TO: CHAIRMAN AND MEMBERS OF THE PLANNING COMMISSION

FROM: RON WHISENAND, COMMUNITY DEVELOPMENT DIRECTOR

SUBJECT: AMENDMENT TO VESTING TENTATIVE TRACT 2962

(DESTINO PASO - HANDLEY)

DATE: MARCH 10, 2009

Needs: To consider a request filed by North Coast Engineering, on behalf of Jerry and

Katherine Handley, to amend Vesting Tentative Tract 2962.

Facts:

1. On February 10, 2009, the Planning Commission conditionally approved the "Destino Paso" project, which included a Vesting Tentative Tract Map, Planned Development, Conditional Use Permit, and associated Mitigated Negative Declaration (MND). The tentative map would have allowed the subdivision of two existing parcels totaling approximately 40.33 acres, into 9 parcels and 58 airspace condominiums that included 175 casitas hotel units. The project is located at 3340 & 3350 Airport Road (see Attachment 1, Vicinity Map).

- 2. City staff expressed concern in the staff report and at the public hearing that the ownership structure of the casitas units and the presence of kitchen facilities could conflict with adopted policies contained in the City's General Plan and County Airport Land Use Plan (APLUP). The issue related to the potential for future owners of the condominium units to circumvent the resort management structure and use the units for residential purposes.
- 3. On February 11, 2009, the City Manager's office filed an appeal of the Planning Commission's decision, specifically indicating that the project as approved would be in conflict with the ALUP.
- 4. City Staff met with the applicants on two separate occasions to try and come up with a modified project that would meet the applicant's goals, and address Staff's concerns regarding compliance with the ALUP.
- 5. On February 26, 2009, the applicants submitted a modified project (Attachment 2) that would eliminate the kitchens in all hotel casitas units and provide an ownership structure that would require the managing resort to retain 50% ownership of all airspace hotel units.
- 6. After reviewing the revised application the City Manager's office withdrew the appeal application, however, since the new tract map would replace and add new

conditions of approval, the Planning Commission needs to review and approve the amendment.

Analysis and Conclusion:

The presence of kitchens and the full ownership of condominium hotel units created the potential for inappropriate residential use of the 175 casitas units. These concerns extend as far back as when the applicants proposed an amendment of the General Plan to allow resort use and the land use change was reviewed by the County Airport Land Use Committee. More recently, the development proposal was reviewed by the City's Airport Advisory Committee who supported the resort use but with a recommendation to exclude kitchens from all casitas units. It is important to note that when the project was presented to the Airport Advisory Committee, it was not made clear that the project would permit full ownership of 58 airspace condominiums. Upon learning of the permitted ownership structure, the Committee expressed concern and asked staff to place the matter on their February 26<sup>th</sup> agenda.

After more fully understanding concerns of City staff and the Airport Advisory Committee, the applicants chose to modify their project. The revised project utilizes an ownership structure proposed for the Vaquero de los Robles Resort that allows private investment into the resort, but in all cases, the master resort developer would retain 50% ownership of any commercial hotel condominium units (a joint venture partnership with the resort owner). The resort would be the management entity responsible for operations, maintenance, repair and replacement for the units. The resort would handle all reservations and hotel management services, including the payment of business license and transient occupancy taxes, and the investor co-owners would not be permitted to manage or rent their unit to parties independently of the resort. Finally, no casitas units would be permitted to have kitchen facilities.

Staff feels the revised management and ownership structure addresses concerns for long-term protection of the City's airport. The resort would have the ability to seek outside investors in the project. The individual commercial investors would have the opportunity to co-own resort units. However, the joint venture structure would ensure the project be constructed, owned, and operated as single commercial resort.

The revised project and ownership structure is scheduled to be reviewed by the City's Airport Advisory Committee on Monday, March 9<sup>th</sup>. Results and recommendations will be presented verbally to the Commission on March 10<sup>th</sup>.

Policy Reference:

General Plan Land Use Element; General Plan Update EIR certified in 2003; Zoning Code and California Environmental Quality Act (CEQA), Airport Land Use Plan, Economic Strategy.

Fiscal

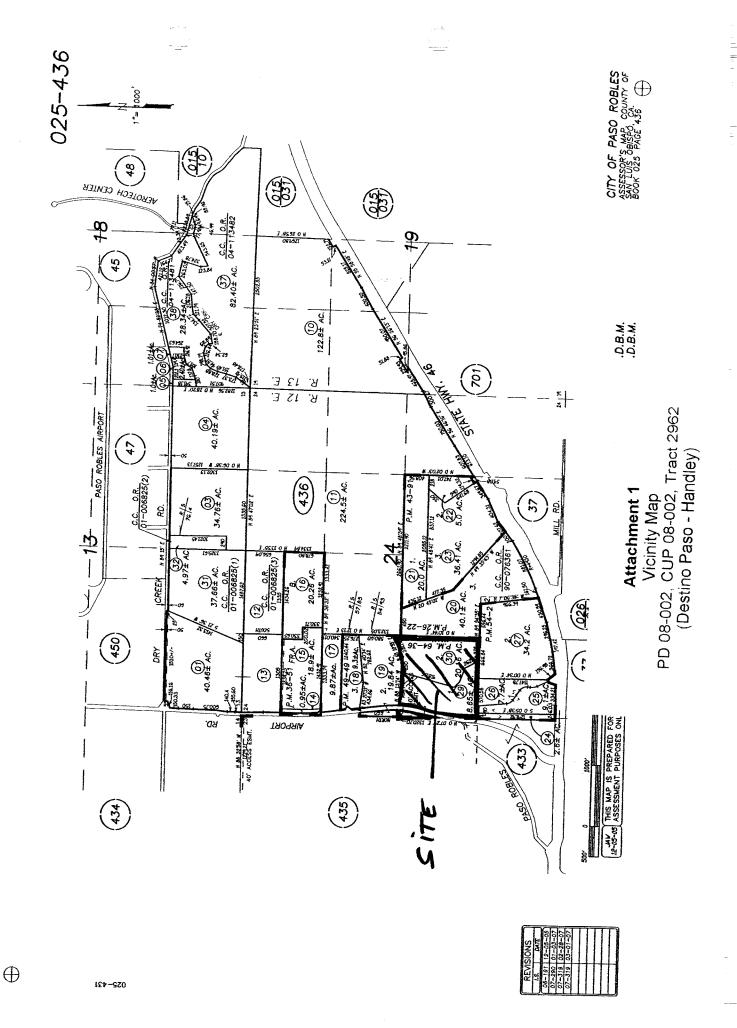
Impact: None

Options: After consideration of all public testimony, that the Planning Commission considers the following options:

- a. Adopt the draft resolution rescinding the Commission's prior approval and approving the amendment to Vesting Tentative Tract 2962, subject to site specific and standard conditions of approval;
- b. Amend, modify or reject the foregoing option.

#### Attachments:

- 1. Vicinity Map
- 2. Applicant's Revised Project Description
- 3. Resolution approving Vesting Tentative Map 2962 (with highlighted changes)
- 4. Newspaper and Mail Notice Affidavits



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## DESTINO PASO

## <u>A DESTINATION RESORT FOR PASO ROBLES</u> <u>March</u> 3, 2009

#### Introduction

Destino Paso is envisioned to be a destination resort to provide recreational opportunities, dining facilities, conference facilities, wellness opportunities, extensive open space, and a range of accommodation opportunities to serve the growing tourist market for the City of El Paso de Robles. The City of Paso Robles has made destination tourism one of its primary goals, and this proposed resort provides amenities and attractions to complement the range of services and attractions that have been envisioned in the City's Economic Strategy and confirmed in the San Luis Obispo County Economic Forecast.

### **Project Description**

Destino Paso will provide a wide range of accommodations ranging from small intimate casitas, boutique hotel rooms, and traditional hotel rooms. All the accommodations are intended to be for transient occupancy with a maximum stay of 30 days. The accommodations proposed for the project falls into three categories.

## - Accommodations

Two main areas of clustered detached hotel units are proposed, each with a recreation center with a swimming pool and spa. Additional detached hotel units are located to complement the Conference Center/Poolside Pavi lion. These lodging accommodations include a combination of single-story duplex units and two-story fourplex units. All the lodging units have patios and/or decks and are arranged in clusters to provide a community feel yet provide individual private spaces for the guests. The casitas units will include a microwave and a bar fridge for convenience items. The on-site restaurant will provide a close-by dining option. Many of the detached lodging units provide tremendous views of the surrounding vineyards and on-site natural spaces and the close proximity of these units provides ready access to on-site recreational facilities and the on-site trails and open spaces.

#### Boutique Hotel

A boutique hotel including 16 rooms is proposed to be located at the southwestern portion of the property overlooking the existing lake. It is envisioned that this site could pro vide superior, private accommodations for small groups, weddings, family reunions, and corporate retreats. The boutique hotel will have a large lawn and gathering area, as well as a large patio to provide a serene environment for private weddings and small functions. Ample parking, as well as overflow parking, is accommodated on the site.

#### Attachment 2

Applicant's Project Description PD 08-002, CUP 08-002, Tract 2962 (Destino Paso - Handley)

#### Hotel

Two hotels of 50 rooms each are proposed to be constructed next to the proposed restaurant on the northwest corner of the property. The two hotels would be two-stories and would be of a conventional hotel format with internal courtyards, pools, on-site retail facilities, and recreational facilities.

#### Resort Amenities

#### Spa

A full featured spa is proposed in the upper area of the resort. With magnificent views of the oak woodland and surrounding vineyards the spa will be the center of wellness and relaxation. Located on its own parcel, it is intended that the spa will be operated by a specialized operator. Services envisioned are massage, aromatherapy, skin care, facial and body therapies, and hair and scalp treatments.

