**Exhibit A**

**BACKGROUND**

**Outpost Winery**

**Use Permit Major Modification Application *№* P13-00141**

**2075 Summit Lake Drive, Angwin, Calif., 94508**

**Assessor’s Parcel *№.* 018-200-026**

**Owner:**    Outpost Winery

**Applicant:**Outpost Winery

**Representative (Engineer):**    Jon Webb, Albion Surveys, Inc.

**Zoning:**    AW (Agricultural Watershed)

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

**Filed:**    May 1, 2010     **Complete:**    July 25, 2013

**Production Capacity - Existing:** 30,000 gallons per year

**Production Capacity - Proposed:** 50,000 gallons per year

**Number of Employees - Existing:** 1 full time and 2 part time employees

**Number of Employees - Proposed:** 3 full time and 1 part time employees

 **Visitation - Existing:**    Public tours and tastings; 4 or fewer visitors per day

**Visitation - Proposed:**    Public tours and tastings; 20 or fewer visitors per day

**Hours of Operation - Existing:**    8 am to 5 pm, 6 days a week

**Hours of Operation - Proposed:**    8 am to 5 pm, daily

**Parking - Existing:** 7 spaces (4 customer plus 4 employees)

**Parking - Proposed:** 7 spaces (20 customers plus 4 employee)

**Winery Coverage - Existing:**    Approx. 0.8 acres (15 acres max) and/or 1.8% of the 42.3 acre lot area (25% max)
**Winery Coverage - Proposed:**    Approx. 0.8 acres (15 acres max) and/or 1.8% of the 42.3 acre lot area (25% max)

**Adjacent General Plan Designation/ Zoning / Land Use**

North
**Open Space General Plan** designation - **AWOS** zoning
Agricultural, residential, and producing winery uses on large lots; including a 21 acre vineyard/residential/proposed winery parcel (Summit Lake)

South
**Open Space General Plan** designation - **AWOS** zoning
Agricultural uses on large lots; including a 24.5 acre vineyard parcel (Dunn).

West
**Open Space General Plan** designation - **AWOS** zoning
Agricultural and residential uses; including a 27 acre vineyard/residential parcel (Robert Craig, Sears).

East
**Open Space General Plan** designation - **AWOS** zoning
Agricultural uses; including a 20 acre vineyard parcel (Robert Foley).

**Nearby Wineries (located within 1 mile of the project)**

Robert Craig Winery~2475 Summit Lake Drive ~Producing~25,000 gallons per year~By appointment

Sears Winery~2600 Summit Lake Drive ~Producing~25,000 gallons per year~By appointment

Summit Lake Vieyard~2600 Summit Lake Drive~Producing~20,000 gallons per year~ By appointment

Robert Foley Vineyard~1300 Summit Lake Drive ~Not Yet Producing (approved 2003)~12,350 gallons per year~None

Dunn Vineyard~801 White Cottage Road~ Producing (approved 2007)~5,000 gallons per year~By appointment

**Parcel History and Evolution of this Application**

January 1987 – The Planning Department approved a **Small Winery Exemption** for Lamborn Winery, allowing 1,800 gallons per year of production and no visitation.

July 1990 –The Zoning Administrator approves a modification to the small winery exemption, allowing a new crush pad and cover on the property.

January 2005 – The Planning Commission approved **Use Permit Minor Modification P04-00180 and Variance P04-00329**, these actions brought the winery under the tenants of the Winery Definition Ordinance. The Use Permit allowed for production of 30,000 gallons per year, construction of three new buildings, construction of a new uncovered crush pad area, retail sales, tours and tasting, marketing events, and an engineered wastewater system. The approval was appealed to the Board of Supervisors and the Board upheld the approval of the Planning Commission.

**Code Compliance History**

The applicant found themselves producing more gallons than outlined in their P04-00180MOD and has chosen to come in to modify their Use Permit to increase production to 50,000 gallons per year.

