



(707) 257-9530

PLANNING COMMISSION STAFF REPORT JULY 16, 2020

AGENDA ITEM 7.A File No. 16-0124 – **First and Oxbow Hotel**

I. GENERAL INFORMATION

PROJECT SUMMARY: Design Review Permit and Use Permit for a 184,106-square-foot hotel complex consisting of two 4-story buildings on a 0.8-acre site.

LOCATION OF PROPERTY: 730 Water Street
APN's: 003-235-003, -004, -005, -006, -007, 003-241-003, -006

GENERAL PLAN: Oxbow Commercial (OBC)

ZONING: Oxbow Commercial (OBC)

APPLICANT/ PROPERTY OWNER: Foxbow Development, LLC Phone: (415) 812-6188
485 Technology Way
Napa, CA 94558

OTHER PROPERTY OWNERS: James Jensen
PT Five Investments LP
Raymond Guadagni
Napa County Flood Control and Water Conservation District
City of Napa

STAFF PLANNER: Steven Rosen, Associate Planner Phone: (707) 257-9530

LOCATION MAP



II. PROJECT DESCRIPTION

The Applicant requests a Use Permit and a Design Review Permit to allow a hotel use and the construction of two hotel buildings at the southeast corner of Soscol Avenue and First Street and the southeast corner of First Street and the railroad. The project consists of two, four-story buildings totaling approximately 184,106 square feet on two lots that combine to be a site 0.8 acres in size. The hotel would have up to 74 rooms, with up to 37 in each building. The west building would have 2,787 square feet of commercial tenant space that could accommodate five commercial tenants as proposed. The pool and fitness facilities would be in the west building. The east building would have 3,507 square feet of commercial tenant space for six commercial tenants as proposed and 5,754 square feet of conference and meeting space. Both buildings would have outdoor bars on their top floors.

The hotel would provide 121 parking spaces divided between each building's two-level subterranean garage. Each building would be served by its own laundry and housekeeping facilities. There will be an improved path between First Street and Water Street adjacent to and parallel to the railroad.

The project also includes the City's abandonment of a portion of the Water Street right-of-way between Soscol Avenue and McKinstry Street and of the Lawrence Street right-of-way between First Street and the Water Street right-of-way and the merger of all parcels on the site. This component will be considered by the City Council with the other project entitlements.

The project also includes a Certificate of Appropriateness for the relocation of two Local Landmarks, located at 718 Water Street and 731 First Street, to 58 Randolph Street. This was reviewed by the Cultural Heritage Commission on July 9, 2020 where it recommended approval to the City Council. The Design Review Permit and Use Permit are the only entitlements subject to the Planning Commission's review.

The project approvals requested as a part of this application include:

1. Design Review Permit for a 74-room hotel consisting of two, four-story buildings totaling 184,106 square feet on two sites divided by the Wine Train railroad at the southeast corner of the intersection of First Street and Soscol Avenue. The Planning Commission will review the project for its conformance to the DNSP's design guidelines, on-site parking requirements, and development standards.
2. Use Permit authorizing a hotel use in the OBC District, where a Use Permit is required for hotels pursuant to the NMC 17.10.020. The review will determine whether the application is consistent with City Council hotel policies, implements General Plan policies, and whether the project would be detrimental to nearby property.
3. Certificate of Appropriateness to relocate two Local Landmark structures from 718 Water Street and 731 First Street to 58 Randolph Street.

4. Right-of-Way Abandonment: As part of a separate action to be considered by the City Council, the Applicant has requested the City to abandon a portion of the Water Street right-of-way between Soscol Avenue and McKinstry Street and of the Lawrence Street right-of-way between First Street and the Water Street right-of-way. Lawrence Street and the portion of Water Street west of the Napa River are paper streets. The portion of Water Street east of the Napa River is a dead-end street. This right of way would enlarge the project site to allow larger buildings and the conversion of public street to a smaller access drive while maintaining public access.
5. Lot Line Adjustment/Lot Merger: Request to combine all parcels on the west side of the railroad into a single parcel and all parcels on the east side of the railroad into a single parcel. Should the City approve the entitlements and the right-of-way abandonment, the additional land area would be reconfigured to accommodate the project, and each building would be on a separate parcel separated by the railroad. The lot line adjustment/lot merger would be approved administratively should the City Council approve the abandonment.

