]o building permit may be issued, no subdivision map approved, and *no open-space zoning ordinance adopted, unless the proposed construction, subdivision or ordinance is consistent with the local open-space plan.*”²⁵ The City's REC Zone district only allows caretaker dwellings, pursuant to a conditional use permit, as an exception to the general prohibition on residential use.²⁶ Under the City's current Zoning, any additional residential development is not appropriate or permitted on REC Zoned parcels. Additionally, based on the City's current Residential Overlay regulations, residential overlays are not interpreted to be allowed on REC Zoned parcels.

On August 16, 2021, the law firm Strumwasser & Woocher, which represents the Initiative Proponents, provided a letter to the City (“August 16, 2021 Letter”) explaining that the amendment to the definition of the OSR Land Use category allowing for a Residential Overlay was included to ensure the General Plan and zoning changes for Parcel A comply with Senate Bill (SB) 330, also known as the Housing Crisis Act of

²⁴ Parcel A is currently zoned CPD, which generally allows for office and commercial development. As discussed above, the Initiative proposes to change the Zoning designation for Parcel A from CPD to REC. The City's Zoning Code provides that dwelling units are allowed in CPD Zone districts as long as they are integrated into the overall commercial development or are approved pursuant to the Residential Overlay district. For example, multi-family dwellings (rowhouses, townhouses, apartments, condominiums, community apartment projects integrated into a mixed use development), and residential-only developments in a Residential Overlay are permitted in CPD Zone districts pursuant to an approved development plan. There are many examples in the City where dwelling units have been approved and built on parcels within a CPD Zone district.

²⁵ Government Code Section 65567 (“Requirements as to building permits, subdivision maps, and zoning ordinances.”)

²⁶ CMC Section 14.38.050(3).

2019 (HCA).²⁷ A copy of the August 16, 2021 Letter is attached to this Report as **Exhibit D**.

The HCA generally provides that where housing is an allowable use, a city, *including its voters by referendum or initiative*, may not change a land use designation (General Plan or Zoning) to remove housing as a permitted use or reduce the intensity of residential uses permitted under a general plan and a zoning code that were in place as of January 1, 2018. “Less intensive use” includes, but is not limited to, reductions to height, density, or floor area ratio, new or increased open space or lot size requirements, or new or increased setback requirements, minimum frontage requirements, maximum lot coverage limitations, or anything that would lessen the intensity of housing.²⁸

The August 16, 2021 Letter states that “[b]ecause housing is ‘an allowable use’ in the CPD district, the proponents of the Initiative were required by SB 330 to maintain the same intensity of residential use on [Parcel A] as a permissible use of the property.” (Emphasis added.) In addition to amending the definition of the OSR Land Use category to permit residential development pursuant to a Residential Overlay, the Initiative also proposes to change Parcel A’s Zoning designation from CPD to REC and adding a Residential Overlay (e.g., REC / R).

Even with the imposition of a Residential Overlay on Parcel A, however, the permissible intensity of residential use would be reduced as compared to what is currently allowed under the CPD Zone district. This is because the Residential Overlay district requires development to be consistent with the standards and regulations of the underlying Zoning district.²⁹ Compared to a CPD district, the REC district has constrained development standards.³⁰ Therefore, the Initiative’s General Plan and Zoning amendments for Parcel A may result in a downzoning in violation of the HCA.

The HCA allows changing a Land Use category or Zoning to a less intensive use if a city concurrently changes the development standards, policies, and conditions applicable to other parcels within the jurisdiction to ensure that there is no net loss in residential capacity.³¹ State law requires that zoning ordinances—including both ordinance amendments and initiatives—that limit housing development may not be enforced until they have been submitted to, and receive approval from, the state Department of Housing and Community Development (“HCD”); if HCD denies approval of a zoning ordinance, that ordinance is deemed void.³²

²⁷ See Initiative Section 2(B).

²⁸ Government Code Section 66300(b)(1)(A).

²⁹ CMC Section 14.49.060.

³⁰ The differences between these two zone districts is discussed in more detail in the Section 4.C. of this Report.

³¹ Government Code Section 66300(i)(1). The HCA also allows a restriction or limitation on housing development, including mixed-use development, within all or a portion of a jurisdiction to protect against an imminent threat to the health and safety of persons residing in, or within the immediate vicinity of, the area subject to the restriction or limitation. (Gov. Code 66300(b)(1)(B)(i).) This exemption from the ordinary HCA requirements, however, is inapplicable here.

³² Government Code Section 66300 (b)(1)(B)(2).

One possible outcome, should the Initiative be adopted, is that the City could be required to upzone, via Residential Overlay or other mechanism, other parcels within the City to ensure that no net loss of housing capacity would result from enactment of the Initiative's proposed Land Use category and Zoning amendments applicable to Parcel A.

B. Specific Plan

A specific plan is a program that implements the General Plan for a limited geographic area, combining both policy and development regulations. There are no specific plans applicable to the Parcels.

C. Zoning Consistency

A copy of the City's Zoning Map is provided as **Exhibit E**. The Initiative proposes to change the Zoning district for Parcel A, and re-adopt the Zoning district for Parcel B, as follows:

<i>Zoning District</i>		
	Current Zoning District	Proposed Zoning District
Parcel A	Commercial Planned Development (CPD)	Recreation / Residential Overlay (REC / R)
Parcel B	Recreation (REC)	Recreation (REC)

Commercial Planned Development District ("CPD district" or "CPD zone")

The regulations applicable to the City's CPD Zone district are found in CMC Chapter 14.20. The purpose of the CPD district is to provide appropriately located areas for office uses, retail stores, service establishments, wholesale businesses, and offer commodities and services required by residents of the City and its surrounding market area. The intent is to promote high standards of site planning, architecture, and landscape design for office and commercial developments within the City.³³ The CPD Zone district requires a development plan be submitted and approved (as provided in CMC Chapter 14.68) prior to the issuance of any permit for development in areas zoned CPD, as well as for certain changes in use within an existing structure.³⁴

Uses permitted in the CPD Zone district subject to development plan approval are as follows:

1. Antique shops;

³³ CMC Section 14.20.010.

³⁴ CMC Section 14.20.020.

2. Apparel stores;
3. Art, music and photographic studios and supply stores;
4. Appliance stores;
5. Automobile sales and services, rental agencies and supply stores, light mechanical repair (ignition, tire change, etc.) permitted outside;
6. Bakeries, retail only;
7. Barber and beauty shops;
8. Bicycle shops;
9. Blueprint and photocopy services;
10. Book, gifts and stationery stores;
11. Catering establishments;
12. Cocktail lounges and bars;
13. Department stores;
14. Drug stores and pharmacies;
15. Financial institutions;
16. Florist shops;
17. Food stores and supermarkets;
18. Furniture stores, repair and upholstery;
19. General retail stores;
20. Hardware stores;
21. Hobby shops;
22. Hospitals, medical clinics, and similar buildings used for the treatment of human ailments;
23. Hotels and motels;
24. Janitorial services and supplies;
25. Jewelry stores;
26. Laundry pickup and delivery agencies and self-service laundries;
27. Liquor stores;
28. Newspaper and magazine stores;
29. Retail nurseries and garden supply stores exclusive of greenhouses; provided all equipment and supplies shall be kept within an enclosed area;
30. Office and business machine stores;
31. Parking facilities where fees are charged;
32. Post office;
33. Printing shops;
34. Professional offices, studios, office buildings;
35. Shoe stores, sales and repairs;
36. Sign painting shops within a completely enclosed building;
37. Sporting goods store;
38. Swimming pool sales and service;
39. Television and radio repair;
40. Theaters, except drive-in;
41. Tire sales and service;
42. Toy stores;
43. Travel agencies;
44. Vocational schools;

45. Variety stores;
46. Veterinarians' office, outpatient care only;
47. Public and semipublic uses;
48. Recreation facilities, public or private;
49. Restaurant;
50. Accessory uses;
51. Accessory structures and uses located in the same site as a permitted use;
52. Dwelling units integrated as part of the overall commercial development;
53. Any other commercial use which the planning commission finds is similar in character to the uses listed in this section and is not more injurious to the health, safety, or welfare of the neighborhood because of noise, odor, smoke, vibration, or danger to life or property;
54. Residential-only development consistent with the provisions of Chapter 14.49 of the CMC (Residential Overlay district);
55. Escort services, permitted subject to the requirements of Chapter 5.46 of the CMC; and
56. Personal use cannabis cultivation, as provided in Chapter 14.59 of the CMC.

The CPD district has rules applicable to developments, such as maximum building heights, setbacks (front, rear, sides), landscaping, and noise regulations.³⁵

Recreation District ("REC district" or "REC zone")

By contrast, the purpose of the REC Zone district is to ensure the preservation, maintenance, and enhancement of recreation areas and open space of either a public or private nature. The intent is to provide for appropriate recreational use of public parks, beaches, and other open space, and standards for development which will protect the natural beauty of these areas.³⁶ The provisions of the REC district apply to existing public or private outdoor recreational areas as shown on the City's official Zone district map (see **Exhibit E**) and any future parcels which may be rezoned to REC district.

Similar to CPD Zone district parcels, prior to the issuance of any permit for development on parcels zoned REC (or to be rezoned to REC district), a development plan must be submitted, processed, and approved.³⁷ Uses permitted in the REC Zone district subject to development plan approval are as follows:

1. Public and/or private recreational uses, e.g., parks, campgrounds, riding, hiking, biking, and walking trails;
2. Public recreational facilities, including tennis courts, handball and racquetball courts, golf course;
3. Watercourses, flood control easements;

³⁵ See table titled "Comparison of Zoning Requirements for CPD District and REC District" on following page for more details.

³⁶ CMC Section 14.38.010.

³⁷ CMC Section 14.38.030.

4. Structures and facilities required to support recreational activities, e.g., parking areas, water and sanitary facilities, boat launching facilities, ranger station and limited concession activities for persons using the recreational facilities;
5. Any other public, quasi-public or community service recreation use which the planning commission determines to be similar in nature to the above uses, to not reduce existing recreational opportunities, to be open to the general public and organized recreational and youth organizations, and not located on a city or state beach or beach park, or any environmentally sensitive habitat overlay.

Uses permitted in the REC District with a conditional use permit are as follows:

1. Outdoor swimming and tennis club;
2. Stables, corrals, and other animal care facilities;
3. Residential structures for a caretaker and family;
4. Restaurants, provided such facilities are in conjunction with the recreational use;
5. Quasi-public and community service district recreational facilities not located on a city or state beach or beach park, or within any environmentally sensitive habitat overlay, and subject to the building coverage limitations of Section 14.38.090 (except private land in which case building coverage may not exceed twenty-five percent).

As a result of changing Parcel A's Land Use category to OSR and Zoning district to REC, the Initiative would preclude the Surfliner Inn Project or any other commercial use that is inconsistent with the limited commercial uses, described above.

