



City of Malibu

MEMORANDUM

To: Joyce Parker-Bozylinski, Planning Director
From: Stephanie Danner, Senior Planner
Date: August 15, 2012
Re: Updated Summary: Rancho Malibu Hotel Project (4000 Malibu Canyon Road)

Per your request, I have compiled a history of the Rancho Malibu Hotel Project from the records we have.

Project Background Executive Summary

In 1984, a large hotel complex, known as Rancho Malibu Mesa Development (also previously referred to as the Adamson Hotel), was proposed for the 27.8 acre site. The County of Los Angeles prepared an EIR for that proposal in 1984, evaluating seismic, soils, water, visual and traffic impacts. The County approved a conditional use permit (CUP No. 2446) for that proposal on March 13, 1985, and on January 7, 1986 the California Coastal Commission (CCC) issued an approval of the coastal development permit (CDP No. 5-85-418). Subsequently, the project was redesigned to comply with the County's certified Malibu / Santa Monica Mountains Land Use Plan and to respond to landscaping, grading, and visual concerns. The redesigned proposal, which was approved by the County, included a 300-room hotel in separate hillside villas, a separate restaurant, and a separate community use facility.

The CCC approved permit imposed a total of 47 conditions on the project. Prior to the incorporation of the City of Malibu, all but one of these conditions was complied with. The remaining condition related to wastewater disposal. In 1991, the City of Malibu placed a moratorium on all new development and the project was precluded from moving forward.

In 1995, the property owner submitted a CUP application (CUP No. 96-005) package to the City of Malibu for the construction of a somewhat smaller 250-room hotel complex. A scaled down version of the hotel project (146-rooms, constructed in two phases) was approved on appeal by the City Council in March 1998. In 2002, the City Council found that the revised project plans were in substantial conformance to the requirements set forth in the Resolution dated March 1998. The approval of the project was kept active until 2006 through annual time extensions issued by the City. Upon the adoption of the LCP, the applicant was advised to apply for a CDP.

In July 2007, the property owner submitted a CDP application (CDP No. 07-083) to the City of Malibu for the construction of a 146-room hotel (some of which would be under fractional ownership). The City contracted with an environmental firm to start work on an Environmental Impact Report (EIR) in late 2007. However, the applicant submitted a letter requesting to

withdraw the application and the CDP and associated requests was officially withdrawn on June 24, 2009.

In June 2011, the property owner submitted a CDP application (CDP No. 11-028) to the City for the same scope of work proposed as part of the 2007 CDP. That application is currently under review.

ORIGINAL APPLICATION:

Los Angeles County (lead agency) – California Environmental Quality Act (CEQA) Review

- Initial Study determined the project required an Environmental Impact Report (EIR)
- Draft EIR – dated August 1984
 - *PROJECT DESCRIPTION*: a 300-room hotel with appurtenant facilities, a 25,000 square foot community serving center, a one-story, 3,520 square foot family-type restaurant, and an 111,547 square foot office / financial complex with a restaurant. The community center will provide permanent space for the California Highway Patrol, emergency and professional medical facilities, and a convenience store. The hotel will serve as a major visitor-serving center for the Malibu area. The office / financial complex will offer additional office facilities for the community.
- Response to Comments – dated October 1984
- Addendum to the Draft EIR – dated December 1984
 - *REVISIONS TO THE PROJECT DESCRIPTION*: some of the facilities originally proposed were changed to better suit the needs of the community. The facilities would be developed in two phases: Phase 1 included the community-serving center (expanded from 25,000 sq ft to 32,800 sq ft), the restaurant (expanded from 3,520 sq ft to 10,000 sq ft) and the hotel; Phase 2 included the office/financial complex. The increased restaurant size was offset by the deletion of the restaurant from the office/financial complex. A small information kiosk was added at the northern extreme of the project site. No change to the hotel was proposed.
- Final EIR and Addendum to Final EIR – dated February 1985
 - *PROJECT DESCRIPTION*: DOCUMENT NOT ON FILE

California Coastal Commission Entitlement Approval History (Permit No. 5-85-418)

- Original approval date: January 7, 1986
- Project description: 300 room hotel (222,200 square feet), 32,800 square foot community center, offices, restaurant, information kiosk and art center, 1,039 parking spaces.

