CITY OF CALISTOGA

STAFF REPORT

TO: CHAIRMAN MANFREDI AND MEMBERS OF THE

PLANNING COMMISSION

FROM: ERIK V. LUNDQUIST, SENIOR PLANNER

MEETING DATE: SEPTEMBER 14, 2011

SUBJECT: HOTEL VERANDA - CONCEPTUAL DESIGN REVIEW

(CDR 2011-03) - 1522 LINCOLN AVENUE

REQUEST

Review of conceptual development plans for the development of the *Hotel Veranda*. The Conceptual Plan proposes the following improvements: 162 new guest rooms; a new 3,000 square foot event barn; new swimming pools; new parking areas; and other related site and landscaping improvements. The project site is the former "gliderport" located 1522 Lincoln Avenue (APN 011-340-002, -003, -004, -005, -013, -016 & -018).

PROPERTY BACKGROUND

The subject properties total approximately 50 acres, see Figure 1. John and Patricia Merchant currently own the properties within two different limited liability companies. Throughout history the properties have generally remained underdeveloped whilst the adjoining resorts and the town of Calistoga developed during the late 1800s and early 1900s around the properties.

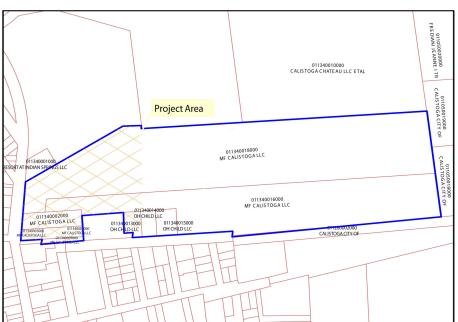


Figure 1, Ownership and Project Areas

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Just after WW II, the Calistoga Airpark / Calistoga Gliderport was built by Dave Compton. Records from the 1948 and 1948 Sacramento Sectional Charts depicted a 2,200' unpaved runway. The runway was paved some time prior to 1957 and was extended to 2,800 feet. The runway was listed as Calistoga Airpark in the 1962 AOPA Airport Directory, with a single 2,800' asphalt Runway 9/27, and the operator was listed as Dave Compton.

Gliders became a regular occurrence beginning in 1968, when Jim Indrebo leased the primitive field & began offering glider rides, lessons, rentals & tows. Indrebo operated the Calistoga Soaring Center for the next 21 years. Though the field's 2 narrow runways were used mostly by tow planes & gliders, Calistoga was open to other aircraft as a privately owned, public-use airport.





Figure 2, USGS 1993, when the field was still open.

In 1989, Jim & Pat Merchant acquired the airfield. After making some business changes the Merchant's reopened a new business, Calistoga Gliders, on the Calistoga airfield catering to just tourists.

The Merchants' glider operation was hurt by the harsh, wet winter & spring of 1997-98. Having a poor year financially and faced with a requirement to replace buried single-wall gasoline storage tank(s) with double-wall tank(s), the Merchants chose to shut down the Gliderport in 1998.

Since closing operations, the existing structures have been used and continue to be used by a variety of resident and visitor serving businesses. For sometime the Merchants' have contemplated a vibrant mixed use development on the property. In 2005 the City reviewed conceptual plans for the 'Calistoga Square'. With the passage of time and additional planning efforts the Merchants' have refined the project scope and on June 24, 2011 submitted this conceptual design review for the Hotel Veranda.

PURPOSE OF REVIEW

The Conceptual Design Review process provides an opportunity for a property owner or developer to receive feedback on a development concept prior to submitting a formal development application. The scope of Conceptual Design Hotel Veranda – Conceptual Design Review 1522 Lincoln Avenue (APN 011-340-002, -003, -004, -005, -013 -016 & -018) September 14, 2011 Page 3 of 10

Review encompasses all aspects of a project and allows for identification and discussion of potential issues at the earliest stage in the development process. It is the City's expectation that the property owner will use the feedback received through this process as guidance when preparing the formal development application.

