



COUNTY OF SANTA BARBARA PLANNING AND DEVELOPMENT

MEMORANDUM

TO: Board of Supervisors

FROM: Lisa Plowman, Planning and Development Department Director
Lisa Plowman

STAFF CONTACT: Alia Vosburg, Planner, avosburg@countyofsb.org, (805) 934-6259

DATE: July 6, 2023

HEARING DATE: July 11, 2023

RE: Appeals of the Montecito Planning Commission Approval of the Coral Casino Amendment Project
1260 and 1281 Channel Drive
APNs 009-352-009, 009-354-001, 009-351-012 and 009-353-015

The purpose of this memorandum is to provide updated information regarding the Appeals of Coral Casino Amendment Project, which are scheduled to be heard by the County Board of Supervisors on July 11, 2023. The Applicant and Appellants have been meeting to discuss the appeals, and have reached a resolution. On June 29, 2023, the Applicant provided proposed edits to the project description, and each of the five Appellants informed staff of their support for the proposed edits. Appellant Nos. 1 through 4 provided written confirmation of their support via emails, which are included in Attachment 2 of this Staff Memorandum. Appellant No. 5 provided verbal confirmation of their support to Planning and Development staff.

Project Description:

The updated project description is provided below with the proposed edits identified in **bold** text.

- 1. Proj Des-01 Project Description. This Development Plan Amendment (22AMD-00000-00005) and Coastal Development Permit (22CDP-00000-00079) are based upon and limited to compliance with the project description, the hearing exhibits marked 1-13, dated July 11, 2023, and all conditions of approval set forth below, including mitigation measures and specified plans and agreements included by reference, as well as all applicable County rules and regulations. Additionally, all conditions of approval on 03DVP-00000-00002 (as amended by 05AMD-00000-00005, 07AMD-00000-00011, and 13AMD-00000-00005) remain in effect as approved, with the exception of Condition Nos. 3 and 22, which are amended herein.***

*The proposed project is a request for an Amendment to the Biltmore Hotel and Coral Casino Revised Development Plan (03DVP-00000-00002) and approval of an associated Coastal Development Permit to modify Condition Nos. 3 and 22 of the Development Plan conditions of approval, as detailed below. Condition No. 3 will be modified to reduce the maximum number of permitted Biltmore Hotel guestrooms/keys to 192. Prior to Coastal Development Permit issuance, the Owner/Applicant shall provide site/floor plans to Planning and Development for review and approval. The site/floor plans shall depict the layout of existing Biltmore Hotel guestrooms and the proposed reduction in guestrooms to 192. The reduction in the existing number of Biltmore Hotel guestrooms will be accomplished with interior alterations only to combine adjacent separate guestrooms into singular, larger guestrooms (including suites and junior suites). Condition No. 22 will be modified to allow limited public use of the existing second floor Coral Casino Restaurant, reduce the Coral Casino monthly membership allowance for members of reciprocal clubs, and eliminate the Coral Casino seasonal membership allowance for Biltmore Hotel guests. Prior to Coastal Development Permit issuance, the Owner/Applicant shall provide a revised Coral Casino site plan exhibit to Planning and Development for review and approval. The revised Coral Casino site plan exhibit shall depict the second floor restaurant area including restrooms that serve the restaurant as presented during the Montecito Planning Commission hearing of April 5, 2023. Additionally, use of the existing 2,050-sq. ft. event/meeting room at the Biltmore Hotel (currently identified as the La Marina banquet room) will be limited to non-dining entertainment and other activities for hotel guests only. **Coral Casino club privileges afforded to the general manager of the club for business purposes incidental to the operation of the club shall be limited to membership sales and promotions, marketing, goodwill, club tours and dining with prospective club members and vendors. The Coral Café poolside restaurant and bar will remain a private, members only dining option for club members and their guests. Except in case of fire, safety, emergency or handicap access, public ingress and egress to the 2nd floor restaurant shall be provided via the tower door facing Channel Drive. Other than as set forth in these Conditions, public access to the club's facilities shall be restricted in the following ways: (1) the door from the ground level elevator foyer to the club area shall be locked from the foyer side to prevent public access; (2) the beach gate shall be locked from the beach side to prevent public access; and (3) the gates on the West side of the terrace adjacent to the La Pacifica Ballroom shall be locked from the outside to prevent public access, except during special functions for outside groups.***