California Coastal Commission Permit Amendments

- 1st Amendment (CCC Permit No. 5-85-418(A)) – October 11, 1989
 - Changed the large hotel building to 11 smaller buildings, not to exceed 222,200 square feet
 - Relocate the entryway to the hotel
 - Add new trees to the approved landscaping plan
- 2nd Amendment
 - Specifically allocated square footage per use
 - 9,674 square foot restaurant
 - 6,209 square foot one-story medical office building
 - 229,717 square foot hotel and convention complex
 - Reduced the required number of parking spaces to 1,017



- Limited the allowable wastewater discharge to 55,300 gallons per day
- 3rd Amendment (CCC Permit No. 5-85-418(A4)) – December 1990
 - Revised the grading plan to add a retaining wall along PCH and included the reconstruction of an onsite landslide

**An August 6, 1991 letter from the CCC to the property owner discussed a potential amendment to Condition 1 for the approval of a zero discharge onsite sewage disposal plant. This plant would have to obtain in-concept approval from the City of Malibu prior to submittal to CCC.

California Coastal Commission Time Extensions Granted: Project expires on Jan. 7th

- Extension #1 (E1): no date on file
- E2: LETTER NOT ON FILE
- E3: no date on file
- E4: LETTER NOT ON FILE
- E5: no date on file
- E6: January 25, 1993
- E7: February 2, 1994
- E8: January 20, 1995
- E9: November 9, 1995
- E10: November 25, 1996
- E11: November 25, 1997
- E12: January 5, 1999
 - On January 12, 1999, the City issued a letter to the CCC objecting to the extension of the permit due to the fact that the City had established jurisdiction over the property after incorporating and subsequently reviewed and approved a substantially smaller scale project (a 146 room hotel and conference center). The City requested that any extension to the approved permit include limitations on the size and scope of the project consistent with the City's approval.
 - It was unclear as to what, if any, response was issued by the CCC to this letter. It appears that nothing changed due to the fact that many more extensions have been issued, all with the same project description.
- E13: December 7, 1999
- E14: December 1, 2000
- E15: December 21, 2001
- E16: December 11, 2002
- E17: December 5, 2003
- E18: December 21, 2004
- E19: LETTER NOT ON FILE
- E20: April 25, 2007
- E21: April 17, 2008
- E22: March 17, 2009
- E23: February 4, 2010
- E24: March 15, 2011
- E25: August 14, 2012 → sets project expiration date for January 7, 2013



APPLICATION TO THE CITY OF MALIBU FOR CUP NO. 96-005 – 1996

- City of Malibu –Entitlement Approvals
 - CUP No. 96-005
 - VAR No. 96-010
 - SPR No. 96-015
- Proposed Project Design Parameters:
 - Number of rooms – 250
 - Floor area ratio – 20 percent
 - Building height – 28 feet maximum
 - Facilities – guest villas, lobby & administration, lobby bar and café, hotel / specialty restaurant, meeting rooms, ballroom, “theme / stand alone” restaurant, fitness / spa, swimming pool(s), and tennis courts
 - Dedication of a community serving use – potential uses include: a cultural center for the performing arts; a Native American museum; medical offices and an emergency medical clinic; offices for City Hall and an auditorium for public meetings; offices for parks, environmental and conservation uses; or spaces for community meetings and community theater.
 - Parking – 930 spaces, includes a number of spaces for public use; separate parking for the community use area; surface of parking is grass crete
 - Wastewater treatment – onsite full reclamation facility with drip irrigation including moisture sensors and monitoring wells
 - Landscape – native, drought resistant & non-invasive; planting approximately 1,400 trees; 45 percent of the site will be landscaped open space
 - Grading – balanced onsite
 - Traffic – infrastructure improvements proposed
 - Signage – low scale with no internal electric or neon lighting
 - Lighting – directed inward onsite
 - Mechanical equipment – all visually sheltered
 - Electrical – underground
 - Public trail – dedicated public nature footpath traverses the site
 - Open space – dedicated open space at sloped landscaped areas