As discussed above in Section 4.A. of this Report, since the REC district seeks to minimize the footprint of developments, the development standards are naturally more restrictive than those applicable to CPD Zone district parcels. The chart below compares the development standards of the CPD and REC Zone districts, and illustrates how residential development pursuant to a Residential Overlay—if any—on a REC-zoned parcel would be reduced in comparison to a CPD-zoned parcel.³⁸ This downzoning issue, with associated restricted development standards, would uniquely affect Parcel A and no other land in the City if the Initiative is adopted.

Comparison of Development Standards for CPD District and REC District		
	CPD District	REC District
Minimum Lot Size	(None)	One acre
Maximum Building Coverage	(None)	Structure may cover no more than 10% of the net area of the property

³⁸ The CMC specifies that a residential-only project shall be developed pursuant to the standards and regulations of the *underlying commercial or industrial zone district*, in addition to other standards found in CMC Section 14.49.060. (Emphasis added.)

Maximum Building Height	30 feet	16 feet
Front Setback	Cannot be located less than thirty-five feet from the centerline of any street or five feet from the property line, whichever is greater	At least 10 feet of the property line; no buildings or structures shall be located on the dry, sandy beach
Rear Setback	Not required except that no structure shall be located less than ten feet of any boundary line of a parcel zoned for residential use ³⁹	At least 10 feet of the property line; no buildings or structures shall be located on the dry, sandy beach
Side Setback	Not required except that no structure shall be located less than ten feet of any boundary line of a parcel zoned for residential use ⁴⁰	At least 10 feet of the property line; no buildings or structures shall be located on the dry, sandy beach
Noise	For commercial development, shall not exceed five (5) decibels above the ambient level of the area	(None)
Landscaping	Not less than 20% of the net area shall be landscaped, where feasible; in no case shall less than 10% of the net area be landscaped.	(None)
Parking	As provided in CMC Chapter 14.54 ("Parking Regulations")	As provided in CMC Chapter 14.54 ("Parking Regulations")

If the Initiative is interpreted so that the proposed amendments to the definition of the OSR Land Use category apply Citywide, then a Residential Overlay may be applied on all parcels with the OSR Land Use category designation.⁴¹ Because the residential development standards for the Residential Overlay are those of the underlying Zoning district, such parcels could be developed pursuant to the standards of the REC Zoning district, as outlined in the chart above.⁴²

³⁹ However, when the structure exceeds twenty feet in height, it shall be located not less than twenty feet from residentially zoned parcel lines.

⁴⁰ However, when the structure exceeds twenty feet in height, it shall be located not less than twenty feet from residentially zoned parcel lines. Side yard setback requirements for corner lots may be waived.

⁴¹ Notwithstanding the discussion in Section 4.A.(3)(b) and footnote 23, adding a Residential Overlay to other OSR-designated parcels would require approval by the City Council and the Coastal Commission pursuant to CMC 14.49.030.

⁴² See green highlighted parcels on Exhibit C (City's General Plan Land Use Map) & Exhibit E (City's Zoning Map).

Alternatively, the Initiative could be interpreted so that the amendments to the definition of the OSR Land Use category apply only to Parcel A, which the Initiative proposes to rezone to REC/R (e.g., REC district with a Residential Overlay); any residential development would be subject to the REC District zoning standards. Parcel B, on the other hand, would have a re-adopted designation of REC. As noted above, it is unclear if a Residential Overlay could be applied to Parcel B absent putting the change to a popular vote.

D. Limitation on City Actions Under Section 65008 of the Government Code and Chapters 4.2 (Commencing with Section 65913) and 4.3 (Commencing with Section 65915) of Division 1 of Title 7 of the Government Code

(1) Government Code Section 65008

Government Code Section 65008 prohibits a city from discriminating against a residential development or emergency shelter for various reasons. Based on City Staff's reading of the proposed Initiative, Government Code Section 65008 is inapplicable.

(2) Government Code, Division 1, Title 7, Chapters 4.2 and 4.3

Chapters 4.2 (commencing with Section 65913) and 4.3 (commencing with Section 65915) of Division 1 of Title 7 of the Government Code encourage the development of new housing by allowing or requiring local agencies to enact ordinances that expedite the residential development process, ensure sufficient land is zoned at densities high enough for the production of affordable housing, and assure diligence in providing concessions and incentives to facilitate the development of affordable housing. Although the Initiative would modify and reduce the development potential for housing on Parcel A, no housing exists or is planned for this site, and the Initiative is not anticipated to interfere with the City's development of affordable housing generally.

E. Impact on the Availability and Location of Housing, and the Ability of the City to Meet its Regional Housing Needs

Neither Parcel A nor Parcel B is designated in the Housing Element as a site to accommodate the City's regional housing needs allocation ("RHNA"). The Initiative's implications on the intensity of housing allowed on the Parcels is discussed above in Sections 4.A. and 4.C. of this Report.

F. Impact on Agricultural Lands, Areas Designated for Revitalization, and Uses of Vacant Parcels of Land

The Initiative would not change, affect or impact any land currently zoned for, or utilized for, agricultural purposes. There are also no areas within the City that are specifically designated for "revitalization" under state law.⁴³ However, depending on the interpretation of Section 3(B)(1) of the Initiative, the Initiative may have an impact on

⁴³ See, e.g., Government Code Section 62000 *et seq.*

vacant parcels on land. For example, if the Initiative's proposed amendments to the provisions of the OSR Land Use category are interpreted to apply Citywide, the Initiative would (1) allow decision-makers to apply a Residential Overlay to any OSR Land Use category parcel in the City, and (2) all OSR Land Use category vacant parcels may be precluded from constructing new parking based on the addition of "existing parking" to the OSR Land Use category definition. (See Section 4.A. of this Report for additional discussion.)

5. FISCAL IMPACT

A. Financial Profile of Parcels A and B

The following paragraphs review information concerning conditions that influence the financial profile of Parcels A and B. Three scenarios are evaluated: (i) evaluation of Parcels A and B financial profiles under existing conditions, which includes the uses and activities currently occurring on the Parcels; (ii) evaluation of the Parcels' financial profiles under current preliminary development proposals, which may be allowed under the City's current regulations but may be prohibited by the Initiative's proposed regulations; and (iii) evaluation of the Parcels' financial profiles under a conceptual scenario where the Initiative would allow certain housing use and development.

i. Existing Conditions Scenario

The following paragraphs describe revenue and expense projections based on a continuation of current conditions.

Parcel A

Parcel A is currently improved with Parking Lot No. 3, which is a 113 space public parking lot with a public restroom. Parking in the lot is unrestricted and free. Parking Lot No. 3 serves the adjacent Amtrak passenger rail platform, Community Garden, the Tomol Interpretive Play Area, City Beach, and the greater Downtown district and Beach neighborhood. The lot is also used as an alternative site for the City's weekly Farmers' Market.

As a free public parking lot, the facility does not generate fee or tax revenues for the City. Annual recurring maintenance expenses are approximately \$12,000 and include landscape maintenance, utility expenses (electric, sewer and water), janitorial service, and parking lot sweeping. Current deferred capital maintenance expense is estimated at approximately \$150,000, primarily for parking lot pavement maintenance. Other deferred maintenance includes painting of the restroom building, plumbing repairs, lighting repairs, replacement of landscape materials and/or irrigation repairs.

Maintenance activity for Parking Lot No. 3 is funded by the City's Right-of-Way Maintenance District, AB 939 Fund, General Fund, and the Parking, Business and Improvement Area Fund.

Parcel B

Parcel B is mostly unimproved, serving a variety of temporary uses as needed, including as a location to store the City's beach maintenance tractor. The City leases a 15,750 square foot portion of the 1.44 acre parcel to UPPO'S GARDEN, LLC for use as a private hobby garden, pursuant to a month-to-month lease agreement with a monthly rent of \$172.84 (or \$2,074.08 annually). More information about the lease arrangement is available at the staff report for the October 11, 2021 City Council meeting, Agenda Item No. 8.

Annual maintenance activity expenses for Parcel B are de minimis and include occasional weed/brush clearing, tree trimming, and fence repair. UPPO'S GARDEN, LLC also has certain property maintenance responsibilities for the leased area.

ii. Preliminary Development Proposals Scenario

Site improvements and uses involving Parcels A and B are currently in various stages of planning and development and can be understood in two groupings: City Master Plan projects and LOSSAN projects.

City Master Plan Projects: This concept dates back to 2016 and includes the Surfliner Inn on a portion of Parcel A, expanded public parking areas on the adjacent parcel west of Parcel A and on Parcel B, and a pedestrian trail on Parcel B connecting Linden and Holly Avenues.⁴⁴

LOSSAN: Includes a second passenger platform and commuter train rail siding at the Carpinteria Train station within UPRR Right-of-Way that bisects Parcels A and B. Additional project elements include a new parking lot, a pedestrian undercrossing of the railroad tracks at either Elm or Holly Avenues and a pedestrian trail and bridge over Franklin Creek between the undercrossing and 7th Street at Aliso School. The new public parking lot would be located on Parcel B. The pedestrian undercrossing could involve both Parcels A and B, if located at Elm Avenue.

Changes in the financial profiles of Parcels A and B as compared to current conditions would be expected to result from implementation of the development plans described above. The following analysis describes the anticipated financial impacts if the development proposals were approved and built, as well as the loss of potential revenues if the Initiative were adopted—and were to preclude—some or all of the projects or uses described above.

Parcel A

Financial Profile changes related to the contemplated development of Parcel A, as described generally above, have been analyzed by the City as a part of consideration of

⁴⁴ More information on the Surfliner Inn Project is available online on the City's website under the "Hot Topics" tab at the top of the homepage.

the LDDA (which contemplates the potential development of the Surfliner Inn Project, inclusive of the new parking lot and trail on Parcel B). Prior to receipt of the Initiative petition, the City had contracted with Keyser Marston Associates to research and draft The Carpinteria Hotel Financial Analysis and Hotel Market Conditions Memorandum.⁴⁵ This Report relies on these analyses and is summarized below.

The Surfliner Inn Project would, if approved for development, be expected to provide significant revenues to the City while also providing other economic and public benefits, such as increased patronage of local businesses, additional employment opportunities, and the construction of a new public parking lot on Parcel B. The Initiative would preclude development of the Surfliner Inn and result in no potential for the enhanced municipal revenue and other economic and public benefits described below.

As was presented to the City Council on July 19, 2021, enhanced municipal revenues are estimated as follows:

Surfliner Inn Enhanced Municipal Revenue	
	Annual City Revenue
Ground Lease	\$165,000
Transient Occupancy Tax	\$385,000
Sales Tax ⁴⁶	\$64,000
Property Tax	\$7,000
TOTAL	\$621,000

These hypothetical revenue calculations are based on the assumption that the Surfliner Inn Project would have forty (40) rooms with an average daily room rental rate of \$275 and an 80 percent occupancy factor.⁴⁷ The Surfliner Inn Project, however, may change during City development review and the occupancy and room rental rates may vary. The sales tax estimate includes both State and Local sales tax and estimates of generation both on and offsite.

