

CITY OF CALISTOGA

STAFF REPORT

TO: CHAIRMAN MANFREDI AND MEMBERS OF THE
PLANNING COMMISSION

FROM: KEN MACNAB, PLANNING AND BUILDING MANAGER

MEETING DATE: JUNE 22, 2011

SUBJECT: CONCEPTUAL DESIGN REVIEW FOR RENOVATION
AND EXPANSION OF THE SILVER ROSE INN AND
WINERY

1 **REQUEST**

2

3 Conceptual Design Review requested by Bald Mountain Development for
4 renovation and expansion of the Silver Rose Inn and Winery. Contemplated
5 improvements on the 22.5 acre site include: 80 new guest rooms; a 16,000
6 square foot winery (10,000 cases annually), a 5,800 square foot restaurant; a
7 9,500 square foot spa and fitness facility; 8,500 square feet of meeting space; a
8 wedding/event lawn; 24 single-family residential units (intended for transient
9 occupancy); a "general store" (retail); a sub-grade parking area; and
10 approximately 7 acres of vineyard. The project site is located at 351 Rosedale
11 Road (APNs 011-050-035, -036, -037, -039 and -040) within the "PD 2007-01",
12 Planned Development Zoning District.

13

14 **BACKGROUND**

15

16 The Dumont Family developed the Silver Rose Inn project in the early 1990s.
17 This family-owned property contains a small winery, a twenty-room inn, and a
18 5,000 square foot restaurant site (this building has not been occupied). The
19 property also contains a 9-acre production vineyard and a single-family home.
20 The property is bounded by Silverado Trail and Rosedale Road and provides a
21 significant entry to the City on the Silverado Trail.

22

23 In 2006, conceptual plans for renovation and expansion of the Silver Rose Inn
24 were submitted to the City. The plans, submitted by Simmons Canyon Partners,
25 LLC, involved replacing the two existing buildings housing visitor
26 accommodations with 18 separate buildings of visitor accommodations units (the
27 "Lodges") to be sold as private ownership fractional interests in 36 units; a new
28 27,536 gross square foot Clubhouse/Restaurant building housing public
29 gathering spaces; a new 5,985 square foot Spa building, a fitness facility; a 214

30 seat restaurant; an increase in winery production capacity to 10,000 cases per
31 year; and conversion of the existing restaurant space to a Culinary Center for
32 private parties, wine tasting and retail sales (Terrano Napa Valley Resort
33 project). The "Terrano" project also involved rezoning of the subject 22.5 acre
34 site to a Planned Development district.

35

36 The Terrano project was reviewed and supported by the Planning Commission
37 and ultimately approved by the City Council in December, 2007. Following this
38 approval, the property changed hands from Simmons Canyon Partners, LLC, to a
39 new ownership group consisting of Alcion Ventures (a real estate private equity
40 fund), Bald Mountain Development (from Aspen, Colorado), and the Dumont
41 family. The new ownership group, primarily represented by Bald Mountain
42 Development, has indicated that they would like to take the property in a different
43 direction from the plans that were approved as part of the Terrano project.

44

45 On May 31, 2011, a Conceptual Design Review application for a major
46 renovation and expansion of the Silver Rose Inn and Winery was received by the
47 Planning and Building Department. The conceptual plans, described in detail
48 later in this report, involve demolition of virtually all existing structures, expansion
49 of the resort and winery uses, and the addition of retail and single-family
50 residential uses.

51

52 Bald Mountain Development has also expressed an interest in entering into a
53 Development Agreement with the City for development of the property.
54 Consideration on whether to pursue a Development Agreement has been
55 tentatively scheduled for City Council discussion on July 19, 2011.

56

57 **PURPOSE OF REVIEW**

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59 The Conceptual Design Review process provides an opportunity for a property
60 owner and/or developer to receive feedback on a development concept prior to
61 submitting a formal development application. The scope of Conceptual Design
62 Review encompasses all aspects of a project and allows for identification and
63 discussion of potential issues at the earliest stage in the development process. It
64 is the City's expectation that the property owner will use the feedback received
65 through this process as guidance when preparing the formal development
66 application.

