CITY OF CALISTOGA

STAFF REPORT

TO: CHAIRMAN MANFREDI AND MEMBERS OF THE

PLANNING COMMISSION

FROM: CHARLENE GALLINA, PLANNING DIRECTOR

MEETING DATE: JANUARY 28, 2009

SUBJECT: PRE-APPLICATION CONSULTATION (PA 2008-04)

CONCEPTUAL REVIEW (CDR 2008-04) OF THE

BOUNSALL & WRIGHT WINERY & EVENT CENTER

REQUEST:

Conceptual Design Review for the proposed Bounsall & Wright Winery and Event Center on a 7 acre site to be developed in three phases. The project proposes to feature two wineries, a tasting room with a delicatessen and outside picnic areas, two retail buildings, winery office space, and a special event area with an adjacent reception building for a site total of 80,289 square feet. The project site is located at 414 Foothill Boulevard (APNs 011-260-045 through 011-260-076) within the "I" Light Industrial Zoning District.

PURPOSE OF REVIEW:

The Conceptual Design Review process provides an opportunity for a property owner or developer to receive feedback on a development concept prior to submitting a formal development application. The scope of Conceptual Design Review encompasses all aspects of a project and allows for identification and discussion of potential issues at the earliest stage in the development process. It is the City's expectation that the property owner will use the feedback received through this process as guidance when preparing the formal development application.

Upon completion of this review, staff will be presenting this conceptual design to the City Council for review to determine the desire to process a Development Agreement for this proposal and its potential elements. Should the City Council express interest, staff will then provide the Applicant with a final letter that identifies potential issues associated with the project proposal, and any specific studies or detailed information needed to process this proposal in the future. Afterwards, the Bounsall Family and their Project Team will have sufficient information to begin the processing of this project. Please note that as this

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project moves through the formal review process, additional opportunity for review, comment and application of any specific conditions or requirements will be provided.

INTRODUCTION AND PROJECT DESCRIPTION:

A. Existing Conditions:

Property Setting and Characteristics: The subject property is approximately 7 acres in size and is located at 414 Foothill Boulevard/State Highway 29/128. The terrain is gently sloping from the south to the north toward the Napa River. An existing walnut orchard and several large oak trees are presently located on the property. The Napa River borders the entire width of the property to the North. Several structures currently exist on the property. These include two residential structures (3 Bedroom Single Family Detached; 1 Bedroom Studio) approximately 1,310 sf and 700 sf in size, a 280 sf garden shed, a 140 sf shed, a 560 sf shop building and a 30-foot long single wide trailer.

No public water and sewer services exist on the property or within the immediate area surrounding the property.

The surrounding area is described as follows:

West: Adjacent to the property is Elizabeth Hammond's property 3.75 acres in size. This property is located within the "Rural Residential" General Plan Land Use Designation and zoned "RR" Rural Residential. The property is currently developed with a 3 bedroom single family residence and other accessory structures.

East: Adjacent to the property is the Bingham Ranch 16.24 acres in size. This property is located within the "Rural Residential" General Plan Land Use Designation and zoned "RR" Rural Residential. The property is currently developed with a single family residence and other accessory structures. An existing vineyard is presently located on the property.

North: Directly across the Napa River are two vacant properties one owned by the City of Calistoga (22.32 acres; the former Fox property) and the other owned by Crystal Geyser Water Company (5 acres). The City's property is within the "Public/Quasi Public" General Plan Land Use Designation and zoned "I" Light Industrial. The Crystal Geyser property is within the "Light Industrial" General Plan and zoned "I" Light Industrial. The City's property is currently being used as a wastewater effluent spray field.

South: Directly across Foothill Boulevard/State Highway 29/128 is the Diamond Hills Estates Subdivision which has been approved for the development of 35

single family residential lots on approximately 67 acres. This property is located within the "Rural Residential-Hillside" General Plan Land Use Designation and is zoned "RR-H" Rural Residential-Hillside. This property is currently vacant. However, within the near future, Enchanted Resorts, Inc. will be commencing infrastructure improvements on this property to prepare the site for development.

