

Exhibit B

CONDITIONS OF APPROVAL

Marciano Winery

Use Permit Application № P08-00423-UP

2233 Sulphur Springs Avenue, St. Helena, Calif. 94574

Assessor's Parcel № 027-020-061

1. **SCOPE:** This approval shall be limited to a Use Permit to allow the following:

- wine production of no more than 20,000 gallons per year (consistent with the Napa County Winery Production Process);
- a 2,795 sq. ft. single-story barrel storage building;
- a 7,314 sq. ft. two-story production, office, catering kitchen, and hospitality building;
- a 566 square foot mechanical building with adjoining mechanical yard;
- Hours and days of operation for the winery shall be limited to 9 AM to 5:30 PM, Monday through Saturday (except during crush);
- two full-time and two part-time employees;
- a nine parking space lot with required ADA-accessible space(s);
- improvement of an existing unpaved vineyard lane to winery road standards;
- new domestic and process wastewater treatment systems with subsurface disposal adjacent to the intersection of Sulphur Springs Road and the winery driveway; and
- two new water tanks on an existing upslope gravel pad.

Except as they may be modified by the project revision statement or by these conditions of approval, the winery shall be designed in substantial conformance with the submitted site plan, elevation drawings, and other submittal materials and shall comply with all requirements of the Napa County Code. It is the responsibility of the applicant to communicate the requirements of these conditions and mitigations (if any) to all designers, contractors, employees, and guests of the winery to ensure compliance is achieved. Any expansion or changes in use shall be approved in accordance with Section 18.124.130 of the Napa County Code and may be subject to the Use Permit modification process.

2. **MARKETING:** Marketing events shall be limited as follows:

- **Private Promotional Tastings with Meals** (not to exceed 6 annually) - up to 50 people, with food catered or prepared on site in the commercial kitchen.
- **Release Event** (not to exceed 1 annually) - up to 75 people, with food catered or prepared on site in the commercial kitchen.

- and participation in **Auction Napa Valley**.

"Marketing of wine" means any activity of a winery identified in this paragraph which is conducted at the winery and is limited to members of the wine trade, persons who have pre-established business or personal relationships with the winery or its owners, or members of a particular group for which the activity is being conducted on a prearranged basis.

Marketing of wine is limited to activities for the education and development of the persons or groups listed above with respect to wine which can be sold at the winery on a retail basis, and may include food service without charge except to the extent of cost recovery when provided in association with such education and development, but shall not include cultural and social events unrelated to such education and development. (Ord. 1104 § 11, 1996: Ord. 947 § 9 (part), 1990: prior code § 12071).

All activity, including cleanup, shall cease by 10:00 PM. Start and finish time of activities shall be scheduled to minimize vehicles arriving or leaving between 4:00 PM and 6:00 PM.

Parking during marketing events shall be subject to any and all requirements enumerated elsewhere in these conditions of approval, the project revision statement, and those documents incorporated herein by reference.

3. **TOURS AND TASTING:** Tours and tastings shall be limited to

- by-appointment tours and tastings with a maximum of 15 visitors per day and 75 per week

"Tours and tastings" means tours of the winery and/or tastings of wine, where such tours and tastings are limited to members of the wine trade, persons invited by a winery who have pre-established business or personal relationships with the winery or its owners, and persons who have made unsolicited prior appointments for tours or tastings. (Ord. 947 § 9 (part), 1990: prior code § 12070).

Start and finish time of tours and tastings shall be scheduled to minimize vehicles arriving or leaving between 4:00 PM and 6:00 PM, and shall be limited to those wines set forth in Napa County Code Sec. 18.16.030(G)(5)(c).

A log book (or similar record) shall be maintained which documents the number of visitors to the winery, and the dates of their visit. This record of visitors shall be made available to the Department upon request.

4. GRAPE SOURCE:

At least 75% of the grapes used to make the winery's wine shall be grown within the County of Napa. The permittee shall keep records of annual production documenting the source of grapes to verify that 75% of the production is from Napa County grapes. The report shall recognize the Agriculture Commission's format for County of origin of grapes and juice used in the Winery Production Process. The report shall be provided to the Conservation, Development and Planning Department upon request, but shall be considered proprietary information not available to the public.

5. SIGNS:

Prior to installation of any winery identification or directional signs, detailed plans, including elevations, materials, color, and lighting, shall be submitted to the Planning Department for administrative review and approval. All signs shall meet the design standards as set forth in Chapter 18.116 of the County Code.

At least one sign placed and sized in a manner to inform the public must legibly include wording stating "Tours and Tasting by Prior Appointment Only".