#### Restaurant

Destino Paso proposes a 5,700 sq. ft. restaurant located at the entrance of the project at the northwest corner of the property. This restaurant is designed to be a sit-down restaurant, which will accommodate diners not only from within the project, but would anticipate a number of visitors from the Paso Robles area participating in the dining experience. The restaurant will have views overlooking the Huer Huero Creek, would be in close proximity to the two proposed hotels, and would be readily accessible from all of the other accommodations proposed for the site.

#### Recreation Center

A recreation center with a pool, spa, office, kitchen, restrooms, pavilion, and shaded veranda area is proposed for the first phase of the project. It is intended to provide recreation and wellness amenities for the visitors to the resort.

#### Poolside Event Pavilion

The existing warehouse on the project is intended to be completely remodeled and converted to a conference and event center. Because of the size and nature of the building, considerable flexibility is attainable for use for conferences, training sessions, small parties and weddings. The proximity to the recreation center provides opportunities for additional flexibility.

#### Design Approach

#### Low Impact Development

Numerous techniques for Low Impact Development (LID) are proposed for the project. In particular, there are many areas proposed for biofiltration to capture and clean storm and irrigation water before percolating into the ground or releasing from the site. Stormwater in many cases is routed through a series of biofiltration systems to further enhance cleansing abilities. A large area located near Airport Road, designated as a passive recreational area serves as a significant biofiltation area as well as a sediment trap to capture and treat stormwater pollutants on site. Additional biofiltration areas are proposed for the medians of Airport Road to capture and treat stormwater flowing off the paved

surface of the road. Hard surfaces are minimized to reduce runoff and permeable paving is anticipated in appropriate areas.

Design measures have been incorporated into the buildings to provide solar efficiency for both heating and cooling.

#### Open Space/Trail System

The project contains extensive areas of open space. Over half of the site or approximately 23 acres is to remain open space. This area includes oak woodlands with existing trails which would be improved. A blue-line stream feeds an existing lake. The open space provides serene recreational areas as well as acting as a buffer for the onsite buildings as well as the surrounding uses.

#### Circulation Improvements and Approach

The project proposes improvements to Airport Road, widening, adding bike lanes, sidewalks and walking paths. The design proposed has been prepared in consultation with the City Engineer and reflects the current thinking on pavement reduction and rural style road design. A median is proposed in the middle of the roadway and is intended to be used as a biofiltration area to help cleanse the runoff from the asphalt and concrete surfaces. Both right turn and left turn pockets, as well as acceleration lanes are proposed for safe access to and from the resort. The walking path on the west side of Airport Road provides access to the Ravine Water Park.

A city standard road (Beijo Way) is proposed through the resort to, in the future, connect to the property to the east. A 60' wide Offer of Dedication to the City is proposed. All other roads and drives on the site are private and will be maintained by the owner.

A city standard transit stop with a shelter is proposed on Airport Road to provide access to and from the resort for both public transport, as well as other forms of private transit such as wine tours or other local shuttle systems.

Resort staff will transport guests to the various parts of the site on an on-call basis. Resort transportation will be provided by golf carts. This convenience is provided to guests so that they do not have to drive around the site in order to enjoy the numerous amenities that the resort provides.

Destino Paso intends to develop a partnership with other local businesses, including the Ravine Water Park, local wineries, downtown businesses, shopping centers, golf courses, and other local attractions, to provide a shuttle service to connect these uses and reduce motor vehicle traffic.

#### Project Utilities

The project site has access to City water through an existing 12" water line in Airport Road and a 12" waterline recently constructed in Beijo Way. Water is intended to be looped in the main sections of the project and it is intended that these water mains on site be built to city standards and be in a public water easement.

participation is done in strict compliance with securities and real estate law that govern such transactions. The investors would have no greater rights to the rental of the units than the general public. A restrictive covenant would be recorded with the Parcel Map and the Commercial Condominium Tract map explicitly prohibiting any of the structures from being used for residential purposes.

#### **Market Demand**

Among those contracted to assist in the development of this resort are two of the most highly regarded Consulting firms in the resort industry, Redwood Capital Advisors and PKF Consulting. It is clear from the prepared market analysis that there is clearly the support, environment and demand for a resort as proposed. It in effect bridges a gap between existing lower quality motels and the small, but very high-end bed and breakfast accommodations currently offered in the area.

#### **Community Financial Benefits**

The construction of the resort will greatly increase the assessed value of the property. It is estimated that the construction cost of the resort is approximately \$45,000,000. The resulting increase in property tax will benefit the community. The positive effects to the construction industry would be immediate, providing jobs for locals and demand for local building materials and goods.

The most significant benefit to the City's General Fund will be in the form of Transient Occupancy Taxes collected from the resort.

- Estimated average room rents will be \$225 per night with 4% to 7% increase per year.
- At 60% occupancy the resort will generate approximately \$1,400,000 a year in additional revenue to the City in the form of Transient Occupancy Tax.
- It is estimated that visitors will spend between \$100 and \$200 a day in local restaurants, downtown shops, wineries, gas stations, and tourist attractions resulting in approximately \$6,000,000 to \$12,000,000 in local spending per year.

Sanitary sewer is not currently available at the project site. The Resort would extend a new sewer main from Dry Creek Road, located approximately one mile north along Airport Road. It will be necessary to construct a sewer lift station as part of the sewer project. The Ravine Water Park, Wine Country RV Park and Firestone Winery are all currently using septic tank/leachfield systems. When these projects were approved they were conditioned to connect to a future sewer and to participate in the cost of construction. The development of the Resort will bring these properties into compliance with City Standards for sewer service.

#### **Existing Property Description**

The proposed site of Destino Paso is located on Airport Road immediately north of the Wine Country R.V. Park. It is comprised of 40.3 acres with several large, flat mesa areas and a significant large oak filled ravine, a lake, an existing home and outbuildings. The property is partially bounded on the west by Airport Road and access to the project is proposed by a new public street called "Beijo Way", which would connect at Airport Road and extend easterly for the future connection to the adjacent property owned by William and Kenneth Mundee. There are numerous oak trees on site, all of which are proposed to be protected and preserved with the exception of the trees necessary for the widening of Airport Road to meet City standards.

The current General Plan designation for the property is Parks and Open Space, and the current zoning classification of the property is Parks and Open Space with a Resort and Airport Overlay. The proposed uses are consistent with those zones.

The property is well situated for a destination resort being in very close proximity to the following tourist serving facilities:

- · The Ravine Water Park
- Firestone Winery
- Eberle Winery
- Wine Country RV Park
- Hunter Ranch Golf Course
- The Links Golf Course
- Barney Schwartz Park
- Robert Hall Winery
- Vina Robles Winery
- J. Lohr Winery
- Airport Business Park
- Paso Robles Swim and Tennis Club

The project is also located a short distance from Highway 46 on Airport Road which is designated as an arterial road. It provides easy access from Highway 46, as well as the Paso Robles Airport.

#### Design Approach

The design of Destino Paso was a collaborative effort of North Coast Engineering, firma Landscape Architecture, and Steven Puglisi Architects. A design Charrette was held with the project team utilizing topographic mapping, oak tree mapping, and design information to collaboratively produce an initial site plan. The goals of the initial design process were:

- Develop a resort community sensitive to the existing land form.
- Provide a mixture of accommodations, recreational opportunities, culinary opportunities, and conference opportunities.
- Conform to the Airport Land Use Safety Zone restrictions.
- Ensure a project consistent with City transient occupancy requirements.
- Provide for circulation improvements.
- Incorporate low impact development techniques such as biofiltration and minimization of impermeable surfaces.
- Develop a resort with a comfortable community feel.
- Provide for internal pedestrian and bicycle circulation.
- Provide for internal and external transportation opportunities, providing access not only within the site but connecting to existing tourist destinations.
- Structure the phasing of the project such that impacts could be mitigated as the project develops.

#### Airport Land Use Compatibility

The proposed Destino Paso is Located within the Airport Influence Area, specifically in Safety Zones 2, 3, and 4. No building s are proposed within Safety Zone 2. In Safety Zones 3 and 4, buildings have been clustered in compliance with the policies of the Airport Land Use Plan. Since only transient (non residential) uses are allowed in the Airport Influence Area, Resort Management and ownership structures are proposed to assure consistency with the ALUP. The airport is considered to be an important asset to the Resort and will provide transportation opportunities for guests of the Resort.

#### **Resort Ownership and Operations**

The Resort will be developed by the Master Developer. The Master Developer is responsible for all Resort activities including final site design, construction, maintenance and reservations. The day to day operations of the resort will be by the Resort Operator through a Management Agreement with the Master Developer. The Management Agreement is a recorded document and is a standard for the lodging industry. The "parceling" of the site is expressly for the purpose of facilitating the phasing and financing of the Resort and to assure consistency with the restrictions in place on the various airport safety zones located within the site.

The approval to record an air-space commercial condominium map, allowing for investment of each detached hotel building, is intended to facilitate the financing of the project. The Management Company, maintaining 50% ownership in each building, would offer investors an opportunity to invest in the resort with a return on investment based on the profitability of the Resort. These detached hotel buildings would be subject to a mandatory placement into a rental pool controlled by the Resort Operator. The marketing of the detached hotel units as pooled revenue/mandatory rental pool

RESOLUTION NO.	

