



**Agenda Item B.1
PUBLIC HEARING
Meeting Date: July 21, 2008**

TO: Planning Commission Chair and Members
FROM: Steve Chase, Director, Planning and Environmental Services
CONTACT: Patricia S. Miller, Manager, Current Planning Manager
Laura M. Bridley, Contract Planner
SUBJECT: 07-020-OA, -RZ, -DP: Rincon Palms Hotel and Restaurant; 6868 Hollister Avenue and 6878 Hollister Avenue; APN 073-140-004

APPLICANT:
Kip Bradley
Cortona Opportunities LLP
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Santa Barbara, CA 93111

AGENTS:
Laurel Fisher Perez
SEPPS
800 Santa Barbara Street
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REQUEST:

A hearing on the request of Kip Bradley, Cortona Opportunities, LLP, applicants, to consider the Rincon Palms Hotel and Restaurant project for construction of a 112-room hotel with a free-standing restaurant of approximately 6,000 square feet. The request includes an Ordinance Amendment, Rezone, and Development Plan, Case No. 07-020-OA, RZ, DP. The project site is located at the northeast corner of Storke Road and Hollister Avenue, with assigned addresses of 6868 Hollister Avenue (hotel) and 6878 Hollister Avenue (restaurant). The request is also to adopt the proposed Final Mitigated Negative Declaration (pursuant to Section 15074 of the State Guidelines for the Implementation of CEQA).

Application Filed: February 15, 2007
Application Complete: March 15, 2007
Processing Deadline: 90 Days from approval of the Mitigated Negative Declaration

JURISDICTION:

Final action on any request for an ordinance amendment and rezone is the responsibility of the City Council pursuant to Section 35-325 of the City's Inland Zoning Ordinance. Pursuant to Section 35.317.4, Final Development Plans are under the jurisdiction of the Planning Commission. Pursuant to Section 35-292d, when multiple applications are under the jurisdiction of more than one decision maker, the decision

maker with the highest jurisdiction is the decision maker for all of the applications. Therefore, the Planning Commission acts in an advisory capacity and is charged with the responsibility for making a recommendation to the City Council on all applications.

PROJECT DESCRIPTION:

The proposed project includes a 112 room hotel and a 6,000 square foot free-standing restaurant on a vacant parcel located at the northeast corner of Storke Road and Hollister Avenue. The project site occupies an area of 3.05 acres adjacent to an existing business center at 6880 Cortona Drive to the north. Although located on its own parcel, conjunctive parking and shared access is proposed with the neighboring property to the north for the purpose of accommodating peak parking demand on weekends and holidays. The property has an Office and Institutional land use designation, with Hotel Overlay, and is presently zoned M-RP (Industrial Research Park).

The hotel component of the project is approximately 59,600 square feet in total floor area and designed in a rectangular configuration at the northern portion of the site. The front entrance of the hotel faces Hollister Avenue, across a surface parking lot and behind the freestanding restaurant. Hotel amenities include a port-cochere entry, private patios or balconies for each room, guest swimming pool, outdoor lounge patio and roof deck for community meetings, social gatherings and conference functions ancillary to the hotel. The hotel would be three stories in height with subterranean parking below for 55 cars. The majority of the hotel structure would be 35 feet high, consistent with the proposed zoning designation and the recommended building height for the Office and Institutional land use designation of the site. The hotel includes two tower elements that are 50 feet high measured from the proposed finished grade, which is approximately 2-3 feet above existing grade, according to project plans. Because the towers are non-habitable areas associated with the building's elevators, they are allowed in the proposed zone district as an exception (Article III, Sec. 35.127.1).

The 6,000-square foot free-standing single-story restaurant would be located at the southwest corner of the property and include a 1,000-square foot outdoor dining area, decorative trellis along the remaining Hollister frontage, and patterned pavement and landscaping to tie the site together visually with the hotel. The restaurant design includes a tower element with a metal décor sphere which would be 32 feet from finished grade, and therefore within the recommended height limit for the Office and Institutional land use designation. The restaurant location matches the property line and radius along Hollister Avenue to Storke Road. A small overhang section of the building would encroach into the setback from Hollister Avenue by 1-2 feet beyond allowable extensions up to 3'6" (Article III, Sec. 35.274.8).

