



URBAN DESIGN PLAN AD-HOC COMMITTEE MEETING NOTES OF AUGUST 3, 2009

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2 **A. Call to Order**
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4 Meeting was called to order by Planning & Building Director Charlene Gallina
5 at 1:00 pm. **Committee Members Present:** Vice Mayor Dunsford, City
6 Council Member Kraus, Planning Commissioner Coates, & Planning
7 Commissioner Kite (Arrived at 1:15 pm). **Staff Present:** City Manager
8 McCann & Planning & Building Director Gallina. **Merchant Family**
9 **Representatives:** John Merchant, Pat Merchant, Daniel Merchant, & Eric
10 Fair.
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12 **B. Public Comment**
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14 No comments were provided at this time.
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16 **C. Adoption of Meeting Agenda**
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18 **Planning & Building Director** requested that the Committee adopt the
19 Meeting Agenda as submitted. **Council Member Kraus** moved to adopt
20 meeting agenda as submitted; seconded by **Vice Mayor Dunsford**. Motion
21 carried. 3-0-1, **Commissioner Kite** absent.
22

23 **D. General Topics**
24

25 **1. Introduction by the Planning & Building Director.** Director Gallina
26 provided a brief description of the purpose of the Ad-Hoc Committee's
27 assignment as directed by the City Council and Planning Commission.
28 She stated that time allowed for this meeting was 1½ hours.
29

30 **2. Selection of the Committee Chair.** Vice Mayor Dunsford nominated
31 Council Member Kraus to serve as the Ad-Hoc Committee Chair. Council
32 Member Kraus nominated Vice Mayor Dunsford to serve as the Ad-Hoc
33 Committee Chair. The nomination for **Vice Mayor Dunsford** was
34 seconded by Planning Commissioner Coates. Nomination for Vice Mayor
35 Dunsford carried. 3-0-1, Commissioner Kite absent.
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37 **3. Discussion with the Merchant family on elements of the Draft Urban**
38 **Design Plan with respect to lands located within the proposed**
39 **Downtown – Historic District and the Gliderport Character Areas.**

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41 **Vice Mayor Dunsford as Chair** opened the discussion by requesting the
42 Merchant family to begin by identifying their concerns with the Draft Urban
43 Design Plan and requested City Manager McCann to make an opening
44 statement to start the discussion.

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46 **City Manager McCann** requested the Family to identify areas that they
47 are in agreement with the UDP, as well as, areas that they have concern
48 so the Committee can focus on those issues and begin to move forward in
49 making changes. Furthermore, City Manager McCann noted that at the
50 conclusion of the meeting, the Committee should be able to come to a
51 conclusion on the collective vision for the property, range of land uses,
52 types of amenities that should be consider and how are they to be
53 provided (e.g., property owner or the public).

54
55 **Vice Mayor Dunsford** directed discussion to the Merchants.

56
57 **John Merchant** began with a brief introduction of his vision of the
58 development of the Gliderport property, as well as the Lincoln Avenue
59 frontage of their property. Mr. Merchant indicated his plans to provide a
60 120 room hotel and residential units in the rear. He also presented a
61 description of anticipated benefits to the City with regards to creating
62 construction jobs and long-term employment opportunities (approximately
63 150 people), roughly \$2 million in transient occupancy tax, property tax
64 (roughly \$1.2 Million versus \$20,000 today and over 10 years –
65 approximately \$20 million in tax). The propose development would also
66 create about \$10 million in spending in the Downtown and a \$10-15 million
67 in employee payroll.

68
69 **Pat Merchant** requested that the Committee provide clarification on the
70 purpose and/or vision of the following requirements by the City and the
71 UDP Oversight Committee in conjunction with future development of their
72 property:

- 73
74
- 75 • Parking – Public parking seems to be big issue. Confused about it size
76 in area and location on the property; requested information on the
77 required number of spaces to be provided.
 - 78 • Public Plaza – What will be the desired size and its location in relation
79 to Lincoln Avenue?
 - 80 • Public Bicycle Paths Requirements – Wanted clarification on why
81 bicycle paths need to cut through Indian Springs Resort and the
Gliderport property.

