



City of Santa Barbara

PLANNING COMMISSION

MINUTES

AUGUST 3, 2023

1:00 P.M.
City Hall, Council Chambers
735 Anacapa Street
SantaBarbaraCA.gov

COMMISSION MEMBERS:

Roxana Bonderson, Chair
John M. Baucke, Vice Chair
Lucille Boss
Donald DeLuccio
Sheila Lodge
Devon Wardlow
Lesley Wiscomb

STAFF:

Tava Ostrenger, Assistant City Attorney
Allison DeBusk, Senior Planner
Kira Esparza, Administrative Assistant

CALL TO ORDER

Chair Bonderson called the meeting to order at 1:03 p.m.

I. ROLL CALL

Chair Roxana Bonderson, Vice Chair John M. Baucke, Commissioners Lucille Boss, Donald DeLuccio, Sheila Lodge, Devon Wardlow, and Lesley Wiscomb

Absent: None

STAFF PRESENT

Tava Ostrenger, Assistant City Attorney
Allison DeBusk, Senior Planner
Christopher Bell, City TV Production Supervisor
Janet Ahern, City TV Production Specialist
Kathleen Kennedy, Project Planner
Julia Pujo, Environmental Analyst
Michelle Bedard, Associate Transportation Planner
Kira Esparza, Administrative Assistant

II. PRELIMINARY MATTERS

A. Requests for continuances, withdrawals, postponements, or addition of ex-agenda items:

No requests.

B. Announcements and appeals:

Ms. Ostrenger announced that Ms. DeBusk has been promoted to City Planner.

- C. Review, consideration, and action on the following draft Planning Commission minutes and resolutions:

1. July 6, 2023 Planning Commission Minutes

MOTION: Baucke / DeLuccio

Approve the July 6, 2023 minutes as presented.

The motion carried by the following vote:

Ayes: 7 Noes: 0 Abstain: 0 Absent: 0

2. July 13, 2023 Planning Commission Minutes

3. Planning Commission Resolution No. 005-23
125 S. Calle Cesar Chavez

4. Planning Commission Resolution No. 006-23
42 Helena Avenue

MOTION: Wiscomb / Baucke

Approve the July 13, 2023 minutes, Resolution 005-23, and Resolution 006-23 as presented.

The motion carried by the following vote:

Ayes: 5 Noes: 0 Abstain: 2 (Boss and Wardlow) Absent: 0

- D. Comments from members of the public pertaining to items not on this agenda:

Public comment opened at 1:07 p.m., and as no one wished to speak, it closed.

Written correspondence from Tim Werner, Richard Closson, Anonymous, and Richard Closson was acknowledged.

III. CONTINUED ITEM: CONTINUED FROM APRIL 6, 2023**ACTUAL TIME: 1:08 P.M.**

Assessor's Parcel Number: 017-630-008; 009; -018; -021; -024; and -027
Zoning Designation: HRC-2/SP-2/S-D-3 (Hotel and Related Commerce/Cabrillo Plaza Specific Plan/Coastal Overlay)
Application Number: PLN2019-00052, Filing Date: 11/23/2021
Owner: The Wright Family H. Limited Partnership
Tony Bortolazzo, Agent
Applicant: Carolyn Groves, Dudek

The project consists of the merger of six lots, removal of all existing structures, and construction of a new 178,919-square-foot (net) hotel containing 250 rooms (130 extended stay rooms; 120 "select service" rooms), six affordable housing units under State Density Bonus Law, and an 85,298-square-foot subterranean parking garage on a 4.53-acre site at the southwest corner of Garden and E. Yanonali Streets. The select service rooms would not have kitchens. Most (119 of 130) of the extended stay rooms would have kitchens and would be suitable for families and larger groups. Guest amenities include library, bar, lounge, 208-square-foot market, media salon, meeting rooms, living room, breakfast area, outdoor seating areas with spa, courtyard with pool and spa, fitness room, and a 7,500-square-foot roof deck. The main entrance to the hotel would be from Garden Street, with secondary entrances from E. Yanonali and Santa Barbara Streets. The project includes 267 vehicle parking spaces (238 subterranean and 29 at-grade) and 52 bicycle parking spaces (32 subterranean and 20 at-grade). Eight bicycle rental parking spaces are also provided for guests.