Off-street parking would include 93 surface spaces provided between the restaurant the hotel, and 12 spaces at the rear of the hotel along the common driveway with 6868 Cortona Drive. A subterranean garage beneath the hotel would provide an additional 55 garage spaces, for a total of 160 spaces on the project site. An additional 17 parking stalls would be available to the hotel and restaurant uses through a shared parking

agreement with the property at 6868 Cortona. This combined total of 177 spaces would exceed the 152 parking spaces require for the project. Landscaping, recreation and walkways would comprise 43.3 % of the site.

The following discretionary approvals are required for project implementation:

- An Ordinance Amendment (OA) to create a Hotel Overlay District consistent with the site-specific land use designation in the General Plan, which calls for a Hotel Overlay on Figure 2-1;
- Rezone of the site from the M-RP zone district to the Professional-Institutional (PI) zone for consistency between the land use designation and zoning of the property; and
- A Final Development Plan (FDP) for the development of the hotel, restaurant and associated site amenities.

BACKGROUND:

The proposed project site is located at the northeast corner of Hollister Avenue and Storke Road (with assigned addresses of 6868 Hollister Avenue for the hotel and 6878 Hollister for the restaurant). Surrounding development includes light industrial business parks to the north and east of the site, and retail and other light industrial uses to the south and west of the site, including the K-mart shopping center and the Camino Real Marketplace.

The City's General Plan currently designates the project site as O-I, Office and Institutional, with a Hotel Overlay, and the site is zoned M-RP (Industrial Research Park). The application seeks a rezoning of the site to make it a PI - Professional and Institutional zone, and thereby achieve consistency of the project site with the General Plan. A Development Plan is also required to allow for the construction of the hotel and restaurant.

PROJECT INFORMATION:

Site Information	
Ordinance, Zoning District	Article III, MR-P, Industrial Research Park
Site Size	3.05 acres (gross);
Present Development & Use	Vacant, undeveloped land
Surrounding Zoning/Uses	<i>North:</i> Professional Office and Light Manufacturing <i>South:</i> Hollister Avenue, Retail, Light Manufacturing <i>East:</i> Cortona Drive, Business Park <i>West:</i> Storke Road, Retail, Business Park

ANALYSIS:

Environmental Analysis

Pursuant to the State *Guidelines for the Implementation of CEQA*, a Draft and proposed Final Mitigated Negative Declaration (MND) were prepared for the project. The Draft MND was released to the public on April 28, 2008 for a 30-day review period. Upon completion of the public review and comment period for the MND, City staff clarified various portions of the document and released the proposed Final MND on July 11, 2008, 10 days prior to the Planning Commission's scheduled consideration of the project.

The proposed Final MND is provided as Attachment 5 to this staff report, and all applicable mitigation measures have been incorporated into recommended conditions of approval set forth in Attachment 1, Exhibit 2. Potentially significant impacts were identified in the following areas:

Aesthetics: The proposed Final MND finds that the hotel development would partially obstruct background views of the mountains from Hollister Avenue and Cortona Drive. To address this, the applicant prepared and updated a series of visual simulations included in the proposed Final MND (Figures 8-12) that show how the project would be viewed from Hollister Avenue, Cortona Drive and Storke Road. Other impacts identified include the introduction of site and night lighting that could be adverse to neighboring properties and the vicinity. Mitigation for these impacts includes further design refinement in response to DRB comments regarding exterior wall articulation for the restaurant, certification of building height to assure compliance with preliminary plans, development of an overall sign plan, specification of trees and plant materials in the landscape plan, use of "dark sky" lighting principles, and appropriate design and screening of trash areas.

Air Quality: Short term air quality impacts are identified due to non-attainment of State and Federal air quality standards for PM₁₀ and ozone within the South Coast Air Basin. Emissions from construction equipment pose a potentially significant but mitigable air quality impact. Mitigation measures to address these impacts include dust control and construction site and equipment management measures.