B. Proposed Project:

The Applicant proposes to construct the Bounsall & Wright Winery and Event Center, approximately 80,300 square feet total in size, that will feature two wineries, a wine tasting room with delicatessen and outside picnic areas, two retail buildings, winery office space, a 3 bedroom residence, a bride-groom preparation room, and a special event area with an adjacent reception building. The owners of the property are interested in entering into a Development Agreement with the City for this project proposal.

As presented the Applicant proposes to develop the property as follows:

Building Description	Proposed Use	Proposed Square Feet	Proposed Number of Stories
Building "A" Deli/Wine Shop	Wine Tasting & Sales; Delicatessen	18,500	2
Building "B" Retail #2	Specialty Fruit/ Gourmet Misc. Retail	7,250	2
Building "C" Winery #1	40,000 Case Winery	19,100	2 (2 nd floor offices)
	Tank Room	3,600	1
Building "D" Reception	Events Hall	4,000	1
Building "E" Retail #1/ Residence	Miscellaneous Retail, Bride-Groom Preparation Room, Kitchen & Garden Service Area; 2 nd Floor 3 BR Residence	7,800	2
Building "F" Winery #2	40,000 Case Winery & Storage; Private tastings to be provided by appointment only	17,400	2 (2 nd floor offices)
Building "G" Event Pavilion	Wedding Terrace; Open Space	1,200	Terrace Structure

The attached site plan shows the proposed building types and locations, including the location of parking, walkways and open space areas. The

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proposed architectural materials and design elements to be used for the project is a mix of stone exterior finishes, horizontal wood siding, wood shingle roofing, tile roofing, standing seam metal roofing, exposed structural roof wood members at entries, trellis', decorative barn doors, wood decking and railings, decorative wood brackets and trim, arch openings, and copula features. A materials board and color elevations for each building will be presented at the meeting.

Total parking proposed for this development is 132 spaces. Access to the project site will be over the existing shared site access with the Brigham Ranch property located at the southwest corner of the property. Interior site circulation proposed is private and will consist of a drive aisle that circulates in a one-way counterclockwise direction. The Applicant has also proposed a public access trial for pedestrians and bicycles through the subject property connecting State Highway 29/128 to the Napa River. At this time, the Applicant has not proposed public access along the Napa River nor proposed the construction of a bridge over the Napa River in order to provide a connection to the City's existing Class I Bikeway.

The hours of operation proposed for this facility is 9 am to 6 pm, seven days a week year round except for Christmas. The proposed project has been design to preserve existing oak trees and walnut trees within the open space areas. Treated processed wastewater from the winery operations are proposed to be utilized for irrigation of grass or turf areas. Other landscape areas consisting of trees and shrubs will utilize drip irrigation systems and be supplied with water from an onsite well.

The Applicant is proposing three phases for project development as follows:

Phase 1: Development of Wine Sales Building (Building A), Winery #1 (Building C) or Winery #2 (Building F), Event Pavilion (Building G) with an option to construct Retail Building #2. If Winery #1 and Wine Sales/Retail Building #2 is constructed in this Phase, then the existing residence may remain until Winery Building #2 is constructed.

Phase 2: Development of the second Winery with an option to construct Retail Building #2. This Phase would follow within one to two years of Phase 1.

Phase 3: Development of Retail Building #1 and Reception Building (Building D). This phase would follow after completion of Phase 2.