This proposed Amendment does not involve any new structural development or exterior alterations to existing development, and no additional services or access will be required. The property will continue to be served by the Montecito Water District, the Montecito Sanitary District, and the Montecito Fire Protection District. Access is provided from Channel Drive. The proposed project is located on a 19.28-acre property, zoned C-V and shown as Assessor's Parcel Numbers 009-352-009, 009-354-001, 009-351-012 and 009-353-015, located at 1260

and 1281 Channel Drive in the Coastal Zone of the Montecito Community Plan Area, First Supervisorial District.

Conditions of Approval:

Changes to 03DVP-00000-00002 Conditions of Approval are provided below (deleted text shown in strikethrough font and new text shown in underlined font).

3. *The number of guestrooms or keys shall not exceed ~~229~~192.*

22. *Coral Casino Conditions:*

- a) *The Coral Casino shall remain a private club.*
- b) *Guest membership shall be limited to:*
 - 1) *600 – permanent members*
 - 2) *~~50 – seasonal members, for guest of the Biltmore Deleted~~*
 - 3) *Up to ~~120-60~~ members per month from reciprocal clubs located at least 75 miles away from the Coral Casino*
- c) *With the exception of the 2nd floor restaurant, regular use of the facility shall be limited to club members and their guests, and registered overnight Biltmore Hotel guests only. Guests of registered Biltmore Hotel guests may also use the second story restaurant when accompanied by the registered hotel guest. Such regular use also includes **guest club** privileges afforded to the general manager of the club for business purposes incidental to the operation of the club, as set forth in Condition No. 1 (Project Description) of Case Nos. 22AMD-00000-00005 and 22CDP-00000-00079. Outside groups may use the **facility club's 2nd floor restaurant and La Pacifica ballroom and its adjacent terrace** for special functions. The 2nd floor restaurant shall be available for club members and their guests, including 34 indoor seats reserved only for by club members. In addition, the 2nd floor restaurant shall be available by reservation for up to 265 members of the public per day (for the purposes of this condition registered hotel guests are considered members of the public). Reservation data shall be maintained by the operator and provided to County Planning and Development staff, upon request.*
- d) *No outdoor music after 10:00 p.m. except Friday, Saturday, Fiesta week, and holidays, when music shall cease at 12:00 midnight.*
- e) *Activities at the Coral Casino shall be those normally associated with a social, swim, and tennis club.*
- f) *Use of the restaurant roof sundeck shall only be during daylight hours, through sunset, and during night time hours not more than four times annually.*

Any deviations from the project description, exhibits, or conditions must be reviewed and approved by the County for conformity with this approval. Deviations may require approved

Staff Memorandum

Appeals of the Coral Casino Amendment Project

Case Nos. 23APL-00015 through 23APL-00018, 23APL-00020, 22AMD-00000-00005, and 22CDP-00000-00079

Hearing Date: July 11, 2023

Page 4

changes to the permit and/or further environmental review. Deviations without the above described approval will constitute a violation of permit approval.

Analysis:

The Conditions of Approval have been revised to incorporate the changes noted above, and are included as Attachment 1 of this Staff Memorandum. The proposed changes regarding restricted public access to certain areas of the property were reviewed by the County Department of Building & Safety, as well as the Montecito Fire Department, and neither Department had any concerns or conditions. Additionally, the proposed changes were analyzed under the California Environmental Quality Act (CEQA) and staff determined that the analysis and conclusions provided in the EIR Addendum (Attachment 3 to the Board Agenda Letter) remain accurate.

