

**ATTACHMENT-1**  
**PLANNING AND DEVELOPMENT DIRECTOR'S ANNUAL REPORT FOR 2016**  
**ON THE MONTECITO GROWTH MANAGEMENT ORDINANCE**

**1.0 Conclusion**

Out of the 19 allocations that may be issued in a year, six allocations were issued in 2016. Based upon the considerations discussed in this report, the public health and safety continue to be jeopardized by residential construction regulated by the Montecito Growth Management Ordinance No. 4763 (MGMO). The MGMO remains necessary due to resource and service constraints and to protect public health and safety in the Montecito Planning Area. The ordinance criteria for expiration of the MGMO have not been satisfied in the areas of water resources, fire protection, waste water disposal, or traffic and circulation.

**2.0 Background**

On March 12, 1991, the Board of Supervisors adopted the MGMO to pace development within the available services and resources in the Montecito Planning Area. The ordinance allows the issuance of a maximum of 19 land use permits for new residential market-rate units per year. This represents an annual growth rate of approximately one-half of one percent of the existing housing stock in Montecito in 1989. On October 5, 2010, the ordinance was renewed and extended through adoption of Ordinance 4763, with revisions to health and safety criteria based on an updated analysis of environmental resources and constraints.

The status of available services and resources in the Montecito Planning Area was analyzed in 1992 in the Montecito Community Plan EIR (92-EIR-03) and again in 2010 in a Subsequent EIR (SEIR) that was prepared as the environmental document for the 2010 MGMO extension. The Montecito Community Plan EIR was prepared in 1992 shortly after the 1991 adoption of the MGMO and provided information pertaining to the available services and resources at that time. The 2010 SEIR was prepared specifically to support the 2010 MGMO extension and includes environmental analysis of the issue areas (Water Resources, Fire Protection, Wastewater, and Traffic and Circulation) that supported the extension of the MGMO until 2030.

The MGMO (Section 35B-11) requires that the Director of Planning & Development and Public Works forward a report to the Board of Supervisors each year on the status of the health and safety criteria considerations that provide the basis for continuing the growth management ordinance. These considerations are water resources, transportation /circulation, waste-water infrastructure, and fire protection services. The ordinance requires that the Board receive the report. The Board may schedule a hearing to determine whether the public health and safety are no longer jeopardized by the residential construction which is regulated by the MGMO.

**3.0 Discussion**

The ordinance specifies that the public health and safety are no longer jeopardized if all of the criteria regarding water resources, fire protection, waste water disposal, and traffic and circulation discussed in the following sections are met (Section 35B-11.4).

Water Resources Criterion:

*Long and short term water demand is within reliable long- and short-term supply and is consistent with the 10 percent buffer as required by the Montecito Community Plan Policy WAT-M-1.5. If water demand approaches or exceeds water supply, the bi-annual allocation may be reduced until the situation is alleviated.*

The Montecito Water District (MWD) is the primary water purveyor to the Montecito Community Plan area serving the majority of properties, with several private water companies and individual water systems serving the rest. Montecito Water District water comes from a combination of sources, including the State Water Project, local surface water such as Jameson Lake and Lake Cachuma, and local groundwater supplies. In 1991, local water supplies totaled approximately 5,080 acre-feet/year (AFY). At the time of adoption of the MGMO, State Water had not yet arrived and a MWD water meter moratorium was in effect. In 1997, the MWD, now a participant in the State Water Project, lifted the water shortage emergency condition enacted in 1973 and began permitting the issuance of new water meters. Water resources were fully analyzed in the Supplemental EIR certified by the Board of Supervisors on October 5, 2010. The following discussion includes information summarized from the SEIR as well as additional updated information.

In 2008, the MWD recognized that water shortages had again become an issue when it identified during 2007 the total demand for water exceeded the district's reliable supply by several hundred acre-feet. In response, the MWD adopted Ordinances 89 and 90, which established specific water allocations and redefined customer classifications. A Certificate of Water Service Availability (CWSA) stating the amount of water to be allocated to a property is now required for all new development as the MWD moves toward the State mandated 20% reduction in water use by 2020. The MWD also adopted Resolution 2047 which established a new tiered rate structure for water use designed to encourage customer water conservation. In 2013, the MWD adopted a five year schedule of new water rates and charges.

The availability of a reliable water supply remains a serious challenge for MWD as State Water is not as abundant as anticipated under the original MCP EIR. Increased reliability of local deliveries and additional efficiencies through water demand management are required to meet both short-term and long-term demand. State Water allocations have fluctuated over the years as discussed in the SEIR. Although the Department of Water Resources is working on solutions to these issues, supplemental water purchases from the State Water Project and other Central Coast Water Authority contractors are not considered sustainable sources for an adequate long-term supply, which is required along with the 10% supply buffer mandated by Policy WAT-M-1.5 (MGMO Final Supplemental EIR, 2010). For these reasons, the MWD is actively pursuing more local, reliable, rain independent supplies such as desalinated water, recycled water, and groundwater banking to meet current and future water demand in Montecito.

