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A Commitment to Service

Agenda Date: 11/1/2017

Agenda Placement: 8B

Napa County Planning Commission Board Agenda Letter

TO: Napa County Planning Commission
FROM: Vincent Smith for David Morrison - Director
Planning, Building and Environmental Services
REPORT BY: Wyntriss Balcher, Planner II - 707 299-1351
SUBJECT: Reynolds Family Winery Use Permit Modification P14-00334-MOD

RECOMMENDATION

STEVE REYNOLDS / REYNOLDS FAMILY WINERY / USE PERMIT MAJOR MODIFICATION #P14-00334-MOD

CEQA Status: Consideration and possible adoption of a Negative Declaration. Based on the analysis in the proposed Negative Declaration, the proposed project would not have any potentially significant environmental impacts. The project site is not located on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5.

Request: Approval of a Use Permit Modification for an existing winery to allow the following: *a*) an increase of the annual production capacity from 20,000 gallons to 40,000 gallons; *b*) the construction of a new $\pm 2,266$ sq. ft. addition to the winery ($\pm 1,534$ sq. ft. production; ± 732 sq. ft. accessory) for a total of $\pm 12,975$ sq. ft.; *c*) an increase of employees from four (two full-time plus two part time during harvest) to a total of nine (five full-time employees, two part-time employees, plus two part-time employees during harvest); *d*) an increase in visitation from 10 visitors to 40 visitors per day; *e*) change in the days of operation from Monday–Saturday to seven (7) days per week; *f*) a change of production hours from 6:00 am - 4:30 pm to 6:00am to 6:00 pm, and a change of hospitality hours from 10:00 am - 4:30 pm to 10:00 am to 6:00 pm; *g*) a change to the location of on-site wine consumption to include the tasting rooms and an outdoor patio area adjacent to the existing pond; *h*) the construction of a shade structure over the existing outdoor patio area; *i*) a modification to the existing Marketing Plan to increase the number of events from three to 54 events per year (two/month for 24 persons, two/month for 40 persons, four/year for 60 persons and two/year for 125 persons) with the serving of light fare foods; evening events to cease by 10:00 pm; no amplified outdoor music; the use of private toilets for events of 60 persons or more; and on days of larger marketing events, the total daily wine tours/tasting visitation will be decreased in number by the size of the event; *j*) the installation of a 100,000 gallon fire protection water storage tank (± 31 ft. in height), a pump house, and a 10,500 gallon domestic water storage tank (± 16 ft. in height); *k*) the establishment of a small public water system; *l*) the construction of driveway improvements with an additional 16 parking spaces for a total of 22 spaces; *m*) an expansion of the existing wastewater treatment system; and, *n*) the installation of a left turn lane on Silverado Trail. The project is located on a ± 13.45 -acre parcel on the east side of Silverado Trail, approximately 300 feet south of

its intersection with Soda Canyon Road, within the Agricultural Watershed (AW) zoning district; 3266 Silverado Trail, Napa, CA 94558; APN: 039-610-002.

Options for Planning Commission Action:

Option 1: Adopt the Negative Declaration and approve the Use Permit Modification in its entirety as requested by the Applicant based on the findings in Attachment A and as conditioned in Attachment B.

Option 2: Adopt the Negative Declaration and approve reduced components of the applicant's requested Use Permit Modification pursuant to Commission direction based on the findings in Attachment A and to include modified conditions as contained in Attachment B.

Option 3: Adopt the Negative Declaration and approve components of the requested Use Permit Modification that would bring the Winery into compliance only to address the Code Compliance citations referenced below based on the findings in Attachment A and to include modified conditions as contained in Attachment B.

Option 4: Deny the requested Use Permit based on findings provided by the Planning Commission. This action will require the Winery to operate at its currently approved levels.

Staff Contact: Wynntress Balcher, Planner II, (707) 299-1351 or wynntress.balcher@countyofnapa.org.

