

May 18th, 2024

City of Buellton
107 West Highway 246
P.O. Box 1819 Buellton, CA 93427

**RE: Development Plan Applications and Project Descriptions
480 and 518 Avenue of Flags, Buellton, CA 93427**

Dear City Planning Staff,

MB Development Company (“MB”) is pleased to present these applications for a Development Plan Modification on both of the previously approved projects, Creekside Village and The 518, located at 480 and 518 Avenue of Flags, respectively. MB’s vision for these projects has always been to serve as the catalyst for Avenue of Flags, creating a central point that fosters living, commercial activity, and recreation. Despite the economic challenges of recent years, our commitment to this vision has not wavered, as we continue to pursue solutions to getting these projects built.

Ultimately, the feasibility of these projects hinged on managing financial and construction costs. To that end we have been actively working with our architect RRM and financial partners to thoughtfully adapt the projects. Our goal is to maintain the core elements of the development, such as the critical view corridors and architectural integrity that characterize the street, while ensuring the projects are financially viable.

The approved Development Agreements for Creekside Village and The 518, allow for the modifications to the entitlement and building design, with conditions. MB worked closely with City Planning to ensure consistency and adherence to the Avenue of Flag’s Specific Plan. These proposed modifications aim to preserve the architectural character and visual appeal of the projects, with consistent external appearances. Internally, however, we have significantly enhanced design efficiency and improved the experience for residents and tenants. We have managed to reduce the overall building size and intensity without increasing density or unit counts. The efficiencies gained have been redirected towards more open space, amenities, and adhering to approved parking ratios. Key enhancements include a business center, a swimming pool, extensive roof decks, private patios for each unit, additional covered parking, and a live/work component to meet a significant market need.

During the past approval process, Planning Commission and City Council were vocal about providing for more amenities and enhancing the user experience. We attempted to address these concerns with our approach to combined and enhanced amenities for both projects and more activated open spaces.

This letter will provide details on the proposed modifications and changes to the projects. It is MB’ hope that the City of Buellton consider these modifications comprehensively and recognize the positive impact these development will have on Avenue of Flags.

Development Agreement Review

Both Creekside Village and The 518 are subject to a Development Agreement recorded at the time of their entitlement approvals. This agreement, particularly Section 5.5, outlines conditions under which minor modifications are permissible. These include:

- (a) "Addition of permitted uses not substantially similar to those identified in the Prior Approvals, unless such uses are otherwise permitted by right under the applicable provisions of the zoning code;"

Our proposed modifications adhere to the uses approved in the original agreements, ensuring consistency with prior approvals and zoning code provisions.

- (b) "Increase of the density or intensity of use of the Property;"

- **We propose no increase in density, and have decreased the intensity of use, aligning with the spirit of the original plans.**

- (c) "Increase of the maximum height and size in permitted buildings;"

Adjustments to building heights are necessary for design efficiency and economic viability, yet they stay within the maximum heights prescribed by the Avenue of Flags Specific Plan. These changes are essential for scaling back the design without sacrificing the projects' core values.

- (d) "Reduction of any required dedication;"

Our plans maintain all previously approved dedications, ensuring compliance with the original agreements.

- (e) "Any amendment or change requiring a subsequent or supplemental CEQA review that has the potential to modify or waive an environmental mitigation measure;"

We believe the modifications will not necessitate supplemental CEQA review or impose new environmental mitigation measures, as they remain within the scope of the initial assessment.

The sole area of deviation from Section 5.5 concerns the buildings' height. We have judiciously ensured that any increase in height is minimal, strategically placed away from street frontage to minimize visual impact, and integrated within the project's interior views. These adjustments are critical for achieving a design that is both economically viable and aesthetically pleasing, with negligible effect on the visual corridor. MB again asks that the City of Buellton consider these proposed modifications, and the projects, in their entirety and that the additional proposed height is a necessary consequence of designing an economically feasible building.

MB strongly believes that the proposed Development Plan Modifications conform with the required municipal code, Avenue of Flags specific plan, and intent of the approvals by the City Planning Commission and Council.

