

**CITY OF CALISTOGA
PLANNING COMMISSION
DRAFT SPECIAL MEETING MINUTES**

Wednesday, April 18, 2012
5:30 PM
Calistoga Community Center
1307 Washington St., Calistoga, CA

Chairman Jeff Manfredi
Vice Chairman Paul Coates
Commissioner Carol Bush
Commissioner Nicholas Kite
Commissioner Walter Kusener

“California Courts have consistently upheld that development is a privilege, not a right.”

Among the most cited cases for this proposition are Associated Home Builders, Inc. v. City of Walnut Creek, 4 Cal.3d633 (1971) (no right to subdivide), and Trent Meredith, Inc. v. City of Oxnard, 114 Cal. App. 3d 317 (1981) (development is a privilege).

MEETING CALLED TO ORDER AT 5:34 p.m.

A. ROLL CALL

Present: Chairman Jeff Manfredi, Vice Chairman Paul Coates, Commissioners Carol Bush, Nick Kite and Walter Kusener. **Absent:** None. **Staff Present:** Ken MacNab, Planning and Building Manager; and Dan Takasugi, City Engineer. **City Consultant Present:** Joel Galbraith, Joel Galbraith & Associates (Contract Planner).

B. PLEDGE OF ALLEGIANCE

C. PUBLIC COMMENTS

1. George Caloyannidis, 2202 Diamond Mountain Road. Mr. Caloyannidis expressed concern that land use decisions are being driven by financial interests. Mr. Caloyannidis states that citizens are losing confidence in their government. Mr. Caloyannidis states that the number of large projects before the city will tax its infrastructure and resources and suggests the need for a focused citywide EIR to better understand these impacts. Mr. Caloyannidis states the city lacks the architectural expertise to fully evaluate city-altering projects. Mr. Caloyannidis suggests a need to establish a panel of architects to work toward establishing a new building framework for the city. Mr. Caloyannidis pledges to donate \$2,500 towards such an effort.
2. Kurt Larrecou, 1707 Michael Way. Mr. Larrecou reviews historic and current data on available water supply and storage capacity. Mr. Larrecou notes discrepancies between population figures and water user figures. Expresses concern about the city's water storage deficit. Based on his understanding of this data Mr. Larrecou believes that there should be moratorium on new development.

3. Dennis Kelly, 4377 Silverado Trail. Mr. Kelly offered the following comments:
 - States concern about the cost of delivering water to the city from the California aqueduct.
 - Shared the results of an informal survey he took in front of CalMart, noting that most people like Calistoga the way it is.
 - Is concerned about the cost of water to city residents.
 - Notes that the country is still in a depression.
 - States his opinion that development doesn't really bring more money to town.
 - Suggests that Calistoga should not try and compete with St. Helena and just be Calistoga.
 - Suggests that developers should be required to pay for all the studies that have to be done for their projects.

4. Richard Svendsen, 1309 Diamond Mountain Road. Mr. Svendsen clarifies that: (1) citizens who are concerned about the development proposals pending before the city are not "hiding behind the General Plan"; (2) those concerned are not a bunch of "no growth tree huggers" and would welcome the opportunity to share their strategies for supporting the revenue base of the city; (3) concerned citizens are arguing their case because they care about the survival of the city; and (4) those expressing their opinion do in fact pay their bills. Mr. Svendsen concludes by stating he does not believe that the out-of-town developers really care about the city. Mr. Svendsen requests that the long range consequences of these projects be considered.

D. ADOPTION OF MEETING AGENDA

MOVED by Commissioner Kite, seconded by Commissioner Bush, to approve the meeting agenda of April 18, 2012 as provided.

The motion carried with the following vote:

- AYES: (5) Manfredi, Coates, Bush, Kite, Kusener
- NOES: (0)
- ABSTENTIONS: (0)
- ABSENT: (0)

E. COMMUNICATIONS/CORRESPONDENCE

No communication items noted.

F. CONSENT CALENDAR

The following items listed on the Consent Calendar are considered routine and action taken by the Planning Commission is by a single motion. Any member of the Planning Commission, staff or the public may request that an item listed on the Consent Calendar be moved and action taken separately. In the event that an item is removed from the consent calendar, it shall be consider after the last scheduled item under New Business.

MOVED by Vice Chair Coates, seconded by Chairman Manfredi, to approve the special meeting minutes of March 21, 2012 and the regular meeting minutes of March 28, 2012 as provided.

