

CITY OF CALISTOGA STAFF REPORT

**TO: CHAIRMAN MANFREDI AND MEMBERS OF THE
PLANNING COMMISSION**

**FROM: CHARLENE GALLINA, PLANNING & BUILDING
DIRECTOR**

MEETING DATE: MARCH 12, 2008

**SUBJECT: CALISTOGA BEVERAGE COMPANY
CONDITIONAL USE PERMIT EXTENSION (UP 2006-17)**

1 **REQUEST:**
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3 Consideration of an extension of time for a previously approved amendment to
4 Calistoga Mineral Water's original Use Permit adopted April 18, 1990, to allow
5 the temporary bulk transfer of Geothermal Water in two tanker trucks from their
6 Calistoga facility to a bottling facility in Healdsburg, California. This amendment
7 was approved by the Planning Commission on January 24, 2007. The Calistoga
8 Mineral Water property is located at 865 Silverado Trail, within the "I", Industrial,
9 and "CC-DD", Community Commercial – Design District Zoning Districts (APN
10 011-050-024). This proposed action is exempt from the California Environmental
11 Quality Act (CEQA) under Section 15301 of the CEQA Guidelines.
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13 **BACKGROUND:**
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15 In response to re-launching the Calistoga Sparkling Juice product in March 2007,
16 the Calistoga Beverage Company submitted a request in November 2006 for an
17 amendment to Condition #18 of Use Permit 90-3, which prohibits them from bulk
18 transferring of any geothermal water from their current facility. As disclosed, the
19 applicant does not have the technical capability to manufacture this product at
20 their 865 Silverado Trail facility. Given this dilemma, the applicant indicated at
21 the time that they would need at least 18 months (July 2008) for the design,
22 purchase and installation of the juice bottling line at their Silverado Trail facility.
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24 In the meantime, the applicant requested the ability to bulk transfer geothermal
25 water from their site to a suitable bottling facility capable of producing this
26 product in the Town of Healdsburg, California between the hours of 7:00 am and
27 5:00 pm daily. Once bottled, the finish product would be transferred to their
28 distribution warehouse in Napa, California via Highway 101.
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30 on January 24, 2007, the Planning Commission considered this request and
31 approved Conditional Use Permit (UP 2006-17) authorizing the temporary bulk
32 transfer of geothermal water from Calistoga Beverage Company limited to two (2)
33 tanker trucks per day not to exceed 6,000 gallons per truck for a total of 12,000
34 gallons per day for a period of one (1) year from the date of use commencement,
35 subject to eight (8) conditions of approval. Included in this approval was a
36 condition that authorized the ability for a one-time extension, not to exceed six (6)
37 months to be reviewed and approved by the Planning Commission. (Refer to
38 Attachment 3, Condition #1 of Resolution No. PC 2007-07)

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40 As approved, these transfers were estimated to equate to a maximum transfer of
41 4,368,000 gallons per year and proposed to be an incremental volume drawn
42 from their on-site mineral well. In addition, all water volumes for bulk transfer
43 were subject to metering. Lastly, the tankers were required to utilize the
44 following transit route: Northwest on Silverado Trail; turn right onto CA-29; turn
45 left onto Tubbs Lane; turn right onto CA-128 North. Once unloaded these tanker
46 trucks would have to complete a return trip back to Calistoga.

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48 Given this approval, Calistoga Beverage Company commenced their bulk
49 transfer on March 26, 2007. An excerpt of the Planning Commission Meeting
50 Minutes and the Staff Report presented on this item has been attached for
51 Commission review.

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53 **PROPOSAL:**

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55 On December 12, 2007, Calistoga Beverage Company provided the Planning
56 Commission with a project status update regarding the delays in launching of
57 their sparkling juice production. Due to packaging material modifications (use of
58 glass bottles and different labeling materials), this caused a 6 month finish
59 product availability delay and therefore impacted the applicant's ability to place
60 new product in major retail chains within the 2nd, 3rd, and 4th quarters of 2007.
61 Given this major delay, Calistoga Beverage Company was unable to reach
62 revenue targets required for Capital Investment approvals by Nestle Waters
63 North America and Nestle Waters International. As a result, Calistoga Beverage
64 Company indicated their desire to submit a request for City consideration an
65 additional 18 month extension to the temporary bulk transfer of geothermal water
66 to accommodate the processing of their new Use Permit and Capital Equipment
67 Request Process. (Refer to Attachments 2 & 3) On February 26, 2008, a formal
68 request for this eighteen (18) month extension was submitted to the City for
69 Planning Commission consideration. As proposed, this extension, if authorized
70 would allow the bulk transfer to continue through July 2009. The applicant has
71 also indicated that they would apply for the new Use Permit for their juice
72 production line in October 2008 after they receive approval for capital investment
73 funding also in October 2008.

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STAFF DISCUSSION:

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Since commencement of the bulk transfer of geothermal water from Calistoga Beverage Company's facility to their Healdsburg temporary bottling facility, the applicant has reported that only 462,000 gallons of water has been transferred.

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To date, the Planning & Building Department has received no complaints regarding their transfer operations. Please note that the Police Department has also indicated that there have been no reportable incidents brought to their attention. Within the past year, project status updates have been provided to the Department via e-mail, in person, and/or by phone to keep the Planning & Building Director informed on condition of approval compliance, as well as any unforeseen delays in transfer operations, the ultimate development of their sparkling juice program, and in the status on the submittal of a formal conditional use permit for the installation of their sparkling juice production line.

