

Agenda Date: 2/22/2017 Agenda Placement: 8A

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Napa County Planning Commission Board Agenda Letter

TO:	Napa County Planning Commission
FROM:	Charlene Gallina for David Morrison - Director Planning, Building and Environmental Services
REPORT BY:	TENDAI MTUNGA, PLANNER III - (707) 299-1358
SUBJECT:	Bin to Bottle Custom Crush Production Facility-Use Permit Modification No. P15-00278

RECOMMENDATION

Bin To Bottle, LLC / Wilkinson/Bin To Bottle Custom Crush Wine Production Facility / Major Modification P15-00278-MOD

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

Request: Approval of a request for a Major Modification to Use Permit No. U-27172, to convert an existing warehouse facility into a new custom crush wine production facility involving the following: (a) maximum annual production capacity of 250,000 gallons; (b) construction of ±28,000 square foot new building; for barrel storage and processing (c) conversion of an existing 20,250 square foot warehouse building into ±17,250 square feet for wine processing and storage, ±3,000 square feet for office use, and removal of a connecting canopy; (d) planting of additional landscaping and improvement of parking areas; (e) installation of a process waste treatment system; (f) retail sales of wines produced on premises limited to industry trade and invited guests only; (g) increase operations from Monday through Saturday (currently Monday through Friday) and increase hours from 7:00 AM to 6:00 PM (currently 7:00 AM to 5:00 PM); and (h) increase the maximum number of employees from 20 to 24. The proposed 3.50 acre project site is located approximately 2,385 feet north of the North Kelly Road and Camino Dorado intersection and approximately 474 feet north of State Highway 12 and east of State Highway 29 within the GI:AC (General Industrial: Airport Compatibility Combination) District; 122 Oruga, Napa; APN 057-152-012.

Staff Recommendation: Adopt the Negative Declaration and approve the major modification with the proposed conditions of approval.

Staff Contact: Tendai Mtunga, (707) 299-1358 or tendai.mtunga@countyofnapa.org

Applicant Contact: Beth Painter (707) 337-3385 or beth@bpnapa.com

EXECUTIVE SUMMARY

Proposed Actions:

That the Planning Commission

1. Adopt the Negative Declaration for the Bin to Bottle Custom Crush Wine Major Modification Warehouse Addition based on Findings 1-6 of Attachment A; and

2. Approve Use Permit Major Modification No. P15-00278-MOD based on Findings 7-11 of Attachment A, and subject to the recommended conditions of approval set forth in Attachment B.

Discussion:

The project is requesting approval of a Major Modification to convert an existing warehouse facility into a wine production facility with an maximum annual production capacity of 250,000 gallons. The proposed project involves the construction of a new 28,000 square foot building and the conversion of an existing 20,250 square foot warehouse building into $\pm 17,250$ square foot dedicated to wine processing and storage, the renovation of $\pm 3,000$ square foot for office use and the removal of a connecting canopy.

Staff has reviewed the proposal and found it to be consistent with the Zoning Ordinance and applicable General Plan policies. The project is compatible in design use with other projects located in the Napa Valley Business Park Specific Plan (NVBPSP) area. Implementation of the proposed project would result in minimal environmental impacts. Based on these reasons, staff recommends approval of the project subject to the recommended conditions of approval.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

Consideration and possible adoption of a Negative Declaration. 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 sites enumerated under Government Code Section 65962.5.

BACKGROUND AND DISCUSSION

Owner: Bin to Bottle,LLC, 110 Camino Oruga, Napa CA. 94558; John Wilkinson, (707) 305-4510 Ext. 103 or John@bintobottle.com

Applicant: Same as property owner

Representative: Beth Painter, Balanced Planning; (707) 337-3385 or beth@bpnapa.com

Zoning: General Industrial: Airport Compatibility (GI:AC)

General Plan Designation: Industrial (I)

Filed: August 25, 2015 Resubmittal(s): August 23, 2016 Deemed Complete: November 28, 2016

Parcel size: 3.50 acres

Proposed and Existing Characteristics:

Building Size (Existing): Approximately 20,250 square foot.