The most recent and ongoing water shortage condition affecting Santa Barbara County, caused by successive years of below average rainfall has significantly impacted previously reliable local surface water supplies. MWD has relied on the State Water Project for the majority of its water supply, supplemented by Jameson Lake and Lake Cachuma deliveries when available. The District declared a water shortage emergency in 2014 which established water use restrictions, mandatory water rationing, and a water meter moratorium on new water service within the District's service boundary. In entering

the fifth year of drought in 2016/17 water year, Jameson Lake and Lake Cachuma water supplies were for the first time in their operating history unable to provide any annual water supply to the District.

To offset the loss of local surface water supplies and reductions in annual State Water allocations from 2013 to 2015, the District increased groundwater production and purchased supplemental water supplies for delivery through the State Water Project Coastal Aqueduct to Lake Cachuma, to be used as needed to meet customer demand. With water shortage emergency ordinances remaining in effect, the District is anticipating it will continue to meet customer water demand with supplemental water supplies and, moving forward, more reliable, local supplies. The District is currently in negotiations with the City of Santa Barbara in participating in the City's soon to be reactivated desalination facility, reanalyzing the use of recycled wastewater for irrigation purposes, and studying methods for banking water supplies during wet weather years to meet dry weather demands.

Until such time that the District has new water supplies developed and deliverable along with the implementation of permanent customer water conservation in conformance with State regulations, the criterion for MGMO expiration have not been met and the MGMO remains necessary from a water resources standpoint (all water resources information contained herein reviewed and verified by Adam Kanold, Engineering Manager, Montecito Water District, February 23, 2017).

Fire Protection Criteria:

*The ratio of firefighters per population served has reached and has been maintained at one per 2000 or better, response times to all areas within Urban Boundary Area of Montecito is five minutes or better, and/or a third fire station is operational.*

The Montecito Fire Protection District operates two fire stations and is considering a new station in the eastern portion of the community. The District currently meets the National Fire Protection Association standard of one fire engine company (station) per 10,000-11,000 people. When the MGMO was adopted, the ratio of firefighters to population served was also well within the standards; however, there was the potential for development of a large number of new residential units with an attendant influx of population. Potential development in the foothill areas of Montecito presents significant potential impacts to fire protection due to the lack of access, the inadequacy of gravity pressurized water mains in the areas of higher elevation, long response times and the high danger posed by the chaparral prevalent in the foothills. Fire Protection was fully analyzed in the Supplemental EIR certified by the Board of Supervisors on October 5, 2010.

With the adoption of the Montecito Community Plan in 1992, the potential level of fire danger resulting from new residential units and population, particularly in the foothill areas, was significantly decreased due to the reduction in zoning densities. This reduction in the number of potential residential units has allowed the Montecito Fire Protection District to maintain a ratio of firefighters per population at one per 2,000 or better. However, the 2010 Supplemental EIR for the MGMO extension identified new information and circumstances determining that several locations within the urban area of Montecito remain outside of the desired five minute or better response time. While the criterion pertaining to the ratio of firefighters per population served has been met, the criterion related to the response time of five minutes or better has not been met for the whole of the community, and a third fire station has not been constructed (fire response time, fire station, and firefighter to resident ratio data confirmed by Richard

Lauritson, Montecito Fire Protection District, March 13, 2017). Thus, the criteria have not been fully met and the MGMO remains necessary from a fire protection standpoint.

Wastewater Disposal Criterion:

*Montecito Sanitary District infrastructure is sufficient to serve urban areas of the Montecito Planning Area at build-out under the land uses established as part of the Montecito Community Plan.*

Wastewater collection, treatment, and disposal were fully analyzed in the Supplemental EIR certified by the Board of Supervisors on October 5, 2010. The SEIR concluded that due to aging infrastructure, upgrades and/or replacements are necessary to continue to provide acceptable levels of service to the urban areas of Montecito as build out continues under the land uses established by the Montecito Community Plan. Since 2010, the Montecito Sanitary District has continued to make infrastructure improvements including lining of old pipes and replacing pumps, motors, generators, and maintenance equipment. However, none of these improvements increase the capacity of the collection system infrastructure or treatment plant (all sanitary information contained herein confirmed by Carrie Poytress, Engineering Manager, Montecito Sanitary District. February 17, 2017). Therefore, the criterion has not been met and the MGMO remains necessary from a waste water collection, treatment, and disposal standpoint.

Traffic and Circulation Criterion:

*Completion of improvements to the following identified roadways, intersections and interchanges identified in the Montecito Growth Management Ordinance Amendments and Extension Supplemental EIR, or completion of any equivalent or more effective measures:*

- Roadways:  
*North Jameson Lane*  
*Sheffield Drive between Jelinda Drive and Birnam Wood Drive*  
*East Valley Road between Cota Lane and Picacho Lane*  
*Olive Mill Road between Olive Mill Lane and Hot Springs Road*
  
- Intersections:  
*Sycamore Canyon Road/Barker Pass Road*  
*Olive Mill Road/Spring Road*  
*San Ysidro Road/East Valley Road*
  
- U.S. 101 Interchanges:  
*Olive Mill Road*  
*San Ysidro Road*  
*Sheffield Drive*

An updated traffic and circulation analysis was prepared in 2010 for the *Montecito Growth Management Ordinance Amendments and Extension Supplemental EIR (SEIR)* and the traffic and circulation criterion above was identified as a mitigation measure.