67

68 To assist in the discussion, Staff requests that the Planning Commission provide
69 feedback in the following areas:

70

- 71 1. Are the uses and intensity of development being contemplated appropriate
72 for the subject site?

73

- 74 2. Do the design, height, size and location of uses serve to preserve, protect,
75 and enhance the rural, small town character of the community?
76
- 77 3. Does the proposal create a harmonious relationship with other properties
78 and/or buildings located adjacent to the site?
79
- 80 4. Does the proposal promote the unique character and ambiance of
81 Calistoga and enhance this important entry into Calistoga.
82
- 83 5. Does the proposal promote good design and use of high quality materials
84 to ensure compatibility with the surrounding properties?
85

86 **DEVELOPMENT CONCEPT**

87 Existing Site Conditions

88
89
90 The subject property is located on the northern side of the Silverado Trail at its
91 intersection with Rosedale Road. The topography of the property is generally
92 level in the southern portion, with a knoll on the northern portion. The 22.5 acre
93 property is currently developed with vineyard, 20-one bedroom visitor
94 accommodation units, conference facilities, spa facilities, a 5,000 case winery
95 with retail/tasting facilities, a 140-seat restaurant (permitted and partially built, but
96 not operational), a two bedroom on-site manager's residential unit and a four
97 bedroom, detached single-family dwelling. Use of these facilities has occurred
98 on limited basis under the new ownership. The existing development is served
99 by on-site wet utilities (groundwater wells and septic system).

100 Site Plan

101
102
103 The conceptual renovation and expansion plan involves demolition of all existing
104 structures on the property (excepting the winery basement). New hotel/resort
105 facilities would be constructed on and around the knoll (in the same location
106 where the resort facilities exist today). Visitor accommodation units and single-
107 family residential homes would be extended eastward along the frontage of
108 Rosedale Road and along Silverado Trail. Development along Silverado Trail is
109 proposed to be set back and screened from view by an orchard of olive trees.
110 The resulting development pattern creates a three-sided enclosure around the
111 central portion of the property, with the eastern side of the property remaining
112 open to down-valley views. The central and eastern portions of the property are
113 proposed to be planted with a vineyard that would become a source of grapes for
114 on-site wine production. The vineyard also serves as a central focus for building
115 and design orientation.

116
117 The current resort entry on Silverado Trail is proposed to be relocated to the
118 east. The new entry features a roadway leading up to an arrival court area that is

119 located in the heart of the hotel/resort area. Parking for resort guests is proposed
120 to be provided in a sub-surface structure located underneath the main resort
121 facilities. Additional parking for resort guests will be provided in a parking area
122 that is located in the olive tree orchard area.

123

124 The single-family residential structures would be accessed from separate
125 entryways located on Rosedale Road and Silverado Trail (near the eastern end
126 of the property). The carport for each home would be accessed from these
127 entryways. None of the single-family residences will have direct vehicle access
128 from Rosedale Road or Silverado Trail.

129

130 As part of the conceptual development plan the existing pond located at the
131 western end of the property would be reconfigured and reduced in size. The
132 pond will be deepened to improve water quality and may possibly be designed to
133 be multi-leveled. While the pond adds aesthetic value to the project, its primary
134 value is more functional for fire protection, irrigation and frost protection for the
135 vineyard.

136

137 "Back of house" operations are proposed to be located in the sub-surface
138 structure that would be constructed under the main resort. Access to back of
139 house operations would be from Rosedale Road.

140

141 Hotel / Resort

142

143 Hotel and resort facilities will largely be clustered around the arrival court area.
144 Planned facilities include a lobby/reception area, a 9,500 square foot spa and
145 fitness center and approximately 8,500 square feet of meeting space that can be
146 configured to multiple/different size spaces depending on customer needs.
147 Staff's understanding is that the spa and fitness center uses would be located on
148 the north side of the arrival court area and that the meeting rooms would be
149 located to the west of the arrival court. The meeting room space would have
150 windows overlooking the pond area and an associated outdoor space.

