

FRANKLIN STATION HOTEL PROJECT**PROJECT DESCRIPTION****Project Summary and Background**

On August 24, 2014 at 3:20 in the morning, the strongest earthquake in 25 years in the Bay Area shook Napa. At 6.0, the event was the largest earthquake since the 1989 Loma Prieta earthquake. The 2014 South Napa Quake damaged residences and commercial buildings, and it did significant damage to Napa's historic buildings. According to City reports, 156 commercial and residential structures were red-tagged and 1398 were yellow-tagged. The estimate for damage to the City's infrastructure reached \$57.9 million. The Franklin Station Post Office experienced such significant damage as a result of the South Napa Earthquake that the Federal Government determined that the building could not be put back to use as a post office.

Applicant Jim Keller acquired the earthquake damaged historic Franklin Station United States Post Office. He intends to rehabilitate and reuse the National Register designated historic structure by developing a downtown hotel, integrating the historic building into the project. Because the earthquake damage was so extensive, the economic viability of the project requires the integration of the Zeller Ace Hardware site and the surface parking lot on Second and Randolph into the project to create a sufficiently sized hotel and ability to park. The hotel structure would be constructed on both the Post Office site at 1351 2nd Street and Zeller's Ace Hardware site located at 819 Randolph Street.

The project would have a maximum of 163 hotel rooms and hotel amenities. The Post Office structure would be reused for hotel lobby and amenities as well as the hotel's entrance. Parking would be located within structured parking built on the surface parking lot located at Randolph and Second Street, across the street from the Hotel. The structured parking also would contain 65 parking spaces available to the public.

The Project would include the removal of approximately 4/5ths of the Post Office structure from the site, leaving the identified historic features of the building front to a depth equal to and inclusive of the depth of the existing interior lobby. The Franklin Station Project also would involve new construction. The new construction would include adaptive reuse and rehabilitation to the remaining Post Office structure that would include an addition to the retained portion of the building located behind the structure. The addition would be allowed to be taller than and wider than the resource, up to the City Height limits and property setbacks. The new construction would also include the parking structure.

Project Approvals Overview

To facilitate the rehabilitation, the Project request a rezone and Development Agreement to allow the hotel use with proper careful planning for the design and operation of the Project. Following the rezone and development agreement, the project would commence design

work and the Design Review process as required by the Development Agreement and Planned Development regulations and guidelines.

The current Project approvals required from the City of Napa include a General Plan Amendment, Specific Plan Amendment, Certificate of Appropriateness, a Development Agreement, and Zoning Amendments to rezone the Post Office Parcel from DP to DMU/PD (Planned Development Overlay), the Parking Lot Parcel from DMU to DMU/PD, and the Ace Parcel from DMU to DMU/PD. Subsequent project approvals would include Major Design Review and a Tentative Parcel Map. Following the rezoning and Planned Development Overlay, the Project would be located entirely within the Downtown Mixed Use District of the DNSP.

Under current DMU zoning regulations, retail uses and food service are permitted and hotels are conditionally permitted. The Project approvals would allow through the PD up to a 163 key hotel (with up to 25% of the development as condo-hotel¹ and 25% as accessory whole ownership dwelling units²) as a use permitted outright with Design Review, along with off-site principal use parking to serve the hotel with 65 public spaces. A Tentative Map would be required if condo-hotel and accessory whole ownership dwelling units are part of the ultimate project. The hotel will be an “upper upscale” or luxury boutique hotel. Standards for development are detailed in the DNSP and have been incorporated into the Project, along with additional standards in the proposed PD and guidelines that would be applied during the future Design Review phase.

In addition, the Project is located within the City’s Parking Exempt District; thus, no on-site parking is required for non-hotel commercial uses. The project would construct an automated parking structure on the Parking Lot Parcel that includes parking for the hotel use within the Project and no fewer than sixty-five (65) public parking spaces to replace the 55 public parking spaces currently on the Parking Lot Parcel. The Development Agreement requires that final parking counts and requirements be determined in coordination with the City at the time of Design Review.