FIGURE 1 – PROPOSED FIRST AND OXBOW HOTEL



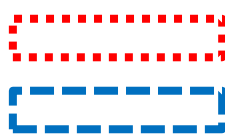
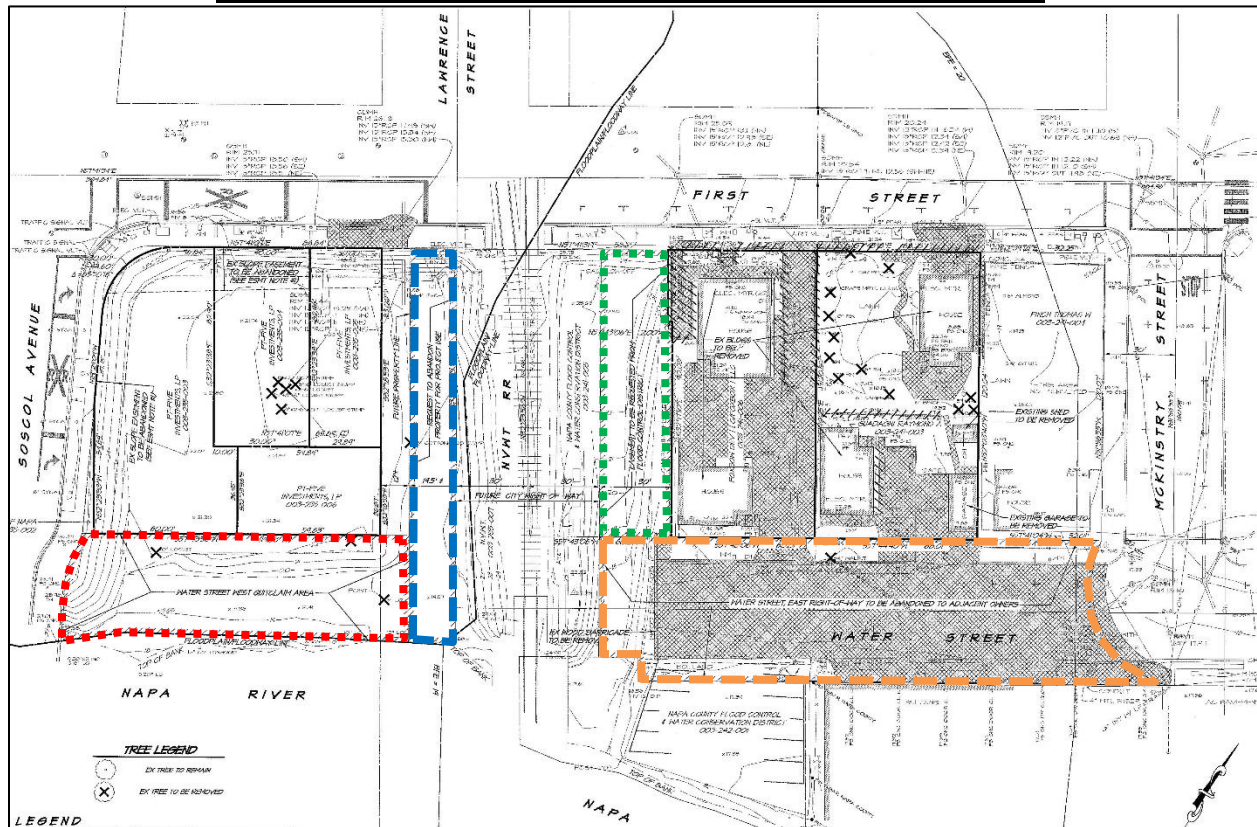
III. PROJECT CONTEXT

The approximately 0.8-acre project site is composed of multiple properties which will be consolidated into two 15,500 square foot parcels. The properties are bounded by Soscol Avenue, First Street, McKinstry Street, Water Street, and the Napa River. Portions of the land associated with the development are not under the Applicant's ownership such as City of Napa (City) rights-of-ways and Napa County Flood Control and Water Conservation District (Flood Control District) property. The Napa Valley Wine Train railroad tracks generally divide the project site into two areas. The western area is currently vacant. The portion of the site located east of the Napa Valley Wine Train

railroad tracks is currently developed with one single-story, single-family residence and a one-story commercial structure that was formerly a single-family residence. The Applicant proposes to relocate these two structures to 58 Randolph Street.

As shown in Figure 2 below, the project relies on the City of Napa to abandon and quitclaim a public street (Water Street) between the western building and the Napa River east across the railroad tracks to McKinstry Street, and a portion of the former Lawrence Street between the western building and the railroad tracks. Additionally, the project relies on the Flood Control District providing to the Applicant an access easement over its property between the eastern building and the railroad tracks.

