A DE SANTA DE	AGENI Clerk of the B 105 E. Anapar Santa Bart	SUPERVISORS DA LETTER oard of Supervisors nu Street, Suite 407 oara, CA 93101 568-2240	Agenda Number:	
			Department Name: Department No.: For Agenda Of: Placement: Estimated Tme: Continued Item: If Yes, date from: Vote Required:	Planning and Development 053 March 15, 2011 Departmental Agenda 2 hours No N/A Majority
TO:	Board of Superviso	ors		
FROM:	Department: Director: Contact Info:	Planning and Development Glenn Russell, Ph.D., Director, 568-2085 Alice McCurdy, Deputy Director, 568-2518 Development Review Division– South County		

#### SUBJECT: Miramar Beach Resort and Bungalows Amended Project

County Counsel ConcurrenceAuditor-Controller ConcurrenceAs to form: YesAs to form: N/AOther Concurrence: N/AA

As to form: N/A

#### **Recommended Actions:**

Consider the recommendation of the Montecito Planning Commission on Case Nos. 10AMD-00000-00010, 11CDH-00000-00001, 11AMD-00000-00002, 11AMD-00000-00003, 11AMD-00000-00004, 11AMD-00000-00005 regarding a request by the applicant, Caruso Affiliated, for an amendment to the Miramar Beach Resort & Bungalows project, and take the following actions:

- 1. Make the required findings for approval of the project specified in Attachment 1 of this Board Report dated March 15, 2011, including the California Environmental Quality Act (CEQA) findings;
- 2. Adopt the Addendum dated March 15, 2011 to the Environmental Impact Report (08EIR-00000-00003), Mitigated Negative Declaration (00-ND-003) and the Addendum dated December 9, 2008, included as Attachment 3 of this Board Report under CEQA Guidelines Section 15164; and
- Approve the project, Case Nos. 10AMD-00000-00010 (amendment to 07RVP-00000-00009), 11CDH-00000-00001, 11AMD-00000-00002 (amendment to 07CUP-00000-00045), 11AMD-00000-00003 (amendment to 07CUP-00000-00046), 11AMD-00000-00004 (amendment to 07CUP-00000-00047) & 11AMD-00000-00005 (amendment to 08CUP-00000-00005), subject to the conditions included as Attachment 2 of this Board Report.

Page 2 of 9

## **Background:**

On December 9, 2008, the Board of Supervisors approved the Miramar Beach Resort & Bungalows project. The approved project includes a Development Plan, four Conditional Use Permits and a Coastal Development Permit to redevelop the Miramar Hotel. The project was subsequently appealed to the California Coastal Commission by two private parties. Those appeals were resolved on April 6, 2009. No further appeals of the approved project are possible.

### **Issue Summary:**

Citing financing constraints, the applicant is now seeking approval of an amended Development Plan as an option to reduce the scope of the approved project. While the overall plan layout and amenities to be provided by the resort have not changed significantly. The project was made smaller by elimination of one level of underground parking (approximately 100,000 square feet), elimination of the Ballroom building (13,590 square feet) and the Beach & Tennis Club building (1,482 square feet), reduction of the retail space (1,026 square feet) and changes to several guest room buildings throughout the site. While the project's overall gross square footage has been reduced by these changes, the proposed project Floor Area Ratio (FAR<sup>1</sup>), which is a calculation based on net floor area, has increased slightly as compared to the approved project from 0.2399 to 0.2405. However, the proposed FAR remains below the 0.25 maximum identified in the Montecito Community Plan. Commensurate with the reduction in physical development and use levels, the number of parking spaces to be provided has also been reduced from 551 to 494.

Along with the Amended Development Plan, the proposed amended project includes four amended Conditional Use Permits (CUPs) to update the previously approved CUPs associated with the approved project. The CUP life spans would continue to be synchronized with the maximum lifespan of the Development Plan, all of which would be set to expire on April 6, 2015. The approved Development Plan has an expiration date of April 6, 2014. The available one-year time extension would extend the life of the approved Development Plan to April 6, 2015. Approval of the proposed amended Development Plan would not extend that date.

While modifications for the height of the Ballroom and Beach & Tennis Club buildings are no longer necessary, the amended project continues to require modifications for the height of the Main Building, for setbacks of the Main building, Spa building, Restaurant building and several guest room buildings and for the number of parking spaces to be provided.