STAFF ANALYSIS AND IDENTIFIED ISSUES

In response to discussions held with the Applicant with respect to formulating recommendations associated with the Draft Urban Design Plan, staff met with the applicant and their project team to begin to identify issues associated with this

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proposal. Included in these meetings was staff discussion on the following issues: interpretation of General Plan policies for the Bounsall property, recommended policies associated with the Draft Urban Design Plan (see attached excerpt for the Highway 29 Corridor Character Area, the City's Growth Management System and development review process, and the Development Agreement process. Included in this discussion was staff direction for the Applicant to seek pre-application conference and conceptual design review input from other Departments/Agencies and the Planning Commission prior to formally applying for a Growth Management Allocation and/or the submittal of a request to the City Council for obtaining an Memorandum of Understanding for the processing of a Development Agreement.

Therefore, the submittal of the attached conceptual design is the first step in this However, in the interest of pursuing all options for securing a water/wastewater allocation, the Applicant opted to also request a Growth Management Allocation (GMA). During processing of their GMA staff recommended and the City Council concurred that the applicant should proceed forward in requesting a Memorandum of Understanding in order to reserve an allocation through the processing of Development Agreement, given the scope and proposed timing of this project. A major benefit for pursuing this avenue was to provide an opportunity for the Applicant to secure a longer timeframe for the processing and construction of such a project rather than phase project approval In addition, the processing of a Development within yearly increments. Agreement would remove any uncertainties with respect to the required payment of processing and development impact fees and make them known up front in the process.

Based upon the Applicant's submittal of conceptual project plans, provided below is list of issues that staff recommends Commission discussion and direction to the Applicant and their project team.

Land Use

General Plan: The project site has a General Plan Land Use designation of Light Industrial. This designation promotes heavy commercial and light industrial uses, including manufacturing, auto repair, bottling plants, storage, assembly, service and repair, and greenhouses. The maximum FAR permitted is 0.60. In addition, uses are required to be appropriately planned and designed to minimize conflict with adjacent areas. Accessory commercial uses, such as retail, offices and eating establishments, may also be permitted provided they conform to all relevant General Plan Land Use Element policies.

Furthermore, the project site is located within a Planned Development Overlay designation (PD 1: Bounsall Property) which merits particular attention because of its size, location, and environmental constraints. Under this designation,

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innovative design standards are to be applied to achieve a superior design. Development in a PD area is subject to design review. Identified below is specific guidance for the project site.

Bounsall Property

This property is one of the first large parcels approached from the down-valley entrance to Calistoga. As such, its appearance and land use can play a key role in maintaining Calistoga's rural, small town character. Development of this site shall be designed to convey the agricultural qualities of the upper Napa Valley, including viticulture and orchards, and shall encourage for the preservation of open space. Consequently, it would be appropriate to enhance the property's viability as agricultural open space. Therefore, development of the property with a winery and/or inn, scaled proportionately to the amount of open space and set within vineyards or orchards, is allowed as a means to encourage agricultural preservation. Residential uses shall be prohibited, except for employee housing, such as a resident manager's quarters.

The project site is also located within Entry Corridor EC1 – Downvalley Foothill Boulevard which has been described below. Such designation will also be subject to General Plan's Entry Corridor policies, as well as other applicable policies contained in the General Plan.

Entry Corridor 1: Downvalley Foothill Boulevard

The majority of people approach Calistoga along Foothill Boulevard from the southeast, and pass through this entry corridor. The entry corridor is currently undeveloped except for a small number of single-family homes set back from the road, and some vineyards and orchards outside of the city limits. A portion of the right-of-way is an open gravel area running alongside the road, which is controlled by Caltrans. All development in this area should maintain the rural and open space qualities, with minimal visibility from the highway.

The purpose of the Entry Corridor Overlay is to make certain that the "country town" appearance of Calistoga will be preserved "by ensuring that new development is of a scale subordinate to the agricultural uses of properties located at these entry corridors." All development in this area is required to incorporate features to achieve this goal.

