



City of Santa Barbara California

PLANNING COMMISSION STAFF REPORT

REPORT DATE: June 4, 2008
AGENDA DATE: June 12, 2008
PROJECT ADDRESS: 3714-3744 State Street (MST2007-00591)
 "Sandman" Project
TO: Planning Commission
FROM: Planning Division, (805) 564-5470
 Jan Hubbell, AICP, Senior Planner *JH*
 Allison De Busk, Project Planner *AD*

I. SUBJECT: ENVIRONMENTAL SCOPING HEARING

Public scoping hearing to accept comments from the public, agencies and Planning Commissioners on the proposed scope of analysis for an Environmental Impact Report (EIR) to be prepared for the Sandman Project at 3714-3744 State Street.

II. PROJECT DESCRIPTION

The project consists of the demolition of the existing 113 room Sandman Inn Hotel and all site improvements, and construction of a new 106 room hotel and 73 residential condominium units. The project proposes a total of 291 parking spaces (111 parking spaces for the hotel component, 163 parking spaces for the residential component and 17 common/shared spaces).

The proposed hotel would measure 44 feet, 6 inches in height above existing grade and would contain three stories above a one-level underground parking garage. The hotel building would be 62,298 square feet, including 19,834 square feet of non-room area (i.e. meeting rooms, corridors, lobby, laundry area, etc.), above a 46,701 square foot parking garage containing 110 parking spaces. The first floor of the hotel would be set back 20 feet from the edge of the State Street right-of-way (back of sidewalk), and the second and third floors would step back from the first floor 10 and 30 feet, respectively. The hotel has been designed in a "U" configuration around a porte cochere / loading area and includes a pool and lounging areas within the interior courtyard.

The proposed residential condominiums would be two to three stories tall and would be constructed above an underground parking garage containing 163 parking stalls. The residential development would have a maximum height of 31 feet above finished grade. The units closest to State Street would be set back 20 feet from the edge of the right-of-way (back of sidewalk), and their second floors would be set back 25 feet from the edge of the right-of-way (back of sidewalk). Ten unit types are proposed, and these units would be clustered in groups of two to five units. Of the 73 residential condominium units proposed, 22 units would be one-bedroom units of approximately 829-1,178 square feet, 14 units would contain two-bedrooms of approximately 1,166-1,251 square feet, and 37 units would contain

three bedrooms of approximately 1,448-1,531 square feet. The applicant proposes to provide 11 of the 73 project units (2 one-bedroom units, 4 two-bedroom units and 5 three-bedroom units) at sales prices targeted to middle-income households earning from 120-160% of area median income, pursuant to the City of Santa Barbara's Affordable Housing requirements. These units would be subject to income and sales price restrictions.

Ingress to and egress from the proposed hotel would be provided via a driveway located off of State Street between the hotel and residences. This driveway, flanked by parallel parking, buffers the hotel from the condominiums along the east side of the hotel. Ingress to and egress from the residential condominiums would be via a driveway at the eastern side of the site leading down to the residential parking garages. Secondary access to the residential units is also provided via the hotel driveway. Seventeen shared parking spaces are proposed along the hotel driveway as it leads to the residential development. A plaza and open space separate the hotel from the condominiums along the hotel's north side. The hotel and condominium development would be on separate parcels.

Access to the Town and Country Apartments, located immediately behind the subject parcels, is currently provided through the hotel site. This access would be permanently closed as part of the proposed project. Access to the Town and Country Apartments would be provided via a new driveway connection off of San Remo Drive, requiring demolition of one residential unit. A new trash enclosure for the Town and Country Apartments is proposed. Pedestrian access between the new residential development and the Town and Country Apartments would be provided.

Construction: The applicant estimates that project construction, including demolition activities, would require two years, five months (124 weeks) to complete from the commencement of grading and shoring activities through building construction and landscaping. Project staging would occur on-site. Construction parking would be provided on site.

Required Permits: The proposed development would require the following discretionary applications:

1. Lot Line Adjustment to transfer 1.88 acres from APN 053-300-031 to APN 053-300-023.
2. Design Review by the Architectural Board of Review (SBMC §22.68).

For the Hotel Project:

3. Development Plan approval for a net increase of 9,969 square feet of non-residential development (SBMC §28.87.300).
4. Transfer of Existing Development Rights (TEDR) to transfer 806 square feet of non-residential square footage from two off-site properties (8 E. Figueroa (APN 039-282-001) and 210 E. Figueroa (APN 029-212-029)) to APN 053-300-031 (SBMC §28.95.030).

For the Condominium Project:

5. Modification of the lot area requirements to allow eleven (11) over-density units (bonus density) on a lot in the C-P/R-3/R-4 zone district (SBMC §28.21.080).
6. Tentative Subdivision Map (TSM) for a one lot subdivision to create 73 residential condominium units (SBMC Chapters 27.07 and 27.13).

