

Exhibit A

BACKGROUND

**White Cottage Ranch Winery
Use Permit Modification and Road and Street Standards Exception № P12-00162
501 & 555 White Cottage Ranch Road North, Angwin, Calif., 94508
Assessor's Parcel Nos. 018-120-033 & 024-111-009**

Owner: Stephen and Denise Adams

Applicant: Lawrence Fairchild, 707.963.9955, lfairchild@whitecottage ranch.com

Representative (Planner): Donna B. Oldford, Plans4Wine, (707) 963-5832

Zoning: AW (Agricultural Watershed)

General Plan Designation: AWOS (Agriculture, Watershed, and Open Space)

Filed: May 10, 2012

Complete: October, 2012

Winery Size - Existing: +/- 5,000 s.f. plus 3,000 s.f. of covered work area and 6,000 s.f. of (as of yet) unbuilt caves

Winery Size - Proposed: +/- 9,620 square feet plus 1,885 s.f. of covered work area and 6,000 s.f. of (as of yet) unbuilt caves

Production Capacity - Existing: 20,000 gallons per year

Production Capacity - Proposed: 20,000 gallons per year

Visitation - Existing: By-appointment tours and tastings; 50 or fewer visitors weekly

Visitation - Proposed: By-appointment tours and tastings with food/wine pairings; 32 or fewer visitors daily (224 or fewer weekly)

Number of Employees - Existing: 2 FT and 3 PT

Number of Employees - Proposed: up to 10

Hours of Visitation - Existing: 10 am to 4:30 pm, daily

Hours of Visitation - Proposed: 10 am to 6 pm, daily

Marketing - Existing: One catered 12-person food and wine pairing event monthly and two 100-person auction-related events annually.

Marketing - Proposed: Food and wine pairings with four 24-person events per month, four 50-person events per year, and three 75-person auction-related events per year (in no case shall combined tours and tastings and marketing event visitation exceed 82 persons on any given day).

Parking - Existing: 8 spaces, including 1 ADA-accessible spaces

Parking - Proposed: 25 spaces, including 2 ADA-accessible spaces

Parcel Size(s) - Existing: 62.35 acres

Parcel Size - Proposed: 67 acres

Accessory/Production Ratio - Existing: 10% (40% allowed)

Accessory/Production Ratio - Proposed: 16% (40% allowed)

Winery Coverage - Existing: Approx. 1 acre (15 acres max) and/or 2% of the 62.35 acre lot area (25% max)

Winery Coverage - Proposed: Approx. 1.2 acres (15 acres max) and/or 1.5% of the 67 acre lot area (25% max)

Winery Property Line Setbacks - Existing: 700' front/southeast (20' required); 700' side/east (20' required); 580' side/west (20' required); and 550' rear/north (20' required)

Winery Property Line Setbacks - Proposed: 500' front/southeast (20' required); 30' side/east (20' required); 400' side/west (20' required); and 550' rear/north (20' required)

Winery Road Setbacks - Existing: +/- 1,200' (300' required)

Winery Road Setbacks - Proposed: +/- 550' (300' required)

Adjacent General Plan Designation/ Zoning / Land Use

North

Agriculture, Watershed, and Open Space General Plan designation - AW zoning

Agricultural, residential, and open space uses on large lots; including a 48 acre vineyard/residential parcel (Dunn) and a 40 acre vineyard parcel (Henry).

South

Agriculture, Watershed, and Open Space General Plan designation - AW zoning

Agricultural and residential uses; including an 18 acre vineyard parcel (Dotzler) and a 2 acre residential parcel (Cheek).

West

Agriculture, Watershed, and Open Space General Plan designation - AW zoning

Open space, utility, and residential uses on large lots; including a 17 acre residential parcel (bank owned) and a 94 acre open space/reservoir parcel (Howell Mountain Mutual Water Company).