The revenue estimate for the ground lease is calculated based on the terms of the draft ground lease, which is attached to the LDDA. The draft ground lease contemplates four revenue components:

⁴⁵ Both documents are available on the City's website, under the "Hot Topics" tab, "Surfliner Inn" topic.

⁴⁶ The July 19, 2021 Staff Report overestimates the amount of sales tax revenue that is expected to flow to the City from on-site sales subject to state and local sales tax. Staff's revised estimate of annual sales tax revenue coming to the City from on-site sales is \$22,500 (for a revenue total of \$579,5000).

⁴⁷ At the City Council's November 29, 2021 meeting, the Surfliner Inn Project developers presented a revised proposal, which reduced the total rooms to thirty-nine (39). As noted in footnote 10 of this Report, however, the particulars of this development project are subject to change as the Surfliner Inn Project proceeds through the City's standard development review process. For the latest information on the proposed Surfliner Inn Project, including the current proposed design drawings, please visit the Surfliner Inn Project page on the City's website under the "Hot Topics" tab at the top of the homepage.

- (1) **Annual Base Rent.** The annual base rent is calculated as five and a half percent (5.5%) of appraised fair market value for the Surfliner Inn Project site paid monthly.
- (2) **Percentage Rent.** Percentage rent is defined as four and a half percent (4.5%) of gross revenue generated by the Surfliner Inn Project to the extent revenue exceeds annual base rent.
- (3) **Annual Base Rent Adjustments.**
 - **Three (3) Year Adjustment.** Every three (3) years, the annual base rent will be adjusted to the greater of (1) the Consumer Price Index increase, or (2) seventy-five percent (75%) of the average percentage rent and annual base rent over preceding three (3) years.⁴⁸
 - **Twenty-Five (25) Year Adjustment.** City option to reappraise Site value and set Annual Base Rent at the present value
- (4) **Construction Rent.** During construction of the Surfliner Inn Project, the Surfliner Inn Project developer will pay fifty percent (50%) of the annual base rent.

The City's current transient occupancy tax ("TOT") is paid by hotel and short-term rental guests at a rate of twelve percent (12%) of the room rate for stays of 30 days or less. According to the 2021 Carpinteria Valley Economic Profile, tourism is an important component of the local economy, generating substantial revenues and supporting a significant number of jobs. The City receives TOT revenue from its seven hotels/motels and from vacation rental units. TOT revenue for the current fiscal year is currently projected at \$2.3 million in the City's budget. TOT revenue contributes to the City's approximately \$11.6 million General Fund, which is the City's primary discretionary revenue fund that pays for basic services such as law enforcement, and streets and parks maintenance..

The combined sales tax rate paid in Carpinteria is nine percent (9%), with the following breakdown:⁴⁹

State Sales Tax:	7.25%
County Transportation:	0.500%
Local Sales Tax:	1.25%

The California Economic Forecast has estimated that visitors to Carpinteria account for 65 percent to 85 percent of all retail sales.⁵⁰ Sales tax revenue, currently projected at just over \$5 million, or nearly 35% of all discretionary revenue, is the City's largest tax revenue source. Carpinteria's retail industry relies more on visitor spending than resident spending and is heavily concentrated in "mom and pop" retail stores located in the Downtown district. Gas stations and grocery stores have accounted for just over 40

⁴⁸ Annual Base Rent will never decrease, but increases are capped at a 10 percent.

⁴⁹ The City receives 1% of the State Sales Tax. The City's 1% portion of the State Sales Tax and the Local Sales Tax is fully discretionary and available for any use determined appropriate by the City Council through budget adoption. The County half cent sales tax revenue is restricted to transportation projects/programs and allocated to Carpinteria and the other local governments in the County by formula and via grant programs.

⁵⁰ 2021 Carpinteria Economic Profile, p. 23.

percent of all sales in 2021, and restaurants and bars represented 25 percent. Due to the coronavirus, taxable retail sales declined sharply in 2020, but have recovered or are within full recovery this year in virtually all retail sales categories. Citywide retail sales, other than gas stations, have proven to be more resilient than the typical in Santa Barbara County due to the unique retail market in the City that has a small number of storefronts and virtually no big-box stores like Walmart or Target.

Because the retail environment is heavily dependent on tourism, the addition of a visitor destination such as the Surfliner Inn Project in the Downtown area would be expected to benefit local businesses that rely heavily on tourism dollars and municipal revenues that benefit from related taxes.

City costs associated with the development of Parcel A as described above, would be expected to include decreased maintenance costs associated with elimination of the public restroom (moved to Parcel B), and a reduced amount of lighting, landscaping and pavement maintenance for which the City is responsible. A new lease administration obligation would be incurred by the City; however, no new City staff or consultant services are expected to be required as a result of the need for annual lease administration.

Parcel B

Financial Profile changes related to contemplated development of Parcel B for public parking, trail and restroom facilities would include new maintenance obligations and associated expenses. The City estimates that the expenses would be similar to expenses the City currently incurs for maintenance of Parking Lot No. 3. This includes annual recurring maintenance expenses of approximately \$12,000, for landscape maintenance, utility expenses (electric, sewer and water), janitorial service, and parking lot sweeping. Capital maintenance expenses would be expected to be less initially due to facilities being new but, over time, similar to Parking Lot No. 3, with an average annual expense of approximately \$10,000, for restroom building painting, plumbing repairs, lighting repairs, replacement of landscape materials and/or irrigation repairs, parking lot striping and/or pavement maintenance.

Maintenance activity for public parking lots is funded by the City's Right-of-Way Maintenance District, AB 939 Fund, General Fund, and the Parking, Business and Improvement Area Fund.

iii. Housing Scenario

Should the Initiative be adopted and apply the REC Zoning with a Residential Overlay to Parcel A, the financial profile for Parcel A would change because it could be developed with residential units. Although the City would still own Parcel A, the City could choose to develop Parcel A with residential units subject to the REC Zoning and Residential Overlay provisions discussed above in Section 4.A. and 4.C. of this Report.

Parcel A has not previously been analyzed for residential development and therefore there is very limited information available to understand in any detail potential changes

to the financial profile of the parcel, i.e., City revenue and expenses, and other economic and public benefits, based on a residential development scenario that could result from passage of the Initiative.

Should the Initiative pass and development of multi-family housing on Parcel A occur, the City could expect, generally, the following changes in the financial profile of the parcel:

Lease or Sale Proceeds: The City has broad authority to enter into agreements to sell or lease City-owned property. Should housing become a permitted use as an outcome of the Initiative and a sale/lease and development permit is approved by the City for housing on Parcel A, City could receive related lease or sale proceeds.

Taxes and fees: The property would be expected to generate property tax revenue under either a lease or sale scenario for the purpose of building housing except for any part of the development that qualifies for a property tax exemption. Development fees, including development impact fees, would be collected pursuant to the City's fee schedule and Development Impact Mitigation Fees program.

Economic benefits: Multi-family residential use can provide housing that is affordable (available on a qualifying household income basis) and/or affordable by design, thus helping to provide workforce housing in support of local businesses, in particular, businesses that are a part of economic sectors, such as hospitality and agriculture, that pay lower wages.

Public Benefits: Development of the site for housing use could result in construction of public benefit projects, e.g., recreational trail(s), over portions of the property.

Expenses: All development types result in local government costs for delivery of municipal services such as policing. In general, cities do not evaluate the appropriateness of site specific development based solely on the revenue generating potential in relation to service costs. This is for equity reasons, because factors such as management practices can greatly influence service demands, and because certain development types, including multi-family housing, provide community benefits independent of direct revenue generation and such benefits, while potentially significant and desirable for a community, can be difficult to quantify.

B. Business Attraction and Retention

Currently Parcel A is designated to allow for commercial development and use. The 2016 Hotel Market Conditions Memorandum for Parcel A by Keyser Marston Associates recognizes that a hotel at this location would result in hotel guests spending money at other businesses in the City, supporting the local economy and helping to attract and retain retail/restaurant businesses.

The Initiative would result in no potential for commercial development or uses on the Parcels and therefore any related business attraction and retention benefits from commercial use, such as an inn, would not occur. However, if the result of the Initiative is to allow for residential development on Parcel A, one effect could be a potential increase in business attraction and retention for local businesses due to additional inhabitants residing nearby. Moreover, the addition of residential development could introduce more variety, and therefore economic vibrancy, to the mix of uses in the downtown area.

C. Employment

Currently Parcel A is designated to allow for commercial development and use. An inn/restaurant concept is being considered by the City for the site. The developer has estimated that the hotel would require 3 to 9 employees per shift, with a total of three shifts per day, and the restaurant is anticipated to have two shifts with 7-8 employees per shift. Also, the 2016 Hotel Market Conditions Memorandum for Parcel A by Keyser Marston Associates recognizes that a hotel at this location would result in hotel guests spending money at other businesses in the City, supporting the local economy and helping to attract and retain retail/restaurant businesses.

The Initiative would result in no potential for commercial development/uses on the properties and therefore any related job production and retention benefits would not occur. However, if the result of the Initiative is to allow for residential development on Parcel A, an indeterminate increased level of business attraction and retention for local businesses could be expected, which may also have the potential to augment employment opportunities.

6. INFRASTRUCTURE

A. Parking

As discussed above, the Initiative would preserve existing parking spaces in Parking Lot No. 3 on Parcel A, while potentially precluding the development of new parking on Parcel B, effectively resulting in no change in existing parking on Parcels A and B. The development scenarios previously described in this Report include an inn development concept that, if approved for construction, would reduce the current 113 spaces in Parking Lot No. 3 by 66,⁵¹ and would construct a new approximately 83 space parking lot on Parcel B. According to the Downtown Parking Study, filed by the City Council in November 2021, none of the currently conceived development scenarios affecting Parcels A and B have the potential to result in a parking shortage in the Downtown.⁵² In

⁵¹ Parking Lot 3 would be expanded to the west by approximately sixty (60) feet onto an adjacent parcel, where an additional fourteen parking spaces are contemplated, bringing the total number of parking spaces to sixty one (61).

⁵² The Study is available online on the City's website under the "Hot Topics" tab at the top of the homepage.

this context, the Initiative would not be expected to result in any significant positive or negative impact on parking availability in the Downtown.

The Initiative could result in a prohibition on any new parking on City parcels with the OSR Land Use category.⁵³ Should this be a result of the Initiative, any site in the City with the OSR Land Use category that generates demand for parking, such as a park or open space area, could be precluded from building new or additional parking.

7. INITIATIVE AMENDMENT

*If the Initiative is adopted, the Initiative's regulations can only be repealed or amended by the voters.*⁵⁴ Voter approval for any future amendment to the General Plan or Zoning made by this Initiative could be pursued in one of two ways, by:

- "Voter-sponsored measures," which, like the Initiative itself, are placed on the ballot by individuals pursuant to the initiative power described in the California constitution⁵⁵; or,
- "Council-sponsored measures," which are placed on the ballot by the City Council.⁵⁶

For a voter-sponsored measure to be placed on the ballot, the proponents of the measure must do the following:

- Submit a notice of intent to circulate the proposed initiative petition;
- Request and obtain the official title and summary from the City Attorney; and,
- Gather and file with the City the requisite number of valid signatures within 180 days of receiving the official title and summary, after complying with various other requirements.