The motion carried with the following vote:

- AYES: (5) Manfredi, Coates, Bush, Kite, Kusener
- NOES: (0)
- ABSTENTIONS: (0)
- ABSENT: (0)

G. TOUR OF INSPECTION

None.

H. PUBLIC HEARINGS

1. **SILVER ROSE RESORT EXPANSION:** 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 (TTM 2011-01), Development Agreement (DA 2011-02) requested by Silver Rose Joint Venture, to demolish the existing resort and single-family dwelling, and construct a new resort consisting of an 85-room hotel, restaurant, spa, events, 10,000 case production winery with retail sales and tasting, and 21 single family dwellings located on a 22.5 acre site at 400 Silverado Trail (APNs 011-050-035, 036, 037, 039, and 040) within the "PD", Planned Development District. *** *This item was continued from the April 11, 2012 Planning Commission meeting* ***

Chairman Manfredi outlined how the Commission will conduct its review of this item and reminds those in attendance that the Commission's role is to make a recommendation to Council.

Mr. Joel Galbraith (Joel Galbraith and Associates) gave the staff report.

Commissioner Kite asked staff what the impact of allowing short term rentals as part of the project would be on the City's efforts to enforce illegal short term rentals elsewhere in the city.

Planning Manager MacNab stated that allowing short terms rentals as part of the proposed project would not inhibit or limit the city's ability to enforce on illegal rentals elsewhere. Mr. MacNab noted the contextual difference between short term rentals in a resort setting versus short term rentals in an established residential neighborhood. Mr. MacNab stated this difference is a significant distinction and that allowing short term rentals as part of the project would not have precedent-setting consequences.

Chairman Manfredi noted that General Plan policy does allow short term rentals if specifically approved.

Commissioner Kite asked for clarification on the County's position regarding installation of a removable split-rail fence in their right-of-way.

Mr. Galbraith explained that the initial contact with the County did not involve a detailed proposal for them to review. Mr. Galbraith stated that it was his impression the County is open to resolving neighbor concerns about parking.

Commissioner Kusener asked for clarification on how delivering trucks would queue up to enter the loading dock area.

Mr. Galbraith stated that the applicant would address that issue in their presentation.

Commissioner Kusener asked for clarification on how the city is addressing the lack of parking downtown.

Planning Manager MacNab noted that the city is working with the chamber to establish an "on-demand" shuttle service that would be available to both existing and new resorts. Mr. MacNab also noted programs such as the one offered by Solage where bicycles are made available to guests to ride downtown. Mr. MacNab stated that these types of programs are effective in reducing downtown parking demands.

With respect to new parking facilities, Mr. MacNab stated that the city has prepared conceptual geometric plans for development of public parking in the Fair Way extension right-of-way. Mr. MacNab noted that while the

Council has not authorized development of a formal plan, the idea of a new parking lot in this area has been incorporated into the General Plan as part of the recently approved Urban Design Plan amendments.

Commissioner Kusener asked about how the applicant would prevent guests from walking into vineyards after they have been sprayed with chemicals.

Mr. Galbraith stated that the applicant would address that issue in their presentation.

Vice Chair Coates asked for clarification on who would be responsible for enforcing violations of requirements related to short term rentals. Mr. Coates indicated some concern that the project may require dedication of city resources to enforce.

Vice Chair Coates indicated he has some reservations on the likelihood that an acceptable agreement can be reached with the County on control of parking along Rosedale Road.

Vice Chair Coates asked for some clarification on the interpretation that the intensity of the project is consistent with “feathering” concepts called for in the General Plan.

Planning Manager MacNab reviewed staff’s interpretation on the project’s conformance with General Plan regulations on development density and intensity. Mr. MacNab confirmed Vice Chair Coates understanding that the Rural Residential Land Use Designation does allow for a residential density of up to one unit per acre. Mr. MacNab also noted that General Plan calls for “clustering” of buildings to preserve and protect resources, which is what the applicant has done.

Mr. MacNab continued by explaining how the General Plan measures non-residential development intensity in terms of “floor area ratio” (FAR). Mr. MacNab stated that the feathering concept referred to by Vice Chair Coates is implemented through the establishment of maximum FAR’s in the General Plan’s commercial land use designations. Mr. MacNab explained that the FAR in the Downtown Commercial land use designation is the highest (2.0), and that outlying commercial areas with a land use designation of Community Commercial are allowed a maximum FAR of 0.8. Mr. MacNab noted that there is no FAR stated for the Rural Residential land use designation, but that the proposed project has an FAR of 0.23 – one-tenth of what is allowed in downtown.