A RESOLUTION OF THE PLANNING COMMISSION
OF THE CITY OF EL PASO DE ROBLES
TO GRANT TENTATIVE MAP APPROVAL FOR
AMENDMENT TO VESTING TENTATIVE TRACT 2962
(DESTINO PASO - HANDLEY)
APN: 025-436-029 & 030

WHEREAS, Tract 2962 has been filed by North Coast Engineering on behalf of Jerry and Katherine Handley, to subdivide a 40.3-acre property into 9 lots ranging in size from 1.81-acre to 10.86-acre parcels, for the Destino Paso resort development; and

WHEREAS, Tract 2962 also includes a commercial condominium map that would create 58 airspace condominium hotel units that includes 175 individual casitas units; and

WHEREAS, the Destino Paso project is located at 3340 & 3350 Airport Road, which is on the east side of Airport Road, just north of the Wine Country RV Park; and

WHEREAS, in conjunction with the Tract 2962, Planned Development 08-002 & Conditional Use Permit 08-002 have been submitted to establish development standards for the resort; and

WHEREAS, an Initial Study was prepared for this project in accordance with the California Environmental Quality Act (CEQA) and a Mitigated Negative Declaration was approved by the Planning Commission on February 10, 2009 by separate resolution, and

WHEREAS, a public hearing was conducted by the Planning Commission on February 10, 2009 to consider facts as presented in the staff report prepared for the vesting tentative tract map, and to accept public testimony regarding the application; and

WHEREAS, on February 10, 2009 on a 5-2-0 vote (1 Commissioner abstaining, and 1 Commissioner absent) the Planning Commission approved Vesting Tentative Tract 2962 subject to standard and site specific conditions of approval; and

WHEREAS, on February 11, 2009, the City Managers office submitted an application appealing the Commission's decision based on concerns that the tract map as approved would not be consistent with the Airport Land Use Plan; and

WHEREAS, City Staff met with the applicants to discuss the concerns of the tract map and to discuss alternative project options to avoid conflict with the Airport Land Use Plan; and

WHEREAS, on February 26, 2009, the applicants submitted a revised tract map that provides a joint venture partnership structure where the resort would maintain at least 50% interest in each commercial airspace unit and would be the management entity; and

WHEREAS, the revised project would eliminate kitchens from all casitas units; and

WHEREAS, a "casitas" or "commercial condominium" or "hotel resort" are all defined as commercial hotel units and in all cases where the term is used there is no residential use entitlement provided or implied; and

WHEREAS, on February 26, 2009 based on the proposed project modifications, the City Managers office withdrew the appeal application; and

WHEREAS, since the revised plan would alter conditions approved with the original tract map, the Planning Commission needs to review and take action on the revised tract map; and

WHEREAS, based upon the facts and analysis presented in the staff report, public testimony received and subject to the conditions listed below, the Planning Commission makes the following findings as required by Government Code Sections 66474 and 65457:

- 1. The proposed tentative tract map is consistent with the adopted General Plan and Zoning Code for the City of El Paso de Robles by providing the opportunity for an end-destination resort projects located in the Parks and Open Space designated areas of the City;
- 2. The design of lots, streets, open space, drainage, sewers, water and other improvements is consistent with the General Plan and Zoning Ordinance;
- 3. The site is physically suitable for the type of development proposed;
- 4. The site is physically suitable for the proposed density of development;
- 5. The design of the land division is not likely to cause substantial environmental damage or substantially and unavoidably injure fish or wildlife or their habitat;
- 6. The design of the land division and types of improvements proposed are not likely to cause serious public health problems;
- 7. The design of the land division and the type of improvements proposed will not conflict with easements acquired by the public at large, for access through or use of, property within the proposed subdivision;

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission of the City of El Paso de Robles, does hereby rescind approval of Vesting Tentative Tract Map 2962 granted on February 10, 2009 and the Planning Commission grants tentative map approval for the amendment to Vesting Tentative Tract 2962 subject to the following conditions of approval:

#### STANDARD CONDITIONS OF APPROVAL:

- 1. The applicant/developer shall comply with those standard conditions which are indicated as applicable in "Exhibit A" to this resolution.
- 2. The project shall comply with all conditions of approval in the resolutions granting approval to Planned Development 08-002 & Conditional Use Permit 08-002 and exhibits. In the event that either the conditional use permit or development plan has language that conflict with this Tract resolution, this tract resolution would prevail.
- 3. This project approval shall expire on March 10, 2012, unless a time extension request is filed with the Community Development Department prior to expiration.

#### SITE SPECIFIC CONDITIONS OF APPROVAL:

NOTE: In the event of conflict or duplication between standard and site specific conditions, the site specific condition shall supersede the standard condition.

#### COMMUNITY DEVELOPMENT SITE SPECIFIC CONDITIONS:

NOTE: In the event of conflict or duplication between standard and site specific conditions, the site specific condition shall supersede the standard condition.

4. The project shall be constructed so as to substantially conform to the following listed exhibits and conditions established by this resolution:

EXHIBIT	DESCRIPTION
A	Standard Conditions
В	Cover Sheet
C	Vesting Tentative Tract Map
D	Site and Phasing Plan
E	Preliminary Grading & Drainage Plan - West
F	Preliminary Grading & Drainage Plan - East
G	Preliminary Underground Plan – West
Н	Preliminary Underground Plan – East
I	Site Cross Sections
J	Applicant's Project Description

5. This Tentative Tract Map 2962 coincides with Planned Development 08-002 and Conditional Use Permit 08-002 and authorizes the subdivision of a 40.3-acre parcel into a 9-lot ranging in size from 1.81-acre to 10.86-acres. The map would also allow for the creation of 58 air-space commercial hotel condominium units. The 58 units would consist of 58 buildings where each building would have one to four casitas, for a total of 175.

- "Casitas" or "commercial condominium" or "hotel resort" are all defined as commercial hotel units and in all cases where the term is used there is no residential use entitlement provided or implied.
- 7. Prior to the recordation of the map or condominium plan for any phase of development, the applicant shall present a detailed management and real estate transaction plan outlining the details of the joint venture partnership of commercial casitas resort units. The resort shall maintain a minimum of 50% interest in each air space unit, and shall be the management entity responsible for operations, maintenance and repair of the units. The resort shall handle all reservations and hotel management services, including payment of business license and transient occupancy taxes to the City of Paso Robles, and the investor co-owners would not be permitted to manage or rent their unit to parties independently of the resort. The management and real estate transaction plan shall be reviewed and approved by the City Attorney.
- 8. In conjunction with the approval of Vesting Tentative Tract 2962, the Planning Commission approved the name of Beijo Way for the new street, subject to final approval by the Emergency Services Department and the County of San Luis Obispo to insure no issue with duplication.
- 9. The Final Subdivision Map shall be in substantial compliance with Exhibits B & I, (reductions attached; full size copies are on file in the Community Development Department) and site specific and standard conditions of approval contained in this resolution.
- 10. Prior to the approval of the final map, in conjunction with the street improvement plans, the street tree plan shall be reviewed and accepted by the Public Works Department. All necessary irrigation shall be shown on the plan.
- 11. Prior to or in conjunction with the recording of Tract 2962, a constructive notice shall be recorded against each parcel notifying future investors of air space units that Planned Development 08-002 and CUP 08-002 have been approved for the development which establishes architectural, landscape and site development standards. In addition, constructive notice shall be recorded that notifies future investors of air space units that a Master Developer and Resort Operator Agreement will be in place that will require future property owners to give all control of Resort operations and Management to the Master Developer and Resort Operator.
- 12. Prior to the issuance of a building permit for each phase of the commercial resort units, the developer shal record the condominium may corresponding with that phase. Prior to or in conjunction with the recordation of any phased condominium map, a constructive notice shall be recorded against each condominium notifying future owners/investors that a Master Developer and Resort Operator Agreement will be in place that will require future investors of air space units to give all control of Resort operations and Management to the Master Developer and Resort Operator.

- 13. Prior to or in conjunction with the recordation of any phased condominium map, a constructive notice shall be recorded against each commercial condominium parcel/space notifying future investors that residential use of the commercial resort condominiums is prohibited and that future conversions of the condominiums to residential use of any kind is prohibited even if future General Plan designations, zoning codes, Airport Land Use Plans are modified to allow such use.
- 14. Prior to or in conjunction with the recordation of the map subdividing Parcels 1-9, a constructive notice shall be recorded notifying future owners/investors that residential use of any of the parcels is prohibited even if future General Plan designations, zoning codes, Airport Land Use Plans are modified to allow such use.
- 15. Prior to or in conjunction with the recordation of the final map, a Constructive Notice shall be recorded on each parcel/commercial condominium unit, to inform future owners and/or investors of this project of the following conditions:
  - a The resort would be required to retain at least 50% ownership of the airspace units.
  - b. Planned Development 08-002 has been approved for the development which establishes architectural, landscape and site development standards for each phase;
  - A Master Developer and Resort Operator is established and shall require agreements with future property owners governing all development, operations and maintenance of the resort;
  - d. Conditional Use Permit 08-002 has been approved establishing the operational requirements for the project;
  - e. Each phase shall comply with the Master Site Plan review process for review and approval by the Development Review Committee (DRC). A determination by the DRC shall be made that each phase is in substantial compliance with the project Destino Paso Design Guidelines and all other exhibits as outlined in the resolution approving PD 08-002 & CUP 08-002:
  - f. Kitchen facilities for hotel or casitas units shall be prohibited, except for a bar sink and small under counter beverage refrigerator;
  - g. Each hotel or casitas unit shall be subject to Chapter 5.06 of the City of Paso Robles Municipal Code and shall be subject to compliance with requirements to pay Transient Occupancy Tax. The notice shall also state that the maximum length of stay for each lodging unit shall be limited to a period of thirty consecutive days or less;

- h. Prior to the issuance of building permits for each phase of the casitas units, the developer shall record the condominium map corresponding with that phase;
- i. San Joaquin Kit Fox mitigation fees shall be paid prior to the issuance of a grading permit. If the grading is phased, the Kit Fox mitigation fees shall be paid in accordance with the Grading Sequencing Exhibit included in the Destino Paso Development booklet.
- j. Prior to the recordation of the final map, the following details/plans shall be submitted for review by the DRC:
  - Master fencing plan for the resort which indicates the various fencing/decorative wall types that will be used throughout the project.
  - Drought tolerant landscape and irrigation plan for all outdoor areas.
  - Exterior lighting plan for exterior building walls and site lighting, including light fixture elevations (cut-sheets and specifications) type of fixtures, height including light standard and base, and photometric light plan including individual fixture and foot-candle specifications.
- 16. Prior to the recordation of any phase of the final map, avigation easements shall be recorded in a manner acceptable to the Airport Manager.
- 17. In the event that buried or otherwise unknown cultural resources are discovered during construction work in the area of the find, work shall be suspended and the City of Paso Robles should be contacted immediately, and appropriate mitigations measures shall be developed by qualified archeologist or historian if necessary, at the developers expense.