Project Details and Proposed Modification Overview

Creekside Village – 480 Avenue of Flags - Exhibit A

The original design for Creekside Village featured a large podium deck structure with parking underneath that extended deep into the lot. While this design provided for a more “open-air” living environment on the upper levels, it also made it inconvenient for residents to navigate from parking to their desired units, complicated circulation, and was extremely inefficient compared to the proposed design.

The proposed modification will maintain Creekside’s Street presence and is consistent with the previous approved elevation. The major differences are the setback height in the interior, the reduction of general commercial, the addition of live/work, and the centralized design around the pool deck/lounge area. The frontage along Second Street has been reduced and the overall total gross square footage of the building has been reduced by approximately 38%. While the building footprint has been reduced, the usable open space and circulation for the residents has been greatly improved, resulting in approximately 15% more usable open space and 13% more landscaping design. Creekside Village now features private patios for every unit and three large roof deck amenities.

Creekside Village had received a Development Opportunity Reserve incentive for a 21% reduction in required parking to accommodate the scale of the building footprint. By reducing the general commercial, and optimizing the unit mix, we were able to provide a net 3% increase to the required parking ratio on-site, a 24% increase overall.

The 518 – 518 Avenue of Flags - Exhibit B

The approach to The 518 has always been to compliment Creekside Village and provide consistency on the two main corners of Avenue of Flags and Second Street. The designs are complimentary and both projects are proposed to be constructed as one larger development in phases. MB learned from the experience designing Creekside Village and sought to improve the efficiency of The 518 in its original approval. As such, the 518 sees the least changes to its design.

The main challenge of The 518 was the “triple” building design. By shifting the interior of the building footprint, we are able to achieve a consistent “one-building” construction, reducing the overall floor area by approximately 30%, while also maintaining a surplus of required open space and increasing required landscaping by 15%. This grants the project more flexibility in its open space, adding larger roof decks of variable sizes on multiple levels, and provides a more efficient parking layout. This design also improves the resident experience of getting to their desired unit.

Originally, The 518 was to feature extensive tandem parking to support its structure. Our redesign eliminates the need for the majority of these tandem spaces, maintaining only a necessary few. This change reflects our commitment to enhancing resident experience and project functionality while adhering to the project's core vision and respecting the site's urban context.

Shared Amenities

The proposed amenities for our development project are designed not only to enhance the living experience for our residents but also to respond to the evolving needs of modern lifestyles, particularly in the current work-from-home era. Each amenity has been thoughtfully selected to contribute to a vibrant, inclusive community atmosphere while offering practical benefits. Here's a closer look at the proposed amenities and their advantages:

Gym: Offering residents the convenience of maintaining their fitness regimes within the comfort of their living environment, eliminating the need for external gym memberships.

Business Center: As remote work becomes increasingly prevalent, a dedicated business center for residents is more than just an amenity; it's a necessity. It provides a quiet, professional environment for residents to work without the distractions often found in home offices. Equipped with high-speed internet, meeting rooms, and office essentials, the business center is a significant asset for freelancers, entrepreneurs, and anyone working from home, enhancing productivity and work-life balance.

Courtyard Pool: The inclusion of a courtyard pool offers a recreational centerpiece that was missing in the previous approvals, encouraging relaxation and social interaction among residents. It serves as a central gathering spot, fostering a sense of community and providing an escape from the everyday. This feature not only enhances the aesthetic appeal of the development but also promotes a leisurely lifestyle that is highly valued by prospective residents.

Corner Courtyards: As a main focus of the Specific Plan, retaining the corner courtyards emphasizes the importance of both corners on Avenue of Flags and Second Street. These areas provide for social commercial experiences and visual centerpieces.

Roof decks: The expansive roof decks are designed to offer multifaceted recreational and social spaces with seating and lounging areas, entertainment zones, panoramic views, and food preparation areas. These decks not only maximize the use of available space but also provide unique venues for relaxation, social events, and casual gatherings.

Together, these amenities contribute significantly to the project by enhancing the quality of life for residents, fostering a vibrant community atmosphere, and adding tangible value to the property. They respond to the modern demands for convenience, wellness, work flexibility, and social interaction, setting the development apart as a forward-thinking and desirable place to live.

