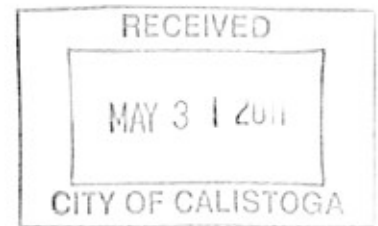


# Silver Rose Venture LLC

**To:** City of Calistoga Planning & Zoning  
**From:** Silver Rose Venture LLC  
**Subj:** Silver Rose Concept Summary  
**Date:** May 31, 2011



Enclosed is a summary of our current concept plans for a new resort – as yet unnamed – that we hope to develop on the Silver Rose property. We are requesting a review by Planning & Zoning and City staff of our concepts, and if acceptable, a recommendation to the City Council to proceed to the MOU stage, with the ultimate goal of an approved development agreement for a new resort on the property.

## **Property Background & History**

The property consists of approximately 22.5 acres, located within the City of Calistoga. The property includes a dated 20 room hotel, a 5,000 case winery, approximately 7.8 acre vineyard, and a private residence. The property was entitled for new resort development in 2007 as the “Terrano” project. The property has been owned and operated by the Dumont family for decades.

## **Proposed Resort Program**

The resort will consist of approximately 80 hotel rooms and approximately 24 residences. At buyer’s option, the residences will be part of the hotel room inventory. Historical patterns suggest that initially approximately half the residences will be in the rental pool, and within a few years following resort opening, the majority of the residences will be part of hotel inventory, with occasional use by the residence owner. The hotel will include a restaurant and bar, spa and fitness, several pools, multiple meeting facilities, private dining rooms, and typical back of house infrastructure. In addition to the hotel and residences, there will be an operating winery, including tasting room, crush pad, production facility, wine cave with barrel storage, and approximately 7 acres of vineyard. Adjacent to the winery will be a small “general store”, with limited retail and a gathering place for the residences. The resort may also include a culinary school, with a small organic garden on property.

## **Resort Access and Parking**

The resort’s main entrance will be off Silverado Trail, slightly down valley from the current entrance. This entrance will serve the hotel and winery. A separate curb cut further down valley from the main entrance will access the southeastern cluster of residences. Off Rosedale Road there will be a service entrance to the hotel, and further down valley on Rosedale there will be an entrance for the residences clustered on the northeastern corner of the property. Parking will be provided in several areas: 1) beneath the hotel core; 2) in the olive grove that runs parallel to Silverado Trail; 3) at each of the residences; 4) possibly off-site parking for employees at a location TBD.

## **Architectural Style**

The architectural style of the resort is in its early definition phase, and will most likely draw from the agricultural heritage of the region. With few exceptions, the buildings are expected to be one- and two-story, likely stick-framed, finished with lumber siding and stone detailing. The paths around the property for pedestrians and carts will likely be stabilized DG to support an agricultural esthetic and reduce the amount of concrete and asphalt surfaces. Landscaping will consist primarily of the existing oaks, vineyard, and new plantings of olive trees, event lawns, and other decorative landscaping elements. The goal is to preserve a high percentage of the existing heritage trees on the property. Outdoor lighting will be minimal, soft and downward focused to preserve the dark sky at night. The vineyard will be primarily Cabernet Sauvignon, with a few blocks of Cabernet Franc and Merlot. The winery will utilize the grapes grown on property, as well as fruit sourced from other vineyards in Napa Valley.

## **Utilities, Irrigation, Storm Water**

We plan to connect the new resort to City water and waste water. We also plan to underground the phone and power lines that run along the Rosedale Road edge of the property. As part of the development of the resort, we plan to reconfigure the existing pond, shrink its footprint somewhat, deepen it and improve the water quality, and perhaps have two pond levels with a cascade between the levels. The pond will serve several multiple purposes: 1) fire protection resource; 2) irrigation; 3) frost protection for the vineyard; 4) visual amenity. The existing pond fills primarily with winter runoff, and is topped off as needed from the existing wells on the property. We plan to work with neighbors to minimize storm water runoff, and if possible, work with the City and County to improve the storm water management in the Rosedale Road / Pickett Road / Silverado Trail vicinity.

## **Events**

In addition to the core business of lodging, food & beverage, and spa revenues, the resort would host events such as the following:

- Weddings
- Corporate group events
- Auction Napa Valley and other public and private events related to the wine industry
- The nascent Napa Valley Film Festival
- Civic meetings (school board, City Council, Chamber of Commerce, etc.)

## **Benefits to the Community**

The resort would provide a number of benefits to the city of Calistoga, including:

- An attractive landmark at the City's Silverado Trail gateway
- A source of engineering and construction jobs during the three years of design and construction
- A source of tourism jobs in perpetuity upon opening of the resort
- Transient occupancy tax, retail sales tax, and real estate property tax

- In addition to the above direct benefits, the resort will draw additional visitation to Calistoga, additional revenue to the downtown merchants, and additional sales tax revenue.
- In keeping with Calistoga's unique identity, the resort will incorporate the property's geothermal resources into its spa programming, as well as its energy conservation program.
- The resort would provide another top tier dining venue for Calistoga, helping further establish upper Napa Valley as a culinary competitor to Yountville.

### Ownership Background

The Silver Rose property is owned by a joint venture between Alcion Ventures, Bald Mountain Development, and the Dumont family. Alcion Ventures is a real estate private equity fund based in Boston, Massachusetts, whose investors include numerous university endowments, foundations, and family offices. Bald Mountain Development ("BMD") is a resort development firm based in Aspen, Colorado, with offices in Menlo Park, California and numerous resort locations in Mexico. BMD has developed a number of luxury resorts in the US and Mexico. Alcion and BMD have been seeking a quality development opportunity in upper Napa Valley for many years. Alcion and BMD have retained Hill Glazier – HKS Architects from Palo Alto to lead the design of the resort. Hill Glazier has designed many quality resorts for luxury brands such as Four Seasons, Ritz Carlton, and Montage.

### Area Summary

Below is a table with an estimate of the size of each of the major elements as currently envisioned. The total footprint of all construction, including covered outdoor space, is less than 15% of the lot area.

<b>Silver Rose Preliminary Program Summary</b>			
<b>Hotel</b>	<b>Quantity</b>	<b>Unit Area, SF</b>	<b>Total Area, SF</b>
Rooms	80	730	58,400
Room circulation	1	10,400	10,400
Lobby/Reception	1	4,500	4,500
Public Areas	1	5,500	5,500
Restaurant	1	5,800	5,800
Spa & Fitness	1	9,500	9,500
Meeting Space	1	8,500	8,500
Back of House	1	33,100	33,100
<b>Total Hotel</b>			<b>135,700</b>
<b>Single Family Residential</b>	24	2,500	<b>60,000</b>
<b>Winery</b>	1	16,000	<b>16,000</b>
<b>Resort Total</b>			<b>211,700</b>

Summary excludes wine cave area (TBD) and parking