Recommended Action:

Staff recommends that the Board of Supervisors take the following actions:

- a) Deny the appeals, Case Nos. 23APL-00015 through 23APL-00018 and 23APL-00020.
- b) Make the required findings for approval of the proposed project as specified in Attachments 1-A and 1-B of the Board Agenda Letter, including CEQA findings.
- c) Approve the Addendum to the previously certified Environmental Impact Report, 04EIR-00000-00006, as provided in Attachment 3 of the Board Agenda Letter, pursuant to CEQA Guidelines Section 15164, and determine that as reflected in the CEQA findings, no subsequent environmental document is required for the proposed project.
- d) Grant *de novo* approval of the proposed project, Case Nos. 22AMD-00000-00005 and 22CDP-00000-00079, subject to the conditions of approval included as Attachment 1 of the Staff Memorandum.

Attachments:

1. Revised Conditions of Approval
2. Appellant Emails

Cc: Case File (to Planner)
Hearing Support

ATTACHMENT 1: REVISED CONDITIONS OF APPROVAL

Project Description

- 1. Proj Des-01 Project Description.** This Development Plan Amendment (22AMD-00000-00005) and Coastal Development Permit (22CDP-00000-00079) are based upon and limited to compliance with the project description, the hearing exhibits marked 1-13, dated July 11, 2023, and all conditions of approval set forth below, including mitigation measures and specified plans and agreements included by reference, as well as all applicable County rules and regulations. Additionally, all conditions of approval on 03DVP-00000-00002 (as amended by 05AMD-00000-00005, 07AMD-00000-00011, and 13AMD-00000-00005) remain in effect as approved, with the exception of Condition Nos. 3 and 22, which are amended herein.

The Project is a request for an Amendment to the Biltmore Hotel and Coral Casino Revised Development Plan (03DVP-00000-00002) and approval of an associated Coastal Development Permit to modify Condition Nos. 3 and 22 of the Development Plan conditions of approval, as detailed below. Condition No. 3 will be modified to reduce the maximum number of permitted Biltmore Hotel guestrooms/keys to 192. Prior to Coastal Development Permit issuance, the Owner/Applicant shall provide site/floor plans to Planning and Development for review and approval. The site/floor plans shall depict the layout of existing Biltmore Hotel guestrooms and the proposed reduction in guestrooms to 192. The reduction in the existing number of Biltmore Hotel guestrooms will be accomplished with interior alterations only to combine adjacent separate guestrooms into singular, larger guestrooms (including suites and junior suites). Condition No. 22 will be modified to allow limited public use of the existing second floor Coral Casino Restaurant, reduce the Coral Casino monthly membership allowance for members of reciprocal clubs, eliminate the Coral Casino seasonal membership allowance for Biltmore Hotel guests, and eliminate the Coral Casino regular use allowance for registered overnight Biltmore Hotel guests. Prior to Coastal Development Permit issuance, the Owner/Applicant shall provide a revised Coral Casino site plan exhibit to Planning and Development for review and approval. The revised Coral Casino site plan exhibit shall depict the second floor restaurant area, including restrooms that serve the restaurant, as presented during the Montecito Planning Commission hearing of April 5, 2023. Additionally, use of the existing 2,050-sq. ft. event/meeting room at the Biltmore Hotel (currently identified as the La Marina banquet room) will be limited to non-dining entertainment and other activities for hotel guests only. Coral Casino club privileges afforded to the general manager of the club for business purposes incidental to the operation of the club shall be limited to membership sales and promotions, marketing, goodwill, club tours and dining with prospective club members and vendors. The Coral Café poolside restaurant and bar will remain a private, members only dining option for club members and their guests. Except in case of fire, safety, emergency or handicap access, public ingress and egress to the 2nd floor restaurant shall be provided via the tower door facing Channel Drive. Other than as set forth in these Conditions, public access to the club's facilities shall be restricted in the following ways: (1) the door from the ground level elevator foyer to the club area shall be locked from the

foyer side to prevent public access; (2) the beach gate shall be locked from the beach side to prevent public access; and (3) the gates on the West side of the terrace adjacent to the La Pacifica Ballroom shall be locked from the outside to prevent public access, except during special functions for outside groups.