Representative Contact: Donna Oldford, Plans4Wine, (707) 963-5832 or DBOldford@aol.com

EXECUTIVE SUMMARY

Brief Property History:

Use Permit #99386-UP was approved by the Board of Supervisors to establish a 20,000 gallon (including custom crush for two entities utilizing 5,000 gallons) family operated winery; to construct a 4,800 sq. ft. winery with a 3,000 sq. ft. covered crush pad; construct six parking spaces; to employ two full-time employees plus two additional employees during crush; to allow tours of the winery and/or tasting of wine, limited to 10 persons per day by appointment only; and to host three marketing events per year. A Very Minor Use Permit Modification (P12-00167) was approved on July 24, 2012, to revise the winery floor plan to reconfigure the layout of the 4,800 sq. ft. winery footprint, construct a 2,028 sq. ft. covered crush pad; construct a 426 sq. ft. private tasting room within the existing footprint, resulting in a total 10,709 sq. ft. winery; and to add sale of wine for on-site consumption.

The winery was included in the 2012 Winery Audit, and the applicant was notified by the County Code Compliance Team on January 17, 2014, that the winery was not in compliance with the allowable production and visitation levels. This use permit modification application was filed to bring the project into compliance as required by the Code Compliance Team notice.

Proposed Use Permit Modifications:

On September 28, 2017, the applicant requested continuance of this item to address a slight extension of the proposed left turn lane to serve the southern neighbor's access to Silverado Trail, and in response to the absence of a Commissioner member at the October 4th meeting so a full Commission be seated for their hearing. Therefore, the item was continued to the November 1, 2017 regular Commission meeting. There were no changes made to the project.

The use permit proposed by the applicant includes a request to increase wine production and visitation levels to reflect their current unpermitted levels. The request also includes associated improvements necessary to address the production and visitation levels (i.e. additions of approximately 1,534 sq.ft. for barrel storage and 732 sq. ft. for hospitality), an increase in the number of employees to support the expanded winery uses, and a modification of

marketing program. The project was originally scheduled for hearing in November 2015, however, public comments regarding the project traffic and groundwater use resulted in two hearing continuance requests to allow additional information to be submitted. The project was subsequently dropped from the agenda for future re-noticing. The project has been supplemented with additional information regarding traffic to allow revision of the Negative Declaration to address the concerns presented by public comment. Additional analysis of the water availability and the voluntary proposal by the applicant to limit groundwater use for irrigation would ensure there is no net increase in water use beyond the existing demand. Project-specific conditions have been recommended to ensure that the project proposals are incorporated into the operations of the winery.

The applicant's proposal has been analyzed for its environmental impacts, which were found to be less than significant. The rationale to support approving the increase in production and visitation, as well as, changes in the Winery's marketing program and facility renovations are as follows: 1) the proposal includes substantial greenhouse gas offset features; 2) potential traffic impacts have been fully addressed and the project-proposed installation of a left turn lane will facilitate circulation and safety improvements; 3) the project is located in relatively close proximity to their main grape source; 4) there are no viewshed issues; 5) the project will be subject to the County's expanded housing impact fees; 6) there is direct access from Silverado Trail; 7) the project requires no variance; and, 8) the applicants voluntary agreement to reduce the annual vineyard irrigation volume to offset the production and marketing water demand. Considering all of the enumerated reasons, staff also found that the applicant's proposal meets all County Code requirements and complies with General Plan Policies.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

According to the proposed Negative Declaration, the proposed project would have no potentially significant environmental impacts. This project site is not on any of the lists of hazardous waste enumerated under Government Code Section 65962.5.

BACKGROUND AND DISCUSSION

Owner/Applicant: Steve Reynolds, 3260 Silverado Trail, Napa (707) 258-2558

Representative: Donna B. Oldford, Plans4Wine, 2620 Pinot Way, St. Helena (707) 963-5832

Zoning District: Agricultural Watershed (AW)

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

Filed: October 16, 2014; **Complete:** June 19, 2015; **Project Revision Submission:** February 21, 2017; **Complete:** March 7, 2017 **Project Revision Submission:** August 2, 2017 **Complete:** August 31, 2017

