

Silver Rose Venture LLC

Silver Rose Redevelopment Project Narrative

Silver Rose Venture LLC is pleased to submit to the City of Calistoga the enclosed Development Application for the redevelopment of the Silver Rose property.

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. The enclosed documents reflect over a year of design planning by the Silver Rose ownership group, Hill Glazier, and a team of experienced design and engineering consultants.

Property Background

The property consists of approximately 22.5 acres located within the City of Calistoga at the intersection of Rosedale Road and Silverado Trail. The property is triangular in shape and includes five contiguous parcels. The site is generally level in the southeastern portion, with a knoll on the northwestern portion. Directly across Silverado Trail is the Solage Resort which includes 86 guestrooms, destination spa and restaurant. To the southeast and within city limits is the Luvisi property which has a farmhouse and vineyard. To the north across Rosedale Road is the Kenefick property which is outside city limits and has a small residence and vineyards.

The Silver Rose property is currently developed with 20 one-bedroom visitor accommodation units, spa facilities, meeting space, a 5,000 case winery with retail/tasting facilities, a 160-seat restaurant (permitted but currently unoccupied), a two bedroom on-site manager’s residential unit, a four bedroom detached single-family dwelling, and approximately 8 acres of vineyard. A pond of approximately one acre was installed on the site in recent years and is used for irrigation and frost protection.

The site is designated in the 2003 General Plan as Rural Residential with a Visitor Accommodation overlay and an Entry Corridor overlay (EC 2: Down Valley Silverado). The property is zoned Planned Development, with existing commercial development permitted by PD 2007-1.

Resort Setting and Master Plan

The redevelopment plans for the Silver Rose include new hotel facilities constructed on the knoll where those facilities currently exist. Visitor accommodation units and single family homes extend along Rosedale and Silverado Trail and will be set back from the roadways and screened with berms and landscaping. This layout provides a transition from the commercial activity on Silverado Trail to the rural and residential nature of the surrounding area and is consistent with the underlying zoning. The existing winery will remain in its current location off of Silverado Trail.

Clustering of the hotel and residential units and a major investment in underground parking allow for preservation of significant open space, the majority of which will be replanted as vineyard. New structures will be one or two stories in height, residential in nature, and will incorporate materials and architectural design that are drawn from Napa Valley's architectural heritage.

Architectural Style

The architectural style of the resort has been designed to blend with the agrarian character and landscape of the surrounding region. Woven into the existing topography, and respecting the heritage oaks on the property today, the one and two-story buildings are situated to integrate with the surrounding vineyard, and take advantage of views of the Palisades and the Mayacamas. The buildings are oriented to create a welcoming resort environment embracing the unique location within Calistoga and the Upper Napa Valley region. Simple building forms are finished with rich, yet understated materials including stained and painted siding, stone, and metals drawn from the building traditions of valley farmhouses and agricultural structures. Similarly, the landscape design consists of natural pavings and plantings intended to complement the surrounding vineyards and native trees, and celebrate the changing of the seasons throughout each year. Outdoor lighting will be soft and downward focused to preserve the dark sky at night.

Proposed Resort Program

The proposed project ("Project") will consist of 85 hotel rooms and 21 residences. The hotel will include a restaurant and bar, spa and fitness, several pools, meeting facilities, private dining rooms, and typical back of house infrastructure. In addition to the hotel and residences, there will be an operating winery, crush pad, production facility, wine cave with barrel storage, and approximately 6 acres of vineyard. Adjacent to the winery will be a tasting room, a small deli, and a gathering place for the residences. The site will remain in active, agricultural use. The elements of the Project program are detailed below.

Hotel

The hotel will be accessed off of Silverado Trail at a new entrance slightly down valley from the current entrance on Silverado Trail which will be removed. After entering the resort, there is an extended tree-lined processional to an arrival court around which the main hotel buildings are clustered. Hotel reception is to the west of the arrival court, spa and fitness are to the north, and the restaurant is to the east. Valet parking is immediately adjacent at an underground parking garage beneath the arrival court. Meeting venues are accessed through hotel reception and are located to the west of the arrival

court. The meeting spaces are adjacent to the pond and include outdoor event spaces. A service entrance and loading dock for hotel back of house functions are off of Rosedale Road.