Vice Chair Coates noted community concern that the project is a bit dense and that he was disturbed that the applicant has not come back in response to this concern.

Vice Chair Coates stated he is grappling with the need to balance valid community concerns about development intensity against city economic interests.

Planning Manager MacNab stated that it is within the Commission's role to make a determination on what is an appropriate level/intensity. Mr. MacNab pointed out that it should be recognized that the project site does have additional General Plan overlay designations that indicate this is a site where more intensive development is expected to occur.

Vice Chair Coates continued to express concern about the intensity of the project and the impact on public views from Silverado Trail.

Chairman Manfredi asked Vice Chair Coates if he would be inclined to suggest that the applicant consider eliminating the residential homes near Silverado Trail. Mr. Coates stated that he would be.

Chairman Manfredi informally polled the other Commissioners on their position on whether the project is too intense. Commissioners Kite and Kusener indicated they did believe the intensity of the project was too great.

Commissioner Kusener asked for clarification on how the General Plan overlay designations came into existence.

Planning Manager MacNab explained that the "visitor accommodation" and "entry corridor" overlay designations were adopted as part of the 2003 General Plan update. Mr. MacNab stated that the "Resort Character Area" overlay designation was recently adopted by the City Council.

Commissioner Kusener stated his opinion that the overlay designations confuse the intended vision for what is supposed to happen in these areas.

Vice Chair Coates clarified that it is staff's role to offer technical interpretations of the General Plan and that such interpretations should not be construed as what the Planning Commission wants or what the City Council would want.

Commissioner Bush stated that she too is concerned about the density and would support elimination of the seven homes along Silverado Trail.

Chairman Manfredi confirmed that the overlay designations in question were passed as part of the 2003 General Plan and were not “snuck in”. The overlay designations were intentionally applied to give properties certain abilities.

Chairman Manfredi invited the applicant to address the Commission.

Mr. Kelly Foster (Principal, Bald Mountain Development, representing Silver Rose Venture, LLC – Applicant) discussed the following comments made by the Commission at the March 28th meeting.

Mr. Foster explained that the short term rental program adds multi-bedroom units to the hotel rental pool and therefore is a critical component of the project’s economics.

Commissioner Kite advised Mr. Foster that financial viability is not a consideration that the Planning Commission makes when reviewing a project.

Mr. Foster stated that property owner’s who do not follow the short term rental program requirements would not be allowed to have their guests use resort facilities. Mr. Foster also noted that operator will work with the city in carrying out enforcement and collecting TOT.

Commissioner Kite asked why the short term rental units were being offered as for-sale units as opposed to being made part of the hotel rental pool.

Mr. Foster explained that the structure being proposed allows for necessary revenue to be brought in during the early years of the project that helps finance the rest of the resort.

Commissioner Kusener asked what the “build out plan” is.

Mr. Foster stated that the resort and homes will be constructed in a single phase.

Commissioner Bush asked if unsold homes would be part of the hotel rental pool.

Mr. Foster stated that there is potential for that to happen.

Mr. Foster addressed the issue of parking on Rosedale Road. Mr. Foster stated that they have no interest in allowing parking on Rosedale Road, with the exception of occasional special events, and will continue to work

with neighbors and the County in finding an acceptable solution to this issue.

Mr. Foster explained how the loading dock area operations would work, including scheduled truck deliveries.

Mr. Foster discussed how the on-site vineyard would operate. Mr. Foster discussed the efforts they would make to provide a “right to farm” disclosure to guests.

Chairman Manfredi complemented the applicant on their proposal to develop a web site to inform guests of farming activities.

Mr. Foster described the uses that would be contained in the “deli” building. Mr. Foster informed the Commission that the deli hours would be from 6:00 a.m. to 6:00 p.m., and that guest and concierge services provided in the same building would be offered as late as 9:00 or 10:00 p.m.

Commissioner Kite asked if the deli would be open to the public. Mr. Foster stated that it would be.

Commissioner Kite asked a series of questions about the deli and adjacent winery uses, including questions about the relationship of uses and expected number of visitors (guest and public). Mr. Kite indicated a concern about the potential for the deli and winery combination to become another V. Sattui in the future.

Chairman Manfredi stated that he would feel more comfortable about the deli use if it were conditioned to be approximately the same size as described by Mr. Foster.

