# CITY OF CALISTOGA

# STAFF REPORT

TO: CHAIRMAN MANFREDI AND MEMBERS OF THE

PLANNING COMMISSION

FROM: JOEL GALBRAITH, CONTRACT PLANNER

**MEETING DATE: MARCH 28, 2012** 

SUBJECT: SILVER ROSE RESORT – 400 SILVERADO TRAIL

# **REQUEST:**

Consideration of a Zoning Text Amendment (ZO 2011-03), Preliminary and Final Development Plan (PD 2011-02), Conditional Use Permit (U 2011-14) and Design Review (DR 2011-12), Tentative Subdivision Map (TTM2011-01), and Development Agreement (DA2011-03) requested by Silver Rose Venture LLC, to demolish the existing resort and construct a new resort consisting of an 85-room hotel, restaurant, spa, expanded winery and 21 single-family homes on a 22.5 acre site located at 400 Silverado Trail (APNs 011-050-035, 036, 037, 039 and 040) within the "PD", Planned Development District.

# **SUMMARY:**

The applicant is proposing to demolish the existing Silver Rose Resort and construct a new and larger resort on the 22.5 acre site which is located at an entry to the City on Silverado Trail. It is staff's position that the project as proposed and conditioned is consistent with the adopted goals and policies of the City's General Plan, and therefore, it is recommended by the Planning and Building Department that the Planning Commission recommend to the City Council the adoption of a Mitigated Negative Declaration, and recommend approval of the Rezoning, Planned Development, Conditional Use Permit, Design Review, Tentative Subdivision Map, and Development Agreement applications.

# **BACKGROUND**:

# **Existing Land Use-Project Site**

The 22.5 acre site consists of 5 individual parcels currently developed with a resort consisting of 20 hotel units, spa, 5,000 case per year winery, 160-seat restaurant, manager's unit, parking lots, four-bedroom single-family dwelling, 8 acres of vineyard and a one-acre irrigation pond. Only the winery is in full

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operation. The site is generally flat with a small developed knoll located on the western portion of the site. The site includes several heritage oaks located on the western third of the site. The site includes frontage on Silverado Trail and Rosedale Road.

# Surrounding Land Uses

North: Vineyards.

West: Solage Resort, City water tank under construction, grassland (proposed Arden Winery).

East: Vineyards and a single-family home. South: Vineyards and a single-family home.

### **Project History**

- 1. Existing Silver Rose Resort developed in the early 1990's by the Dumont Family.
- 2. In 2007, the Planning Commission and City Council approved the Terrano Napa Valley Resort project which included the redevelopment of the Silver Rose Resort consisting of replacing the two existing visitor accommodations buildings with 18 separate buildings with a total of 66 separate occupancies, 214 seat restaurant, expanded winery, spa and culinary center. No portions of the approved project were constructed.
- 3. On June 22, 2011, the Planning Commission considered conceptual designs submitted by Bald Mountain Development, contemplating the development of the current proposal on the property. At the meeting, the Commission provided feedback and direction on the project design and land use issues presented in the staff report. At the June, 2011, meeting, the Planning Commission identified the following issues:
  - Integration/connection of the site and use with the downtown area and businesses.
  - Additional detailing of the materials and design of building exteriors, including height.
  - Consideration of neighbor concerns.
  - Scaling back of the retail use ("general store"), so that it does not compete with downtown businesses.
  - Additional information on the location and provision of off-site parking for employees.
- 4. On July 19, 2011, the Silver Rose Renovation and Expansion Project went before the City Council for consideration of a Memorandum of Understanding (MOU) as requested by the applicant. At the City Council meeting, the Council approved the MOU based upon positive comments from Planning Commission and staff. The execution of an MOU is a determination of the City Council, that the project has

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- sufficient merit to encourage the proponents to purse land use entitlements including a development agreement.
- 5. On December 22, 2011, a formal application was submitted by Bald Mountain Development on behalf of Silver Rose Venture LLC. Since submittal, staff and the applicant have been working through the development issues relative to infrastructure service, drainage, access, design and environmental sensitivity.
- 6. On February 24, 2012, staff completed an Initial Study and released the Mitigated Negative Declaration for the proposed resort project for public review concluding that the project would not have significant unmitigated environmental impacts.
- 7. On March 2, 2012, staff attended a neighborhood meeting sponsored by the applicant.