FIGURE 2 – REQUIRED ABANDONMENTS, QUITCLAIMS, & EASEMENTS



**Water Street
Quitclaim**

**Lawrence Street
Abandonment**



**Flood Control District
Easement**

**Water Street
Abandonment**

The project site is designated Oxbow Commercial in the City of Napa General Plan and zoned Oxbow Commercial (OBC). The Oxbow Commercial zoning district applies to the eastern portion of the Downtown area and is generally located between Soscol Avenue and the Napa River. The district allows for uses oriented to tourists such as hotels and their related amenities; recreational facilities; community and visitor-serving retail, commercial, entertainment and restaurants; and similar compatible uses in addition to live/work opportunities.

IV. BACKGROUND

A conceptual plan for the proposed project was originally submitted in August 2016. The initial submittal was considered a pre-application and a response letter was forwarded to the Applicant in November 2016. After initial dialogue with Staff several modifications were made to establish a clearer development program and more comprehensive plans, which were submitted by the Applicant in September 2017 addressing some of the early issues of concern. The Planning Commission conducted preliminary review of the project design on March 1, 2018 and provided initial informal feedback on the design (see attached Minutes). On January 22, 2019, the Letter of Map Revision was approved by FEMA which allowed projects affected by the previous flood zone designation to proceed. On April 12, 2020, the project was deemed complete.

V. ANALYSIS

A. GENERAL PLAN

The General Plan land use designation for the site is Oxbow Commercial (OBC). This land use district comprises the eastern portions of Downtown, between Soscol Avenue, the Napa River, and north to River Terrace. The OBC designation provides for tourist-uses such as hotels and their related amenities; recreational facilities; community and visitor serving retail, commercial, entertainment and restaurants; and similar compatible uses. The proposed First and Oxbow Hotel complex containing up to 74 hotel rooms, street-facing commercial tenant spaces, meeting space, bars, and café serving both the tourist and local community would align with the goals of the OBC land use designation. In particular, the proposed hotel would be consistent with the following goals and policies of the General Plan:

General Plan Goal LU-5 encourages attractive, well-located commercial development to serve the needs of Napa residents, workers, and visitors. The hotel complex makes efficient use of the vacant parcel between Soscol Avenue and the railroad tracks and the underutilized parcel to the east of the railroad tracks. It proposes new lodging facilities in an area that is targeted for visitor-serving uses and that is a conveniently accessed from a major arterial (Soscol Avenue), and within close proximity to the Downtown area and Oxbow District which offers complementary land uses. Accordingly, the proposal can be found to be consistent with General Plan Goal LU-5.

Land Use Element Policy LU 5.6 suggests free-standing or clustered tourist commercial uses (e.g., entertainment, commercial recreation, lodging, fuel) should be located in areas where traffic patterns are oriented to major arterial streets and highways and/or where expansion or development will not adversely affect existing residential, office, or neighborhood commercial developments. The project's use of an appropriately situated infill site located in an area with easy access to a major arterial and highway, Oxbow District, and Downtown ensures traffic is confined to appropriate arterial streets. The east building's garage would take access from Water Street. This would limit any impacts to less intensive land uses like residential or office. Likewise, the proximity to complimentary land uses and pedestrian connectivity offer an appealing alternative to driving and further reduce traffic generated by visitors during their stay.

Land Use Policy LU 5.8 encourages automobile-oriented uses to locate parking in areas less visible from the street (e.g., reverse frontage commercial centers). To make efficient use of the site and reduce visibility of parking, the Project will place parking in subterranean garages. As such, the project can be found to achieve the goal of reducing visibility of parking.

Land Use Policy LU 6.1 states the City shall require retail and commercial uses to orient to the sidewalk or public spaces and to maintain an active street frontage in the pedestrian-oriented parts of downtown. The proposed hotel design features store frontage spaces and a café that face wide sidewalks that are used to walk between the tourist nodes of the intersection of Main Street and First Street and the Oxbow Commons. Strong building articulation and prominent public art ensure that the project is responsive to pedestrians and passersby.

B. DOWNTOWN NAPA SPECIFIC PLAN

The subject property lies within the boundaries of the “Downtown Napa Specific Plan” (DNSP). Adopted in 2012, the DNSP is intended to serve as a framework for realizing the vision of a vibrant, healthy, and balanced pedestrian-oriented city center. The Plan Area comprises 210 acres of land and is bounded on the east by the Napa River, on the south by Division and Third streets, and on the west by Jefferson Street. The northern boundary generally extends along Polk and Caymus streets west of Soscol Avenue; the boundaries then extend east to include the Oxbow Public Market and the CIA at Copia. The DNSP establishes a set of 19 overarching goals; those relevant to this project are listed below, with staff’s analysis.