6. GATES/ENTRY STRUCTURES:

Any gate installed at the winery entrance shall be reviewed by the Conservation, Development, and Planning Department, the Department of Public Works, and the Napa County Fire Department to assure that it is designed to allow large vehicles, such as motor homes, to turn around if the gate is closed without backing into the public roadway, and that fire suppression access is available at all times. If the gate is part of an entry structure, an additional permit shall be required according to the County Code. A separate entry structure permit is not required if the entry structure is consistent with entry structure plans submitted, reviewed and approved as part of this use permit approval.

7. LIGHTING:

All exterior lighting, including landscape lighting, shall be shielded and directed downward, shall be located as low to the ground as possible, shall be the minimum necessary for security, safety, or operations, and shall incorporate the use of motion detection sensors to the greatest extent practical. No flood-lighting or sodium lighting of the building is permitted, including architectural highlighting and spotting. Low-level lighting shall be utilized in parking areas as opposed to elevated high-intensity light standards.

Prior to issuance of any building permit pursuant to this approval, two copies of a detailed lighting plan showing the location and specifications for all lighting fixtures to

be installed on the property shall be submitted for Planning Division review and approval. All lighting shall comply with the California Building Code.

8. **LANDSCAPING/PARKING:**

Two (2) copies of a detailed final landscaping plan, including parking details, shall be submitted for Planning Division review and approval prior to the issuance of any building permit associated with this approval. The plan shall indicate the names and locations of all plant materials to be used along with the method of maintenance. **Plant materials shall be purchased locally when practical. The Agricultural Commissioner's office (707.253.4357) shall be notified of all impending deliveries of live plants with points of origin outside of Napa County.**

The location of employee and visitor parking and truck loading zone areas shall be identified along with proposed circulation and traffic control signage (if any). **Landscaping and parking shall be completed prior to occupancy, and shall be permanently maintained in accordance with the landscaping plan.**

No trees greater than 6" DBH shall be removed, except for those which may have been identified on the submitted site plan. **Any trees that are removed shall be replaced elsewhere on the property on a 2 for 1 basis of equivalent caliper.** Replaced trees shall be identified on the landscaping plan.

Before the start of any clearing, excavation, construction, or other work in their vicinity, all trees in the project area which are not otherwise slated for removal shall be securely fenced-off at the dripline. Such fences shall remain continuously in place for the duration of work undertaken in connection with this approval. **In no case shall construction materials or debris be stored within the fenced tree protection area.**

Evergreen screening shall be installed between the industrial portions of the operation (e.g. tanks, crushing area, parking area, etc.) and off-site residences that can view such areas.

Parking shall be limited to approved parking spaces only. Parking shall not occur in other locations except during harvest and approved marketing events. In no case shall parking impede emergency vehicle access, public roads, or any private road providing access to other properties.

If any event is held which will exceed the available on-site parking, the applicant shall arrange for off-site parking and shuttle service to the winery.

9. OUTDOOR STORAGE/SCREENING/UTILITIES:

All outdoor storage of winery equipment shall be screened from the view of adjacent properties by a visual barrier consisting of fencing or dense landscaping. No item in storage is to exceed the height of the screening. Water and fuel tanks, and similar structures, shall be screened to the extent practical so as to not be visible from public roads and adjacent parcels.

New utility lines required for this project that are visible from any designated scenic transportation route (see Chapter 18.106 of the Napa County Zoning Ordinance for designated roads) shall be placed underground or in an equivalent manner be made virtually invisible from the subject roadway.

10. RENTAL/LEASING:

No winery facilities, or portions thereof, including, without limitation, kitchens, barrel storage areas, and warehousing space, shall be rented, leased, or used by entities other than persons producing and/or storing wine at the on-site winery, except as may be specifically authorized in this use permit or pursuant to the Temporary Events Ordinance (N.C.C. Chapter 5.36).

11. COMPLIANCE WITH OTHER DEPARTMENTS AND AGENCIES:

The permittee shall comply with all applicable building codes, zoning standards, and requirements of County Departments and Agencies, including but not necessarily limited to:

- Department of Environmental Management as stated in their memos of July 10, 2008 and August 12, 2009;
- Department of Public Works as stated in their project memo;
- County Fire Department as stated in their memos of August 19, 2009; and
- Building Division as stated in their printed comments of December 14, 2008.

The determination as to whether or not the permittee has substantially complied with the requirements of other County Departments and Agencies shall be determined by those Departments or Agencies. The inability to substantially comply with the requirements of other County Departments and Agencies may result in the need to modify the approved use permit.

12. **GRADING AND SPOILS:**

All grading and spoils generated by construction of the project facilities shall be disposed of per Public Works direction. All spoils piles shall be removed prior to occupancy.