Commissioner Kite expressed his reservations about supporting the deli because of its potential to become something much bigger than the applicant anticipates and the implications for intensity of uses at the site.

Planning Manager MacNab suggests that the Planning Commission could establish square footage thresholds for uses in the deli building and procedures for future modifications as part of the use permit. Mr. MacNab suggested that the Commission avoid conditions based on “head counts” because they would be difficult to enforce.

Commissioner Kite asked Mr. Foster if it is part of their plans to attract visitors with the deli, winery and picnic area. Mr. Foster indicated that it

was not, and that they believe the resort, spa, winery and restaurant uses will be the primary attractions.

Commissioner Kite asked if it would be possible to relocate the deli building away from the winery and picnic area. Mr. Foster stated that they would not be interested in relocating the deli building.

Mr. Foster discussed proposed building heights. Mr. Foster stated that they were will to commit to a maximum height of 30 feet for the majority of buildings. Mr. Foster noted that in the “hotel core” they would need a maximum height of 35 feet. Mr. Foster noted that they are agreeable to the suggestion to replace a proposed two story home located in the southwest corner of the site with a single-story home.

Mr. Foster reviewed the “green building” efforts that have been considered and incorporated into the project.

Mr. Foster reviewed the occupancy assumptions used in the traffic studies prepared for the project. Mr. Foster stated that the “peak period” analysis assumes a 100% occupancy rate, the “annual trip” analysis assumes a 65% occupancy rate.

Commissioner Kite asks for clarification on the traffic study assumptions for the winery use. Mr. Foster provides a general description of the methodology used in the studies and informs Commissioner Kite that the traffic study assumes 38 trips per day to the winery.

Mr. Foster reviewed their intended approach for hiring local contractors during for project construction. They will be included in the bidding process and to the extent they are competitive with outside contractors they will be awarded the work.

Mr. Foster reviewed staffing levels for management and non-management positions. The resort will hire 193 employees, 21% will be management positions, and 79% would be staff positions.

Mr. Foster reviewed their interest in local training programs. Mr. Foster stated that they are interested in cooperating with local colleges and universities on programs involving hospitality, winemaking and agriculture and noted that they’ve successfully collaborated on training programs in other communities they’ve done projects in.

[The Planning Commission takes a five-minute recess]

Mr. Foster reviewed their position on staff's response about the risks of installing a cross-walk on Silverado Trail. Mr. Foster stated they tend to agree with staff, but that if the Commission or City wants a crosswalk they would not object to putting one in.

Commissioner Kite notes that there are alternatives to a painted crosswalk and asked the applicant if they would be willing to explore/participate in such alternatives if determined feasible. Mr. Foster stated they would.

Chairman Manfredi invited Dan Takasugi, City Engineer, to respond to comments pertaining to available water and wastewater capacities.

Dan Takasugi provided the Planning Commission with an overview on water availability, the sources from which the City has secured water allocations, current allocations, annual usage and where water is pumped from.

Mr. Takasugi addressed concerns about inadequate water storage. Mr. Takasugi noted that the city is in the process of constructing a new water storage tank on Mt. Washington.

Mr. Takasugi explained the reasons why the public may perceive that there are discrepancies between population figures and user account figures.

Mr. Takasugi addressed comments regarding the City's water rate structure. Mr. Takasugi explained that the tiered rate system results in higher charges for those who use more water, and lower charges to those who use less. Mr. Takasugi noted the tiered rate system helps to encourage conservation.

Mr. Takasugi addressed comments that Solage Resort did not fulfill its improvement obligations. Mr. Takasugi stated that this is not true. Mr. Takasugi noted the only remaining requirement is for the Mt. Washington water tank to be constructed – which is happening now.

Commissioner Kite reviewed the available water supply numbers with Mr. Takasugi, running several different scenarios by Mr. Takasugi. Commissioner Kite acknowledged that there are complexities in water allocation and delivery, but is satisfied with the City's position that supplies are adequate.

Commissioner Kusener asked for clarification on the percentage allocation given to the City from the Department of Water Resources.

Commissioner Kusener asked what the City's liability is on supplying water to the project.

Planning Manager MacNab stated that part of the project involves entering into a Development Agreement with the developer that does commit the City to supplying the project with a certain amount of water. Mr. MacNab referred the issue of how water gets allocated in a drought condition to Mr. Takasugi.

Mr. Takasugi discussed Municipal Code provisions for shortage conditions, which generally apply to all users.