151

152 Visitor Accommodation Units

153

154 The conceptual development plan envisions 80 visitor accommodations units
155 contained within 14 small one- and two-story structures along Rosedale Road
156 and Silverado Trail. There are three basic structural configurations that
157 accommodate a range of unit types.

158

159 Each individual visitor accommodation unit has one bedroom and may have one
160 or one and one-half baths. It appears that in some configurations there will be an
161 opportunity to allow access between adjoining units to create a larger (multi-
162 bedroom) guest suite. Individual unit amenities include fireplaces, a living room,

163 balconies, private outdoor landscaped areas, covered porches, terraces and a
164 "plunge pool".

165

166 Restaurant

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168 A 5,800 square foot restaurant is planned as part of the project. The restaurant
169 would be located on the east side of the arrival court and be oriented to take
170 advantage of down-valley views. Staff's understanding is that the restaurant may
171 include private dining rooms and an entrance into the planned wine cave area.

172

173 Winery

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175 Existing winery operations are proposed to be renovated and expanded as part
176 of the project. Planned winery-related facilities include a tasting room, a crush
177 pad, production facilities, a wine cave and barrel storage. The estimated square
178 footage of winery-related operations is 16,000 square feet. The winery will utilize
179 grapes grown on the site and fruit sourced from other vineyards located in the
180 Napa Valley, and in particular the Calistoga AVA. The applicant is proposing to
181 increase wine production from the current 5,000 cases per year to 10,000 cases
182 per year.

183

184 Events

185

186 The hotel/resort has been designed to accommodate events such as weddings,
187 corporate group events, wine industry events (such as Auction Napa Valley),
188 civic meetings and cultural events such as the Napa Valley Film Festival. No
189 information has been provided on anticipated frequency or size of events.
190 Parking for resort events will be accommodated in an overflow parking area that
191 is located in the southeast area of the site near the driveway off Silverado Trail
192 that primarily serves the single-family residences.

193

194 Single-Family Residences

195

196 Twenty-four single-family residences are being proposed as part of the
197 development concept. The floor plans of the residences indicate that they are
198 clearly intended for transient occupancy. Three different sized residential units
199 are contemplated. The smallest is a single-story two master bedroom, two and
200 one-half bath unit that is 1,800 square feet in size. The mid-range unit is a
201 single-story, three bedroom (two master bedrooms), three and one-half bath unit
202 that is 2,260 square feet in size. The largest residential unit is a two-story, four
203 bedroom (three master bedrooms) unit that is approximately 2,880 square feet in
204 size.

205

206 Each residential unit would be located on its own parcel. It is anticipated that the
207 units will be purchased as second homes and will only be occupied by the owner

208 for limited periods each year. Owners will have the option of making the
209 residence available to the hotel pool for occupancy as a visitor accommodation
210 unit. "Fractional" ownership of each single-family lot is not contemplated by the
211 applicant at this time.

212

213 **Retail Store**

214

215 A small "general store" with limited retail is being proposed to provide a gathering
216 place for the residences. The store would be located adjacent to the winery.

217

218 **STAFF ANALYSIS**

219

220 **Land Use**

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222 **General Plan**

223

224 The project site has a General Plan land use designation of Rural Residential.
225 Lands designated Rural Residential serve as a buffer between the agricultural
226 lands around the city and the urbanized part of Calistoga. Uses allowed in this
227 designation generally include crop production, vineyards, light agricultural
228 structures, and single-family residences. Wineries and visitor accommodations
229 may occur with discretionary permit approval.

230

231 A portion of the property is located within a "Visitor Accommodation Overlay"
232 area. This overlay designation allows both new and existing visitor
233 accommodations within certain areas that would not otherwise allow these uses.
234 Motels, hotels and inns are allowed within the Visitor Accommodation Overlay.
235 Spas are allowed in conjunction with these uses provided that they are not the
236 primary use.

