



## Staff Reports

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**File #:** 9-2020, **Version:** 1

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

**TITLE:**  
Stanly Ranch Resort, Phase II

### **RECOMMENDED ACTION:**

Adopt a resolution approving a Design Review Permit and a Tentative Subdivision Map for 70 whole ownership dwelling units on ten lots and a Design Review Permit and Tentative Subdivision Map for 40 fractional guest units on one lot for Phase II of the Stanly Ranch Resort located at 1201 Stanly Lane and 200 Stanly Cross Road and determining that the actions authorized by this resolution were adequately analyzed by a previous CEQA action.

### **DISCUSSION:** **PROJECT BACKGROUND**

The Stanly Ranch Resort Master Plan was approved by the City Council in May 2010. This approval included both the establishment of Chapter 17.30 in the Zoning Code (Stanly Ranch Resort Master Plan) and a Master Use Permit. The Master Plan contains regulatory parameters to guide future development of the 93-acre property which includes:

Phase 1: A 150-key resort hotel with accessory uses. 132 units are currently being constructed in Phase 1, with 15 of the originally approved rooms being transferred to the Phase 2 fractional ownership units as allowed for in the Master Plan regulations. As such, the number of fractional ownership units for Phase 2 have been increased from the originally approved 25 units to 40 units as part of the reallocation of hotel guest rooms.

Phase 2: 70 single family (condominium ownership) units on 10 parcels and 40 fractional ownership units on one parcel, the latter which will be operated in conjunction with the resort hotel.

Phase 3: A 25,000 case winery on a 3-acre portion of the property in the southeast corner of the resort. The winery building(s) will be subject to a future application.

The Stanly Ranch Resort Master Use Permit requires Final Design Review approvals for all of the resort, whole ownership, fractional ownership and winery buildings. In February 2016, the City Council approved the Unified Site Development Plan ("USDP") which detailed the site plan and building footprints that were anticipated for the entire project, along with a Design Review Permit for

the hotel buildings (Phase I).

## PROJECT DESCRIPTION

The Applicant, Stanly Ranch Resort (SRGA LP), is requesting approval of the Final Design Review Permits and Tentative Subdivision Maps for Phase 2 of the project. Phase 2 consists of the following:

- Design Review Permit for the 70 whole ownership dwellings (“Vineyard Homes”) that will be located to the west and north of the Phase 1 hotel which is currently under construction. These cluster homes include four varying model plans with sizes that range from 2,445 to 5,595 square feet, with each model having some variation in elevations and exterior materials.
- Design Review Permit for the 40 fractional guest units (“The Villas”) that are located to the east of the Phase I hotel. The Villas will be 1,725 square feet in size and arranged in four-unit clusters within a total of 10 buildings. The units are arranged with two ground floor units and two upper story units within each cluster. They will be managed in conjunction with the hotel.
- Tentative Subdivision Map including Design Review of the Map, to subdivide the 36.85-acre Vineyard Homes portion of the development into 10 parcels, which would be developed with 70 condominium units (“Vineyard Homes Tentative Subdivision Map”).
- Tentative Subdivision Map for condominium purposes including Design Review of the Map, to subdivide the 8.49-acre Villas portion of the development into 40 condominium (fractional ownership) units (“Villas Tentative Subdivision Map”).

## ANALYSIS

### GENERAL PLAN

The property is located within the Tourist Commercial (TC-921) General Plan designation which provides for tourist oriented commercial retail and services such as destination-resort hotels, motels, and their recreational amenities such as spas and conference centers. The transient occupancy facilities are consistent with this designation.

### ZONING

The property is zoned Stanly Ranch Resort Master Plan (MP). The stated purposes of the Stanly Ranch Resort Master Plan include development of a low-density destination resort, protection of agricultural uses and natural habitats, and creating a unique sense of place through careful consideration of density, building design and complementary uses that respond to their geographic context.

The District allows for up to 150 hotel units and 25 fractional ownership units as permitted uses, and allows for the transfer of up to 15 units between these two categories. Since the hotel is being constructed with only 132 units, 15 units may be transferred from the hotel category to the fractional ownership unit category. As such, Phase 2 is allowed to include 40 fractional ownership units. The

whole ownership dwellings are an accessory use that can be attached or detached and limited to a maximum of 70 units, which is the number proposed in Phase 2.