Commissioner Kusener asked Mr. Takasugi if there was anything the Commission should be asking for from the developer to ensure responsible/efficient water use.

Mr. Takasugi explained that ideally the development project could use treated reclaimed water for irrigation, but that it isn't practical/suitable for vineyard irrigation.

Planning Manager MacNab noted that the City has adopted the "Cal Green" California Building Code, which requires installation of certain low-flow plumbing fixtures.

Chairman Manfredi informally polled the Planning Commissioners on their positions on the following issues:

- **General Plan Consistency:** the Commissioners were in general agreement with staff's position that the project is in technical and legal compliance with the General Plan, but were unsure about whether the proposal met the spirit of the General Plan.
- **Water and Wastewater Availability:** the Commissioners were in general agreement that staff has demonstrated there is adequate water and wastewater capacity available to serve the project, and that increases in water and wastewater demand resulting from the project would not put the rest of the community at risk.
- **Rosedale Road Parking:** the majority of the Commission was in general agreement that the applicant has demonstrated good intent in addressing this issue. Vice Chair Coates expressed some continuing concern about this issue.
- **Short Term Rentals:** the majority of the Commission expressed a reluctant willingness to allow short term rentals in the context of

their relationship to a resort. Commissioner Kite was not in support of allowing short term rentals, but expressed openness to considering other approaches for hotel use of the residences.

- Deli Use and Hours: the Commission expressed continuing concern about the size of the deli and the assumptions that have been made about how it will operate.
- Residential Homes on Silverado Trail: the majority of the Commission expressed an interest in recommending elimination of the seven residential homes along Silverado Trail. The Commission also discussed the possibility of eliminating the other five buildings along Silverado Trail that contain guest units. Commissioner Kite expressed an openness to relocating some of those structures towards the back of the property rather than eliminate them altogether.

Chairman Manfredi opens the public hearing.

Don Luvisi, 36 Magnolia Avenue. Mr. Luvisi offered the following comments:

- Mr. Luvisi has spoken to the applicant about right-to-farm/trespassing issues and is working with the applicant on drainage issues. He believes that drainage issues are going to have to be worked out directly between him and the applicant.
- Mr. Luvisi is concerned about longer term and broader area-wide drainage issues.
- Mr. Luvisi discusses area drainage patterns and shares photo's of area conditions during the December, 2005 heavy storm/flood event.
- Mr. Luvisi stated that he believes that a plan for addressing area wide drainage conditions is needed.
- Mr. Luvisi stated that he believes the City and County are going to have to work together on a plan that would divert some drainage waters into Simmons Creek.

Commissioner Kite asked for clarification from Mr. Luvisi if he believed that drainage plan proposed by the applicant was inadequate. Mr. Luvisi stated that he's been told the drainage has been designed to

requirements. Mr. Luvisi stated his primary concern is about drainage issues that are downstream from the project site.

Planning Manager MacNab noted that the drainage concerns of Mr. Luvisi are beyond the scope and legal obligations of the project. Mr. MacNab noted that Mr. Luvisi and the applicant are already in discussion on how to address drainage issues in the immediate area of the project site.

Mr. Luvisi asked for clarification on the source of the project engineer's rainfall data.

Michael _____, 2207 Diamond Mountain Road. Michael asked if water demand for frost protection has been accounted for in the project water demand calculation. Also noted that there will be noise impacts associated with wind machines. States that he sees no need for doubling the capacity of their winery operation when there is not enough vineyard area to produce enough grapes on-site for the requested production. Michael encourages the Planning Commission not to trash both the letter and spirit of the General Plan. Encouraged by the Commission's discussion regarding the impact of the twelve buildings proposed along Silverado Trail.

Doug Cook, 109 Wappo Avenue. Mr. Cook offered the following comments:

- Mr. Cook states he does not believe four minutes is an adequate amount of time for commenting on project of this size.
- Mr. Cook states he does not believe that the housing demand generated by the project has not been adequately addressed.
- Mr. Cook states that he does not concur with the residential density calculation for the project.
- Mr. Cook states he does not understand why a "complete" CEQA review was not required. Mr. Cook indicated that he is concerned about findings made regarding traffic, noise and visual impacts.
- Mr. Cook states that discussion on building heights ignores that buildings are proposed to be constructed on a hill.
- Mr. Cook states that he hopes the applicant will use electric golf carts for valet and guest shuttle services.

