

November 12, 2012

Mr. Erik V. Lundquist, Senior Planner
Planning & Building Department
City of Calistoga
1232 Washington Street
Calistoga, CA 94515

RE: Resort at Indian Springs Expansion Project
Staff Report and Draft Development Agreement
Dated November 14, 2012

Dear Erik:

Thank you for providing the referenced documents last Friday and for the opportunity to review and comment on same. I would like to submit these comments for your review and analysis before the Planning Commission meeting on November 14, 2012. I'd also like you to forward these comments to the Chairman and all Members of the Planning Commission.

Although I support the Merchant Family in implementing their vision for an improved, upgraded and expanding Resort at Indian Springs, I generally believe that it may be premature to approve a) the Mitigated Negative Declaration at this time, due to weaknesses in the supporting documents and the Initial Study (comments previously submitted) and b) the Draft Development Agreement attached to the Staff Report, due to concerns about the complexity of the agreement and the limited opportunity (i.e., <6 days since it became available) for the community to review and understand same. I previously submitted detailed comments on the IS/MND; my preliminary comments on the Staff Report and draft Development Agreement follow below:

STAFF REPORT:

1. Page 1, Background—The Indian Springs Resort should also be understood, and the Expansion Project reviewed, in the historic context of its initial existence as the first hot springs resort in the Calistoga area, as founded by Sam Brannan. The original street pattern and landscaping (both on and offsite) were created under Brannan's guidance and should be protected. This is particularly true of the tall palm trees from the 1860s era that mark the locations of the original 25 cottages. The historical value of these palms should be addressed in the IS under both Sections IV and V and impacts due to destruction or relocation of same evaluated for significance. 1
2. Page 5, Staff Analysis, Section D: The Affordable Housing section goes directly to the "in-lieu housing fee" with no quantitative analysis of jobs created, housing required, alternatives considered, basis for calculation, etc.. In general, the in-lieu fee seems like a weak substitute for actually constructing affordable housing as required of the Solage Resort development. 2
3. Page 6, Staff Analysis, Section E: The various figures presented in the tables herein do not provide an understandable basis for their data. In addition, the tables and support materials should have been included in the IS in order to assist in determining the significance of both Water Supply and Wastewater Generation/Capacity environmental impacts. 3
4. Page 8, Staff Analysis, Section F: The text in the second paragraph claims the "study intersection" is Silverado Trail and Lincoln Avenue. See previous IS comments that note that the "study area" is way too small and should include both Silverado/Lincoln and Lincoln/Foothill. In fact, the supporting documents/traffic studies and responses to prior comments by CalTrans specifically claim a rationale for excluding these crucial entry intersections. Which is true? And what is the basis of the calculation of "Traffic Impact Fees" as presented herein. 4
5. Pages 9 & 10, Staff Analysis, Section F: As noted in prior IS comments, it seems to me that this list of conditions for improving pedestrian and bicycle connectivity (and safety) is remarkably inadequate; please consider requiring turn lanes, lighted pedestrian crosswalks to cross Lincoln Avenue, and even stop signs/signals at each affected intersection (Lincoln/Brannan/Wapoo and Lincoln/Indian Springs entrance& exit/Wapoo). 5

6. Page 10, Staff Analysis, Section G: There are unsupported conclusions regarding Wastewater Service and Geothermal Water management, and the completely new discussion of use of reclaimed water (which I don't think was included in the IS). More, and more understandable, information is needed for the evaluation of impacts on Public Utilities in town.

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For a more detailed discussion of my concerns about the evaluation of environmental impacts, see my previously submitted comments on the IS and Mitigated Negative Declaration.

I also reviewed the Development Agreement. My review was limited to a few hours and my limited, specific comments follow:

1. Page 2, Recitals: I was unaware that there were written agreements between the City of Calistoga and "The Calistoga Spas"/Resort at Indian Springs regarding water and wastewater baselines and discharge of geothermal water to the wastewater treatment system. I will try to expedite my review of those complicated documents and have some comments at the Public Hearing on November 14, 2012.
2. Page 12, Article 4: Why is/How can the project be exempt from the City Growth Management System. This is a crucial element in making the City's water and wastewater resources available to property owners/developers of future projects. No rationale was provided.
3. Pages 15 & 16, Article 5: No basis was provided for the various Impact Fees (subsections C & D). How can we evaluate whether these fees are consistent with those charged to other projects, effective in actually providing reasonable reimbursement for the impacts the City bears, and appropriate (i.e., are there any other fees that should be collected).

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Thank you for the opportunity to provide this input, and for your consideration of these comments on the recently published Staff Report and Development Agreement. Again, I support the Resort at Indian Springs Expansion Project due to its consistency with the General Plan, its location within the "Community Commercial—Design District" zone, and its expansion of an existing, independent business near our historical downtown. I look forward to additional opportunities to participate in the process of adequately evaluating the project and providing an appropriate background to approve the project and improve our community.

Sincerely,

Doug Cook
Brannan Cottage Inn