### *Roadways*

In 2010, the MGMO Extension SEIR identified the current Levels of Service for the four identified roadways listed in the criterion above (LOS A for the first three and LOS B for the fourth). Roadway Level of Service is a qualitative measure which varies according to traffic volumes, speed, travel time, delay and freedom to maneuver. Level A represents free-flowing conditions while F is severe congestion with stop-and-go conditions. The Montecito Community Plan identifies LOS B as the acceptable minimum Level of Service. The SEIR forecasts future LOS at build-out of the planning area to be LOS F, D, C and C for these four roadway segments, respectively. The SEIR identified road widening of these segments to mitigate the decrease in LOS at build-out. To date, the roadways have not been widened and no other equivalent measures have been implemented.

### *Intersections*

The MGMO identifies three intersections that would be impacted by future buildout of the MGMO, as listed above. The operation of these intersections was evaluated in the 2010 MGMO Extension SEIR.

These intersections currently operate at LOS B. At buildout, the 2010 SEIR anticipates that all three intersections will be operating at LOS C. LOS C is the Countywide threshold standard for traffic flow through intersections. The SEIR identified several intersection improvements as mitigation measures, including converting the Sycamore Canyon Road/Barker Pass Road and the Olive Mill Road/Spring Road intersections to all way stop controls, and restriping the eastbound approach to San Ysidro Road/East Valley Road. To date, none of these improvements have occurred, nor have any other improvements been implemented.

### *Highway 101 Interchanges*

Several operational improvements to the Highway 101 corridor through Montecito are in various stages of planning and construction by local and state agencies. Overall, these improvements include a plan to widen Highway 101 from Sycamore Creek in the City of Santa Barbara to Carpinteria Creek in the City of Carpinteria, and include several interchange upgrades (South Coast 101 High Occupancy Vehicle project). Construction of a portion of this project has been completed from Milpas Street in Santa Barbara to the interchange with Cabrillo Boulevard near the west boundary of the Montecito Community Plan area. This initial phase of the project included changes to the Highway 101/Cabrillo Boulevard interchange and construction of a roundabout at Hot Springs Road and Coast Village Road. Other portions of the project are in the planning and environmental review stages. The California Department of Transportation (Caltrans) released a draft EIR to the public and the comment period closed in summer 2012. The Final EIR was released August 28, 2014.

On December 15, 2015 the Santa Barbara County Superior Court directed that a revised EIR traffic analysis be prepared and circulated. The revised traffic analysis was released in November 2016 and the close of public comments occurred on Jan. 31, 2017. Caltrans is currently evaluating the comments received. Separately, engineering, design and permitting of the highway widening project is expected to occur over the next decade.

Interchange Control Evaluations (ICE) have been completed for Olive Mill (April 2016) and San Ysidro (January 2017) which analyze various traffic control methods to better manage existing and future traffic

congestion at these locations. Completion of an ICE represents only a preliminary analysis of potential traffic control options. Changes to the interchange with Sheffield Drive are proposed as the existing southbound off- and on-ramps would conflict with a High Occupancy Vehicle lane. Once completed, the operations of the Sheffield interchanges and associated surface streets are expected to improve in terms of safety and level of service.

Although local and regional agencies are working to improve transportation system deficiencies, roadway volumes are continuing to increase within the Montecito Planning Area. Traffic and circulation in Montecito will not substantially improve until all planned and funded transportation projects are completed and additional improvements are carried out. Given the scope and cost of these projects, achieving a balance between transportation services and residential growth is not expected to occur within the next several years. The 2010 SEIR included a mitigation measure requiring a new traffic study once the Highway 101 improvements have been constructed in order to reassess traffic conditions in the Montecito area.

Therefore, as none of the identified improvements have occurred (information regarding roadway, intersection and interchange improvements was verified by Matt Dobberteen, Public Works, Transportation Division, February 22, 2017) the ordinance criterion for traffic and circulation has not been met and the continuation of the MGMO is necessary to preserve the public health and safety on the roadways of Montecito.

#### **4.0 Ordinance Implementation**

From the time when the MGMO became effective in July of 1991 through December 2016, 334 allocations for the development of new residential units have been granted. Of this number, construction has been completed on 123 residences, 189 allocations have expired without being utilized, two have either been issued a building permit or are under construction, 7 have are undergoing the building permit plan check process, 7 have applied for zoning clearance and are undergoing BAR review, 5 are undergoing Montecito BAR only, and one has received zoning clearance approval but has not yet applied for a building permit. Under the terms of the existing ordinance, allocations that are allowed to expire are not reallocated, but landowners may apply and compete for new allocations.