Building Size (Proposed): Total 48,250 square feet; Construction of a new 28,000 square feet single story warehouse building used for barrel storage and other grape processing activities. Conversion of an existing 20,250 square foot warehouse building into a $\pm 17,250$ square feet of wine processing and storage, and $\pm 3,000$ square feet of office use. Removal of a connecting canopy.

Production Capacity (Existing): None Production Capacity (Proposed): 250,000 gallons per year

Number of Employees (Existing): 20 employees Number of Employees (Proposed): 24 employees

Visitation and Marketing Activities: None proposed; Retail sales wines produced on premises is limited to industry trade and invited guest only.

Days and Hours of Operation (Existing): Monday through Friday, from 7:00 a.m. to 5:00 p.m. **Days and Hours of Operation (Proposed):** Monday through Saturday, from 7:00 a.m. to 6:00 p.m.

Parking (Existing): 10 spaces plus unimproved overflow parking on vacant portion of lot
Parking (Required): 45 spaces required per NVBPSP requirements
Parking (Proposed): 33 spaces; 12 spaces to be deferred. The applicant has provided a parking plan showing one option available for providing these parking spaces. (Refer to parking discussion below)

Airport Compatibility: Zone D - Common Traffic Zone/Pattern. This is an area of frequent aircraft over flight at low elevations. Warehousing, light manufacturing, and ancillary office space uses are compatible with this zone.

Adjacent General Plan Designation / Zoning / Land Use:

The property is surrounded by properties developed with office/light industrial/warehousing complexes, including winery production facilities.

North:

Industrial (I) General Plan designation General Industrial: Airport Compatibility (GI:AC) zoning Adjoining the project site are light Industrial uses <u>South:</u> Industrial (I) General Plan designation General Industrial: Airport Compatibility (GI:AC) zoning Adjoining the project site are light Industrial uses East:

Agricultural Watershed and Open Space (AWOS) General Plan designation Agricultural Watershed: Airport Compatibility (AW:AC) zoning Adjoining the project site across North Kelly Road is a 161-acre undeveloped parcel owned by Napa Sanitation District and used as spray fields. <u>West:</u> Industrial (I) General Plan designation General Industrial: Airport Compatibility (GI:AC) zoning

Adjoining the project site are light Industrial uses

Wineries in Vicinity:

As noted in Attachment I, there are 16 wineries operating, approved to operate, or pursuing approvals to operate within the south Napa County industrial area. Production capacity varies and can be classified into three main groups 10,000 to 80,000 gallons, 120,000 to 880,000 gallons, and one winery at 43 million gallons annually. It should be further noted that wineries located within the NVBPSP are not subject to the Winery Definition Ordinance provisions.

Background/Parcel History:

Use Permit No. U-27172 was approved by the Planning Commission on August 3, 1971 to construct industrial buildings on an approximately 3.5 acre parcel for maintenance, sales and service of heavy equipment. The development consisted of an approximately 3,000 square foot office building connected to a 17,250 square foot warehouse building (totaling 20,250 square feet), and associated parking. The residual portion of the property was left vacant.

Site Plan Approval No. 94369 (SPA) was approved by the Planning Director on July 26, 1995 to use 9,525 square feet of an existing 19,608 square feet industrial building for a mail orders sales business which included wine storage, mail order retail sales, wine shipping and limited incidental on-site retail sales.

On November 30, 1999, a consistency determination of U-27172 was made by the Planning Director to allow the repair, rental and incidental sales of construction equipment.

The existing building was originally leased by Bin to Bottle from the Milan Group for dry goods storage and office and was purchased by Bin to Bottle, LLC in the summer of 2016.

Code Compliance History:

There are no open or pending code violations for the subject site.

Discussion Points:

<u>Building Design, Layout, Materials, and Operation</u> - The proposed addition will be architecturally similar to the existing warehouse and will be constructed with comparable materials. The existing building design is consistent with development in the area. The facility will include all aspects of wine production including crushing, pressing and fermenting grapes during harvest and tank storage within the existing building. Wines may be bottled at this location during non-harvest with use of a mobile bottling line. The interior tank layout and winery systems shown on the Floor Plans and Elevations are preliminary only. All tanks will be located within the building but final tank size will be determined during final construction. Tanks may be replaced over time and are not a fixed architectural feature.