Parking – Exhibit C

MB has done its best to respect the previous parking ratios of the existing approved entitlements in designing the modifications. The proposed modifications provide enough parking to satisfy the City of

Buellton's code without the need for an incentive. The combined total parking for the projects includes 189 parking spaces for 112 residential units and 7,973 Square feet of commercial space.

During the entitlements, MB performed a parking study showing 121 additional parking spaces within 1 block around the sites, including 40 spots on second street, and 49 spots on Avenue of Flags directly adjacent to the sites. These spaces are in addition to the spaces proposed on each site.

The Floodplain – Exhibit D

The projects at 480 and 518 Avenue of Flags sit on the fringe of Zone AE, where there's a 1% annual risk of flooding. Initial FEMA maps placed Base Flood Elevations (BFE) at 360' and 362' for these sites, respectively, necessitating flood proofing up to 2 feet above these levels as per Santa Barbara County's guidelines. Our approach to meeting these requirements has been collaborative, working closely with Buellton's Floodplain Administrator, Rose Hess, and incorporating methods like site elevation, flood gates, and pressure-resistant windows.

Crucially, the flood maps, based on a 1973 study, have not been updated in decades. Yet, our analysis, supported by Bethel Engineering and validated by Stantec Engineering's recent study for the County, suggests a significant recalibration. This new data anticipates a 1' to 2' reduction in BFE at our sites, potentially halving our flood-proofing obligations and costs. We're informed that these updated maps are nearing official adoption at the county level.

In May 2023, we engaged with the County Building and Safety Department and subsequently with Rose Hess to clarify the impact of these updates on our flood proofing strategies. Hess has begun exploring the legal pathways to apply these revised elevations to our projects, leveraging her discretionary authority under Buellton's Municipal Code to adjust flood proofing requirements.

Live-Work Units: Catalyzing Economic Growth and Community Development- Exhibit E

The concept of live-work spaces is increasingly becoming a cornerstone of urban and semi-urban development strategies, particularly in areas like the Santa Ynez Valley, where there is a noticeable gap in the market for small to medium-sized professional workspaces. The introduction of live-work units within our projects is not just a response to this demand but a strategic move to foster a vibrant, economically diverse community. Our intentions are for the Live-Work areas to appear, and function, the same as traditional commercial frontage along the Avenue. Prospective tenants could include Coffee Shops, Juice Bars, Yoga Studios, Hair Salons, Boutique Retail Shops, Real Estate offices, Sandwich Shops, and other uses consistent with the proposed footprints. The Live-Work integration may also provide for more individual tenants than in the previously designed larger commercial spaces. Here are several reasons why live-work units are advantageous:

Flexibility for Business Owners and Employees: Live-work units are designed to accommodate a range of business activities, from startups to boutique retailers. This flexibility allows business owners to adapt their space to their changing needs without the burden of relocating or securing separate commercial leases. In 2023, a significant proportion of the workforce has expressed a strong preference for remote work, with 58% of employed workers being able to work remotely at least part-time. This trend is not just a temporary shift but a fundamental change in how and where people want to work.

Economic Activation: Remote work configurations can stimulate local economies by keeping workers within their communities, reducing turnover, and enhancing job satisfaction. Research indicates that remote work reduces quit rates significantly, a substantial advantage in maintaining a stable and experienced workforce.

Cost Efficiency: Combining living and working spaces reduces overhead costs for businesses, particularly for small business owners, freelancers, and remote workers. This cost efficiency can be especially appealing in the current economic climate, where businesses are seeking ways to optimize expenses.

Centralized Location and Enhanced Accessibility: By situating live-work units in a centralized location, we address the issue of businesses having to settle for suboptimal locations due to the scarcity of suitable spaces. A central location not only benefits business owners by placing them closer to their customers and business networks but also enhances accessibility for employees and clients.

Community Synergy: Live-work units contribute to the creation of a dynamic, mixed-use community where residents and businesses coexist synergistically. This environment encourages networking, collaboration, and a sense of community among business owners, residents, and visitors, fostering a vibrant local economy. Residents of Live/Work spaces are more likely to engage with their neighbors and participate in local events. This is particularly valuable in urban settings where isolation can be prevalent.