#### **Engineering Site Specific Conditions**

- 18. Hydro-modification mitigation shall be provided in accordance with the City's storm water management ordinance at the time of development. Low impact development best management practices shall be incorporated into the project grading plans in accordance with City standards at the time of permitting.
- 19. The project will be subject to traffic impact and other development impact fees in effect at the time of occupancy of the project. Traffic mitigation will include the deposit of \$1,600,000 towards construction of a bridge over the Huer Huero proportionally applied to the incremental development of the project. When transportation impact fees are updated by council action, the final fee obligation shall be equal to that defined by the new fee structure.
- 20. Prior to recordation of final map, Airport Road shall be constructed in general conformance to the preliminary plans. Further improvements which include extending the road to the southerly boundary and providing a cross walk across the road to the Ravine Water Park should be reviewed for feasibility and if feasible, shall be constructed in accordance with plans approved by the City Engineer with the second phase of the project. (Airport Road

improvements are currently included in the AB 1600 transportation needs list and are therefore subject to reimbursement from that fund).

- 21. Prior to recordation of final map, the sanitary sewer shall be provided to the project in accordance with plans approved by the City Engineer. Subject to council action and agreements on file with the City, the developer shall be entitled to reimbursements for the design and construction of the public sewer line. The City will provide or acquire all property and easements necessary for construction of the sewer line.
- 22. Prior to occupancy of Phase One improvements, all overhead utility lines on Airport Road shall be relocated underground.

PASSED AND ADOPTED THIS 10 <sup>th</sup> day of	March, 2009 by the following Roll Call Vote:
AYES:	
NOES:	
ABSENT:	
ABSTAIN:	
	CHAIRMAN, CHARLES TREATCH
ATTEST:	
RON WHISENAND, SECRETARY OF THE	E PLANNING COMMISSION

## EXHIBIT A OF RESOLUTION 09-\_\_\_\_

# CITY OF EL PASO DE ROBLES STANDARD DEVELOPMENT CONDITIONS FOR SINGLE FAMILY RESIDENTIAL TRACT AND PARCEL MAPS

PROJECT #: Tentative Tract 2962, PD 08-002 & CUP 08-002

APPR	OVING	BODY: Planning Commission
DATE	E OF AP	PROVAL: March 10, 2009
APPL	ICANT;	Jerry & Katherine Handley
LOCA	TION:	3340 & 3350 Airport Road
The ch specific resoluti	ecked contains ally indicate on.	onditions that have been checked are standard conditions of approval for the above referenced project anditions shall be complied with in their entirety before the project can be finalized, unless otherwise cated. In addition, there may be site specific conditions of approval that apply to this project in the DEVELOPMENT DEPARTMENT - The applicant shall contact the Planning Division, (805) impliance with the following conditions:
Α.	GENER!	AL CONDITIONS
	1.	This project approval shall expire on March 10, 2012, unless a time extension request is filed with the Community Development Department prior to expiration.
	2.	The site shall be developed and maintained in accordance with the approved plans and unless specifically provided for through the Planned Development process, development shall comply with the Zoning Code, all other applicable City Ordinances, and applicable Specific Plans.
	3.	Prior to recordation of the map, all conditions of approval shall be completed to the satisfaction of the City Engineer and Community Developer Director or his designee.
	4.	This project is subject to the California Environmental Quality Act (CEQA), which requires the applicant submit a \$2,018.00 filing fee for the Notice of Determination payable to "County of San Luis Obispo". The fee should be submitted to the Community Development Department within 24 hours of project approval, which is then forwarded to the San Luis Obispo County Clerk. Please note that the project may be subject to court challenge unless the required fee is paid.
	5.	In accordance with Government Section 66474.9, the subdivider shall defend, indemnify and hold harmless the City, or its agent, officers and employees, from any claim, action or proceeding brought within the time period provided for in Government Code section 66499.37, against the City, or its agents, officers, or employees, to attack, set aside, void, annul the City's approval of this subdivision. The City will promptly notify subdivider of any such claim or action and will cooperate fully in the defense thereof.

(Adopted by Planning Commission Resolution 94-038)

	6.	All signs shall be subject to review and approval as required by Municipal Code Section 21.19 and shall require a separate application and approval prior to installation of any sign.	
	7.	All existing and/or new lighting shall be shielded so as to be directed downward in such a manner as to not create off-site glare or adversely impact adjacent properties. The style, location and height of the lighting fixtures shall be submitted with the building plans and subject to approval by the Community Development Department.	
$\boxtimes$	8.	All existing and/or new landscaping shall be installed with automatic irrigation systems.	
	9.	All walls/fences and exposed retaining walls shall be constructed of decorative materials which include but are not limited to splitface block, slumpstone, stuccoed block, brick, wood, crib walls or other similar materials as determined by the Development Review Committee, but specifically excluding precision block.	
	10.	The following areas shall be placed in a Landscape and Lighting District:	
		NONE	
	11.	The following areas shall be permanently maintained by the property owner, Homeowners' Association, or other means acceptable to the City:	
	12.	The applicant shall install durable, decorative fence/wall treatments and landscaping along all arterial streets consisting of brick, tubular steel with pilasters, or other similar materials as determined by the Development Review Committee, but specifically excluding precision block and wood fences. Substantial setbacks with landscaping may be considered as an alternative, subject to approval by the Development Review Committee.	
	13.	The applicant shall provide a one-foot non-access easement along the rear/side of all lots that back up/side against a collector or arterial street.	
В.		FOLLOWING CONDITIONS SHALL BE COMPLETED PRIOR TO THE ISSUANCE OF LDING PERMITS OR RECORDATION OF THE FINAL MAP, WHICHEVER OCCURS ST:	
	1.	Two sets of the revised Planning Commission approved plans incorporating all Conditions of Approval, standard and site specific, shall be submitted to the Community Development Department.	
	2.	Prior to the issuance of building permits, the  Development Review Committee shall approve the following:  Planning Division Staff shall approve the following:  a. A detailed landscape plan including walls/fencing;  b. Other: Exterior Lighting Cut Sheets	
$\boxtimes$	3.	The Covenants, Conditions, and Restrictions (CC&Rs) and/or Articles Affecting Real Property Interests are subject to the review and approval of the Community Development Department, the	

		Final Map or prior to the issuance of building permits, whichever occurs first. A recorded copy shall be provided to the affected City Departments.
	4.	The applicant shall agree, in a manner acceptable to the City Attorney, to pay impact mitigation fees as may be established through a resolution or ordinance adopted by the City Council, in effect at the time building permits are issued.
N/A	5.	In order for this tract/parcel map to be in conformance with the General Plan, the lots/parcels of the tract/parcel map shall be annexed into a Community Facilities District (CFD) that serves to mitigate impacts to public schools. Said CFD shall either be a joint City-School District CFD or a CFD created by the School District that the City Council has approved. If at the time that the final map is submitted for approval, proceedings to annex the tract/parcel map into a CFD have not been completed, the applicant shall record on all lots/parcels, a waiver of future protest to the formation of a CFD joint City-School District CFD of a CFD created by the School Districts that the City Council has approved. This condition shall not be imposed if the developer executes a development agreement with the District to mitigate school impacts.
	6.	Street names shall be submitted for review and approval by the Planning Commission, prior to approval of the final map.
	7.	The developer shall provide constructive notice to all buyers that all homes are required to utilize semi-automated trash containers as provided by the City's franchisee for solid waste collection.
	8.	The developer shall provide constructive notice to future buyers that all residential units shall be required to be equipped with trash compactors.
	9.	The applicant shall meet with the City's Crime Prevention Officer prior to the issuance of building permits for recommendations on security measures to be incorporated into the design of the structures to be constructed. The applicant is encouraged to contact the Police Department at (805) 237-6464 prior to plan check submittal.

Public Works Department and/or the City Attorney. They shall be recorded concurrently with the

PUBLIC WORKS DEPARTMENT - The applicant shall contact the Engineering Division, (805) 237-3860, for compliance with the following conditions: PREPARED BY: John Falkenstien APPLICANT: Handley REPRESENTATIVE: NCE CHECKED BY: PROJECT: Tentative Tract 2962 TO PLANNING: C. PRIOR TO ANY PLAN CHECK:  $\boxtimes$ The applicant shall enter into an Engineering Plan Check and Inspection Services Agreement with 1. the City. D. PRIOR TO RECORDING OF THE FINAL OR PARCEL MAP:  $\boxtimes$ 1. The owner shall pay all Final Map fees, and current and outstanding fees for Engineering Plan Check and Construction and Inspection services and any annexation fees due.  $\boxtimes$ 2. If, at the time of approval of the final/record parcel map, any required public improvements have not been completed and accepted by the City the owner shall be required to enter into a Subdivision Agreement with the City in accordance with the Subdivision Map Act, prior to recordation. The owner shall also be required to post securities to guarantee the installation and completion of said improvements as specified in the Subdivision Map Act and submit a Certificate of Insurance as required by the City. The owner shall also be required to post securities for grading in accordance with Section 7008 of the Uniform Building Code, latest edition. This bond shall be of sufficient amount to ensure completion of the grading and drainage facilities. (A finding of "orderly development" has been made for this condition on parcel maps). Bonds required and the amount shall be as follows: Performance Bond......100% of improvement costs. Labor and Materials Bond......50% of performance bond.  $\boxtimes$ 3. The developer shall annex to the City's Landscape and Lighting District for payment of the operating and maintenance costs of the following: a. Street lights; ⊠b. Parkway and open space landscaping; Wall maintenance in conjunction with landscaping; Пс. d. Graffiti abatement: | | e. Maintenance of open space areas. The owner shall offer to dedicate to the City a 6 foot public utilities and 6 foot tree easement 4. adjacent to all road right-of-ways. The owner shall offer to dedicate to the City the following easement(s). The location and alignment of the easement(s) shall be to the description and satisfaction of the City Engineer: Public Utilities Easement; a. Пb. Water Line Easement; c. Sewer Facilities Easement;

(Adopted by Planning Commission Resolution 94-038)

Landscape Easement;

Storm Drain Easement.

d.