East

Agriculture, Watershed, and Open Space General Plan designation - AW and RS:B-5 zoning

Educational, residential, and agricultural uses; including a 2 acre residential parcel (Vance), a 1 acre residential parcel (Soper), a 2 acre residential parcel (Heberling), a 5 acre educational/institutional parcel (Howell Mountain Elementary School), and a 23 acre open space parcel (Dunn).

Nearby Wineries (located within 1 mile of the project)

Neal Winery~716 Liparita Avenue~Producing~35,000 gallons per year~By appointment

Dunn Vineyards~805 North White Cottage Road~Producing~5,000 gallons per year~By appointment

Robert Foley Vineyards~1300 Summit Lake Drive~Approved~30,000 gallons per year~No visitation

Parcel History and Evolution of this Application

1998 – Parcel 024-111-009

Then-owners Housing Association for Napa Development (now Napa Valley Community Housing) apply for and receive **certificate of legal nonconformity № 94196-CLN**, recognizing six separate residences on the 4.65 acre property.

1998 – Parcel 018-120-033

Then-owners Dennis and Adele Johns receive a **State Timber Harvest Plan**, allowing timber removal on approximately 50 acres and the planting of new vineyards.

2003 – Parcel 018-120-033

The Johns apply for and receive **use permit № 02130-UP**, creating White Cottage Ranch Winery, a 20,000 gallon per year facility housed in an approximately 4,992 square foot combined winery/office/hospitality building.

2004 – Parcel 018-120-033

The Deputy Planning Director approves **use permit minor modification № P04-0504**, allowing the addition of approximately 1,000 square feet of second story storage space in the approved winery.

2005 – Parcel 024-111-009

Napa Valley Community Housing sells the property to Justin Ammon.

April 2011 – Parcel 018-120-033

The Johns family sells the property to White Cottage Ranch LLC, a company controlled by Stephen and Denise Adams.

July 2011 – Parcel 018-120-033

The Conservation Division approves **track II erosion control plan № P11-00248**, allowing the replanting of slightly more than 10 acres of existing vineyard.

July 2011 – Parcel 024-111-009

Justin Ammon sells the property to Stephen Adams.

November 2011 – Parcel 024-111-009

The County approves **building permit № B11-01197**, permitting the demolition of all but one of the legal nonconforming residences on the 4.65 acre parcel.

May 2012 – Donna Oldford files this application (**Use Permit Modification and Road and Street Standards Exception № P12-00162**) on behalf of Stephen and Denise Adams.

June 2012 – The Planning Division formally determines application **№ P12-00162** to be incomplete and requests additional information.

October 2012 - The applicant team submits final revised plans. The application is deemed complete for processing.

March 2013 - The Planning Division releases the project subsequent mitigated negative declaration for public comment and agendas the requested use permit modification and Road and Street Standards exception for review by the Planning Commission at their May 1, 2013 regular meeting. The subsequent mitigated negative declaration comment period runs from April 1, 2013 through April 30, 2013.

Code Compliance History

Having discussed the application with Enforcement staff, toured the property, and reviewed the Department's files, Planning Staff is aware of two code compliance issues, both of which would be resolved by this application:

Unpermitted Second Story Conversion - At some point between 2004 and the present, the previous property owner had permitted second story winery storage space converted into unpermitted offices. The application presently before the Commission proposes to abandon that office space and convert it back into storage.

Unpermitted Tree Removal - Napa County Code §18.108.100 (Conservation Regulations) states that;

Existing trees six inches in diameter or larger, measured at diameter breast height, (DBH), or tree stands of trees six inches DBH or larger located on a site for which either an administrative or discretionary permit is required shall not be removed until the required permits have been approved by the decision-making body and tree removal has been specifically authorized.

At some point subsequent to the filing of this application, the applicants removed 14 trees from the smaller APN 024-111-009 parcel. According to documentation submitted after the felling, the removed trees included six 8" to 14" DBH Black oaks, three Douglas firs from 22" to 40", two Valley oaks at 8" and 16", a 16" Grey pine, a 20" Ponderosa pine, and an 8" plum.