**Discussion Points**

Setting
Outpost Winery is located on a 42.3 acre parcel adjacent to Summit Lake Drive and just north of White Cottage Road North. The winery, which has been operating at this location since 1987, now includes a 9,155 square foot winery complex, wastewater treatment improvements, landscape improvements, and 30 acres of producing vineyard.

Land uses in the vicinity are a mix of large lot residential uses, active vineyard operations on lots ranging (generally) from twenty to sixty acres, and wineries with production ranging from 5,000 to 25,000 gallons annually. Residential uses in the project area are fairly sparse, with less than a dozen residences located within a mile of the Outpost Winery.

The Project

The changes proposed as a component of this application are quite minimal. This application would result in no new structures and no existing structure would be altered. To the extent that physical changes to the facility and its surroundings are proposed, they would not extend beyond expanding the wastewater system on site. Specifically, the project includes: 1.) an increase in maximum annual production from 30,000 to 50,000 gallons per year; 2.) an increase in visitation on a daily basis from the existing four visitors to 20 visitors; 3.) increase from two full-time employees to 3 full time and one part time employees; and 4.) addition of two marketing events for up to 50 guests.

Tours and Tastings/Marketing Events

With Use Permit # P04-0180-MOD since 2004, the pre-WDO winery is allowed up to four (4) visitors/day and a total of seven (7) marketing events annually. Private promotional tastings include five annual events, 25 people maximum, 10:00 am to 9:00 pm. Additionally, the winery holds two harvest events annually with 50 people maximum, 10:00 am to 8:00 pm. This application proposes two additional private tastings with 50 people maximum, 10:00 am to 9:00 pm. Along with the increase in marketing events, this application includes a request for increased tours and tastings from four (4) daily visitors to 20 daily visitors, Monday through Saturday.

Staff has provided a table below comparing marketing and tours and tastings visitation at other wineries with annual production of 50,000 gallons per year. The proposed visitation programs falls into the low end of the spectrum with regards to number of visitors and events among its peer group of wineries with an approved production capacity of 50,000 gallons per year. The table also provides a comparison of winery building square footage for the wineries listed. As can be seen Outpost Winery’s building square footage relative to its production capacity hits on the lower end of the spectrum at 9,155 square feet, with other wineries ranging in size from 4,000 square feet to over 21,000 square feet.

**Winery Approved Tours & Tours & Tastings Mktg. events Production**

 **Production Tastings Weekly average annually building s.f.**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| BALLENTINE WINERY | 50,000.00 | TST APPT | 10.00 | 24 | 21,640 |
| BENNETT LANE WINERY | 50,000.00 | APPT | 168.00 |  0\*\* | 17,550 |
| BROWN ESTATE VINEYARDS | 50,000.00 | APPT | 2.00 | 9 | 8,023 |
| ENVY WINES | 50,000.00 | APPT | 56.00 | 391 | 4,199 |
| FOLIE A DEUX | 50,000.00 | PUB | 350.00 |  0\*\* | 10,000 |
| FRAZIER WINERY | 50,000.00 | APPT | 50.00 | 6 | 30,700 |
| HAGAFEN CELLARS | 50,000.00 | APPT | 150.00 | 12 | 6,800 |
| MONT ST JOHN CELLARS | 50,000.00 | PUB | 3,500.00 |  0\*\* | 13,210 |
| NIEBAUM COPPOLA ESTATE NIEBAUM LN | 50,000.00 | APPT | 15.00 |  0\*\* | 19,290 |
| PRIDE MOUNTAIN VINEYARDS | 50,000.00 | PVT | 20.00 | 48 | 5,362 |
| ROBERT KEENAN WINERY | 50,000.00 | APPT | 245.00 |  21 | 9,455 |
| SEQUOIA GROVE VINEYARDS | 50,000.00 | PUB | 600.00 |  0\*\* | 12,937 |
| *OUTPOST WINERY* | 50,000.00 | APPT | 140@20/day maximum |  7 | 9,155 |

\*\*Older winery-No marketing program proposed or approved.

