

August 12, 2015

John McDowell Deputy Planning Director, ALUC Executive Director Napa County Airport Land Use Commission 1195 Third Street, Suite 210 Napa, CA 94559

Subject: Referral of Meritage Commons Expansion Project - Updated

Dear Mr. McDowell:

On behalf of Pacific Hospitality Group, CAA Planning, Inc. (CAA) is pleased to submit this request to the Napa County Airport Land Use Commission (ALUC). This request seeks a consistency determination for the Meritage Commons project, which is an expansion of the existing Meritage Resort and Spa to a vacant 9.3-acre parcel located immediately across Bordeaux Way, within the City of Napa. Municipal Code §17.34.050(C)(2) requires referral to the ALUC given that a portion of the project site is located within the Airport Compatibility Overlay Zone C. The Meritage Commons project proposes approximately 134 new overnight guest rooms and ancillary support uses including a "Village" with wine tasting, a guest-serving market, and a new spa. The hotel buildings will range from approximately 23' to 60' above ground level (AGL) with two architectural features extending to 77.6 and 80' AGL. The project also includes the construction of a new exhibition hall on the existing hotel site and related circulation improvements as further detailed below. The project is required to secure a use permit for over-height building features consistent with the City of Napa Municipal Code §17.34.040(E)(2) and §17.34.050(E)(2).

Background

The Meritage Resort (TMR) is located within the City of Napa, in the Napa Valley Commons industrial park. The Napa Valley Commons was first analyzed in 1981 in the Airport North Master Plan EIR. In 2000, the City of Napa Planning Commission adopted a Negative Declaration for the construction of a 200-room hotel, previously called Buena Vista, which was reviewed by ALUC, and a determination of consistency with conditions was issued in 2000. An expansion of the hotel was analyzed in a Negative Declaration adopted by Planning Commission resolution in 2008, which did not require ALUC referral because the hotel expansion area was located outside the Airport Compatibility Overlay Zone C.

Description of Project

The Proposed Project involves the expansion of TMR onto a 9.3-acre vacant parcel located immediately north of the existing hotel across Bordeaux Way. The expansion project, identified as Meritage Commons or The Commons, will provide approximately 134 new hotel rooms, and will introduce and expand upon ancillary hotel-serving uses to provide a greater variety of guest-serving



Mr. John McDowell August 12, 2015 Page 2 of 8

amenities, for a total of 179,050 square-feet. Meritage Commons proposes a wellness center with a spa and a relaxation area, an outdoor event area, an exhibition kitchen, and a small guest-serving market. The existing Trinitas Tasting Room at Meritage will be relocated to The Commons along with additional space for tasting or break out space for groups. An approximate breakdown of proposed hotel uses is provided on Table 1 (page 14) of the Mitigated Negative Declaration (attached). Street improvements, sidewalks, crosswalks, and medians are also proposed as a part of The Commons.

On the existing hotel site, a new approximately 10,000-square-foot exhibition hall with 5,300 square-feet of additional support uses and an outdoor pre-function area is proposed to be located in a portion of an existing parking lot on the western side of the site. Additional Project components include streetscape and sidewalk improvements, changes to vehicular circulation at the existing porte-cochere and southern parking area, and enhancements to the existing pool area. The Commons project will focus on expanding guest-serving features required for a high-caliber hotel. Guest check-in for The Commons will be handled at TMR, and duplication of services will be avoided. The existing restaurant at TMR will serve The Commons, and no new restaurants are proposed. Meritage will maintain and promote the existing shuttle service that brings guests from the hotel to restaurants and businesses located in the downtown Napa area.

Existing and Proposed Uses on the Site and Adjacent Properties

The Project site is located at the southern boundary of the City of Napa, at the junction of State Route 29 and State Route 221. The site is approximately four miles south of downtown Napa, and is located in an industrial/business park known as Napa Valley Commons. The immediate surrounding area is largely built out with low-rise office and industrial development. Vacant parcels of land exist to the northeast of Napa Valley Corporate Drive and north of Napa Valley Corporate Way west of State Route 221. The project is located near the Southern Crossing, which has a height of 125', and which all development in the area is required to remain below. The Napa County Airport is located approximately four miles to the south. A PG&E transmission tower is located on the northwest side of The Commons site, which extends to approximately 150' AGL. Transmission lines run along the northern boundary of the site.