DEVELOPMENT CONCEPT

<u>Project Area:</u> The project site is located at the northern end of the core commercial area in downtown Calistoga. The project area encompasses a little more than 5 acres of the total acreage associated with these key landholdings. The properties have approximately 337 feet of frontage along Lincoln Avenue (State Route 29) and are bound by the Resort at Indian Springs, Calistoga Springs Mobile Home Park and Chateau Calistoga Mobile Home Park to the north. The south is bound by an unimproved City owned right-of-way, formerly a Southern Pacific Railroad right-of-way, now commonly referred to as Fair Way extension. The western property boundary is shared with two City owned properties that are currently used association with the City's wastewater treatment facilities.

<u>Development Plan</u>: The conceptual plan for the Hotel Veranda involves the construction of up to 162 new guest units, a new 3,000 square foot event barn; new swimming pools; new parking areas; and other related site and landscaping improvements. The development concept is to take advantage of the picturesque down valley views and predominance of Lincoln Avenue. The principal structure would create a pedestrian friendly atmosphere along Lincoln Avenue with shops and sitting areas and will be internally oriented to allow for exposure to scenic views and to give guests the sensation of remoteness.

A more detailed description of the individual features presented in the concept plan is provided below and within the Applicant's narrative, see Attachment No. 2





Figure 4, Hotel Veranda rendering by Robert Steele

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123 Guest Rooms, Amenities and Services

Up to 162 new guest units will be housed in the proposed 3-story 150,000 square foot structure. There will be 15 suites and the remainder of the rooms will either include one king bed or two queens beds plus all of the amenities necessary to achieve up to a 4-star standard.

Other services will include a 20 room spa, ballroom, a restaurant, retail stores, market, deli, café, conference rooms and screening room for films and presentations.

Event Barn

A separate 3,000 square foot event barn is proposed just of the northeastern leg of the hotel. No architectural details on the design of the event barn have been provided. The event barn will accommodate events (retreats, weddings, conferences, charitable, etc.) for groups ranging in size up to 150 people.

Pools and Gardens

Approximately 3 acres of the project area will be landscaped with pools and gardens that will be accessible and inviting year-round. There will be 2 pools, one for adults and 1 for everyone. There will be six distinct gardens; the large Trellis Courtyard, Game Garden, Scented Garden, Palm Garden, Cyprus Garden and Water Garden each having unique characteristics.

Parking

On site parking for Hotel Veranda and its supporting uses will be accessed from Lincoln Avenue from an existing driveway apron that currently serves the Lodge at Indian Springs. It also appears that parking will be accessed from Fair Way extension. Parking areas are generally located at the northeastern perimeter of the facility. It is unknown at this time the exact number of parking spaces planned. Additionally, it was expressed to staff that valet parking may be accommodated on one or more of the hanger properties,

STAFF ANALYSIS

The following is a preliminary analysis of the project related to findings and entitlements that will be required for project approval.

Land Use

General Plan: The project properties have several General Plan land use designations including Downtown Commercial, Community Commercial and Airport Commercial. The +/- 5 acre project area would be developed in only those

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areas currently designated Downtown Commercial and Community Commercial with the exception of one of the hanger properties (i.e. 1512 Lincoln Avenue) which may be used for valet parking and storage.

The Downtown Commercial designation applies to properties located on the central portion of Lincoln Avenue. This area provides retail and other business uses for visitors and residents, but may also include public uses. The principal uses are to be stores and other retail facilities, offices, restaurants, bars and visitor accommodations. Development in the Downtown Commercial areas is subject to a wider array of policies and development requirements as discussed in the General Plan Community Identity Element.

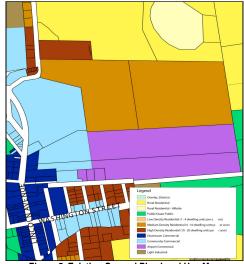


Figure 5, Existing General Plan Land Use Map

The Community Commercial land use designation is applied to areas at the edge of downtown and along entry-corridors into town. For areas adjacent to downtown, application of the Community Commercial land use designation is intended to serve as a transition between the more intensive commercial uses in downtown and less intense uses in the surrounding residential neighborhoods. Visitor accommodations are identified as a permissible use in this land use designation, subject to conformance with applicable General Plan policies.

The project, as designed, is consistent with the existing General Plan land use designations with the exception of the proposed valet and storage use on that property currently designated Airport Commercial. A General Plan Amendment would be necessary to allow any ancillary or support use for the hotel.