With approval of the requested modifications, the project continues to be consistent with the requirements of the Comprehensive Plan including the Coastal Land Use Plan and the Montecito Community Plan. See Section 6.1 of the Montecito Planning Commission staff report dated February 4, 2011 for more detail.

## Montecito Planning Commission Action:

The Montecito Planning Commission (MPC) considered the applicant's request for the amended project at their February 23, 2011 hearing. The MPC recommended that the Board of Supervisors approve the amended project. Additionally, the MPC requested that the Board of Supervisors consider the following:

- 1) That the items identified in the Montecito Fire District Letter dated February 18, 2011 are currently not fully addressed in the site plan reviewed by the MPC and should be resolved prior to project approval by the Board;
- 2) That on-street public parking in the surrounding neighborhood is limited; and
- 3) That the onsite parking included with the project may not be adequate to serve the proposed uses, and as such, may impact the surrounding neighborhood. The MPC recommended that an additional 30 onsite parking spaces be provided with the project.

<sup>&</sup>lt;sup>1</sup> Floor Area Ratio = Net Floor Area/Net Lot Area

### Page 3 of 9

The complete Montecito Planning Commission recommendation to the Board of Supervisors is outlined in the MPC action letter dated February 23, 2011, included as Attachment 5 of this Board Report.

### **Project Changes After Montecito Planning Commission Review:**

In response to the Montecito Planning Commission's direction for the applicant to fully address the Montecito Fire District's concerns outlined in their February 18, 2011 letter (included as Attachment 7), the applicant has relocated the Restaurant building to the east side of the pool and reduced it to one story in height. Its previous location on the west side of the pool made accommodation of a fire turnaround behind the building difficult due to site planning constraints. With the restaurant located on the east side of the pool, emergency access can be taken directly from the main driveway which provides access from South Jameson Lane to the surface parking lot and beachfront units. Relocation of the restaurant to the east side of the pool also moves the building farther from adjacent residential properties, thus reducing potential noise impacts generated by the restaurant use.

The Montecito Fire District has provided a letter dated March 3, 2011 included with this Board Report as Attachment 8 stating that all concerns identified in the February 18, 2011 letter have been resolved.

### **Project Description:**

The amended project was reduced from the approved project by elimination of one level of underground parking (approximately 100,000 square feet), elimination of the Ballroom (13,590 square feet) and Beach & Tennis Club buildings (1,482 square feet), reduction of the retail space (1,026 square feet) and changes to several guest room buildings throughout the site. While the project's overall gross square footage has been reduced by these changes, the proposed project Floor Area Ratio (FAR<sup>2</sup>), which is a calculation based on net floor area, has increased slightly as compared to the approved project from 0.2399 to 0.2405. However, the proposed FAR remains below the 0.25 maximum identified in the Montecito Community Plan. Commensurate with the reduction in physical development and use levels, the number of parking spaces to be provided has also been reduced from 551 to 494.

The proposed amended project includes the following changes from the approved project:

- Elimination of the stand-alone Ballroom building on the eastern portion of the site. The Ballroom function and space has been consolidated into the Main Building;
- Reduction in number of hotel rooms from 192 to 186;
- Conversion of the 2-story poolside guestroom building to a 1-story restaurant building and relocation to the east side of the main pool;
- Elimination of a restaurant from the Main Building, consolidating it into the Poolside restaurant (total number of hotel restaurant seats remains the same as approved project);
- Elimination of the previously approved tennis courts;
- Reduction in the maximum number of guests allowed on-site for events from 600 to 500;
- Consolidation of the retail village into the Main Building and overall reduction in the amount of retail space on site;
- Reduction in the number of parking spaces on site from 551 to 494;
- Creation of a landscaped surface parking lot on the eastern portion of the site containing 207 parking spaces. The parking lot would be constructed with permeable surfaces and would be broken up into smaller sections by landscaping so it is not one continuous parking field. Surface parking lot would also be built near existing grade approximately six feet lower than the adjacent public roadway, South Jameson Lane, to minimize visual impacts. The project continues to include one level of underground parking with 247 stalls;
- Elimination of the need for three height modifications. i.e., for the approved beach club building, poolside restaurant building and ballroom building (height modification to the Main Building remains the same as under the approved project);
- Increased amount of open space and permeable surfaces on site; and
- Approximately 25 percent reduction in the amount of fill to be imported to the site.