# PROJECT DESCRIPTION:

Silver Rose Venture, LLC, the project applicant, proposes to demolish the existing resort and residence and construct new visitor accommodations, spa, winery, restaurant and recreational uses on the site, and establish a geothermal energy use on the site, while maintaining the site in active, agricultural use. The project also includes single family residences. The applicant's development proposal includes the following uses:

**Visitor Accommodations:** The proposed hotel will consist of 85 guestrooms within 16 villas. Villas are one and two story with five configurations that accommodate a mix of room types. Individual unit amenities include a living room, balconies, private outdoor landscaped areas, covered porches and terraces. The villas are clustered in two areas east of the main building with swimming pools and vineyards in between. The villas are one and two stories with a maximum height of 28.5 feet.

The main hotel building is located on the western portion of the site and surrounds an entry courtyard which is located above underground parking. The building has 64,000 square feet of floor area and is 35 feet in height.

**Restaurant:** A new, 110 seat Restaurant with a 40 seat bar/lounge are proposed to be located within the hotel. The restaurant is a part of the main hotel building and will be open to the general public.

Winery: Production in the existing winery is proposed to be increased from 5,000 cases 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. The existing tasting room will be relocated to a new structure and the crush pad will be relocated away from Silverado Trail.

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**Single Family Residential:** The project includes 21 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. The residential units are a mix of two-, three-, and four-bedroom units in one- and two-story configurations. Home sizes range from 1,859 square feet to 2,937 square feet.

Each residential unit would be located on a separate parcel. Lot sizes range from 6,787 square feet to 12,733 square feet. The proposed residential density is 0.93 dwellings per acre for the 22.5 acre site. It is expected that the homes will be purchased as vacation/second homes and will be occupied by the owner for limited periods each year. The owners of the residence 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.

Vineyards and Landscaping: The project includes approximately 6 acres of replanted vineyard. The vineyards will be 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 the property, as well as fruit sourced from other vineyards in the Calistoga AVA and elsewhere in Napa County. The vineyards will likely be hand-farmed to reduce the noise and dust impacts to resort guests and residence owners and neighbors.

The project was designed to incorporate and preserve the existing heritage oaks on the site. The site includes 37 oaks of which 16 will be removed as discussed in the Arborist Report. Eight of the trees to be removed may be eligible for transplantation as these young oaks located in the parking lot. Additional landscaping includes new plantings of olive trees, event lawns, and other decorative landscaping elements. As the design is finalized, plantings will be considered that can reduce solar impacts on buildings and outdoor living areas. Screening plants will be used extensively along the roads to soften of the view from the public right of way.

Resort Access and Parking: The resort's main entrance will be off Silverado Trial, slightly down valley from the current entrance which will be removed. This new entrance will serve the hotel and winery. A separate driveway 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 a driveway for the residences clustered on the northeastern corner of the property. Off-street parking will be provided in multiple locations along the residential

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access roads. This residential parking will be screened with berms and landscaping. Parking facilities include:

• 104 underground valet parking spaces beneath the hotel core.

  49 surface parking spaces and 25 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 from the overflow parking area, such as grasscrete or turf block.

• 42 parking spaces at the residences which includes two carport parking spaces for each of the 21 homes.

No off-site parking is proposed.

**Spa and Fitness:** A new spa with six treatment rooms is proposed at the north end of the main hotel building and will include locker rooms, outdoor terrace with small pools, tubs, and support facilities.

**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 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 southern area of the site adjacent to the resort main entrance off Silverado Trail.

This application only proposes private events, such as weddings and meetings where attendance is directly controlled by the hotel. Large public events are not proposed with this application and would require the approval of a City permit at the time event is proposed.

**Subdivision Map**: A tentative map under the California Subdivision Map Act and Calistoga Municipal Ordinances Title 16 is proposed to create 21 single family residential lots and 3 common parcels. All of the non-residential uses will be located on one common parcel that would allow for a future commercial air space condominium map to be recorded. The remaining two common parcels are a part of the residential portion of the project to allow for common ownership of the private driveway and vineyards. Airspace ownership of the hotel/winery would be a part of a subsequent Condominium Plan as provided for by California Government Code Section 66427 (e). This proposal does not include the

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individual sale of the 85 hotel units. The purpose of the condominium plan is to allow for the winery use to be sold separately from the hotel.