Пе.

$\boxtimes$ 5. The sub		The subdivider shall offer to dedicate and improve the following street(s) to the standard indicated:	
		Airport Road Arterial Standards as approved by the City Engineer New Street Local City Standard A-5	
$\boxtimes$	6.	Landscape and irrigation plans for the public right-of-way shall be incorporated into the improvement plans and shall require a signature of approval by the Department of Public Works, Street Superintendent and the Community Development Department.	
	7.	All improvement plans shall be prepared by a registered civil engineer and shall be submitted to the City Engineer for review and approval. The improvements shall be designed and placed to Public Works Department Standards and Specifications.	
$\boxtimes$	8.	Prior to any site work a Preliminary Soils Report shall be prepared for the property to determine the presence of expansive soils or other soils problems and shall make recommendations regarding grading of the proposed site.	
	9.	The applicant shall submit a composite utility plan signed as approved by a representative of each public utility, together with the improvement plans. The composite utility plan shall also be signed by the Water, Fire, Wastewater and Street Division Managers.	
	10.	A complete grading and drainage plan prepared by a registered civil engineer shall be included with the improvement plans. Drainage calculations shall be submitted, with provisions made for on-site detention/ retention if adequate disposal facilities are not available, as determined by the City Engineer.	
	11.	The owner shall provide an additional map sheet to record concurrently with the final map or parcel map showing the lot configuration, and the area subject to inundation by the 100 year storm with base flood elevations shown in feet, in relation to the National Geodetic Vertical Datum of 1929.	
	12.	The owner shall install all utilities (sewer, water, gas, electricity, cable TV, and telephone) underground to each lot in the subdivision. Street lights shall be installed at locations as required by the City Engineer. All existing overhead utilities adjacent to or within the project shall be relocated underground, except for electrical lines 77 kilovolts or greater. All utilities shall be extended to the boundaries of the project, unless it is determined that no need for future extension exists. All underground construction shall be completed and approved by the City and the public utility companies, and the subgrade shall be scarified and compacted, before paving the streets.	
$\boxtimes$	13.	Any utility trenching in existing streets shall be overlaid to restore a smooth riding surface as required by the City Engineer. Boring and jacking rather than trenching may be required on newly constructed or heavily traveled City Streets.	
	14.	Prior to paving any street, the water and sewer systems shall successfully pass a City pressure test. The sewer system shall also be tested by a means of a mandrel and video inspection with a copy of the video tape provided to the City. No paving shall occur until the City has reviewed and viewed the sewer video tape and has determined that the sewerline is acceptable. Any repair costs to the pipeline including trench paving restoration shall be at the developer's expense.	
$\boxtimes$	15.	The owner shall install all street name, traffic signs and traffic striping as directed by the City Engineer.	

	16.	The adjoining existing City street is inadequate for the traffic generated by the project, or will be severely damaged by the construction. The applicant shall remove the entire roadway and replace it with a minimum full half-width street plus a 12' wide travel lane and 8' wide base shoulder adequate to provide for two-way traffic. (A finding of "rough proportionality" has been made in the resolution for this condition.)
	17.	The development includes a phased street construction along the project boundary for future completion by the adjacent property owner, the applicant shall provide a minimum half-width street plus a 12' travel lane and 4' wide base shoulder adequate for two-way traffic. (A finding of "rough proportionality" has been made in the resolution for this condition.)
	18.	The project fronts on an existing street. The applicant shall pave-out from the proposed gutter to the edge of pavement if the existing pavement section is adequate, and shall feather the new paving out to the centerline for a smooth transition. If the existing pavement, structural sections or geometrics are inadequate per current City Standards, the roadway shall be replaced to centerline and the remaining pavement shall be overlaid. (A finding of "rough proportionality" has been made in the resolution for this condition.)
E.	PRIOR	TO ANY SITE WORK:
$\boxtimes$	1.	The applicant shall obtain a Grading Permit from the City Building Division.
	2.	Prior to issuance of a Grading Permit the developer shall apply, through the City, to FEMA and receive a Letter of Map Amendment (LOMA) issued from FEMA. The developer's engineer shall provide the required supporting data to justify the application.
	3.	Any existing Oak trees located on the project site shall be protected and preserved as required in City Ordinance No. 553, Municipal Code No. 10.01 "Oak Tree Preservation", unless specifically approved to be removed. An Oak tree inventory shall be prepared listing the Oak trees, their disposition, and the proposed location of any replacement trees required. In the event an Oak tree is designated for removal, an approved Oak Tree Removal Permit must be obtained from the City, prior to its removal.
	4.	All property corners shall be staked for construction control, and shall be promptly replaced if destroyed.
	5.	Any grading anticipated during the rainy season (October 15 to April 15) will require the approval of a construction zone drainage and erosion control plan to prevent damage to adjacent property. Appropriateness of areas shall be subject to City Engineer approval.
	6.	Any construction within an existing street shall require a traffic control plan. The plan shall include any necessary detours, flagging, signing, or road closures requested. Said plan shall be prepared and signed by a registered civil or traffic engineer.
F.	PRIOR	TO ISSUANCE OF A BUILDING PERMIT:
	1.	A final soils report shall be submitted to the City prior to the final inspection and shall certify that all grading was inspected and approved, and that all work has been done in accordance with the plans, preliminary report, and Chapter 70 of the Uniform Building Code.
$\boxtimes$	2.	The applicants civil and soils engineer shall submit a certification that the rough grading work has been completed in substantial conformance to the approved plans and permit.

	3.	Building permits shall not be issued until the water system has been completed and approved, and a based access road installed sufficient to support the City's fire trucks, in a manner approved by the Fire Chief.
	4.	Prior to issuance of a Building Permit for building within Flood Insurance Rate Map (FIRM) zones A1-A30, AE, AO, AH, A, V1-V30, VE and V, the developer shall provide an Elevation Certificate in accordance with the National Flood Insurance program. This form must be completed by a land surveyor, engineer or architect licensed in the State of California.
	5.	Prior to issuance of a Building Permit for building within Flood Insurance Rate Map (FIRM) zones A1-A30, AE, AO, AH, A, V1-V30, VE and V, the developer shall provide a Flood Proofing Certificate in accordance with the National Flood Insurance program. This form must be completed by a land surveyor, engineer or architect licensed in the State of California.
G.	PRIOR	TO ISSUANCE OF CERTIFICATE OF OCCUPANCY:
	1.	All final property corners and street monuments shall be installed before acceptance of the public improvements.
	2.	No buildings shall be occupied until all public improvements are completed and approved by the City Engineer, and accepted by the City Council for maintenance.
	3.	All disturbed areas not slated for development shall be protected against erosion in a manner acceptable to the City Engineer, which may include hydroseeding or landscaping.
	4.	The applicant shall pay any current and outstanding fees for Engineering Plan Checking and Construction Inspection Services and any outstanding annexation fees.
	5.	All top soil removed shall be stockpiled and evenly distributed over the slopes and lots upon completion of rough grading to support hydroseeding and landscaping. All slope areas shall be protected against erosion by hydroseeding or landscaping.
	6.	All construction refuse shall be separated (i.e. concrete, asphalt concrete, wood, gypsum board, etc.) and removed from the project to a recycling facility in accordance with the City's Source Reduction and Recycling Element.
	7.	If any of the public improvements or conditions of approval are not completed or met, then the subdivider may, at the discretion of the City Engineer, enter into a Performance Agreement with the City to complete said improvements at a later date and post securities to cover the cost of the improvements. The form of the agreement and amount of the securities are subject to the approval of the City Engineer.
	8.	A blackline clear Mylar (0.4 MIL) copy and two (2) blueline prints of as-built improvement plans, signed by the engineer of record, shall be provided to the City Engineer prior to the final inspection. A reduced copy (i.e. $1'' = 100'$ ) of the composite utility plan shall be provided to update the City's Atlas Map.
	9.	A benchmark shall be placed for vertical control on the U.S.G.S. Datum as required by the City Engineer.
*****	*****	****************

PASO ROBLES FIRE DEPARTMENT - The applicant shall contact the Fire Department, (805) 237-3973, for compliance with the following conditions:

H. GE	NERAL	CONDITIONS
	1.	Fire hydrants shall be installed at intervals as required by the Fire Chief and City Engineer. The maximum spacing for single family residential shall be 500 feet. The maximum spacing for multifamily and commercial/residential shall be 300 feet. On-site hydrants shall be placed as required by the Fire Chief.
	2.	Building permits shall not be issued until the water system, including hydrants, has been tested and accepted and a based access road installed sufficient to support the City's fire apparatus (HS-20 truck loading). The access road shall be kept clear to a minimum of 24 feet at all times and shall be extended to each lot and shall be maintained to provide all weather driving conditions.
	3.	No buildings shall be occupied until all improvements are completed and accepted by the City for maintenance.
	4.	If the development includes phased street construction, temporary turn-arounds shall be provided for streets that exceed 150 feet in length. The temporary turn around shall meet City requirements as set forth in the Public Works Department Standards and Specifications.
	5.	All open space areas to be dedicated to the City shall be inspected by the Fire Department prior to acceptance. A report shall be submitted recommending action needed for debris, brush and weed removal and tree trimming. The developer shall clean out all debris, dead limbs and trash from areas to be recorded as open space prior to acceptance into a Benefit Maintenance District.
	6.	Any open space included in a private development shall be subject to the approval of a vegetation management plan approved by the Fire Chief.
	7.	Each tract or phase shall provide two sources of water and two points of access unless otherwise determined by the Fire Chief and Public Works Director.
	8.	Provisions shall be made to update the Fire Department Run Book.