¹ Condo-Hotel is defined by City of Napa Municipal Code as a facility meeting the definition of a hotel with ownership structured as a condominium, cooperative or other ownership/financing arrangement found by the Community Development Director to be similar in function and/or operation, but shall not include timeshares in or interval or fractional ownership of a hotel. The City of Napa regulates Condo-Hotels under the City of Napa Municipal Code Section 17.52.095.

² Whole ownership dwelling units are units accessory to the hotel that could be used for full or part-time residential occupancy in addition to transient occupancy. Whole ownership dwelling units are accessory uses to an approved hotel use. Such units are owned by third parties and can be used for residential occupancy or rented as hotel rooms at the election of the owner through a contractual relationship between the hotel operator and the owner. Under this contract, if they are rented as hotel rooms, the hotel operator would manage the rental as it would any of its other hotel rooms, and if they are used by the owner for residential occupancy, they would be occupied by the owner with services and amenities provided by the hotel. Such units are known in the hotel industry as “branded residential” units. By example, accessory whole ownership dwelling units are allowed by the Napa Municipal Code at the Stanly Ranch Resort by the Stanly Ranch Resort Master Plan under Chapter 17.30 of the Napa Municipal Code (see Section 17.30.040.B.3).

Project Sites and Current Zoning

For over 80 years prior to the earthquake, the U.S. Post Office Franklin Station was the main post office serving Napa. The Post Office was built in 1933 with funding from the Public Works Administration. Architect William H. Corlett designed the Art Deco building. The post office was added to the National Register of Historic Places on January 11, 1985.

The Post Office Parcel was developed with 7,553 square feet of ground floor area, 8,012 square feet of existing basement area, 906 square feet of mezzanine and 1,543 square feet of second floor area. Following the earthquake, the Postal Service planned to demolish the building. The Postal Service said that it would cost \$8 million to repair quake damage, while it would cost only \$500,000 for demolition.

The Franklin Station parcel current zoning designations are:

Franklin Station Parcel	
Location	1351 2 nd Street, Napa, CA 94559
Lot Size	28,819 s.f.
General Plan	Downtown Specific Plan
Zoning	Downtown Public
Zone	Downtown II
FAR:	4.0
Height	60 feet

The Ace Parcel is developed with 7,150 square feet of ground floor area as a hardware store. Although the owner of Zeller's Ace Hardware has owned the property for 24 years and served the community with a local hardware store, changes in the retail markets had them considering relocating, closing or selling. Current retail hardware needs and demands require a much smaller building, at less expense. Because of this, in February 2017, the owner of the Zeller's Ace Hardware site announced that they had come to a written agreement with Keller to incorporate the site into the hotel project.

The Ace parcel current zoning designations are:

Ace Parcel	
Location	819 Randolph Street, Napa, CA 94559
Lot Size	14,780 s.f.
General Plan	Downtown Specific Plan
Zoning	Downtown Mixed-Use
Zone	Downtown II
FAR:	4.0
Height	60 feet

The Parking Lot Parcel is developed with 55 surface parking stalls. In February 2017, Keller and the City of Napa entered into a Purchase and Sale agreement for the parking lot consisting of approximately 0.5 acres located at the southeast corner of Randolph Street and Second Street. As part of that agreement, Keller agreed to develop an automated parking structure for the hotel parking and provide 65 public parking spaces at no charge to the City.

The Parking Lot parcel current zoning designations are:

Parking Lot Parcel	
Location	SE corner of Randolph and Second Streets, Napa, CA 94559
Lot Size	19,687 s.f.
General Plan	Downtown Specific Plan
Zoning	Downtown Mixed-Use
Zone	Downtown II
FAR:	4.0
Height	60 feet

Proposed General Plan Amendment, Specific Plan Amendment and Rezone

The Amendments and PD, in conjunction with the Development Agreement, would provide modify the existing zoning and development parameters and establish the right to develop, subject to approval of final design in the Major Design Review, the following in conjunction with the hotel use. In addition, the proposed historic guidelines, discussed below, would be included in the Specific Plan Amendment to replace the existing pre-earthquake Appendix G guidelines (pages 116 and 117) with the updated Franklin Station Historic Guidelines.

