SANTA BARBARA COUNTY BOARD AGENDA LETTER



Clerk of the Board of Supervisors 105 E. Anapamu Street, Suite 407 Santa Barbara, CA 93101 (805) 568-2240

Agenda Number:

Prepared on: November 21, 2002 Department Name: P&D 053 **Department No.:** December 3, 2002 Agenda Date: Placement: Departmental **Estimate Time:** 2.5 hours **Continued Item:** NO If Yes, date from: F:\GROUP\Permitting\Case **Document File Name:** Files\Apl\2000s\02 cases\02apl-00000-00029\BSLtr2.doc

TO:	Board of Supervisors
FROM:	Rita Bright, Planning Commission Secretary Planning and Development Department
STAFF CONTACT:	Steve Goggia, Project Planner, 568-2067 Patty Miller, Supervising Planner, 568-2054
SUBJECT:	Hearing to consider the Dilworth Appeal of the Planning Commission's decision regarding the Initiation of a processing path to consider the Four Seasons Biltmore Hotel & Breakers Club and Spa. The proposed Breakers Club and Spa involves AP Nos. 009-352-031 and 009-351-011, located at 1189 Hill Road, Montecito area, First Supervisorial District.

Recommendation(s):

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

- 1. Adopt the Resolution of Initiation included as Attachment A, to this Board Agenda Letter and initiate a Local Coastal Plan (LCP) Amendment to:
 - a. Change the Coastal Land Use and zoning designations of the Breakers Club and Spa property from Residential to Resort/Visitor Serving Commercial (C-V); and
 - b. Amend the Montecito Community Plan Policies regarding commercial land uses.

Initiation of the proposed amendments will allow environmental analysis to take place so that the public and the county may review potential impacts of the proposed Breakers Club and Spa prior to consideration for adoption.

Alignment with Board Strategic Plan:

The recommendation(s) are primarily aligned with actions required by law or by routine business necessity.

Executive Summary:

A Revised Development Plan application for the Four Seasons Biltmore Hotel and Coral Casino Beach and Cabana Club, together with a Conditional Use Permit application for the proposed Breakers Club and Spa (formerly the ARCO Breakers Retreat and Conference Center) was submitted to P&D on April 30, 2001 Attachment B provides a zoning map of the parcels involved with this request.

The application originally proposed the conversion of the former ARCO facility (currently operating under a Conditional Exception Permit, Attachment C) to a semi-private spa and health club available to hotel guests and club members through a Conditional Use Permit as a club. P&D determined that the proposed Breakers Club and Spa did not fit the narrow definition of club as it appears in the ordinance. As the underlying zoning and Coastal Land Use designation for the subject parcel is currently residential, several permit path options were identified in order to process the request. The following options were presented to the Planning Commission for formal Initiation:

- 1. Change the Coastal Land Use and Zoning designations of the property from Residential to Resort/Visitor Serving Commercial (C-V), amend the Montecito Community Plan policies regarding commercial land uses, and require an approved Development Plan; or,
- 2. Adopt an Ordinance Amendment to the Coastal Zoning Ordinance, Article II to add Spa and Health Club to the list of uses permitted with a Major Conditional Use Permit, add definitions for each, and require processing of a Major Conditional Use Permit for the spa and health club; or,
- 3. Add a definition for Country Club that provides for spa and health club facilities within County Zoning Ordinances, and require processing of a Major Conditional Use Permit as a country club.

Staff had noted that ultimately, before any project is approved, the decisionmakers must find that the project is in conformance with the following Montecito Community Plan policies, and that one or more may have to be amended, depending on the option chosen:

Policy LUC-M-1.1: Commercially designated land serving local needs shall be provided within the "Village Area" but not expanded to new sites.

Policy LUC-M-1.2: New commercial land designations and uses shall be limited to those needed to serve the greater Montecito community (i.e., neighborhood commercial (CN) zoned).