SITE STATISTICS - OVERVIEW
TOTAL GROSS AREA 40.3 ACRES
NET AREA 30.0 ACRES
UNDISTURBED OPEN SPACE DAC SHEET INDEX EXISTING USE DESTINO PASO DEVELOPMENT PLAN FOR

**Exhibit B**Cover Sheet
GPA 09-001, RZ 09-001, PD 08-002
CUP 08-002, Tract 2962
(Destino Paso - Handley)

**Exhibit C**Vesting Tentative Tract 2962
GPA 09-001, RZ 09-001, PD 08-002
CUP 08-002, Tract 2962
(Destino Paso - Handley)

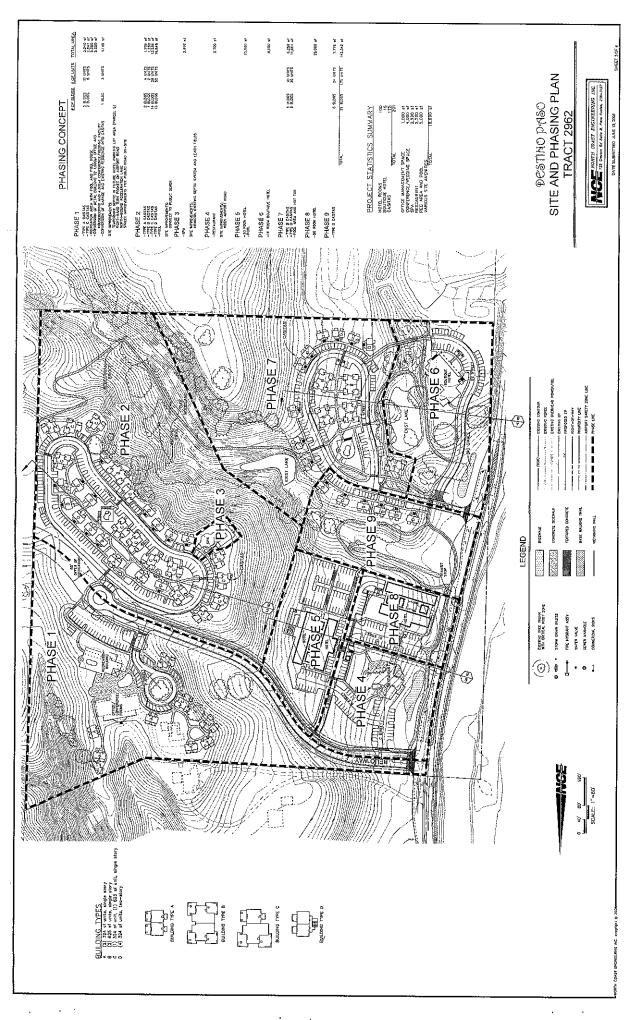


Exhibit D
Site and Phasing Plan
GPA 09-001, RZ 09-001, PD 08-002
CUP 08-002, Tract 2962
(Destino Paso - Handley)

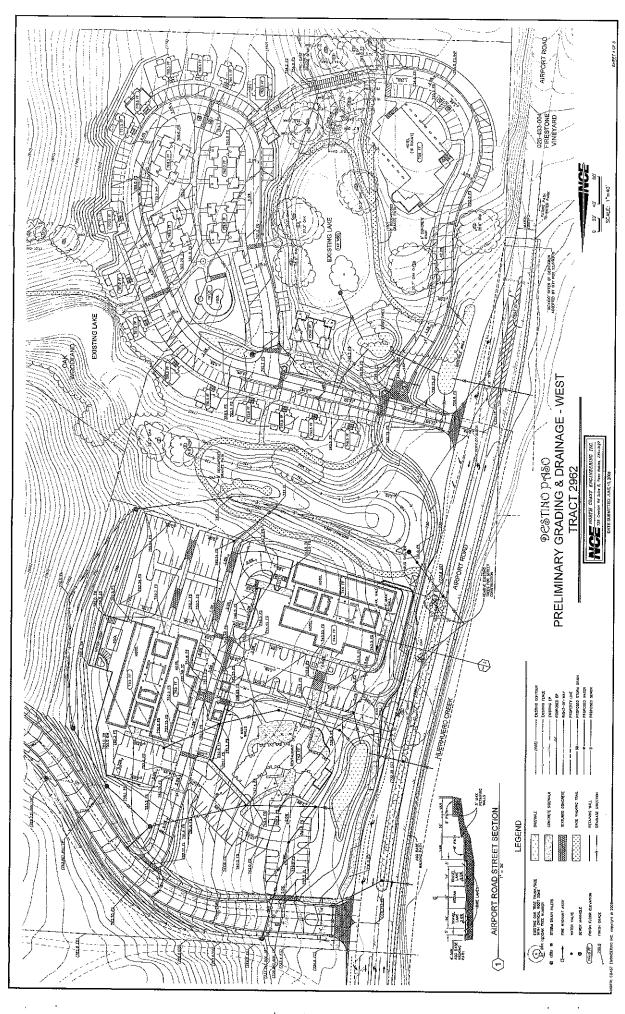


Exhibit E
Prelim. Grading/Drainage - west
GPA 09-001, RZ 09-001, PD 08-002
CUP 08-002, Tract 2962
(Destino Paso - Handley)

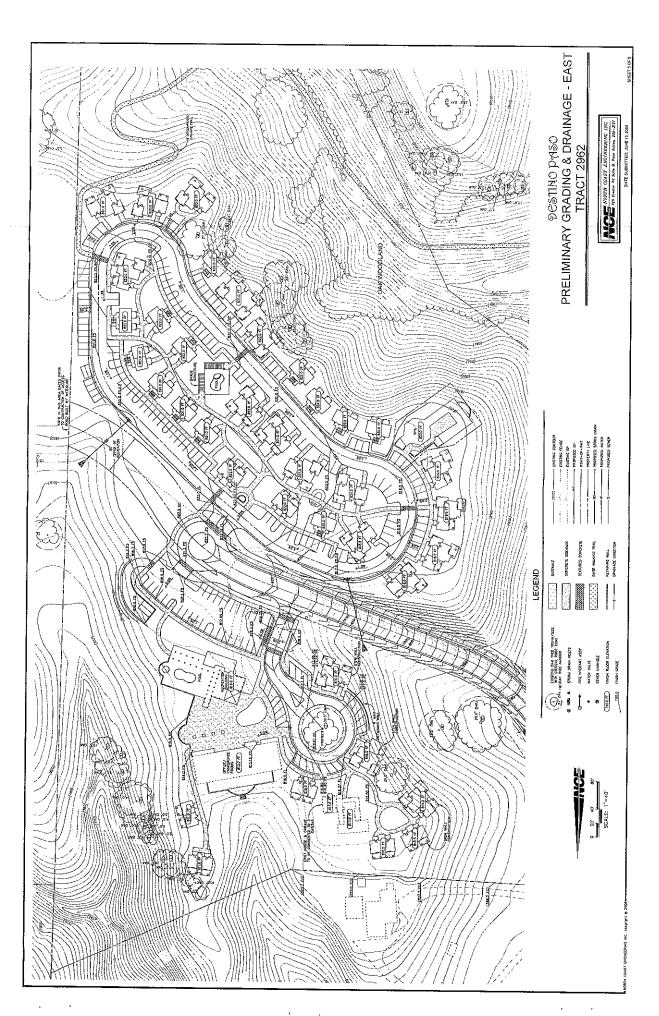


Exhibit F
Prelim. Grading/Drainage - east
GPA 09-001, RZ 09-001, PD 08-002
CUP 08-002, Tract 2962
(Destino Paso - Handley)

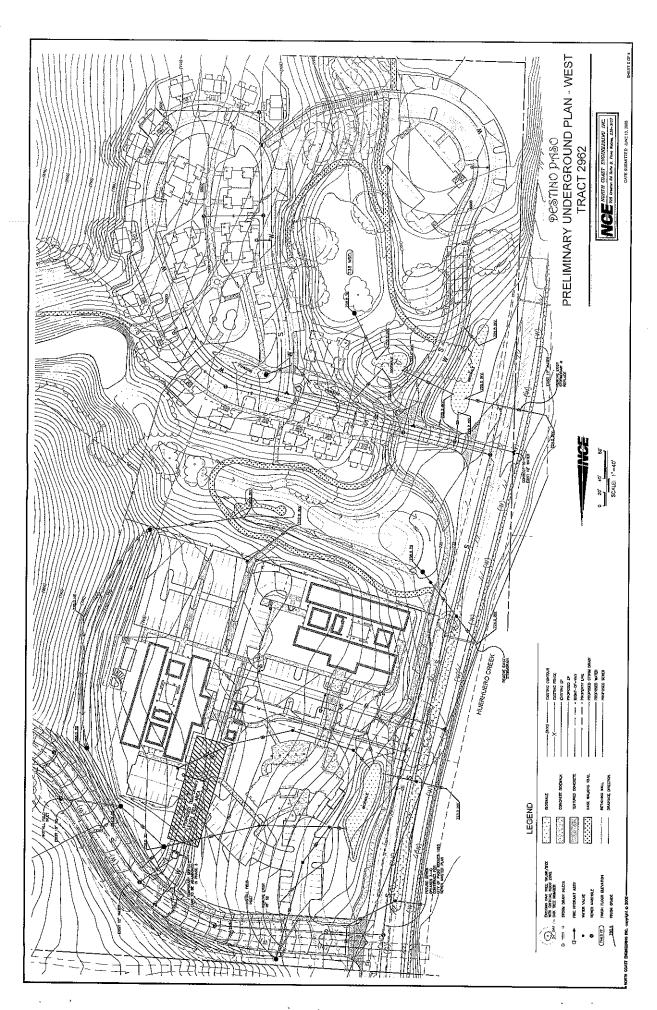


Exhibit G
Prelim. Underground - west
GPA 09-001, RZ 09-001, PD 08-002
CUP 08-002, Tract 2962
(Destino Paso - Handley)