Zoning	Downtown Mixed-Use/Planned Development
Zone	Downtown II
FAR:	4.0
Maximum Height:	60 feet
Maximum FAR:	4.0
Units/Keys:	163
Total Development Area:	174,396 s.f. (not including parking site) Plus 78,748 s.f. parking/retail structure
Parking:	A minimum of 228 (including 65 public stalls) Automated system
Condo Hotel Units:	Up of 25% of the units
Whole Ownership Dwelling Units:	Up to 25 % of the units

The three sites comprising the proposed development are located within the Downtown II Building Form Zone, which allows medium to high density development. The three subject parcels currently have a development potential of 4.0 Floor Area Ratio (FAR) within the DNSP. The proposed General Plan Amendment and DNSP Zoning Amendment associated with the proposed development would have no bearing on the development potential of the properties as the 4.0 FAR will remain as the maximum development potential and general height limits and setbacks would remain as currently designated for the site.

As such, the Project's proposed General Plan Amendment, Specific Plan Amendment, Zoning Amendments and Planned Development Overlay do not propose a substantial departure from the existing zoning controls in the DNSP. The changes proposed by the Project would still be within the levels of development already contemplated by the DNSP for the DMU and DP Districts within Downtown II Building Form Zone applicable to the site and evaluated in the DNSP EIR, which would include aspects of the DNSP intended to mitigate environmental effects. The Post Office Portion of the Project site was not zoned

DMU at the time of the DNSP adoption because it was a government use not expected to change.

Following the 2014 earthquake, the federal government decided to discontinue the governmental use and relocate the Post Office services, providing an opportunity for adaptive reuse of the Post Office property. As such, the future development proposed by the Project is planned to result in a more cohesive Downtown core commercial area within the Downtown Planning Area.

Planned Development Guidelines

The DNSP contains standards and design guidelines applicable to development projects located within the Planning Area. The Project includes site-specific Design Guidelines for the hotel and parking structure and Historic Guidelines specific to the rehabilitation of the post office structure. The Design and Historic Guidelines for the Franklin Station Project have been created to be in conformance with the DNSP and impose specific requirements for the future Design Review phase of the project. These design guidelines are intended to modify and be additive to the guidelines contained in the Downtown Napa Specific Plan, including the Historic Design Guidelines in Appendix G.

Because the PD and the Design and Historic Guidelines are more detailed and created specifically for the Franklin Station Project, they will control over the DNSP Regulations and Guidelines in the event of a conflict.

Hotel Design Guidelines include:

- The hotel building should relate to the street and surrounding neighborhood with design elements that activate the street and provide a pleasant pedestrian experience.
- Select building materials, architectural details and finishes should convey a sense of permanence. Quality materials should be used to withstand the test of time regardless of architectural style. Approach character-defining details in a manner that is true to a style of architecture or common theme.
- Activate upper-story step back areas of the hotel building with balconies, roof gardens or similar features.
- Non-historic elevations of the hotel building shall provide high quality, durable materials and attention to detail. Buildings shall provide a human scale and facilitate pedestrian activity. Pedestrian oriented features, such as outdoor seating, are encouraged to enliven the public realm.
- Entries should be substantial and well-detailed. Doors should match the high-quality materials and character of the window design.