- Mr. Cook states his support for controlling short term rental use on the site and payment of TOT. Mr. Cook questioned how this will be achieved. Mr. Cook suggests that individual Use Permits should be required.
- Mr. Cook suggests that concerns about the deli be addressed by regulating the square footage of the deli space, as well as its location.

Kerri Hammond-Arbeu, 1720 Reynard Lane. Ms. Arbeu expresses her appreciation of the questions being asked by Commissioner Kite. Ms. Arbeu asks why the City has not adopted an ordinance regulating vacation rentals and suggests that there may be an opportunity for the City to increase revenues.

Dieter Deiss, 3000 Palisades Road. Mr. Deiss suggests that the Planning Commission give consideration to connectivity of the project site to existing pedestrian and bicycle facilities. Mr. Deiss states that guests will look for ways to travel to downtown.

Kristin Casey, 1132 Denise Drive. Ms. Casey recalls that she was on the Planning Commission when the original Silver Rose resort project was presented and remembers Mr. Dumont saying that they will never need City water. Ms. Casey states that she believes the overlay designations in the General Plan are a good thing and does not understand why people are getting upset about them – particularly the entry corridor overlay.

Ms. Casey discusses the General Plan policy direction for low-rise understated visual appearance. Ms. Casey states that former Planning Director Rick Tooker assured Ms. Casey that low-rise would be interpreted to mean “one story”. Ms. Casey pointed to the Solage Resort project as an example of project that followed the General Plan’s low-rise directive. Ms. Casey stated her opinion that the project does not meet the ‘low-rise understated visual appearance’ criteria and questions if the project can really be found to be in compliance with the General Plan – legally and in spirit.

George Caloyannidis, 2202 Diamond Mountain Road. Mr. Caloyannidis states that he surprised by the Commission’s discussion on General Plan consistency. Mr. Caloyannidis points out that the Urban Design Plan calls for a gradual increase in development intensity and massing from downvalley to the downtown area. Mr. Caloyannidis expresses his concern that this directive is not being followed. Mr. Caloyannidis believes that the project is way too dense and too massive. Mr. Caloyannidis states that the findings in the staff report on development intensity are

subjective and are based on information that has not been included in the staff report. Mr. Caloyannidis expresses concern that numbers and analysis in the staff report may be deceptive. Mr. Caloyannidis suggests that the proposed project does not achieve the gradual and smooth transition that is called for in the City's adopted plans. Mr. Caloyannidis reviews the recommendations he made in correspondence submitted to the Planning Commission.

Commissioner Kite thanks Mr. Caloyannidis for his comments and efforts to inform the Commission's review of the project. Mr. Kite asks Mr. Caloyannidis to clarify what has been included in square footage figures. Mr. Caloyannidis states that the figures were provided to him by Planning Manager MacNab.

Planning Manager MacNab informs the Commission that the square footage figures provided for the proposed project includes the floor area under roof (including first and second floors where applicable) and the underground parking and loading areas.

Commissioner Kite asks for the amount of square footage attributed to areas that the applicant is taking expense to put underground. Planning Manager MacNab estimates that the amount of space is approximately 35,000 square feet.

Mr. Caloyannidis notes that the "underground" parking area is not really underground. It is above ground and contributes to the mass. Commissioner Kite acknowledges that he understands this design condition.

Planning Manager MacNab notes for the record that the comparative table Mr. Caloyannidis referred to in his presentation has been included in the Planning Commission staff report on page 26.

Commissioner Kite states that he believes caution must be used in considering what is included in the metrics Mr. Caloyannidis has presented. Mr. Kite recognizes the expense the applicant has taken to put some operational areas underground and out of site. Mr. Kite suggests that the benefits of doing this should be considered as part of the analysis.

Norma Tofanelli, 1001 Dunaweal Lane. Ms. Tofanelli states she is encouraged by the Commission's discussion on General Plan consistency, particularly discussion on the "spirit" of the General Plan. Ms. Tofanelli asked for clarification on the relevance of the existing PD zoning property and why density is being calculated on the General Plan Land Use Designation and not the existing PD zoning district.

Planning Manager MacNab responds that the applicant is proposing a new PD zoning district that would establish an allowable density of 1 unit per acre, consistent with what is allowed by the General Plan.

Commissioner Kite clarified that the Commission is being asked to consider the proposed new PD zoning district for consistency with the General Plan.

Ms. Tofanelli observes that the 1 unit per acre is a maximum allowed by the General Plan and that a lower density is allowable.