Traffic

Traffic generated by the project is expected to be minimal. Access to the winery is from Summit Lake Drive, located off of White Cottage Road where the Level of Service has a “B” rating as of the most recent county-wide traffic study. The applicant has submitted traffic data which identifies that the proposed winery hours (1**0:00 am to 4:00 pm, Monday-Saturday for visitation and 8:00 am to 5:30 pm, Monday-Friday for production)**, the number of employees (3.5), the winery’s Tours/Tastings Plan (20 persons maximum per day), and the Marketing Plan with food catered at the winery ( 2-50 person release events per year, 5-25 person events per year) will contribute to 27.4 daily trips and 9.7 daily PM peak trips in Summit Lake Drive’s overall traffic. Incorporating the County’s standard daily trip generation rate of 10 ADT per unit for the single family residence and the assumption that the number of trips expected to be generated by farm labor would be less 10 ADT, the total property generated traffic is below the 80 daily trip threshold.

Access to the site is by way of a private community driveway off of Summit Lake Drive. There are no design features that will impact traffic on White Cottage Road North or Summit Lake Drive. The Department of Public Works has reviewed project access and recommends approval of the project as proposed with no additional driveway improvements. The Napa County Fire Marshall has reviewed this application and has identified no significant impacts related to emergency vehicle access provided that standard conditions of approval are incorporated. Project impacts related to traffic hazards and emergency access are expected to be less than significant.

The Department of Public Works has reviewed this data and recommends approval of the project on the basis that the traffic volumes are below the threshold that would impact Summit Lake Drive. There will be no residual individual or cumulatively significant traffic impacts associated with this project as regards traffic congestion and levels of service. There is currently sufficient parking for the existing residential uses and winery provided on site. The previous project approval authorized seven (7) parking spaces for the 30,000 gallon per year winery (Miller Winery). These parking spaces would be sufficient to accommodate parking needs during normal business days for employees and visitors. Additional parking will be required during marketing events. As proposed, temporary event parking will be provided on-site via valet parking service. The applicant has sufficient space to accommodate some additional parking throughout the remainder of the property. Larger events will necessitate parking at the nearby elementary school and parking lot of the Angwin store with guests being shuttled to the winery in vans. No parking will be permitted within the right-of-way of Summit Lake Drive.

Grape Sourcing

The subject property contains approximately 30 acres of existing vineyards. Since a production increase is proposed with this modification, the applicant has provided in writing that existing vineyards plus verbal agreements with other county vineyard operators and owners will be utilized to comply with the 75% Napa Valley grape source requirement. For the 2012 harvest, only 10% of grapes processed at the winery were from outside of Napa County. The existing vineyards can produce approximately 12,000 gallons annually.

Greenhouse Gases/Climate Action Plan

The County requires project applicants to consider methods to reduce Green House Gas (GHG) emissions consistent with Napa County General Plan Policy CON-65(e), which requires GHG review of discretionary projects. The applicant has completed the Department’s Best Management Practices Checklist for Development Projects , which is attached to this report as part of the application materials. The applicant proposes to incorporate GHG reduction methods including: 1)limited grading of the site; 2)water efficient landscaping; 3)local food production; 4) and the education of staff and visitors regarding sustainability practices.

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 those winery features noted above would combine to reduce emissions. The proposed project would not conflict with or obstruct the implementation of any applicable air quality plan.

**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 is subject to and complies with all tenants of the Winery Definition Ordinance and all other requirements of the Zoning Code as applicable.

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

Fire Department Requirements
The Fire Marshal's office has reviewed this application and has no comments.

Engineering Services Division Requirements
The Engineering Services Division has reviewed this application and recommends approval with standard conditions. Please see their attached memo.

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