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Agenda Date: 8/17/2016

Agenda Placement: 9A

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: John McDowell, Deputy Planning Director - 299-1354

SUBJECT: Frog's Leap Winery Use Permit Major Modification #P14-00054

RECOMMENDATION

FROG'S LEAP WINERY / FROG'S LEAP WINERY, LLC. - USE PERMIT MAJOR MODIFICATION NO. P14-00054-MOD

CEQA Status: Consideration and possible adoption of a Revised Negative Declaration. According to the proposed Revised Negative Declaration, the project would not have any potentially significant environmental impacts. The project site is not on any of the lists of hazardous waste sites enumerated under Government Code Section 65962.5.

Request: Approval to modify previous project approvals (Use Permit #U-93397, Use Permit #U-98501-MOD, Use Permit #P04-0427-MOD, and Use Permit #P10-00157-MOD) for the existing 240,000 gallons per year Winery to allow the following: 1) Construction of a 2,902 square foot building to replace an existing 2,290 square foot modular office building and including a commercial kitchen for processing of fruit from orchard trees located on the subject property and for food preparation for marketing and visitation; visitation and marketing space including a wine library; and a 845 square foot covered but unenclosed porch attached to the 2,902 square foot building; 2) Construction of a 145 square foot restroom building; 3) increase the daily tours and tastings from the approved 50 persons per day and 350 persons maximum per week, to 125 persons maximum per day Monday through Friday and 300 persons maximum per day on Saturday and Sunday, and a weekly maximum of 1,100 persons per week. Visitation hours will be modified from the existing hours of 8:00 AM to 4:30 PM to 10:00 AM to 6:00 PM; 4) modify the existing approved Marketing Plan that allows for a total of 3 monthly events for up to 25 persons to add 1 event per week for up to 20 persons, 1 event per month for up to 150 persons, 1 event quarterly for up to 500 persons; 5) upgrade the existing water system and wastewater treatment and disposal systems; 6) installation of four new water tanks totaling 35,000 gallons for fire suppression for improved domestic water supply system; 7) increase full time employees from 4 previously permitted to the existing 30 full-time employees and 5 part-time employees; and 8) the addition of 30 parking spaces for a total of 68 spaces. The project also includes a request for an Exception to the Napa County Road and Streets Standards incorporate shoulder widening along Conn Creek Road in lieu of installing a left turn lane, and use of the driveway along Rutherford Road for employee and delivery access. Pursuant to the Napa County Road and Street Standards, the approval authority for this exception is the

Public Works Director because the exception is located within a public right-of-way. Action on the Road Exception will be taken by the Public Works Director after the Planning Commission decision on the Use Permit Modification. The project is located at 8815 Conn Creek Road on a 38.92 acre parcel on the west side of Conn Creek Road between Silverado Trail and Rutherford Road, Rutherford, CA, within an AP (Agriculture Preserve) zoning district (Assessor's Parcel Number 030-090-033-000).

Staff Recommendation: Adopt the Revised Negative Declaration and approve the Use Permit Major Modification, as conditioned.

Staff Contact: John McDowell, (707) 299-1354 or john.mcdowell@countyofnapa.org

Applicant Contact: Jeff Redding, (707) 255-7375

CONTINUED FROM THE DECEMBER 2, 2015, JANUARY 6, 2016. APRIL 20, 2016, AND JUNE 15, 2016 MEETINGS

EXECUTIVE SUMMARY

Proposed Actions:

That the Planning Commission:

1. Adopt the Revised Negative Declaration based on Findings 1 - 7 of Attachment A; and
2. Approve Use Permit Modification P14-00054-MOD based on Findings 8-12 of Attachment A, subject to the recommended conditions of approval (Attachment B).

Discussion:

Frog's Leap Winery was established on May 18, 1994, by approval of Use Permit #U93397 for a 240,000 gallon/year winery in a 26,624 square foot winery building. There were subsequent use permit modification approvals to expand the facility (Use Permit #U93397-UP; Use Permit Major Modification #U98501-MOD; Use Permit Major Modification P04-0427-MOD; and P10-00157-MOD).