Three onsite trees would be removed (California Pepper, Date Palm, Mexican Fan Palm) and 17 onsite trees would be protected. Landscape plans include installation of approximately 185 new ornamental trees onsite. Five street trees (4 Mexican Fan Palms, 1 Cork Oak) would be removed, and 24 street trees would be protected. There would be new street trees along E. Yanonali St. and Santa Barbara St. Grading is estimated to consist of 25,900 cubic yards cut/export and 4,600 cubic yards fill. The project also includes the restoration of the wetland/drainage area and 15-foot buffer located along the Garden Street frontage.

The discretionary applications under the jurisdiction of the Planning Commission at this hearing are:

1. A Parking Modification to allow less than the required number of parking spaces (Santa Barbara Municipal Code (SBMC) §28. 90.100 and SBMC §28.92.110.A.1);
2. A Development Plan to allow the construction of approximately 153,000 square feet (net) of nonresidential development (SBMC Chapter 28.85);
3. A Coastal Development Permit to allow the proposed development in the Appealable and Non-Appealable Jurisdictions of the City's Coastal Zone (SBMC §28.44.060); and
4. Determination that the project is categorically exempt from further environmental review pursuant to California Environmental Quality Act Guidelines Section 15332 [Infill Development Projects].

Kathleen Kennedy, Project Planner, and Julia Pujo, Environmental Analyst, gave the Staff presentation. Michelle Bedard, Associate Transportation Planner, was available to answer questions.

Shaun Gilbert, Dauntless Development, and Brian Cearnal, Cearnal Collective, gave the Applicant presentation, and were joined by Amanda Mauceri, Dauntless Development; Dave Irelan, Delawie Architects; Courtney Jane Miller, Landscape Architect; Carolyn Groves, Dudek; Elizabeth Dickson, Dudek; and Dave Compton, Dudek.

Public comment opened at 1:45 p.m., and the following individuals spoke:

1. Wallace Piatt
2. Rich Untermann
3. Brittany Zajic (pooled with Jenny Bruell)
4. Ana Citrin
5. Marc Chytilo (pooled time with Mary Rose)
6. Joseph Schaff
7. Steve Johnson
8. David Revell
9. Katherine Anderson
10. Marjan Abubo
11. Karen Chelini

Written correspondence from Richard Drury on behalf of the Supporters Alliance for Environmental Responsibility, Richard Untermann, Pat Saley, Steve Johnson, Talia Nummer on behalf of the Southwest Mountain States Carpenters, Marc Chytilo on behalf of Keep the Funk Inc, Hillary Hauser on behalf of Heal The Ocean, Carlee Summer, Barak Moffitt, Steve Johnson, Jayne Johann, Karen Lehrer, and Lance Grant was acknowledged.

Public comment closed at 2:21 p.m.

*** THE COMMISSION RECESSED FROM 3:38 TO 3:51 P.M. ***

Commissioner comments:

Commissioner Baucke:

- It is clear that this is a very important and strategic site for the community, and we need to be careful and deliberate with our considerations.
- It is an appropriate location for a moderate priced hotel and would support the project with the incorporation of onsite workforce housing to the number that is supported by an independently verified housing demand study.
- After reviewing the 2019 Planning Commission concept review hearing, he agrees with Commissioner Campanella's comments.
- Housing can be done, and if the developer does not want to do it, he can set up a piece of the property where the Housing Authority can do it.
- The key take away is to do no harm. Do not make the housing crisis worse in the City.
- There is a design out there that puts the required employee housing adjacent to the railroad tracks and separates it by an extension of Mason Street, which the Funk Zone

needs from a circulation and emergency access point of view. Then we would have a nice moderate hotel and not make the housing situation worse.