SP LU Policy 6: Provide a human-scale, pedestrian-friendly environment that is inviting to residents and visitors.

The project is in a prominent location where it will be easily visible from all directions. As depicted in project plans, the proposed design would feature four-sided architecture thereby providing visual interest and interaction with the surroundings on all elevations and from various viewpoints. The building would feature a scale and massing similar to other downtown Napa hotels and would feature a variety of design mechanisms to reduce the perceived mass such as articulated upper floors, perforated streetscapes with pedestrian-oriented uses, awnings, and multiple gables.

SP LU Policy 11: Place priority on high-quality design and developing unique structures that complement their surroundings, orienting buildings and entrances to streets and public gathering places.

The design of the new buildings would be complementary to the existing mix of buildings in the DNSP area, being a tall, contemporary building with an active street-front like other new downtown Napa hotels built on First Street next to prewar commercial buildings.

SP LU Policy 19: Encourage new development to incorporate sustainable elements and practices.

The proposed design of the hotel features subterranean parking to minimize inefficient land use and polluted runoff, will be in an area where tourist attractions can be accessed

on foot, and be built in compliance with the building energy efficiency standards of the California Building Code. The relocation of the existing residences will retain existing housing units in an appropriate residential location.

C. ZONING

The subject site has a zoning designation of Oxbow Commercial (OBC). The OBC zoning district applies to the eastern portion of Downtown generally between Soscol Avenue and the Napa River and north to River Terrace Drive. The District allows for tourist-oriented uses such as hotels and their related amenities, recreational facilities, community and visitor-serving retail, commercial, restaurants, and similar compatible uses. Under this designation, hotels are subject to approval of a Use Permit.

The site is also subject to the DNSP Building Form Overlay (BF Overlay); “Downtown II”. Regulations established by the BF Overlay District are technically in addition to regulations of the underlying principal zone district with which it is combined. However, the OBC simply defers to the BF Overlay standards and does not prescribe any additional standards. As such, the following table summarizes the project’s consistency with the “Downtown II” development standards:

TABLE 1 – DOWNTOWN II DEVELOPMENT STANDARDS

Development Standards	OBC District	Project Proposed
Floor Area Ratio (FAR)%	4.0	3.97
Building Height (feet)	60	60
Front Setback (feet)	15 ft. Maximum	10.8
Side Setback (feet)	N/A	West: 15.9 East: 10
Rear Setback (feet)	N/A	20
3 rd Story Stepbacks (feet)	5	8

The proposed hotel building is consistent with the Downtown II development standards.

D. USE PERMIT

Pursuant to Table 4.1 of the Downtown Napa Specific Plan (DTSP), hotels are a conditionally permitted land use subject to final approval of a Use Permit by the City Council. Use Permits are required for land uses that may be suitable only in specific locations or require special consideration in their design, operation, or layout to ensure compatibility with surrounding uses. The application is for a 74-room hotel with subterranean parking, including valet parking operations. As conditioned, the proposed new hotel could be a suitable use on this prominent site.

E. HOTEL POLICIES

The following is a discussion of how the project complies with the City’s Hotel Policies adopted in 2008.

1. A priority should be placed on the development of full-service and resort hotels downtown because of the ancillary and complementary benefits to other downtown uses and activities. This does not preclude the full range of additional lodging products in appropriate locations throughout the city.

The proposed complex would house a full-service hotel including meeting rooms, bars, a street-facing café, and leasable commercial storefronts facing Napa's premier tourist walking street that could be used as shops, food service, personal services, or other uses that are part of a full service hotel's slate of services. It would be located within walking distance of the City's top tourist attractions, including the fairgrounds that host the Bottle Rock Music Festival and its 120,000 attendees.

2. Limited service hotels with meeting room space and close proximity to surrounding support services would be considered desirable. Bed and breakfasts and small inns as in-fill projects would be encouraged as indicated in the General Plan.

This policy is not applicable.

3. New hotel projects should provide a minimum of 15-100 square feet of contiguous meeting room space per guest room depending on the type of hotel and location to facilitate and expand the group meeting demand.

The 74-room hotel would include 5,754 square feet of indoor conference space. This equates to approximately 77.76 square feet of conference space per guest room.

4. Hotel applicants/developers should demonstrate how they will pursue mass transport activities that reduce traffic congestion such as shuttle services, linkages with other hotels, use of the trolley or like public transit options, for guest and employees, particularly for group-oriented hotels.