Parcel size: ±13.45 acres

Project Details

For comparison purposes, Table 1 below provides the approved site entitlements, code compliance items and the requested Use Permit Modifications:

TABLE 1

	Approved Entitlements	Code Compliance	Use Permit Request
Production	20,000 gallons	23,500 gallons (average over 3 yrs)+	40,000 gallons
Winery Size	10,709 sf	n/a	12,975 sf
Employees	3	9*	9
Visitation	10/day; 60/week	41-384/week	40/day; 280/week
Days/Hours Operation	6:00 am-4:30 Mon-Sat.	n/a	6:00 am-6:00 pm Mon-Sun
Parking	6 total spaces	n/a	22 total spaces

*Applicant volunteered information at time of Code Compliance Notice.

Existing Development: A winery, with a 20,000 gallon production capacity, two residences, three garages/barns, a freshwater pond used for decorative purposes, four wells, water storage tanks, and waste disposal systems.

Vineyard acreage (existing): ±6.6 acres

Vineyard acreage (proposed): ±6.4 acres

Winery Characteristics:

Winery size (approved): ±10,709 sq. ft.

Winery size (proposed): ±12,975 sq. ft.; to include ±1,534 sq. ft. addition for barrel storage and ±732 sq. ft. for accessory use (tasting room, restroom, prep. kitchen)

Production capacity (approved): 20,000 gallons

Production capacity (Code Enforcement Violation Report): 19,308 gallons (2010), 20,466 gallons (2011), 30,919 gallons (2012); > 20,000 gallons (2013). This is a three year average of approximately 23,500 gallons.

Production capacity (proposed): 40,000 gallons

Winery Coverage (approved/existing/proposed): ±54,700 sq. ft.; 1.26 acres or 9.3% of parcel
(Code Maximum 25% or 15 acres)

Accessory/production ratio (approved/existing): ±2,030 sq. ft. accessory / ±7,800 sq. ft. production: 26%

Accessory/production ratio (proposed): ±2,750 sq. ft. accessory / ±9,404 sq. ft. production: 29%
(Maximum 40% allowed)

Number of employees (approved): Three (3) total (one plus two during harvest)

Number of employees (existing/proposed): Nine (9) total (five full-time, two part-time, plus two part-time during harvest)

Visitation (approved): Maximum 10 per day (By Appointment Only); Weekly Maximum - 60 visitors (Monday through Saturday)

Visitation (Code Enforcement Violation Report): Over a period of 45 to 60 weeks, the number of visitors per week ranged from 41 to 384 visitors

Visitation (proposed): Maximum 40 per day (By Appointment Only); Weekly Maximum - 280 visitors (Monday through Sunday)

Marketing Program (approved/existing): Wine Release Party by private invitation, two times/year for 40 guests; Harvest Party for staff and guests by private invitation, one time/year, 25 persons.

Marketing Program (Code Enforcement Violation Report): In Compliance

Marketing Program (proposed): Increase the number of events from three to 54 events per year, two wine and food pairings/month for 24 persons; two wine and food pairings/month for 40 persons; four Wine club/Release Events/year for 60 persons; and two Larger Auction Related Event/year for 125 persons. Food will be prepared either by caterers or prepared in the proposed commercial kitchen. Evening events to cease before 10:00 PM, no amplified outdoor music proposed, and on days of larger marketing events, the maximum daily total visitation will be decreased in accordance with the size of the event and the time of day or evening it is scheduled.

Days and hours of operation (approved/existing): 6:00 AM to 4:30 PM; Monday through Saturday

Days and hours of operation (proposed): 6:00 AM to 6:00 PM (production); Visitation, 10:00 AM to 6:00 PM; Monday through Sunday

Parking (approved/existing): 6

Parking (proposed): 22

Setbacks (required): winery setback - 600'

Setbacks (approved/existing): winery setback - 600' - In compliance

Setbacks (proposed): winery setback - 600' - In compliance

Adjacent General Plan Designation/Zoning/Land Use

North: Agricultural Resource & Agriculture, Watershed & Open Space/Agricultural Watershed/agriculture

South: Agricultural Resource and Agriculture, Watershed & Open Space/ Agricultural Watershed/agriculture and residential

East: Agriculture, Watershed & Open Space/Agricultural Watershed/agriculture

West: Agricultural Resource/Agricultural Preserve/agriculture, residential and approved winery.