Maintenance of the project including driveways, pathways, structures, infrastructure, open spaces and vineyard upon completion of the project will be managed by the hotel operator and 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 reinjected into one on-site re-injection well. Permits for geothermal wells and geothermal energy system will be obtained from the California Department of Conservation.-Division of Oil, Gas and Geothermal Resources, at which time a detail plan for the geothermal energy system will be available.

## **PROJECT ANALYSIS:**

# A. General Plan Consistency

The Calistoga General Plan is the City's fundamental land use and development policy document, which shows how the city will grow and conserve its resources. The purpose of the General Plan is to guide development and conservation in the City through the year 2020. The General Plan includes twelve separate "elements" that set goals, objectives, policies, and actions for a given subject. Under State Law all elements of the General Plan have equal status. While all aspects of the General Plan must be internally consistent, the General Plan addresses a spectrum of values that often compete with each other – the need for housing for all income levels, jobs, transportation, preservation of existing neighborhoods, and preservation of the existing small town and rural character.

The General Plan tries to balance these competing needs and values in a way that provides a high quality of life for all. The General Plan does not place one need or value before and above all else. Larger projects such as the Silver Rose Resort often require the Planning Commission and City Council to balance competing City goals and policies in determining the project to be consistent with the General Plan.

The project site is within the <u>Rural Residential</u> General Plan land use designation. The project site is also located within two Overlay Districts consisting of <u>Entry Corridor 2-Downvalley Silverado Trail Overlay</u> and the <u>Visitor Accommodation Overlay</u>.

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The Rural Residential Designation is established around the periphery of the city to provide a buffer between agricultural land and the more urbanized parts of Calistoga. The maximum density allowed in the Rural Residential Designation is one dwelling per acre. The Rural Residential Designation also allows for wineries and visitor accommodations. The Rural Residential land use designation allows crop production, vineyards, light agricultural structures, and single family residences. Wineries and visitor accommodations may occur with discretionary approval.

The Visitor Accommodation Overlay allows for new visitor accommodations consisting of motels, hotels and inns including accessory uses such as spas and restaurants.

Lastly, the property is within an Entry Corridor Overlay designation as described in the 2003 General Plan Update. "Entry Corridor: 2 Downvalley Silverado Trail" states that development in the area along Silverado Trail should preserve vineyards and existing trees and conform to the rural quality of the area. Development in entry corridors shall incorporate the following features:

Setbacks shall be wide in order to preserve rural characteristics and shall be landscaped with trees, vineyards, and/or native vegetation.

Walls, fences and berms included in the landscaping should incorporate materials and designs that blend harmoniously with the surrounding landscape.

Existing Orchards and stands of mature trees shall be maintained or replaced with similar vegetation.

New buildings should reflect small, scale, low-rise design characteristics with an understated visual appearance, and should maintain existing small-town rural and opens space qualities.

Parking areas should not be visible from the entry corridor roadway.

Staff Response: At the time the City approved the Terrano Napa Valley Resort project on this 22.5-acre site in 2007, the Planning Commission and the City Council determined that redevelopment and expansion of the existing resort was appropriate and consistent with the General Plan. The proposed project is generally similar in concept and scale to the previously approved project, and therefore, no additional Land Use issues have been identified with current proposal. At the time the Terrano Napa Valley Resort was approved in 2007, it

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was acknowledged that the redevelopment of the Silver Rose Resort is a significant decision due to the sites' highly visible location at a City entry.

Due to the project's highly visible location at a major City entry, development of this site could have an impact on Calistoga's small town, rural identity. The above policies acknowledge that new development will occur; however, new development should maintain and enhance the overall existing character. While the project as proposed is more intense than the existing resort, the project has been designed with a rural/rustic theme consistent Calistoga's identity. The site design and architecture reduce the scale of the project and respect and enhance the gateway to the city.