III. PROJECT HISTORY

A prior version of the "Sandman" project was reviewed by the Planning Commission at an environmental scoping hearing held on February 8, 2007. Minutes from that hearing are attached as Exhibit A. The project description was revised by the applicant on November 28, 2007. The prior project included construction of 112 hotel rooms (rather than the 106 currently proposed) and required front setback modifications for the hotel and residential components (no setbacks modifications are required for the current proposal).

Many of the comments made by the Planning Commission at the prior scoping hearing relate to the specific project design, and are outside the scope of the environmental review process. Other comments addressed information desired in the Environmental Impact Report. To the degree possible, the Initial Study has been revised to incorporate these issues/concerns; however, many of the comments relate more directly to the information that will be requested in the Request for Proposals (RFP) for EIR preparation (i.e. a benefits analysis and a Plans and Policy Analysis, as well as suggestions for alternatives).

Additionally, since the project was last reviewed, the City Council has adopted the Upper State Street Study, which provides updated baseline traffic information, as well as policy guidance for project review.

IV. ENVIRONMENTAL REVIEW PROCESS

An Initial Study was prepared for the project and a Notice of Preparation for an EIR was issued on May 27, 2008 for a 30-day public review and comment period that extends through June 26, 2008. Written comments should be sent to the attention of Allison De Busk, Project Planner, at the City Planning Division, P.O. Box 1990, Santa Barbara, CA 93102-1990, or via e-mail at adebusk@SantaBarbaraCA.gov. Following the end of the public comment period, Staff will refine the EIR scope of analysis as necessary, and proceed with preparation of the Draft EIR. A subsequent public review period will be held to receive comments on the Draft EIR, followed by preparation of a proposed Final EIR and public hearings before the Planning Commission to certify the proposed Final EIR and consider action to approve the project.

V. PROPOSED EIR SCOPE OF ANALYSIS

The Initial Study evaluates the potential environmental effects resulting from the proposed project. Potentially significant environmental effects associated with traffic, circulation and parking; air quality; and visual/aesthetic impacts will be further evaluated in the EIR. The EIR will include analysis of the following issue areas: construction traffic impacts to area intersections; traffic and circulation impacts (including impacts to bicyclists) associated with relocating access to the Town & Country Apartments; circulation and safety impacts associated with allowing left turns into the residential driveway; parking demand and supply on- and off-site and on area streets; NOx and ROG emissions from construction equipment; view impacts; and the change to on-site aesthetics. The EIR will also discuss greenhouse gas emissions and sustainability issues. Mitigation measures that can feasibly avoid or reduce significant impacts and alternatives to the project proposal that might reduce significant impacts will also be considered as part of the EIR.

Planning Commission Staff Report
3714-3744 State Street and 3715 San Remo Drive (MST2007-00591)
June 4, 2008
Page 4

The Initial Study determined that for all other issue areas, the project would result in potentially significant but mitigable impacts, less than significant impacts or no impacts.

VI. RECOMMENDATION

Staff recommends that the Planning Commission hold an environmental hearing to receive comments from the public, agencies and Commissioners on the proposed EIR scope of analysis.

No action will be taken at this hearing on the environmental document or the project. Subsequent Planning Commission hearings will be scheduled to consider actions to adopt the final environmental document and approve the project.

Exhibits:

- A. Planning Commission Minutes – February 8, 2007
- B. Applicant's letter, dated January 29, 2008
- C. Draft Initial Study (available upon request or on the City's website at www.SantaBarbaraCA.gov/EIR)

ACTUAL TIME: 1:46 P.M.

B. ENVIRONMENTAL IMPACT REPORT (EIR) SCOPING HEARING:

APPLICATION OF BRENT DANIELS, L&P AGENT FOR KELLOGG ASSOCIATES, 3714-3748 STATE STREET, APNs 053-300-023, -031, -032 AND 053-222-010, C-P, R-2, R-3, R-4 AND S-D-2 ZONES, GENERAL PLAN DESIGNATIONS: GENERAL COMMERCE, OFFICE, RESIDENTIAL AND BUFFER (MST2003-00286)

Project Description: The applicant proposes to demolish the existing 113 room Sandman Inn Hotel and all site improvements, and construct a new 112 room hotel and 73 residential condominium units. The hotel and residential development would be on separate parcels. The hotel would measure 44 feet, 6 inches above existing grade and would have three stories above a one-level underground parking garage. The hotel building would be 64,422 square feet, including 18,848 square feet of non-room area (i.e. meeting rooms, corridors, lobby, laundry area, etc.), above a 46,701 square foot parking garage containing 114-parking spaces. The residential condominiums would be two to three stories tall and would be constructed above an underground parking garage containing 164 parking stalls. The residential development would have a maximum height of 31 feet above finished grade. Of the 73 residential condominium units proposed, 22 units would be one-bedroom units, 14 units would be two-bedroom units, and 37 units would be three bedroom units. The applicant proposes to provide 11 of the 73 project units (2 one-bedroom units, 4 two-bedroom units and 5 three-bedroom units) at sales prices targeted to middle-income households earning from 120-160% of median income, pursuant to the City of Santa Barbara's Affordable Housing requirements.