Wineries in the Vicinity (located within 1 mile of the project): Please refer to Attachment "K".

Property History:

January 12, 1977 - The property was placed under a Williamson Act Agricultural Contract.

June 27, 2000 - Use Permit #99386-UP was approved by the Board of Supervisors, on appeal by the applicant and an adjacent property owner, to establish a 20,000 gallon (including custom crush for two entities utilizing 5,000 gallons) family - operated winery with the construction of a 4,800 sq. ft. winery building, a 3,000 sq. ft. covered crush pad and six parking spaces. The project included the employment of one full-time employee/shift (two shifts) plus two additional employees during crush. Tours and tasting by appointment only was limited to 10 persons per day and three marketing events were proposed, two wine release parties and a harvest party. The conditions of approval required the winery to close at 4:30 PM, a mitigation measure for traffic safety.

May 17, 2005 - A sign permit was approved for one free-standing 30 sq. ft. sign in addition to the two wall signs.

July 24, 2012 - A Very Minor Use Permit Modification (P12-00167) was approved to revise the winery floor plan to reconfigure the layout of the 4,800 sq. ft. winery footprint, construct a 2,028 sq. ft. covered crush pad; construct a 426 sq. ft. private tasting room within the existing footprint, resulting in a total 10,709 sq. ft. winery; and to add sale

of wine for on-premise consumption within existing visitor-designated areas.

Code Compliance History:

The winery participated in the 2012 Winery Audit, and was notified on January 17, 2014 that the winery was not in compliance with the allowable production and visitation levels. The Code Compliance Team requested additional production information for the 2010 and 2011 years to determine the average production, in an effort to reach compliance. The team advised the winery owners that to bring the winery into compliance either: 1) a voluntary reduction of visitation numbers was necessary; or, 2) a modification of the winery's use permit to increase production and visitation was needed. The Compliance Team sent a second request for the production information on April 15, 2014, and requested a written confirmation to the telephone call from the project representative that the use permit modification would be submitted. No further violation correspondence was issued and the use permit modification to increase production and visitation was submitted October 16, 2014.

Discussion Points:

Setting - The project parcel (APN: 039-610-002) is a ±13.45 acre rectangular shaped parcel with frontage on the east side of Silverado Trail, south of its intersection with Soda Canyon Rd. Development on the property includes the owners' residence, garage, a cottage, two storage buildings, and a winery. The residential uses are located near the road; the winery is located further back from the road on the north side of an existing pond. The property is planted in ±6.6 acres of vineyards. An unnamed blue-line intermittent stream traverses through the eastern portion of the property. There are four existing wells on the property. The closest off-site residence is located ±450 feet from the winery building.

Winery Modification Proposal - The winery is a family operated winery, approved June 27, 2000, by the Board of Supervisors. The winery has enjoyed success and the owners have purchased additional land nearby and have planted approximately 10 acres of vineyard. The winery was included in the compliance review in 2012, and it was found that the number of gallons of wine produced had exceeded the 20,000 gallons approved for the winery and the visitor logs indicated that their visitor counts were also too high (Refer to Winery Characteristics Description above). As noted above, the applicant submitted an application to: increase the production capacity from 20,000 gallons to 40,000 gallons; increase visitation from 10 visitors per day to 40 visitors, and increase Marketing Events as described below. The application also includes an addition to the existing winery building to include a 1,534 sq. ft. barrel storage room and a 732 sq. ft. private tasting room with restroom and a commercial kitchen for the wine and food pairings. The outdoor gravel patio is proposed for remodel to repair the retaining wall and to construct a shade structure to allow for the expansion of the sale of wine for on-premise consumption to include the patio. Other supportive expansions to the facility include the waste disposal system, the establishment of a small public water system, additional water storage tanks for domestic and fire protection, and the construction of 16 additional parking spaces. Finally, the project includes the installation of a left turn lane on Silverado Trail. The installation of the left turn lane offsets the traffic safety concern identified in the originally approved use permit, and the applicant is now requesting the hours be increased to allow closure at 6:00 PM.