Policy LUC-M-1.3: *No additional Visitor-Serving Commercial (i.e. CV-zoned) areas shall be designated in Montecito. However, existing resort hotels and motels may be improved on existing sites.*

On August 21, 2001, and carried by a vote of 3-2, the Planning Commission adopted a Resolution of Initiation and initiated proposed amendments to the text of Article II to add Spa and Health Club to the list of uses permitted with a Major Conditional Use Permit and add the definitions of Spa and Health Club to the Definitions Division of the Coastal Zoning Ordinance (Attachment D). The Planning Commission declined to initiate proposed amendments to the Montecito Community Plan policies identified above. The appeal (Attachment E) was filed on August 30, 2002.

Discussion:

Testimony from the applicant as well as members of the public indicated support to leave the Montecito Community Plan unchanged, and process the application in the most simple manner, in their viewpoint, with a Conditional Use Permit as it is considered by some to have a higher review standard than a Development Plan. Testimony also cited the historic ties the Breakers conference center had with the Biltmore Hotel (attendees would often stay at the hotel) as a link between the two properties that could be expanded to include the proposed Breakers Club and Spa.

The processing path initiated by the Planning Commission provides for an Ordinance Amendment to add Spa and Health Club to the list of uses permitted with a Major Conditional Use Permit in Article II (the Coastal Zoning Ordinance) only, addition of definitions for each within Article II, and requires an approved Conditional Use Permit (CUP) to develop the Breakers Club and Spa. The underlying Zoning and Coastal Land Use Designation of Residential would not change. An amendment to the commercial policies of the Montecito Community Plan was not included as part of the Planning Commission action.

Planning and Development's preferred option would be to have the applicant pursue a LCP Amendment in order to change the Zoning and Coastal Land Use designation of the Breakers property from Residential to Resort/Visitor Serving Commercial (C-V) akin to the designation of the existing Biltmore Hotel facilities, and process the application with a Development Plan. Staff had identified an intrinsic connection that ties the Breakers Club and Spa to the Biltmore Hotel historically, and as proposed. It is staff's opinion that establishing the Breakers Club and Spa in this location, in connection with the Biltmore Hotel, meets the intent and purpose of Resort/Visitor Serving Commercial zoning and adheres to basic principle of fitting the zoning to the site and its use. Spas and health clubs are listed as permitted uses in the Retail Commercial (C-2) zone district of Article II and in the Neighborhood Commercial (CN) zone district of Article IV.

The proposed Breakers Club and Spa is without a doubt linked to the Biltmore Hotel's Historic Renovation Plan and thus should have consistent zoning. The application encompasses the Biltmore Hotel site including the Coral Casino, the Breakers Club and Spa, and connecting properties. The Breakers Club and Spa is proposed to provide spa and health club services to guests of the Biltmore Hotel in addition to 225 club members. Primary use of the Breakers Club and Spa will be by hotel guests. Materials submitted by the applicant projects a peak number of 71 hotel guests and 10 club members to be using the spa facility at any one time. The Historic Renovation Plan proposes to reduce the room count at the hotel by 14, and apply those trips towards the Breakers Club and Spa, for an overall reduction of 53 average daily trips. In addition, treatment rooms within the newly completed Hotel Fitness Center are proposed to be converted to guestrooms once the Breakers Club and Spa is in operation.

The 33,829 square feet of development proposed at Breakers Club & Spa increases the Floor to Area Ratio (FAR) to approximately 0.21 over the 5.29 acres that encompass the proposed site (5 lots). This FAR may be within the range for property zoned Resort/Visitor Serving Commercial, however would greatly exceed the recommended maximum floor area for a residence on the lot (a 6-acre lot has a recommended maximum house floor area of 10,700 square feet).

Additionally, an Ordinance Amendment to the Coastal Zoning Ordinance would affect not only the Breaker's site but also permitted uses of all non-agricultural zoned properties within the entire coastal planning areas of the County. Uses of similar intensities are currently allowed with an approved Major Conditional Use Permit within these districts; however, the implications of such an amendment countywide to the non-agricultural districts of the coastal zone would require analysis as part of this proposal.

Staff acknowledges that initiating any of the permit processing path options would allow formal review of the proposed project to commence. Upon consideration of the complete analysis, your Board may determine that an alternative process path would be more appropriate in order to take final action on the project. While the permit type may need to be adjusted prior to final action, the environmental (physical) impact analysis of the project would not change. The same would be true for any necessary amendments to the Montecito Community Plan commercial policies.