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Listed below are the features that will apply to this project:

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- 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 landscaping should incorporate materials and design that blend harmoniously with the surrounding landscape.
 - Existing orchards and stands of mature trees shall be maintained or replaced with similar vegetation.
 - Unique natural features shall be preserved and remain visible.
 - New buildings should reflect small-scale, low-rise design characteristics with an understated visual appearance, and should maintain existing small-town and open space qualities.
 - Parking areas should not be visible from the entry corridor roadway.
 - All development within designated entry corridors shall be subject to design review.
 - New development shall not include shopping centers, gas stations, "bigbox" retailers, or other commercial centers with strip retail characteristics, and formula businesses shall be discouraged.
 - Commercial uses permitted in the entry corridor should complement rather than compete with Calistoga's downtown commercial core. Examples of such uses include, but are not limited to, nurseries, destination spas and resorts, museums, winery and vineyard-related businesses and community facilities such as a library or recreational use. Such uses shall be allowed only if they are consistent with the underlying land use designation.

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Staff finds that this project has substantial merit and should be encouraged. However, given General Plan policies as noted above, staff is recommending Commission discussion on whether or not the proposed mix of uses and functions to be provided on a daily (retail sales) or regular basis (special events), as well as the proposed scale and intensity of two wineries (each to produce 40,000 cases) will meet the desired character for this entry corridor property. To assist the Commission, please note that staff intends on providing at the meeting a range of winery sizes located in Napa Valley for comparison purposes.

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Zoning:

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Provided below are the "I", Light Industrial District regulations that are applicable to the project site.

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"I" Zoning District / Base Zone Requirement		Concept Plan	
Minimum Lot Area	20,000 sq. ft.	7 acres	
Minimum Lot Width	100 feet	Feet	
Minimum Lot Depth	200 feet	Feet	
Max. Lot Coverage by Structures	40%	18% of total area	
Floor Area Ratio	.60 per General Plan Industrial Land Use Designation	.26	
Open Space/Landscaped Areas	N/A	39% of total area	
Hardscape Areas	N/A	9% of total area	
Drive Aisle-Parking Pavement Areas	N/A	30% of total area	
Setbacks for Buildings	Shall be no less than required in an abutting R District		
Side Yard (Rural Residential)	20 feet	42 feet from disputed property line; 40 feet from Bingham Ranch	
State Highway 29/128	20 feet	50 feet	
Building Height	30 feet at eaves or parapet except all structures within 50 feet of residential property line shall have a height not to exceed the maximum permitted in the adjacent residential district. Rural Residential height limit is 25'. Towers, cupolas, etc shall not exceed 25 feet above this height limit.	Varies per Building Ridge Heights have been provided herein: Building A – 41'6" Building B – 34'; 50'6" (tower) Building C – 38"6" Building D – 23'3" Building E – 31'7" Building F – 32'3"	
Parking Requirements	Given the proposed mix of uses, a parking study should be required to determine the amount of parking necessary.	132 spaces	

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Staff has discussed with the Applicant that this project at a minimum will require approval of a "PD" Planned Development (i.e. Rezone), a Subdivision Map and the processing of a Preliminary and Final Development Plan (Conditional Use Permit and Design Review). It should be noted that this project requires approval of a PD because of the inconsistency between the General Plan policy and the Zoning District designation for the project site. In processing a PD, this

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mechanism will allow for the maximum flexibility to accommodate such development proposal. It should be noted that due to the conceptual nature of the plans at this early stage of the process, staff fully intends to work closely with the Applicant's project team to ensure compliance with applicable regulations and recommendations identified below, should the Applicant be allowed to proceed ahead in the processing of this proposal.

Proposed Architectural Design

The proposed architectural materials and design elements to be used for the project is a mix of stone exterior finishes, horizontal wood siding, wood shingle roofing, tile roofing, standing seam metal roofing, exposed structural roof wood members at entries, trellis', decorative barn doors, wood decking and railings, decorative wood brackets and trim, arch openings, and copula features. A materials board and color elevations for each building will be presented at the meeting. As explained by the Applicant's architect, Mary Sikes & Associates, the design concept was developed for the project site after an extensive study of architecture examples within the City of Calistoga and Napa Valley existing today and in the past. Staff is recommending Commission discussion on the proposed architecture to determine whether or not such design, as well as the bulk, scale and mass proposed is consistent with the Napa Valley architectural heritage and our desire to maintain a small town character. To assist in this evaluation, staff recommends the Commission review the photographic survey provided in the Draft Urban Design Plan.