Tours & Tasting/Marketing Events - The winery is currently approved for 10 visitors per day (Monday through Saturday) with a marketing program of: two wine release parties (40 guests) and a harvest party (25 persons). The total approved annual visitation number is 3,740.

The application is proposing an increase in visitation to 40 persons per day (Monday through Sunday) resulting in approximately 14,600 visitors per year, and a more aggressive marketing program adding four food and wine pairings per month (2 pairings for 25 guests; 2 pairings for 40 guests); two additional release parties for a total of four events per year for 60 guests; and two (2) large events. The total number and frequency of marketing events is a substantial increase from the currently approved levels; however, the monthly events are for a small number of

guests. As shown on Attachment K of this report, in comparison to similar production wineries (40,000 gallons per year), annual visitation is twice as much as the average visitation numbers and the number of marketing events is substantially greater. Based on the traffic analysis discussed below, this increase does not appear to pose traffic impacts on the roadway network.

Traffic and Parking - A "Traffic Impact Report" was originally prepared for the project by Mark D. Crane, Crane Transportation Group (dated April 3, 2015). The report concludes that the project would result in no significant off-site circulation system operational impacts to Silverado Trail or to the Silverado Trail/Soda Canyon Road intersection. The "Traffic Impact Report" was updated (August 2, 2017 and augmented on September 22, 2017) to clarify the impacts from the new employees and to add a discussion regarding grape deliveries during harvest. A left turn lane to serve the project for southbound traffic on Silverado Trail was considered as part of the project. The report concluded that the sight lines at the project driveway connecting to Silverado Trail are and will be will be acceptable. Sight lines to the south would be more than 1,000 feet and to the north about 800 feet. Based upon travel speed along Silverado Trail at 60 miles per hour, the required stopping sight distance would be 580 feet. The posted speed for Silverado Trail is 55 miles per hour. The existing sight lines are acceptable, and a project specific operational condition is recommended to ensure project frontage landscaping be maintained at a maximum 4.5 feet in height per Caltrans Highway Design Manual. The project has been reviewed by the Department of Public Works who confirm that the installation of the left turn lane is warranted.

Traffic counts were taken for two-way volumes south of Soda Canyon Road during the Friday PM peak hour compared to the Friday AM or Saturday PM peak hours (about 1,655 Friday PM peak hour vehicles versus about 1,020 Friday AM or 1,330 Saturday PM peak hour vehicles). The project driveway had 4 vehicles during the Friday AM peak hours, 4 vehicles during the Friday PM peak hour and 6 vehicles during the Saturday PM peak hour. The report concluded the peak traffic hours at Silverado Trail/Soda Canyon Road were 4:30PM - 5:30 PM on Friday, 4:00 PM-5:00 PM on Saturday and 2:15PM to 3:15PM on Sunday. The recommended conditions of approval include requirements that preclude the scheduling of marketing events requiring guest traffic to access the site between the hours of 3:00PM and 5:30PM. The report projects that in the year 2020, the existing and project off-site trips generated during harvest or summer would not degrade operations from acceptable at any analyzed location, nor would the projected traffic increase peak hour volumes by 1 percent or greater at any location already experiencing unacceptable "Without Project" operation. The report incorrectly indicated that there was no increase in employees proposed by the project; however, in his letter of December 3, 2015, Mark Crane confirmed the work schedules of the production employees (7:00 AM - 3:00 PM) and administrative employees (9:00 AM - 6:00 PM) are designed to avoid peak traffic times in the local circulation system and thus there would be no significant peak hour impacts due to their traffic. As such, the study concluded that although the added employees would increase daily volumes on the winery driveway, the left turn lane to be installed would address any issues that the extra employee traffic would produce. The application proposes a work shift of 6:00 am through 6:00 pm to take advantage of flexible work hours and avoidance of peak commute hours. With the change from the 4:30 pm to the 6:00 pm closing time, the ability to avoid peak traffic hours can be attained.