The applicants maintain that there would be no need to amend any of the Montecito Community Plan commercial policies if the underlying Zoning and Land Use Designations of the property remain residential. P&D believes that amending one or more of the policies is a possibility with any of the options. Therefore, the Planning Commission was provided the following language text to be considered as possible text amendments to one or more of the Montecito Community Plan commercial policies, depending on the chosen permit path:

- However, due to the historic ties to the Biltmore Hotel, the *Breakers* site (APNs: 009-352-031, 009-352-008, 009-351-011, 009-353-007 and 009-353-008) may be improved to provide a spa and health club facility to serve club members and registered guests of the Biltmore Hotel; or,
- However, due to the historic ties to the Biltmore Hotel, the *Breakers* site (APNs: 009-352-031, 009-352-008, 009-351-011, 009-353-007and 009-353-008) may be rezoned to Resort/Visitor Serving Commercial (C-V) with a corresponding Coastal Land Use Designation change in order to provide a spa and health club facility to serve club members and registered guests of the Biltmore Hotel.

Staff would like your Board to know that the applicants have stated that, should an alternate process path be required at the end of the process (i.e. staff's preferred option to require a rezone and MCP policy amendments), they would accept the additional time required for the adjustments without protest.

Summary:

Notwithstanding the Planning Commission's action to support the permit path that appears to disrupt the Montecito Community Plan policies and zoning designations the least, staff's recommendation remains unchanged. The principle of truth in zoning would dictate that the zoning and land use designation for the proposed Breakers Club and Spa be changed to Resort/Visitor Serving Commercial, thereby affecting the subject properties only and would not implicate the entire non-agricultural portion of the county's coastal zone as would an Ordinance Amendment to add spas and health clubs to the list of uses permitted with a Major Conditional Use Permit.

If, after thorough analysis of the entire project, the proposal has the support of the public and decisionmakers, the need to rezone the property or amend one or more policies of the Montecito Community Plan should not be a hindrance to holding fast to basic planning principles. The real concern should be whether the findings for approval can be made, particularly the finding that the project is found not to be detrimental to the health, safety, comfort, convenience and general welfare of the neighborhood and is found to be compatible with the surrounding area, a required finding for both Development Plans and Conditional Use Permits.

Mandates and Service Levels: Pursuant to Section 35-182.3 of Article II of Chapter 35 of the County Zoning Ordinances, the decisions of the Planning Commission may be appealed to the Board of Supervisors within ten days of the date of the Planning Commission's action.

Fiscal and Facilities Impacts: The costs for processing appeals of land use projects are typically provided through a fixed fee and funds in P&D's adopted budget. Fees collected for appeals vary based on the location of the project and who files the appeal. The appeal was filed by a "non-applicant" and a fee of \$435 was collected. Planning and Development will offset costs beyond the \$435 appeal fee. The estimated cost of processing this appeal is approximately \$4,000.00 and is budgeted in Development Review South Division, in the Permitting and Compliance Program on page D-266 of Planning and Development's 2002-2003 fiscal year budget.

Special Instructions:

Clerk of the Board shall forward a copy of the Minute Order to P&D, Hearing Support Section, Attn: Cintia Mendoza.

Planning & Development will prepare final action letter and otherwise notify all concerned parties of the Board of Supervisors' final action.

Concurrence:

County Counsel

Attachments:

Attachment A:	Proposed Resolution of Initiation of the Board of Supervisors
Attachment B:	Zoning map of the subject property and vicinity
Attachment C:	Conditional Exception Permit for the ARCO Breakers conference facility
Attachment D:	Planning Commission Action Letter of August 21, 2002 (with draft Ordinance)
Attachment E:	Appeal filed August 30, 2002
Attachment F:	Staff Report prepared for the July 17, 2002 Planning Commission hearing
Attachment G:	Staff memo to the Planning Commission dated July 17, 2002
Attachment H:	Staff memo prepared for the Planning Commission hearing of August 21, 2002
Attachment I:	Public comment letters received during the Planning Commission hearing process