The project as it exists is generally compliant with respect to the structures on the property. However, the visitation, marketing, and number of employees exceeds the last Use Permit Modification which permitted up to 50 visitors per day, 36 annual events, and 4 full-time employees. The applicant submitted this application voluntarily to address these compliance issues. Currently the daily by-appointment visitation averages 116 visitors per day and 812 visitors weekly. The existing marketing plan consists of 18 events annually but several exceed the visitor limit of 25 in the current entitlement. There are presently 30-full time employees and 5 part-time employees.

The applicant is requesting to expand the existing Winery by constructing a 2,902 square foot building to replace a 2,290 square foot modular office building. This modular office was required to be converted to a residence under Major Modification P04-0427-MOD but that did not occur and the building has been essentially in disuse. The new building will contain tasting and visitation space, including an unenclosed outdoor patio, and will feature a commercial kitchen for both food preparation in support of visitation and marketing as well as to process fruit tree produce into jams, jellies and butters. There are no changes to the gallons of wine produced as part of this proposal.

The project also includes a Napa County Road and Streets Standards Exception (RSS Exception) request to incorporate shoulder widening along Conn Creek Road in lieu of installing a left turn lane at the main project

entrance. Employee and delivery truck access will be shifted to an existing secondary driveway to reduce daily trips at the main driveway. Because this RSS Exception request occurs within the public right-of-way, the Director of Public Works will take action on the request after the Planning Commission's decision on the Use Permit Modification.

This item was originally scheduled to be heard on January 4, 2016, April 20, 2016, and June 15, 2016 but was continued in response to comments from the public regarding the adequacy of the Negative Declaration. Staff and the applicant have worked together to respond to the comments raised. The Revised Initial Study was recirculated for public review and comment on March 18, 2016, through April 19, 2016. Subsequent revisions occurred due to additional comments received during that recirculation period. See attachments for the Revised Initial Study.

This staff report replaces the staff report issued for April 20, 2016. The analysis within this report has been updated, as well as, substantial updates and augmentation of the administrative record contained within the attachments.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

Consideration and possible adoption of a Revised Negative Declaration. According to the proposed Revised Negative Declaration, the proposed project would not have any potentially significant environmental impacts. The project site is not on any of the lists of hazardous waste sites enumerated under Government Code Section 65962.5.

BACKGROUND AND DISCUSSION

Owner/ Applicant: Frog's Leap Winery, John T. Williams, 8815 Conn Creek Road, Rutherford, CA 94573

Representative: Jeff Redding, 2423 Renfrew Street, Napa, CA 94558; (707) 255-7375

General Plan Designation: AR (Agricultural Resource)

Zoning: AP (Agricultural Preserve)

Filed: February 28, 2014 (original submittal); **Complete:** July 22, 2016 (revised project)

Winery size:

Existing: 47,275 s.f.

Proposed: 48,303 s.f.

Production Capacity:

Existing: 240,000 gallons per year

Proposed: No change proposed

Visitation:

Existing Approval: 50 persons per day Monday through Sunday, maximum 350 persons per week (by prior appointment).

Existing Conditions: 116 persons on average per day, 812 persons weekly (by prior appointment)

Proposed: 125 persons maximum per day Monday through Friday and 300 persons maximum per day Saturday and Sunday, with a weekly maximum of 1,100 persons per week

Number of Employees:

Existing Approval: 4 FT

Existing Conditions: 30 FT and 5 PT

Proposed: 30 FT and 5 PT

Hours of Operation:

Existing: 8:00 AM - 4:30 PM seven days per week

Proposed: Winery Operation: 8:30 AM - 6:00 PM seven days per week; Visitation hours 10:00 AM - 6:00 PM

Marketing:

Existing Approval: Three 25-person events monthly (36 annually)

Proposed: Three 25-person events monthly (36 annually), one event per week for up to 20 persons (52 annually), one event per month for up to 150 persons (12 annually), one event quarterly for up to 500 persons (4 annually)

Parking:

Existing Approval: 38 spaces

Proposed: 68 spaces

Parcel Size: 38.9 acres

Winery Coverage:

Existing: 4.6% (25% allowed)

Proposed: 6.8% (25% allowed)

Accessory/Production Ratio:

Existing: 20.1% (40% allowed)

Proposed: 30% (40% allowed)

Adjacent General Plan Designation/Zoning / Land Use:North

Agricultural Resource General Plan designation

Agricultural Preserve (AP) Zoning

wineries, vineyards, rural residential uses

South

Agricultural Resource General Plan designation

Agricultural Preserve (AP) Zoning

wineries, vineyards, rural residential uses

East

Agricultural Resource General Plan designation

Agricultural Preserve (AP) Zoning

wineries, vineyards

West

Agricultural Resource General Plan designation
Agricultural Preserve (AP) Zoning
wineries, vineyards, rural residential uses

Nearby Wineries (located within one mile of project):

Refer to the attached spreadsheet. (Exhibit A)

Property History:

1969 - Owner enters into Napa County Agricultural Preserve contract.