<sup>&</sup>lt;sup>2</sup> Floor Area Ratio = Net Floor Area/Net Lot Area

Page 4 of 9

# Comparison of the Approved Caruso Plan and the Proposed Amended Caruso Plan

Project Component	Approved Caruso Plan	Proposed Amended Caruso Plan	
STRUCTURAL DEVELOPMENT (EXCLUDING PAVING) (NET FLOOR AREAS IN SQUARE FEET [SF])			
Ballroom	13,590 SF	Amended Ballroom Net Floor Area Included Below in Main Building (Approved building eliminated and employee dwellings relocated to first floor of Lanai Building No. 44)	
Main Building/Restaurant	26,756 SF	34,745 (incorporating Ballroom function (13,590 SF) and hotel administration offices, eliminated formal dining)	
Pool Bar/Restaurant	809 SF	4,394 SF (consolidates all hotel formal dining)	
Beach Bar	Square footage included in Oceanfront Building 02	643 SF	
Spa	7,270 SF	7,003 SF	
Beach Club	1,482 SF	3,206 SF (Approved building eliminated, now occupying Beachfront OF3)	
Retail	4,978 SF (5 buildings)	3,952 SF (now included with Main Building)	
Guestrooms	109,964 SF	111,276 SF	
Misc. Buildings	None	None	
Total Net Floor Area <sup>3</sup>	164,849 SF	165,219 SF	
Total Net Lot Area	686,977 SF (15.77 acres)	Same as approved Plan	
Floor Area Ratio (FAR) Existing Net Floor Area	0.2399 97,382 SF (diner, lobby, convention center already demolished)	0.2405 Same as approved Plan	
Net Floor Area to be Demolished	97,382 SF	Same as approved Plan	
New Net Floor Area to be Constructed (not counting renovation of existing structures)	164,849 SF	165,219 SF	
Total Gross Interior Floor Area <sup>4</sup>	385,286 SF	258,860 SF	

<sup>&</sup>lt;sup>3</sup> Net Floor Area – Includes interior occupied areas only (no garage parking) minus all circulation areas & mechanical shafts.

<sup>4</sup> Gross Interior Area – Includes all interior areas only, occupied or unoccupied, measured from the interior face of the exterior walls Exclusive of the vent shafts.

Project Component	Approved Caruso Plan	Proposed Amended Caruso Plan	
Height modifications requested	46.0' height of Main Building	Same as approved Plan	
	26.0' height of Beach and Tennis Club building located on 10-feet of fill or greater	No longer needed as Beach & Tennis Club building has been eliminated	
Setback modifications requested	West:All guestrooms encroach approx.35' into the 50' setback from the property line; Spa encroaches approx.10' into the 50' setback from the centerline of EucalyptusEast:All setbacks are met North:North:Main Bldg. encroaches approx.10' into 20' setback from the right-of- way & 20' into 50' setback from the centerline of South Jameson;South:Guestrooms along east-west segment of Miramar Avenue encroach up to 20' into the 20' setback from the property line and 30' into the 50'setback from the centerline of Miramar Ave.; Oceanfront guestrooms encroach <10' into the 10' setback from the UPRR property line.	Same as approved project and the restaurant building would encroach into the 10' setback from the UPRR property line by 10'	
PARKING SUPPLY			
Public	70	0 I.D.	
South side of South Jameson	58 16 <sup>*</sup>	Same as approved Plan	
North side of South Jameson		Same as approved Plan	
North-south segment of Miramar Avenue	0 Same as approved Pla		
Eucalyptus Lane	10	Same as approved Plan	
Total	68	Same as approved 1 fair	
	(84-16 in "No Parking" zone = 68 legitimate public parking spaces)	Same as approved Plan	
For Hotel			
Parking structure	511	247	
Onsite	40	247	
Overflow on tennis courts	28	0	
Total	551 + 28 overflow spaces	494 (No overflow spaces provided due to removal of the tennis courts)	
PARKING DEMAND Spaces Required by Ordinance Hotels/Motels			
	192	186	
1 space per guest room 1 space per 5 employees	7 (35 employees)	11 (55 employees)	
	(22 0 11 10 10 000)	(22 011)10 (200)	
Restaurant			