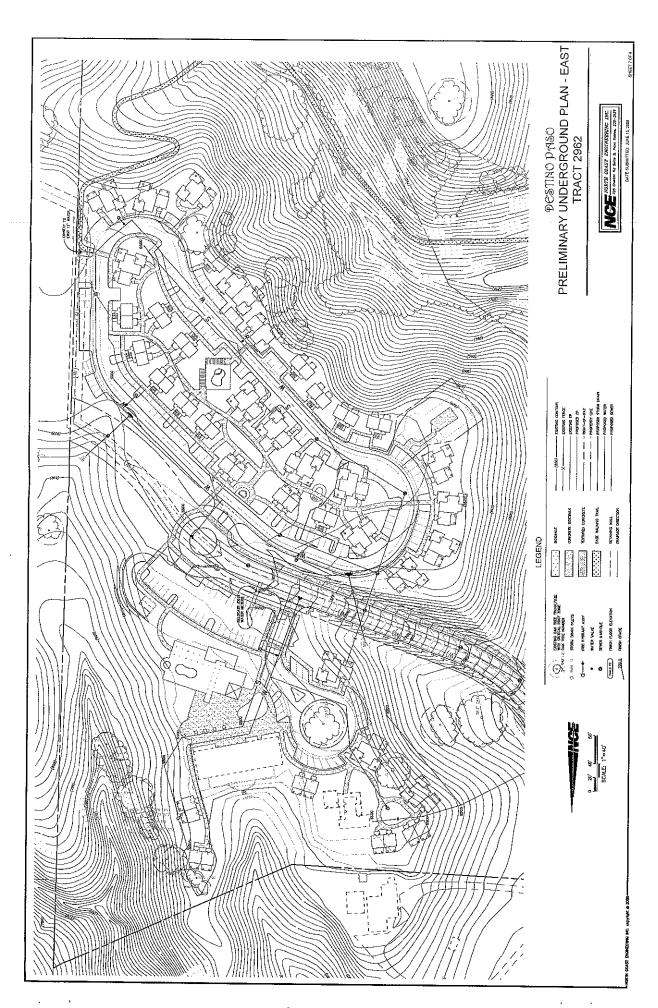


Exhibit H
Prelim. Underground - east
GPA 09-001, RZ 09-001, PD 08-002
CUP 08-002, Tract 2962
(Destino Paso - Handley)

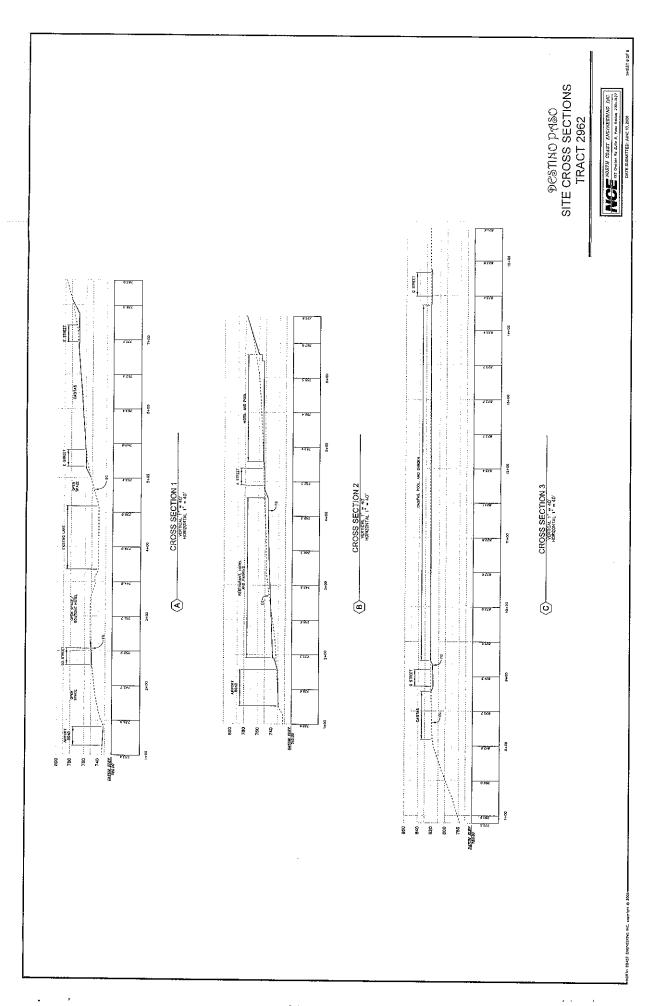


Exhibit I
Site Cross Sections
GPA 09-001, RZ 09-001, PD 08-002
CUP 08-002, Tract 2962
(Destino Paso - Handley)

## DESTINO PASO

## A DESTINATION RESORT FOR PASO ROBLES March 3, 2009

#### Introduction

Destino Paso is envisioned to be a destination resort to provide recreational opportunities, dining facilities, conference facilities, wellness opportunities, extensive open space, and a range of accommodation opportunities to serve the growing tourist market for the City of El Paso de Robles. The City of Paso Robles has made destination tourism one of its primary goals, and this proposed resort provides amenities and attractions to complement the range of services and attractions that have been envisioned in the City's Economic Strategy and confirmed in the San Luis Obi spo County Economic Forecast.

#### **Project Description**

Destino Paso will provide a wide range of accommodations ranging from small intimate casitas, boutique hotel rooms, and traditional hotel rooms. All the accommodations are intended to be for transient occupancy with a maximum stay of 30 days. The accommodations proposed for the project falls into three categories.

#### Accommodations

Casitas ( Detached Hotel U nits)

Two main areas of clustered detached hotel units are proposed, each with a recreation center with a swimming pool and spa. Additional detached hotel units are located to complement the Conference Center/Poolside Pavi lion. These lodging accommodations include a combination of single-story duplex units and two-story fourplex units. All the lodging units have patios and/or decks and are arranged in clusters to provide a community feel yet provide individual private spaces for the guests. The casitas units will include a microwave and a bar fridge for convenience items. The on-site restaurant will provide a close-by dining option. Many of the detached lodging units provide tremendous views of the surrounding vineyards and on-site natural spaces and the close proximity of these units provides ready access to on-site recreational facilities and the on-site trails and open spaces.

#### Boutique Hotel

A boutique hotel including 16 rooms is proposed to be located at the southwestern portion of the property overlooking the existing lake. It is envisioned that this site could pro vide superior, private accommodations for small groups, weddings, family reunions, and corporate retreats. The boutique hotel will have a large lawn and gathering area, as well as a large patio to provide a serene environment for private weddings and small functions. Ample parking, as well as overflow parking, is accommodated on the site.

#### Exhibit J

Applicant's Project Description PD 08-002, CUP 08-002, Tract 2962 (Destino Paso - Handley)

#### Hotel

Two hotels of 50 rooms each are proposed to be constructed next to the proposed restaurant on the northwest corner of the property. The two hotels would be two-stories and would be of a conventional hotel format with internal courtyards, pools, on-site retail facilities, and recreational facilities.

#### Resort Amenities

#### Spa

A full featured spa is proposed in the upper area of the resort. With magnificent views of the oak woodland and surrounding vineyards the spa will be the center of wellness and relaxation. Located on its own parcel, it is intended that the spa will be operated by a specialized operator. Services envisioned are massage, aromatherapy, skin care, facial and body therapies, and hair and scalp treatments.

#### Restaurant

Destino Paso proposes a 5,700 sq. ft. restaurant located at the entrance of the project at the northwest corner of the property. This restaurant is designed to be a sit-down restaurant, which will accommodate diners not only from within the project, but would anticipate a number of visitors from the Paso Robles area participating in the dining experience. The restaurant will have views overlooking the Huer Huero Creek, would be in close proximity to the two proposed hotels, and would be readily accessible from all of the other accommodations proposed for the site.

#### Recreation Center

A recreation center with a pool, spa, office, kitchen, restrooms, pavilion, and shaded veranda area is proposed for the first phase of the project. It is intended to provide recreation and wellness amenities for the visitors to the resort.

#### Poolside Event Pavilion

The existing warehouse on the project is intended to be completely remodeled and converted to a conference and event center. Because of the size and nature of the building, considerable flexibility is attainable for use for conferences, training sessions, small parties and weddings. The proximity to the recreation center provides opportunities for additional flexibility.

#### Design Approach

#### Low Impact Development

Numerous techniques for Low Impact Development (LID) are proposed for the project. In particular, there are many areas proposed for biofiltration to capture and clean storm and irrigation water before percolating into the ground or releasing from the site. Stormwater in many cases is routed through a series of biofiltration systems to further enhance cleansing abilities. A large area located near Airport Road, designated as a passive recreational area serves as a significant biofiltation area as well as a sediment trap to capture and treat stormwater pollutants on site. Additional biofiltration areas are proposed for the medians of Airport Road to capture and treat stormwater flowing off the paved

surface of the road. Hard surfaces are minimized to reduce runoff and permeable paving is anticipated in appropriate areas.

Design measures have been incorporated into the buildings to provide solar efficiency for both heating and cooling.

#### Open Space/Trail System

The project contains extensive areas of open space. Over half of the site or approximately 23 acres is to remain open space. This area includes oak woodlands with existing trails which would be improved. A blue-line stream feeds an existing lake. The open space provides serene recreational areas as well as acting as a buffer for the onsite buildings as well as the surrounding uses.