1976 - Use Permit application U-247475 was denied by the Planning Commission which required the applicant to contract with the County to complete an EIR. Applicant notified the County that the contract would not be made at that time.

1994 - Use Permit #U-93397-UP was approved by the Planning Commission to construct a 26,624 sq ft winery with 240,000 gallons per year production with visitation for up to 50 persons per day Monday through Saturday by appointment only and three marketing events with an average of 25 guests, and four (4) full-time employees. The Winery was constructed in phases and following the Department of Interior's guidelines for historic structures they converted the existing historic red barn was converted into the Winery. The Planning Commission adopted a Negative Declaration.

1999 - Modification #U-98501-MOD was approved by the Planning Commission to increase the square footage of the barrel storage building from 9,600 to 18,404 sq ft.

2005 - Modification #P04-0427-MOD was approved by the Planning Commission to construct a 10,400 sq ft administration/visitor building, relocate some buildings, relocate and realign the existing driveway, and relocate the visitor parking lot.

2010 - Modification #P10-00157-MOD was approved by the Planning Commission changing tours and tasting (by appointment only) from Monday through Saturday to include Sunday tours and tastings for 50 persons per day maximum, and 350 maximum per week. No changes to winery production levels, marketing activities and events, or to site and building improvements were proposed or approved. The Planning Commission adopted a Negative Declaration.

Code Compliance History:

Prior to submittal of this application, the County was not aware of any compliance issues on the property and no complaints have been filed. However, the winery is currently exceeding visitation, marketing and employment limits as noted above. In addition, the modular office which will be removed with this project was required to be converted to a single family residence as a condition of approval of Use Permit P04-0457-MOD. This requested use permit modification will reconcile these compliance issues.

Discussion Points

Project Proposal - The applicant proposes to construct a new building that will include additional tasting room area, a wine library and a commercial kitchen. The commercial kitchen will be used to process fruit from the existing orchard on-site into jams, jellies, and preserves, as well as for food preparation in support of marketing and visitation. The project also include an increase in daily tours and tastings, increase in the number of

employees, and increase in the marketing plan. There are no changes to the gallons of wine produced as part of this proposal. The project will also require expansion of a transient non-community water system to serve the employees and visitors. The proposed buildings all comply with required setbacks. Due to the location and distance of the buildings from State Highway 128 and Rutherford Road, the proposed structures are not visible from any roadways. Additionally, the applicant has requested an exception to a left turn lane requirement on Conn Creek Road and has proposed widening of the shoulder as an alternate design, which has been reviewed and found supportable by the Department of Public Works, pending a decision on the project by the Planning Commission.

Setting - The 38.92 acre parcel is located on the valley floor on the west side of Conn Creek Road between Silverado Trail and Rutherford Road. The Winery site is relatively flat, with slopes ranging from 0-5% on the property. The existing development on the site consists of a 240,000 gallon/year winery facility comprised of five production and/or hospitality buildings, approximately 38 parking spaces, both paved and unpaved access roads, 32 acres of existing vineyard, and two acres of existing orchard. The surrounding land uses include vineyards, wineries (eight), and residential development on large parcels, the nearest of which is approximately 2,700 feet from the existing Winery. The Winery is approximately one-third of a mile west of Conn Creek and 0.75 mile from the Napa River. No streams or surface water ponds exist on the property.

New Winery Buildings - The applicant is proposing to replace the existing unused 2,290 square foot modular office building located on the western side of the cluster of winery buildings with a new 2,902 square foot commercial kitchen and hospitality building. This structure will include an unenclosed 845 square foot wrap around deck (in addition to the 2,902 square feet of enclosed area) for hospitality. The building's commercial kitchen will be utilized for food preparation in support of visitation and marketing events, however larger events will be supported by licensed caterer. The commercial kitchen will also function as the processing center for fruit orchard jams, jellies and butters requested as part of this permit. Although the commercial kitchen will be used at times for agricultural production, because it will also be used for hospitality and food preparation for hospitality, the enclosed elements of the building have been treated as accessory use space for the purposes of evaluating Winery Definition Ordinance (WDO) accessory-to-production ratio limits. Even with the proposed new accessory use area, the overall project falls well within the allowable accessory use range at 30%. In keeping with existing WDO practices, the unenclosed hospitality areas have not be included in the accessory use areas. A 145 square foot restroom building will also be constructed adjacent to this new building.