In addition, the City Council may submit a proposal to the voters if it chooses. Unlike voter-sponsored measures, those that are City Council-sponsored are subject to the California Environmental Quality Act ("CEQA") and, accordingly, the City Council would need to comply with CEQA, where required, prior to placing a measure on the ballot.

Any election naturally has associated costs. The estimated cost for holding an election depends on whether the City places the measure(s) on the ballot under one of the two allowable types of elections:

- Stand-alone election, which is an election on a date that the County is not already conducting an election; or,
- Consolidated election, which is an election where some other matter is already on the ballot, such as a statewide primary or general election.

⁵³ For a more detailed discussion of this topic, see Section 4.A. of this Report.

⁵⁴ Elections Code Section 9217; See also Section 9 of the Initiative.

⁵⁵ Cal Const art II, Section 8(a).

⁵⁶ Elections Code Section 9222.

Based on the most recent information available from the Santa Barbara County Elections Division, a stand-alone election costs approximately \$35,000 to \$40,000. For a consolidated election, the cost is roughly \$10,000 to \$12,000. These costs are estimates only and do not include any staff time and other expenses that the City might incur, and would depend, for instance, on the complexity of the initiative.

8. EFFECTIVE DATE SHOULD THE INITIATIVE BE ADOPTED

The City of Carpinteria lies entirely within the coastal zone and is therefore subject to the California Coastal Act (“Act”), a comprehensive scheme that governs land use planning for the entire coastal zone of California. The Act requires every city and county lying in whole or in part within the coastal zone to prepare and submit to the Coastal Commission a Local Coastal Program (“LCP”), which consists of a Coastal Land Use Plan and an Implementation Plan.⁵⁷ The precise content of a LCP is determined by the local government in full consultation with the Commission and must meet the requirements of and implement the provisions and policies of the Act at the local level.

As is noted above, the City has a combined General Plan / CLUP, though the two are theoretically standalone policy documents with overlapping subject matter. Because the two documents cannot be separated, this Report refers to the combined documents as the “General Plan,” and assumes that the Initiative’s amendments to the City’s General Plan, in fact, seek to modify the provisions of the General Plan / CLUP. As the CLUP, and any amendments to it, must be certified by the Coastal Commission before taking effect, the typical procedure for amending the General Plan / CLUP calls for concurrently applying for an CLUP amendment with the Commission during the updating process.⁵⁸ However, CLUP amendments generated by an initiative may be submitted after adoption or voter-approval to the Coastal Commission for certification.

Generally, amending a General Plan, CLUP, or any parts of the Implementation Plan, such as a zoning ordinance, by initiative is not subject to the “normal” statutory procedural requirements requiring extensive public participation that would otherwise occur when the City Council reviews these matters. Similarly, the CEQA Guidelines specifically except initiatives from environmental review.⁵⁹

If the Initiative is adopted, the City Council will be required to adopt a resolution to submit the General Plan/CLUP and Zoning Code amendment to the Coastal Commission for review and certification. From this point forward, the approval and certification timelines for initiative amendments are generally the same as those that would apply to City Council-proposed amendments to the CLUP or LCP, provided in

⁵⁷ The Implementation Plan consists of the zoning regulations, any specific plans, etc.

⁵⁸ See Title 14 of the California Code of Regulations, Section 13500 et seq.

⁵⁹ Title 14 of California Code of Regulations, Section 15378(b)(3) (excluding from the definition of “project” under CEQA “[t]he submittal of proposals to a vote of the people of the state or of a particular community”). The California Supreme Court has held that CEQA compliance is not required before the legislative body submits an initiative to voters or when the legislative body adopts the initiative directly. A report on the effects of the initiative is the exclusive means for assessing the potential environmental impact of such initiatives. (*Tuolumne Jobs & Small Business Alliance v. Superior Court* (2014) 59 Cal. 4th 1029.)

Public Resources Code Sections 30512, 30513, and 30514. Other implementing actions, such as changes to the City's Zoning regulations and Zoning district maps, must also be submitted to the Commission for review and certification. Concurrently, the City would likely submit the Initiative measure to HCD for approval as well.

Therefore, implementation of the Initiative may not be immediate and automatic, as Section 6 of the Initiative ("Implementation") appears to state. It provides as follows:

"A. This Initiative is considered adopted and effective upon the earliest date legally possible after either the City Council adopts the Initiative as law upon its qualification or, if it is placed on the ballot, the elections official certifies the vote on the Initiative by the voters of the City of Carpinteria. Upon the effective date of this Initiative, the City is directed to promptly take all appropriate actions needed to implement this Initiative, including but not limited to taking any administrative steps necessary to update any and all City maps, figures, and any other documents maintained by the City so they conform to the legislative policies set forth in this Initiative.

B. Upon the effective date of this Initiative, the General Plan amendments of Section 3 of this Initiative are hereby inserted into the General Plan..."

Other potential actions to fulfill initiative's intent

The City recognizes that certain features of the Initiative present inconsistencies with the current Zoning Code, General Plan / CLUP, and state laws.

There are several options in this regard that are presented here for the public's benefit but which do not necessarily reflect staff's recommendation or a commitment by the City for future action. For example, the City may need to undertake actions outside of the Initiative to effectuate its provisions, such as:

1. Amend the Residential Overlay Zone district regulations to add that an overlay can be placed on Recreation District (REC) parcels;
2. Amend the Zoning Code to expressly prohibit new parking in the REC District; and/or
3. Rezone other parcels in the City to satisfy SB 330 prior to submission of the Initiative ordinance to HCD.

These options, however, present their own issues because they do not necessarily resolve the inconsistencies mentioned above.

9. CONCLUSION

The Report encompasses City Staff's analysis of the Initiative based on the issue areas identified in Election Code Section 9212. The Report is not intended to be a comprehensive analysis of all the potential impacts of the Initiative, nor a conclusive

interpretation of the Initiative. Staff may supplement its analysis of the Initiative through supplemental reports or as directed by the City Council.

Exhibit A

Notice of Intent to Circulate Initiative Petition & Initiative Petition

STRUMWASSER & WOOCHELL LLP

ATTORNEYS AT LAW
10940 WILSHIRE BOULEVARD, SUITE 2000
LOS ANGELES, CALIFORNIA 90024

MICHAEL J. STRUMWASSER
BRYCE A. GEE
BEVERLY GROSSMAN PALMER
DALE K. LARSON
CAROLINE C. CHIAPPETTI
JULIA G. MICHEL †
SALVADOR E. PÉREZ
† Also admitted to practice in Washington

TELEPHONE: (310) 576-1233
FACSIMILE: (310) 319-0156
WWW.STRUMWOOCHELL.COM

FREDRIC D. WOOCHELL
ANDREA SHERIDAN ORDIN
SENIOR COUNSEL

June 3, 2021

VIA HAND DELIVERY

Fidela Garcia
City Clerk
City of Carpinteria
5775 Carpinteria Avenue
Carpinteria, CA 93013

RECEIVED

JUN 04 2021

CITY OF CARPINTERIA

Re: The Save Our Downtown and Beach Parking Lot Initiative

Dear Ms. Garcia:

For your immediate attention, enclosed please the following documents relating to an initiative titled the Save Our Downtown and Beach Parking Lot Initiative (the "Initiative"):

- (1) Notice of Intent to Circulate Petition (Elections Code, § 9202);
- (2) Text of the Initiative (Elections Code, § 9202);
- (3) Certifications regarding use of signatures (Elections Code, § 9608); and
- (4) Initiative proponent's authorization for Strumwasser & Woocher LLP to handle the filing of the Initiative petition, as well as any related actions and/or correspondence with elections officials relating to the Initiative (Elections Code, § 9210).

Pursuant to Elections Code section 9203(a), this letter shall serve as formal written request that a ballot title and summary of the measure be prepared by the City Attorney. I am enclosing a draft Title and Summary for reference and convenience.

The names and addresses of the persons proposing this measure (the "proponents") are:

Amrita M. Salm
797 Arbol Verde Street
Carpinteria, CA 93013

Gary Campopiano
5345 Eighth Street
Carpinteria, CA 93013

Please do not hesitate to contact me if you have any questions. Thank you for your assistance.

Very truly yours,



Beverly Palmer

**NOTICE OF INTENT TO CIRCULATE PETITION
SAVE OUR DOWNTOWN AND BEACH PARKING LOT INITIATIVE**

Notice is hereby given by the persons whose names appear hereon of their intention to circulate a petition within the City of Carpinteria for the purpose of proposing amendments to the City's General Plan land use designation map and text and to the City's zoning map and zoning ordinance. A statement of the reasons for the proposed action as contemplated in the petition is as follows:

This initiative changes the zoning of our **Downtown and Beach Parking Lot** from General Commercial to Open Space/Recreation, to preserve and provide protection for existing public parking and general open space. The initiative will accomplish six primary objectives:

- It respects the City's mission statement that "the Government in Carpinteria shall be open, honest and equitable and shall encourage, to the fullest extent possible, public participation in the decision-making process;"
- It abides by the City's written agreement, signed and dated May 18, 1989, to accept this property from Southern Pacific (SPTC Holding, Inc.) for public purposes;
- It changes the current general plan designation and zoning of **Downtown and Beach Parking Lot** from Commercial to Open Space/Recreation thus protecting this needed parking lot from commercial development;
- It aligns the Open Space general plan and zoning designation with zoning of the two adjacent parcels of Open Space, commonly known as: (1) the Community Garden, and (2) the Coastal Open Space Corridor south of the railroad tracks;
- It reaffirms goals and objectives of the Carpinteria's General Plan and the California Coastal Commission;
- It preserves existing and vital beach, tourist, and downtown parking.

For the last five years, more than a thousand Carpinterians have spoken, written and expressed their opposition to the leasing of public land and/or the development of a boutique hotel on our **Downtown and Beach Parking Lot** without avail.

Carpinteria needs to maintain its existing free, convenient and safe public parking to accommodate beachgoers, business employees, consumers, tourists and train passengers. We also need to safeguard the coastal urban wildlife open space corridor south of the railroad tracks, while preserving mountain views. These components are integral to our small town, friendly, non-commercial character.

Call to action: Carpinteria's public **Downtown and Beach Parking Lot** is in danger of private development through a long-term lease for a privately owned hotel. This Initiative lets Carpinterians show that they want to keep this property as public land for parking purposes, preserving the Downtown and Beach Parking Lot, and keeping the Coastal Open Space Corridor south of the railroad tracks free of parking lots. To support these goals, please sign this Petition.
Signed:


Amrita M. Salm


Gary Campopiano

INITIATIVE MEASURE TO BE DIRECTLY SUBMITTED TO THE VOTERS

The people of the City of Carpinteria do ordain as follows:

Section 1. Title.