- We need the housing study, and housing studies are done all the time. More studies are being done because of the State's mandates and the housing crisis. It is best to have a professional do the study, and have the City hire the consultant and the Applicant should pay for it.
- We need to get clarity and move on so the Applicant can either build housing onsite or do a combination of onsite housing and donation.
- With the extensive public comment and substantial evidence in the administrative record, he cannot support the determination that a Class 32 Infill Development Categorical Exemption is applicable due to the existence of unusual circumstances. These unusual circumstances have been expressed in a number of public comment letters. If these letters had not come up, this project might have gone through with the exemption. But if the project goes forward with an exemption, the environmental determination will get tied up in the courts and we will be right back here again.
- You cannot know what you're going to have at that site until you dig it up. This might end up re-opening up a can of worms, and then might end up with a Cortese site again. This is a gray area, and we should not be moving forward with the exemption. It is better off doing the studies and protect the project legally. We will not get to the point that we want to with an exemption.

Commissioner Boss:

- After the April meeting, she was left with a lot of questions. Most questions have now been answered and the presentation was very helpful.
- There are still some outstanding questions, and she supports Staff's recommendation for a continuance.
- There is frustration around the housing impact study. It would be very helpful to have an actual methodology, as there was back and forth on what the methodology was. The report may not have been specifically asked for earlier when first came to Planning Commission, but it is clear that it should be provided to the Commission.
- The Planning Commission is not requesting that this project solve the housing crisis, but there is concern that there is no responsibility or accountability for reducing the impacts of a hotel on the housing market.
- Appreciates the Applicant being proactive and including six units, but there could be more.
- The City frequently references the Keyser Marston study that was done for the inclusionary housing program, and that might be able to be used for methodology for this housing impact study. It states that for every 100 units of market rate housing, an additional 25 low-income units are needed for service workers to support the 100 market rate households. There might be some similarities there with hotel guests creating the same need for market rate units. If that's the case, then 25% of the hotel room count would need to be low-income units.
- It would be helpful to see the math on determining the hotel key count and residential units to see how the Applicant came up with 6 units.
- The Applicant has resolved a lot of the issues with the community use of the property, but there will still need to be details worked out with the implementation of it and making sure there is not over-community use.
- Confirmed that the Applicant is open to donating to a housing fund.

- Appreciates the number of community outreach meetings that the Applicant held, both one-on-one meetings and the larger community meeting, and working with Keep the Funk.

Commissioner Lodge:

- Concurs with the Staff recommendation for a continuance. The environmental determination was the biggest concern.

Commissioner Wiscomb:

- Appreciates the Applicants' cooperation.
- There was a big benefit to the City as part of the Specific Plan, which was the donation of the land to build the Garden St. extension. We all need to keep that in mind moving forward. It was a huge donation, and the City of Santa Barbara has benefited from it.
- Appreciates that fact that the Applicant has put 6 affordable units on the property even though the Applicant is not in the business of housing.
- A moderate hotel operation on this site is great.
- There are ways to make a financial housing contribution even though the Hope Fund isn't set up yet. The applicant can make a contribution, and if the money goes to the Housing Authority, they are in the business of housing.
- The Applicant could go a long way with working with Keep the Funk and keeping the Funk Zone spirit by working on incorporating art into the project and making sure that the community knows it.
- It is difficult to put affordable housing in the coastal zone this close to the beach.
- Supports a continuance for the CEQA exemption and for the Applicant to come back with some contribution towards the Hope Fund.
- The Draft Housing Element covers the whole city and that should be the housing impact study that we should be looking at. To burden the Applicant with additional work and costs through another housing study is not appropriate.

Commissioner DeLuccio:

- Supports a continuation. We need answers to the CEQA questions that the public has brought up and staff has agreed to look into.
- Surprised there was an proposed exemption. The project should have gone through a checklist to determine if a full environmental impact report or other report was needed. Seems we have all the pieces to do an Initial Study.
- Hopefully the Applicant will get resources to do the housing impact study. The Applicant's study brought up what is already in the Housing Element and didn't provide any new information.
- Would have liked to see in the study any neighboring hotels and what percentage of those employees are local versus commute. That type of information might have been helpful to determine what amount of housing is needed.
- Acknowledges the good work that has been done and that the Wright family has done.
- The Applicant is on the right track with the 6 affordable units and he looks forward to seeing what the Applicant can volunteer to contribute to the Hope Fund.

