



Staff Reports

File #: 19-2020, **Version:** 1

eTo: Honorable Mayor and Members of City Council
From: Vincent Smith, Community Development Director
Prepared By: Michael Allen, Senior Planner

TITLE:
Westin Hotel Addition

RECOMMENDED ACTION:

Adopt a resolution approving a Use Permit and Design Review Permit for a 32-room expansion of the Westin Hotel on the vacant parcel located at 1274 McKinstry Street adjacent to the existing Westin Hotel and determining that the actions authorized by this resolution are exempt from CEQA.

DISCUSSION: **PROJECT DESCRIPTION**

The Applicant requests a Design Review Permit and Use Permit approval to construct a detached 45,265 square foot, four (4) story, 32 room hotel expansion on the vacant parcel immediately south of the existing Westin Hotel. The expansion is intended to serve as an annex to the existing hotel complex. Supporting the hotel use would be a 7,275 square foot restaurant and bar, a spa, and an outdoor spa terrace. Parking would be provided by a subterranean garage with 30 net new valet parking spaces and underground connectivity to the neighboring subterranean garage (total of 263 shared spaces). The first level of the hotel building would include a full-service spa with six treatment rooms, exercise studios, hair and nail salon, lockers rooms and sauna area, as well as, a lounge and juice bar. Three outdoor therapeutic spas are to be located on the spa terrace and would be connected to the juice bar/lounge by large folding doors. The spa would be open to both guests and the public.

As detailed by the Applicant, the new Westin Hotel building is to serve as an annex to the existing hotel. All arriving guests would continue to check in at the existing hotel's front desk. The lobby at the new building would function as a scaled down version of that located in the primary building and would service guests' basic needs during their stay. The spa would have its own guest check in. Guest access between the two buildings would be provided by the existing pedestrian sidewalk, back river trail or via an internal path between the two buildings. Hotel employees conducting back of house functions would utilize the subterranean tunnel for activities such as room service, spa linen delivery, housekeeping etc.

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

1. A Design Review Permit for the 45,265 square foot hotel building addition.

2. Use permit to authorize the hotel addition which is located on a separate parcel from the existing Westin Hotel.

PROJECT CONTEXT

The project site, at 1274 McKinstry Street is a relatively flat, previously disturbed, 0.53-acre vacant site, on the east side of McKinstry street. The site is bounded by McKinstry Street to the west, the Napa River to the east, the Oxbow Commons Park to the south and the existing Westin Verasa hotel complex to the north. The site features an approximately 6-foot-high decorative wall extending from the existing hotel and separates it from the Napa River along the Napa River Trail. Surrounding land uses include the existing Westin Hotel and other commercial uses, including Umpqua Bank and River Terrace Inn north of the site, to the east is the Napa River which abuts the site, the Oxbow District lies to the south, and to the west is the Napa Valley Wine Train Station.

BACKGROUND

On April 4, 2006 the City Council granted the existing Westin Verasa Hotel and Resort (1314 McKinstry St.) a Planned Development permit, Design Review Permit and Tentative Parcel Map to authorize the construction of a 160-room (plus 20 lockout rooms) hotel with associated restaurant, café, meeting space, and appurtenant facilities.

When the City originally approved the Westin Hotel project, the hotel property (and adjacent property at 1274 McKinstry) featured a General Plan Land use designation of “Mixed Use” and a Zoning Designation of “Tourist Commercial.” Since that time, the City of Napa has adopted the Downtown Napa Specific Plan which amended both the General Plan Land Use Designation and Zoning Designation for the site. At present, the existing Westin Hotel site and subject property feature a General Plan Land Use designation of “Oxbow Commercial” with a zoning of “OBC: Oxbow Commercial” and Building Form Overlay of “Downtown II.” Per the OBC requirements, hotels are now considered a conditionally allowed use within the District.

