

EXHIBIT A

NAPA COUNTY PLANNING, BUILDING & ENVIRONMENTAL SERVICES DEPARTMENT

PLANNING COMMISSION HEARING – July 3, 2013

FINDINGS – DAVIS ESTATES USE PERMIT MODIFICATION (#P12-00373) & VIEWSHED (P13-00195) APN: #021-010-003

ENVIRONMENTAL:

The Planning Commission (Commission) has received and reviewed the proposed Mitigated Negative Declaration pursuant to the provisions of the California Environmental Quality Act (CEQA) and of Napa County's Local Procedures for Implementing CEQA, and finds that:

1. The Commission has read and considered the Mitigated Negative Declaration prior to taking action on said Mitigated Negative Declaration and the proposed project.
2. The Mitigated Negative Declaration is based on independent judgment by the Commission.
3. The Mitigated Negative Declaration was prepared and considered in accordance with the requirements of the California Environmental Quality Act.
4. There is no substantial evidence in the record as a whole, that the project will have a significant effect on the environment.
5. The Secretary of the Commission is the custodian of the records of the proceedings on which this decision is based. The records are located at the Napa County Planning, Building & Environmental Services Department, 1195 Third Street, Room 210, Napa, California.
6. Considering the record as a whole there is no evidence that the proposed project will have a potential adverse effect on wildlife resources or habitat upon which the wildlife depends.

VIEWSHED

The Commission shall make the following findings prior to approving projects under the Napa County's Viewshed Protection Program that are not subject to the program's administrative review and approval process (18.106.050(B)):

7. The project as designed or modified is consistent with Chapter 18.108, *Conservation Regulations*, of the code;

Analysis: Access and siting of the proposed winery takes advantage of the existing access drive, to the maximum extent practical, to reduce overall grading and vegetation removal associated with roads. The winery facility has been cut into the toe of the hillside and has been oriented to run parallel to existing grade to reduce overall grading and vegetation removal. Approximately seven trees would be removed to accommodate winery development. An additional eight trees would be removed to accommodate the wastewater treatment system; however, the wastewater treatment system is not in an area subject to

viewshed. Approximately 60 new trees will be planted on site as part of this proposal which will screen the building. Fill slopes have also been designed with more natural topographic contours, avoiding sharp and/or abrupt angles that would give them an unnatural look. Additionally, a SWPPP will be required for the winery development to control erosion, runoff, and associated sedimentation.

8. If the highest point of the proposed project is located more than 25 vertical feet below a major or minor ridgeline, that measures have been included in the project to reduce its visual impact on the major or minor ridgeline through use of existing natural vegetation, landscaping, topographical siting, architectural design, and color tone; or if the highest point of the proposed structure is within 25 vertical feet of a major or minor ridgeline, that the existing vegetation, proposed landscaping, topographical siting, architectural design, and color tone screen the predominant portion of the proposed structures;

Analysis: The proposed winery site and associated structures are located more than 25 vertical feet below a minor ridgeline; the closest ridgeline feature is located approximately 600 feet above the winery site. Measures have been included in the project to reduce its visual impact on surrounding ridgelines including caves that reduce the overall floor area that would otherwise be required above ground, architectural details (varying exterior treatments) and design features (such as placing shorter walls in front of taller walls - terracing) to break up and reduce the visual mass of the facility and to add visual interest. The development utilizes earth-tone colors and natural materials (wood and stone siding) to blend with the surrounding environment. A landscape plan is also included and the planting of additional vegetation will ensure substantial visual screening of the project from Silverado Trail.

9. The proposed structures, access roads and other site improvements are sited and designed to minimize adverse effects on views from designated public roads;

Analysis: As noted above, the access and siting of the proposed winery takes advantage of the existing access drive, to the maximum extent practical, to reduce overall grading and vegetation removal associated with roads. The winery facility will be sited approximately 40-feet above Silverado Trail reducing its visibility and prominence from the road. The winery facility has been cut into the hillside and has been oriented to run parallel to existing grade to reduce overall grading and the height of retaining walls and fill slopes. The winery facility includes architectural details (varying exterior treatments) and design features (stepping back portions of the buildings) to break up and reduce the visual mass of the facility and to add visual interest. These design features and planting a significant number of trees (approximately 60) will result in limited external views of the winery facility. Furthermore, a majority of the winery's processing and operations will occur within the caves, further reducing the visual prominence of the winery.

10. The proposed structures, access road and other site improvements, including earthmoving or grading, and benches or shelves minimize the removal of vegetation;

Analysis: Approximately seven trees would be removed to develop the winery. The larger intact woodland located behind the winery and the existing vineyard will be retained and will continue to provide a more prominent visual resource related to vegetation.

11. The siting and design of site improvements and access roads minimize grading and alteration of natural landforms and topography;

Analysis: Access and siting of the proposed winery takes advantage of the existing access drive, to the maximum extent practical, to reduce overall grading and vegetation removal associated with roads. The winery facility has been cut into the hillside and has been oriented to run parallel to existing grade to reduce overall grading and the height of retaining walls and fill slopes. The design of the facility has reduced grading and alterations to landforms to the maximum extent practical.