The Project site comprises the existing hotel located east of Napa Valley Corporate Drive and south of Bordeaux Way, and the vacant Meritage Commons parcel, located north of Bordeaux Way. The combined site acreage is approximately 29.93 acres including approximately 20.63 acres for the existing hotel and 9.3 acres for the vacant parcel. The Vino Bello Resort (timeshare) located immediately adjacent to the existing hotel is not a part of the Proposed Project. The existing hotel includes three-story buildings ranging from 40' to 60' in height AGL. Building pads for the existing hotel are stepped with the easterly existing grades ranging from 27 feet to 40' AMSL and the westerly grades from 15' to 33' AMSL. The southerly slope ranges from approximately 100' to 27' AMSL with grades varying from 3:1 to 1:1. Slopes within the parking areas range from 2% to 6%.

The proposed hotel expansion site (The Commons) generally slopes east to west with grades ranging from 27' to 12' AMSL. Bordeaux Way transects the existing hotel and the expansion site,



Mr. John McDowell August 12, 2015 Page 3 of 8

and is a crowned, gently sloping street with longitudinal grades at approximately 1%. There is a high point on the street near the easterly limit of the existing hotel at elevation 27' AMSL, sloping northeast to elevation 22' and southwest to elevation 15' AMSL.

General Plan and Zoning Designations

The project site is designated as CP – Corporate Park by the General Plan and IP – Industrial Park by the Municipal Code. The CP and IP designations provide for uses such as manufacturing, warehousing, office, and public and quasi-public uses. Hotels are permitted uses, and the General Plan requires the Proposed Project FAR to not exceed 0.40. Consistent with the Municipal Code, the Proposed Project seeks several discretionary approvals from the City, including a variance for landscape features within a setback, a parking management plan, a hotel in Airport Compatibility Zone C, and a use permit for over-height building features. The General Plan and Zoning maps are attached.

Airport Compatibility Zone Designations

The existing hotel and the proposed expansion site are within an Airport Compatibility Overlay District. The ACLUP and the City Municipal Code Chapter 17.34 - Airport Compatibility Overlay Districts identifies standards for the project site. The project site is considered within Airport Environmental Zones C and D as shown on the Airport Land Use Compatibility Plan Map attached hereto. For The Commons site, approximately 3.2 acres are located within Zone C, and 6.1 acres are located within Zone D. In addition, the majority of the proposed development is clustered within Zone D.

Zone C contains the most restrictive uses for the project site, as it is identified as an Extended Approach/Departure Zone. Permitted uses in Zone C include a variety of uses including but not limited to offices, small retail, light industrial, outdoor recreation, auto parking, most agricultural uses, nurseries, mini-storage, and warehouses. Hotels are included in the list of examples of land uses not normally acceptable. However, it should be noted that the existing Vino Bello timeshare is located within Zone C, and The Commons site is located northwesterly of the Vino Bello site, farther away from the airport. In addition, the majority of the land area within Zone C is proposed to be developed with a parking lot and outdoor recreation uses (a spa pool), which are consistent with Zone C.

Zone D is identified as a Common Traffic Pattern and retains all the permitted uses for Zone C along with most non-residential uses, which would include hotels. The majority of the existing Meritage hotel is located within Zone D as is the majority of the proposed Meritage Commons. Based on the existing uses and the clustering of development onto Zone D, the Proposed Project is consistent with the Airport Compatibility Zones. Proposed improvements on the existing Meritage site will be located within Zone D and do not propose any over-height building features.

The County's ALUCP requires dedication of an avigation or overflight easement for new development within all zones. As a condition of approval, the Proposed Project will dedicate an avigation or overflight easement to Napa County ALUC in compliance with ALUCP Policy 3.3.2



Mr. John McDowell August 12, 2015 Page 4 of 8

CNEL Contours

The Project is not within either the applicable 60 or 65 CNEL Contours for Napa County Airport, as identified on the attached Napa County Airport CNEL Map.

Runway Protection Zones

The project is not located within the Runway Protection Zone.

Potential Aircraft Hazards

The ALUCP identifies potential flight hazards and obstructions sources as visual, electronic, or physical, including distracting lights, glare, sources of smoke, electronic hazards which could interfere with aircraft instruments or radio communication, and physical hazards such as height of buildings or bird strikes. Napa County ALUC identifies following specific potential aircraft hazards:

• Electronic equipment that could interfere with airport or aircraft signal transmission or reception.

The Proposed Project does not contemplate the use of electronic equipment that could contribute to airport or aircraft interference.

• Smoke Production.

The Proposed Project does not contemplate any potential smoke production.

• Exterior lighting.

The hotel expansion contemplates the construction of a new parking lot. Parking lot lighting has been designed with minimal diffusion to focus on areas that need the lighting such as the ground and buildings.

• Reflective roof materials.