The applicant has submitted visual simulations which show three views from Silverado Trail and two views from Rosedale Road. The simulations demonstrate that the project will be highly visible from both streets. The simulations also demonstrate that the scenic views and the rural quality will be maintained due to the low-scale building forms, use of rustic materials, and the provision of large setbacks from Silverado Trail.

The project will provide an economic benefit to the City in that project will generate Transient Occupancy Tax (TOT). Approximately 49% of the City's general fund revenues come from TOT or about 3.6 million dollars a year. The applicant has estimated that in the first year (2014) the project will generate approximately \$2,400,000 in tax revenue to the City.

## B. Rezoning/Planned Development

The subject property is located within the "PD 2007-01" Planned Development (PD) Zoning District (Attachment 2). The current PD Zoning District was approved in 2007 as part of the Terrano project and encompasses the entire 22.5 acre site. It calls for uses on the site to be visually sensitive to the rural scale of the subject parcels and their surroundings. All uses in the PD 2007-01 Zoning District require Conditional Use Permit and Design Review approval. The table below summarizes the existing standards and the proposed changes. The proposed text for the replacement PD District is attached to this report, as well as a copy of the existing PD 2007-1 regulations.

# Existing and Proposed Development Regulations – 400 Silverado Trail

Development Criteria	Existing Requirements	Proposed	Required Actions
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 PD 2011-02 , Silver Rose Resort	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.	Detached Single-family dwellings	Text Amendment to PD 2007-1for modification of development regulations
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	spa; winery; retail use; restaurant; spa; meeting rooms; and special events.	Conditional Use Permit; Design Review; Subdivision – Map.
Minimum Lot Area	2 acres	6,500 square feet for residential lots and 13 acres for the Resort Complex	Text Amendment to PD 2007-1 for modification of development regulations.

Height	Maximum 35 feet	No Change proposed	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: 30 feet - Rosedale Road: 20 feet  Single-family  -Front: 8 feet -Side: 5 to 20 feet -Rear: 10 feet  With a minimum 30 foot Silverado Trail setback and 20 foot Rosedale Road setback	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	178 on-site shared parking spaces for the resort and ancillary uses consistent with the approved Development Plan  2 on-site covered parking spaces for each singlefamily residence.	A Parking Assessment has been prepared as a part of the Conditional Use Permit
Maximum Lot Coverage	Maximum 25%	Resort lot 25% Single-family lot 50%	Text Amendment to PD 2007-1 for modification of development regulations.

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.

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The proposed Planned Development District would be consistent with the Municipal Code provisions pertaining to purpose and general development principles of the "Planned Development" zoning district. The proposed Planned Development District limits development to specific permitted uses and prohibits all other uses, thereby ensuring that strict parameters are placed on land use activities. In addition, the proposed Planned Development District sets forth development standards that limits the intensity and scale of the development, while also maintaining the rural character of the project site and surroundings, consistent with the purpose of the district.

As such, the proposed Planned Development District would fulfill the Municipal Code's objective of facilitating a well-planned development that conforms to the General Plan, while also allowing certain desirable departures from the strict application of individual zoning district regulations. Impacts would be less than significant.

# C. Aesthetics/Design Review

This proposal seeks to replace the existing resort with a new and larger resort. The resort will include approximately 40 individual buildings that are one and two stories in height. The architectural style can be described as a valley farmhouse. Exteriors materials consist of wood, stone and metal roofing. Structures are generally located around the periphery with pools and vineyards located in the center of the site. The valet parking lot is located below grade.

Landscape design consists of natural pavers and plants to complement the surrounding vineyards and native trees. The existing berms along Silverado Trail will remain and will be planted with vines. The pond at the intersection of Silverado Trail and Rosedale Road will remain and will be reduced in size.

It is staff's position that the project is well designed and meets the guidelines contained in Chapter 17.06 of the Calistoga Municipal Code. The required findings for Design Review approval are contained in the draft Planning Commission Resolution PC 2012-08.

# D. Grading and Drainage

BKF Engineering prepared a Hydrological and Drainage Report dated February10, 2012, that analyzes the site hydrology associated with the proposed development. The purpose of BKF Hydrological report was to investigate the pre-construction and post-construction storm water runoff flows for a 10 year and 100 year storms. The report concludes that the on-site detention pond proposed

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by the project will mitigate the increase of impervious surface due to project development, and therefore, downstream infrastructure will not be impacted, as post-construction runoff will not be increased.

