

ORDINANCE NO. O2026-_____

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NAPA, STATE OF CALIFORNIA, REPEALING IN ITS ENTIRETY ORDINANCE NO. O2018-014; ADOPTING PLANNED DEVELOPMENT OVERLAY DISTRICT (PD-37) TO ESTABLISH USE PROVISIONS, DEVELOPMENT STANDARDS, AND DESIGN GUIDELINES FOR THE FRANKLIN STATION II PROJECT LOCATED 1251/1351 SECOND STREET, 820 RANDOLPH STREET, AND 801/809 COOMBS STREET UNIT A, B, C, & D (APNS: 003-212-001, 003-208-001, 003-300-015 THROUGH 003-300-024) (PL25-0068) AND DETERMINING THAT THE ACTIONS AUTHORIZED BY THIS ORDINANCE WERE ADEQUATELY ANALYZED BY A PREVIOUS CEQA ACTION.

WHEREAS, James Keller (the “Applicant”) submitted an application for multiple entitlements (PL25-0068), including a Development Agreement, a Zoning Amendment amending the Planned Development Overlay (PD-37) District, a Tentative Parcel Map, a Certificate of Appropriateness, and a Design Review Permit, and related approvals, to provide for the redevelopment of an approximately 1.44-acre property, including two new buildings and the preservation of the Franklin Station Post Office building at 1251/1351 Second Street, 820 Randolph Street, and 801/809 Coombs Street Unit A, B, C, & D (APNs: 003-212-001, 003-208-001, 003-300-015, -016, -017, -018, -019, -020, -021, -022, -023, & -024) (the “Project Site”); and

WHEREAS, the proposed Planned Development Overlay District (PD-37) is intended to establish use provisions, development standards, and design guidelines for development on the Project Site; and

WHEREAS, the Project maintains the rehabilitation and adaptive reuse of the historic Franklin Station Post Office building as a five-story upper-upscale hotel with up to 120 hotel rooms and other amenities, including a rooftop café and bar, restaurant, and event and meeting spaces (APN: 003-208-001) (collectively, the “Post Office Redevelopment”) and includes the redevelopment of the parking lot parcel with a five-story building with up to 37 For-Sale Hotel Units including a rooftop unit (such units commonly referred to as “branded residential” and that may be occupied by owner), shared amenities, and ground-floor retail; and integrates 3 existing condominium units as For-Sale Hotel Units in the adjacent Young Building for a total of 40 For-Sale Hotel Units with on-site parking facilities and retail on the level (APNs: 003-212-001, 003-300-015, -016, -017, -018, -019, -020, -021, -022, -023, & -024 (collectively, the “Mixed Use Development”). Hotel rooms may be included within the Mixed Use Development as Lock-Offs and a maximum of 12 For-Sale Hotel Units may be constructed within the Post Office Redevelopment as long as the total rooms and units for the project do not exceed 120 hotel rooms and 40 For-Sale Hotel Units; and

WHEREAS, the Planning Commission of the City of Napa, State of California, held a duly-noticed public hearing on June 30, 2026, and has recommended approval of the Project, including the Planned Development Overlay District; and

WHEREAS, on July 21, 2026, the City Council of the City of Napa held a duly-noticed public hearing where it considered all information related to the Project, including all information presented at the public meetings of the City Council identified herein, any supporting reports by City Staff, and any information provided during public meetings.

WHEREAS, on July 21, 2026, the City Council adopted Resolution R2026-_____ finding, that, based on the whole record before it, including the Section 15168 Analysis and Addendum and Project MMRP, the administrative record, and all other written and oral evidence, all environmental impacts of the Project are either less than significant or can be mitigated to a level of less than significant under the mitigation measures outlined in the Section 15168 Analysis and Addendum and Project MMRP. Alternatively, the Council found that the Project is exempt from CEQA under CEQA Guidelines section 15332 and none of the exceptions in CEQA Guidelines section 15300.2 have application. The Council adopted the Section 15168 Analysis and Addendum and adopted the MMRP previously adopted for the DNSP EIR as it pertains to the Project; and

WHEREAS, the City Council find that's the amendment to the Planned Development Overlay (PD-37) District is predicated upon, and integrally connected to, the historic preservation of the former Post Office building located on the Project Site; and

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Napa, State of California, as follows:

Section 1. The City Council hereby finds that the recitals to this Ordinance, set forth above, are true and correct and provide bases for the City Council's adoption of this Ordinance.

Section 2. The City Council hereby determines, based on, and consistent with, its actions in Resolution R2026-_____, that the potential environmental effects of the actions authorized by this Ordinance were adequately identified, analyzed, and addressed in the DNSP EIR and that no further environmental review is required for the Project, including the Planned Development Overlay District, as documented in the Section 15168 Analysis and Addendum as provided in **Attachment 11**, and Project MMRP, and alternatively, that the Project is exempt from CEQA under CEQA Guidelines section 15332 and none of the exceptions in CEQA Guidelines section 15300.2 have application. The City Council further directs staff to prepare, execute, and file a Notice of Determination, and, as to the CEQA Guidelines section 15332 categorical exemption, a Notice of Exemption with the County Clerk's office and the Office of Planning and Research within five

(5) working days of approval of this Ordinance.