The project proposes to increase parking spaces from 6 to 22, located within an undeveloped area of the property adjacent to the second unit and along a portion of the driveway augmenting the existing spaces adjacent to the west side of the winery. The number of parking spaces would adequately accommodate the proposed visitors on the property.

A traffic mitigation measure was adopted on the original use permit to limit the hours for retail sale to avoid turning activities during peak traffic hours on Silverado Trail. With the proposed construction of the left turn lane, the identified potential impact has been reduced to a less than significant impact.

Groundwater Availability - The subject property is located on the Valley Floor, Napa area. A Water Availability Analysis-Tier One Study was prepared for the subject ±13.45 acre parcel (APN: 039-610-002) by Bartelt Engineering (dated November 2106), which states that the Allowable Water Allotment for the property is 13.45 acre

feet per year (af/yr). This allotment was determined by multiplying the acreage of the parcel by the one af/yr/acre fair share water use factor. There is an existing pond on the parcel, however, it is not used for domestic or irrigation use. No changes to it are proposed, and it will continue to serve as a bio-retention basin for stormwater runoff. The engineer calculated the existing total water demand on the property is 6.70 af/yr and the use permit modification proposal would result in a total water demand of 6.68 af/yr; a decrease of 0.02 af/yr, due to the removal of .25 acres of vineyards and the applicant's voluntary vineyard irrigation limitation proposal.

The water availability Analysis and Water System Feasibility Reports prepared for the project state that there are four wells on the property serving the winery, two residences, fire protection storage, and irrigation. A small public water system will be required for the winery expansion, and only one of the existing wells is eligible for use for the water system. That well (#4 currently serving the residences shown on the plans) will be used for the public water system, serving the two residences and the winery. Wells #2 and #3 will be re-purposed for vineyard and/or fire protection water. An existing 10,500 gallon tank and a new 10,500 gallon water storage tank will hold the domestic water; a new 100,000 gallon water storage tank will be used for fire protection water storage, replacing an existing 10,500 gallon storage tank. Said tank will store irrigation water. The oldest well (#1) will be destroyed. The reference in the application to the drilling of a new well is incorrect as existing well #4 will comply with the standards for the small public water system.

On December 7, 2015, the Director of Public Works issued a memo noting that the general vicinity around and including the project is an area of potential concern for groundwater resources. Approximately a ½ mile east and south of the project is the Miliken- Sarco-Tulocay (MST) water deficient area. The Public Works Director's memo indicates there is some potential that the MST water deficient area could expand into the general area where Reynolds Family Winery is located, and as such further study of the area needs to be performed. That area-wide study is currently being prepared by consulting firm LSCE with a draft document expected to be completed and presented to the Board of Supervisors in late 2017. Until such time further information about the basin is known, the County has not been relying on the standard 1 AF per acre of land groundwater threshold normally applied to Napa Valley floor areas. Instead, the County is relying upon a 'no net increase' threshold as follows: Any project that reduces water usage from existing levels of groundwater use (no net increase) is assumed not to have an impact. The applicant's desire to voluntarily limit the proposed project's water demand volume to no net increase. The applicant is proposing a reduction in the annual vineyard irrigation volume and the removal of 0.2 acres of vineyard for the construction of the building addition which will offset the production, visitation and marketing program water demand increases proposed under this project. Further, the engineer concluded that the analysis shows that the groundwater demand for the proposed project can be feasibly sourced by the existing well #4.