City of Malibu (lead agency) – CEQA Review

- Draft EIR – dated July 1996
 - *PROJECT DESCRIPTION:* a 250-room, 239,400 square foot hotel comprised of 11 separate villas. Square footage breakdown is as follows:
 - Villa 1: 19,085 sf
 - Villa 2: 11,555 sf
 - Villa 3: 13,059 sf
 - Villa 4: 19,619 sf
 - Villa 5: 11,544 sf
 - Villa 6: 7,847 sf
 - Villa 7: 20,490 sf
 - Villa 8: 9,165 sf
 - Villa 9: 9,165 sf
 - Villa 10: 6,429 sf
 - Villa 11: 19,113 sf
 - Administration: 8,699 sf
 - Lobby: 5,800 sf
 - Lobby bar: 3,000 sf
 - Café: 4,200 sf
 - Support facilities (kitchen, guest services, maintenance): 11,572 sf
 - Housekeeping: 1,955 sf



- Mechanical / storage: 12,350 sf
 - Receiving: 4,566 sf
 - Ballroom: 5,000 sf
 - Meeting rooms: 9,616 sf
 - Garden units: 2,461 sf
 - Retail and garden units: 5,449 sf
 - Fitness center and spa: 3,948 sf
 - Theme restaurant: 9,674 sf
 - Also included: 1) swimming pool, 2) tennis courts, 3) lawn bowling, 4) 397 parking spaces for hotel and 95 spaces for theme restaurant, 5) onsite full reclamation facility with groundwater monitoring wells and moisture sensors for irrigation, 6) approx. 144,000 cubic yards of grading to be balanced onsite, 7) traffic circulation improvements, 8) landscaping, and 9) dedication of a public trail.
- Final EIR– dated August 1997
 - The final document is comprised of the Revised Draft EIR, the Technical Appendices and Chapter 8 – Response to Comments.
 - *REVISED PROJECT DESCRIPTION*: Due to input from the public the Draft EIR was revised as follows: 1) the proposed theme restaurant was removed from the project description and replaced by a Cultural Center; 2) new calculations were completed for wastewater generation; and 3) new calculations were completed for traffic impacts resulting from the change to the project description. A total of 492 parking spaces were proposed and the total square footage for the project will be 242,391 square feet (20 percent F.A.R.).
 - From the Notice of Determination dated November 4, 1997: a 146-room, 15 percent F.A.R. luxury hotel with separate guest villas, support facilities, 6,000 square feet of ballroom and meeting rooms, a fitness/spa facility which is open to the public, lighted tennis courts and other amenities, lobby bar, café and specialty restaurant, onsite wastewater treatment and reclamation facility, a 30 acre off-site biological resource mitigation site and a 6,000 square foot Cultural Heritage Center.
 - The Revised Draft EIR was circulated for public comment from August 27, 1997 to October 6, 1997.

City of Malibu Public Hearing History

- Environmental Review Board (ERB) – July 24, 1996
- Planning Commission
 - September 16, 1996 hearing
 - Purpose of the hearing was to receive public comments on the Draft EIR only and for the Planning Commission to provide staff with recommendations for further study.
 - November 3, 1997 hearing
 - Resolution 97-042: Certified the Final EIR
 - Resolution 97-043: Denied the variance for an increase in F.A.R. from 15% to 20%
 - November 17, 1997 hearing
 - Resolution 97-044: 1) Approving the hotel use on the site; 2) denying the two lighted tennis courts; and 3) certifying the Mitigation Monitoring and Reporting Program.