# Page 6 of 9

Project Component	Approved Caruso Plan	Proposed Amended Caruso Plan	
patron space (indoor +	(270 SF net indoors +	(2,161 SF net indoors +	
outdoor)	1461 SF outdoors=1,731 SF)	3,000 SF outdoors) =	
		5,161	
1 space per 2 employees	10	21	
	(20 employees)	(42 employees)	
Beach bar			
1 space per 300 SF of	2	3	
patron space (indoor +	(108 SF net indoors +	(252 SF net indoors + 494 SF outdoors =	
outdoor)	361 SF outdoors = $469$ SF)	745 SF)	
1 space per 2 employees	2	Same as approved Plan	
r r r	(3 employees)	II III III	
Spa facility			
1 space per 300 SF of gross	35	24	
area	(10,546 SF gross)	(7,003 SF gross)	
Tennis Courts (1.5 per court)	3	eliminated	
Tennis Courts (1.5 per court)	(2 courts)	eminiated	
A 1.1	(2 courts)		
Assembly space			
(for events + library)	292	202	
1 space per 30 SF of		302	
assembly space	(8,467 SF, no library proposed)	(9,087 SF, Ballroom, Pre-function &	
		Boardroom)	
Employee Dwellings			
1 per each dwelling unit	4	Same as approved Plan	
(for one-bedroom units)			
Restaurant in Main Building			
1 space per 300 SF of	16	Eliminated	
patron space (indoor +	(3,965 SF net indoors +	(consolidated into restaurant adjacent to	
outdoor)	947 SF outdoors = 4,912 SF)	pool)	
1 space per 2 employees	21	eliminated	
	(42 employees)		
Beach Club			
1 space per 30 SF of	49	53	
assembly space	(1,482 SF)	(1,603 SF)	
Retail			
1 space per 500 SF of gross	10	8	
floor area	(4,978 SF)	(3,952 SF)	
Total no. of required spaces	639	632	
No. of spaces short of	88	138	
ordinance requirements	(not counting overflow parking)	150	
SITE IMPROVEMENTS	(not counting over now parking)		
Utilities replaced	Replace sewer, water, & electrical lines	Same as approved Plan	
Repairs to seawall proposed	Yes	Same as approved Plan	
· · · · ·		**	
Lighting	Night lighting of the boardwalk.	Night lighting of the boardwalk & parking lot	
Tree removal or relocation	Removed:		
	40 non-natives		
	Relocated:		
	3 sycamores,9 oaks, & 41 non-natives	Same as approved Plan	
	Total:		
	12 natives & 81 non-natives		

Project Component	Approved Caruso Plan	Proposed Amended Caruso Plan	
Landscaping (acres)	5.33	5.52	
Paving (acres)	5.79	5.81	
	(1.78 acres asphalt + 4.01 acres of hardscape such as pathways)	(Including 1.2 acres of permeable pavement)	
Grading	36,300 cy of cut; 46,100 cy of fill; &	26,000 cy of cut; 33,500 cy of fill; &	
Grading	10,000 cy of import	7,500 cy of import	
Duration of construction	18 to 22 months	18 to 20 months	
No. of truck trips	1,000	750	
	(over a haul period of	(over a haul period of	
	12 to 21 days) + truck trips for equipment	9 to 16 days) + truck trips for equipment	
	delivery etc. during entire duration of	delivery etc. during entire duration of	
N. C	construction	construction	
No. of construction workers	250	Same as approved Plan	
OPERATION	102	186	
No. of guestrooms ("keys")	192 102	Same as approved Plan	
No. of employees (full time, part-time, temporary	(approximate no. of employees on site at	Same as approved Plan	
& permanent)	any given time)		
æ permanent)	any given time)		
No. of employee dwellings	4	Same as approved Plan	
Assembly area for events (SF)	8,467 SF	9,087	
(Ballroom) No. of assembly seats	600	500	
(indoors and outdoors)	000	500	
No. of onsite events	Beach events count towards the size limit	Beach events count towards the size limit	
	of 500 for one event	of 500 for one event.	
		(600 person events have been eliminated)	
No. of beach events	30 weddings on the beach per year of 100	Same as approved plan	
	people for 60 minutes (beach events now		
	count towards the size limits events instead		
	of being in addition to these events)		
Event hours	7 am to 1 am (outdoor activities to	Same as approved Plan	
	conclude by 10:30 pm)		
Total no. of restaurant seats (indoors)	258	Same as approved Plan	
Hours of operation of	6:30 am to 11 pm	Same as approved Plan	
restaurant	(bar closes at 2 am)	Sume us approved i han	
Hours of operation of beach	9:30 am to 12 am	Same as approved Plan	
bar/snack house	(midnight)	11	
Beach Club membership	300	Same as approved Plan	
Spa use by non-guests	15 non-guests/day	Same as approved Plan	
Hours of operation of spa	9 am to 9 pm	Same as approved Plan	
Public access through Miramar	Dedicated public access easements to east-	Same as approved Plan	
to the beach	west segment of Miramar Avenue and		
	ultimately to the beach at the end of		
	Eucalyptus Lane to offset the abandonment		
	of the north-south segment of Miramar		
	Avenue, and on the private road through		
	the property to the beach bar opening to the		
	beach.		