Guests of the resort will use personal vehicles that will be valet parked upon arrival. Although guests are not forbidden from using their vehicles, the hotel is within walking distance of the City's main tourist attractions and the locations of its most popular events, including the Wine Train depot, Oxbow Market, Copia, and the fairgrounds that host the Bottle Rock Music Festival. The hotel will also be close to public transit. The Applicant is not a hotel operator, so operations like arranging group tours would be up to the hotel operator once one is selected.

5. Hotel applicants/developers should demonstrate how they will link with the Napa Valley College Hospitality Institute and Hospitality and Tourism Management Program, and/or provide in-house hospitality and employment training programs that will provide a career ladder and stable employment sector.

The Applicant's economic impact statement includes a list of workers that would be needed to operate a hotel complex of the proposed size and the estimated wages that they will be paid. These positions range from \$12/hr to \$120,000/yr. It will be up to the hotel operator to decide whether to train people on the job and promote employees to more responsible positions, creating a career ladder within the company, or to hire high-wage employees from outside.

6. Hotel projects should demonstrate how they will meet sustainability (green) practices as determined by LEED standards or future green ordinances or initiatives that may be adopted by the City.

The project will meet or exceed California's stringent building code. The site is located in a walkable area in downtown Napa and is near tourist attractions. It will meet all standards for storm water management, low-flow plumbing fixtures, efficient lighting, and high-efficiency mechanical systems. The project proposes a greenhouse gas reduction plan that includes the following design and operation measures:

- Bicycle parking to reduce vehicular load
 - Electric vehicle (EV) charging
 - EV trash collection via 'private garbage self-haul' system
 - Light pollution reduction
 - Energy efficient standards per code
 - PV electric production
 - Cool roof design
 - Reduced indoor/outdoor water use
 - Increased daylighting thru design
 - Building & material design to improve longevity of materials and prevent water intrusion
 - Construction waste and recycling plan
 - Building operations plan for recycling and waste reduction
 - Building operations plan for energy efficient operation and monitoring
 - Building material selection to reduce pollutants and improve indoor air quality
7. Hotel applications should demonstrate as part of the application process a commitment to advancing cultural arts by providing a public art component visible and accessible to the public, particularly for hotels located downtown. Hotel projects in the pipeline may be subject to a future "art in public places" ordinance, pending adoption by City Council in 2008.

The Applicant has indicated their intent to develop a monumental sculpture that would be incorporated in the building. It would be on the corner of Soscol and First, the most visually prominent part of the project. The proposal would be brought before the Planning Commission for approval once an application is submitted.

8. Hotel applicants should provide a report or study that provides a comprehensive overview regarding hotel employment. The report or study should be prepared by an independent consultant and include, at a minimum, the following information: the number of employees the hotel would employ, full-time vs. part-time, position titles, wage rates by position, and types of benefits; the anticipated breakdown of employees residing inside or outside the County of Napa, and the rationale for breakdown; and any programs or policies the Applicant or operator will implement in the area of employee housing and congestion management. The City Council has requested this employment information to measure any economic, housing and transportation impacts the hotel would create.

The Applicant submitted the following Economic Impact Analysis:

Economic Impact

TOT = \$985,800 to \$1,275,000

Tourism = \$164,000 to \$200,000

46 FTE Hotel Staff

Executive & Management- Salary range of \$48,000 to 120,000

Sales & Marketing- Salary range of \$52,000 to \$82,000

Engineers- Salary range of \$25 to \$33 per hour

Front Desk Attendants- Salary range of \$14 to \$21 per hour

House Keeping & Laundry Staff- Salary range of \$14 to \$21 per hour

Tipped valet & Bell Staff- Salary range of \$12 to \$15

38 FTE Café & Restaurant staff

Management- Salary range of \$48,000 to \$75,000

BOH Staff- Salary range of \$12 to \$28 per hour

Tipped Staff- Salary range of \$12 to 14 per hour

Construction costs estimated at \$43,387,000 to \$58,864,400

Estimated construction income to local contractors \$38,449,290 to \$46,139,148

Estimated additional minimum overnight visitors sales tax generated \$560,640

Estimated additional retail sales within Napa \$6,570,000

F. PARKING

Napa Municipal Code (NMC) Section 17.54.040, defers to Chapter 6 of the DNSP to regulate parking for properties located within the DNSP boundaries.