Section 3. The real property that is the subject of the Planned Development Overlay District are the parcels identified as 1251/1351 Second Street, 820 Randolph Street, and 801/809 Coombs Street Unit A, B, C, & D (APNs: 003-212-001, 003-208-001, 003-300-015, -016, -017, -018, -019, -020, -021, -022, -023, & -024) as shown on Exhibit “B”, attached hereto and incorporated herein by reference. The City Council hereby finds that the approval of this Ordinance, approving the PD-37 Overlay District, is consistent with the City’s General Plan, and hereby finds, in accordance with the requirements set forth under Section 17.66.080 of the NMC, that:

- A. *The proposed planned development amendment is consistent in principle with the General Plan.*

The Planned Development amendment is consistent in principle with the General Plan because it implements the Downtown Mixed Use designation and advances several General Plan goals and policies that support higher-intensity, pedestrian-oriented development in the Downtown core. The PD-37 Overlay establishes tailored land use and development standards that facilitate the mix of hotel, dining, retail, entertainment, and visitor-serving uses envisioned under Goal LUCD-20 and Goal ED-8, which seek to strengthen Downtown’s vitality and role as a cultural and economic center. By orienting buildings toward the street, activating the pedestrian realm, and integrating the rehabilitation of a National Register landmark, the amendment supports Policy LUCD 11-2 (cohesive street and building interfaces) and Policy LUCD 20-2 (enhancing Downtown’s sense of place through preservation and adaptive reuse). The flexibility provided through the PD-37 standards also aligns with Goal LUCD-4, which encourages adaptable development requirements in high-intensity Downtown locations. Together, these elements demonstrate that the PD-37 amendment is fully consistent with the General Plan’s land use, design, economic development, and historic resource objectives for Downtown Napa.

- B. *The public health, safety and general welfare are served by the adoption of the proposed amendment.*

The amendments to the Planned Development Overlay (PD-37) District serves the public health, safety and general welfare in that it provides for potential land uses which are geared towards the creation of a healthy, vibrant downtown for both residents and visitors.

- C. *If a rezoning to district with a larger minimum lot size is proposed, effectively reducing the planned residential density, the city shall also find that the remaining sites in the housing element are adequate to accommodate the jurisdiction's share of the regional housing need pursuant to Section 65584; or if not, that it has identified sufficient additional, adequate and available sites with an equal or greater residential density in the jurisdiction so that there is no net loss of*

residential unit capacity.

This finding is not applicable because the amendment to the Planned Development Overlay (PD-37) district does not involve a rezoning to a district with a larger minimum lot size, nor does it reduce residential density or affect the City's Housing Element sites inventory.

In addition to the required findings for a Zoning Amendment, the City Council hereby finds hereby finds, in accordance with requirements set forth under Section 17.42.050 of the NMC, that:

- A. *The development is superior overall to a similar project designed to meet the standards of this Title and of the underlying district in which it is located.*

The Project is superior overall to what could be achieved under the base DMU zone district because it provides a higher level of urban design quality and historic preservation than a strictly by-right project. The rehabilitation and retention of the Franklin Station Post Office's historic façade and lobby, coupled with the placement of new construction behind the character-defining features, help to produce a design anchored around the Local Landmark. The massing of the new building addition incorporates upper story stepbacks, differentiated materials, and recessed glazing that maintain the civic prominence of the historic structure along Second Street. These variations are minor when considering the location and scale of this Project. The exceptions allow more flexibility in the implementation of the Project and assist the City in meeting its goals of transforming the downtown into a vibrant 24-hour center.

- B. *Any variations from the standards of the Zoning Ordinance and the district in which the development is located are justified by the high-quality design of the proposed development when taken together as a whole.*

The minor variations from the standards of the DMU district and the Downtown II Building Form Zone are justified by the high-quality Design Guidelines prepared for the Project when taken together as a whole. The design guidelines establish the framework for a comprehensive development program that addresses both the specific design elements along with commercial building elements that will help revitalize Downtown Napa into a vibrant place for both visitors and residents. The Guidelines provide private realm guidelines through text and images that define the desired quality of architecture and character of the future development. The land use exceptions continue to allow the City to apply alternative development standards within the meaning and intent of the Zoning Ordinance, consistent with the City's goals of encouraging new development in the downtown.

- C. *Each phase (if any) of the development, as well as the development as a whole, can exist as an independent unit capable of creating an environment of sustained desirability and stability.*

It is anticipated that the Project will be developed as a single phase; however, the proposal, analyses, and conditions assume the Post Office Redevelopment may be constructed in a first independent phase and the Mixed-Use Development may be constructed as a subsequent and separate phase. As conditioned, the principal variations authorized with the Planned Development Overlay are “use” related, the Project has the ability to exist as an independent unit capable of creating an environment of sustained desirability and stability.