This initiative measure ("Initiative") shall be known as the **"Save Our Downtown and Beach Parking Lot Initiative."**

Section 2. Findings and Purpose.

A. Findings. The people of the City of Carpinteria find and declare the following:

1. The approximately 1.15-acre property located at 499 Linden Avenue (APN 004-105-011), labeled as Parcel A, Downtown and Beach Parking Lot, on Exhibits A, B & C, currently consists of City Parking Lot #3 or Downtown and Beach Parking Lot. The City of Carpinteria's General Plan classifies this property as General Commercial. The property is adjacent to the Carpinteria Community Garden Park.
2. This property is owned by the City of Carpinteria. On May 18, 1989 the City accepted this property from Southern Pacific (SPTC Holding, Inc.) for public purposes, as shown on Exhibit D to this Initiative.
3. The approximately 1.27-acre property located at 399 Linden Avenue on the south side of the railroad tracks (APN 004-105-026), labeled as Parcel B, Coastal Open Space Corridor, on Exhibits A, B & C, currently consists of Open Space. The General Plan designates these properties as Open Space/Recreation. The property was acquired by the City in 2013.
4. The General Plan contains policies to protect, preserve and enhance local natural resources, to provide adequate parking for the public and for public coastal access, to avoid placing development where exposed to hazards of transportation corridors, and for ensuring that zoning and development is consistent with zoning and development on adjacent and nearby parcels.
5. The purpose of the General Plan land use designation is to establish the type and intensity of land uses on properties consistent with their designation in the General Plan Land Use Element and Land Use Map. The zoning designations for each property must be consistent with the General Plan designation.
6. The voters seek to preserve the Downtown and Beach Parking Lot for its current use as a public parking lot, and to preserve the Coastal Open Space Corridor in its current open space/habitat corridor status, and thereby wish to propose this Initiative, which will re-designate and re-zone these properties, by Initiative, so that their zoning is fixed and cannot be changed absent a vote of the people.

B. Purpose. The purpose of this Initiative is to amend the General Plan designation and zoning of the Downtown and Beach Parking Lot and Coastal Open Space Corridor in

INITIATIVE MEASURE TO BE DIRECTLY SUBMITTED TO THE VOTERS

order to maintain the current use of those sites. The General Plan designations and zoning for these sites will create a consistency of designations and zoning across these nearby sites, also including the Carpinteria Community Garden Park. The Downtown and Beach Parking Lot will remain zoned for public parking use and purposes, but not for other commercial uses, with allowance for limited residential-only use consistent with the Residential overlay zone as required by California Government Code section 66330, subdivision (b)(1)(A).

Section 3. City of Carpinteria General Plan Amendments

A. The voters hereby amend the General Plan Diagram (excerpt shown in Exhibit B) of the City of Carpinteria to:

1. Change the General Plan designation of the Downtown and Beach Parking Lot property from General Commercial (GC), to Open Space Recreation (OSR).
2. Re-adopt, by this Initiative, the Open Space Recreation (OSR) designation on the Coastal Open Space Corridor property, as shown on Exhibit B.

B. The voters hereby amend the text of Land Use Map descriptions as follows (additions shown in underline, non-underlined text is not being amended and is shown for context only):

1. Open Space/Recreation (OSR) The OSR land use category is intended to provide recreational areas (passive or active), including existing parking, City parks, beaches, golf courses and related uses. It also identifies open space areas. The OSR land use category may also provide for residential uses, only if the property is included in the Residential overlay zone.

Section 4. Zoning Amendments

The voters hereby amend the Zoning Map (excerpt shown in Exhibit C) of the City of Carpinteria, to:

1. Change the zoning on the Downtown and Beach Parking Lot property, as shown on Exhibit C, from CPD to REC/R.
2. Re-adopt, by this Initiative, the zoning on the Coastal Open Space Corridor property, as shown on Exhibit C, as REC.

Section 5. Effect of Initiative on General Plan Land Use Classification and Zoning on Subject Properties Only

This Initiative adopts General Plan designations and zoning designations only for the Downtown and Beach Parking Lot and Coastal Open Space Corridor properties, which are specifically identified in this Initiative. The Initiative does not adopt, alter, or change any other land use classifications or zoning on any other real property in the City of Carpinteria.

INITIATIVE MEASURE TO BE DIRECTLY SUBMITTED TO THE VOTERS

Section 6. Implementation

- A. This Initiative is considered adopted and effective upon the earliest date legally possible after either the City Council adopts the Initiative as law upon its qualification or, if it is placed on the ballot, the elections official certifies the vote on the Initiative by the voters of the City of Carpinteria. Upon the effective date of this Initiative, the City is directed to promptly take all appropriate actions needed to implement this Initiative, including but not limited to taking any administrative steps necessary to update any and all City maps, figures, and any other documents maintained by the City so they conform to the legislative policies set forth in this Initiative.
- B. Upon the effective date of this Initiative, the General Plan amendments of Section 3 of this Initiative are hereby inserted into the General Plan; except that if the four amendments of any mandatory element of the General Plan permitted by state law for any calendar year have already been utilized in the year in which this Initiative becomes effective, the General Plan amendments set forth in this Initiative shall be the first amendments inserted into the General Plan on January 1 of the next year. The City may reorganize, renumber, and/or reformat the General Plan provisions of Section 3 of this Initiative, provided that the full text is inserted into the General Plan without alteration.
- C. The General Plan in effect on the date of filing of the Notice of Intent to Circulate this Initiative ("Filing Date"), and the General Plan as amended by this Initiative, comprise an integrated, internally consistent, and compatible statement of policies for the City. To ensure that the City's General Plan remains an integrated, internally consistent, and compatible statement of policies for the City, any provision of the General Plan that is adopted between the Filing Date and the effective date of the General Plan amendments adopted by this Initiative shall, to the extent that such interim-enacted provision is inconsistent with or would diminish, render invalid, defeat, or impair the General Plan amendments adopted by this Initiative, be amended as soon as possible and in the manner and time required by state law to ensure consistency between the provisions adopted by this Initiative and other elements of the General Plan.
- D. Upon the effective date of this Initiative, the provisions of Section 4 (Zoning Amendments) of this Initiative are hereby inserted into the Carpinteria Municipal Code. The City may reorganize, renumber, and/or reformat the provisions of Section 4 of this Initiative, provided that the full text is inserted into the Municipal Code without alteration.

Section 7. Effect of Other Measures on the Same Ballot

It is the voters' intent to comprehensively establish the potential future uses and development of the specific properties that are subject to the Initiative, including preservation of Coastal Open Space Corridor in its current open space state and the preservation of the Downtown and Beach Parking Lot for continued parking uses. To ensure that this intent is not frustrated, and in the event this Initiative is not adopted by the City Council as law, this Initiative shall be presented to the voters as an alternative to, and with the express intent that it will compete with, any and all

INITIATIVE MEASURE TO BE DIRECTLY SUBMITTED TO THE VOTERS

voter initiatives or City-sponsored measures placed on the same ballot as this Initiative and which, if approved, would regulate the use or development of the subject properties in any manner whatsoever (each, a "Conflicting Initiative"). In the event that this Initiative and one or more Conflicting Initiatives are adopted by the voters at the same election, then it is the voters' intent that only that measure that receives the greatest number of affirmative votes shall control in its entirety and said other measure or measures shall be rendered void and without any legal effect. In no event shall this Initiative be interpreted in a manner that would permit its operation in conjunction with the non-conflicting provisions of any Conflicting Initiative. If this Initiative is approved by the voters but superseded by law in whole or in part by any other Conflicting Initiative approved by the voters at the same election, and such Conflicting Initiative is later held invalid, this Initiative shall be self-executing and given full force of law.

Section 8. Interpretation and Severability

A. This Initiative must be interpreted so as to be consistent with all federal and state laws, rules, and regulations. If any section, sub-section, sentence, clause, phrase, part, or portion of this Initiative is held to be invalid or unconstitutional by a final judgment of a court of competent jurisdiction, such decision does not affect the validity of the remaining portions of this Initiative. The voters declare that this Initiative, and each section, sub-section, sentence, clause, phrase, part, or portion thereof, would have been adopted or passed irrespective of the fact that any one or more sections, sub-sections, sentences, clauses, phrases, part, or portion is found to be invalid. If any provision of this Initiative is held invalid as applied to any person or circumstance, such invalidity does not affect any application of this Initiative that can be given effect without the invalid application.

B. If any portion of this Initiative is held by a court of competent jurisdiction to be invalid, we the People of the City of Carpinteria indicate our strong desire that: (i) the City Council use its best efforts to sustain and re-enact that portion, and (ii) the City Council implement this Initiative by taking all steps possible to cure any inadequacies or deficiencies identified by the court in a manner consistent with the express and implied intent of this Initiative, including adopting or reenacting any such portion in a manner consistent with this Initiative.

C. The Proponents of this Initiative, and any committee formed to support this Initiative, shall have standing to enforce and defend the provisions of this Initiative in any judicial forum, as necessary.

D. This Initiative must be broadly construed in order to achieve the purposes stated above. It is the intent of the voters that the provisions of this Initiative be interpreted or implemented by the City and others in a manner that facilitates the purpose set forth in this Initiative.

Section 9. Amendment

The provisions of this Initiative can be amended or repealed only by a majority of voters of the City of Carpinteria voting in an election held in accordance with state law.

INITIATIVE MEASURE TO BE DIRECTLY SUBMITTED TO THE VOTERS

Section 10. Inconsistent Provisions Repealed

Any provisions of the City of Carpinteria Municipal Code, or any other ordinances of the City inconsistent with this Initiative, to the extent of such inconsistencies and no further, are hereby repealed. This Initiative expresses the voters' intent to eliminate any possible inconsistency between existing code provisions and the amended General Plan designations and zoning designations.