- Resolution 97-045: 1) Approving a variance for the reduction of the front, minimum side, cumulative side, and rear setbacks; grading in excess of 1,000 cubic yards; manufactured slopes in excess of six feet; and locating the parking spaces more than 300 feet from the use they serve; and 2) denying a variance for construction of the rotunda tower up to 35 feet in height.
 - Resolution 97-046: 1) Approving the construction of the hotel up to 28 feet in height; and 2) denying the construction of the structure on slopes in excess of 3 to 1.
- Appeals Filed of the Planning Commission's Decision
 - On November 26, 1997, the Malibu Road Property Owners' Association and the Malibu Township Council filed an appeal of Resolution Nos. 97-044, 97-045 and 97-046.
 - On December 1, 1997, the project application filed an appeal of Resolution Nos. 97-044, 97-045 and 97-046.
- City Council
 - January 12, 1998 hearing
 - Council Agenda Report summarized the points raised in the appeals and recommended adoption of Resolution No. 98-001.
 - February 3, 1998 hearing
 - March 9, 1998 hearing
 - March 23, 1998 hearing
 - Resolution 98-001: approved CUP 96-005, VAR 96-010 and SPR 96-015 to construct a 146 room hotel (106 rooms initially and 40 rooms subsequently)
 - Approved project description:
 - CUP for:
 - Hotel use
 - Lighted tennis courts at the corner of PCH and Winter Canyon Road
 - VAR for:
 - Front yard setback reduction
 - Minimum side yard setback reduction
 - Cumulative side yard setback reduction
 - Rear yard setback reduction
 - Up to 119,000 cubic yards of grading
 - Manufactured slopes in excess of 6 feet, up to 30 feet in height
 - Parking spaces more than 300 feet from the use they serve
 - Number of parking spaces, per the completed parking demand study
 - SPR for:
 - Height in excess of 18 feet, up to 28 feet for a pitched roof
 - Aspects of the project that were denied:
 - VAR for construction of a 35 foot high rotunda
 - SPR for construction on slopes between 3 : 1 and 2½ : 1
- November 26, 2001 hearing
 - The applicant put forth a request to amend one of the approved mitigation measures (MM 6.2 of the Final EIR) to relocate the parcel originally proposed for the conservation easement. The City Council denied the request because the new parcel was outside of city limits.
- January 28, 2002 hearing



- Resolution 02-04: Consistency review of the revised hotel site plan. The City Council found that the revisions to the project incorporated all the required changes set forth in the conditions of approval in CC Resolution No. 98-001.

City of Malibu –SPR Time Extensions Granted

- April 29, 1999 → letter indicating that SPR expires 180 days after 7/27/99
- February 2, 2000
- March 8, 2001
- April 29, 2002
- January 6, 2003
- January 22, 2004
- January 24, 2005
- January 10, 2006 → set new expiration date for January 21, 2007

Conclusion: The City has determined that the CUP for the hotel is still valid but the SPR has expired and a new SPR would be required to move forward on the project. Currently the project has a Coastal Development Permit (CDP) issued by the California Coastal Commission. Since the project was never evaluated against the LCP (which was certified in 2002); a new CDP from the City would also be required.

RECENT PROJECT ACTIVITY –

Archaeology Review

- ARC No. 07-032: A Cultural Resources Management Plan (CRMP) was submitted which indicated that onsite monitoring would be required for the excavation phase. In addition, a report, by PCR Services Corporation (PCR) dated July 12, 2007, detailing the results of archaeological and Native American monitoring of geotechnical work at the Rancho Malibu project site was submitted.

Pre-Application Review (PA) No. 07-040

- Requested that the City Biologist visit the project site and provide observations related to a mapped blueline stream onsite.
- A determination letter was issued on July 2, 2007.

Coastal Development Permit (CDP) No. 07-083

In 2007, a CDP application was submitted to the City for the construction of a hotel on the subject site.

- PROJECT DESCRIPTION: 146-room hotel constructed in one phase, containing: 1) a 3,400 square foot specialty restaurant, 2) a 700 square foot private dining room, 3) a 4,500 square foot ballroom, 4) an expansive lawn for outdoor events, 5) an 850 square foot meeting room, 6) a 34,000 square foot spa and fitness facility, and 7) 25,000 square feet of retail space constructed on the basement level. A multi-level parking structure will be located at the southwest corner of the site, a resort size swimming pool with 18 private cabanas will be constructed and the site will be landscaped per plan approved by the City Biologist. Some of the structures will be located across a fault zone. A condo map will be processed for fractional ownership of some of the suites. The applicant proposed to construct the hotel to qualify for LEED Silver certification.



- Entitlements:
 - CDP No. 07-083 – **construction of the hotel** with a 15 percent F.A.R., 41% landscaping and 26% open space
 - APR No. 07-082 – construction of a **basement**
 - TTM No. 07-001 – **tract map** to make some suites into fractional ownership units
 - CUP No. 07-010 – for **hotel use** at the site
 - VAR No. 07-056 – **grading** (approx. 50,000 cubic yards of non-exempt and approx. 190,000 cubic yards to be exported off-site) and **construction on slopes** (needed another VAR# assigned)
 - MM No. 07-021 – **front and rear yard setbacks** (needed another MM# assigned)
 - SPR No. 07-078 – **height up to 28 feet maximum and remedial grading** (needed another SPR# assigned)