237

238 The project site is also located within a General Plan "Entry Corridor" (EC2) and
239 is subject to Entry Corridor design directives contained in the Land Use Element
240 of the General Plan (see Attachment 3). Specific design directives applicable to
241 the subject site include: use of wide setbacks to preserve rural character;
242 retention of existing natural site features; use of small-scale, low-rise design
243 techniques; screening of parking areas; and preservation of vineyards. Staff
244 believes the conceptual development plan is responsive to these directives.
245 Wide setbacks and screening of parking areas along Silverado Trail have been
246 proposed. New structures will be one to two stories in height and will incorporate
247 materials and architectural design that are drawn from the area's architectural
248 heritage. On-site parking will be placed in an underground structure, which helps
249 to maximize the amount of land that can be kept in landscaping and/or vineyard.
250 Seven acres of vineyard planting will be provided in the central and eastern
251 portions of the property. The pond located at the western end of the property is a

252 prominent feature of the property and is proposed to be retained as part of the
253 development concept.

254

255 Urban Design Plan

256

257 In accordance with directives contained in the Community Identity Element of the
258 General Plan, the City prepared an Urban Design Plan (UDP) that sets forth
259 ideas and suggestions for development within six distinctive areas of the City,
260 including the area that the subject site is located in. Although not a formal policy
261 document, the UDP does offer ideas and suggestions for the type and form of
262 development that should be considered in these areas.

263

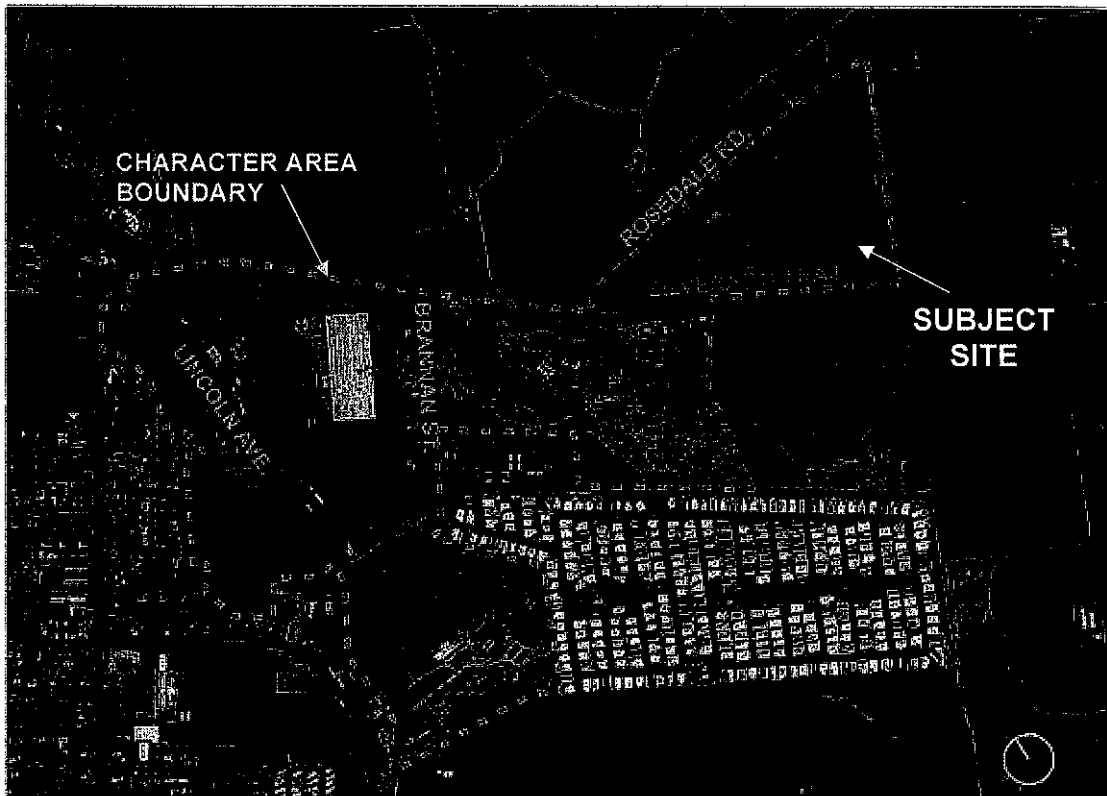
264 The Silver Rose Inn and Winery property is located within an area identified by
265 the UDP as the "Resort Character Area" (see Figure 1 below). Renovation
266 and/or redevelopment of an existing resort are considered appropriate within the
267 Resort character area.