The Department of Public Works has reviewed the engineer's updated report (November, 2016). Public Works believe that it is possible for the proposed project to not have a significant impact on groundwater levels or agriculture in the groundwater basin, since the project proposes to decrease overall water use on the property. Given that the current water use amount is based on estimates, Public Works is recommending that a buffer of .34 af/yr be established between the current use estimates and the planned use after approval and has recommended conditions, included in Attachment B, to ensure that there is no net increase in water use on the property. The conditions include the applicant apply best available technology and best management water conservation practices throughout the parcel; apply best management water conservation practices where possible in the structures on site; install a meter on all well serving the parcel, and a limit of 6.34 acre-feet/year be placed on the project for all water-consuming activities on the parcel as listed in the application. Public Works recommends the limit below the engineer's calculations to include a water use reduction for domestic landscape irrigation. In addition, the recommended conditions presented by the Department of Public Works also request that the applicant's wells be included in the Napa County Groundwater Monitoring program, if the County finds the wells suitable.

Grape Sourcing – The subject property is planted in ±6.6 acres of vineyard, of which ±0.2 acres will be removed for construction of the building addition and new parking spaces. The applicant has advised that they own another ±13

acre parcel nearby, planted in ±10 acres of vines, and are leasing the land next door with ±5 more vineyard acres. The applicant also stated they have approximately 5 contracts with Napa County vineyards and their application includes the signed certification that the proposed expansion will employ sources of grapes pursuant to the Winery Definition Ordinance.

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: extensive solar facilities installed on the original winery building, energy conserving lighting, bicycle incentives, installation of water efficient fixtures, water efficient landscaping, public transit accessibility, limit the amount of grading and tree removal, education to staff and visitors on sustainable practices, use of 70-80% cover crop, and on-site waste water disposal by irrigation dispersal. The proposed project has been evaluated against the BAAQMD thresholds and determined that the project would not exceed the 1,100 MT/yr of CO₂e.

Public Comments - The project was originally scheduled for hearing on November 18, 2015, but staff requested a continuance of this item to December 16, 2015 to address new water issues found in the area, as commented on by neighbors, and to address comments received from a neighbor's representative [Coombs & Dunlap, dated November 17, 2015] regarding the scope of the expansion project, considered by the neighbor to be substantial. The letter also stated that the Traffic Impact Report prepared for the project appeared to underestimate the increase in truck traffic, that the impact of the left turn lane on the neighbor was unclear, that the report underestimated the trips by assuming no increase in employees; and that the report was inconsistent regarding the increased trips due to new events. Furthermore, the comment letter stated that the initial study minimized the potential impacts to water supply and the dramatic increase in the number of events and hours of operations were likely to lead to significant noise increases.

The Department of Public Works also reviewed the neighbor's representative's letter and responded in an email (November 24, 2015, see Attachment "I") regarding the operations of a left-turn lane, stating there are no known situations where the provision of a left-turn lane for access to development on one property has resulted in any adverse impact to an adjacent property such as is envisioned in the letter received. Furthermore, left-turn lane improvements are routinely required of wineries and other developments on Silverado Trail, and roads throughout Napa County, under the provisions of the Road and Street Standards. The traffic engineer for the project, Mark Crane, was presented with the neighbor's concerns and he provided a response in an email on November 20, 2015, included in Attachment "I". Mr. Crane stated that the number of additional grape deliveries accessing the project site by either the original projections made or the neighbor's representative's projections [Coombs & Dunlap], the impact from the delivery trucks would still not be significant. He further addressed the concerns about the neighbor's driveway and the left turn pocket providing on the approach to the Reynolds driveway, noting that if southbound vehicles are waiting to turn left into the project property, it is because there is northbound traffic on Silverado Trail, which would block movement into the project property in addition to the neighbor's driveway to the south. Clearance of the northbound traffic would remove the blocked sightline to the north from the neighbor's driveway.

By the December hearing 24, 2015, additional information was still outstanding and a continuance was then requested to the January 20, 2016, hearing by staff with the applicant's concurrence. In January, the applicant indicated that additional time was still needed to submit additional technical information for staff review and analysis, and, therefore, staff requested that the item be dropped from the agenda for future re-noticing. The applicant was in agreement with staff's request. A detailed discussion of these issues are provided above under "Traffic and Parking" and Groundwater Availability".