Project Component	Approved Caruso Plan	Proposed Amended Caruso Plan
Public access signs	"No Trespassing" signs removed; new	Same as approved plan
	signs installed on the boundaries of the	
	Miramar property and dedicated public	
	access easements along the fire access lane	
	directing the public to the beach, and along	
	the private road through the property	
	directing the public to the beach through	
	the beach bar area.	

## Parking

The approved plan included a modification to the required number of parking spaces to be provided onsite (639 required and 551 provided). The proposed amended project would also need a modification to the number of required parking spaces (632 required and 494 to be provided). The applicant has provided an updated "Shared Parking Analysis" prepared by Associated Transportation Engineers dated January 5, 2011 (included as Attachment K of the Montecito Planning Commission staff report dated February 4, 2011) which provides support for this modification request. Because the proposed amended project includes a reduction in guest rooms from 192 to 186 and a reduction in the maximum number of event attendees from 600 to 500, the analysis concludes the peak demand for parking spaces during a 500-person event would be reduced to 464 spaces under the proposed amended plan. Therefore, 494 spaces would be adequate to serve peak demands at the site.

Project	Article II Requirement	Actual Spaces Provided	Difference in Article II Requirement & Actual Spaces Provided	Peak Demand per ATE Analysis	Difference in Spaces Provided vs. Peak Demand
Approved Caruso	639	551	88	523	28
Proposed Amended Caruso	632	494	138	464	30

The complete project description can be found in the project conditions of approval included as Attachment 2 of this Board Report.

#### **Fiscal and Facilities Impacts:**

Budgeted: Yes

The cost of processing the amended project request to the Board of Supervisors is borne completely by the applicant. The estimated staff cost to process the project is approximately \$36,458 (200 planner hours). Permit revenues are budgeted in the Development Review Permits section within the Development Review South Division, on page D-330 of the adopted 2010-2011 fiscal year budget.

## **Noticing Instructions:**

Noticing instructions were included with the Miramar Beach Resort & Bungalows Project set hearing letter dated March 1, 2011. The Clerk of the Board shall fulfill the noticing requirements. A minute order and a copy of the notice and proof of publication shall be returned to Planning and Development, attention David Villalobos.

Page 9 of 9

#### **Attachments:**

- 1. Findings dated March 15, 2011
- 2. Conditions of Approval for the Amended Project, Case Nos. 10AMD-00000-00010, 11CDH-00000-00001, 11AMD-00000-00002, 11AMD-00000-00003, 11AMD-00000-00004, 11AMD-00000-00005
- 3. Addendum to the Environmental Review Package dated March 15, 2011
- 4. Montecito Planning Commission Staff Report dated February 4, 2011
- 5. Montecito Planning Commission Action Letter dated February 23, 2011
- 6. Environmental Review Package for the approved project, Case No. 08CDP-00000-00054 (08EIR-00000-00003, 00-ND-003 and the Addendum dated December 9, 2008)
- 7. Montecito Fire District Letter dated February 18, 2011
- 8. Montecito Fire District Letter dated March 3, 2011
- 9. Updated Project Plans

#### Authored by:

Errin Briggs, Planner III Development Review Division, South 568-2047

## <u>cc:</u>

Anne Almy, Supervising Planner Alice McCurdy, Deputy Director, Development Review South Dianne Black, Director of Development Services Glenn Russell, Ph.D., Director of Planning & Development