Visitor Accommodations

The 20 existing visitor accommodation units housed in two structures would be replaced by 85 guestrooms housed in 16 small one- and two-story buildings (“Guestroom Villas”). There are five configurations of the Guestroom Villas that accommodate a mix of room types. A brief summary of the Guestroom Villa configurations is below:

<u>Villa Building Type</u>	<u># of Villas</u>	<u>Guestrooms per Villa</u>	<u># of Guestrooms</u>
Guestroom Villa B	5	8	40
Guestroom Villa C	3	4	12
Guestroom Villa C-1	3	2	6
Guestroom Villa D	4	6	24
Presidential Villa	1	3	3
Total	16		85

Clustering the visitor accommodation units in small structures allowed for small-scale and low-rise design that is residential in nature, and allowed flexibility for the structures to follow existing contours on the site.

Some of the rooms include a lock-off component which would allow access between adjoining units to create a multi-bedroom guest suite. Individual unit amenities include a living room, balconies, private outdoor landscaped areas, covered porches, and terraces. Each individual guestroom unit has one bedroom and 1 or 1½ baths.

Spa and Fitness

The existing site includes a spa with four treatment rooms which will be replaced with a new spa with six treatment rooms. The spa is located at the north end of the entry court and will have excellent views of the surrounding Palisades range. The spa will also include locker rooms, a large outdoor terrace with small pools, tubs, and support facilities. Hotel guests will receive first priority for the six treatment rooms in the spa program and are expected to use 100% of the spa’s capacity during high season and greater than 70% annually. Outside spa guests will be marketed to during the winter low season. Those outside spa guests include tourists staying at hotels which lack spas in the area, and local residents living within a one hour drive of the resort. The fitness facility adjacent to the spa will be dedicated to residents and guests of the resort; no outside memberships will be offered.

Restaurant

The existing site includes an approved 160-seat restaurant (permitted and constructed, but currently unoccupied) which will be replaced with a new 110 seat restaurant and 40 seat bar/lounge. The restaurant is to the east of the arrival court at the eastern edge of the knoll. The bar/lounge is adjacent to and slightly south of the restaurant. Both the restaurant and bar will have attractive down-valley views of neighboring vineyards and mountains. The restaurant and bar will be open to the public.

Single Family Residential

The project includes twenty-one single-family homes in two residential clusters. One cluster is located at the northeast corner of the site and is accessed from Rosedale Road. The second cluster is located at the southern corner of the property and is accessed from Silverado Trail. Clustering of the units reduces the amount of infrastructure required to serve the units and preserved meaningful contiguous open space for the vineyard. The residential units are a mix of two-, three- and four-bedroom units in one- and two-story configurations. A summary of the residential units is below:

<u>Single Family Homes</u>	<u># of Homes</u>	<u>Stories</u>
2 Bedroom	7	1
3 Bedroom	10	1
4 Bedroom	4	2

Each residential unit would be located on a separate parcel. It is expected that that the units will be purchased as vacation/second homes and will be occupied by the owner for limited periods each year. The owners of the residences will have the option to place their home in the hotel rental pool as a visitor accommodation unit, and a substantial number of them are expected to do so.

Meetings and Events

The Project has been designed to accommodate events such as weddings, corporate group meetings, wine industry events, civic meetings and cultural events. The Project contemplates hosting 18 to 24 weddings per year with an average size of 75 to 100 attendees. It is expected that those weddings will be for guests staying at the resort. The Project contemplates hosting approximately 48 to 60 meetings/corporate events per year with an average size of 20 – 25 attendees per meeting event. Other than civic meetings and wine industry events, the meeting space will be reserved for use by resort guests and residence owners. Parking for resort events will be accommodated in an overflow parking area that is located in the southern area of the site adjacent to the resort main entrance off Silverado Trail.

Winery

Production in the existing winery is proposed to be increased from 5,000 to 10,000 cases per year. The production facility is to remain in its existing location. Barrel storage is below grade and adjacent to the winery and underground parking garage. The existing tasting room will be relocated to a new structure and the crush pad will be relocated away from Silverado Trail.

Vineyards and Landscaping

The Project includes approximately 6 acres of replanted vineyard. The vineyard served as a central focus for site plan design and will maintain the agricultural history of the site and allow dramatic view corridors of the surrounding mountain ranges and down valley vineyards. The vineyards will remain in active production and will be planted primarily in 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 the Calistoga AVA and elsewhere in Napa Valley. The vineyards will likely be hand-farmed to reduce the noise and dust impacts to resort guests and residence owners, and neighbors.