Where trees are removed without required County approval, the Conservation Regulations require that;

Vegetation required to be preserved but removed either advertently or inadvertently, or before any required permit has been issued, shall be replaced with fifteen-gallon trees at a ratio of 2:1 at locations approved by the director or designee, or replaced with smaller trees at a higher ratio to be determined by the director or designee.

This project proposes substantial new tree plantings, including 45 to 55 sapling Northern California Black walnuts and 10 specimen-sized Coast live oaks. In addition, the applicants have volunteered to incorporate the following requirement into their project:

Prior to the issuance of a building permit for any work associated with this project, the permittee shall submit a tree replacement plan for the review and approval of the Planning Director (or her designee.) The submitted plan shall provide for the planting, protection, and irrigation (as necessary) of like-kind replacement trees for the 14 trees improperly removed. Such replacement shall be at a ratio of 2 to 1 and trees shall be no smaller than 15 gallons in size. Replacement trees shall be planted on site or, with the prior written permission of the relevant land manager, on the Howell Mountain Elementary School and/or the Las Posadas State Experimental Forest properties. The permittee may, alternately, make a one-time cash donation to the Las Posadas State Experimental Forest in an amount equal to or greater than \$2,500 (the approximate cost of 2 to 1 like kind replacement trees) to fund their ongoing forest management program. Any and all tree planting shall be completed, and protection and irrigation installed prior to project final.

As revised by the applicants, the proposed project complies with the tree replacement requirements of the Conservation Regulations. In addition, as noted both above, the project proposes substantial new plantings of endangered Northern California Black walnuts. Staff considers this to have fully resolved the code compliance issue associated with the unpermitted tree removal.

Discussion Points

Setting

The project is proposed on a 67 acre site, comprised of two existing (62.35 and 4.65 acre) parcels located on the east side of White Cottage Road at its intersection with College Avenue. As the crow flies, it is about ½ mile northwest of central Angwin and 4 ½ miles north of the City of St Helena. The properties currently include a 5,000 square foot winery approved to produce at up to 20,000 gallons per year, several barns and outbuildings, a small cottage, an on-stream irrigation reservoir, and approximately 30 acres of producing vineyard. In addition, approximately 6,000 square feet of winery caves have been entitled on the property, but they are yet to be constructed.

The White Cottage Ranch holdings dip to as low as 1,680 feet in elevation along White Cottage Road, runs north and westward along a relatively narrow creek valley centered on the now-dry headwaters of Conn Creek, and then climb relatively abruptly to a westerly upland area with elevations between 1,800 and 1,850 feet. The property is located within the Lake Hennessey municipal watershed area, Hennessey being a major source of the City of Napa's municipal water supply. The Howell Mountain Mutual Water Company's Bell Canyon reservoir complex (Deer Lake, Doe Lake, Lake Henne, etc) is located just upslope of the project area, with the lower portions of what is now parcel 024-111-009 located within their mapped dam/levee inundation area; though this application proposes no structural development in the inundation zone.

Land uses in the general vicinity are a mix of small to large lot residential uses, active vineyard operations on large lots, and a few scattered wineries with production ranging from 5,000 to 35,000 gallons annually. Residential uses in the vicinity are, by the standards of unincorporated Napa County, comparatively extensive, with a number of smaller residential parcels located to the south and east of White Cottage Road in central Angwin. The Howell Mountain Elementary School, a K-8 facility with a student body of approximately 120, is located directly east of and adjacent to the smaller of the two project parcels.