Sustainability and Reduced Commute Times: Integrating residential and commercial spaces can significantly reduce commute times, contributing to a reduction in traffic congestion and pollution. This aligns with broader sustainability goals and supports a healthier lifestyle for residents. Moreover, the dual use of buildings reduces the carbon footprint associated with constructing separate residential and commercial properties, optimizing land use and energy consumption.

Policy Consistency

The original project approvals aimed to improve Buellton's Downtown Core by adding quality housing, commercial spaces, and recreational areas. Our proposed modifications align with the goals of the original approvals and are consistent with the City of Buellton's Land Use Element and the Avenue of Flags Specific Plan. These changes support the City's vision for a vibrant downtown, ensuring our projects meet the community's needs and expectations.

Land Use Element:

Goal 4: To revitalize Avenue of Flags and Highway 246 core as an identifiable "downtown, the physical and social center of Buellton and an inviting place for visitors and residents alike."

Consistency Response: *The proposed modifications further this goal by activating the Avenue. Both projects located at the 2nd Street and Avenue of Flags intersection are designated as the main town plaza area and provide a public area to frequent and gather.*

Policy L-29. Residences shall be allowed in conjunction with compatible commercial development on land designated General Commercial. The City shall encourage mixed use development as outlined in Program 3 of the Housing Element by adopting a variable limit for mixed-use units, increasing allowed building heights, allowing off-street parking credits for on-street and shared parking, and using a density definition that is adjustable for unit sizes. The mixed-use development shall only occur in the General Commercial (CR) designation.

Consistency Response: *The proposed modification retains the mixed-use development, including residential and commercial components, and meets the maximum density requirements.*

Economic Development Element:

Goal 6. Continue to support and encourage economic revitalization of the AOF commercial corridor.

Consistency Response: *The proposed modifications bring a mix of residential and commercial uses to the Downtown core area, which offers to better populate the area, particularly in the evening, as well as provide commercial opportunities for jobs and services.*

Housing Element:

Policy H-2. The City shall promote mixed-use development throughout the City, with particular focus along AOF, and shall implement smart growth principles.

Consistency Response: *The proposed modifications enhances the mix of residential and commercial uses originally approved and furthers the goal of the Avenue of Flags Specific Plan. The projects create a range of unit types for varying household need, and fosters walkability by bring residents to jobs, services, and other amenities.*

In conclusion, our proposed modifications to Creekside Village and The 518, developed with careful consideration of Buellton's urban fabric and future, meet the requirements for modifications under the Development Agreements and further the goals of the Avenue of Flags Specific Plan. By thoughtfully refining these projects, we aim to contribute to Buellton's vibrant downtown area, ensuring that our developments serve as catalysts for sustainable growth and enhanced quality of life for all residents. Finally, adopting these proposed modifications will allow us to begin processing construction documents and prepare to break ground as soon as we are able.

Sincerely,
MB Development Company



Brandon Mann
Manager

Exhibit A

Creekside Village Original vs. Proposed Summary Table

Creekside Village - 480 Avenue of Flags	Original	Proposed	Delta	% Change
# of Residential Units	64	64	-	0%
Mixed-Use Ground Floor Area				
Commercial (incl. Live work)	10,670	3,708	(6,962)	-65%
Live Work Residential	-	2,700	2,700	
Conditioned Amenities as Buildings ¹	2,950	1,859	(1,091)	-37%
Storage/Mechanical	2,470	4,583	2,113	86%
Circulation	1,250	650	(600)	-48%
Garages	-	1,750	1,750	
Total Mixed-Use Ground Floor Area/1st	17,340	15,250	(2,090)	-12%
Residential 2nd Floor Area	38,710	16,080	(22,630)	-58%
Residential 3rd Floor Area	33,670	16,080	(17,590)	-52%
Residential 4th Floor Area	-	7,796	7,796	
Gross Total	89,720	55,206	(34,514)	-38%
<i>Removal of Podium</i>				
<i>Efficiency in Circulation</i>				
<i>Kept consistent AOF/2nd Elev.</i>				
<i>Addition of Pool Area, Live Work, and Roof Decks</i>				
Open Space & Open Space Amenities²				
	Original	Proposed		
Required	16,000	16,000		
Public				
Courtyards & Plazas ³	969	963		
Creek Trail	1,851	1,851		
Podium Open Space	5,060	-		
Roof Decks & Pool Areas	1,060	10,303		
Total Public Open Space	8,940	13,117		
Private				
Private Patios	7,230	5,252		
Total Approved/Proposed	16,170	18,369	2,199 sq. ft.	
+/- Ratio	1%	15%		
<i>Significantly more usable and functional Amenities as Open Space</i>				
Landscape				
Required	10,703	10,703		
Approved/Proposed	11,012	12,096		
+/- Ratio	3%	13%		
Parking⁴				
Required	137	104		
Approved/Proposed	108	107		
+/- Ratio	-21%	3%		
Height and Setbacks				
Max Allowed Height W/ DOR	50'	50'		
Max Proposed Height	38'	47'		
Building Setback from Creek	118'	205'	87'	
¹ 1st Floor Amenities do not include total open space areas/roof decks on other floors				
² Previously approved entitlement counted much of the podium area and creek area as "usable open space". In reality the new configuration provides significantly more usable open space				
³ Areas included that are portions of courtyard and plaza hardscapes are consistent with calculations on previous approvals				
⁴ Parking ratio different due to modifications of unit types and reduction of commercial				