# E. 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. The applicant will be required to pay an in-lieu housing fee of \$496,914.

# F. 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.

#### G. Land Use

The proposed project must be found to be consistent with General Plan goals and policies calling for the preservation of the Calistoga's "Country Town" appearance due to the project's highly visible location in a designated Entry Corridor. It is staff's position that the project is consistent with City objectives, in that the project has been designed as a low-scale development with a significant amount of open space that will be planted with vineyards. The project has been broken up to include relatively small buildings which reduces the scale of the overall project. Buildings are setback from Silverado Trial to maintain open vistas to the surrounding hills and mountains.

#### H. Traffic and Circulation

The project is located at the intersection of Silverado Trail and Rosedale Road. Silverado Trail is classified as an Arterial Street in the *City of Calistoga 2003 General Plan*. This roadway has two 12-foot travel lanes and approximately sixfoot wide paved shoulders within the vicinity of the project site and a posted speed limit of 45 miles per hour (mph). A painted median (two sets of double yellow lines), which is part of the roadway transition to a left turn pocket at the

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existing entry exists along the project frontage. Rosedale Road is a paved County Street approximately 20 feet in width.

A traffic study was prepared for the project by W-trans dated February 14, 2012. The analysis reviewed the project's need for improved access (i.e. sight distance, left-turn lanes and internal circulation) based upon the findings that the project will generate 1,163 additional daily trips.

The W-trans report concluded that the existing left-turn pocket at the project entry will need to be extended due to the relocation of the project entry down valley. The report also concluded that a left-turn pocket at on Silverado Trail at its intersection with Brannan Street is not warranted under existing plus project volumes. The report did conclude that at some point in the future warrants for the Brannan Street left-turn pocket would be met. A left turn pocket at Brannan Street may not be appropriate, as General Plan goals and policies call for traffic calming measures on Brannan Street to discourage cut-through traffic.

<u>Silverado Trail Right of Way Improvements</u>: As proposed and conditioned the left-turn pocket will be extended down valley to align with the relocated project entrance, and the existing Class II bike lane will be widened to 4 feet at locations where the current width is less than 4 feet.

Rosedale Road Improvements: To maintain the rural character, improvements have been minimized to only include widening of this Napa County Road from 19 feet to 24 feet from Silverado Trail to the back of the residential access driveway. The road widening will primarily occur on the Silver Rose Resort side of Rosedale Road. The remainder of the Rosedale Road would remain at its current width and would be slurry sealed along the project frontage. There are no requirements for curb, gutters, sidewalk or additional street lights. Conditions require the one existing street light at the intersection of Silverado Trail to be relocated closer to the intersection.

Chapter 12.04 of the Calistoga Municipal Code generally calls for parking lanes, curbs, gutters and sidewalks on all streets. Typically new development would be required to construct these improvements as a part of the project. Section 12.04.130 of the Municipal Code allows for modifications in cases where design flexibility is warranted. To maintain the existing rural character and to discourage pedestrians crossing Silverado Trail, parking lanes, curbs, gutters and sidewalks have not been proposed by the applicant or conditioned.

# I. Parking

A total of 220 parking spaces are proposed, which includes 153 standard parking spaces for non-residents and 42 for residents. The project also includes 25

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overflow parking spaces. The applicant's consultant, Omni Means prepared a parking analysis for the project. The City's consultant, W-Trans also analyzed the proposed. Both reports concluded that the proposed parking is adequate for the project as proposed. The major issue discussed concerns the adequacy of parking for special events. The amount of parking proposed by the applicant assumes an internal capture of 75% for special events such as weddings. Both Omni Means and W-Trans agree that a majority of the event guest would be staying at the hotel and that the parking provided is adequate. A condition of approval requires the applicant to submit a detailed plan for managing parking during events prior to the issuance of building permits.

#### J. Utilities

<u>Water Service</u>: The site is not currently served with City water. The project will connect to City water with irrigation for landscaping, vineyard irrigation, and pool make-up to be sourced from existing on-site wells.