Ingress to and egress from the proposed hotel would be provided via a driveway located off of State Street between the hotel and residences. Ingress to and egress from the residential condominiums would be via a driveway from State Street at the eastern side of the site leading down to the parking garages. Secondary access to the residential units is also provided via the hotel driveway. Access to the Town and Country Apartments, located immediately behind the subject parcels, is currently provided though the hotel site. This access would be permanently closed as part of the proposed project. Access to the Town and Country Apartments would be provided via a new driveway connection off of San Remo Drive. Pedestrian access between the new residential development and the Town and Country Apartments would be provided.

The **City of Santa Barbara** will be the Lead Agency and will prepare an environmental impact report (EIR) to evaluate impacts of the proposed project. The purpose of an EIR is to provide decision-makers and the public with information that enables them to consider the environmental consequences of the proposed project. The EIR would identify potentially significant effects, and any feasible means of

avoiding or reducing these effects through project redesign, the imposition of mitigation measures, or implementation of alternatives to the project.

Comments on the proposed EIR scope of analysis are invited from public agencies, community interest groups, and individual members of the public. We request the views of public agencies as to the scope and content of environmental information germane to agency statutory responsibilities for the project. Some agencies may need to use the EIR prepared by our agency when considering approvals for the project. Please provide the name of an agency contact persons, if applicable.

EIR Scope of Analysis: The proposed EIR scope of analysis would include evaluation of project environmental effects associated with **traffic/circulation, air quality, and visual/aesthetic** impacts. An Initial Study, describing potentially significant transportation impacts as well as less than significant impacts in other issue areas, is available for review at the City Planning Division located at 630 Garden Street, or online at www.SantaBarbaraCA.gov.

Case Planner: Allison De Busk, Associate Planner

Email: adebusk@SantaBarbaraCA.gov

Allison De Busk, Associate Planner, and Debra Andaloro, Environmental Analyst, gave the Staff presentation. Barbara Shelton, Environmental Analyst, and Rob Dayton, Principal Transportation Planner, made themselves available to answer questions.

Brent Daniels, L & P Consulting, and Charlie Eckberg, Kellogg Associates, gave the applicant presentation.

Staff and Mr. Daniels responded to Planning Commissioners' questions regarding the hotel room square footage; smart growth issues and beneficial impacts; clarification of traffic generation ITE numbers, including ITE differences for stand-alone restaurants as opposed to integrated facilities; proposed sidewalk widths, and the general plan map related to the buffer designation; number of units at the Town and Country apartments; long term hotel residency; S-D-2 setbacks; the projected relationship between the restaurant and hotel; distinguishing between a hotel versus motel traffic count; and consideration of pedestrian access and a through street.

Chair Jacobs opened the public hearing at 2:33 P.M.

The following individuals spoke with concerns:

1. Judy Orias expressed concern with the 100 year flood plane runoff at Arroyo Burro Creek and its impact on downstream property owners. Also, the increased traffic impact on intersections such as Las Positas/ State Street.
2. Connie Hannah, Santa Barbara League of Women Voters, concerned with size, bulk, and scale of project; would like the EIR to contain an alternative that includes all restrictions of S-D-2 zone, one- and two-story buildings, and

preservation of specimen trees and mountain views. Also, concerned with traffic and lighting impacts on residential neighbors.

3. Naomi Kovacs, Citizens Planning Association, voiced concerns about traffic and parking, building setbacks, building sizes and heights, landscaping requirements, scenic views, vehicle and bicycle circulation concerns, construction impacts, and loss of mature trees.
4. Patricia Hiles questioned residential as opposed to commercial uses facing State Street. Also concerned with redirection of traffic to San Remo Drive.
5. Mike Conroy expressed concern over view blockage by 3-story buildings that would abut his property and obstruct his views, and traffic at Grofe Lane/San Remo Drive.
6. Uffe Louborg also expressed concern with private view blockage attributed to 3-story buildings and the intensity of the proposed development.
7. James Kahan, Grove Lane Association, was concerned with the neighborhood intrusion that would be brought on by opening up traffic to San Remo Drive. Would like to see traffic counts included in the EIR. Doesn't want pedestrian access to/from San Remo Drive.
8. Becky Cohn, Sierra Property Management and Manager of Town & Country Apartments, noted that they have adequate parking on-site; does not feel that redirecting traffic to San Remo Drive will create substantial impacts and is supportive of the development.
9. Linda Antone, San Remo Plaza Condominiums, expressed concern with relocating Town and Country traffic to San Remo Drive. Also concerned with the 3-story view obstruction and the loss of trees.

With no one else wishing to speak, the public hearing was closed at 3:00 P.M.

Planning Commissioners expressed concerns with the project's density, the mix of affordable units, lack of open space, living within the existing S-D-2 zoning requirements, traffic impacts and height and view impacts. Other concerns were with the residential uses fronting on State Street, the Arroyo Burro runoff drainage, construction impacts on traffic flow, and impacts on San Remo Drive.

Commissioners appreciated the underground parking, addition of affordable residential development, extensive consideration of smart growth, and on-site pedestrian access.