13. **WELLS:**

The permittee may be required (at the permittee's expense) to provide well monitoring data if the Director of Environmental Management determines that water usage at the winery is affecting, or would potentially affect, groundwater supplies or nearby wells. Data requested could include, but would not necessarily be limited to, water extraction volumes and static well levels. If the applicant is unable to secure monitoring access to neighboring wells, onsite monitoring wells may need to be established to gauge potential impacts on the groundwater resource utilized for the project proposed. Water usage shall be minimized by use of best available control technology and best water management conservation practices.

In the event that changed circumstances or significant new information provide substantial evidence that the groundwater system referenced in the use permit would significantly affect the groundwater basin, the Director of Environmental Management shall be authorized to recommend additional reasonable conditions on the permittee, or revocation of this permit, as necessary to meet the requirements of the Napa County Groundwater Ordinance and protect public health, safety, and welfare. That recommendation shall not become final unless and until the Director has provided notice and the opportunity for hearing in compliance with the County Code §13.15.070 (G-K).

14. **NOISE:**

Construction noise shall be minimized to the greatest extent practical and allowable under State and local safety laws. Construction equipment muffling and hours of operation shall be in compliance with County Code Chapter 8.16. Equipment shall be shut down when not in use. Construction equipment shall normally be staged, loaded, and unloaded on the project site. If project terrain or access road conditions require construction equipment to be staged, loaded, or unloaded off the project site (such as on a neighboring road or at the base of a hill), such activities shall only occur between the hours of 8 AM to 5 PM.

Exterior winery equipment shall be enclosed or muffled and maintained so as not to create a noise disturbance in accordance with the Code.

There shall be no amplified sound system or amplified music utilized outside of approved, enclosed, winery buildings.

15. COLORS:

The colors used for the roof, exterior walls and built landscaping features of the winery shall be limited to earth tones that will blend the facility into the colors of the surrounding site specific vegetation and the applicant shall obtain written approval by the Conservation, Development, and Planning Department prior to painting the building. Highly reflective surfaces are prohibited.

16. DUST CONTROL:

Water and/or dust palliatives shall be applied in sufficient quantities during grading and other ground disturbing activities on-site to minimize the amount of dust produced.

Outdoor construction activities shall not occur during windy periods.

17. ARCHEOLOGICAL FINDING:

In the event that archeological artifacts or human remains are discovered during construction, work shall cease in a 50-foot radius surrounding the area of discovery. The permittee shall contact the Conservation, Development, and Planning Department for further guidance, which will likely include the requirement for the permittee to hire a qualified professional to analyze the artifacts encountered and to determine if additional measures are required.

If human remains are encountered during the development, all work in the vicinity must be, by law, halted, and the Napa County Coroner informed, so that he can determine if an investigation of the cause of death is required, and if the remains are of Native American origin. If the remains are of Native American origin, the nearest tribal relatives as determined by the State Native American Heritage Commission would be contacted to obtain recommendations for treating or removal of such remains, including grave goods, with appropriate dignity, as required under Public Resources Code Section 5097.98.

18. TRAFFIC:

Reoccurring and scheduled vehicle trips to and from the site for employees, deliveries, and visitors will not occur during peak (4-6 PM) travel times to the maximum extent possible.

All road improvements on private property shall be maintained in good working condition subject to the review and approval of the Department of Public Works.

19. ADDRESSING:

All project site addresses shall be determined by the Planning Director, and be reviewed and approved by the United States Post Office, prior to issuance of any building permit. The

Planning Director reserves the right to issue or re-issue an appropriate situs address at the time of issuance of any building permit to ensure proper identification and sequencing of numbers.

For multi-tenant or multiple structure projects, this includes building permits for later building modifications or tenant improvements.

20. STORM WATER CONTROL:

The permittee shall file a Notice of Intent with the California Regional Water Quality Control Board (SRWQCB) prior to any grading or construction activity and shall submit a Stormwater Pollution Prevention Plan for the review and approval of the Department of Public Works prior to the issuance of a building, grading, or any other development permit.

All hazardous materials stored and used on-site that could cause water pollution (e.g. motor oil, cleaning chemicals, paints, etc.) shall be stored and used in a manner that will not cause pollution, with secondary containment provided. Such storage areas shall be regularly cleaned to remove litter and debris. Any spills shall be promptly cleaned up and appropriate authorities notified. Parking lots shall be designed to drain through grassy swales, buffer strips, or sand filters prior to any discharge from the impervious surface into a watercourse. If any discharge of concentrated surface waters is proposed in the any "Waters of the State," the permittee shall consult with and secure any necessary permits from the State Regional Water Quality Control Board. All trash enclosures must be covered and protected from rain, roof, and surface drainage.