Agricultural Processing – In addition to wineries, within the agricultural zoning districts non-winery agricultural processing facilities are allowed by use permit provided that the agricultural products produced at the facility are sourced 100% from Napa County. Regulations enabling these facilities are silent on accessory hospitality limits, but in practice the County has limited accessory hospitality functions in a manner similar to that applied to wineries under the WDO. In fact, prior agricultural processing facility requests have been quite similar to this application where the use is simply a component of a winery. As such, the limits placed on the winery hospitality also apply to the non-winery agricultural production.

This agricultural processing facility request is quite limited in scope, and clearly ancillary to the existing winery function. It consists of processing the fruit from the 2 acres of on-site orchard into jams, jellies, and fruit butters. This function will occur entirely within the commercial kitchen and is at a scale commensurate with that of a home business or cottage food operation. Capacity of the facility is a mere 200 lbs. of produce a day and 5,000 lbs. annually. Projected water use associated with this function is nominal as the jars/packages will be ready shipped for canning. Standard kitchen pots and pans will be used for processing. No industrial grade food processing appliances are involved.

Proposed conditions of approval limit production but do not require all fruit to be sourced on the subject property. The environmental analysis considers the possibility of imported fruit (from within Napa County) should issues arise with the on-site orchards. Due to the small size of the operation, off-site fruit deliveries would be a nominal

change.

Employee Levels - Existing use permit entitlements only contemplated 4 full-time employees for operation of the entire facility. Hindsight being what it is, it was perhaps shortsighted to conclude that 240,000 gallons of wine, 50 daily visitors, and 36 annual events could be achieved with only 4 employees to support that level of use. Therefore, even if no increase in visitation or marketing is approved over previously authorized levels, it appears necessary to increase employee levels. The operation currently employs 30 full-time staff and 5 part-time staff. Given that visitation and marketing are in excess of the existing limits, should the Commission grant the proposed increase in visitation and marketing, it appears necessary to increase the employee levels as requested.

Tours & Tasting/Marketing Events – Like many winery expansion proposals that have come before the Commission in recent years, if approved this request will substantially increase by-appointment visitation and marketing in response to the shift to direct-to-consumer wines sales influencing the market. As previously noted, the applicant is openly admitting that they currently conduct visitation beyond the 50 person limit due to the demand they are experiencing. As is current practice, staff has prepared a Winery Comparison Chart to assist the Commission in considering this request. The applicant is requesting to raise visitation to 125 maximum daily visitors on weekdays and 300 maximum daily visitors on weekends. Likewise, the applicant is requesting to add 68 annual marketing events to the current approved 36 annual events. The applicant indicates that they arrived at the proposed visitation and marketing after visiting numerous existing wineries to determine appropriate levels.

The attached visitation and marketing exhibit provides information on location and operation criteria, as well as comparing the proposed project to similarly sized wineries. On locational criteria, the project is on a large parcel on the Napa Valley floor, and is located outside of flood zones and sensitive areas. No setbacks variances are requested, but they are requesting a RSS Exception. On operational criteria, the project is Napa Green Certified, sources 75% of the grapes for wine production from properties owned and/or managed by Frog's Leap Winery, and has incorporated 16 voluntary greenhouse gas emission reduction measures into the overall development. The project is current operating beyond the allowed levels of visitation and employees, and traffic congestion is being experienced on nearby arterial road segments for both State Route 29 and Silverado Trail during PM peak periods.