The DNSP specifies the following parking ratio for hotel uses: 1 space per sleeping room plus 1 space for the manager and 1 space for every 2 employees on any one shift (full or part time), plus if the hotel has convention, banquet, restaurant or meeting facilities, parking shall be provided in addition to the hotel requirement, as determined by the Planning Commission. The Planning Division recommends that the Planning Commission apply the general parking requirement for commercial space in the DNSP of 3.2 spaces per 1,000 square feet to this small meeting space.

The general parking requirement for all uses other than hotels and residences in the DNSP is 3.2 spaces per 1000 square feet.

Table 2, below, illustrates the proposed project's consistency with the applicable parking standards (existing and proposed additions combined).

TABLE 2 – REQUIRED PARKING VS. PROVIDED PARKING

Parking Requirements	Parking Required
1 space per sleeping room	74 spaces
1 space for manager	1 space
1 space for every 2 employees (14 / 2)	7 spaces
3,507 sq. ft. Commercial Space @ 3.2 per 1,000 sq. ft.	20.1 spaces
5,754 sq. ft. Conference Space @ 3.2 per 1,000 sq. ft.	18.4 spaces
TOTAL REQUIRED	120.5 spaces

TOTAL PROVIDED	121 (46 single-stack, 75 tandem)
----------------	----------------------------------

Vehicular access to the western building's parking garage will be via a ramp leading from First Street, just west of the railroad tracks. Vehicular access to the eastern building's parking garage will be via a ramp leading down from Water Street on the south side of the building. Condition of Approval #5 in the draft resolution would require the hotel to provide free valet parking to its guests. Valet parking will allow the management of the tandem parking spaces set aside to meet the parking demand for hotel guest rooms. The remainder of the spaces are single-loaded to allow hotel employees, retail employees, and non-hotel users of the area to self-park. Condition of Approval #6 in the draft resolution would prohibit valet queuing on First Street.

G. DESIGN REVIEW

NMC Sections 17.10.050 and 17.62.050 require a Design Review Permit for new non-residential structures. Consistent with this requirement, the Applicant has submitted architectural plans for the development. In addition to required Design Review findings, the application is also subject to the DNSP Design Guidelines. The Guidelines are listed, below, followed by staff's analysis in *italic typeface*.

1. Site Layout/Design

The site layout is responsive to the unique circumstances of the site. The site is bisected by a railroad, fronts on one of Napa's most busy pedestrian streets and on one of its busiest arterial roads, faces the river, and faces a dead-end street. The public art will be located at the intersection of Soscol and First, the most prominent location on the site. The north and west sides are on wide sidewalks and propose multiple entrances and storefronts to interest pedestrians. The proposed awnings and the height of the building will shade the street on hot days. The project proposes a wide walkway between the east building and the railroad to provide a cut-through for people to access Water Street and connect to the future river path. The top-level bars overlook the street, and the pool is on the south side of the building to catch the sun. The service entrance for the east building is from Water Street, and the service entrance for the west building, which must be from First Street, is minimized by putting it as close to the railroad as possible.

2. Mass/Scale

As shown on project plans, the massing and scale of the proposed buildings will be as is envisioned in the DNSP Guidelines. The massing would meet the Guideline calling for the traditional small-block/small-footprint pattern of development by having two buildings, each 120 feet wide, which is one-half of an original Napa block. The massing would be reduced to original Napa lot size by dividing the street frontage into individual storefronts and articulating the street-facing building wall. To reduce perceived scale and massing, the design employs even more articulation on the fourth floor and has intersecting gables, balconies, window box planters, and awnings to break up the mass of the building and provide visual interest while still providing a cohesive, unified design.

3. Building Height/Step-backs

The building height is within the height limits allowed in the DNSP. The Guidelines call for facades that reinforce the historic patterns of smaller-scale facades. The buildings do that by including articulations, storefronts, and step-backs as discussed above.

4. Building Setbacks

The building setbacks are largely consistent with this section of First Street. It is an area where grade differences between the street and the building fronts have resulted in larger setbacks than in the Downtown Commercial Core area. The design brings the first floor up to the street level but keeps the greater setback to allow for outdoor seating, less disruptive sidewalk valet service, and wider sidewalks.

5. Façade Articulation

The Guidelines call for articulation that serves a real purpose instead of mere architectural fondant. The design meets the Guideline by providing deep articulation that serves the real architectural purpose of providing mid-wall hotel rooms with bay windows that provide corner room views without a view into adjacent rooms.

6. Materials

The proposed stained wood siding and board-formed concrete are consistent with the building's architectural style. These are the type of high quality materials that are envisioned in the Guidelines.