21. STREAM SETBACKS:

Final plans submitted for building permit issuance shall include a site plan prepared by a qualified professional showing all streams, stream setbacks, existing and proposed improvements and slopes.

No new construction or earthmoving activities have been proposed or approved within established stream setbacks as part of this application unless specifically enumerated in Section 1 (Scope), above. As determined by the Director of Conservation, Development and Planning, temporary construction fencing shall be placed at the stream setback line to prevent unauthorized encroachments.

22. INDEMNIFICATION:

An indemnification agreement was signed and submitted with initial application materials.

23. MITIGATION MEASURES:

The permittee shall comply with all mitigation measures identified in the adopted Initial Study/Mitigated Negative Declaration and Project Revision Statement/Mitigation Monitoring and Reporting Program prepared for the project, inclusive of the following:

BIOLOGICAL RESOURCES

Mitigation Measures:

1. Equipment movement and site clearing shall be limited to the project footprint as described in the submitted biological survey and, prior to the initiation of any work, construction fencing shall be installed around the population of *Ceanothus divergens* to prevent any equipment movement into the area. A fencing plan shall be submitted for the review and approval of the Planning Division prior to the issuance of a building permit.
2. The applicant/owner shall implement the following elements to avoid disturbing raptor nests:
 - For earth disturbing activities occurring during the breeding season (February 1 through July 31), a qualified wildlife biologist shall conduct preconstruction surveys of all potential nesting habitat for birds within 500 feet of earthmoving activities and related project construction activities.
 - If active nests are found during preconstruction surveys, a 500-foot no-disturbance buffer will be created around active raptor nests during the breeding season or until it is determined that all young have fledged. A 250-foot buffer zone shall be created around the nests of other special-status birds. If non-special status active bird nests are present, the nests shall be left undisturbed. These buffer zones are consistent with California Department of Fish and Game (CDFG) avoidance guidelines; however, they may be modified in coordination with CDFG based on existing conditions at the project site.
 - If preconstruction surveys indicate that nests are inactive or potential habitat is unoccupied during the construction period, no further mitigation is required.
 - If earth-disturbing activities are delayed or suspended for more than one month after the preconstruction survey, the areas within 500 feet of earthmoving activities shall be resurveyed.

GEOLOGY and SOILS

Mitigation Measure:

3. The proposed winery shall be constructed as shown in submitted plans. Should the footprint, alignment, or location of the facility be proposed for alteration in the future, that change must first be analyzed by a qualified geologist to determine whether or not additional mitigation measures and/or project redesign may be necessary due to risks associated with the West Napa Fault.

24. AFFORDABLE HOUSING MITIGATION:

Prior to County issuance of a building permit, the applicant shall pay the Napa County Affordable Housing Mitigation Fee in accordance with the requirements of County Code Chapter 15.60 or as may be amended by the Board of Supervisors.

25. MONITORING COSTS:

All staff costs associated with monitoring compliance with these conditions, previous permit conditions, and project revisions shall be borne by the permittee and/or property owner. Costs associated with conditions and mitigation measures that require monitoring, including investigation of complaints, other than those costs related to investigation of complaints of non-compliance that are determined to be unfounded, shall be charged. Costs shall be as established by resolution of the Board of Supervisors in accordance with the hourly consulting rate established at the time of the monitoring. Violations of conditions of approval or mitigation measures caused by the permittee's contractors, employees, and/or guests are the responsibility of the permittee.

The Conservation, Development, and Planning Commission may implement an audit program if compliance deficiencies are noted. If evidence of compliance deficiencies is found to exist by the Commission at some time in the future, the Commission may institute the program at the applicant's expense (including requiring a deposit of funds in an amount determined by the Commission) as needed until compliance assurance is achieved. The Planning Commission may also use the data, if so warranted, to commence revocation hearings in accordance with §18.124.120 of the Napa County Code.

26. TEMPORARY AND FINAL OCCUPANCY:

All project improvements, including compliance with applicable codes, conditions, and requirements of all departments and agencies with jurisdiction over the project, shall be completed prior to granting of a Certificate of Final Occupancy by the County Building Official, which, upon granting, authorizes all use permit activities to commence. The County Building Official is authorized to grant a Temporary Certificate of Occupancy to allow specified limited use of the project, such as commencement of production activities, prior to completion of all project improvements. Marketing and/or Tours and Tastings are not typically authorized until grant of Final Occupancy, but exceptions where extenuating circumstances exist and are subject to review and approval by the County Building Official, County Fire Marshal, and the Planning Director. In special circumstances, departments and/or agencies with jurisdiction over the project are authorized as part of the Temporary Certificate of Occupancy process to require a security deposit or other financial instrument to guarantee completion of unfinished improvements.