<u>Wastewater Service</u>: The project would generate approximately 40.65 acre-feet of wastewater per year. The City's commitment to provide water to the project also includes available capacity to treat wastewater generated by the project. The project will connect to existing infrastructure constructed by the neighboring Solage Resort and will be subject to a reimbursement agreement.

# K. Health and Safety

Permits are required from the Napa County Department of Environmental Management for the proposed winery operation, restaurant and spa (i.e. Land Use Development Permits and a Hazardous Materials Business Plan).

The Fire Department has reviewed the application and has indicated that a fire sprinkler system is required in the proposed structure. The Fire Department also expressed that the fire flows are not adequate to meet code requirements based upon the analysis submitted by RJA Fire Protection Consultants. Therefore, prior to building permit issuance, an automatic fire sprinkler system including any necessary mechanical devises such as booster pumps and valves shall be reviewed and approved by the Fire, Public Works and Building Departments.

#### L. Heritage Trees

In order to protect trees and to increase their chances for natural survival, a tree protection plan is required and a reasonable effort shall be made to design the plan such that negative impacts to protected trees is minimized. The applicant submitted a Tree Protection Plan prepared by certified arborist James MacNair and Associates dated December 8, 2011. The plan does include some

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development within the drip lines of trees to be preserved which could impact the long-term health and viability of these trees. The tree protection measures stated in the plan have been included as conditions of the Mitigated Negative Declaration. The MacNair and Associates Report will be reviewed by a City hired arborist prior to the issuance of building permits.

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# **PUBLIC COMMENTS:**

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A neighborhood meeting sponsored by the applicant was held on March 2, 2012, at the Silver Rose Resort. Issues raised by neighbors in attendance included impacts to wells, drainage, noise impacts to the project from adjacent agricultural uses, noise from outdoor events and increased traffic, overflow parking on Rosedale Road, and project intensity and impacts to the existing rural character.

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In general, neighbors were not opposed to redevelopment of the resort, but some felt that the project was too intense and was not in keeping with the existing rural character of the area.

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One letter is support of the project has been received. No letters in opposition have been received as of March 23, 2012.

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# **ENVIRONMENTAL REVIEW:**

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In accordance with the California Environmental Quality Act (CEQA), the City of Calistoga, Planning and Building Department prepared an Initial Study/CEQA Checklist for the project. Potentially significant impacts to air quality, biological resources, cultural resources, greenhouse gas emissions and Hazards and Hazardous Materials were identified. The applicant has agreed to incorporate the mitigation measures; therefore, the Planning and Building Department determined that the proposed project as amended by mitigation measures would not have a significant adverse impact on the environment. As previously stated, the Initial Study/Mitigated Negative Declaration was sent to the State Clearinghouse for distribution to state agencies. The comment period for the environmental document was February 27, 2012 to March 27, 2012. Both a Notice of Intent to Adopt a Mitigated Negative Declaration was sent to adjoining properties and a Notice of Public Hearing was sent to all property owners within 300 feet of the subject site. The notice advised of the public comment period and also advised that additional comments would be taken at the public hearing. Prior to any project approvals, the Planning Commission will need to adopt the Mitigated Negative Declaration. CEQA requires the lead agency to consider the environmental document in conjunction with the comments received. If the comments contain substantial evidence supporting a fair argument that the project may actually produce significant environmental impacts, the lead agency must find a way to mitigate the impacts to a level of insignificance, and then Silver Rose Project Planning Commission Staff Report March 28, 2012 Page 16 of 18

recirculate a revised proposed negative declaration or prepare an EIR. Recirculation is not required when new project revisions are added in response to written or verbal comments which are not new avoidable significant effects.

As a result of sending the CEQA notice to the State Office of Planning and Research (OPR) Clearinghouse, the City has received no written comments as of March 23, 2012.

#### **PROJECT FINDINGS:**

To reduce repetition, all of the necessary findings are contained in each of the respective Resolutions, see attached.