The Proposed Project has been designed to incorporate City Zoning Code Chapters 17.34.040 (E)(1) and 17.34.050 (E)(1), which provides design regulations for minimizing light and glare in an Airport Compatibility Overlay. Non-reflective glass will be incorporated into the project design for all building elevations having the potential to create glare impacts on approaching/departing aircraft.

• Storage or use of explosive or other hazardous materials.

The Proposed Project does not contemplate the storage or use of explosive or other hazardous materials.



Mr. John McDowell August 12, 2015 Page 5 of 8

• Height of any cranes to be used for tilt-up construction.

The Proposed Project includes the construction of new buildings, which will require the use of construction cranes. The tallest crane contemplated will be approximately 90', and is anticipated for use during for the final one-third of the proposed construction period. The construction schedule anticipates a 21-month time period, of which it is anticipated the crane will be present onsite for the final seven months. Smaller cranes will be utilized if necessary.

Height Restriction Zone

As detailed above, the project site is located within Zones C and D of the ALUCP and is subject to height limits of 35' feet, if not otherwise assigned by the underlying district, as identified in Chapter 17.34.050 ALUCP Zone C regulations and Chapter 17.34.040 ALUCP Zone D regulations, respectively. The underlying district (IP-A) height regulations are set forth by Municipal Code §17.14.030, which restricts building heights to 50', with exception for development up to 60' with Planning Commission design review. Planning Commission design review is sought for this project.

The Project has been designed within height limits established by the Municipal Code, and is seeking design approval from the Planning Commission to permit building heights to extend to 60'. The Project proposes two cupolas located on the Village and main hotel buildings within The Commons, which will extend to 80' and 77.6' AGL, respectively. In addition the Project has four stairway towers extending to heights between 61' and 65', and an elevator tower extending to a height of 61', which are shown on the Building Roof Heights exhibit, as attached.

The proposed architectural features, stairway towers, and elevator tower are all considered uninhabitable space. The applicant seeks a use permit for over-height features consistent with Municipal Code \$17.52.220(B)(4). Due to proximity to Napa County Airport and the Project location within the ALUCP, the applicant is seeking an issuance of a use permit from Planning Commission for over-height features in Zones C and D under City Municipal Code \$17.34.040(E)(2) and \$17.34.050(E)(2), respectively.

The heights of the two proposed building features are a maximum of 77.6' and 80' AGL and are consistent with the City's Municipal Code height restrictions, which allow for architectural features, stairway towers, and elevator towers approved via a use permit.

The ballroom proposed on the existing hotel site will be approximately 34.5' with an architectural feature extending to approximately 44', which is consistent with the existing buildings and the City's Municipal Code. The ALUCP limits height by conformance with the City's Municipal Code and provides no further limitation. Therefore, the project is consistent with the City's Municipal Code and the ALUCP.



Mr. John McDowell August 12, 2015 Page 6 of 8

Design Review Criteria

The Proposed Project is consistent with the Use Review Criteria as set forth in subsection C of §17.34.050 to determine whether a use has been appropriately designed. As noted above, a majority of The Commons lies within Zone D; however, the entire site will be analyzed in conformance with Zone C to promote project continuity.

ALUCP Zone C has a maximum density recommendation established at 50 persons per acre in structures and 75 persons in and out of structures. Site density for the Project has been analyzed using the parking ordinance to determine the maximum number of people utilizing each area of the hotel and amenities. This method of calculation is an accepted method of calculation for ALUC, per ALUCP Appendix D – Methods for Determining Concentrations of People. While the density criteria provided above pertains to Zone C, it should be noted that the majority of the habitable area for the proposed project is located within Zone D. The site density criteria for Zone D are 100 people in structures and 150 people in and out of structures; and therefore, the project will be well within the density criteria established for Zone D.

ALUCP Appendix D – Methods for determining concentrations of people

Parking Ordinance – The number of persons present in a given area can be calculated based upon the number of parking spaces provided. Some assumption regarding the number of persons per vehicle needs to be developed to calculate the number of persons on-site. The number of persons per acre can then be calculated by dividing the number of persons on-site by the size of the parcel in acres. This approach is appropriate where the use is expected to be dependent upon access by vehicles.

ALUCP Appendix D recommends developing an assumption regarding the number of persons per vehicle in order to calculate the number of persons on-site. Because the Proposed Project is an expansion of an existing hotel, data related to employee counts and existing parking demand is available to assist in developing an appropriate rate for passengers per car, which is estimated at 2.5 passengers per guest vehicle and 1 passenger per vehicle for employees and managers. This rate is a best assumption relying on the fact that employees and managers will more than likely be traveling alone, and hotel guests will often be traveling alone or with one other person. In addition to assuming that guest vehicles will be carrying 1 to 2 guests, the 2.5-passengers-per-vehicle rate includes occurrences of higher guests per vehicle based on hotel ancillary use such as the spa or the Village.