Since the October 4, 2017 hearing notice, two additional public comment letters were received regarding the

project. One letter requested specific information regarding the project, and staff forwarded a response to the questions. The second letter expressed comments to be directed to the Commission regarding traffic, the number of wineries in their neighborhood, the number of proposed events, groundwater, and recommended that some sort of coach or bus service requirement be placed upon the winery's events with 15 or more participants. Both letters have been included with the staff report in Attachment "E".

Decision Making Options:

As noted in the Executive Summary Section above the Board of Supervisors has asked Staff and the Commission to address Code Compliance cases by providing options for project approval. As such, staff has provided 4 decision making options regarding project action. Staff is requesting that the Commission determine whether the applicant's proposal should be approved in its entirety; be partially approved by selecting certain components of the request to support; or, should revert back to its original use permit operations. Below is a broader discussion of each option:

Option 1 - Approve Applicant's Proposal

Disposition - This option would result in the approval of the increase in production for the winery, and an increase in the number of visitors, marketing events, number of employees, change in hours of operation and minimal expansion of the winery as proposed by the Applicant in its entirety.

Action Required - Follow proposed action listed in the Recommendation Section. If conditions of approval are to be amended, specify conditions to be amended at time motion is made. This option has been analyzed for its environmental impacts, which were found to be less than significant. Sufficient grapes and water supplies are available to serve the proposed project. There is a history of code noncompliance and the proposed modification to increase production and visitation is intended to bring the winery into compliance and eliminate the violations. The requested number of guests per year for the visitation are well above the median and average amount compared to wineries of similar production levels. The requested number of marketing events per year are slightly higher than the median and average amount compared to wineries of similar production, but the proposed new monthly events have a small numbers of guests, 24 events for 24 people and 24 events for 60 people per year, and the proposed events will occur solely within the hospitality building. Rationale of supporting the applicant's proposal in its entirety is as follows: 1) the proposal includes substantial greenhouse gas offset features; 2) potential traffic impacts have been fully addressed; 3) the project is located in relatively close proximity to their main grape source; 4) there are no viewshed issues; 5) the project will be subject to the County's expanded housing impact fees; 6) there is direct access from Silverado Trail; and 7) the project requires no variances to the Napa County Code. Considering all of the enumerated reasons, staff also found that the project meets all County Code requirements and complies with General Plan Policies.

Option 2 - Modification of Applicant's Request

Disposition - This option could result in no production increase or an amount less than requested, as well as modification/reduction of the requested, visitation and/or marketing program.

Action Required - Based upon Commission discussion and desire to scale back the project proposal at some level, the project scope and applicable conditions of approval (COA #1.0, 4.2, 4.3 and potential others) would be modified thereby reducing the requested annual production, daily and weekly visitation, number of employees, and/or number of marketing events. The Commission may consider authorizing the proposed physical changes to the winery, as well as, some operational changes associated with the proposed applicant's request. If major revisions to the conditions of approval are required, the item may need to be continued to a future date.

Option 3 - Deny Proposed Project and Revert Winery Back to Original Use Permit Operational Approval Levels

Disposition - In the event the Commission determines that the project does not, or cannot meet the required findings for granting a Use Permit Modification, Commissioners should identify what aspect or aspects of the project are in conflict with the required findings. State Law requires the Commission to adopt findings, based on the General Plan and County Code, setting forth why the proposed Use Permit Modification is not being approved. It should be noted that based on the administrative record as of the issuance of this staff report, there does not appear to be any evidence supporting denial of the project.

Action Required - Commission would take tentative motion to deny the project and remand the matter to staff for preparation of required findings to return to the Commission on a specific date.

Option 4 - Continuance Option

The Commission may continue an item to a future hearing date at its own discretion.

SUPPORTING DOCUMENTS

- A . Recommended Findings
- B . Recommended Conditions of Approval and Final Agency Approval Memos
- C . Previous Project Conditions-Code Compliance Issues
- D . Initial Study/Negative Declarations
- E . Public Comments
- F . Use Permit Application Packet
- G . Water Availability Analysis
- H . Wastewater Feasibility Study
- I . Traffic Study
- J . Graphics
- K . Winery Comparison Analysis

Napa County Planning Commission: Approve

Reviewed By: Vincent Smith