Section 11. Exhibits

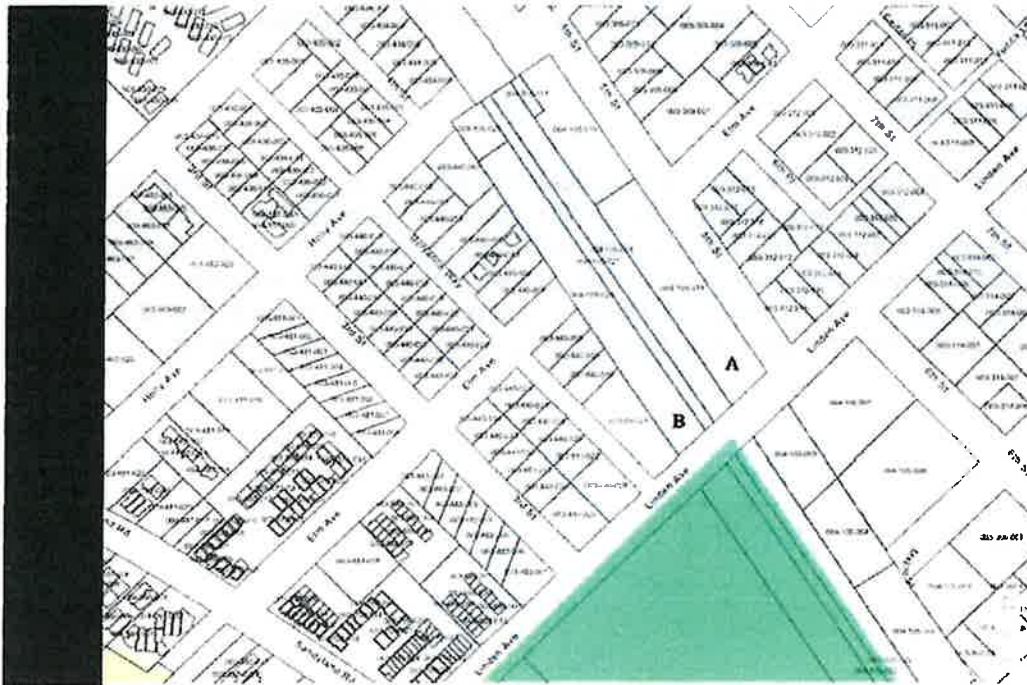
The following Exhibits A-D are provided for reference for the voters and incorporated by reference herein. The maps are intended to provide context and information regarding the location and current General Plan designations and zoning designations of the Downtown and Beach Parking Lot and the Coastal Open Space Corridor, as well as the designations of surrounding properties. The inclusion of the maps does not amend the General Plan or zoning designations of any property other than those specifically amended in this Initiative.

INITIATIVE MEASURE TO BE DIRECTLY SUBMITTED TO THE VOTERS

Exhibit A Identification of Affected Properties

Obtained from Santa Barbara County Geographic Information System.

Santa Barbara County Land Use and Zoning Map



Parcel Label	APN	Referenced in Initiative By Name
A	004-105-011	Downtown and Beach Parking Lot
B	004-105-026	Coastal Open Space Corridor

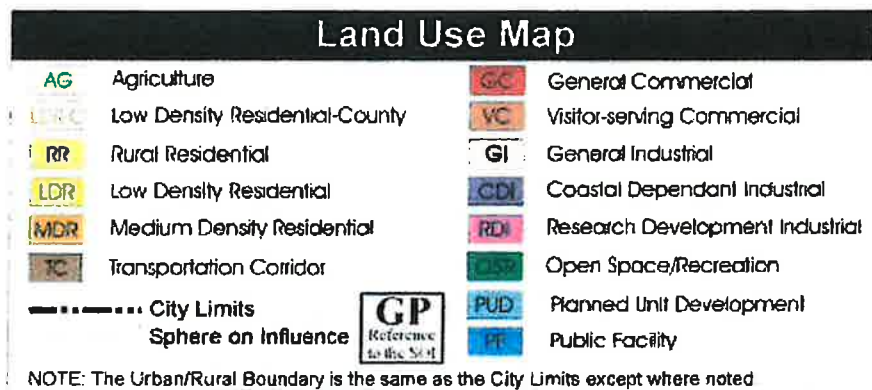
INITIATIVE MEASURE TO BE DIRECTLY SUBMITTED TO THE VOTERS

Exhibit B General Plan Designations



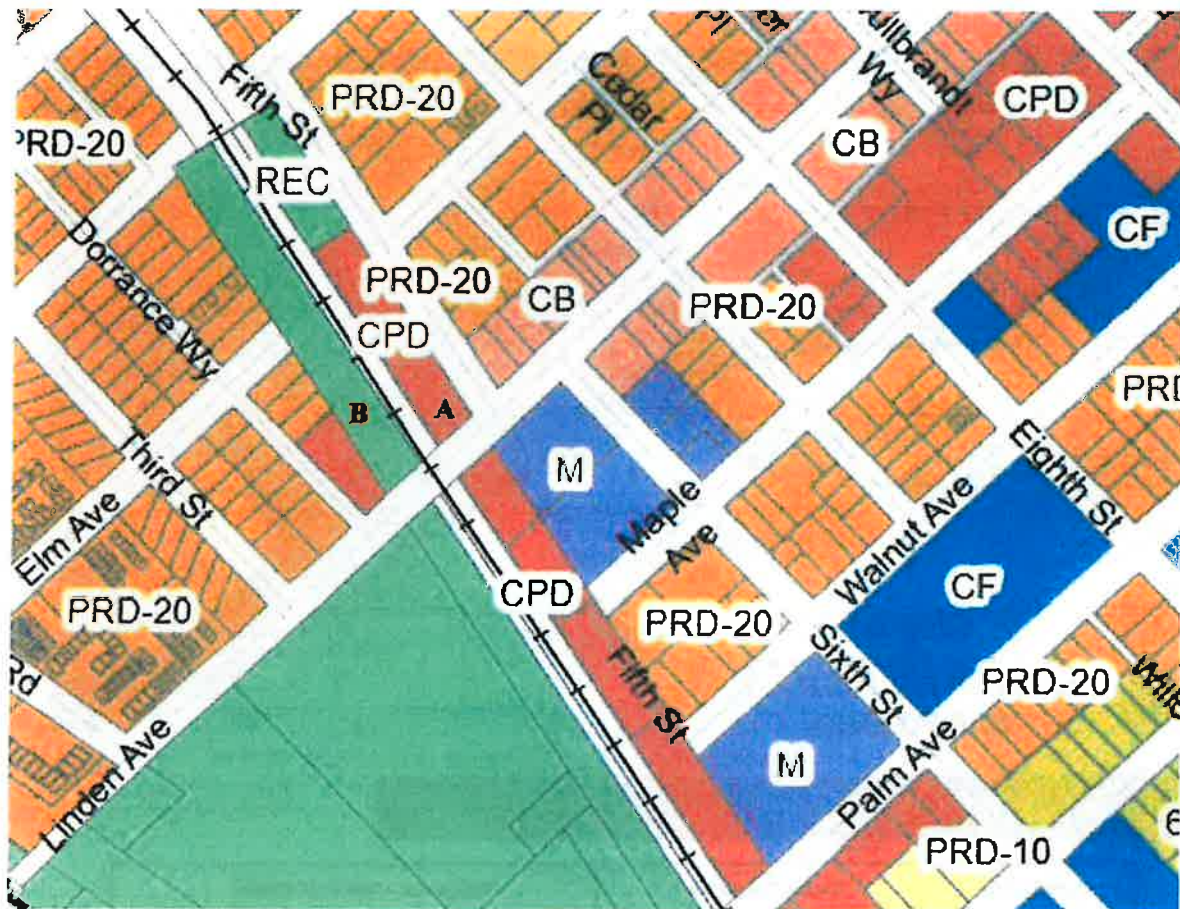
Land Use Map

Parcel Label	Current Designation	Designation Adopted by Initiative
A	GC	OSR
B	OSR	OSR



INITIATIVE MEASURE TO BE DIRECTLY SUBMITTED TO THE VOTERS

Exhibit C
Zoning Designations



Parcel Label	Current Designation	Designation Adopted by Initiative
A	CPD	REC/R
B	REC	REC

ZONING DISTRICTS

Residential

- PRD-13 Planned Residential Development District - Maximum Density 13 Units/Acre
- 8-R-1 Single Family Residential District - Minimum Lot Size 8,000 square feet
- PRD-10 Planned Residential Development District - Maximum Density 10 Units/Acre
- PUD Planned Unit Development District
- 7-R-1 Single Family Residential District - Minimum Lot Size 7,000 square feet
- PRD-20 Planned Residential Development District - Maximum Density 20 Units/Acre
- 6-R-1 Single Family Residential District - Minimum Lot Size 6,000 square feet
- 4-R-1 Single Family Residential District - Minimum Lot Size 4,000 square feet
- 20-R-1 Single Family Residential District - Minimum Lot Size 20,000 square feet
- PRD-4 Planned Residential Development District - Maximum Density 4 Units/Acre
- PRD-18 Planned Residential Development District - Maximum Density 18 Units/Acre
- PUD-4.6 Planned Unit Development District - Maximum Density 4.6 Units/Acre
- PUD-5 Planned Unit Development District - Maximum Density 5 Units/Acre
- PRD-15 Planned Residential Development District - Maximum Density 15 Units/Acre
- MHP Mobile Home Park Planned Development District
- CITY BOUNDARY

Industrial

- M General Industrial District
- M-CD Coastal Industrial District
- M-RP Industrial/ Research Park District

Commercial

- CPD Commercial Planned Development District
- CB Central Business District
- CPD/R Commercial Planned Development District/ Residential Overlay
- RES Resort District

Other

- UT Public Utility District
- A-10 Agricultural - Minimum 10-Acre Parcel
- REC Recreation District
- A-5 Agricultural - Minimum 5-Acre Parcel
- CF Community Facility District

Schools

- Elementary School
- High School
- Middle School

INITIATIVE MEASURE TO BE DIRECTLY SUBMITTED TO THE VOTERS

Exhibit D

Corporation Grant Deed and Certificate of Acceptance for Downtown and Beach Parking Lot

RECORDING REQUESTED BY

TICOR TITLE INS.
#200795-KAT

AND WHEN RECORDED MAIL TO

ALAN R. COATES, JR.
City of Carpinteria
5775 Carpinteria Avenue
Carpinteria, CA 93013

MAIL TAX STATEMENTS TO

same as above

89-034263

Recorded
Official Records
County of
Santa Barbara
Kenneth A. Pettit
Recorder
8:00am 25-May-89

Rec Fee
Total

.00
.00

ML 3

NO TAX DUE

NO FEE

APN 13-010-04

CORPORATION GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, SPTC HOLDING, INC., a corporation organized under the laws of the State of Delaware, does hereby GRANT to CITY OF CARPINTERIA, a Municipal corporation, the real property in the City of Carpinteria, County of Santa Barbara, State of California, described as

Parcel One of Parcel Map No. 25,143, in the City of Carpinteria, County of Santa Barbara, State of California as per Parcel Map filed in Book 43 Pages 62 and 63 of Parcel Maps, in the Office of the County Recorder of said County.

Grantor hereby excepts from the property hereby conveyed and reserves unto itself, its successors and assigns, all minerals and mineral rights, interests, and royalties, including without limiting the generality thereof, oil, gas and other hydrocarbon substances, as well as metallic or other solid minerals, in and under said property; however, Grantor or its successors and assigns shall not have the right for any purpose whatsoever to enter upon, into or through the surface of said property in connection therewith.

This Grant is made subject to all covenants, conditions, restrictions, exceptions, easements, rights of way, rights of access, agreements, reservations, encumbrances, liens and other matters as

INITIATIVE MEASURE TO BE DIRECTLY SUBMITTED TO THE VOTERS

- 2 -

the same may be of record; any matter which would be disclosed by survey, investigation or inquiry; and any tax, assessment or other governmental lien against said property.