The comparison winery charts developed by Staff selected winery approval with production from 200,000 gallons annually to 300,000 gallons annually because there were very few wineries with approved production levels near 240,000 gallons. Frog's Leap Winery is a post-WDO winery having been originally approved in 1994. There are 3 post-WDO comparison wineries between the range selected consisting of Paraduxx, Girard and Altamura. There are 18 pre-WDO comparison wineries. The proposed daily and weekly levels of visitation are considerably higher than the entitlements granted for the three post-WDO wineries, but within a similar range to those entitled for pre-WDO wineries. Similarly, the number of marketing events and annual total of marketing visitors proposed is on the higher side of the spectrum. Total number of annual visitors is 62,940, which is substantially more than the levels granted for the three post-WDO wineries used in the comparison, and roughly equivalent to the average annual permitted visitation calculated for the 18 pre-WDO wineries.

Left Turn Lane Exception Request - The applicant is seeking relief from the requirement to install a left turn at the main driveway serving the project. Typically RSS Exceptions are approved by the Planning Commission in concert with the Use Permit action, but in this case since the improvements are within the public right-of-way the decision is made by the Director of Public Works. The same two required findings apply, but those findings are made by the Public Works Director. The Planning Commission's role in this matter is to adopt the environmental document and act on the use permit request. The Public Works Director cannot take action on the left turn lane request until a CEQA document has been adopted.

The County's Traffic Engineer has extensively reviewed the proposal, and all evidence regarding potential damage to the existing tree, and has indicated tentative support of the exception (see attachments). In response to

comments, the applicant changed the location of the proposed shoulder widening to reduce the amount of pavement encroaching within the drip line of the tree.

Staff is requesting adoption of a condition of approval to use both signage and business practices to split traffic between the two driveways serving the development. The main driveway, on the eastern side of the project, will be signed for visitor access and the southern driveway will be signed for deliveries and employees access. Employees, drivers, and visitors will be instructed to use the specific driveways. Splitting the traffic reduces turn lane volumes at the eastern driveway and supports the RSS Exception by reducing the number of left turns occurring at that driveway.

Traffic & Parking – The applicant has submitted a traffic study prepared by Omni Means Engineering Solutions dated December 15, 2014 and as revised through July 13, 2016. According to the study peak period vehicle counts were conducted on a weekday late afternoon (4:00-6:00 p.m.) and Saturday afternoon (1:00-4:00 p.m.). The resultant “peak hour” of traffic flow on Conn Creek Road occurs during 4:00-5:00 p.m. (Wednesday) and 1:15-2:15 p.m. (Saturday). Based on the Highway Capacity Manual (HCM 2000) operations methodology for unsignalized intersections, existing weekday PM peak and weekend mid-day peak hour existing (no project and near-term) level-of-service has been shown as LOS A at the Winery’s driveway and Conn Creek Road, LOS E at Silverado Trail/Conn Creek Road, and LOS B at Rutherford Road/Conn Creek Road. The applicant also submitted a technical memorandum dated October 8, 2015 that requests an exception for a left turn lane. That request has been reviewed and tentatively approved by the Public Works Department, as stated in their memo attached. In approving the exception the applicant will be required to instead incorporate widening of the shoulder by six feet along Conn Creek Road for approximately 280 feet, and use the driveway along Rutherford Road for employee and delivery access. Formal action will be taken by the Public Works Department after the Planning Commission makes a decision on the Use Permit application as a whole.

Based on ultimate employee and visitor/guests to the winery, the proposed project would be expected to generate 202 weekday daily trips with 30 PM peak hour trips. During a typical weekend (Saturday), the project would be expected to generate 255 daily trips with 86 mid-day (afternoon) peak hour trips. During the six-week harvest crush season, the proposed project is expected to generate an average of 287 Saturday daily trips. Based on the largest marketing event attendance of 500 persons (four times per year), there would be a total generation of 403 event trips. With existing plus proposed winery traffic volumes, all three project study intersections would continue to operate at the same LOS as under existing (no project) conditions. During the weekday PM peak hour, both the Frog’s Leap Driveway/Conn Creek Road and Rutherford Road/Conn Creek Road intersections would operate at LOS A and B, respectively. The Silverado Trail/Conn Creek Road intersection would operate at LOS E. During the weekend mid- day peak hour, the Frog’s Leap Driveway/Conn Creek Road and Rutherford Road/Conn Creek Road intersections would continue to operate at LOS A with the Silverado Trail/Conn Creek Road intersection operating at LOS E. Overall vehicle delay (in seconds) would increase slightly as a result of proposed project traffic.