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With respect to the filing of a new use permit, staff has strongly recommended to the applicant that this permit application be submitted earlier than identified in their request (October 2008) to ensure that necessary City approvals are received prior to submittal of their Capital Equipment request to their corporate offices.

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To further facilitate this effort, staff is recommending that the Planning Commission only grant a six (6) month extension at this time. As discussed with the applicant, a request for a longer time extension can be processed concurrently with their new use permit application allowing for a comprehensive review of proposed sparkling juice operations and any unanticipated impacts associated with the transferring of geothermal water out of Calistoga.

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STAFF FINDINGS:

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Provided below is staff's continued analysis of the proposed request and applicability of findings for Conditional Use Permit Extension action.

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Findings for Use Permit Approval (CMC 17.40.070):

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1. The proposed development, together with any provisions for its design and improvement, is consistent with the General Plan, any applicable specific plan and other applicable provisions of the Zoning Code including the finding that the use as proposed is consistent with the historic, rural, small-town atmosphere of Calistoga;

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117 Response: Although the General plan prohibits bulk transfer of geothermal
118 waters outside the City limits, the proposed project is a request for a
119 temporary transfer to accommodate the design, purchase, and installation
120 of a juice bottling line at the permanent facility located in the City of
121 Calistoga. Conditions applied to the project will ensure that such transfer
122 will be limited in volume, frequency and through hours of operation for an
123 additional period of six (6) months.
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125 2. The site is physically suitable for the type and density of development;
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127 Response: The site is physically suitable for accommodating the use and
128 on-site circulation of 2 bulk tanker trucks with a capacity of 6,000 gallons.
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130 3. The proposed development has been reviewed in compliance with the
131 California Environmental Quality Act (CEQA) and the project will not result
132 in detrimental or adverse impacts upon the public resources, wildlife or
133 public health, safety and welfare;
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135 Response: The project is exempt from environmental review pursuant to
136 Section 15301 of the CEQA Guidelines.
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138 4. Approval of the use permit application will not cause adverse impacts to
139 maintaining an adequate supply of public water and an adequate capacity
140 at the wastewater treatment facility;
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142 Response: The proposal will not create any demand for public water or
143 sewer.
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145 5. Approval of the use permit application shall not cause the extension of
146 service mains greater than 500 feet;
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148 Response: The project will not require the extension of service mains.
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150 6. An allocation for water and/or wastewater service pursuant to Chapter
151 13.16 CMC (Resource Management System) shall be made prior to
152 project approval. Said allocation shall be valid for one year and shall not
153 be subject to renewal;
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155 Response: The proposal will not create any demand for public water or
156 sewer.
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158 7. The proposed development presents a scale and design which are in
159 harmony with the historical and small-town character of Calistoga;
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161 Response: The site is already developed with a building and parking lot.
162 The proposal is for temporary bulk transfer of geothermal water for an
163 additional six (6) month period in order to accommodate the processing of
164 a new Conditional Use Permit for the installation and operation of a
165 permanent sparkling juice production line.
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167 8. The proposed development is consistent with and will enhance Calistoga's
168 history of independent, unique, and single location businesses, thus
169 contributing to the uniqueness of the town, which is necessary to maintain
170 a viable visitor industry in Calistoga and to preserve its economy;
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172 Response: The granting of this Use Permit will allow an existing business
173 to continue operations outside the City limits on a temporary basis in order
174 to accommodate the design, purchase and installation of a juice bottling
175 line at their permanent facility located in Calistoga.
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177 9. The proposed development complements and enhances the architectural
178 integrity and eclectic combination of architectural styles of Calistoga.
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180 Response: No construction is planned.
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182 **ENVIRONMENTAL REVIEW:**
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184 Staff has determined that the proposed project is Categorically Exempt from the
185 requirements of the California Environmental Quality Act (CEQA) pursuant to
186 Section 15301 of the CEQA Guidelines.
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188 **RECOMMENDATION:**
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190 Based upon the staff's analysis and the above findings, staff is recommending
191 approval of only a six (6) month extension at this time thereby allowing for the
192 continuation of temporary bulk transfer of geothermal water, subject to seven (7)
193 conditions of approval. Staff further recommends that the balance of the eighteen
194 (18) month request be processed concurrently with a new use permit for the
195 installation and operation of a sparkling juice production line as reflected in the
196 conditions of approval.
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198 **SUGGESTED MOTION:**
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200 I move that the Planning Commission adopt Resolution PC 2008-13 approving an
201 six (6) month extension to Use Permit (UP 2006-17) for the continuation of
202 temporary bulk transfer of geothermal water from the Calistoga Beverage
203 Company located at 865 Silverado Trail, within the "I", Industrial, and "CC-DD",
204 Community Commercial – Design District Zoning Districts (APN 011-050-024) to

205 a bottling facility located in Healdsburg, California, based upon the findings
206 presented in the staff report and subject to conditions of approval.

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208 NOTE: The applicant or any interested person is reminded that the Calistoga
209 Municipal Code provides for a ten (10)-calendar day appeal period. If there is a
210 disagreement with the Planning Commission, an appeal to the City Council may be
211 filed. The appropriate forms and applicable fee must be submitted prior to 5:00
212 p.m. on or before the tenth calendar day following the Commission's final
213 determination.

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215 **ATTACHMENTS:**

- 216 1. PC Resolution No. 2008-13
217 2. Applicant's Request
218 3. December 12, 2007 Applicant Update to the Planning Commission
219 4. PC Resolution No. 2007-07
220 5. Planning Commission Meeting Minute Excerpt & Staff Report of January 24,
221 2007