- D. *The proposed development is planned in coordination and compatible with the existing and planned uses in the surrounding area.*

The Project is coordinated and compatible with existing and planned uses in the surrounding area because the Project’s hotel, retail, restaurant, and entertainment components match the land use pattern, intensity, and pedestrian-oriented character envisioned for the Downtown Mixed-Use district. The Project integrates with the surrounding urban fabric through active street-level frontages, compatible building massing, and shared access patterns, ensuring it functions cohesively with nearby commercial, hospitality, cultural, and mixed-use developments.

- E. *The proposed structures and/or uses are consistent with the General Plan and any applicable specific plan or other adopted plan.*

The structures and uses authorized by the PD-37 Overlay are consistent with the Napa 2040 General Plan and applicable Downtown Napa Specific Plan because the Project implements the Downtown Mixed Use designation and directly supports General Plan goals and policies promoting high-intensity, pedestrian-oriented, hospitality-anchored development in the Downtown core, including Goal LUCD-20, Goal ED-8, and Policy LUCD 11-2. The Project also aligns with the Downtown Napa Specific Plan by introducing hotel, retail, dining, and public-facing uses that contribute to a vibrant, active streetscape and support Downtown’s role as a 24-hour destination for residents and visitors.

- F. *Any conditions stipulated as necessary in the public interest have been imposed.*

Conditions intended to address the public interest stipulated as necessary have been addressed in Exhibit “A,” the associated Development Agreement, and additional conditions are imposed as part of Resolution No. R2026-0XX for the Design Review Permit and Tentative Parcel Map processes/actions.

- G. *The proposed structures and or uses will not be detrimental to the public health, safety and welfare of the community.*

The design guidelines and future authorized land uses will not be detrimental

to the public health, safety and welfare of the community because conditions and mitigations will be implemented to ensure the Project reduces potential environmental effects to a less than significant level and to ensure the project will fit into its surroundings, as envisioned in the General Plan and implementing documents.

Section 4. Repeal of Ordinance No. O2018-014. The City Council hereby repeals Ordinance No. O2018-014 in its entirety and it shall have no further force or effect as of the effective date of this Ordinance.

Section 5. Approval of Planned Development Overlay District (PD-37). The City Council hereby approves a Planned Development Overlay District (PD-37) for the Project Site, as set forth on Exhibits "A," and "B," attached hereto and incorporated herein by reference. The City Clerk is hereby authorized and instructed to enter the Ordinance number of this Ordinance for PD-37. The Community Resources and Development Director is hereby authorized and instructed to update the official copy of the zoning map, as defined by Napa Municipal Code Section 17.04.050, consistent with Exhibit B.

Section 6. Severability. If any section, sub-section, subdivision, paragraph, clause or phrase in this Ordinance, or any part thereof, is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining sections or portions of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, sub-section, subdivision, paragraph, sentence, clause or phrase of this Ordinance, irrespective of the fact that any one or more sections, sub-sections, subdivisions, paragraphs, sentences, clauses or phrases may be declared invalid or unconstitutional.

Section 7. Effective Date. This Ordinance shall become effective thirty (30) days following adoption.

Section 8. Indemnification. To the fullest extent permitted by law, Applicant shall indemnify, defend with counsel of the City's choosing, and hold harmless City, its City Council, its boards and commissions, officials, officers, employees, and agents from and against any and all claims, demands, obligations, damages, actions, causes of action, suits, losses, judgments, fines, penalties, liabilities, costs and expenses (including without limitation, attorney's fees, disbursements and court costs) of every kind and nature whatsoever which may arise from or in any manner relate (directly or indirectly) to (i) City's approval of the Franklin Station II Project, including but not limited to, the approval of the zoning actions, discretionary permits, maps under the Subdivision Map Act, and/or the City's related determinations or actions under the California Environmental Quality Act, or any alleged failure to act as required by law, and (ii) Applicant's construction, operation, use, or related activity under the Project. This indemnification shall include, but not be limited to, damages awarded against the City, if any, costs of suit, attorneys' fees, and other expenses incurred in connection with such claim, action, causes of action, suit or proceeding whether incurred by Applicant, City, and/or the parties initiating or bringing such proceeding. Applicant shall indemnify

the City for all of City's costs, attorneys' fees, and damages which City incurs in enforcing the indemnification provisions set forth in this condition. Applicant shall pay to the City upon demand or, as applicable, to counsel of City's choosing, any amount owed pursuant to the indemnification requirements prescribed in this condition.

Section 9. The City Clerk of the City of Napa shall certify the passage and adoption of this Ordinance and shall cause the same, or a summary thereof, to be published and/or posted in the manner required by law.

City of Napa, a municipal corporation

MAYOR: _____

ATTEST: _____
CITY CLERK OF THE CITY OF NAPA

STATE OF CALIFORNIA }
COUNTY OF NAPA } SS:
CITY OF NAPA }

I, Tiffany Carranza, City Clerk of the City of Napa, do hereby certify that the foregoing Ordinance had its first reading and was introduced during the regular meeting of the City Council on the ____ day of _____ 2026, and had its second reading and was adopted and passed during the regular meeting of the City Council on the ____ day of _____ 2026, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST: _____

Tiffany Carranza
City Clerk

Approved as to Form:

Christopher Diaz

Interim City Attorney