ANALYSIS

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 Westin Hotel Expansion containing 32 hotel rooms, a restaurant and bar, a spa and spa terrace serving both the tourist and local community would align with the goals of the OBC land use designation. In particular, the proposed expansion 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 addition makes efficient use of the vacant, underutilized lot adjacent to the existing Westin Hotel. It proposes additional lodging facilities to an

existing hotel at a conveniently accessed site from a major arterial (Soscol Avenue), and within close (walkable) 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, proximate to the existing hotel, Oxbow District and Downtown ensures traffic is confined to appropriate arterial streets and 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 would place parking in a subterranean garage. 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 four-sided architecture that exhibits an active street frontage along McKinstry street and which also acknowledges that the hotel would be highly visible to pedestrians utilizing the Oxbow park or Riverwalk, as well as, visitors to the Oxbow market. Strong building articulation and generous landscaping ensure that the project is responsive to pedestrians and passersby.

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 in *italic typeface*.

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

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 that seen on the existing Westin Hotel, it would feature a variety of design mechanisms to reduce the perceived mass such as stepped upper floor, varied roof forms, gabled and flat roofed dormers, balconies and a variety of building materials to add layers and articulation to encourage the building to appear human scaled and responsive to the passer by.

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 building would be complimentary to the existing Westin Hotel and share many of the same design elements. However, it would provide some variety in that it would exhibit a more contemporary interpretation of the craftsmen influence featured on the existing Hotel. The new building would share the gabled shingle roofs and painted tongue and groove siding with the existing building, but the new design would depart slightly to include oversized windows, stone veneer base, and painted metal columns to differentiate it somewhat and encourage variety in the architecture. The natural and traditionally inspired materials and four-sided orientation would ensure the project meets this policy.

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

The proposed design of the hotel features areas of green roof, quality and lasting materials, bio-retention facilities, and drought tolerant and native plantings that provide for a sustainably-minded project balanced with environmental considerations in addition to compliance with the building energy efficiency standards of Title 24 of the California Building Code.

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

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 existing Westin Hotel was granted a Planned Development Overlay which permitted the 160 room (plus 20 lockout rooms) condominium hotel with shared parking, including valet parking operations. As conditioned, the proposed expansion/new hotel annex would be a suitable use on the adjacent parcel to the Westin Hotel.

HOTEL POLICIES

The following are the Applicant's responses to 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 Westin Verasa Hotel and Resort is a full-service hotel. It was completed in 2008 and has consistently shown strong commitment to the downtown core. Each year Westin serves as the headquarter hotel for several festivals throughout the community including Napa Valley Film Festival, Bottle Rock, and Jazz Getaway.

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 directly applicable, as the Westin is a full service resort. The addition of the spa would only enhance the guest amenities

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 Westin facility includes approximately 12,568 square feet of combined indoor/outdoor conference space. After completion of the expansion, the resort would include 212 rooms. This equates to approximately 59.28 square feet per room of combined space.

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 to the resort would use personal vehicles and valet park upon arrival. Although not precluded from using their vehicles, the resort would offer guests a variety of transportation options to off-site locations and activities. The hotel would actively encourage guests to consider alternative transportation options. Groups often arrive at the hotel and use charter buses throughout their visit. The Westin has implemented a bike subsidy for associates of the hotel. In addition, our location to the downtown core encourages pedestrian activity for guest and associates alike.

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 Westin participates with Hospitality Industry Partners in efforts to bridge the gap between community members and work opportunities within hospitality. We have also worked with NVUSD to create teacher externship programs at the property. We are in the process of participating in a

program through NVUSD called “Resorting to Opportunity.” We hope to help high schoolers find stable careers within hospitality. Lastly, our property is producing a leadership program to develop and groom team members for future leadership roles.

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 Owner and design team for the project are dedicated to pursuing sustainability on many levels. The project would exceed code required sustainable measures such as CALGreen and Title 24 and any additional local sustainability codes. The project is located in a walkable area in downtown Napa and is next to the wine train station. It would utilize best practice measures for storm water management, low-flow plumbing fixtures, LED lighting, high-efficiency mechanical systems, dark sky lighting measures and utilize materials that promote a healthy interior environment. Additionally, the team will consider possible inclusion of elements such as solar/PV systems, graywater reuse and green roof elements.