- 82 • Fair Way Avenue – Pocket Parking Lot – Expressed concern that the
83 proposed diagonal parking may encroach upon their land and is the
84 City going to purchase or are they giving the land over to the City.
- 85 • Visitor Center/Event Hall – What will be the required size of buildings
86 and location? Requested definition of the term “modest”.
- 87 • Walking Trails/Pedestrian Connectivity to Dunawear and the resort
88 area – Requested clarification on its connection to the Class 1 Bicycle
89 Path as well as what is meant by pedestrian connectivity.
- 90 • Lodge Redevelopment – Eliminate visible parking – Requested
91 clarification on what needs to be done with a project that had recently
92 been completed.
- 93 • Preservation of View Corridors – What are the width and length
94 requirements, as well as its purpose?
- 95 • Comprehensive Planning of All Properties on the Gliderport – Why are
96 they being required to work with other Gliderport property owners (Fox,
97 Paoletti)? Expressed concern that they see it as a “shot-gun marriage”
98 making it very difficult to work with other property owners, and
99 requested that this requirement be dropped.
- 100 • Boundary of Gliderport and Historic Downtown (Merchant Property) –
101 Expressed concern that this is an arbitrary line and is more confusing
102 given the “noncompetitive clause” included in the Historic District.
- 103 • Fire Road to Mobile Home Park – Requested information regarding the
104 width and size of this road.

105

106 In response to these issues, **Vice Mayor Dunsford, City Manager**
107 **McCann and Planning Director Gallina** stressed that the intent of the
108 Draft UDP, like the General Plan, was not to provide specific direction, but
109 to provide guidance in these areas. Overall, it was stated that some
110 language in the UDP may not make sense and should be revised to
111 provide more clarity to narrow down concerns of the Family.

112

113 **Erik Fair**, Manager of Indian Springs Resort presented information
114 regarding the economics of a successful hotel and expressed concern that
115 UDP requirements would make it difficult for the Merchants to develop the
116 property and successfully operate a hotel. Cited examples of successful
117 resorts in Napa Valley and identified troubled times for Solage Resort due
118 to City requirements.

119

120 **John Merchant** further presented economic information on the purchase
121 price and renovation the Lodge at Indian Springs (formerly Nances) in
122 which a total of \$6 Million was spent for 24 rooms. He stated that this cost
123 worked out to \$240,000 per room and meant that they have to rent it out at
124 \$240 per night at 70% occupancy to make money versus \$80 per night
125 upon purchase which is the kind of deal that would pencil out for them. He
126 further stated that the other resort projects that have been approved by

127 the City will never pencil out because of the impact fees required by the
128 City.

129

130 Mr. Merchant further stated the UDP Oversight Committee held many
131 meetings that the public was not invited, including their family. Mr.
132 Merchant pointed out that he believed that the UDP is a "Defacto" General
133 Plan update for their properties. In addition, he cited similar concerns
134 expressed from Kristen Casey's letter dated June 24, 2009 and his
135 Attorney's letter dated July 20, 2009.

136

137 Mr. Merchant then proceeded to cite specific language of concern
138 provided in the Draft UDP.

139

140 Mr. Merchant then proceeded to cite the following reasons why Kelly
141 Foster of Bald Mountain Development walked from purchasing the
142 property:

143

- 144 • Believes that the Federal/State Government designates half of the
- 145 Gliderport property as an environmentally sensitive area;
- 146 • Didn't care for the UDP provisions at all;
- 147 • Thought Calistoga fees were far too high; and
- 148 • Price of land

149

150 Mr. Merchant stated that given these reasons and as a result of a meeting
151 between with the City (City Manager and the Mayor), Four Seasons
152 Resort, and the developer (Mr. Foster) that went horrible, it did not make it
153 feasible for Kelly Foster to move forward with the purchase of their
154 property.

155

156 **John Merchant** further provided information that he closed the airport in
157 1998 because it did not make any money. During the General Plan
158 update process, he requested the City to land use designate their property
159 to Planned Development similar to the Maxfield property and while the
160 City easily said yes to Mr. Maxfield, they said no to the Merchants.