Dated: MAY 18, 1989

SPTC HOLDING, INC.,
a Delaware corporation

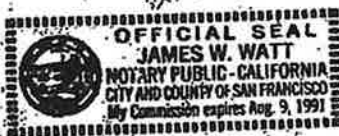
By: [Signature]
Title: Vice President - Real Estate

By: [Signature]
Title: Secretary

STATE OF CALIFORNIA
City and County of San Francisco

On this 18th day of May in the year One Thousand Nine Hundred and Eighty Nine
before me, JAMES W. WATT, a Notary Public in and for the City and County of San Francisco, State of California, personally appeared

(Signature of Notary)



Corporation

My Commission Expires August 9, 1991

S.D. Steel
personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as the Vice President, and
T. F. O'Donnell II personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as the Secretary of the Corporation that executed the within instrument and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.
WITNESS my hand and official seal.

[Signature]
Notary Public in and for the City and County of San Francisco, State of California.

INITIATIVE MEASURE TO BE DIRECTLY SUBMITTED TO THE VOTERS

**CERTIFICATE OF ACCEPTANCE
Government Code Section 27281**

This is to Certify, that the City of Carpinteria, grantee herein, hereby accepts for public purposes the real property, or interest therein, conveyed by the within deed and consents to the recordation thereof.

In Witness Whereof, I have hereunto set my hand this 18th day of May, 1989.

CITY OF CARPINTERIA

By: *Allan R. Coates, Jr.*
Allan R. Coates, Jr.
City Manager/Clerk

STATE OF CALIFORNIA }
COUNTY OF SANTA BARBARA } ss

On May 18, 1989, before me, Deputy City Clerk for the CITY OF CARPINTERIA, personally appeared Allan R. Coates, Jr., known to me to be the City Manager of the CITY OF CARPINTERIA, and known to me to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same on behalf of the CITY OF CARPINTERIA.

Jayne A. Diaz
Jayne A. Diaz
Deputy City Clerk

Exhibit B

Map Depicting Location of Parcel A and Parcel B

14

14

Exhibit C

City's General Plan Land Use Map (2016)

CITY OF CARPINTERIA LAND USE MAP 2016



*Revisions reflect approved Land Use Map Amendments as described in Local Coastal Plan Amendments LCP-4-CPN-14-0832-1 (Consistency Rezoning) and LCP-4-CPN-15-0018-1 (Linden/Casillas Interchanges)

Legend

Land Use Designations

AG

Agriculture

RR

Rural Residential

LDR

Low Density Residential

MDR

Medium Density Residential

TC

Transportation Corridor

GC

General Commercial

VC

Visitor-Serving Commercial

GI

General Industry

CDI

Coastal Dependent Industry

RDI

Research Development Industrial

OSR

Open Space/Recreation

PUD

Planned Unit Development

PF

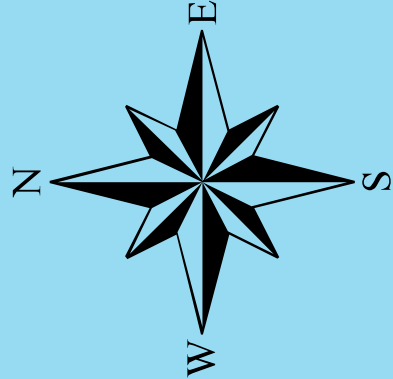
Public Facility

City Boundary

Sphere of Influence

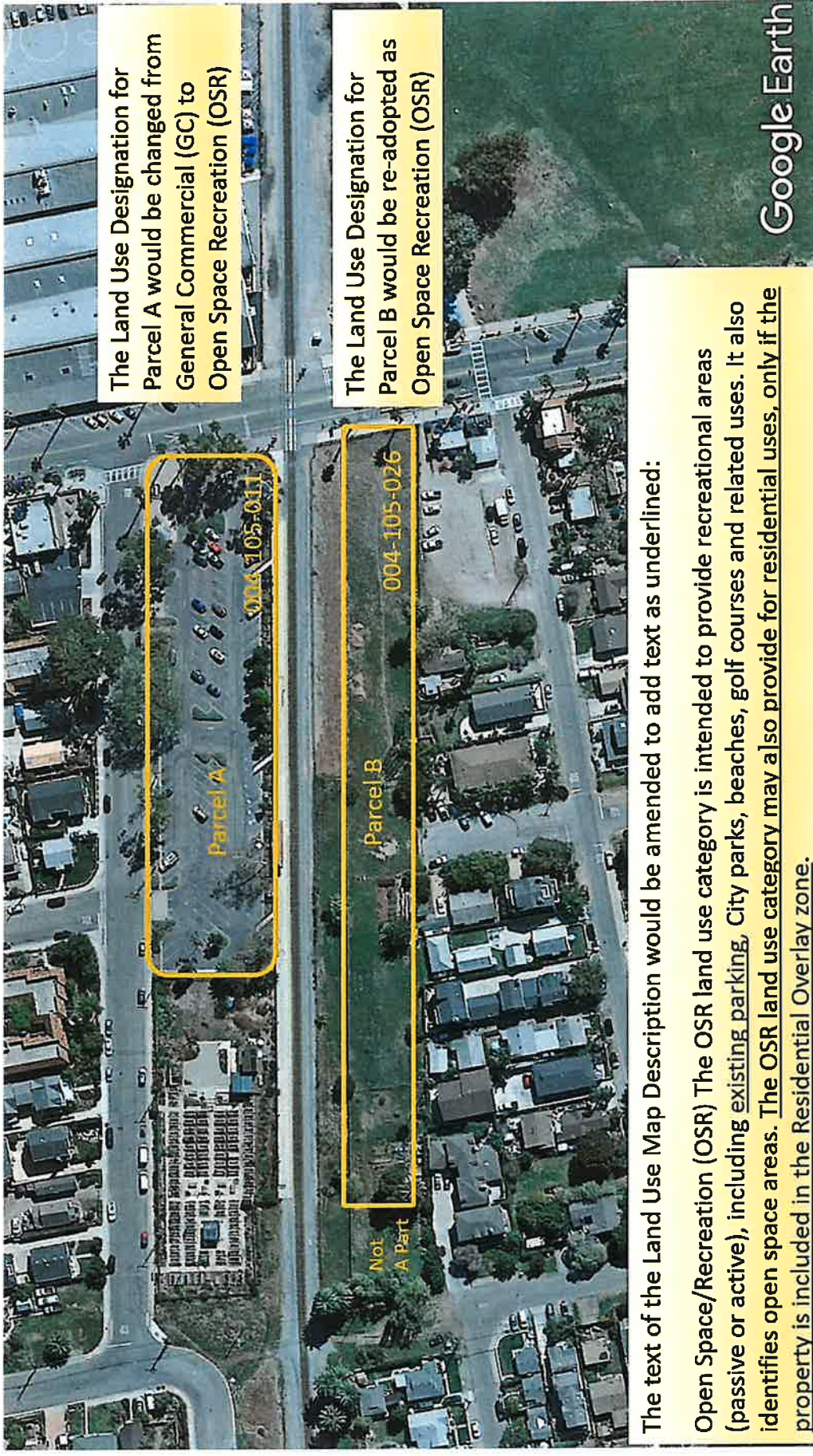
Existing

Proposed





Current General Plan Land Use Categories



The text of the Land Use Map Description would be amended to add text as underlined:

Open Space/Recreation (OSR) The OSR land use category is intended to provide recreational areas (passive or active), including existing parking, City parks, beaches, golf courses and related uses. It also identifies open space areas. The OSR land use category may also provide for residential uses, only if the property is included in the Residential Overlay zone.

General Plan Changes Proposed by Initiative

Exhibit D

Letter Dated 8/16/21 from Strumwasser & Woocher, LLP re: SB 330

STRUMWASSER & WOOCHELLLP

MICHAEL J. STRUMWASSER
BRYCE A. GEE
BEVERLY GROSSMAN PALMER
DALE K. LARSON
CAROLINE C. CHIAPPETTI
JULIA G. MICHEL
SALVADOR E. PÉREZ

ATTORNEYS AT LAW
10940 WILSHIRE BOULEVARD, SUITE 2000
LOS ANGELES, CALIFORNIA 90024

TELEPHONE: (310) 576-1233
FACSIMILE: (310) 319-0156
WWW.STRUMWOOCHELLLP.COM

FREDRIC D. WOOCHELLLP
ANDREA SHERIDAN ORDIN
SENIOR COUNSELS

† Also admitted to practice in Washington

August 16, 2021

Via email to PublicComment@ci.carpinteria.ca.us

City of Carpinteria City Council
5775 Carpinteria Avenue
Carpinteria, CA 93013

Re: August 16 Special Meeting Agenda

Dear City Councilmembers:

We write on behalf of the Committee to Save Our Downtown and Beach Parking Lot and the citizen proponents of the Save Our Downtown and Beach Parking Lot Initiative (“Initiative”) that is the subject of this Special Meeting of the City Council. The purpose of this letter is to clarify why the proponents of the Initiative included a residential overlay for the parcel currently known as Parking Lot 3. The staff report, as presented, is misleading on the subject. This Initiative makes no changes to the existing allowable housing overlay.

In 2019, the Legislature passed Senate Bill 330, the Housing Crisis Act of 2019 (“SB 330”). This measure contained a number of provisions relevant to local government’s ability to restrict the approval of housing projects. Among these provisions, SB 330 added section 66300 to the Government Code. Section 66300 provides that “with respect to land where housing is an allowable use, an affected . . . city shall not enact a development policy, standard, or condition that would have any of the following effects:” which includes “[c]hanging the general plan land use designation, specific plan land use designation, or zoning of a parcel or parcels of property to a less intensive use.” (See Gov’t Code, §66300, subd. (b)(1)(A).) Government Code 66300 (a)(3) includes as subject to the law’s limitations “the electorate of an affected . . . city exercising its local initiative or referendum power.” These provisions are intended to prevent local government or citizen initiatives from reducing the intensity of residential use by downzoning or General Plan amendment.

The parcel located at 499 Linden Avenue is currently zoned Commercial Planned Development District (“CPD”). The CPD zone generally is a commercial zone, but the zone’s current permissible uses include “dwelling units integrated as part of the overall commercial development,” as well as “residential-only development consistent with the provisions of Chapter 14.49 of this code (residential overlay district).”

Because housing is “an allowable use” in the CPD zone, the proponents of the Initiative were required by SB 330 to maintain the same intensity of residential use on the 499 Linden parcel as a permissible use of the property. In compliance with this requirement, the Initiative

CITY COUNCIL
AUGUST 16, 2021
PAGE 2

allows for residential use consistent with the residential overlay zone for parcels designated in the General Plan as Open Space/Recreation ("OSR"), *only* on those parcels in the Residential overlay zone ("R"). The Initiative rezones the 499 Linden Parcel from CPD to REC/R, allowing for potential residential development at the same intensity as would have been permitted under the CPD zone. However, other commercial uses would no longer be permitted. As SB 330 is expressly concerned with the provision of housing and residential development, the Initiative satisfies its requirements by maintaining the same level of permissible residential development on 499 Linden.