- The hotel building shall be enhanced with architectural elements such as porches, stoops, bay windows, balconies, eaves, brise-soleil, or massing articulation at the non-historic building corners. Façade materials shall turn the corner to employ the same vocabulary of materials.
- Corner buildings shall have consistent material treatments on front and exposed side facades.
- Frame south-facing and southwest-facing windows with protruding vertical or horizontal shading devices such as lintels, sills and awnings to provide adequate protection from glare. Windows and doors with real mullions are required to create shade and shadow (i.e., no inserts or mullions set inside the glass).
- Break up the mass of the hotel building with articulation in form, architectural details, and changes in materials and colors.
- Incorporate architectural elements and details, such as adding notches, grouping windows, adding loggias and dormers, varying cornices and rooflines.
- Vary materials and colors to enhance key components of a building's façade, such as with window trim, entries and projecting elements.
- Use articulation in form including changes in wall planes, upper-story building step backs and/or projecting or recessed elements.
- The Third Street elevation should emphasize and feature a welcoming main entrance and be designed according to simple and harmonious proportions in relationship to the overall size and scale of the building. Ensure that the pedestrian entry provides shelter year-round.
- The hotel building shall provide entrances and entry approaches from Second and Third streets that can accommodate persons of all mobility levels.
- Service and maintenance areas should be accessed from interior drives or corridors, but where necessary fronting on a public street they shall be set back and screened from public view to provide a quality pedestrian experience.
- Balconies and decks should be well detailed with high quality, durable materials and attention to the method of joinery.

- Special attention should be paid to the first three floors of the hotel building to maximize opportunities to engage the pedestrian and enable an active and vibrant street front.
- Hotel balconies up to six feet in depth are encouraged and can be either recessed or protruding. Where Juliet balconies are proposed, the windows behind the balcony shall be full length to convey appearance of doors.
- The hotel building should be designed without large uninterrupted expanses of wall surface. Where 15 feet or more of windowless wall is found to be unavoidable, eye-level displays, a contrast in wall treatment, outdoor seating, and/or planting shall be used to enhance visual interest and pedestrian area vitality.
- Awnings are recommended along street frontages, particularly where there are doorways.
- The hotel building shall utilize architectural elements such as cornices, lintels, sills, balconies and awnings to enhance building façades.
- The shape, size, color, and material of projections for shade protection should be consistent with the architectural style/character of the building. The minimum dimensions of awnings should be consistent with the width of the glazing.

The parking structure design guidelines include:

- The parking structure facades should complement nearby buildings by incorporating architectural elements (e.g., window and door design, varied building materials, decorative treatments, etc.) to provide visual interest and a strong urban form.
- Retail space in the parking structure shall incorporate recessed entries. The depth of recessed entries shall be proportional to the size of the entrance.
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- The parking structure should vary and articulate the building façade to add scale and avoid large monotonous walls.
- The exterior walls of the parking structure provide an opportunity for public art, murals, or other creative way to enhance the City's sense of place.

- Create safe walkways and visual connections to the parking structure. Provide ample lighting in and around the parking structure to enhance safety.
- Access points to the parking structure should be as unobtrusive as possible and should not detract from the pedestrian orientation of Downtown.

The historic guidelines include:

- Allowing for adaptive reuse as a hotel with rooftop, side and rear additions, as appropriate in order to rehabilitate the earthquake damaged historic resource.
- Retaining those Significant Historic Features of the exterior and interior of the building as defined in the Preservation Covenant³ and incorporating the Secretary of the Interior Standards for Rehabilitation for the rehabilitation of the Significant Historic Features,⁴ such as:

The Significant Historic Features of the exterior of the Building:

- Projected central area flanked by two recessed wings
- Simple geometry of the building's massing
- Seven piers topped by a terracotta "capital" in a stylized floral motif
- Cornice extending from the roofline formed of terracotta rams and cows heads
- Ornament that consists of decorative brickwork and terracotta panels in a geometric motif
- Bronze and milk glass urn-shaped light fixtures adjacent to the entryways
- Large terracotta panel containing an Art Deco eagle above each door
- Monolithic windows on the main façade

³The Napa County Landmarks, Inc. and the United States Postal Service, with consultation with the California State Historic Preservation Officer, developed a Preservation Covenant. That document was completed and the Preservation Covenant recorded with the quitclaim deed on March 6, 2017. In addition to providing guidance, process and restrictions on the building's rehabilitation, the Preservation Covenant is intended to mitigate impacts to the identified Significant Historic Features of the Historic Building, as it exists after the earthquake and removal of the post office use.