Ms. Tofanelli asked for clarification on how development intensity is being calculated.

Planning Manager MacNab explains that for non-residential development the General Plan uses a metric of “Floor Area Ratio” (FAR). The maximum allowed FAR for commercial uses in the Downtown Commercial Land Use Designation is 2.0. The maximum allowed FAR for commercial uses in the Community Commercial Land Use Designation is 0.8. In the Rural Residential Land Use Designation there is no stated FAR because the base designation does not contemplate commercial development. Mr. MacNab continues by noting that General Plan overlay designations that do allow commercial development have been applied to the property, but they too do not establish a FAR.

Mr. MacNab offers for a comparison of relative development intensity that the proposed project (including residential and non-residential uses and the underground parking and loading areas) has an FAR of 0.23, approximately one-tenth of the development intensity allowed in downtown.

Commissioner Kite asks for clarification that the General Plan metric just reviewed addresses the issue of “feathering” or gradual transition. Mr. Kite stated he is satisfied the FAR analysis demonstrates technical compliance with the General Plan, but notes that it is the Commission’s job to decide if one-tenth the intensity of what is allowed downtown is enough of reduction/transition at the edge of town.

Ms. Tofanelli stated she continues to be confused by the calculation.

Ms. Tofanelli suggests that the Planning Commission should review the proposed increase in winery production against the definitions adopted in the Rural Residential Zoning District.

Commissioner Kite asks staff for clarification on what the standard set forth in the General Plan for wineries in the Rural Residential Land Use Designation.

Planning Manager MacNab responded that there is no set size limit for wineries located in the Rural Residential Land Use Designation, and that it is within the Commission's discretionary authority to determine whether the proposed winery is consistent with the General Plan. Mr. MacNab also stated that the Commission could use the standards for wineries in the Rural Residential Zoning District as a measuring stick if it wanted, but that there is requirement to do so.

Ms. Casey notes that the Commission must consider the provisions of the base land use designation AND the applicable overlay designations.

Hubert Verdeille, 17 Rosedale Road. Mr. Verdeille offered the following comments:

- Mr. Verdeille stated that he still has concerns about whether there is adequate parking for the project.
- Mr. Verdeille stated that he does not support the idea of a removable fence along Rosedale Road.
- Mr. Verdeille stated that he is skeptical about the applicant's response on parking issues.
- Mr. Verdeille stated that he still believes the parking and loading area is inadequate.
- Mr. Verdeille stated concern about traffic impacts along Rosedale Road and getting into downtown.

Kurt Larrecou, 1707 Michael Way. Stated that the City has failed the people and as a result the project being considered is a fraud. Mr. Larrecou discussed the individual checklist sections in the Mitigated Negative Declaration that was prepared for the project and stated why he thought the sections were inadequate.

Michelle LeBlanc, 17 Rosedale Road. Ms. LeBlanc stated that she was heartened to hear that the Planning Commission has some reservations about the density of the project. Ms. LeBlanc stated she has nothing against renovation of the resort, it's just the size, density and scope of the project. Ms. LeBlanc expresses concern about the burden that would be

placed on the City in having to police the short term rental units and questioned who would be enforcing truck traffic in the loading dock area.

Paul Smith, 1255 Lincoln Avenue. Mr. Smith states that he believes there is a significant infrastructure problem with wastewater disposal. Mr. Smith reviews and discusses citywide issues related to geothermal discharge into the City's wastewater system. Expresses concern that the City is not doing what it is required to do to reduce geothermal discharge.

Clarence Luvisi, 285 Rosedale Road. Mr. Luvisi notes that the Planning Commission's votes and comments are important because they are reflected in the staff report to the City Council. Mr. Luvisi expresses his concern about comparisons between the Terrano project and the current proposal by Silver Rose. Mr. Luvisi questioned some of findings made by staff in the resolutions for project approval. Mr. Luvisi does not believe that the findings are factually correct.

Mr. Luvisi expressed concern about the parties to the Development Agreement being identified as an "LLC" and wants to know who is going to be held responsible for the project.

Chairman Manfredi closes the public hearing.

[The Planning Commission takes a five-minute recess]

Chairman Manfredi reviewed project issues for Commission input and direction to staff and the applicant:

- Silverado Trail crossing: the Planning Commission discussed possible options for staff and the applicant to consider. There was consensus that the issue cannot be resolved at this point in the process. Some Commissioners encouraged staff and the applicant to continue to explore this issue.
- Deli Use: there was a consensus among the Commission that requiring the deli to only be open to guests of the resort would resolve the issue.
- Density/Project Intensity: it was the consensus of the Commission that the seven homes located along Silverado Trail should be eliminated from the project and that the remaining five guest unit buildings along Silverado Trail be relocated away from Silverado Trail.

