

# City of Calistoga

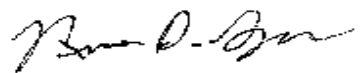
## Staff Report

**TO:** Honorable Mayor and City Council  
**FROM:** Erik V. Lundquist, Senior Planner  
**DATE:** October 2, 2012  
**SUBJECT:** Amendment and Extension to Previously Executed Memorandum of Understanding regarding the Bounsall Development Proposal

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APPROVAL FOR FORWARDING:



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Richard D. Spitler, City Manager

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**ISSUE:** Consideration of a Resolution authorizing the City Manager to execute an amendment and extension of the existing Memorandum of Understanding (MOU) for the Bounsall development proposal on the property located at 414 Foothill Boulevard (APNs 011-260-045 through 011-260-076) within the "I" Light Industrial Zoning District.

**RECOMMENDATION:** Adopt Resolution.

**BACKGROUND:** On December 15, 2009, the City Council originally authorized the City Manager to enter into a Memorandum of Understanding (MOU) that indicates the City's support for development of the Bounsall properties located at 414 Foothill Boulevard. Subsequently, on August 3, 2010 the City Council adopted Resolution No. 2010-074 amending and extending the MOU to December 31, 2012.

The MOU outlines the general terms for the project, including the execution of a Development Agreement, securing requisite land use entitlements, payment of development fees, and improvement of area infrastructure. It should be clearly noted that the MOU is not binding on either party and does not grant project approval; it is the vehicle by which the City is able to express its support for

22 development of the property. This document makes clear that the development  
23 proposal will be subject to environmental review and public hearings before the  
24 Planning Commission and City Council will be required.

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26 **DISCUSSION:** On April 16, 2012, staff received a letter from the Bounsall family  
27 requesting that the term of their MOU be extended from December 31, 2012 to  
28 December 31, 2014 and a request to amend Section 6 (A) of the MOU removing  
29 General Plan Amendments from the list of City Approvals.

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31 In discussion with Jeff Bounsall, the formal application for their proposed  
32 development has been on hold awaiting the implementation of the Urban Design  
33 Plan and associated General Plan Amendments and resolution of an outstanding  
34 code enforcement action.

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36 On March 20, 2012 the City Council adopted Resolution No. 2012-021 amending  
37 the General Plan Land Use Element adding Character Areas. Specifically, the  
38 State Highway 29 Character Area (GP Page LU-60), states:

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40 *“In areas designated for commercial or light industrial uses, uses*  
41 *related to agriculture and tourism such as wineries, country stores*  
42 *with picnic grounds and production of other agricultural products*  
43 *produced on- or off-site are appropriate. Small vineyards, gardens,*  
44 *orchards and livestock pastures related to the commercial use are*  
45 *encouraged.*

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47 *As a means to encourage agricultural preservation, allow the*  
48 *Bounsall and Bingham Ranch properties to be developed with a mix*  
49 *of commercial uses, including wineries, wine tasting and sales, an*  
50 *inn, a venue for special events, and small workshops or offices*  
51 *(provided that they are accessory and subordinate to the principal*  
52 *use of the property).”*

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54 These General Plan policies enable the Bounsall’s project to move forward  
55 without needing to request further amendments to the General Plan. As such, it  
56 is no longer necessary to identify General Plan Amendments in the MOU.

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58 On August 22, 2012, the Planning Commission approved a conditional use  
59 permit authorizing use of the property as a small contractor’s storage yard.  
60 Approval of this use permit resolved the outstanding code enforcement action.

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62 The last conceptual review of the project occurred on April 14, 2010 wherein the  
63 Planning Commission commented on the project and suggested the applicant  
64 return with another concept review addressing Commission concerns prior to a

65 formal application. A revised conceptual site plan responding to Commission  
66 concerns about the size of the project is attached to this report.

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68 Staff is recommending that the Council proceed with amending the MOU to  
69 remove General Plan Amendments from the list of City Approvals and extend the  
70 term of the MOU until December 31, 2014. A draft resolution and draft revised  
71 MOU (Attachments 2 and 3) have been provided for Council consideration. The  
72 proposed MOU changes have been provided in tracked format. It should be  
73 noted that all other terms of the MOU will remain unchanged.

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75 **FISCAL IMPACT:** All costs incurred related to this amendment and extension of  
76 the MOU and the processing of a development application for the Bounsall family  
77 proposal will be borne by the applicant.

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79 **ATTACHMENTS:**  
80 1. Draft Resolution  
81 2. Draft Amendment to Memorandum of Understanding (Track Changes)  
82 3. Draft Amendment to Memorandum of Understanding (Clean Version)  
83 4. Letter of Request dated April 16, 2012  
84 5. Resolution No. 2010-074  
85 6. Executed Memorandum of Understanding, Authorizing Agreement No. 392  
86 7. Revised Conceptual Site Plan received May 15, 2012