⁴The 2015 NRHP amendment determined that the 2014 earthquake damage affected the property's interior historic integrity with regard to the aspect of architectural materials. The materials of the interior at the east and west side lobbies have been severely compromised. Materials such as terracotta, marble, and brick were damaged, broken, and dislodged at the interior ends of the building. The central areas of the lobby's interior have less damage to the historic character defining features than the east and west sides of the building. The identified loss of interior material integrity is insufficient to result in the overall loss of historic integrity. Thus, this amendment determined that the 2014 earthquake damage did not significantly affect the property's exterior architectural integrity of design, workmanship, materials, and location. Consequently, the resource continues to meet NRHP Criterion C because the primary exterior characteristics and qualities which caused it to be originally listed and with which its identified significance is conveyed are still present.

The Significant Historic Features of the interior of the Building:

- Original cast bronze drop lights and raised-plaster ceiling
- Decorative terrazzo floor
- Marble wainscoting
- Raised bas relief gilt and painted plaster walls and ceiling
- Terracotta panel with geometricized floral pattern at each end of the central frieze
- Carved Art Deco wood ornaments over the service counter
- Original hanging lobby lamps
- Original brass-framed bulletin boards

The Franklin Station Historic Guidelines are intended to meet the intent and goals of the City of Napa Downtown Historic Design Guidelines, but apply specific requirements related to protection of the building's Significant Historic (i.e., character defining) Features and related to the additions and alterations for the adaptive reuse. The proposed PD Historic Standards would replace the recommendations in the Guidelines, which did not contemplate the rehabilitation that is now required to preserve the building after the 2014 earthquake. These proposed PD Historic Standards along with the Project actions would allow new additions and related construction on the overall site of the historic building subject to Design Review and a Certificate of Appropriateness.

Directly related to the historic post office structure, the Guidelines would allow removal of a majority of the damaged shell of the building (of approximately 4/5ths of the structure), retain and rehabilitate its historic front (north) and partial east and west side facades. The Guidelines would allow additions above and behind, along with related new construction at the west side of the historic structure that wraps around the rear of the overall site to the east side of the block. With a future Certificate of Appropriateness and subject to detailed compliance with the Secretary of the Interior's Standards for Rehabilitation, the Guidelines require rehabilitating the identified historic features of the building's front and interior to a depth equal to and inclusive of the depth of the existing interior lobby. The adaptive reuse and rehabilitation would include an addition to the retained portion of the building located behind the structure. The addition would be allowed to be taller than and wider than the resource, up to the City Height limits and property setbacks. The required removal of a significant portion of the structure was not contemplated in the pre-earthquake Guidelines.

Development Agreement

Development Agreements are authorized by NMC 17.52.150. State law, Government Code Sections 65864 et seq., authorizes cities to enter into development agreements to help to provide such certainty, reduce processing time and apply contract law principles to development projects. Development agreements allow land uses and other terms and conditions of approval to be negotiated between the parties, subject to consistency with the local planning policies and approval by the legislative body. In this case, the development

agreement will provide for certainty on the rehabilitation of the Post Office structure through the proposed hotel project and provide the City with public benefit and certainty on the obligations of the parties.

In the purchase agreement for the parking lot, the City and Keller outlined the requirements for a Development Agreement, which requires that the Development Agreement would address specific items in addition to Development Agreement legal requirements. These items include use, intensity and density, maximum floor area, and maximum height of development; public benefits; design guidelines; parking quantities sufficient to serve the Hotel Project and public parking replacement; and CEQA compliance.

Future Approvals

Subsequent approvals in future phases likely will include:

- Design review permits (including Major Design Review)
- Tentative and Final Subdivision Maps (for retail space/condo or residential)
- Any Amendments of these approvals,
- Final Certificates of appropriateness,
- Improvement plans (grading permits, site development permits, utilities)
- Building permits,
- Lot line adjustments, and
- Certificates of occupancy.