FIGURE 6 – Gliderport Character Area

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In accordance with directives contained in the Community Identity Element of the General Plan, the City prepared an Urban Design Plan (UDP) that sets forth ideas and suggestions for development within six distinctive areas of the City. Although not a yet formal policy document, the Urban Design Plan does offer ideas and suggestions for the type and form of development that should be considered in these areas. The Hotel Veranda is located within an area identified by the UDP as the "Gliderport Character Area" (see Figure 6 above).

As currently designed, the Hotel Veranda is a use considered to be appropriate within the Gliderport Character Area provided the development participates in appropriate mitigation to accommodate improved access, circulation and parking as discussed in the circulation and traffic section of this report.

Zoning: The subject property is located within the "DC-DD" (Downtown Commercial-Design District), "CC-DD" (Community Commercial-Design District) and "C-A", (Commercial Airport) Zoning District. These Zoning Districts are established to implement the General Plan land use designations. Resorts, spas, restaurants and places of public assembly are conditionally permitted uses within the Downtown and Community Commercial districts. The "C-A" District would need to be rezoned in order to allow the suggested uses. The Urban Design Plan suggests that all or portions of the properties be rezoned to a "PD", Planned Development Zoning District to accomplish the development objectives within this character area.

Since the development scheme is still evolving it is difficult to demonstrate conformance with each of the applicable development standards (e.g. setbacks, lot coverage, heights etc.) The contemplated development plan identifies just over a hundred parking spaces, which may be deficient depending upon the ultimate design. A parking study will be required to demonstrate that the parking supply is adequate and does not impact adjoining uses or on street parking.

Circulation and Traffic

The conceptual site plan indicates that the existing ingress and egress on Lincoln Avenue currently serving the Lodge at Indian Springs will be retained and also used to serve as the main entrance to the Hotel Veranda. Caltrans has historically had concerns regarding the alignment of this particular driveway. The realignment may be necessary as a result of this project.

The conceptual plans do not clearly indicate if Fair way extension will be used for access. The General Plan suggests certain improvements to Fair Way extension and the potential for signalization at the intersection of Lincoln Avenue and Fair Way. Moreover, the Urban Design Plan expresses that Fair Way extension should be designed to accommodate surface parking and include generous canopy tree landscaping, appropriate lighting, pedestrian amenities and a Class I

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bike path. The Urban Design Plan suggests that this development should participate in these improvements.

Additionally, the City's General Plan identifies Lincoln Avenue as an Arterial street. Arterial streets in the downtown typically have sidewalks, curbs and gutters, two travel lanes, left turn pockets and limitations on on-street parking to facilitate traffic flow and a Class II, bike lane. The Planning Commission should discuss their desired improvements for Lincoln Avenue and Fair Way while understanding that project-related increases in traffic or changes in circulation patterns will also be evaluated by a professional traffic engineer as part a Traffic Impact Study that will be required for the project. Staff will work with the property owner, the owner's representative and CalTrans in setting an appropriate scope for the study.

As expressed above, staff will be seeking improvements to Fair Way extension to public street standards. Should a 2-way access road be warranted the roadway must shift north to align with the existing Fair Way, west across Lincoln Avenue. A dedication of property would need to occur in order to accommodate this design impacting the current design of the project. As an alternative, a 1-way right turn only roadway may reduce the need for realignment.

As the project continues to evolve the Applicant will also need to consider that all internal circulation roads and parking areas must be designed so that a minimum clear/unobstructed width of 20 feet can be maintained for emergency vehicle access and be designed to structurally support a 75,000 pound emergency vehicle load.

Public Utilities

This project will result in increased demands on public utility systems, including water, sewer and storm drainage facilities. Preliminary comments from the Public Works Departments indicate the need to prepare a comprehensive water and wastewater use study and a potential need for off-site improvements. These comments are summarized below.

<u>Water:</u> The on-site (private) water distribution system should be designed to meet fire flow and all other needs. A looped system around the proposed surrounding driveways should be considered, and a separate connection to the City water main on Lincoln Avenue and Fair Way should also be considered to enhance on-site water capacity and reliability.