The Project plan was designed to incorporate and preserve the existing heritage oaks on the site; they feature prominently in the outdoor spaces. Additional landscaping includes new plantings of olive trees, event lawns, and other decorative landscaping elements. As the design progresses, plantings will be considered that can reduce solar impacts on buildings and outdoor living areas.

Resort Access and Parking

The resort's main entrance will be off Silverado Trail, slightly down valley from the current entrance, which will be decommissioned. This new entrance will serve the hotel and winery. A separate entrance down valley from the main entrance will provide access to the southeastern cluster of residences. Off Rosedale Road there will be a service entrance to the hotel, and further down valley on Rosedale Road there will be an entrance for the residences clustered on the northeastern corner of the property. Off-street parking will be provided in multiple locations along the residential access roads. This residential parking will be screened with berms and landscaping. Parking facilities include:

- 104 underground parking spaces beneath the hotel core. This large investment in structured underground parking will reduce the parking footprint, improve the resort experience, and increase the amount of land dedicated to vineyards.
- 48 surface parking spaces and 26 overflow parking spaces in the olive grove that runs parallel to Silverado Trail. The olive grove parking will be screened from view from Silverado Trail with berms and landscaping. A semi-permeable surface is proposed for the overflow parking area, such as grasscrete or turf block
- 42 parking spaces at the residences which includes two parking spaces for each of the 21 residences.

Hotel guest and home owner circulation within the Project will be by foot, golf cart or bicycle on decomposed granite pathways which run throughout the resort.

Utilities, Storm water, Irrigation

The existing uses on the site source water from on-site wells. Wastewater is disposed of on-site using septic tanks and in-ground leach field. The redeveloped site will connect to the City's water and wastewater infrastructure. Irrigation for resort landscaping, vineyard irrigation, and pool make-up water will be sourced from existing on-site wells. The project will continue to source water for the

winery from on-site wells under existing Napa County permits. Winery process wastewater will be pre-treated and discharged to the City sanitary sewer system or stored and hauled to a municipal treatment plant for processing.

Surface storm drainage on the western third of the site will continue its historical flow pattern to the existing pond and discharge to a stream via a culvert under Silverado Trail. Surface storm drainage on the eastern two thirds of the site will flow to the south and east ultimately flowing into the Luvisi ditch. A preliminary hydrology study has been completed which evaluates run-off from the site and estimates detention requirements to attenuate peak flows and is included as part of this application.

Pacific Gas & Electric has confirmed capacity in existing infrastructure for both electricity and natural gas which are available adjacent to the property on Silverado Trail. The project intends to make the investment to place underground the phone and power lines that run along the Rosedale Road edge of the property. Telecommunication, CATV and internet services will be sourced from area providers.

The existing pond will be reconfigured, to be deeper with a smaller footprint, and perhaps have two pond levels with a cascade between the levels. The pond will continue to serve its existing functions on the site which include irrigation for landscaping and vineyard, frost protection for the vineyard, and as a visual amenity. The existing pond fills primarily with winter runoff, and is topped off during summer months as needed from the existing wells on the property.

We expect 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.

Preliminary studies of water demand, sewer generation and site hydrology are included as part of the application.

Tentative Map

A Tentative Map which shows the design and improvement of the proposed Project including the number and type of ownership parcels is included with the Development Application. It has been prepared in accordance with The Subdivision Map Act, Chapter 3, Article 2, Section 66452.

Resort Operations and Maintenance

Maintenance of the Project including streets, pathways, structures, infrastructure, open spaces and vineyard upon completion of the Project will be managed by the hotel operator and a homeowner's association. Covenants, codes and restrictions will be submitted with the Final Map.

Geothermal Energy

Heating and/or cooling for the project is proposed to be supplemented by an on-site, closed-loop geothermal energy system. Geothermal groundwater will be produced from up to three on-site production wells, used to provide heating and/or cooling through heat exchange, and re-injected into one on-site re-injection well. Permits for geothermal wells and the geothermal energy system will be obtained from the California Department of Conservation - Division of Oil, Gas and Geothermal Resources, at which time a detailed plan for the geothermal energy system will be available.

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