The Commission would like to see the EIR include: a more extensive traffic and circulation analysis that also includes the San Remo neighborhood, bicycles and pedestrians as well as intersection analysis for Las Positas/101 and all potentially impacted intersections; view impacts, a benefits analysis; an extensive plans and policy analysis; and address public safety issues with moving the access from State Street to San Remo Drive. Also desired were discussions of sound community land use planning; consistency with the Upper State Street Study; analysis of impacts on

public views with mitigation considerations, noise analysis with consideration given to the existing residential uses, establishment of a realistic traffic baseline, and potential for employee parking on San Remo Drive. Stressed the importance of the alternatives analysis; should also include mitigation for non-significant issues.

Commissioners suggestions included realignment of the project to incorporate the Hitchcock Way intersection; providing a connection to existing access from Hope Avenue to site paralleling State Street with hotel on south side of access and residential to the north; lower landscaping height to reduce view blockage; use of story-poles; and realistic site and view corridor alternatives that meet the vision of the Upper State Street Study. Other suggestions included taking the TEDR and modifications out of the project; providing adjoining neighbors with view consideration, and inclusion of more one-story elements. Also suggested was giving consideration to pedestrian friendliness on State Street; commercial space fronting State Street, instead of residential; and use of in-lieu fees as opposed to providing affordable residential housing.

Mr. Vincent addressed the Commission's question regarding the City's baseline flexibility by stating that there are opportunities for flexibility but we have not seen another model that deals with the fluctuating use of an existing development. The requirement for a baseline has to be a rational baseline supported by substantial evidence.

Rob Dayton explained that we use an "average" for baseline and project-generated traffic.

Chair Jacobs reminded the public that the public comment period ends on February 21, 2007.

Chair Jacobs announced a break at 3:40 P.M and reconvened the meeting at 4:03 P.M.

Commissioner Larson left the meeting at 3:40 P.M.

IV. CONTINUED ITEMS:

ACTUAL TIME: 4:03 P.M.

- A. APPLICATION OF JUSTIN VAN MULLEM, ON DESIGN, AGENT FOR LLC FOR JAMES AND PAMELA HALDEMAN, 1533 W. VALERIO STREET, APN: 041-071-031, A-2/R-1 ZONES, GENERAL PLAN DESIGNATION: MAJOR HILLSIDE (MST2003-00338) Continued from January 11, 2007**

The proposed project consists of the subdivision of an existing 3.45 acre site into two lots of approximately 1.725 acres each. The lots would take access from



3 West Carrillo Street, Suite 205 Santa Barbara, CA 93101
ph: 805.962.4611 fax: 805.962.4161

[L&P P.N.: 03-010.01]

January 29, 2008

Planning Commission
Attn: Jan Hubbell, Senior Planner
and Alison DeBusk, Associate Planner
City of Santa Barbara
Planning Division
630 Garden Street
Santa Barbara, CA 93101

RECEIVED

FEB 04 2008

CITY OF SANTA BARBARA
PLANNING DIVISION

Subject: **Formal Revised Project Description Submittal**
Kellog Associates L.P., Owner
Sandman Inn Redevelopment and Condominium Project
3714, 3740, 3744 and 3748 State Street
APN 053-300-023 and 053-300-031
MST2007-00591

Dear Commissioners:

On behalf of the property owners, Kellog Associates L.P., and the architects, Blackbird Architects and Cuninghame Group Architecture, L & P Consultants is please to submit this Revised Sandman Inn Redevelopment and Condominium Project for inclusion in the Sandman EIR. **The plans have been revised in order to remove all previous requests for Modifications of Setbacks** (See Attachment 1 for Summary of Revisions).

I. PURPOSE OF REQUEST

The purpose of the application request is to obtain all requisite City approval for the demolition and redevelopment of the existing hotel use on the subject properties, and the construction of a new 73-unit condominium project.

II. PROJECT SETTING

The project site which encompasses 4.58 acres is located in the Upper State Street area of Santa Barbara, in close proximity to the San Roque neighborhood. The property landform consists of a generally flat property +/- 2 percent slope within an urban setting. The property is currently built out with the Sandman Inn Hotel, a sprawling asphalt dominated combination of buildings, hotel rooms, a restaurant, and parking and pavement, which cover the entirety of the subject properties.

Title Interests Affecting Project Site

The existing Sandman Inn properties are affected by a number of title interests including easements for road access and utilities such as Southern California Edison, General Telephone Company, and City of Santa Barbara. Additionally, access and utility

easements are recorded for the benefit of Town and Country Apartments, the property north of the subject parcels. The property also has access easement rights over the parcel to the west currently leased by Tenet Health Care and a bank. (See Preliminary Title Report for details.)

Project Site Land Use And Zoning

The current General Plan designation on the properties is a mix of Office, General Commerce, and Residential 12 units per acre. Zoning on the property is also mixed and includes C-P, R-3 and R-4 all overlaid with a SD-2 zone. Given that the SD-2 zone district has the more restrictive front yard setback requirements, these front yard standards prevail.