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FIGURE 1 – RESORT CHARACTER AREA

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274 The City Council has directed that the UDP be incorporated into the General
 275 Plan. Staff is currently working on preparing a General Plan amendment to
 276 formally implement UDP Character Areas into the General Plan.

277
 278 Zoning

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 280 The subject property is located within the "PD 2007-01" Planned Development
 281 (PD) Zoning District (Attachment 2). The current PD Zoning District was
 282 approved in 2007 as part of the Terrano project and encompasses the entire 22.5
 283 acre site. It calls for uses on the site to be visually sensitive to the rural scale of
 284 the subject parcels and their surroundings. All uses in the PD 2007-01 Zoning
 285 District require Conditional Use Permit and Design Review approval. The table
 286 below summarizes conformance with applicable development regulations.
 287

<u>Development Regulations – 351 Rosedale Avenue</u>			
General Plan Designation	Applicable Regulations	Proposed	Permitted
General Plan Designation	Rural Residential; Uses allowed generally include crop production; vineyards light agricultural structures, and single-family residences. Wineries and visitor accommodations may occur with discretionary permit approval. Visitor Accommodation Overlay on Assessor Parcel No. 011-050-039 Entry Corridor EC2	Use of Same Designation	Compliance with Entry Corridor Policies.
Zoning	Planned Development District PD 2007-1	Planned Development District	Text Amendment to PD 2007-1 for modification of development regulations.
Allowed Uses	Light Agricultural Uses; Home Occupations; Accessory Uses that are clearly incidental and subordinate to the main use.	7 acres of vineyard	None

Uses Permitted w/ Use Permit	PD 2007-1 Visitor Accommodations; Spa Facilities; Wineries; Retail subordinate to the winery or spa facility; Restaurant; One Single Family Dwelling; Uses determined by the Commission to be similar in nature	Visitor accommodations; spa; winery; retail use; restaurant; single-family dwellings on non-condominium parcels; fitness room; meeting rooms; and special events.	Conditional Use Permit; Design Review; Subdivision – Map.
Minimum Lot Area	2 acres	Specifics on size of single-family residential lots are unknown at this time; possibly less than 2 acres.	Possible Text Amendment to PD 2007-1 for modification of development regulations.
Height	Maximum 35 feet	Specifics are unknown at this time; plans depict two story structures with architectural elements that may be greater than 35 feet from existing grade.	Possible Text Amendment to PD 2007-1 for modification of development regulations.
Minimum Setbacks – Main Building	Front: 20 feet Side Yard, Interior: 10 feet Rear: 20 feet Silverado Trail: 30 feet	Main Resort: - Silverado Trail: 70 feet - Rosedale Road: 20 feet Specifics on single-family lot setback distances are unknown at this time; possible that current yard setbacks may not be met.	Possible Text Amendment to PD 2007-1 for modification of development regulations.
Parking	Tourist/Visitor Accommodations – 1.1 space per unit plus 1 space for manager; Single Family Unit – 2 spaces per unit Spa, Health Resorts w/ Tourist Units – 1.1 space per unit, additional Restaurants - 1 space per 100 spaces Manufacturing or Production (Winery operations) – 1 space per 500 sf Retail Sales, General (Winery and Spa) – 1 space per 200 sf	Specifics on the number of on-site parking spaces are unknown at this time.	Parking Assessment will be required to verify requirements

Maximum Lot Coverage	Maximum 25%	Specifics are unknown at this time; possibly more than 25% on single-family residential lots.	Possible Text Amendment to PD 2007-1 for modification of development regulations.
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As detailed in the table above, this project will require approval of a Zoning Text Amendment to PD 2007-1, a Conditional Use Permit, Design Review and a Subdivision Map. In addition, the applicant has indicated an interest in entering into a Development Agreement with the City, which would be reviewed and approved concurrently with these entitlements.