The Project does not involve any new structural development or exterior alterations to existing development, and no additional services or access will be required. The property will continue to be served by the Montecito Water District, the Montecito Sanitary District, and the Montecito Fire Protection District. Access is provided from Channel Drive. The proposed project is located on a 19.28-acre property, zoned C-V and shown as Assessor's Parcel Numbers 009-352-009, 009-354-001, 009-351-012 and 009-353-015, located at 1260 and 1281 Channel Drive in the Coastal Zone of the Montecito Community Plan Area, First Supervisorial District.

Changes to 03DVP-00000-00002 Conditions of Approval (deleted text shown in strikethrough font and new text shown in underlined font):

3. *The number of guestrooms or keys shall not exceed ~~229~~192.*

22. *Coral Casino Conditions:*

- a) *The Coral Casino shall remain a private club.*
- b) *Guest membership shall be limited to:*
 - 1) *600 – permanent members*
 - 2) *~~50~~—seasonal members, for guest of the Biltmore Deleted*
 - 3) *Up to ~~120~~60 members per month from reciprocal clubs located at least 75 miles away from the Coral Casino*
- c) *With the exception of the 2nd floor restaurant, regular use of the facility shall be limited to club members and their guests, and registered overnight Biltmore Hotel guests only. Guests of registered Biltmore Hotel guests may also use the second story restaurant when accompanied by the registered hotel guest. Such regular use also includes guest club privileges afforded to the general manager of the club for business purposes incidental to the operation of the club, as set forth in Condition No. 1 (Project Description) of Case Nos. 22AMD-00000-00005 and 22CDP-00000-00079. Outside groups may use the facility club's 2nd floor restaurant and La Pacifica ballroom and its adjacent terrace for special functions. The 2nd floor restaurant shall be available for club members and their guests, including 34 seats reserved by club members. In addition, the 2nd floor restaurant shall be available by reservation for up to 265 members of the public per day (for the purposes of this condition registered hotel guests are considered members of the public). Reservation data shall be maintained by the operator and provided to County Planning and Development staff, upon request.*
- d) *No outdoor music after 10:00 p.m. except Friday, Saturday, Fiesta week, and holidays, when music shall cease at 12:00 midnight.*

- e) *Activities at the Coral Casino shall be those normally associated with a social, swim, and tennis club.*
- f) *Use of the restaurant roof sundeck shall only be during daylight hours, through sunset, and during night time hours not more than four times annually.*

Any deviations from the project description, exhibits, or conditions must be reviewed and approved by the County for conformity with this approval. Deviations may require approved changes to the permit and/or further environmental review. Deviations without the above described approval will constitute a violation of permit approval.

2. **Proj Des-02 Project Conformity.** The grading, development, use, and maintenance of the property, the size, shape, arrangement, and location of the structures, parking areas and landscape areas, and the protection and preservation of resources shall conform to the project description above and the hearing exhibits and conditions of approval below. The property and any portions thereof shall be sold, leased or financed in compliance with this project description and the approved hearing exhibits and conditions of approval thereto. All plans must be submitted for review and approval and shall be implemented as approved by the County.

County Rules and Regulations

3. **Rules-02 Effective Date-Appealable to CCC.** This Coastal Development Permit shall become effective upon the expiration of the applicable appeal period provided an appeal has not been filed. If an appeal has been filed, the planning permit shall not be deemed effective until final action by the review authority on the appeal, including action by the California Coastal Commission if the planning permit is appealed to the Coastal Commission. [ARTICLE II § 35-169].
4. **Rules-03 Additional Permits Required.** The use and/or construction of any structures or improvements authorized by this approval shall not commence until the all necessary planning and building permits are obtained.
5. **Rules-05 Acceptance of Conditions.** The Owner/Applicant's acceptance of this permit and/or commencement of use, construction and/or operations under this permit shall be deemed acceptance of all conditions of this permit by the Owner/Applicant.
6. **Rules-11 CDP Expiration-With CUP or DVP.** The approval or conditional approval of a Coastal Development Permit shall be valid for one year from the dated of decision-maker action. Prior to the expiration of the approval, the review authority who approved the Coastal Development Permit may extend the approval for one year if good cause is shown and the applicable findings for the approval required in compliance with Article II Section 35-169.5 can still be made. Prior to the expiration of a time extension noted above, the review authority who approved the time extension may approve two additional time

extensions for two years each if good cause is shown and the applicable findings for the approval required in compliance with Article II Section 35-169.5 can still be made. A Coastal Development Permit shall expire two years from the date of issuance if the use or structure for which the permit was issued has not been established or commenced in conformance with the effective permit.