- Environmental Review
 - On October 9, 2007, the City entered into an agreement with ESA for environmental services to evaluate the revised project description and to provide the City with a recommended course of action with respect to the scope of any additional necessary CEQA reviews.
 - On January 4, 2008, ESA submitted Task 2 (Technical Analysis Updated to Assist in CEQA Determination) in the amount of \$20,499.
 - On March 24, 2008, the City Council approved a contract in the aggregate amount of \$312,404.30 for ESA to complete the technical reports (traffic, air quality, and aesthetics) and proceed with the remainder of the environmental documentation (this total included the City's 30 percent administration fee).

- Formal Withdrawal of the 2007 Project
 - September 18, 2008 – letter from property owner's attorney to the City indicating that they wish to withdraw the CDP and associated requests and pursue the CCC approved project.
 - June 9, 2009 – letter from the City to ESA terminating the agreement for them to perform environmental review services on the project.
 - June 24, 2009 – letter from the City to the property owner's attorney confirming withdrawal of the CDP and associated requests.

Pre-Application Review (PA) No. 10-012

- Planning Department review to determine the feasibility of approval, processing time and costs for a project to construct a 146 room hotel on the project site.
- A determination letter was issued on September 28, 2010.

CURRENT APPLICATION TO THE CITY OF MALIBU (June 2011)

- Requested Entitlements
 - CDP No. 11-028 – **construction of the hotel** with a 14.45% F.A.R., 44% landscaping and 25% open space
 - CUP No. 11-007 - for **hotel and restaurant use, on- and off-sale of liquor and live entertainment** at the site
 - TTM No. 11-001 - **tract map** for a commercial airspace subdivision (some units planned for fractional ownership – 50 hotel rooms and 2 retail spaces)
 - Lot Merger (LM) No. 12-002 – to **merge the three adjacent parcels**



- VAR No. 11-013 – for **non-exempt grading**
 - VAR No. 12-002 – for **construction on slopes in excess of 2½ to 1**
 - VAR No. 12-003 – for **parking located within the front yard setback**
 - VAR No. 11-037 – for **height of main building** up to 36 feet, 2 inches maximum
 - SPR No. 11-011 – for **height of casitas** up to 28 feet maximum
 - MM No. 11-004 – to **reduce the required front yard setback**
- Proposed Project Design Parameters:
 - Number of hotel rooms – 146
 - Main hotel building – 59,393 square feet
 - Casitas (guest suites) – 133,873 square feet
 - Basement of main building - 82,035 square feet (not counted towards F.A.R. total)
 - Floor area ratio – 15 percent
 - Building height – 36 feet, 2 inches (main building) and 28 feet maximum (casitas)
 - Facilities – guest casitas, lobby & administration, lobby bar and café, hotel / specialty restaurant, meeting and banquet rooms, retail, fitness / spa, swimming pools, pool cabanas and three-level subterranean parking structure
 - Parking – 543 spaces, a majority which will be provided in the 165,259 square foot subterranean parking structure and others in a surface employee lot
 - Wastewater treatment – project includes several options, one of which includes connecting to the City’s future Civic Center wastewater treatment facility
 - Landscape – native, drought resistant & non-invasive; 44 percent of the site will be landscaped space
 - Grading – raw export volume estimated at 189,760 cubic yards
 - Traffic – infrastructure improvements proposed
 - Signage – low scale with no internal electric or neon lighting
 - Lighting – directed inward onsite
 - Mechanical equipment – all visually sheltered
 - Electrical – underground
 - Environmental Review
 - On April 9, 2012, the City entered into an agreement with AMEC to provide consulting services for a Supplemental EIR. The City Council approved a contract in the aggregate amount of \$206,421.80 for AMEC to complete the EIR (this total includes the City’s 30 percent administration fee). At that meeting, the City Council directed staff to complete a full EIR, rather than a Supplemental EIR, for the proposed project. It was determined that an amendment to the agreement would be required.
 - On June 25, 2012, the City Council approved Amendment No. 1 for a contract in the aggregate amount of \$224,879.20 for AMEC to complete the scope of work required for a full EIR (including the 30 percent administration fee).
 - The Draft EIR has not yet been made available for public review.