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.

We are committed to providing a public art component visible and accessible to the public.

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.

A few new team members will be brought on board after completion of the expansion. However, since this is an existing hotel property, many of the existing team will service the new facilities and there are several redundancies and efficiencies with existing staff members. The expansion allows for career and responsibility growth for our team members and some part-time team members will have the opportunity to transition to full-time positions. All Westin associates working 30 hours-a-week, or more are provided full benefits including medical, dental, life insurance, and vision plans. Associates are also given seven days of paid holiday and accrued vacation based on years of service. After one year, associates are entitled to participate in our matching 401k program. All new employees will be provided the same level of wages and benefits. In our 10+ years of operations, we have developed a loyal staff and 80% of all associates live within Napa County. The new positions will be consistent with the wage and benefit rates of our current staff. The chart in Section V.F of the Planning Commission staff report (Attachment 3) lists the anticipated additional job positions to service the hotel expansion.

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 Downtown Specific Plan Design Guidelines. See Planning Commission staff report (Attachment 3) for a detailed Design Review analysis.

PLANNING COMMISSION MEETING

The Planning Commission held a public hearing on January 16, 2020. The Commission heard a report from Staff, followed by a presentation by the Applicant team. There were six members of the public that spoke during public comment. Most speakers were employees of the hotel who shared stories of the opportunities the hotel has provided them. All speakers shared their support for the hotel expansion. Two members of the “Friends of The Napa River” spoke in support of the project but wanted enhanced landscaping along the Napa River Trail. The Commission asked questions regarding the project’s bicycle facilities and whether the Napa River Trail would be obstructed during construction, and discussed the tall appearance of the four story building.

By a vote of 4-0, (Painter recused) the Planning Commission recommended approval of the project and recommended adding the following conditions relating to the project’s design:

- Plans submitted for building permit shall include window accents on the west facing façade and potentially the other facades that face the river and the north-facing portion, additional articulation/color differentiation on the walls between the 3rd and 4th floor, and additional architectural enhancements below the roof parapet, subject to approval of the Planning Manager.
- Plans submitted for building permit shall include a final landscape plan that provides enhanced landscaping along the project’s perimeter adjacent to the Napa River Trail, subject to approval of the Planning Manager.

FINANCIAL IMPACTS:

If the project is approved and constructed, Staff anticipates that it could bring in additional General Fund Transient Occupancy Tax revenue for the City of approximately \$0.35 million annually.

CEQA:

City staff recommends that the City Council determine based on the CEQA Guidelines Section 15183 Environmental Checklist for the Westin Verasa Napa Expansion Project dated November 15, 2019 and the Certified Downtown Napa Specific Plan (DNSP Final Environmental Impact Report; State Clearing House No. 2010042043), that the Project would not have any project-specific significant effects which are peculiar to the project or its site, and therefore the Project is exempt from further environmental review pursuant to Public Resources Code Section 21083.3 and CEQA Guidelines Section 15183. Staff also recommends that the City Council determine that the potential environmental effects of the actions authorized by this Resolution fall within the scope of the DNSP EIR as documented in the Environmental Checklist, pursuant to CEQA Guidelines Section 15168.

DOCUMENTS ATTACHED:

ATCH 1 - Draft Resolution approving a Use Permit and Design Review Permit

EX A - Letter dated November 21, 2019

EX B - Letter dated February 7, 2018

ATCH 2 - Westin Addition and Environmental Checklist

ATCH 3 - Planning Commission Staff Report (attachments removed to avoid duplication), and communications

ATCH 4 - Project Description and Plans

ATCH 5 - Traffic and Parking Analysis

NOTIFICATION:

Notice of the scheduled public hearing was provided on February 5, 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 February 7, 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.