The proposed warehouse portion of the structure is a single story structure, 27 feet tall at the roof with a 3-foot parapet. The wall lines of the addition were pushed back from the existing warehouse wall line to line up with the new receiving dock location. The portion of the addition that will house the new office/administrative space is designed to match the existing office/administrative portion of the warehouse building, which extends out from the warehouse building in an L-shape on the northeastern side of the building. This space has a lower tiled roof, large windows, and entry doors. The new office space extends out approximately 20 feet from the east side of existing warehouse building in alignment with the existing office space. The submitted architectural designs of the new warehouse building incorporated designs that blend in with the elevations of the existing warehouse. As proposed, the new building would be compatible in design with the existing building on site and with other projects located in the NVBPSP area.

<u>Facility Operations</u> - This new facility will operate in a similar manner to the adjacent Bin to Bottle Winery located at 110 Camino Oruga (APN 057-152-014). However, this facility will not contain a traditional tasting room for the general public. Marketing will be limited to trade meetings where individual producers would meet with distributors, restaurants, wine shop owners and similar types of wine buyers. Although retail sales will be allowed, it will be limited to trade customers invited to the facility by appointment only. The only signage will be to identify the building and its operator. In addition, the applicant has indicated that the existing employees from the Bin to Bottle Winery will also be utilized at the new facility.

<u>Access</u> – The property is accessed via two existing driveways off Camino Oruga; one shared with 110 Camino Oruga (Bin to Bottle Winery) and the other dedicated to the subject parcel. There are no additional driveways proposed as part of this project. On-site drive aisles will be designed to County standards. The site design provides adequate access in accordance with Fire Department standards.

<u>Parking</u> - The NVBPSP requires one parking space per 1,000 square feet for the first 20,000 square feet of floor area and one parking space per 2,000 square feet of floor area thereafter for storage/warehousing use. The Specific Plan also requires one parking space per 250 square feet of floor area for office use. Based on the proposed floor plan of approximately 45,250 square feet of warehouse area and 3,000 square feet of office area, 45 parking spaces are required. The applicant has proposed a total of 33 spaces with 10 parking stalls to be located in front of the building and the remaining 23 spaces to be located in the center area of the front portion of the parcel resulting in a deficit of 12 parking spaces.

The applicant has provided a parking plan showing one option for meeting this deficit, but depending on how a future owner uses the building there may be other options onsite that are preferable. Given this, staff has no concerns in deferring the installation of the remaining 12 parking spaces until such time as needed by a future tenancy since there would be a sharing of employee resources between the two properties. It should be noted that Condition of Approval #4.0 requires review of future change of tenancy, as well as, recognition of deferred installation of parking until such time as required by any new building tenancy.

<u>Building Setbacks/Landscaping</u> - The existing building meets the required setbacks of the NVBPSP. The NVBPSP requires a 40-foot average (25-foot minimum) building setback from minor street rights-of-way, with the 25 feet nearest the property line adjacent to the street reserved as landscaping. As proposed, the addition is approximately 60 feet from North Kelley Road. Landscaping that meets the requirement shall be installed within the existing building and along the three edges of the parking area. More landscaping will be installed along the eastern property line to create a buffer from the North Kelley Road.

The NVBPSP also requires a 10-foot building and landscaping setback from the side and rear property lines when the property lines do not adjoin a street. The proposed building setbacks are approximately more than 40 feet from the all the property lines. The new building is located east of the existing warehouse building which meets the setback required from the north property line. Landscaping is only proposed along the eastern property line.