12. A landscape and/or vegetation retention plan in conformance with the Design Manual has been submitted and approved for the site that would provide maximum screening from designated public roads through preservation of existing vegetation and the planting of new vegetation and provide for defensible space in conformance with state law;

Analysis: A landscape plan is included as part of the proposed project. The plan is in conformance with the Design Manual as it provides supplemental screening vegetation located below the winery site, where existing screening vegetation is sparse, to obscure the project as viewed from Silverado Trail. Additionally, the winery development would avoid the larger intact woodland located behind the winery (which is on slopes of 30% or more) that provides the prominent visual resource related to vegetation: approximately seven trees would be removal to develop the winery.

13. The proposed structures and associated improvements substantially conform to the Design Manual in order to reduce their visual impact on the views of major and minor ridgelines as viewed from any designated public road and unique topographic or geologic features as viewed from any county road. The following landforms will be considered to be unique topographic or geologic features for the purposes of this subsection: Mt. St. Helena, Stag's Leap, Calistoga Palisades, Round Hill, Mt. George and Mt. St. John, all of which are not applicable to this site;

Analysis: The proposed winery and associated improvements substantially conform to the criteria and requirements detailed in the Viewshed Protection Design Manual, in that: the siting of the winery is well below surrounding ridgelines and the prominent knoll top behind the site; fill slopes have been contoured to resemble natural terrain; the winery facility includes design features such as articulated walls, varying wall treatments, and wood and stone exteriors; the winery has been cut into the hillside and has been oriented to run parallel to existing grade to reduce overall grading and the height of retaining walls and fill slopes; existing vegetation to remain and proposed vegetation would screen the winery; the siting and design takes advantage of the existing development (i.e. the access drive) to reduce overall grading and vegetation removal; and the winery development utilizes earth-tone colors and natural materials (wood and stone) to blend with the surrounding environment. Furthermore, a majority of the winery's processing and operations will occur within the caves, further reducing the visual prominence of the winery.

SETBACK REDUCTION:

Pursuant to County Code Section 18.104.235 (Exceptions to Winery Setback Requirements for Historical Buildings and Sites) a winery meeting historic criteria may be located a minimum of 300-feet from a state highway if the Planning Commission makes the following findings (A - D):

14. The proposed site contains historic buildings, structures or landscapes which are either listed on or eligible for listing on the California or National Register, and the proposed project

will retain and incorporate such eligible or listed buildings, structures or landscapes into the final project design.

Analysis: The proposed project includes retention and rehabilitation of an historic barn (circa 1922) as well as retention of a circa 1800 workers cottage. Both buildings are listed on the State's historic register. The Barn will be used for winery hospitality. The cottage is currently used for farm management purposes, no changes to the structure or use are included in the requested use permit modification.

15. The proposed winery or structure(s) will be located within an existing footprint or developed or disturbed portion(s) of the site such that the final project will be within the historical context and scale of the site.

Analysis: Conversion of the historic barn to winery uses was approved in 2002. The current proposal includes a new building replicating the size, scale and design of the historic barn, setback the same distance from Silverado Trail (approximately 545-feet). The new building is proposed in a previously disturbed area that had been planted in vines. The proposed location provides symmetry in the foreground of the main winery building located between the two buildings which is setback over 600-feet from the road.

16. The proposed winery or structure is part of an overall historic preservation plan for the site which includes the preservation and enhancement of historical buildings and structures and old growth landscape including but not limited to, old vines and mature trees and a certification that the project is in conformance with the Secretary of the Interior Standards and Guidelines for Historic Preservation Projects. Retention of these elements shall be made a condition of the approved permit.

Analysis: The proposal includes a historic preservation plan that retains and restores the historic barn and also retains the cottage. According to original historical analysis prepared as part of the use permit approved in 2002 as well as a analysis prepared by John Taft of Backen, Gillam and Kroeger, the restoration efforts are consistent with the *Secretary of the Interiors Standards for the Treatment of Historic Properties and Guidelines for Preserving, Restoring, and Reconstructing Historic Buildings*.

17. The proposed winery or structure shall not be located closer to a state highway, Silverado Trail, any arterial County road, or any other public or private road used by the public than any existing historic structure or buildings on the site.

Analysis: The historic barn is approximately 545-feet from Silverado Trail. The proposed building replicating the historic barn is proposed to be setback the same distance from the road. All other new buildings will be located behind the historic barn.

USE PERMIT:

The Commission has reviewed the use permit request in accordance with the requirements of the Napa County Code §18.124.070 and makes the following findings:

18. The Commission has the power to issue a use permit under the Zoning Regulations in effect as applied to the Property.

Analysis: 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 § 18.20.030) are permitted in an AW - zoned district subject to use permit approval. The project complies with the requirements of the Winery Definition Ordinance (Ord. No. 947, 1990) and the remainder of the Napa County Zoning Ordinance (Title 18, Napa County Code), as applicable.