The contribution of the project’s traffic to peak trips is less than 1% to the existing traffic volume for both project specific and cumulative conditions. Napa County has also adopted several measures identified in the General Plan to reduce vehicle trips through public transit and Transportation Demand Management (TDM) strategies: “The project will support programs to reduce single occupant vehicle use and encourage alternative travel modes.” In keeping with the policy, the Winery will provide bicycle racks for visitors who may arrive by bike. The project shall also promote the use of public transportation and carpooling of employees (by adjusting work schedules, etc.) to facilitate the use of other transportation modes.

In response to the Shute, Mihaly, and Weinberger’s letter dated December 23, 2015, Omni Means Engineering Solutions submitted a Memo dated January 13, 2016 addressing the issues raised. The memo from both the applicant’s engineer responded that the traffic study used the correct approach to establish the baseline for existing conditions, the correct County thresholds of significance were used, the traffic study analyzed the appropriate study area, as relevant to the project, the left-turn lane exception was applied for appropriately as set

forth in the Road and Street Standards, and that the safety concerns cited were not relevant to the project, as the references made in the letter was to a traffic incident that took place in Sonoma County. Additionally, the County's Public Works Deputy Director concurred with the applicant's traffic engineer that an appropriate baseline, thresholds, study area was used to evaluate the project's impacts to traffic. That the proposed improvements to Conn Creek Road, in addition to operational requirements would adequately address the need for a left-turn lane and followed the County provided guidelines and process for request of an Exception.

Groundwater Availability - A Water Availability Analysis (WAA) was prepared for the project by Applied Civil Engineering, Inc., dated April 7, 2015. The threshold for this valley floor parcel is 38.92 af/yr, which is calculated by applying a rate of 1.0 af/yr multiplied by the total acreage of the site. The findings of the Napa County Groundwater Conditions and Groundwater Monitoring Recommendation Report (Feb 2011) and subsequent studies have confirmed that the 1.0 af/yr valley floor threshold has proven to be a sustainable limit for groundwater resources. The WAA indicates the total water demand on the parcel from the existing winery and associated improvements is 15.91 af/yr. As a result of the proposed project, there will be a moderate increase in water use from the proposed Marketing events.

The estimated total water demand from the proposed project and existing conditions is 16.05 af/yr, representing an increase of 0.14 af/yr over the existing condition, and is less than half the 38.92 af/yr threshold established for the parcel. Under past approvals for the Winery, the property is already subject to the County's standard condition of approval requiring well monitoring, as well as the potential to modify/alter permitted uses on site should groundwater resources become insufficient to supply the use. The project will also be conditioned to monitor groundwater pumping to ensure the allocation designated for Winery and agricultural processing use does not exceed the fair share threshold.

Grape Sourcing - The applicant farms 250 acres of existing vineyards in Napa Valley, including the 32 acres on-site. No changes in production or grape sourcing are proposed or considered in this application.

Noise - Noise from winery and agricultural processing operations is generally limited; however, the proposed marketing plan could create additional noise impacts. The existing marketing plan allows for three monthly events for up to 25 persons, however, actual marketing events have totaled 18 with an average of 88 persons per event. This application requests the addition of 52 weekly events for up to 20 persons, 12 monthly events for 150 persons (the winery would be closed to visitation on days with 150-person marketing events scheduled during the day time), four quarterly events for up to 500 persons (the winery would be closed to visitation on days with 500-person marketing events), and participation in Auction Napa Valley. While these events are requested for formal approval, the 189 marketing events have been taking place since 2012 and include a once a year temporary event that hosts 450 people. During this timeframe, and since the Winery became operational, there have been no noise complaints received by PBES regarding any activities at the Winery, either operational or with respect to hospitality functions. The Napa County Noise Ordinance, which was adopted in 1984, sets the maximum permissible receiving sound level for a rural residence as 45 dBA between the hours of 10 p.m. and 7 a.m. While the 45 dBA limitation is strict (45 dBA is roughly equivalent to the sound generated by a quiet conversation), the area surrounding the subject property is sparsely developed, with a scattering of homes located in the immediate vicinity of and directly adjacent to the site with the nearest residences located approximately 635 feet to the north and State Highway 128 contributing to the ambient noise baseline. Existing winery structures shield the closest residences from potential noise from either construction or marketing events. Equipment used in the demolition and construction activities could include backhoes and heavy duty trucks, which might generate short-term, construction-related noise. As limited by Napa County Code (Section 8.16.080.B.2), construction is prohibited between the hours of 7:00 p.m. and 7:00 a.m. in order to preserve the ambient noise environment during the more sensitive evening and nighttime hours. Daytime noise impacts related to the new construction would be considered less than significant due to their short term nature.