Exhibit B

The 518 Original vs. Proposed Summary Table

The 518 - 518 Avenue of Flags	Original	Proposed	Delta	% Change
# of Residential Units	48	48	-	0%
Mixed-Use Ground Floor Area				
Commercial (incl. Live work)	5,511	4,265	(1,246)	-23%
Live Work Residential	-	4,271	4,271	
Conditioned Amenities as Buildings ¹	2,900	477	(2,423)	-84%
Residential Garages ²	11,262	4,621	(6,641)	-59%
Storage/Mechanical	10,080	2,125	(7,955)	-79%
Circulation	2,265	529	(1,736)	-77%
Total Mixed-Use Ground Floor Area/1st	32,018	16,288	(15,730)	-49%
Residential 2nd Floor Area	13,036	12,560	(476)	-4%
Residential 3rd Floor Area	17,688	12,560	(5,128)	-29%
Residential 4th Floor Area	12,950	11,537	(1,413)	-11%
Gross Total	75,692	52,945	(22,747)	-30%
<i>Combining interior buildings</i>				
<i>Efficiency in Circulation</i>				
<i>Keep consistent AOF/2nd Elev.</i>				
<i>Reduction in Parking Garages</i>				
Open Space & Open Space Amenities³				
Required	12,000	12,000		
Public				
Courtyards & Plazas ⁴	3,994	2,186		
Amenity Bridge	477	-		
Roof Decks	6,331	5,659		
Total Public Open Space	10,802	7,845		
Private				
Private Patios	2,066	5,022		
Total Approved/Proposed	12,868	12,867	-1 sq. ft.	
+/- Ratio	7%	7%		
<i>Significantly more usable and functional Amenities as Open Space</i>				
Landscape				
Required	7,956	7,956		
Approved/Proposed	7,961	9,119		
+/- Ratio	0%	15%		
Parking⁵				
Required	96	82		
Approved/Proposed	98	82		
+/- Ratio	2%	0%		
Height and Setbacks				
Max Allowed Height W/ DOR	50'	50'		
Max Proposed Height	41'	47'		
¹ Ground floor open space/amenities shifted to multiple roof deck levels				
² Residential Garages significantly reduced				
³ Previously approved entitlement counted much of the landscaped/hardscaped area, including the bridge, as "usable open space" however in reality the new configuration provides significantly more usable and activated open spaces				
⁴ Areas included that are portions of courtyard and plaza hardscapes are consistent with calculations on previous approvals				
⁵ Parking ratio different due to modifications of unit types and reduction of commercial				