Surrounding Land Use And Zoning

Surrounding land uses include apartment buildings and recently converted condominiums to the north within a mixture of R-3 and R-4 Multiple Residential zones. Banks and other institutional buildings are located to the west and offices buildings to the east, all of which are zoned Restricted Commercial, C-P. State Street and its associated commercial and transportation corridor are located on the south side of the subject property.

Project Site Access

The property is currently accessed on the southern side of the property from four (4) separate points along State Street and the western side within an access easement through the neighboring bank properties.

III. PROJECT DESCRIPTION

The project area is comprised of two legal parcels which total 199,512 square feet (4.58 acres). Two separate uses are proposed for this project, the demolition and redevelopment of the existing hotel use from 113-rooms to 106-rooms, and the construction of 73 condominium units which are envisioned to assist with the residential needs of the community by providing a mix of market rate, affordable-by-design, and affordable-by-control units. Access to the redeveloped hotel will be provided by a driveway which will be located between the two uses, while the condominiums will access an underground garage structure from the most easterly corner of the residential property. The following entitlements are hereby requested:

1. A Lot Line Adjustment between two (2) legal parcels, 053-300-023 and 053-300-031;

For the Hotel Project–

2. A Development Plan approval for a net increase of 9,969 square feet of non-residential development from the Minor and Small Addition Categories (SBMC §28.87.300); and

3. An Approval of Transfer of Existing Development Rights (TEDR) (SBMC §28.95.030);

For the Condominium Project -

4. A Tentative Map to create a one-lot subdivision for 73 condominium units (SBMC §27.07); and
5. A Modification of the lot area requirements to allow eleven (11) over-density units (bonus density) on a lot in the C-P/R-3/R-4 zone district (SBMC §28.21.080).

Specifics of Each Entitlement Request

1. Lot Line Adjustment – The two subject properties are currently configured into a 3.22 acre parcel, (APN 053-300-031), and a 1.36 acre parcel (APN 053-300-023). A Lot Line Adjustment is required for this project in order to reduce the ultimate area of the hotel property and consolidate the hotel use within an adjusted lot area of 1.34 acres. The proposed adjustment will leave a revised parcel of 3.24 acres to be utilized for the proposed condominium project.

Through the Lot Line Adjustment process it is proposed that the hotel parcel receive the entire distribution of “Potential Measure E Small Addition” square footage of the two (2) existing parcels; a total of 6,000 square feet. Therefore, the condominium parcel would relinquish the 3,000 non-residential square feet potential that currently exists on the pre-adjusted parcel. Through this process it is also envisioned that the condominium parcel will receive the entire base residential dwelling density associated with the hotel parcel, 15 units. Therefore, the hotel parcel would relinquish all residential development that would exist on the post-adjusted parcel. Restrictions for both of these parcels can be accomplished through an Agreement Transferring Existing Development Rights (See attached Agreement) recorded as part of the Lot Line Adjustment process. The end result of the adjustment will be a hotel parcel with 6,000 square feet of “Small Addition” potential, and no potential for residential development. The condominium parcel would then have no potential for non-residential square footage, however it will have the benefit of the residential base density of both parcels as they currently exist.

2 and 3. Sandman Inn Redevelopment Project Development Plan and TEDR - A Development Plan is required in order to approve a hotel structure with a net increase of 9,969 square feet of non-residential development from the Minor and Small Addition Categories (SBMC §28.87.300). Additionally, an approval of a Transfer of Existing Development Rights (TEDR) (SBMC §28.95.030) is required to transfer non-residential square footage from two off-site properties to the hotel property.

The existing, mostly one-story, 113-room hotel is spread out over the entire 4-plus acres of the property. The hotel is typical of those built in the 1960s, whereby the majority of the rooms allow a hotel guest to park a vehicle in front of their hotel room, thereby resulting in a hotel design which is somewhat sprawling. The current hotel layout results in an inordinate amount of the land allocated to parking and circulation, and lacks in many present day efficiencies of operation.

The Sandman Inn Redevelopment project seeks to completely demolish, consolidate and redevelop a new modern 106-room hotel within the southwest corner of the subject property (the adjusted 1.34 acre parcel). Measure E and Municipal Code Section 28.300.A.2.b(2) allow for the room for room replacement of hotel rooms, therefore the new 112 rooms would remain essentially consistent with the existing room count. An inventory of the existing non-room related square footage follows:

Computer Training Rooms:	1,008 square feet
Office/Lobby:	685 square feet
Restaurant:	5,180 square feet
Conference Rooms:	315 square feet
Pool Room:	141 square feet
Santa Ynez Room:	938 square feet
Laundry/Storage/Break Room:	1,341 square feet
2 nd Pool Room:	<u>180 square feet</u>
Total Non-Room Area:	9,788 square feet

The replacement hotel is proposed to include an underground garage structure; a one-story lobby, check-in, breakfast and meeting rooms component toward the south of the parcel; and three-stories of hotel rooms designed on the north and west side of the parcel. The architecture is Mediterranean in style, addresses State Street at the lobby entrance to the south, and steps back, or “wedding cakes” from a one-story, to a two-story to a three-story structure at the southwest side of the property. Access to the hotel will be taken from a right-turn only driveway on State Street east of Hitchcock Way. Guest vehicles will arrive onto the hotel parcel under a Porte Cochere attached to the east side of the lobby entrance. Parking required for the hotel is one (1) space per room, and will be provided with 1 space on the ground level and 110 spaces in the underground garage below the hotel for a total of 111 spaces. Additionally, the Porte Cochere will accommodate an addition queue of cars for guest registration and delivery purposes. The majority of the operations for the hotel will be consolidated into the one-story element toward the front of the property, while the remainder of the laundry room and room-keeping operations will be strategically placed within the garage and three floors of the hotel.