Chapter 17.54.040 of the Municipal Code regulates the number of required parking spaces for a land use. The parking requirements for a hotel are based on the number of sleeping rooms, employees, and ancillary uses. The table below uses information taken from the Transportation Impact Analysis to determine the concentration of people at The Commons site using the developed rate for passengers per car.



Mr. John McDowell August 12, 2015 Page 7 of 8

Parking Use	Parking Spaces Required by Code	Passengers per Vehicle	Number of Persons Based on Parking	Concentration of People (persons/9.3 acres)
Hotel Rooms	134 Spaces	2.5	335	36
Managers	13 Spaces	1	13	1.4
Employees	67 Spaces	1	67	7.2
Total	214	-	415	44.6

Based on the parking ordinance method for determining concentrations of people, the concentration of people for The Commons is 44.6 persons per acre. The Commons would be considered consistent with the ALUCP use review criteria requiring that site density remain fewer than 50 persons per acre in structures. Additionally, the design review criteria require that the concentration of people using outdoor space not exceed 75 persons per acre. This density requirement will not be exceeded, because the calculated site concentration of 44.6 persons per acre also includes guests and employees who could be outdoors; therefore, no additional density should be assigned to outdoor usage. The parking ordinance method of calculation was utilized based on the nature of the Proposed Project as the expansion of an existing hotel where parking demand, and employee and guest information are available. In addition, hotel usage is expected to be dependent upon access by vehicles.

The ALUCP Design Review Criteria recommends clustering. The shape of the Project site is roughly oblong, with the hotel building laid out in a linear fashion through the center of the site and offset slightly to the west, within Zone D. The hotel uses in Zone C are made up in majority by parking lots on the east and north sides, a walkway with a landscape setback on the west, and an entry drive from Bordeaux Way with a pedestrian pathway and extensive landscaping on the south of the hotel building. Open space and large roadways surrounding the Proposed Project would be much better suited for an emergency aircraft landing.

The Proposed Project is located at the northerly boundary of Zones C and D, where airport noise is less of an issue due primarily to the fact that the Project is not located within the immediate approach zone and its distance to the airport. The Project is in compliance with the City's noise standards and ALUC Noise Compatibility Guidelines, as discussed in above in CNEL Contours section.

In addition to Density, Clustering, and CNEL, the ALUCP recommends that structures are set back as far as possible from the extended centerline of the runway. The centerline of the runway travels from the runway through the centers of Zone B and Zone C. The Commons lies on the boundary of Zone C and Zone D, and near the boundary of Zone E, and avoids the runway centerline.

CEQA Documentation

The City of Napa has prepared an Initial Study/Mitigated Negative Declaration, attached hereto, that examines the environmental effects of the proposed hotel expansion.



Mr. John McDowell August 12, 2015 Page 8 of 8

Approval Schedule

The project is scheduled to be considered by the City of Napa Planning Commission on September 3, 2015 and will return for final approval on October 1, 2015. It is not anticipated that the project will require City Council action. Due to the timing of the City's review of this project, we request the project be placed on the agenda for the September 16, 2015 ALUC meeting to consider consistency with the ALUCP. A draft staff report and required mailing labels will be forthcoming.

Conclusion

Per §21676(b) of the Public Utilities Code, Pacific Hospitality Group requests that the Airport Land Use Commission place this item on the September 16, 2015 agenda for formal review and a consistency determination. Pacific Hospitality Group also requests that the commission determine the proposed hotel expansion to be consistent with the standards and zoning districts under Chapter 17.34 – Airport Compatibility Overlay Districts of the Municipal Code. ALUC's failure to act on the referral within 60 days of the date of receipt of the referral shall result in the proposed action being deemed consistent by operation of law.

Please contact me if any other information is required to be placed on the agenda. Thank you in advanced for your assistance in this matter.

Sincerely,

CAA PLANNING, INC.

Shawne L. Schaffor

Shawna L. Schaffner Chief Executive Officer

Attachment(s):General Plan and Zoning Maps
Airport Compatibility Map
CNEL Map
Roof Heights Exhibit - Updated
Meritage Commons Initial Study/Negative Declaration (IS/ND)

c: Ken MacNab, City of Napa Kory Kramer, Pacific Hospitality Group