7. Lighting

The proposed lighting enhances and highlights the architectural quality of the hotel. Light fixtures will be located beneath awnings and eaves. Wall lighting fixtures will point at the walls rather than outward at the sky. A final lighting plan will be subject to review and approval by the Planning Manager prior to issuance of building permit.

FIGURE 2 – LIGHTING



8. Signage

Any signage will be reviewed under a separate permit.

9. Awnings

The awnings meet the guidelines that call for them to provide protection from sun and rain at entrances, to highlight building entrances, and to be in scale with the building.

Building Elevations:

The new buildings would be four (4) stories in height and 60' feet tall as measured from finished grade. The architectural style of the new buildings would be distinctive in the city, but the building would not be the only prominent hotel with contemporary design. The stained wood siding, wood-formed *béton brut*, and glass would contrast with window box and balcony planters, colorful awnings, and very prominent monumental public art.

In recognition of the highly visible location, the building will feature four-sided architecture with the entrances facing First Street and Soscol Avenue. Floor-to-ceiling windows will provide visual interest and soften the building's presence on the street. Other sides will have ground floor windows and entrances as much as possible given the constraints of the site.

FIGURE 3 – NORTH ELEVATION – FIRST STREET (DAY)



FIGURE 4 – NORTH ELEVATION – FIRST STREET (NIGHT)

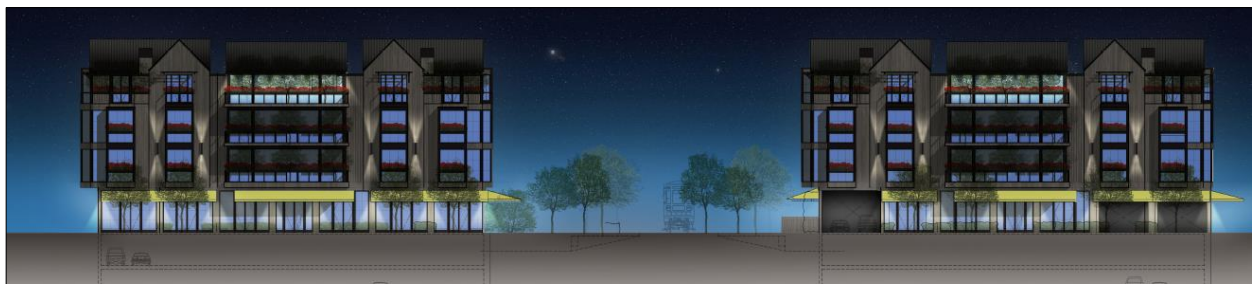


FIGURE 5 – SOUTH ELEVATION – NAPA RIVER (DAY)**FIGURE 6 – WEST ELEVATION – SOSCOL AVENUE (DAY)**

H. LANDSCAPE PLAN

The proposed landscape plan consists of street trees and low hedges defining the semi-public street-side space.

I. PUBLIC ART

The Applicant has communicated interest in installing a public art feature, but it has not yet been identified at this stage. A condition reiterates the NMC requirement that the Applicant must have an approved public art feature prior to issuance of building permit or will be required to pay the public art contribution.

FIGURE 7: POTENTIAL PUBLIC ART LOCATION AND SCALE

J. SOLID WASTE

Due to access issues for the project site's western building, the Applicant is proposing to act as a "self-hauler" for solid waste, recyclable materials, and compostables. "Self-hauling" means the business must consolidate solid waste and transport it to a fully permitted disposal or recycling/composting facilities, with no payment to another third party involved per NMC Section 5.60.110. The City's authorized contractor will have no obligation to collect waste generated by the Project if the Applicant chooses to act as a "self-hauler;" however the Applicant (and future tenants or property owners) must remain compliant with proper and adequate storage and transportation of all solid waste, recyclable and compostable materials generated at the site per the City's NMC and applicable State Law.

As discussed further in Condition #42d of the draft resolution, the City prefers that property owners contract for service with the City of Napa's authorized contractor for solid waste, recycling, and compostables collection. The Applicant explored various options for establishing access to the western building, but it was not feasible given the site's location at the intersection of Soscol and First.