The new hotel uses and square footage are proposed as follows:

Guest Rooms (106):	42,019 square feet
Core Components:	
Core Support Areas/Service:	1,444 square feet
Hotel Room Corridors:	7,049 square feet
Meeting Rooms:	1,920 square feet
Fitness/Gym Room:	663 square feet
Breakfast Area:	1,339 square feet
Prep Area:	628 square feet
Lobby:	1,078 square feet
Admin Area/Manager/Desk:	1,271 square feet
Bathrooms:	606 square feet
Corridors:	1,865 square feet
Storage:	330 square feet
Garage Laundry/Lobby:	1,164 square feet
<u>Employee Break Room:</u>	<u>400 square feet</u>
Total Non-Room Area:	19,757 square feet

In order to accommodate the proposed non-room square footage, the applicant is requesting to use the Small Addition allocation for the property, combined with transferred square footage which has been recently converted to residential use (8 East Figueroa), elsewhere within the City. The transferred square footage has already been formalized in the Agreement Transferring Existing Development Rights documents submitted to the City previously with this application.

The following demonstrates the Measure E square footage contributions which equates to the additional non-residential square footage on the hotel property:

Proposed Non-Room Area:	19,757 square feet
Existing Non-Room Area:	<u>-9,788 square feet</u>
Net New Area:	9,969 square feet

Small Addition Allocation:	6,000 square feet
Existing Room # 234 (the 113 th hotel room):	707 square feet
Existing Room # 468 (the 112 th hotel room):	481 square feet
Existing Room # 129 (the 111 th hotel room):	471 square feet
Existing Room # 463 (the 110 th hotel room):	404 square feet
Existing Room # 484 (the 109 th hotel room):	404 square feet
Existing Room # 146 (the 108 th hotel room):	348 square feet
Existing Room # 155 (the 107 th hotel room):	348 square feet
Transfer from 8 East Figueroa:	<u>806 square feet</u>
	9,969 square feet

4 . Condominium Project and One-Lot Subdivision – The residential component of the proposal envisions a new urban residential neighborhood of 3.24 acres, located near basic services and activities, and linked by the City’s State Street corridor. The project consists of 73 condominium units built over an underground parking garage with direct access from each individual garage into each of the 73 units.

The proposed condominium design concepts reflect an urban theme with particular focus to housing design, circulation, garden entrance courts, pedestrian courts and transit orientation. The housing design envisions efficient compact residences and a cluster mix of ten (10) separate unit types. This mix of units includes one-bedroom, two-bedroom and three-bedroom affordable-by-control units; a recently used term of “affordable-by-design” units which as proposed in this project include one-bedroom units of over 800 square feet, and two-bedroom units of +/- 1,200 square feet; and somewhat larger two-bedroom and three-bedroom units. Please also notice that five (5) units (“Unit E”) are designed as large one-bedroom loft units which front State Street. The concept behind these “Unit E’s” is to create a residential unit which, if desired, can provide work-at-home occupants with ample room on the ground floor. These “Unit E’s” are not designed to be commercial/retail spaces. While each residential unit contains internal storage closets and areas, additional storage units have also been designed within the underground garage structure, and will be made available to residence on a first-come-first-served basis.

One of the main attributes of the condominium project is the inherent concept of starter home. The size, type and mix of these units is such that they would likely attract the starter home demographic, that of the “middle-income” buyer that has been the focus of much community attention.

Private outdoor space directly connects indoor living space to private outdoor areas. Along the main site circulation routes, entry porches and decks face these routes and courts, giving life and providing social interaction space with neighbors and pedestrians.

Circulation of the site is developed into a coherent network of pathways to orchestrate pedestrian, and bike flows. The pedestrian courts are envisioned to facilitate safe, multiple uses of access aisle, play surface, walkway, and for resident as well as guest entries. Pedestrian safety is enhanced by locating all parking areas underground thereby freeing up additional surface areas without the typical automobile conflicts. Additionally, the site is situated along Santa Barbara’s primary transit corridor where a new bus stop will be included in the project to serve westbound commuters toward Goleta and UCSB. An eastbound bus stop currently exists directly across State Street and serves commuters toward downtown Santa Barbara and beyond. The site is also within a 5-minute walk of numerous retail, recreation, and community services including the YMCA, La Cumbre Mall, Von’s Market, banks, medical facilities and eating establishments. All of these aspects contribute to the vision for this urban residential setting.