Road and Street Standards Exception

In 2003, when the White Cottage Ranch Winery was originally approved, an exception from the County's Road and Street Standards was granted to allow a large proportion of the winery access driveway to be less than the required 18 feet in width. The application presently before the Commission likewise requests a Road and Street Standards exception, however it would simply allow the winery to continue using an approximately 430 linear foot section of the winery driveway at its existing nonconforming (+/- 12') width. The remainder of the drive would be widened and/or relocated so as to fully comply with County standards. In addition, the relocation of nearly all marketing events from the existing winery building (at the end of the driveway) to the proposed hospitality development (approximately half way up the driveway, and below the point at which the driveway would neck down to less than 18 feet in width) would markedly decrease trips along the remaining nonconforming driveway section.

County Planning, Engineering, and Fire staff have all reviewed the requested Road and Street Standards exception and recommend approval as conditioned. Those interested in additional information should turn to Ms. Doss's April 15, 2013 memo for the Engineering Services Division, "Re: White Cottage Ranch Winery Road Modification Request" (attached).

Visitation and Marketing

The proposed use permit modification would allow the construction of a new approximately 2,200 square foot three-building hospitality complex downslope and to the east of the existing winery. The existing winery building would then be converted primarily to production and accessory office uses with only the occasional tasting being held there as part of a tour of the production facilities.

As noted under "Visitation" and "Marketing" at page 1, above, this application proposes a relatively substantial increase in both tours and tastings and marketing event visitation from the more limited visitation program approved in 2003. Tours and tastings visitation would remain by-appointment, increasing from a maximum of 50 visitors per week to a maximum of 32 per day. A tandem marketing plan is also proposed, including four 24-person events food and wine pairings per month, four 50-person food and wine pairings per year, and three 75-person auction-related events per year. Both tours and tasting marketing visitation would be subject to a cumulative 82 persons per day maximum.

Staff has provided a table comparing marketing and tours and tastings visitation at similarly sized by-appointment wineries with approved marketing plans below. The table makes a series of general assumptions regarding marketing event visitation which cause it to be somewhat imprecise in specific cases, but it is useful and valid for purposes of broad-brush comparison. When marketing and tours and tastings visitation are combined, the White Cottage Ranch Winery would have the largest combined visitation program among its proposed peer group of wineries producing at 20,000 gallons per year. Venge Winery would be this facility's closest competitor, at 148 average marketing and tours and tastings visitors per week (For reference, White Cottage Ranch Winery proposes approximately 254). In that context, it can be fairly said that White Cottage Ranch Winery proposes a comparatively aggressive marketing program.

<i>Winery</i>	<i>Approved Production</i>	<i>Tours & Tasting</i>	<i>Marketing (Ave/Week)</i>	<i>Tours and Tasting (Ave/Wk)</i>	<i>Total Visitation (Ave/Wk)</i>
ABREU HOWELL					
MTN VINEYARDS	20,000	By Appointment	30	10	40
BRAVANTE WINERY	20,000	By Appointment	6	10	16
BROMAN CELLARS	20,000	By Appointment	5	20	25