7. **Rules-23 Processing Fees Required.** Prior to issuance of the Coastal Development Permit, the Owner/Applicant shall pay all applicable P&D permit processing fees in full as required by County ordinances and resolutions.
8. **Rules-29 Other Dept Conditions.** Compliance with Departmental/Division letters is required as follows:
 - a. Environmental Health Services Division letter dated September 15, 2022
9. **Rules-30 Plan Requirements.** The Owner/Applicant shall ensure all applicable final conditions of approval are printed in their entirety on applicable pages of grading/construction or building plans submitted to P&D or Building and Safety Division. These shall be graphically illustrated where feasible.
10. **Rules-32 Contractor and Subcontractor Notification.** The Owner/Applicant shall ensure that potential contractors are aware of County requirements. Owner/Applicant shall notify all contractors and subcontractors in writing of the site rules, restrictions, and Conditions of Approval and submit a copy of the notice to P&D compliance monitoring staff.
11. **Rules-33 Indemnity and Separation.** The Owner/Applicant shall defend, indemnify and hold harmless the County or its agents or officers and employees from any claim, action or proceeding against the County or its agents, officers or employees, to attack, set aside, void, or annul, in whole or in part, the County's approval of this project.
12. **Rules-35 Limits-Except DPs.** This approval does not confer legal status on any existing structures(s) or use(s) on the property unless specifically authorized by this approval.
13. **Rules-37 Time Extensions-All Projects.** The Owner/Applicant may request a time extension prior to the expiration of the permit or entitlement for development. The review authority with jurisdiction over the project may, upon good cause shown, grant a time extension in compliance with County rules and regulations, which include reflecting changed circumstances and ensuring compliance with CEQA. If the Owner/Applicant requests a time extension for this permit, the permit may be revised to include updated language to standard conditions and/or mitigation measures and additional conditions and/or mitigation measures which reflect changed circumstances or additional identified project impacts.

ATTACHMENT 2: APPELLANT EMAILS

From: Kim Seefeld <kermit6@cox.net>
Sent: Friday, June 30, 2023 12:56 PM
To: Vosburg, Alia
Cc: Suzanne Duca; Lucinda Owen; lucinda@lucindalesterdesign.com; Mark Trilling; Kim Seefeld
Subject: Re: Coral Casino Amendment - Proposed Edits
Attachments: DVP Condition 22.docx; Project Description.docx

Caution: This email originated from a source outside of the County of Santa Barbara. Do not click links or open attachments unless you verify the sender and know the content is safe.

Acceptable

Sent from my iPhone

On Jun 30, 2023, at 11:32 AM, Vosburg, Alia <avosburg@countyofsb.org> wrote:

Good Morning –

I've attached the proposed updates to the Coral Casino Amendment Project (22AMD-00000-00005 and 22CDP-00000-00079) provided by the Applicant's representative, Leila Noel, on June 29, 2023, as part of the proposed resolution. Please respond to this email by Monday, July 3, 2023, to identify your position on the proposed updates.

Thank you,



Alia Vosburg
Planner

Planning & Development
Development Review Division
624 W. Foster Road
Santa Maria, CA 93455
805-934-6259

avosburg@countyofsb.org

<http://www.countyofsb.org/plndev/home.sbc>

From: Suzanne Duca <suzanneduca@gmail.com>
Sent: Friday, June 30, 2023 1:32 PM
To: Vosburg, Alia
Cc: kim seefeld; Lucinda Owen; lucinda@lucindalesterdesign.com;
Mark Trilling
Subject: Re: Coral Casino Amendment - Proposed Edits

Caution: This email originated from a source outside of the County of Santa Barbara. Do not click links or open attachments unless you verify the sender and know the content is safe.