### Circulation Improvements and Approach

The project proposes improvements to Airport Road, widening, adding bike lanes, sidewalks and walking paths. The design proposed has been prepared in consultation with the City Engineer and reflects the current thinking on pavement reduction and rural style road design. A median is proposed in the middle of the roadway and is intended to be used as a biofiltration area to help cleanse the runoff from the asphalt and concrete surfaces. Both right turn and left turn pockets, as well as acceleration lanes are proposed for safe access to and from the resort. The walking path on the west side of Airport Road provides access to the Ravine Water Park.

A city standard road (Beijo Way) is proposed through the resort to, in the future, connect to the property to the east. A 60' wide Offer of Dedication to the City is proposed. All other roads and drives on the site are private and will be maintained by the owner.

A city standard transit stop with a shelter is proposed on Airport Road to provide access to and from the resort for both public transport, as well as other forms of private transit such as wine tours or other local shuttle systems.

Resort staff will transport guests to the various parts of the site on an on-call basis. Resort transportation will be provided by golf carts. This convenience is provided to guests so that they do not have to drive around the site in order to enjoy the numerous amenities that the resort provides.

Destino Paso intends to develop a partnership with other local businesses, including the Ravine Water Park, local wineries, downtown businesses, shopping centers, golf courses, and other local attractions, to provide a shuttle service to connect these uses and reduce motor vehicle traffic.

#### Project Utilities

The project site has access to City water through an existing 12" water line in Airport Road and a 12" waterline recently constructed in Beijo Way. Water is intended to be looped in the main sections of the project and it is intended that these water mains on site be built to city standards and be in a public water easement.

participation is done in strict compliance with securities and real estate law that govern such transactions. The investors would have no greater rights to the rental of the units than the general public. A restrictive covenant would be recorded with the Parcel Map and the Commercial Condominium Tract map explicitly prohibiting any of the structures from being used for residential purposes.

#### **Market Demand**

Among those contracted to assist in the development of this resort are two of the most highly regarded Consulting firms in the resort industry, Redwood Capital Advisors and PKF Consulting. It is clear from the prepared market analysis that there is clearly the support, environment and demand for a resort as proposed. It in effect bridges a gap between existing lower quality motels and the small, but very high-end bed and breakfast accommodations currently offered in the area.

#### **Community Financial Benefits**

The construction of the resort will greatly increase the assessed value of the property. It is estimated that the construction cost of the resort is approximately \$45,000,000. The resulting increase in property tax will benefit the community. The positive effects to the construction industry would be immediate, providing jobs for locals and demand for local building materials and goods.

The most significant benefit to the City's General Fund will be in the form of Transient Occupancy Taxes collected from the resort.

- Estimated average room rents will be \$225 per night with 4% to 7% increase per year.
- At 60% occupancy the resort will generate approximately \$1,400,000 a year in additional revenue to the City in the form of Transient Occupancy Tax.
- It is estimated that visitors will spend between \$100 and \$200 a day in local restaurants, downtown shops, wineries, gas stations, and tourist attractions resulting in approximately \$6,000,000 to \$12,000,000 in local spending per year.

Sanitary sewer is not currently available at the project site. The Resort would extend a new sewer main from Dry Creek Road, located approximately one mile north along Airport Road. It will be necessary to construct a sewer lift station as part of the sewer project. The Ravine Water Park, Wine Country RV Park and Firestone Winery are all currently using septic tank/leachfield systems. When these projects were approved they were conditioned to connect to a future sewer and to participate in the cost of construction. The development of the Resort will bring these properties into compliance with City Standards for sewer service.

#### **Existing Property Description**

The proposed site of Destino Paso is located on Airport Road immediately north of the Wine Country R.V. Park. It is comprised of 40.3 acres with several large, flat mesa areas and a significant large oak filled ravine, a lake, an existing home and outbuildings. The property is partially bounded on the west by Airport Road and access to the project is proposed by a new public street called "Beijo Way", which would connect at Airport Road and extend easterly for the future connection to the adjacent property owned by William and Kenneth Mundee. There are numerous oak trees on site, all of which are proposed to be protected and preserved with the exception of the trees necessary for the widening of Airport Road to meet City standards.

The current General Plan designation for the property is Parks and Open Space, and the current zoning classification of the property is Parks and Open Space with a Resort and Airport Overlay. The proposed uses are consistent with those zones.

The property is well situated for a destination resort being in very close proximity to the following tourist serving facilities:

- The Ravine Water Park
- Firestone Winery
- Eberle Winery
- Wine Country RV Park
- Hunter Ranch Golf Course
- The Links Golf Course
- Barney Schwartz Park
- Robert Hall Winery
- Vina Robles Winery
- J. Lohr Winery
- Airport Business Park
- Paso Robles Swim and Tennis Club

The project is also located a short distance from Highway 46 on Airport Road which is designated as an arterial road. It provides easy access from Highway 46, as well as the Paso Robles Airport.

#### Design Approach

The design of Destino Paso was a collaborative effort of North Coast Engineering, firma Landscape Architecture, and Steven Puglisi Architects. A design Charrette was held with the project team utilizing topographic mapping, oak tree mapping, and design information to collaboratively produce an initial site plan. The goals of the initial design process were:

- Develop a resort community sensitive to the existing land form.
- Provide a mixture of accommodations, recreational opportunities, culinary opportunities, and conference opportunities.
- Conform to the Airport Land Use Safety Zone restrictions.
- Ensure a project consistent with City transient occupancy requirements.
- Provide for circulation improvements.
- Incorporate low impact development techniques such as biofiltration and minimization of impermeable surfaces.
- Develop a resort with a comfortable community feel.
- Provide for internal pedestrian and bicycle circulation.
- Provide for internal and external transportation opportunities, providing access not only within the site but connecting to existing tourist destinations.
- Structure the phasing of the project such that impacts could be mitigated as the project develops.

#### **Airport Land Use Compatibility**

The proposed Destino Paso is located within the Airport Influence Area, specifically in Safety Zones 2, 3, and 4. No building s are proposed within Safety Zone 2. In Safety Zones 3 and 4, buildings have been clustered in compliance with the policies of the Airport Land Use Plan. Since only transient (non residential) uses are allowed in the Airport Influence Area, Resort Management and ownership structures are proposed to assure consistency with the ALUP. The airport is considered to be an important asset to the Resort and will provide transportation opportunities for guests of the Resort.

#### **Resort Ownership and Operations**

The Resort will be developed by the Master Developer. The Master Developer is responsible for all Resort activities including final site design, construction, maintenance and reservations. The day to day operations of the resort will be by the Resort Operator through a Management Agreement with the Master Developer. The Management Agreement is a recorded document and is a standard for the lodging industry. The "parceling" of the site is expressly for the purpose of facilitating the phasing and financing of the Resort and to assure consistency with the restrictions in place on the various airport safety zones located within the site.

The approval to record an air-space commercial condominium map, allowing for investment of each detached hotel building, is intended to facilitate the financing of the project. The Management Company, maintaining 50% ownership in each building, would offer investors an opportunity to invest in the resort with a return on investment based on the profitability of the Resort. These detached hotel buildings would be subject to a mandatory placement into a rental pool controlled by the Resort Operator. The marketing of the detached hotel units as pooled revenue/mandatory rental pool

### **AFFIDAVIT**

## **OF MAIL NOTICES**

## PLANNING COMMISSION/CITY COUNCIL PROJECT NOTICING

I, <u>Lonnie Dolan</u>, employee of the City of El Paso de Robles, California, do hereby certify that the mail notices have been processed as required for <u>Amendment to Vesting Tentative Tract Map</u>

2962 – <u>Destino Paso - Handley</u>) on this <u>27th</u> day of <u>February 2009</u>.

City of El Paso de Robles

Community Development Department

Planning Division

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## PROOF OF PUBLICATION

### LEGAL NEWSPAPER NOTICES

# PLANNING COMMISSION/CITY COUNCIL PROJECT NOTICING

Newspaper:	Tribune
Date of Publication:	February 28, 2009
Hearing Date:	March 10, 2009 (Planning Commission)
Project:	Amendment to Vesting Tentative Tract 2962 (Destino Paso/Handley)
I, Lonnie D	olan , employee of the Community
Development	Department, Planning Division, of the City
of El Paso de l	Robles, do hereby certify that this notice is
a true copy of	a published legal newspaper notice for the
above named p	project.
Signed: /	me kul

CITY OF EL PASO DE ROBLES NOTICE OF PUBLIC HEARING NOTICE OF INTENT TO ADOPT AN AMENDMENT TO VESTING TENTATIVE TRACT 2962

NOTICE IS HEREBY GIVEN that the Planning Commission of the City of El Paso de Robles will hold a Public Hearing on Tuesday, March 10, 2009. The meeting will be held at 7:30 p.m. at the City of El Paso de Robles, 1000. Spring Street, Paso Robles, California, in the City Council Chambers, to consider an amendment to Vesting Tentative Tract 2962. The Tract Map would subdivide the two existing parcels totaling approximately 40.33 acres, into 9 parcels. Additionally, the map would allow the subdivision of 175 castas hotel units binto commercial resort air space condominiums, in a manner where the resort will retain 50% ownership of all airspace units.

The project has been filed by North Coast Engineering on behalf of Jerry and Katherine Handley. The site is located in northeast Paso Robles, along the east side of Airport Road, just north of the Intersection of Airport Road and Highway 46 East.

Written comments on the proposed project may be mailed to the Community Development Department, 1000 Spring Street, Paso Robles, CA 93446, provided that the comments are received prior to the time of the public hearing. Oral comments may be made at the hearing. Should you have any questions regarding this application, please call Darren Nash at (805) 237-3970

If you challenge this application in court, you may be limited to raising only those issues you of someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Planning Commission at or prior to the public hearing.

Darren Nash, Associate Planner February 28, 2009

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Lonnie Dolan