161

162 **Daniel Merchant** requested a legal opinion with regards to the allegations
163 made by the public at the Planning Commission Meeting of June 24th that
164 the UDP Oversight Committee had violated the Brown Act. He further
165 stated that the Merchant family had not been notified of these meetings
166 prior to release of the Draft UDP.

167

168 **City Manager McCann** indicated that staff had been directed by the
169 Planning Commission to provide a response to this issue at their meeting
170 in August and that it was not appropriate to respond on this matter at this
171 time.

172

173 **Vice Mayor Dunsford** indicated that he believed that there was more
174 common ground then noted by the Merchant family to make changes to
175 the various sections of the Draft UDP to better clarify the City's intent. He
176 requested the City Manager to provide a brief response to the issues
177 identified by the Merchant family.

178
179 **City Manager McCann** briefly described the Oversight Committee's intent
180 of language provided in the Draft UDP and potential benefits to the
181 community, as well as the property owner. He further indicated that the
182 intent of the UDP was to layout areas of interest to the City for the
183 Merchant family to consider during development of a proposed plan.

184
185 **Vice Mayor Dunsford** opened the meeting to public comment.

186
187 **George Caloyannidis**, UDP Oversight Committee Member briefly
188 provided additional information regarding the Oversight Committee's intent
189 to create clarity of what is desired by the community.

190
191 **Doug Cook**, Brannan Cottage Inn cited examples of good resort
192 development around California that the Merchant family should look at
193 with respect event plazas and other public spaces that will benefit both the
194 Merchants and the community.

195
196 **Dieter Deiss**, UDP Oversight Committee Member identified the benefits
197 for treating Merchant family property not the same as the Historic
198 Downtown. He agreed that language in the Draft UDP needed to be
199 revised to address Family concerns. He stated that there was flexibility to
200 changes in the language to clear up any misunderstandings. He identified
201 that during development of the UDP, the Committee had refrained from
202 providing specific direction on this property and instead chose to provide
203 guidance.

204
205 **Anne Scott**, Scott Way expressed concerns that based upon her
206 discussion with some community members the public does not want a big
207 hotel and/or a public plaza to be located on the Merchant property. She
208 questioned whether jobs to be generated by the new resort will detract
209 from other areas of Napa Valley and would be in direct competition with
210 the Downtown with regards to existing jobs. She further expressed
211 concern that the public would have to give up small town quality of life for
212 a development of this size. Lastly, she disagreed with John Merchant's
213 statement that Mr. Maxfield had an easy time to in getting his PD
214 designation during the 2003 General Plan Update.

215
216 **Vice Mayor Dunsford** closed public comment.

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218

219 **4. Suggestions of items for future meetings.**
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221 **Vice Mayor Dunsford** identified that time allocation for the meeting had
222 expired and stated that another meeting would be warranted. He
223 requested comments from other Committee members on issues
224 discussed, as well as direction for setting the next meeting date.
225

226 **Commissioner Coates** suggested everyone hold their comments for the
227 next meeting given the expiration of time.
228

229 **Council Member Kraus** agreed and commented on Commissioner Kite's
230 desire to set goals for the next meeting.
231

232 **Commissioner Kite** stressed the need to find a way to articulate what the
233 Family wants to do to identify common ground and specifics things which
234 divide the Family's opinion from the UDP in order to find a way to move
235 forward.
236

237 **Vice Mayor Dunsford** stated that the next meeting date selection should
238 be left to staff.
239

240 **City Manager McCann** indicated that a meeting should be set soon and
241 suggested the following dates of August 12, 18, or 19. Based upon the
242 task at hand, he suggested possibly the need for a couple of meetings
243 before the Planning Commission Meeting of August 26th. He further
244 suggested that staff provide for Committee and Merchant family review and
245 discussion revised UDP language that will address concerns identified to
246 date.
247

248 The **Ad-Hoc Committee** unanimously agreed with staff's recommendation
249 and requested that proposed revisions be provided to the Merchant family
250 and Committee members in advance of the next meeting.
251

252 **Pat Merchant** thanked the Committee for a very productive meeting and
253 looked forward to continued discussion with the Committee.
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255 **E. Adjournment**
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257 The meeting was adjourned at 2:35 pm to a designated meeting to be
258 determined by staff.
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Charlene Gallina, Planning & Building Director