J. STREET ABANDONMENT

As part of a separate action to be considered by the City Council, the Applicant has requested the City to abandon a portion of the Water Street right-of-way between Soscol Avenue and McKinstry Street and of the Lawrence Street right-of-way between First Street and the Water Street right-of-way so that the area can be incorporated into the Project site. The proposed abandonment would facilitate and enhance the site plan of the proposed hotel development by providing sufficient space to accommodate the hotel buildings, provide for the development of the multi-use path, and provide access to required on-site parking. Lawrence Street and the portion of Water Street west of the Napa River are paper streets between the Applicant's parcels and the Napa River and railroad tracks. This land would become part of the development site. This land would otherwise not find any use. The portion of Water Street east of the Napa River is a dead-end street and would be

abandoned to the adjacent owners. The Applicant's portion would be used to enlarge the development site and to provide access to the parking garage. This will result in the property owners maintaining a dead-end street that only serves their parking facilities. Staff supports this abandonment to allow this development.

K. LOT LINE ADJUSTMENT/MERGER

If the City approves the right of way abandonment, the Applicant requests approval to merge the four parcels which make up the project site (APN 003-235-003, -004, -005, -006) and the abandoned portions of Water Street and Lawrence Street into one parcel and to merge the two parcels which make up the eastern project site (APN 003-241-003, -006) and the abandoned portion of Water Street into one parcel. Parcel 1 would be 15,473 square feet and Parcel 2 would be 15,453 square feet. The lot line adjustment/merger would be approved administratively pursuant to NMC Section 16.12.040.A. if the City Council approves the requested abandonment.

VII. ENVIRONMENTAL REVIEW

Pursuant to CEQA Guidelines Section 15164, an Initial Study/Addendum for the First and Oxbow Gateway Project dated June 2020 ("Addendum") has been prepared as an addendum to the Downtown Napa Specific Plan Environmental Impact Report (SCH#20100042043) certified by the City Council by Resolution No. R2012-54 ("DNSP EIR") to analyze the potential environmental impacts of the project, including the removal of the Local Landmark structures from 718 Water Street and 731 First Street. The Addendum concluded that the potential environmental effects of the project were adequately analyzed and addressed in the DNSP EIR and no further environmental review is required pursuant to CEQA Guidelines Sections 15162, 15164, and 15168. The relocation of the Local Landmark structures to 58 Randolph Street is exempt from CEQA pursuant to CEQA Guidelines Sections 15303 (Class 3, which exempts construction and location of limited numbers of new structures, including up to three single family residences in urbanized areas), 15331 (Class 31, which exempts rehabilitation and restoration of historical structures in a manner consistent with the Secretary of Interior's Standards for the Treatment of Historic Properties) and 15332 (Class 32, which exempts infill development on sites that are five acres or less).

VIII. REQUIRED FINDINGS

The City Council's approval of this project is subject to the required findings in NMC Section 17.60.070 relating to Use Permits, NMC Section 17.62.080 relating to Design Review Permits, and NMC Section 15.52.070 relating to Certificates of Appropriateness. These findings are provided in the draft resolution attached to the Staff Report. These findings articulate the proposed project's consistency with the General Plan, Zoning Ordinance, Guidelines, and Historic Preservation Ordinance. Staff has determined that the proposed project could be found to meet the required findings and the attached Resolution (see Attachment 1) contains the basis for this recommendation.

IX. PUBLIC NOTICE

Notice that this application was received was provided by the City on October 3, 2017 and notice of the scheduled public hearing was provided on July 4, 2020 by US Postal Service to all property owners within a 500-foot radius of the subject property. Notice of the public hearing was also published in the Napa Valley Register on July 4, 2020 and provided to people previously requesting notice on the matter at the same time notice was provided to the newspaper for publication. The Applicant was also provided a copy of this Report and the associated attachments in advance of the public hearing on the project.

X. STAFF RECOMMENDATION

Staff recommends that the Planning Commission forward a recommendation to the City Council to: (1) determine that the potential environmental effects of the Project were adequately analyzed and addressed by a prior CEQA action or are otherwise exempt; and (2) approve the Use Permit and Design Review Permit based on a determination that the application, as conditioned, is consistent with the City's General Plan, Downtown Napa Specific Plan and other applicable City requirements and policies.

XI. ALTERNATIVE TO RECOMMENDATION

1. Continue the application with direction for modifications and allow the Applicant an opportunity to prepare a revised proposal.
2. Recommend that the application be denied by the City Council.

XII. REQUIRED ACTIONS

Forward a recommendation to the City Council to adopt a resolution approving a Use Permit and Design Review Permit for the First and Oxbow Hotel and determining that the actions authorized by this resolution were adequately analyzed and addressed by a prior CEQA action or are otherwise exempt.

XIII. DOCUMENTS ATTACHED

1. Draft City Council Resolution
2. Draft EIR Addendum
3. Planning Commission Meeting Minutes of March 1, 2018 (excerpt)
4. Project Plans