Acceptable.
Suzanne Duca

Sent from my iPhone

On Jun 30, 2023, at 9:35 AM, Vosburg, Alia <avosburg@countyofsb.org> wrote:

Good Morning –

I've attached the proposed updates to the Coral Casino Amendment Project (22AMD-00000-00005 and 22CDP-00000-00079) provided by the Applicant's representative, Leila Noel, on June 29, 2023, as part of the proposed resolution. Please respond to this email by Monday, July 3, 2023, to identify your position on the proposed updates.

Thank you,



Alia Vosburg
Planner

Planning & Development
Development Review Division
624 W. Foster Road
Santa Maria, CA 93455
805-934-6259

avosburg@countyofsb.org

<http://www.countyofsb.org/plndev/home.sbc>

From: lucinda lucindalesterdesign.com
<lucinda@lucindalesterdesign.com>
Sent: Friday, June 30, 2023 2:24 PM
To: Vosburg, Alia
Cc: kim seefeld; Suzanne Duca; Lucinda Owen; Mark Trilling
Subject: Re: Coral Casino Amendment - Proposed Edits
Attachments: image002.jpg; DVP Condition 22.docx; Project Description.docx

Caution: This email originated from a source outside of the County of Santa Barbara. Do not click links or open attachments unless you verify the sender and know the content is safe.

Acceptable
Thank you

Sent from my iPhone

On Jun 30, 2023, at 10:36 AM, Vosburg, Alia <avosburg@countyofsb.org> wrote:

Good Morning –

I've attached the proposed updates to the Coral Casino Amendment Project (22AMD-00000-00005 and 22CDP-00000-00079) provided by the Applicant's representative, Leila Noel, on June 29, 2023, as part of the proposed resolution. Please respond to this email by Monday, July 3, 2023, to identify your position on the proposed updates.

Thank you,



Alia Vosburg
Planner

Planning & Development
Development Review Division
624 W. Foster Road
Santa Maria, CA 93455
805-934-6259

avosburg@countyofsb.org

<http://www.countyofsb.org/plndev/home.sbc>

From: Douglas B. Large <DLarge@flasllp.com>
Sent: Wednesday, July 5, 2023 9:57 AM
To: Vosburg, Alia
Cc: Douglas B. Large
Subject: Re: Coral Casino Amendment - Proposed Edits
Attachments: image003.jpg; Project Description.docx; DVP Condition 22.docx

Caution: This email originated from a source outside of the County of Santa Barbara. Do not click links or open attachments unless you verify the sender and know the content is safe.

A: Given the agreed compromise, I am withdrawing my appeal.

Sent from my iPhone

On Jul 5, 2023, at 8:48 AM, Vosburg, Alia <avosburg@countyofsb.org> wrote:

Good Morning Douglas,

We have not yet received your response to the previous email. As an Appellant, please reply to this email stating your position on the proposed resolution. We ask that you please provide the response no later than **11:00AM today, July 5, 2023** as the Department is against a strict deadline.

Thank you,
Alia

From: Vosburg, Alia
Sent: Friday, June 30, 2023 10:36 AM
To: Doug Large <DLarge@flasllp.com>
Subject: Coral Casino Amendment - Proposed Edits

Good Morning –

I've attached the proposed updates to the Coral Casino Amendment Project (22AMD-00000-00005 and 22CDP-00000-00079) provided by the Applicant's representative, Leila Noel, on June 29, 2023, as part of the proposed resolution. Please respond to this email by Monday, July 3, 2023, to identify your position on the proposed updates.

Thank you,



Alia Vosburg
Planner
Planning & Development
Development Review Division
624 W. Foster Road
Santa Maria, CA 93455
805-934-6259
avosburg@countyofsb.org
<http://www.countyofsb.org/plndev/home.sbc>