### **DEVELOPMENT AGREEMENT:**

Chapter 17.39 of the Municipal Code allows the City to enter into a development agreement with any person having a legal or equitable interest in real property for the development of such property. The development agreement shall not be approved unless the City Council finds the provisions of the agreement are consistent with the General Plan and any applicable specific plan. The Municipal Code requires both the Planning Commission and City Council to hold hearing prior to acting on the proposed development agreement.

The Development Agreement is a contract between the City and the developer through which mutual benefits are provided. The Development Agreement references the project approvals (those ultimately granted by the Council after Planning Commission recommendation). The Draft Development Agreement addresses the following main issues:

1. Establish and initial (5) year time period to the permitted entitlements, with one year time extensions for an additional (5) years, as determined by the City Manager;

2. Sets the annual water and wastewater allocations under the Resource Management System for the project;

The Draft Development Agreement is attached; however the precise language of the agreement is still being negotiated. Any changes will be presented to the Planning Commission at the March 28, 2012, hearing. Changes to the to the three issues listed above is not expected.

3. Sets the development impact fee payment schedule for the project.

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## **RECOMMENDATIONS:**

A. Staff recommends that the Planning Commission adopt Resolution PC 2012-09 adopting a Mitigated Negative Declaration, finding that with the inclusion of mitigation measures, the project will not have a significant adverse impact on the environment.

B. Staff is recommending that the Planning Commission adopt Resolution PC 2012-10 recommending to City Council approval of a Zoning Text Amendment (ZO 2011-03) incorporating the findings as provided in the resolution.

612 C. Adopt Planning Commission Resolution PC 2012-11 recommending to the
613 City Council approval of a Preliminary/Final Planned Development Plan
614 (PD 2011-02, Conditional Use Permit (U2011-14) and Design Review (DR
615 2011-12), and, for the project incorporating findings and subject to the
616 conditions of approval as provided in the resolution.

D. Adopt Planning Commission Resolution PC 2012-12 recommending to the City Council approval of a Tentative Subdivision Map (TTM 2011-01) incorporating the findings and subject to conditions of approval as provided in the resolution

E. Adopt Planning Commission Resolution PC 2012-13 recommending to the City Council approval of a development Agreement (DA2011-02) incorporating the findings as provided in the resolution.

# **ATTACHMENTS:**

- 1. Vicinity Map
- 2. Draft Planning Commission Resolution PC 2012-09, Mitigated Negative Declaration
- 3. Draft Planning Commission Resolution PC 2012-10, Zoning Text Amendment
- 4. Draft Planning Commission Resolution PC 2012-11, Conditional Use Permit, Design Review, Preliminary/Final Planned Development Plan
- Draft Planning Commission Resolution PC 2012-12, Tentative Subdivision Map
- 6. Draft Planning Commission Resolution PC 2012-13, Development Agreement
  - 7. W-TransTraffic Study for the Silver Rose Project dated February 14, 2012
  - 8. Napa County Department of Public Works letter dated March 20, 2012
  - 9. Engineered Plan Set received February 27, 2012

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- 10. Architectural Plan Set received February 27, 2012
- 11. Silver Rose Narrative, Air Quality Assessment, Arborist Report, Biological Assessment, Cultural Resources Report, Earthwork Volumes, Fire Protection Report, Geotechnical Report, Hydrology Study, Noise Assessment, Water and Wastewater Demand Study, dated February 27, 2012.
  - 12. Planning Commission Minutes dated June 22, 2011
  - 13. City Council Minutes dated July 19, 2011
    - 14. Levenstein Letter date March 13, 2012
  - 15. Draft Development Agreement

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16. Omni-Means Parking Analysis dated January 26, 2012.

The Initial Study and Notice of Intent to Adopt Mitigated Negative Declaration is Available Upon Request at the Planning and Building Department, 1232 Washington Street, City of Calistoga or on the City's web site at <a href="https://www.ci.calistoga.ca.us">www.ci.calistoga.ca.us</a>. Please be advised that these documents have been distributed to the Planning Commission in advance of this meeting.

NOTE: The applicant or any interested person is reminded that the Calistoga Municipal Code provides for a ten (10) calendar day appeal period. If there is a disagreement with the Planning Commission, an appeal to the City Council may be filed. The appropriate forms and applicable fee must be submitted prior to 5:00 p.m. on or before the tenth calendar day following the Commission's final determination.