<u>Public Utilities</u> – The building currently receives water from the City of American Canyon and sewer services and recycled water for use on landscaping from Napa Sanitation District. Both agencies have reviewed the application for the proposed building addition and have provided will-serve letters. To obtain the will serve letter from the City of American Canyon, it should be noted that the applicant was required to enter into a Memorandum of Understanding with the neighboring property (150 Camino Dorado) owned by Napa Valley Community Housing for Bin To Bottle to fund the replacement of turf and inefficient spray heads, with drought tolerant landscape served by a drip irrigation system, as well as, contribute to the City's water conservation fund in order to meet the City's Zero Water Footprint (ZWF) Policy. This requirement has been incorporated as a condition of project approval.

<u>Greenhouse Gas Reduction Strategies</u> – The applicant has completed the Best Management Practices Checklist for Development Projects, which is included in the attached copy of the application materials. The applicant proposes to incorporate GHG reduction methods including: construction of an energy star roof, installation of photovoltaic panels on the roof of the proposed addition, and installation of energy conserving lighting and water efficient fixtures. The existing business already incorporates the use of three electric vehicles and one alternative fuel vehicle and provides bicycle incentives. Landscape improvements will meet the requirements of the state's Modified Water Efficient Landscape Ordinance (MWELO) and will use recycled water from Napa Sanitation District.

<u>Public Comments</u> – PBES has received three letters in support of the project and no letters were received against the project.

The project was reviewed by the Fire Marshal and it was determined that the site design meets Fire code access requirements.

Engineering Services finds the project, as conditioned, complies with industrial park development standards. Engineering Services has included conditions addressing compliance with regulations regarding grading, erosion, drainage, and stormwater control.

Environmental Health staff has conditioned the project to address businesses generating and/or storing hazardous materials, solid waste, and recyclable materials, and to connect to the City of American Canyon and Napa Sanitation District.

The application was reviewed by the County Airport Land Use Commission (ALUC) staff liaison. Staff determined that the project, with the incorporation of the proposed conditions of approval, complies with the ALUC Plan.

Decision Making Options:

As noted in the Executive Summary Section above, Staff is recommending approval of the project with conditions of approval as described in Option 1 below. Decision making options including the following:

Option 1 – Applicant's Proposal

Disposition - This option would result in construction of an approximately 28,000 square foot new warehouse/storage building, the renovation of an existing building, and site improvements for the operation of a custom crush wine production facility with a maximum annual production capacity of 250,000 gallons.

Action Required - Follow the proposed actions listed in the Executive Summary. If conditions of approval are to be amended, specify conditions to be amended at the time the motion is made. Building and landscape setbacks, on-site parking, and building design meet or exceed the requirements of the NVBPSP. No exceptions or variations to the development standards of the NVBPSP have been requested. Staff recommends this option based on the reasons discussed above.

Option 2 – Reduced Project Alternative

Disposition - Development in the business park area does not generally lend itself to a reduced project alternative such as floor area reductions or restrictions on the number of employees, hours of operation, or business operations. However, the Commission could require an alternative such as a redesign of the structure or the installation of the remaining parking required for the project. Staff does not recommend a redesign because of the location of the building in a fully developed area and as a redesign would create unnecessary constraints with the site design or the installation of required parking at this time. The original building and site plan were designed for a future expansion and the proposed project requests expansion of an existing business as opposed to a speculative building. The proposal complies with all requirements of the NVBPSP, with the exception of parking. Based on the administrative record as of the issuance of this staff report, there does not appear to be any evidence that suggests such limits on the proposed development of this industrial park property are warranted.

Action Required – Follow proposed action listed in Executive Summary and amend scope and project specific conditions of approval to place limits on development. If major revisions of the conditions of approval are required, item will need to be continued to a future date.

Option 3 - Deny Proposed Project

Disposition - In the event the Commission determines that the project does not, or cannot meet the required findings for grant of a use permit, Commissioners should articulate what aspect(s) of the project is in conflict with 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 is not being approved. 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 project and remand the matter to staff for preparation of required finding to return to the Commission on specified 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 Approvals
- D . Initial Study/Negative Declaration
- E . Public Comment
- F. Use Permit Application Packet
- G. Graphics
- H. Parking Plan Option
- I. NVBPSP Winery Comparison

Reviewed By: Charlene Gallina