Circulation & Traffic

Access to the project site will be over the existing shared site access with the Bingham Ranch property located at the southwest corner of the property. It should be noted that Caltrans has limited this site to one shared access. Interior site circulation proposed is private and will consist of a drive aisle that circulates in a one-way counterclockwise direction. Given this proposal, the Fire Chief will be requiring a second access road be integrated into the project due to the potential for impairment of this access by vehicle congestion and/or the emergency itself. An alternative currently under consideration by the Applicant is the designation of an Emergency Vehicular Access (EVA) to be located at the southeast corner of the property. It should be noted that such an EVA would be only accessible to emergency vehicles and would be designed with a lockable gate similar in design to the EVA that was provided with the Solage Resort off of Brannan Street. Other potential options include providing an EVA in conjunction with a pedestrian/bicycle bridge over the Napa River or the implementation of an access road that is extended from Pine Street to service and connect future redevelopment of the proposed Highway 29 Corridor properties as discussed in the Draft Urban Design Plan. Staff recommends Commission discussion on this issue to determine whether or not access should be extended from Pine Street.

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With respect to traffic generation, Caltrans and staff has informed the Applicant that a traffic study will be required to ensure that project related impacts to State Highway 28/128 are thoroughly assessed and mitigated.

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With conceptual design of the project, the total parking proposed this development is 132 spaces. Given the proposed mix of land uses and various functions that are proposed to be operating at the same time, the City's parking regulations currently do not provide specific parking ratios for a special event center or wineries. Therefore, staff will be requiring the preparation of a parking study, as part of the traffic study, to determine the appropriate amount of parking to be provided on-site. It should be noted that this study will likely analyze whether or not this project may be compatible for sharing common parking Furthermore, the proposed layout of the project's drive aisle and facilities. parking areas have been placed in close proximity to State Highway 28/128. Given that this site is within the "Downvalley Foothill Boulevard" Entry Corridor, staff recommends Commission discussion on whether or not the placement of these facilities is appropriate. To assist the Commission in this discussion, a colored perspective drawing of the line of sight for this area has been provided showing parking and drive aisle will not be visible from the State Highway given the higher elevation of the highway in respect to the lower elevation of these elements in addition to the vegetation existing or to be provided that borders along the entire width of the project site.

NAPA River

The Napa River borders the entire width of the property to the North. Development within this area is subject to General Plan policies for its protection and preservation as a valuable resource and asset to the City. The Open Space and Conservation Element requires a minimum setback of 30 feet from the top of the high bank. Improvements within this area are limited to access for maintenance, erosion control and pedestrian/bicycle pathways. Furthermore, within this setback, vegetation removal, grading, earthmoving, construction of structures, including any type of fencing is prohibited. Given this setback requirement, any proposed improvements in this area will be subject to the provisions of the City's Conservation Regulations. Furthermore, the Flood Insurance Rate Map (FIRM) from the Federal Emergency Management Agency designates the majority of the project site as a "Special Flood Hazard Area" subject to inundation by a 100 year flood and a portion of the site as a "Floodway" Area." The proposed site plan depicts the location of this delineation. Given this delineation, all improvements within this area will be subject to the City's Floodplain Management Regulations.

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Department/Agency Comments

Attached for Commission review are all the Department and Agency comments received to date on this project proposal. It should be noted that all these comments will need to be address should the Applicant be allowed to proceed ahead in the processing of this proposal.