CARVER SUTRO	20,000	By Appointment	11	120	131
CHOW FAMILY WINERY	20,000	By Appointment	37	100	137
CHRISTINA VINEYARDS	20,000	By Appointment	16	12	28
CLARK CLAUDON VINEYARD	20,000	By Appointment	5	8	13
COLGIN PARTNERS	20,000	By Appointment	5	25	30
CORISON WINERY	20,000	By Appointment	3	10	13
DEL DOTTO WINERY	20,000	By Appointment	10	50	60
ENVY WINES	20,000	By Appointment	16	60	76
FLYING HORSE WINERY	20,000	By Appointment	2	25	27
GARGIULO WINERY	20,000	By Appointment	12	40	52
GRAESER WINERY	20,000	By Appointment	5	60	65
GREENWOOD VINEYARDS	20,000	By Appointment	7	25	32
HOWELL AT THE MOON WINERY	20,000	By Appointment	4	10	14
HUDSON WINERY	20,000	By Appointment	3	25	28
HUNNICUTT WINERY	20,000	By Appointment	10	21	31
JERICHO CANYON WINERY	20,000	By Appointment	4	15	19
KAPCSANDY WINERY	20,000	By Appointment	14	36	50
LAZY SUSAN VINEYARDS	20,000	By Appointment	6	20	26
MANSFIELD WINERY	20,000	By Appointment	0	120	120
MARCIANO WINERY	20,000	By Appointment	7	75	82
MARSHALL VINEYARDS	20,000	By Appointment	11	40	51
McCRANE WINERY	20,000	By Appointment	5	30	35
PERATA WINERY	20,000	By Appointment	11	50	61
PUERTA DORADA	20,000	By Appointment	7	25	32
RELIC WINERY	20,000	By Appointment	7	50	57
REYNOLDS WINERY	20,000	By Appointment	2	70	72
ROSSINI WINERY	20,000	By Appointment	4	175	179
SAGE HILL VINEYARDS	20,000	By Appointment	10	18	28
SAVIEZ WINERY	20,000	By Appointment	2	40	42
SCHWEIGER VINEYARDS	20,000	By Appointment	2	10	12
TILLEY WINERY	20,000	By Appointment	12	13	25
T-VINE	20,000	By Appointment	3	5	8
VENGE VINEYARDS	20,000	By Appointment	8	140	148
WILLIAM COLE	20,000	By Appointment	4	10	14
WHITE COTTAGE RANCH WINERY	20,000	By Appointment	30	224	254

Note:

Marketing Ave/Wk numbers, and therefore also Total Visitation Ave/Wk number, are approximate.

Greenhouse Gas Reduction Strategies

The applicant team has completed the Department's Greenhouse Gas Emission Reduction Worksheet, which is attached to this report under **Greenhouse Gas Analysis**. The project's 2020 "business as usual" emissions were calculated by the Planning Division's GHG Czarina using California Emissions Estimator Model (CalEEMod) GHG modeling software, resulting in modeled annual emissions of 302 metric tons of carbon dioxide and carbon dioxide equivalents (MT CO₂e). GHG Emission reductions from local programs and project level actions, such as application of the CalGreen Building Code, tightened vehicle fuel efficiency standards, and more project-specific on-site programs including the planting of more than 50 long-lived hardwood trees including walnuts and oaks, reuse of reclaimed materials, zero potable water irrigation, and employee transportation demand management would combine to reduce emissions by 8% below "business as usual" level in 2020.

Grape Sourcing

White Cottage Ranch Winery is a post-WDO facility, subject to Napa County "75% Rule" grape sourcing requirements for the entirety of its production. The majority of the wine produced by the winery, including all of the reds, is estate grown. Given the facility's limited size and the fact that this application does not propose to increase permitted production beyond the existing 20,000 gallon per year figure, staff foresees no problems complying with Winery Definition Ordinance grape sourcing requirements.

Consistency with Standards

Zoning

The project is consistent with AW (Agricultural Watershed) zoning district regulations. A winery (as defined in Napa County Code § 18.08.640) and uses in connection with a winery (see Napa County Code § Section 18.20.030) are permitted in the AW district with an approved use permit. This application complies with the Winery Definition Ordinance and those other requirements of the Zoning Code as applicable.

Building Division Requirements

The Building Division has reviewed this application and has no comments.

Engineering Services Division Requirements

The Engineering Services Division recommends approval with conditions addressing stormwater and driveway improvements. Please see their attached memo.

Environmental Health Division Requirements

The Environmental Health Division recommends approval with standard conditions. Please see their attached memo.

Fire Department Requirements

The Fire Marshal's office recommends approval with standard conditions. Please see their attached memo.

Public Works Requirements

The Department of Public Works recommends approval with standard conditions related to groundwater use.

Site Photos



Setting – Winery Entry Drive



Existing Winery Building



Existing Winery Driveway, Section Below Existing Winery, Not to Be Widened



Tree Removal