Site Architecture

Project architecture has not yet been defined at this conceptual stage of the project. The applicant has indicated that architectural styles will be drawn from the area's architectural heritage and will be designed with the intent of creating an attractive landmark at this entry. Buildings are expected to be one and two story structures, likely stick-framed, and finished with lumber siding and stone detailing. Visual imagery representing the desired "look and feel" of the project has been included in the plan set provided with this report (Attachment 5).

Landscaping

Pedestrian pathways will likely be decomposed granite (DG) to maintain an agricultural aesthetic. The existing oaks and vineyard area will be incorporated into the project landscape, as will a scaled back version of the existing pond. New landscaping elements include the olive tree orchard proposed in the southeast portion of the property along Silverado Trail, the event lawns in the central portion of the property and other decorative landscaping.

Affordable Housing

The contemplated project will generate new jobs and increase the demand for housing in the City. The project will be required to participate in the provision of affordable housing in the community through the City's Inclusionary Housing ordinance. Participation can be achieved in a number of ways, including: on- or off-site construction of affordable units, dedication of land suitable for construction of affordable units, and payment of money into the City's Calistoga Affordable Housing Trust Fund for future development of affordable units. Adopted provisions also allow for consideration of alternative methods to satisfy a project's affordable housing obligation provided that the alternative would provide a comparable or superior benefit to the City's affordable housing supply.

326 **Growth Management**

327
328 It is anticipated that the City and the owner will enter into a Development
329 Agreement for the project. Pursuant to Section 19.02.050 (F) of the Calistoga
330 Municipal Code, projects for which a Development Agreement has been entered
331 into are allowed to proceed through the entitlement process without first obtaining
332 a Growth Management allocation.

333
334 **Public Services**

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336 This project will result in increased demands on public services, including water,
337 sewer, area storm drainage, and fire protection. Preliminary comments from the
338 City's Fire and Public Works departments are attached to this report (Attachment
339 4).

340
341 **NEIGHBORHOOD OUTREACH**

342
343 On Friday, June 3rd, the applicant held a meeting for neighboring property
344 owners to discuss their vision for development of the property and respond to
345 questions or comments. The applicant informally presented the project to
346 meeting attendees and responded to questions as they arose. Staff's observation
347 (while in attendance) was that the applicant was straightforward in describing
348 their approach for the project and was receptive to comments regarding grape
349 source, the need to disclose to guests that neighbors have the right to farm their
350 properties, and the opportunity to work collaboratively with neighbors to address
351 area drainage issues. Regarding the development concept itself, no major
352 concerns were expressed about the uses, the site plan or the intensity of
353 development. It was staff's impression that the project was generally well
354 received.

355
356 In addition to this meeting, a notice regarding the conceptual expansion was
357 mailed to all property owners/residents within 300 feet of the site. As of the
358 writing of this report no comments have been received by staff.

359
360 **AGREEMENTS AND ENTITLEMENTS**

361
362 The applicant has expressed an interested in entering into a Development
363 Agreement with the City for this project. Projects seeking to enter into
364 Development Agreement with the City must first be presented to the City Council
365 for consideration. With input from the Planning Commission, the City Council will
366 determine whether or not the project has merit and warrants a Development
367 Agreement. Should the City Council find that the project has merit; a
368 Memorandum of Understanding (MOU) may be executed reflecting Council's
369 intention to enter into a Development Agreement and define the process for the
370 developer to seek formal approval.