Exhibit C

Off-Site Parking

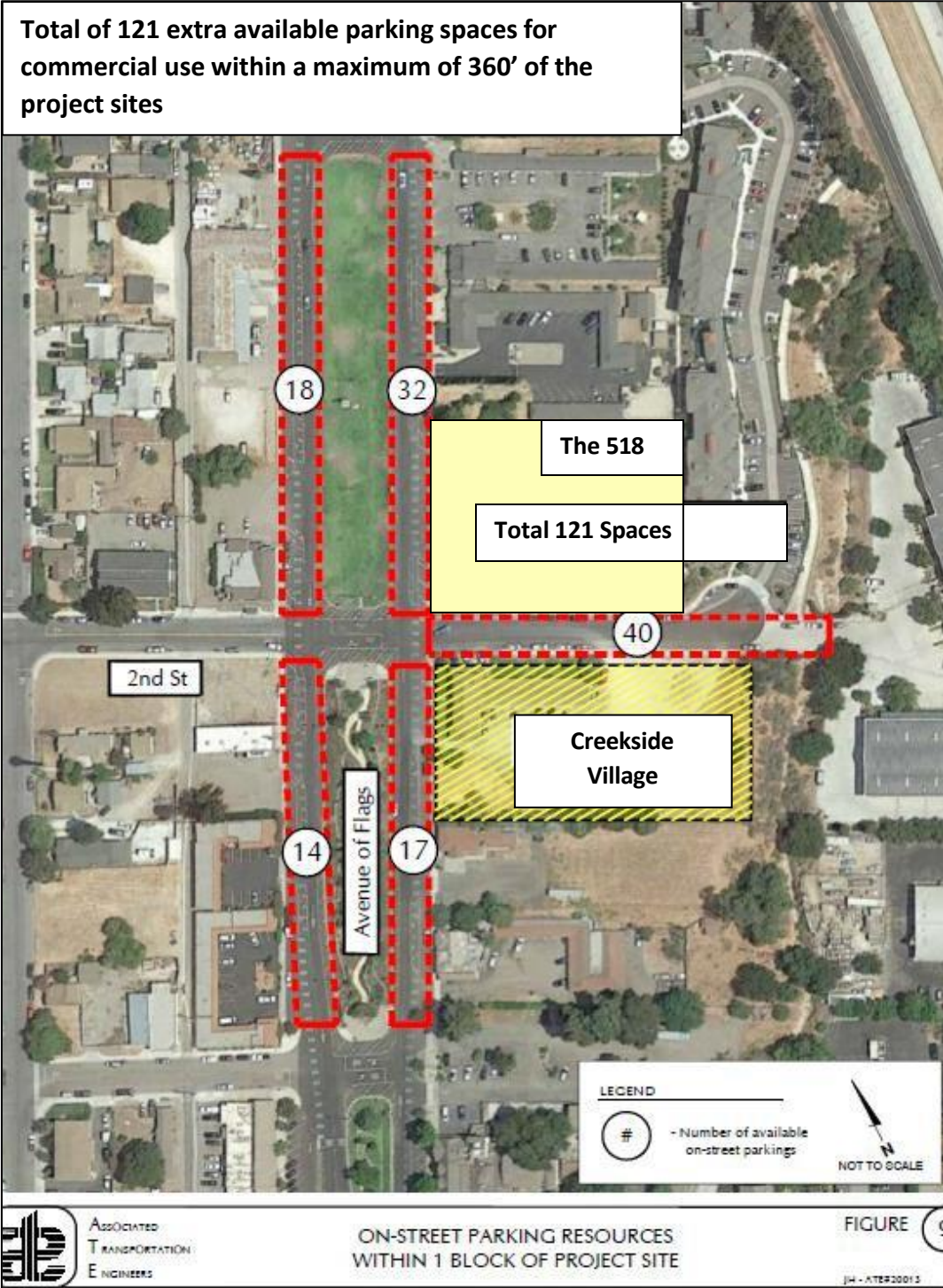


Exhibit D

Floodplain Review: Base Flood Elevation

480 Avenue of flags - Per the current plans, the Building Pads will be constructed at 358

	Old Base Flood	New Base Flood Elevation Calcs
Topography for Commercial	358-359	358-359
Base Flood Elevation	360	358
2' above for County Flood	362	360
Delta	3-4 Feet	1-2 Feet

518 Avenue of Flags - Per the current plans, the Building Pads will be constructed at 359.6

	Old Base Flood	New Base Flood Elevation Calcs
Topography for Commercial	359.6-360	359.6-360
Base Flood Elevation	362	358-359
2' above for County Flood	364	360-362
Delta	4 Feet	0-2 Feet

Exhibit E

Live Work Examples