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 incorporated some measures (generation of 80% of its electricity on-site via solar panels, bicycle incentives, installed water efficient fixtures, water efficient landscape, recycling 75% of all waste, compost 75% of all food and garden materials, planting of shade trees on the south elevation, operate a "Napa Green Winery," Certified as "Napa Green Land," use of recycled materials, local food production, education of staff and visitors, use of 70-80% cover crop, retention of bio-mass via pruning and chipping) and will incorporate additional GHG reduction methods including: living roof or cool roof, and limiting the amount of grading.

Public Comments - At the time this application was originally noticed, staff received a letter from SMW dated December 23, 2015, and written on behalf of neighbor Nancy Hammond, that voiced concerns with the project and the Negative Declaration. The Planning Commission subsequently dropped the item from the original January 4, 2016 hearing date so that staff could work with the applicant in addressing the issues raised including, noise, traffic, and the RSS Exception to the installation of the left-turn lane. The applicant and their engineer provided a response to the points raised in the SMW letter with additional memos dated January 13, 2016 and February 3, 2016 respectively (attached). Staff revised the Initial Study/Negative Declaration and it was recirculated for 30 days through the Office of Planning and Research in addition to the legal mailings, newspaper publishing, and posting. In the lead up to the April 20, 2016 hearing, staff received a new letter from SMW dated April 15, 2016. The applicant asked for a continuance of the item to allow Omni Means to respond to the issues raised.

A letter was received from Yocha Dehe Wintun Nation (YDWN) on April 4 requesting information concerning potential cultural resources on the site in response to circulation of the public notice. Staff responded to YDWN by informing them that no known cultural or archeological sites were noted on the project site, however all projects in the County are required to halt construction and hire a qualified archeologist in the event resources are discovered during construction. Since all construction on the site has been previously developed, there is a low probability of encountering any cultural resources. A representative from YDWN conducted a visit to the site in May and subsequently sent a letter dated May 17, 2016 stating they were not aware of any cultural resources on the site, and that no Cultural Monitor would be needed on site for construction.

To date, staff has received three letters in support of the project.

Decision Making Options

As noted in the Executive Summary Section above, Staff is recommending approval of the project with conditions of approvals as described in Option 1 below. Decision making options also include a reduced development alternative and no project alternative.

Option 1 – Approve Applicant's Proposal

Disposition – This option expands the operations of an existing winery with an agricultural processing facility to process fruit from the existing orchard on-site; increase the daily tours and tastings; increase the number of employees; expand the existing Marketing Plan; and upgrade infrastructure to accommodate the marketing and visitation requested.

Action Required – Follow proposed action listed in the Executive Summary.

Option 2 – Reduced Hospitality Alternative

Disposition – This option could result in a potential decrease in the proposed tours and tastings and/or the proposed marketing program. Specifically, adjustments to the visitation and the marketing program could be reduced.

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

Option 3 – Deny Proposed Modification

Disposition – In the event the Commission determines that the project does not, or cannot meet the required findings for grant of a use permit modification, Commissioners should articulate what aspect or aspects of the project are in conflict with required findings. State law requires the Commission to adopt findings, based in 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 a 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 the item to a future hearing date at its own discretion.

SUPPORTING DOCUMENTS

- A . Winery Comparison Analysis
- B . Findings
- C . Conditions of Approval
- D . Agency Comments
- E . Previous Project Conditions
- F . Initial Study/Negative Declaration
- G . Correspondence Received After April 20, 2016 Packet Mailout
- H . Public Comments Submitted Before April 20, 2016
- I . Applicant Response to Public Comment Before April 20, 2016
- J . Use Permit Application Packet
- K . Revised Road & Street Standard Exception Request Packet
- L . Revised Traffic Study
- M . Wastewater Feasibility Study
- N . Water Availability Analysis
- O . Graphics
- P . Applicant Response to Staff Report of April 20, 2016
- Q . Applicant Response to Public Comment After April 20, 2016
- R . Part 1
- S . Part 2
- T . Part 3

U . Part 4

V . Part 5

Napa County Planning Commission: Approve

Reviewed By: Charlene Gallina