19. The procedural requirements for a use permit set forth in Chapter 18.124 of the Napa County Code have been met.

Analysis: The use permit application has been filed and noticing and public hearing requirements have been met. The hearing notice was posted on June 13, 2013, and copies of the notice were forwarded to property owners within 300 feet of the Property.

20. The grant of a use permit, as conditioned, will not adversely affect the public health, safety, or welfare of the County of Napa.

Analysis: Various County divisions and departments have reviewed the project and commented regarding water, waste water disposal, access, and fire protection. Conditions are recommended which will incorporate these comments into the project to assure the ongoing protection of public health and safety.

21. The proposed use complies with applicable provisions of the Napa County Code and is consistent with the policies and standards of the Napa County General Plan.

Analysis: The Winery Definition Ordinance (WDO) was established to protect agriculture and open space and to regulate winery development and expansion in a manner that avoids potential negative environmental effects. The project complies with the requirements of the Winery Definition Ordinance (Ord. No. 947, 1990) and the remainder of the Napa County Zoning Ordinance (Title 18, Napa County Code), as applicable.

General Plan Agricultural Preservation and Land Use Goal AG/LU - 1 guides the County to, “preserve existing agricultural land uses and plan for agriculture and related activities as the primary land uses in Napa County.” **General Plan Agricultural Preservation and Land Use Goal AG/LU - 3** states the County should, “support the economic viability of agriculture, including grape growing, winemaking, other types of agriculture, and supporting industries to ensure the preservation of agricultural lands.” Approval of this project furthers both of these key goals.

The subject parcel is located on land designated Agricultural Resources (AR) on the County’s adopted **General Plan Land Use Map**. This project is comprised of an agricultural processing facility (winery), along with wine storage, marketing, and other WDO - compliant accessory uses as outlined in and limited by the approved project scope (see attachment B, Condition of Approval No. 1 et seq.) These uses fall within the County’s definition of agriculture and thereby preserve the use of agriculturally designated land for current and future agricultural purposes. As approved here, the use of the property for the “fermenting and processing of grape juice into wine” (NCC §18.08.640) and for uses accessory thereto supports the economic viability of agriculture within the county consistent with **General Plan Agricultural Preservation and Land Use Policy AG/LU - 4** (“The County will reserve agricultural lands for agricultural use including lands used for grazing and watershed/ open

space...”) and **General Plan Economic Development Policy E - 1** (The County’s economic development will focus on ensuring the continued viability of agriculture...).

The General Plan includes two complimentary policies requiring that new wineries, “...be designed to convey their permanence and attractiveness.” (**General Plan Agricultural Preservation and Land Use Policy AG/LU - 10** and **General Plan Community Character Policy CC - 2**). The proposed addition to the existing building incorporates the architectural style, materials and details of winery buildings located throughout the County and will be fully in keeping with the permanence and attractiveness of older long standing structures. The proposed production building is designed to fit into and harmonize with the surrounding hillside.

As analyzed at item #15, below, the winery will not interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater level. The project is consistent with **General Plan Conservation Policies CON - 53 and CON - 55**, which require that applicants for discretionary land use approvals prove the availability of adequate water supplies which can be appropriated without significant negative impacts on shared groundwater resources.

Napa County’s adopted General Plan reinforces the County’s long standing commitment to agricultural preservation, urban centered growth, and resource conservation. On balance, this project is consistent with the General Plan’s overall policy framework and with the Plan’s specific goals and policies.

22. The proposed use would not require a new water system or improvement causing significant adverse effects, either individually or cumulatively, on the affected groundwater basin.

Analysis: Minimum thresholds for water use have been established by the Department of Public Works using reports by the United States Geological Survey (USGS). These reports are the result of water resources investigations performed by the USGS in cooperation with the Napa County Flood Control and Water Conservation District. Any project which reduces water usage or any water usage which is at or below the established threshold is assumed not to have a significant effect on groundwater levels.

Based on the submitted phase one water availability analysis, Based on the submitted phase one water availability analysis, the 114.32 acre parcel has a water availability calculation of 57.16 acre feet per year (af/yr). Existing water usage on the parcel is approximately 9.38 af/yr, including 0.75 af/yr for the existing single-family home, 8.0 af/yr for existing vineyards, 0.33 af/yr for the second unit and 0.3 af/yr for the farm management office. This application proposes conversion of an existing barn and the construction of new buildings and caves to winery uses. Although this project modifies a previously approved winery, the winery has not been in operation. As a result of the foregoing, annual water demand for this parcel would increase from 9.38 af/yr to 10.18 af/yr. including 0.65 af/yr for the winery and 0.15 af/yr for landscaping. Based on these figures, the project would remain below the established fair share for groundwater use on the parcel. The project will not interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater level. Based on these figures, the project would remain below the established fair share for groundwater use on the parcel. The project will not interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater level.