Commissioner Wardlow:

- Thanks to everyone for their time and efforts on the project.
- Understands that the Applicant is frustrated with timing of the project, but the Planning Commission is committed to assuring that this project is at a bare minimum compatible

with the neighborhood and a benefit to the community. It will be a project that will be in our community for the next hundred years.

- She has sincere concerns on the appropriateness of the use of the site, but the Commission's hands are tied by the Cabrillo Plaza Specific Plan.
- Key components of the Specific Plan that are governing the ability for the project to become a hotel instead of other uses are not being met. In the Specific Plan, it requires a housing study that must adequately address an analysis of long term and short term impacts on housing and provide a suitable program or strategy to address and minimize any adverse impacts. To date this has not been achieved and the Commission has asked the Applicant and Staff to work together to appropriately address and comply with these conditions of the Specific Plan before coming back to the Commission.
- Appreciates the Applicant's efforts to provide 6 employee housing units to support their 60 employees.
- Given the Applicant has been unable to explain their methodology for arriving at the 6 units, the 6 units is inadequate for the community as we continue to tackle our housing crisis.
- Looks forward to seeing the Applicant's proposal for funding to further address the inadequate 6 units.
- Clearly there are CEQA exemption issues and appreciates Staff working with the Applicant and doing additional work before coming back to the Commission.
- Has concerns with consistency with the General Plan and the fact that this hotel will replace long time uses like boating, maritime, and arts that this property has historically housed and which are noted in the Cabrillo Plaza Specific Plan.
- Looks forward to seeing the recordings and documents on the community meetings that have taken place, to better understand if there is support in the community for this project. At this point, a majority of public comment is in opposition.
- The Applicant has not sufficiently demonstrated that this use is compatible with the Funk Zone neighborhood, and she cannot make the findings to support the project and is open to a continuance.

Chair Bonderson:

- The City attorney has offered to take the time that is necessary to review the legal issues raised regarding the CEQA exemption.
- When the Commission receives the type of public comment that is extensive and includes statistical details, it is hard to give it value because we don't know the validity of the information given. Would like to understand the validity through research by staff and the City Attorney's office.
- Would like to have copies of all written correspondence from the California Coastal Commission for the record.
- The Applicant should provide the recordings and transcripts of the community meetings.
- If there is another opportunity for community outreach, it would only help the Applicant. We want to make sure we are promoting exceptional function and design for a project like this and want the project to benefit the community and have community to be supporting the project.
- Would like to see more housing, if possible, and if the Applicant is willing to study it more. The Applicant has shown that it can happen architecturally and that it doesn't disrupt the views or architecture. She is confident the Applicant could make up the cost of additional housing in a short amount of time.

MOTION: Bonderson / Baucke

Continue the project indefinitely with the comments provided by the Commission, specifically that the current housing study is inadequate, and the methodology is insufficient and needs to be redone. The Commission recommends that the Applicant hire an independent contractor to conduct the housing study.

The motion carried by the following vote:

Ayes: 6 Noes: 1 (Wiscomb) Abstain: 0 Absent: 0

Commissioner Wiscomb stated that she could not support the motion because when the housing study was originally brought up, no one seemed to know how to conduct it. This is a site where a hotel is allowed, and the Applicant has already gone above and beyond. The Draft Housing Element is City wide and is what we should be looking at for a housing study. She is however in favor of a continuance for the CEQA issues.

IV. ADMINISTRATIVE AGENDA

A. Committee and Liaison Reports:

1. Staff Hearing Officer Liaison Report
2. Other Committee and Liaison Reports

All reports postponed to the next agenda.

V. ADJOURNMENT

Chair Bonderson adjourned the meeting at 6:13 p.m.

Submitted by,



Kira Esparza, Commission Secretary