The Stanly Ranch Resort Master Plan includes property development regulations regarding maximum development, allocation of floor area, building height, setbacks and airport compatibility. For additional development standards discussion and a detailed list of the resort's development criteria, see Table 1 of the Planning Commission staff report (ATTACHMENT 2).

## TENTATIVE SUBDIVISION MAPS

The Phase II application includes a Tentative Subdivision Map to subdivide the 36.85-acre Vineyard Home portion of the development (APN 047-230-059) into ten lots. These 10 lots would then be developed with 70 residential condominium units consistent with Table 2 in Section III. C. of the Planning Commission staff report (ATTACHMENT 2). The proposed Vineyard Homes Tentative Subdivision Map is consistent with the Unified Site Development Plan that was approved by the City Council.

Phase II also includes a Tentative Subdivision Map for condominium purposes for the 40 fractional ownership units to be developed on the 8.49-acre parcel (APN 047-230-060), known as "The Villas." For a detailed discussion of condominium standards see the Planning Commission staff report.

## 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, Staff reviewed the principles in the adopted Stanly Ranch Master Plan Design Guidelines for reviewing the site development and architectural design. See Planning Commission staff report (Attachment 2) for a detailed Design Review analysis.

## AFFORDABLE HOUSING

The Stanly Ranch Resort Master Use Permit was approved with a condition requiring a \$1,440,000 affordable housing impact fee be paid to the City's Affordable Housing Trust Fund. This amount exceeds the City's Affordable Housing Impact Fee for the project. However, subsequent to the Master Plan approvals, a lawsuit was filed claiming the project's EIR failed to adequately analyze several impacts but emphasized impacts to housing supply for lower income residents. Shortly after its filing, the lawsuit was settled. The settlement agreement requires payment of \$3,000,000 from the Applicant to the City of Napa's Affordable Housing Trust Fund (in addition to the original \$1,440,000) prior to issuance of the first Certificate of Occupancy. The \$3,000,000 could be offset based on a formula incorporated into the settlement agreement that gives credit to the Applicant for various affordable units that receive final entitlements after the effective date of the settlement agreement.

## PLANNING COMMISSION MEETING

The Planning Commission held a public hearing on February 20, 2020. The Commission heard a report from Staff, followed by a presentation by the Applicant team. One member from the public spoke during public comment. Dorothy Salmon spoke in support of the project. The Commission asked several questions regarding the actual colors of the buildings and whether all roads were

private or public, and expressed their opinions that the designs were of a high standard. They praised the project's introduction of reclaimed water facilities to the Carneros Water District.

At the conclusion of the hearing, the Planning Commission recommend approval of the project by a vote of 4-0-1, Huether recused.

#### **FINANCIAL IMPACTS:**

A complete analysis of the project's economic impacts was prepared when the Stanly Ranch Resort Master Plan was approved. It forecasted the following revenues generated to the City:

- Transient Occupancy Tax from lodging is estimated from \$3.9 million a year to \$9.8 million annually over a ten year period;
- Sales tax is estimated at \$300,000 annually growing to \$490,000 annually over a ten year period; and,
- Property Tax is estimated at \$180,000 to \$200,000 annually growing to \$350,000 annually over a ten year period.

#### **CEQA:**

City staff recommends that the City Council determine that the potential environmental effects of the Recommended Action were adequately examined by the St. Regis Napa Valley Project Environmental Impact Report (EIR) certified by the City Council on April 20, 2010 pursuant to CEQA Guidelines Section 15162. The Project is consistent with the development pattern anticipated in the Stanly Ranch Resort, and none of the criteria in CEQA Guidelines Section 15162 apply to the Project. As such, no further environmental review is required for this Project.

#### **DOCUMENTS ATTACHED:**

ATCH 1 - Draft Resolution approving a Design Review Permit and Tentative Subdivision Maps

EX A - NapaSan Letter dated December 19, 2019

EX B - Memorandum dated October 16, 2019

ATCH 2 - Planning Commission Staff Report (attachments removed to avoid duplication) and minutes excerpts

ATCH 3 - Project Plans

ATCH 4 - Tentative Subdivision Maps

#### **NOTIFICATION:**

Notice of the scheduled public hearing was provided on March 25, 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 March 27, 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.