It should be additionally noted that the project meets and exceeds all condominium standards required by City codes (SBMC §27.13) including unit sizes, private outdoor

living spaces and parking. The condominium project is comprised of the following unit mix, sizes and open space (See Blackbird Sheet A1.0 for entire unit breakdown):

<u>Bedroom Size</u>		<u>Square Foot Range</u>	<u>Open Space Range</u>
One-bedroom units	= 22	829 - 1,484 sqft	+/-110 – 260 sqft
Two-bedroom units	= 14	1,166 – 1,251 sqft	+/-300 – 720 sqft
Three-bedroom units	= 37	1,448 – 1,531 sqft	+/-110 – 1,020 sqft
<u>Total Condominium Units</u>	= 73		

The amount of parking required by the Zoning Ordinance for these units is as follows:

One-Bedroom Units	22 x 1.5 spaces per unit	= 33.0 spaces
Two-Bedroom Units	14 x 2.0 spaces per unit	= 28.0 spaces
Three-Bedroom Units	37 x 2.0 spaces per unit	= 74.0 spaces
Guest Spaces	73 units/ 1 space per 4 units	= <u>18.0 spaces</u>
	Total Required =	153 spaces
	Total Provided =	176 spaces*

(*163 covered within the underground residential garage structure, and 13 uncovered located on the driveway)

5. Lot Area Modification (Bonus Density): The project requests a modification for an additional eleven (11) units over the calculated base density. Due to the various zone districts involved with the entire property, the base density calculations are a combination of units (straight density) and bedroom counts (variable density). The following represent the base density calculations associated with lot area within each zone district:

CP Zone	82,141 sqft Condo Property / 3,500 sqft per unit	= 23.46 Units
	<u>52,680 sqft Hotel Property / 3,500 sqft per unit</u>	= 15.05 Units
(Straight Density)	134,821 Total CP sqft / 3,500 sqft per unit	= 38.51 Units

R3 Zone	12,903 sqft Condo Property
R4 Zone	<u>46,945 sqft Condo Property</u>
	59,848 sqft R3/R4 sqft

(Variable Density)

One-Bedroom Condos	4 units x 1,840 sqft/unit	7,360 sqft	= 4 Units
Two-Bedroom Condos	8 units x 2,320 sqft/unit	18,560 sqft	= 8 Units
<u>Three-Bedroom Condos</u>	<u>12 units x 2,800 sqft/unit</u>	<u>33,600 sqft</u>	= <u>12 Units</u>
		59,520 sqft	= 24 Units

Total Base Density [38 Straight Density Units + 24 Variable Density Units] = 62 UNITS

From project conception, the applicant has incorporated an affordable-by-control unit component as one of many project attributes. “Affordable-by-control” is where the City would restrict income levels of buyers and sales prices of each of the units. The City has adopted an “inclusionary housing” program, whereby 15 percent of the proposed units are required to be made available at “affordable” levels (as defined by the City). Given the 62 base density units, 15 percent of the base density would be a nine (9) unit requirement (62 x 15% = 9.3 rounded down). The applicant has incorporated affordable units equal to nearly eighteen (18) percent of the base density of the project, for a total of eleven (11) affordable units (9 required + 2 additional). These eleven affordable units would all be bonus density units. A separate and concurrent application for an Inclusionary Housing Plan has been submitted to the Community Development Director in compliance with SBMC §28.43.090.

It should also be noted that while unit accessibility for multi-story townhome residential units are not covered/required by California Building Code requirements, recent code changes require at least 10% of the units in projects consisting of 4 or more condominiums to be designed and constructed with the ground floor and at least one bathroom on the primary level to be accessible. Two of the Sandman unit types comprising 20% of the total number of units are designed where the entry route and primary level containing the common areas and a bathroom are accessible. In addition, these unit types are designed with a residential elevator to provide access to all floors of the unit including the garage and each bedroom level. Further, each of other residential unit types in the Sandman project are designed to accommodate the possible future incorporation of a residential elevator to access all floors (including the garage level) with only minor alterations to the building structure.

City rules also require that these affordable units average the same, or greater, number of bedrooms as the market rate units in the project average. The following calculations demonstrate the applicant’s compliance with this adopted regulation:

Market Rate Units

One-Bedroom Condos	20 units x 1-Bdrm =	20 Bdrms	
Two-Bedroom Condos	10 units x 2-Bdrms =	20 Bdrms	
Three-Bedroom Condos	<u>32 units x 3-Bdrms =</u>	<u>96 Bdrms</u>	
	62 Units	136 Bdrms	
Total Market Rate Bedroom Average (136 bdrms/62 units)			= 2.19 Bdrms/Unit

Affordable Units

One-Bedroom Condos	2 units x 1-Bdrm =	2 Bdrms	
Two-Bedroom Condos	4 units x 2-Bdrm =	8 Bdrms	
Three-Bedroom Condos	<u>5 units x 3-Bdrms =</u>	<u>15 Bdrms</u>	
	11 Units	25 Bdrms	
Total Affordable Rate Bedroom Average (25 bdrms/11 Units)			= 2.27 Bdrms/Unit

Please note that the location of the affordable units have been identified on Sheet A1.0 of the architectural site plan.