Prior Approvals and Authorizations

The City Business License records have revealed that William Bounsall secured a business license for a contractor's business on-site for several years. Based upon this authorization, the site has been utilized for equipment storage and an office for the business. However, it should be noted that the extent of this use is currently in question and under review by the Department to determine whether or not this use was grandfathered in under previous Zoning District regulations and/or General Plan Land Use Designation or should be subject to current Zoning Ordinance Regulations.

The applicant has stated that they have perfected 29 certificates of compliance parcels and a roadway system for the subject property. However, it should be noted this action has resulted in long standing boundary dispute between Elizabeth Hammond and the Bounsall family. In 2004, Mrs. Hammond retained Michael Brooks & Associates to confirm the true location of the questioned boundary. As a result, Mr. Brooks' survey confirmed that the Bounsall's survey was incorrect and there have been numerous attempts to resolve the discrepancies between their surveys between the two parties. To the City's knowledge, this boundary dispute has not been resolved to date. Therefore, staff finds that this issue needs to be resolved in conjunction with the processing of this development proposal and will be addressed accordingly. However, it should be recognized that the development proposal presented integrates a 20 foot setback from the property boundary line in question, thus, a minimum building side yard setback of 40 feet is being proposed at this time.

CEQA Review and Environmental Constraints

The project will also be subject to the California Environmental Quality Act (CEQA) and will require the preparation of an Initial Study of environmental impacts. In order to complete staff assessment, the Applicant will be advised that various studies will need to be prepared to determine compliance with City regulations and CEQA review. Studies identified to date include: a traffic/parking study, water and wastewater needs assessment, an arborist report, a preliminary soil report, a historical, cultural, and archeological resources study, and infrastructure and drainage studies. (Refer to Department/Agency Comments) Other studies may also be required once more information is received from the Applicant and comments have been received from agencies and other City

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Departments. Once these studies are formally submitted, the initial study will be completed to determine all potential impacts associated with this project and to identify appropriate mitigation measures to be applied. Opportunity for public review of this environmental assessment will be provided prior to any action of the formal application.

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Project Approvals

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At this time, the Applicant is requesting a Development Agreement (DA) with the City to secure a growth management allocation for water and wastewater. The first step in this process is to secure a Memorandum of Understanding from the City Council in order to reserve an allocation through the processing of a Development Agreement, given the scope and proposed phasing of this proposal. Upon completion of this Conceptual Design Review with the Planning Commission, the Applicant proposes to seek authorization for executing a MOU.

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Upon MOU execution, the process for approval of such an application is as follows:

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- Planning Commission Recommendation & City Council Action:
- 435 CEQA Review;
- Development Agreement;
- A General Plan Amendment to amend the Light Industrial Land use Designation;
- A Rezone to establish a Planned Development District;
- A Text Amendment to establish Planned Development Regulations;
- Preliminary and Final Development Plan (includes Conditional Use Permit & Design Review)
 - A Subdivision Map (Tentative & Final)

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It should be noted that the above requests will likely be processed concurrently, unless determined during the negotiations of the MOU that some entitlements such as the Final Development for each building may be phased within the terms of an approved Development Agreement.

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Public Comments

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To date, no written comments have been received on this application. However, concerns have been expressed by representatives for Mrs. Hammond regarding the proposed intensity and magnitude of development on the property with respect to the number of visitors that the proposed project will generate.

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457 **RECOMMENDATION:**

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Staff recommends that the Planning Commission review the conceptual site plan and elevations, receive comments from the applicant and the public, and provide preliminary comments to the Applicant and staff on the following as well as other issues of commission concern.

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It should be noted that the Planning Commission comments received during conceptual design review are advisory only and should not be considered by the Applicant to be requirements or an endorsement of the project until a complete application is considered through the formal review process.

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ATTACHMENTS:

- 470 1. Project Description
- 471 2. Assessor Map Book 11, Page 26
- 472 3. Draft Urban Design Plan Excerpt Highway 29 Corridor
- 473 4. Applicant Comments on the Draft UDP dated August 6, 2008
- 474 5. Department/Agency Comments
- 475 6. Project Plans