Biological Resources: Potentially significant impacts were identified related to runoff from increased impervious surfaces, as well as pollutants resulting from fertilizers and treatment of the landscaped areas. While the project's drainage plan was revised to minimize the amount of runoff expected from the development, the post-construction runoff was considered potentially significant. Therefore the use of permeable surfaces and use of Best Management Practices is identified to mitigate this effect and reduce such contaminant levels.

Cultural Resources: Potentially significant impacts were identified based on the results of a Phase I study prepared by WPA and further assessed by SAIC. These

studies concluded that the site contained only sparse evidence of shell fragments and had soil not evident of potential resources. While unlikely given the field studies, there is a chance that resources may be found during construction, and therefore should any material be found during site disturbance, monitors would be called to determine the nature of this material and advise mitigation in the field. Therefore, the project was considered to have a potentially significant impact on cultural resources.

Geology/Soils: Potentially significant impacts were identified related to a non-active fault located at the northeast corner of the site, as well as erosion and sediment loss from stockpiled soils and graded areas. Construction methods and structural design, and the location of habitable structures outside the 50-foot setback line from the fault (as shown on the site plan), as well as Hydrology & Water Resource measures, discussed below, would mitigate these impacts.

Hazards and Hazardous Materials: The project site is not identified as being hazardous under Government Code Section 65962.5, but the adjacent parcel to the north (6868 Cortona) does have a history of soil and ground water contamination. Additionally, there are two gas station sites near the project and these are also undergoing monitoring under the direction of the Santa Barbara County Fire Department Fire Prevention Division. Completion and review by the Santa Barbara County Fire Department FPD of Phase I and Phase II Environmental Site Assessments and compliance with measures that may be recommended therein would mitigate these impacts.

The site is located within two miles of the Santa Barbara Airport but it is outside of the designated Airport Approach and Clear Zone. Additionally, the applicant has filed a 7460-1 form (Notice of Proposed Construction or Alteration) with the Federal Aviation Administration ("FAA") to ensure building heights and vegetation complies with the FAA requirements.

Hydrology/Water Quality: Potentially significant impacts related to the increase in impervious surfaces for the project were identified. This would be mitigated through the increased use of impervious surfaces, retention of limited runoff from the project, and use of best management techniques during construction.

Noise: Potentially significant impacts related to noise and vibration associated with heavy equipment operation and construction activities were identified in the MND. As such, construction activities may pose a potentially significant short-term impact in the immediate vicinity. Mitigation measures for this include a limitation on construction hours to 7 a.m. to 4 p.m. weekdays, no construction on holidays, and shielding of construction equipment and location thereof at a minimum of 1,600 feet from sensitive receptors.

Public Services: Potentially significant impacts related to fire protection were identified. Mitigation measures include the provision of three new hydrants to serve the project site, site circulation details for emergency equipment access and circulation on site (including a hammerhead turnaround on site at the southwest portion of the site),

and preparation of a Fire Protection Plan to incorporate into final site and building design.

Transportation/Traffic: Rincon Palms is expected to add daily traffic to Storke Road, north of Hollister Avenue in the amount of 1.6% of this roadway. The contribution of project related trips to this roadway, currently operating above acceptable capacity (and therefore below acceptable level of service) is expected to cause a 1.6% addition to this link, which is considered a project specific impact. This impact would be mitigated by the applicant's responsibility to implement a re-striping of Storke Road to create an additional lane, or depending on the timing of other applicants with the same impact, contribute fees based on its fair share of this roadway impact.

The project is not expected to have any project specific traffic peak hour impacts, but would result in a significant cumulative traffic impact at the intersections of Hollister Avenue/Cortona Drive and Hollister Avenue/Storke Road. These impacts would be mitigated by the project's installation of, or contribution toward (depending on timing of other projects in the pipeline) a traffic signal at the Hollister Avenue/Coromar Drive intersection. Installation of this signal would improve the ability of vehicles to enter Hollister Avenue by creating more gaps in the flow of east and westbound Hollister Avenue through traffic, thereby improving conditions at Hollister Avenue/Cortona Drive. Additionally, payment of the Goleta Transportation Improvement fees would mitigate the project's cumulative impact at the intersection of Hollister Avenue/Storke Road by contributing to the intersection improvement included in the City's Capital Improvement Program for this location.