VI. ADDITIONAL INFORMATION REQUESTED

Pursuant to the City's letter of December 18, 2007, the following is included:

- As currently proposed, the existing off-site drainage that enters the subject property will be treated and conveyed to State Street. The exact type of treatment or filters are to be determined in consultation with City staff at a time prior to construction. Site runoff will continue to be directed to the State Street right-of-way from the majority of the site. Drainage improvements will be designed to collect runoff from all proposed hard surfaces including driveways, rooftops, patios and walkways. Drainage will then be conveyed via a combination of an underground collection/conveyance system and curb/gutter and/or concrete swales toward the right-of-way where it will be collected, detained, receive water quality treatment and be directed by gravity flow into the existing subsurface storm drain conduit system under State Street. The applicant is currently in discussions with the City's Creek Restoration/Water Quality Improvement Division, regarding the proposed on-site drainage system, soil filtering and retention basin options. It is anticipated that the results of these discussions will better define the mechanical and filtering systems associated with the proposed storm water drainage system prior to discharge into the City's storm drains and creek system.
- As identified on the submitted architectural plans, commercial service vehicles are anticipated to be located within the porte-cochere of the hotel property, and the cul-de-sac area of the condominium project.
- The applicant desires to have the proposed State Street mid-block circulation evaluated in the environmental document, and as such intends to keep the east-bound left turn lane, into the condominium underground ramp, as part of the project description. Using the criteria outlined in the Upper State Street Study, Appendix D, it appears that the applicant proposed mid-block left turn could be consistent with the intent of the Study. The scale of the proposed condominium project would seem to be large enough to be considered for a mid-block turn. The proposed left turn is a minimum of 340 feet from the signalized intersection. The hotel and condominium project would be consolidating access to the site from the existing four (4) curb cuts on State Street to two (2). Further, this site does not benefit from access to other streets. Given these criteria, the applicant looks forward to the objective evaluation of the circulation proposal.
- The applicant appreciates the City's Advisory Comment regarding the underground parking not extending underneath the proposed State Street right-of-way dedication. To clarify, no part of the project extends into the proposed sidewalk dedication area. Additionally, staff had concerns that a future transit lane on State Street would have potential conflicts with underground parking which extended into the State Street setback area. The applicant acknowledges this concern and would potentially consider an "at-grade" right-of-way easement if future City improvements dictate.

- The applicant also acknowledges that there exist some internal circulation challenges, and as staff suggests “friction” regarding turning movements and circulation design. The applicant looks forward to an evaluation of these issues in the environmental document.

VII. SUMMARY

The applicant has proposed a project which redevelops a sprawling, asphalt dominated hotel facility into a consolidated and efficient hotel project. This consolidation allows for the development of the remainder of the property into residential units, the City’s highest development priority. The residential units proposed attempt to provide a meaningful level of affordable-by-control and affordable-by-design starter home opportunities for middle-income buyers otherwise shut out of the current housing market. As an in-fill project we believe that we are fully consistent and compatible with the surrounding uses, and that the siting of the proposed development can be considered appropriate for the property, particularly now with the revised project’s adherence to all yard setbacks. We believe that an objective analysis and review will confirm this perspective. We thank you in advance for your time and effort involved with considering this important project.

If you have any questions or wish to discuss this project further, please do not hesitate to contact me.

Very truly yours,
L & P CONSULTANTS



Brent Daniels
Agent for Kellog Associates L.P.

cc: Kellog
Blackbird
File

ATTACHMENT 1

SUMMARY OF REVISIONS TO THE
SANDMAN INN REDEVELOPMENT AND CONDOMINIUM PROJECT

The following bullet points outline the major changes to the proposed project, subsequent to the Upper State Street Study:

- The current proposal eliminates all previously requests for Modifications of Setbacks;
- The proposed hotel has been reduced from 113-rooms to 106-rooms;
- The proposed hotel has increased from a net increase of 9,060 non-room square feet to a net increase of 9,969 square feet. This increase is attributed to the need for additional corridor length to access the revised hotel room configuration;
- Parking required for the hotel has been reduced by six (6) spaces associated with the reduction of hotel rooms;
- The existing square footage of the seven largest hotel rooms to be removed have been used in conjunction with the Measure “E” square footage inventory for the development proposal as presented below:

Room for Room Replacement of 106 Hotel Rooms	0 square feet
Small Addition Allocation:	6,000 square feet
Existing Room # 234 (the 113 th hotel room):	707 square feet
Existing Room # 468 (the 112 th hotel room):	481 square feet
Existing Room # 129 (the 111 th hotel room):	471 square feet
Existing Room # 463 (the 110 th hotel room):	404 square feet
Existing Room # 484 (the 109 th hotel room):	404 square feet
Existing Room # 146 (the 108 th hotel room):	348 square feet
Existing Room # 155 (the 107 th hotel room):	348 square feet
Transfer from 8 East Figueroa:	<u>806 square feet</u>
	9,969 square feet