371 The Development Agreement will be prepared and approved concurrently with
372 necessary project entitlements. Entitlements required for approval of the project
373 as presented include: (A) Zoning Text Amendment; (B) Conditional Use Permit;
374 (C) Design Review; and (D) Subdivision Map.
375

376 A. Zoning Text Amendment. It appears that certain aspects of the conceptual
377 development plan may not conform to the current development standards
378 stated in PD 2007-1. Areas of potential non-conformance are primarily
379 related to lot requirements for the single-family residential units – which
380 were not contemplated in the Terrano development plan (Terrano
381 proposed fractional units on hotel-condominium lots). A text amendment
382 to the PD district standards will be required to address this issue. The text
383 amendment will require submittal of a new Preliminary Development Plan
384 for the site pursuant to Section 17.24.055 of the Zoning Ordinance.
385

386 B. Conditional Use Permit Approval. Section 17.24.180 (PD 2007-1) of the
387 Zoning Ordinance requires Conditional Use Permit approval for the uses
388 being contemplated, including: visitor accommodations and other related
389 ancillary services; spa facilities; wineries; restaurants and retail uses.
390

391 C. Design Review Approval. Section 17.06.020 (Design Review) of the
392 Zoning Ordinance requires Design Review approval for new commercial
393 development and for subdivision maps with five or more units. In addition,
394 Section 17.24.210 (PD 2007-1) of the Zoning Ordinance requires Design
395 Review approval for all buildings requiring a use permit.
396

397 D. Subdivision Map. A subdivision map under the California Subdivision Map
398 Act and Calistoga Municipal Ordinances Title 16 will be required to create
399 the 24 individual lots for the single-family residences and any remainder
400 parcel(s) for the resort and winery.
401

402 ENVIRONMENTAL REVIEW

403

404 The project will be subject to environmental review under the California
405 Environmental Quality Act (CEQA) and will require the preparation of an Initial
406 Study to assess potential environmental impacts. In order to assess potential
407 impacts, the applicant has been advised that various studies will need to be
408 prepared to determine compliance with City regulations and CEQA review.
409 Anticipated studies include: a traffic study; a water and wastewater needs
410 assessment; an arborist report; a preliminary soil report; a greenhouse gas
411 emissions analysis; a historical, cultural, and archeological resources study; a
412 noise study; and infrastructure and drainage studies. Other studies may also be
413 required once more information is received from the applicant and comments
414 have been received from agencies and other City departments. Once these
415 studies are formally submitted, the initial study will be completed to determine all

416 potential impacts associated with this project and to identify appropriate
417 mitigation measures to be applied. Opportunity for public review of this
418 environmental assessment will be provided prior to any action of the formal
419 application.

420

421 Consideration of the Pre-Application Consultation and Conceptual Design
422 Review application is not subject to the California Environmental Quality Act
423 (CEQA) as no approvals or entitlements are being requested or will be granted.

424

425 **RECOMMENDATION:**

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427 Staff recommends that the Planning Commission review the conceptual site plan
428 and elevations, receive comments from the owner, the project team and the
429 public, and provide preliminary comments to the owner and staff on the following
430 and any other issue of Planning Commission concern.

431

432 1. Are the uses and intensity of development being contemplated appropriate
433 for the subject site?

434

435 2. Do the design, height, size and location of uses serve to preserve, protect,
436 and enhance the rural, small town character of the community?

437

438 3. Does the proposal create a harmonious relationship with other properties
439 and/or buildings located adjacent to the site?

440

441 4. Does the proposal promote the unique character and ambiance of
442 Calistoga and enhance this important entry into Calistoga.

443

444 5. Does the proposal promote good design and use of high quality materials
445 to ensure compatibility with the surround properties?

446

447 It should be noted that the Planning Commission's comments during conceptual
448 design review are advisory only and should not be considered by the applicant to
449 be requirements or an endorsement of the project until a complete application is
450 considered through the more formal review process.

451

452 **ATTACHMENTS:**

453

454 1. Vicinity Map

455 2. Planned Development District - PD 2007-1 Regulations

456 3. Figure LU-6 and Corresponding Narrative: Entry Corridors

457 4. Department Comments

458 5. Project Narrative and Conceptual Plans