



City of Santa Barbara California

PLANNING COMMISSION STAFF REPORT

REPORT DATE: March 3, 2016
AGENDA DATE: March 10, 2016
PROJECT ADDRESS: Waterfront Hotel, 433 E. Cabrillo Boulevard & 103 S. Calle Cesar Chavez (MST2013-00371)
TO: Planning Commission
FROM: Planning Division, (805) 564-5470, extension 4552
 Beatriz Gularte, Senior Planner
 Allison De Busk, Project Planner

I. PROJECT DESCRIPTION

Continued review of a request for a new Development Agreement (DA) for the Waterfront Hotel to address construction of the hotel, including extending the time frame for construction of the approved hotel project. Additionally, provisions are included to allow for a revised project should completion of the approved 150-room hotel not be pursued further by the Applicant. In the event that a revised hotel proposal results in less square footage and/or fewer hotel rooms than originally approved, the DA includes a provision allowing the Applicant to propose transfer of remaining, unbuilt hotel rooms to another site.

Associated with the DA is a proposed amendment to the Zoning Ordinance related to the Transfer of Existing Development Rights Chapter (Chapter 28.95) that would defer to the DA in the event of a conflict between the DA and Chapter 28.95, thereby allowing the transfer of approved, but not built, hotel rooms for the Waterfront Hotel project.

II. REQUESTED APPLICATIONS

The discretionary applications required for this project are:

- A. A Development Agreement to allow an additional ten (10) years to construct a 150 room hotel and parking lot and the option to either revise the project or propose a different design within this time period (Resolution 89-120);
- B. A Zoning Ordinance Amendment to Santa Barbara Municipal Code Chapter 28.95 - Transfer of Existing Development Rights to defer to the Development Agreement for provisions to provide the option for the Waterfront Hotel project to propose transfer of development rights associated with excess (approved but undeveloped) hotel rooms to another site, subject to City permitting requirements.

The City Council will be the decision-maker on these applications. The Planning Commission must make a recommendation on the applications to the City Council.

III. DISCUSSION

The Planning Commission reviewed a proposed DA on January 7, 2016 and continued the project on a 4-3 vote to allow the Applicant time to address the Commission's comments and concerns, which were:

- Clarify how the three project options (1. approved hotel, 2. substantial conformance determination for approved hotel, and 3. revised project) will be addressed related to Storm Water Management Plan compliance.
- Note that any request for a substantial conformance determination (SCD) would be treated as a Level 4 SCD per Planning Commission Guidelines.
- Include additional information in the "Whereas" section that identifies when the project was vested.
- Include additional information in the "Whereas" section that identifies the construction work that has been completed to-date.
- Remove the "promotional" language from the "Whereas" section and reconsider the use of the terms "luxury hotel" and "low cost hostel".
- Correct the "Whereas" statement regarding the Chase Palm Park per Commissioner Lodge's comment.
- Identify where the 17 public parking spaces required as part of the Fess Parker Hotel approval are located.

At the January 7, 2016 meeting, the Planning Commission also decided, on a 4-3 vote, that the transfer of existing development rights section of the DA was acceptable and that the proposed amendment to Chapter 28.95 of the Zoning Ordinance (Exhibit B) was supportable.

The revised DA (Exhibit A) is shown in "track changes" mode so that the Commission can clearly see what has changed since the last review. Please note that the Commission's comments related to vesting and construction work completed at the site have not been addressed in the revised DA. The Applicant prefers to include that information separately, as they feel it would be unusual to include it in the DA. Detailed information will be provided in a forthcoming Applicant Letter.

In addition to the changes requested by the Planning Commission, other changes to the DA include:

- An additional metric for analyzing an SCD request (Section 10.1).
- Specifying how existing development rights on the Hotel Parcel would be calculated in the event the project is revised, either through an SCD or a New Development Proposal (Section 11).
- Simplifications to the section outlining a potential transfer to the Fess Parker Hotel Parcel (Section 11.1).
- Minor technical clean-ups.

Staff has also made some minor corrections to the proposed Addendum (Exhibit C), which are shown in "track changes."

Refer to the December 21, 2015 staff report (for the January 7, 2016 meeting) for a more complete discussion of the DA, the project history including approved development, General Plan and Local Coastal Plan consistency, and environmental review.

IV. RECOMMENDATION

Staff recommends that the Planning Commission recommend that City Council make the required planning and CEQA findings and recommend approval of the Development Agreement as proposed, and approval of an amendment to Zoning Ordinance, Chapter 29.95 related to the Transfer of Existing Development Rights.

V. FINDINGS

As part of the recommendation to City Council for approval of the Development Agreement and Zoning Ordinance Amendment, the Planning Commission finds the following:

A. ENVIRONMENTAL REVIEW (CEQA GUIDELINES §15090, §15162 & §15164)

1. The Planning Commission has reviewed and considered the Addendum, dated January 14, 2016, to the Certified Final Project Environmental Impact Report (EIR) SCH#92091038 along with the Certified EIR and earlier EIR Addenda of June 1995, November 1996, and August 2007, which together constitute environmental analysis for the current project under California Environmental Quality Act (CEQA) provisions; and
2. The Planning Commission finds that the EIR Addendum dated January 14, 2016 has been completed in compliance with CEQA and reflects the Commission's independent judgment and analysis.

B. DEVELOPMENT AGREEMENT (COUNCIL RESOLUTION 89-120)

1. The Development Agreement is consistent with the General Plan and Specific Plan, as well as the Local Coastal Plan and Zoning Ordinance, as described in Section IX of the December 21, 2015 Staff Report;
2. The Development Agreement is in substantial conformance with public necessity, convenience, and general welfare and good zoning practices because it will provide additional time for the applicant to develop a hotel in this location, which City plans and policies identify as a desired land use for the site, or will allow the opportunity for a revised hotel to be considered by the City, taking into consideration the significant public improvements that have been made in furtherance of the goals of the Specific Plan and the prior Development Agreement, including the approved project permit conditions of approval, and;
3. The Development Agreement provides assurances to the developer of the right to develop a project in accordance with the terms of the agreement and that adequate consideration is provided by the City that early completion of the public improvements, including the park and circulation improvements provided for more orderly and timely mitigation of traffic and air quality impacts.

Exhibits:

- A. Proposed Development Agreement
- B. Proposed Amendment to SBMC Ch. 28.95
- C. EIR Addendum dated January 14, 2016
- D. Planning Commission January 7, 2016 Staff Report (provided previously under separate cover, available electronically at: <http://www.santabarbaraca.gov/gov/brdcomm/nz/planning/agendas.asp>)