Yours truly,

A handwritten signature in black ink, appearing to read "B. Grossman Palmer", written over the "Yours truly," text.

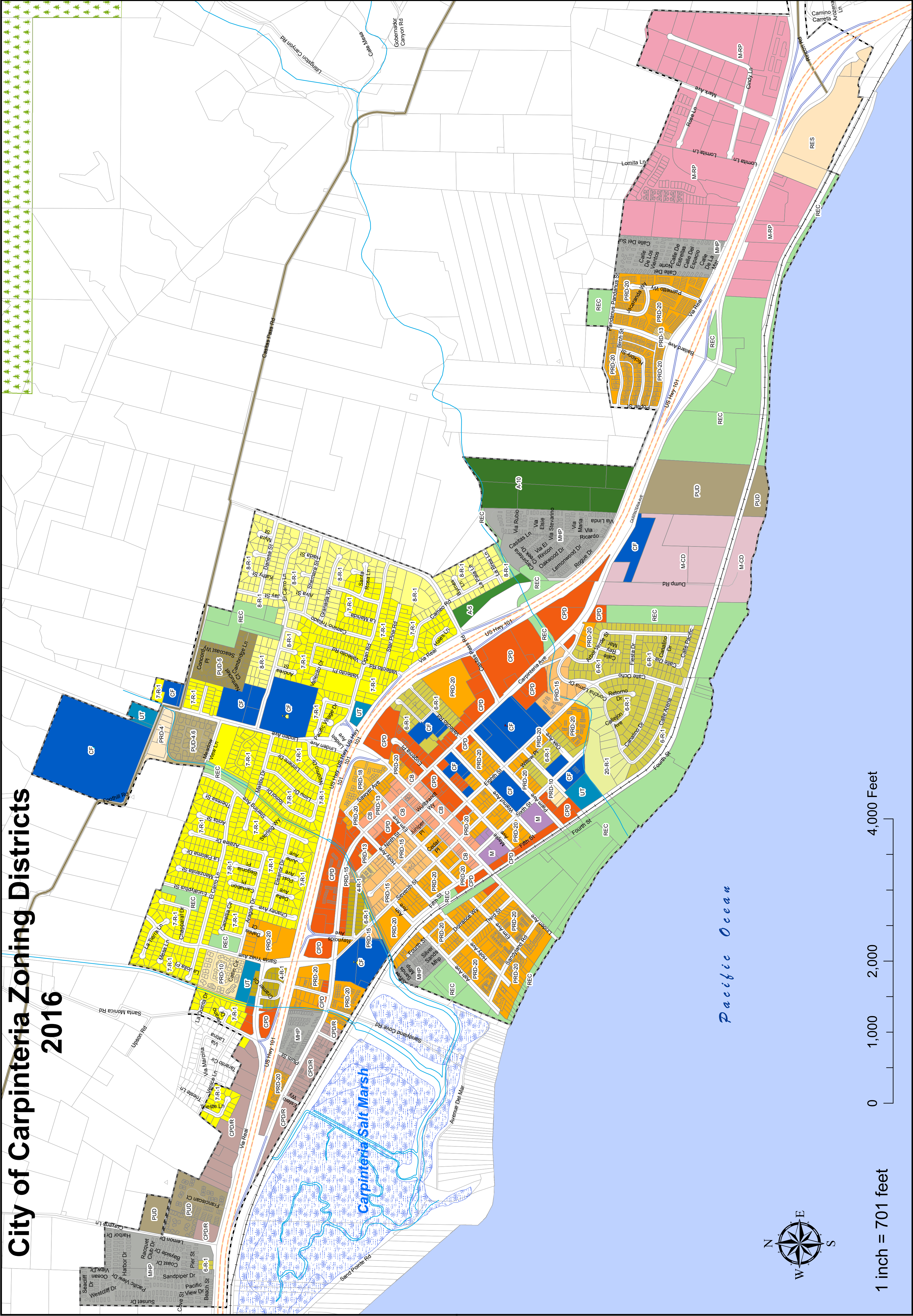
Beverly Grossman Palmer

Cc: (via email only) Amrita Salm; Gary Campopiano; City Manager Dave Durflinger

Exhibit E

City's Zoning Map

City of Carpinteria Zoning Districts 2016



ZONING DISTRICTS

Industrial

- M General Industrial District
- M-CD Coastal Industrial District
- M-RP Industrial/ Research Park District

Commercial

- CPD Commercial Planned Development District
- CB Central Business District
- CPDIR Commercial Planned Development District/ Residential Overlay
- RES Resort District

Other

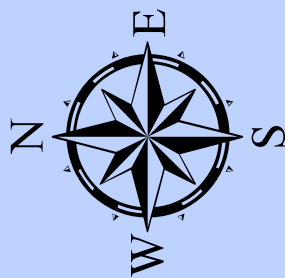
- UT Public Utility District
- A-10 Agricultural - Minimum 10-Acre Parcel
- REC Recreation District
- A-5 Agricultural - Minimum 5-Acre Parcel
- CF Community Facility District

Residential

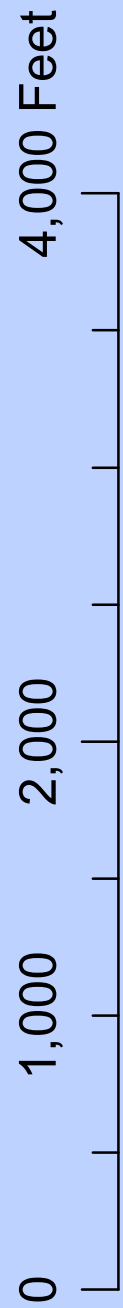
- PRD-13 Planned Residential Development District - Maximum Density 13 Units/Acre
- 8-R-1 Single Family Residential District - Minimum Lot Size 8,000 square feet
- PRD-10 Planned Residential Development District - Maximum Density 10 Units/Acre
- PUD Planned Unit Development District
- 7-R-1 Single Family Residential District - Minimum Lot Size 7,000 square feet
- PRD-20 Planned Residential Development District - Maximum Density 20 Units/Acre
- 6-R-1 Single Family Residential District - Minimum Lot Size 6,000 square feet
- 4-R-1 Single Family Residential District - Minimum Lot Size 4,000 square feet
- 20-R-1 Single Family Residential District - Minimum Lot Size 20,000 square feet
- PRD-4 Planned Residential Development District - Maximum Density 4 Units/Acre
- PRD-18 Planned Residential Development District - Maximum Density 18 Units/Acre
- PUD-4.6 Planned Unit Development District - Maximum Density 4.6 Units/Acre
- PUD-5 Planned Unit Development District - Maximum Density 5 Units/Acre
- PRD-15 Planned Residential Development District - Maximum Density 15 Units/Acre
- MHP Mobile Home Park Planned Development District

Schools

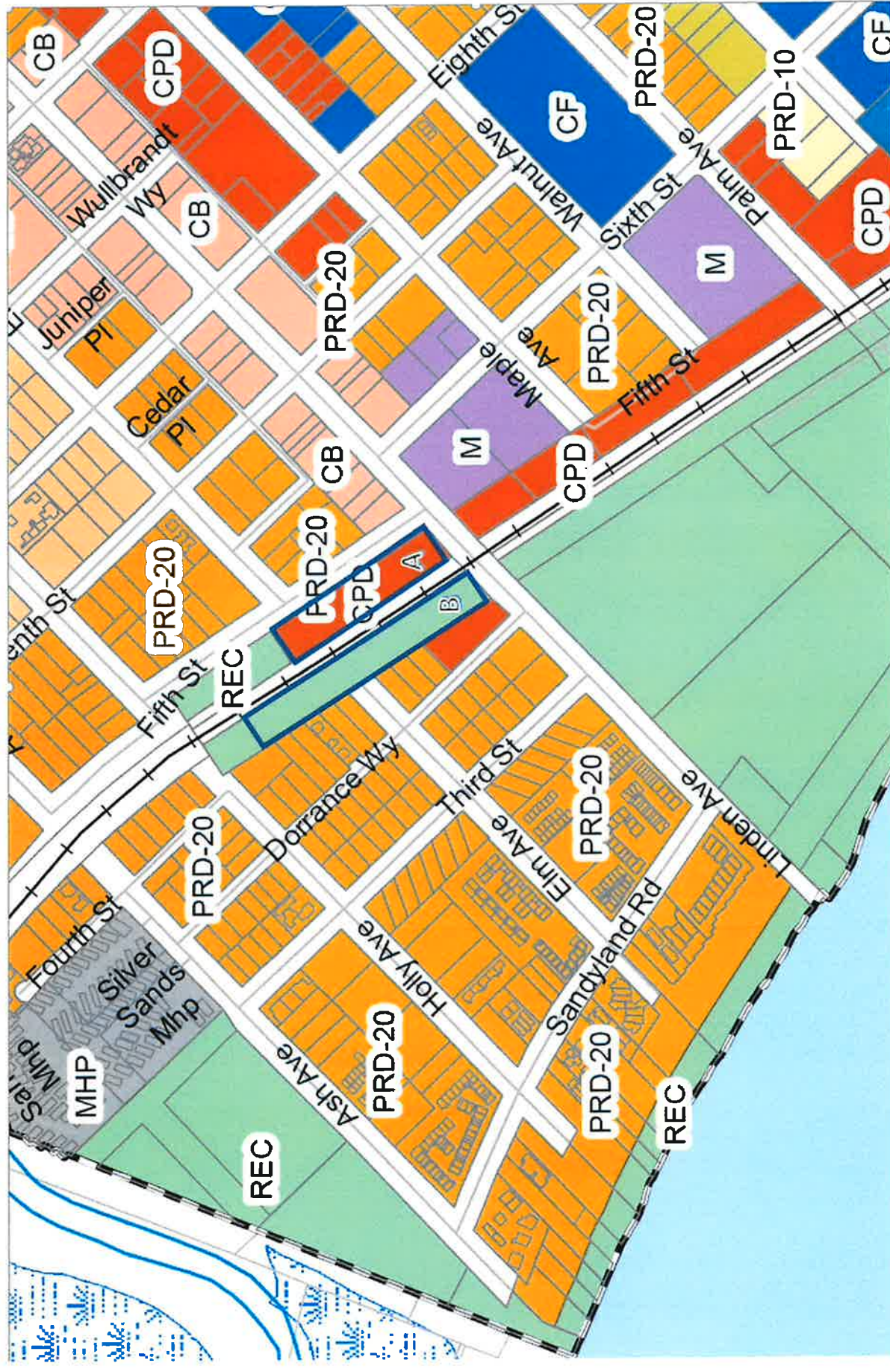
- Elementary School
- High School
- Middle School



1 inch = 701 feet



Revised & Published 10-20-16
Reflects following revisions:
LCP-4-CPN-14-0632-1 (Consistency Rezone) and
LCP-4-CPN-15-0016-1 (Linden/Castles)



Current Zoning District Designations



Zoning Changes Proposed by Initiative