Fire Flows for this project are anticipated to be substantial. There are no existing public water mains along the project's Lincoln Avenue frontage. There is a 6 inch line behind the sidewalk on the opposite side of the street. A 12 inch main crosses Lincoln Avenue to the north in front of the Lodge property. A 6 inch water main across Lincoln Avenue heads west on Fair Way, and a 6 inch main is at the

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end of Gerard Street. The 12 inch main should be extended across the project frontage and tied into all these 6 inch lines at Fair Way.

<u>Sewer</u>: The on-site sewer collection system to serve project needs to be carefully planned and designed. It appears that not all sewer flow from the site will be able to flow by gravity to the existing public sewer main on Lincoln Avenue. This should be confirmed, and alternative means to handle sewage (if necessary) should be proposed to meet future project needs.

Sewer flows from various project uses shall be separated and measurable in a manner approved by the City. While this property has no geothermal discharge entitlements, the City would be open to discussions of efficient geothermal heating use in a closed-loop, heat exchange system. Heating the pools with solar energy is ideal.

Storm Water Drainage: Staff is concerned about the stormwater capacity of the downstream receiving system. Stormwater collection and disposal should be the subject of an engineering study to determine the quantity of stormwater flows and the means to discharge the stormwater. Post-development peak stormwater runoff discharge rates and velocities shall be controlled to maintain or reduce predevelopment downstream erosion and to ensure that post-development runoff does not contain pollutant loads which have not been reduced to the maximum extent practicable.

Site Plan and Architecture

The conceptual development plan reflects thoughtful consideration to the guest experience and to design compatibility with surrounding uses. The uses envisioned in the concept plan have been arranged, oriented and placed in a manner that helps to minimize impacts on adjacent uses. The proposed architecture draws upon American resort architecture and integrating aspects of Sam Brannan's grand vision for Calistoga. It appears that the owner is proposing use of materials that are representative of the sense of place, which serving to fostering a bit of innovation through a more modern design.

Growth Management

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

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Affordable Housing

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- 351 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
- 355 off-site construction of affordable units, dedication of land suitable for
- construction of affordable units, and payment of money into the City's Calistoga
- 357 Affordable Housing Trust Fund for future development of affordable units.
- 358 Adopted provisions also allow for consideration of alternative methods to satisfy
- 359 a project's affordable housing obligation provided that the alternative would
- provide a comparable or superior benefit to the City's affordable housing supply.

TIMING FOR CONSTRUCTION

- The applicant has indicated that the proposed expansion would be constructed in
- a single-phase and take a few years to complete.

AGREEMENTS AND ENTITLEMENTS

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

The Development Agreement will be prepared and approved concurrently with necessary project entitlements. Entitlements required for approval of the project as presented may include; a General Plan Amendment, Rezone to a Planned Development District, Preliminary and Final Development Plan, Lot Line Adjustment, Conditional Use Permit and a Design Review approval.

ENVIRONMENTAL REVIEW

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

In the event that a formal application is submitted an Initial Study will be prepared to determine whether the project will result in potentially significant environmental impacts. To assist in this process several technical studies may be required to

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assess the project's impacts. Technical studies anticipated to be required in order to complete the environmental review process include the following: (1) a cultural resources survey (archaeological and historic); (2) a drainage study; (3) a fire flow analysis (4) a biological study; (5) a water and wastewater study, (6) a noise study; and (7) a traffic impact study. Additional studies may be required depending on the comments of other regulatory agencies.

RECOMMENDATION:

The Hotel Veranda in the heart of our community has much potential, which should be carefully discussed and evaluated. As such, staff recommends that the Planning Commission review the conceptual site plan and renderings, receive comments from the owner, the project team and the public, and provide preliminary comments to the owner and staff on the following as well as other issues of commission concern.

- 1. Should the project area be rezoned to a "PD", Planned Development District?
- 2. Since Fair Way extension will be developed as a public street, what is the desired geometric configuration to accommodate future connection to Gerrard, Franklin and other streets located southeast of the project site?

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

<u>ATTACHMENTS</u>

- 420 1. Vicinity Map
- 421 2. Hotel Veranda, "A Calistoga Classic in the Making" (Applicant's Written Narrative)
- 423 3. Letter dated September 7, 2011 from Paul Coates Construction
- 424 4. Department of Public Works Memorandum dated July 20, 2011
- 425 5. Conceptual Site Plan prepared by Patrick Mervin and Associates