- Residential Building Heights: there was consensus that two-story residential homes were acceptable provided that landscaping is incorporated to screen/soften the visual impact of the homes as viewed from Silverado Trail.
- Short Term Rental Use: the majority of the Commission was willing to accept the applicant's request for short-term rental use of the single-family homes.

Commissioner Kusener raised the issue brought up by Mr. Luvisi about who is behind the LLC's on the application. Mr. Kusener encouraged that ownership be clearly identified in the Development Agreement.

MOVED by Commissioner Bush, seconded by Commissioner Kusener, to adopt Resolution PC 2012-09 recommending to the City Council adoption of a Mitigated Negative Declaration based on an Initial Study prepared for the Silver Rose Resort project incorporating the findings and mitigation measures as provided in the resolution.

The motion carried with the following vote:

- AYES: (5) Manfredi, Coates, Bush, Kite, Kusener
- NOES: (0)
- ABSTENTIONS: (0)
- ABSENT: (0)

Commissioner Coates asked for clarification on how the Commission's recommendations will be forwarded to the Council.

Planning Manager MacNab stated that the staff report to the City Council will explain that the Commission's recommendations are contingent on the recommended changes being incorporated into the project.

Commissioner Kusener asked where the Commission's recommendations would be included in the resolutions.

Planning Manager MacNab explained that the Commission's recommendations would not be included in the resolutions until the Council has accepted the Commission's recommendations. Mr. MacNab agreed that the Planning Commission resolutions should be modified to reflect the Commission's recommendations.

MOVED by Vice Chair Coates, seconded by Commissioner Bush, to adopt Planning Commission Resolution PC 2012-10 recommending to the City

Council approval of a Zoning Text Amendment (ZO 2011-03) incorporating the findings as provided in the resolution.

The motion carried with the following vote:

- AYES: (4) Manfredi, Coates, Bush, Kusener
- NOES: (1) Kite
- ABSTENTIONS: (0)
- ABSENT: (0)

MOVED by Chairman Manfredi, seconded by Commissioner Kusener, to adopt Planning Commission Resolution PC 2012-11 recommending to the City Council approval of a Preliminary/Final Planned Development Plan (PD 2011-02), Conditional Use Permit (U 2011-14) and a Design Review (DR 2011-12), and, for the project incorporating the findings and subject to the conditions of approval as provided in the resolution, with the amendments noted below:

1. Limit use of the deli to resort guests only.
2. Eliminate the seven residences along Silverado Trail
3. Relocate the remaining five guest unit buildings along Silverado Trail
4. Add landscaping along the side the homes facing the vineyard area.

The motion carried with the following vote:

- AYES: (4) Manfredi, Coates, Bush, Kusener
- NOES: (1) Kite
- ABSTENTIONS: (0)
- ABSENT: (0)

MOVED by Commissioner Kite, seconded by Chairman Manfredi, to 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.

The motion carried with the following vote:

- AYES: (5) Manfredi, Coates, Bush, Kite, Kusener
- NOES: (0)
- ABSTENTIONS: (0)
- ABSENT: (0)

MOVED by Commissioner Kusener, seconded by Commissioner Bush, to adopt Planning Commission Resolution PC 2012-13 recommending to the City Council approval of a Development Agreement (DA 2011-02) incorporating the findings as provided in the resolution.

The motion carried with the following vote:

- AYES: (5) Manfredi, Coates, Bush, Kite, Kusener
- NOES: (0)
- ABSTENTIONS: (0)
- ABSENT: (0)

I. NEW BUSINESS

None.

J. MATTERS INITIATED BY COMMISSIONERS

None.

K. COMMENTS/PROJECT STATUS

None.

L. ADJOURNMENT

MOVED by Chairman Manfredi, seconded by Commissioner Kite, to adjourn to the next regular meeting of the Planning Commission on Wednesday, April 25, 2012, at 5:30 p.m.

The motion carried with the following vote:

- AYES: (5) Manfredi, Coates, Bush, Kite, Kusener
- NOES: (0)
- ABSTENTIONS: (0)
- ABSENT: (0)

MEETING ADJOURNED AT 9:34 p.m.