Utilities/Service Systems: Potentially significant impacts were identified in relation to the project's need for sewage treatment capacity. The Goleta West Sanitary District (GWSD) has issued a Sewer Service Availability letter for the proposed project and indicates that 34 ERU (equivalent residential unit) are presently available to serve the project. Similarly, the applicant has obtained a Water Classification letter from Goleta Water District (GWD), but a firm commitment and reservation of a capacity has not yet been secured. Mitigation measures to address these impacts include securing a final "Can and Will Serve" determination for water service by the GWSD and the GWD.

General Plan Consistency Analysis

A summary of the project's consistency with applicable General Plan policies is provided in Attachment 2 of this staff report.

Zoning Ordinance Consistency Analysis

Attachment 3 of this staff report provides a detailed discussion of project compliance with applicable zoning requirements and standards. The project includes a rezone request from the M-RP (Industrial Research Park) zone district to the PI (Professional-Institutional) such that the resulting hotel and restaurant use would be consistent with

this new zone district, as well as the current land use designation of Office and Institutional, with a Hotel Overlay (see Attachment 4).

Design Review Board (DRB)

The City's Design Review Board ("DRB") conducted a conceptual review of the project on May 15, and June 19, 2007 (reviewed as 6800 Block Cortona) and provided feedback related to the project architecture, suggesting more use of metal fenestration, modification of tower features and trellis treatments, enrichment of blank building elevations, hotel deck overhangs; and the preservation of existing Washingtonian Palms and use of complementary plantings. This review led to enhancement of the parkway treatment in place of meandering sidewalks; scaled down columns and trellis at front; introduction of a water feature as "white noise" for the exterior dining area; use of permeable paving surfaces; modification of tower elements for both buildings; refinement of materials and enhancement of hotel's west elevation; increased utilization of the roof deck on the hotel; refinements to hotel service truck circulation to eliminate truck approach from the east; addition of street trees where possible and removal of trees with low-hanging limbs from pedestrian areas. The DRB provided further direction about the list of trees to be used, ways to further articulate blank walls of the north elevation of the restaurant building; ways to quiet the outdoor dining area, and the use of "dark sky" lighting principals. The DRB also supported the idea of the hotel roof deck being used for community gatherings and related events ancillary to the hotel, and expressed tolerance for exceeding the 35-foot height limit with shade devices.

Goleta Growth Management Ordinance (GGMO)

The Rincon Palms Hotel and Restaurant is subject to Ordinance 03-04, the Goleta Growth Management Ordinance. The provisions of Section 8, Competitive System for Assigning Allocations to Non-Exempt Projects, are applicable. The City Council would award points at the time of any approval under each of the ordinance criteria that apply under the competitive allocation system.

RECOMMENDATION:

The Planning Commission's action should include the following:

1. Adopt Planning Commission Resolution 08-____ (Attachment 1), thereby recommending that the City Council approve Case No. 07-020-OA, -RZ, -DP.

Refer back to staff if the Planning Commission decides to make another recommendation to the City Council.

APPEALS PROCEDURE

The Planning Commission's action on the various related requests is advisory to the City Council and will automatically be forwarded to the City Council. No appeal would be necessary in order for the City Council to hear this matter.

Submitted By:

Approved By:

Laura M. Bridley
Contract Planner

Patricia S. Miller
Planning Commission Secretary

ATTACHMENTS:

1. Planning Commission Resolution 08-_____
2. General Plan Consistency Analysis
3. Zoning Ordinance Consistency Analysis
4. Proposed Zoning Ordinance Amendment for Hotel Overlay
5. Proposed Final Mitigated Negative Declaration
6. Project Plans (11" x 17" reductions)