**Exhibit A**

**BACKGROUND and discussion**

**BRAND NAPA VALLEY**

**USE PERMIT MAJOR MODFICATION APPLICATION *№* P13-00267**

**90 LONG RANCH ROAD, SAINT HELENA, CALIF., 94574**

**ASSESSOR’S PARCEL *№.* 032-010-088**

**Owner/applicant:** Edward Fitts/Brand Napa Valley (612-322-8154)

**Representative:** Kelly Berryman/Berryman & Montalbano (707-942-0750)
 **Zoning:** Agriculture Watershed-AW
 **GP designation:** Agriculture Watershed and Open Space – AWOS

**Filed:**    August 16, 2013   **Complete:**    December 16, 2013

**Production Capacity - Existing:    1**0,000 gallons per year

**Production Capacity - Proposed:    No change**

**Number of Employees - Existing:** 10 or fewer employees

**Number of Employees - Proposed:** 10 or fewer employees

**Visitation - Existing:**    Private tours and tastings; max of 10 visitors per day

**Visitation - Proposed:**    Private tours and tastings; max of 18 visitors per day; max of 108 visitors per week

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

**Hours of Operation - Proposed:**    **No change**

**Visitation Hours of - Existing:**    10 am to 4 pm, daily for tours and tastings; 8 am to 5 pm Mon-Sat

**Visitation Hours - Proposed:**    **No change**

**Parking - Existing:** 15 spaces

**Parking - Proposed:** **No change**

**Winery Coverage - Existing:**    4.5% (25% max)
**Winery Coverage - Proposed:**    Approx. 1.8 acres (15 acres max) and/or 4.5% of the 17.7 acre lot area (25% max)

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

North
Agriculture Watershed and Open Space **General Plan** designation- AW (Agricultural Watershed) zoning

City of Napa Lake Hennessey Municipal Watershed, residential, and producing winery uses on large lots (Gandona Winery)

South

Agriculture Watershed and Open Space **General Plan** designation- AW (Agricultural Watershed) and AR (Agricultural Reserve) zoning

residential, and producing winery uses on large lots (Two Rocks Winery, Lodestone Vineyards, David Arthur Vineyards)

East

Agriculture Watershedand Open Space **General Plan** designation- AW (Agricultural Watershed) zoning

residential, and producing winery uses on large lots (Colgin Partners Winery)

West

Agriculture Watershedand Open Space **General Plan** designation- AW (Agricultural Watershed zoning

residential, and vineyard uses on large lots

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

Gandona Winery ~1535 Sage Canyon Road ~Approved~20,000 gallons per year~By appointment

Two Rocks Winery ~135 Long Ranch Road~ Producing ~50,000 gallons per year~By appointment

Lodestone Vineyards ~200 Long Ranch Road ~ Approved ~20,000 gallons per year~By appointment

David Arthur Vineyards ~210 Long Ranch Road ~ Producing ~30,000 gallons per year~ By appointment

Colgin Partners Winery ~220 Long Ranch Road ~ Producing ~20,000 gallons per year~ By appointment

**Parcel History and Evolution of this Application**

In August of 2009, Lake Ridge Winery Use Permit P09-00039 UP was approved for 10,000 gallon annual production, with private tours and tastings for up to 10 persons per day, no marketing events. The location of the winery facilities including the cave was at the top of a knoll sharing access with the existing residence. A lot line adjustment was requested in 2009 and subsequently a deed was recorded in October of 2009. The adjustment increased the parcel by approximately 2 acres, in December of 2009; a major modification application was submitted to relocate the entire winery facilities including the cave as well as winery and sanitary waste water systems and entrance to the newly acquired acreage (P09-00540) and include six marketing events with up to 20 persons. The parcel has contained a residential complex since the 1980’s and an operational vineyard since 1996. Included in the residential complex is a main residence, garage, guest unit, with associated infrastructure, pool, and landscaping. The producing vineyard is 10 acres. There is an agriculture contract (#96148 AKG H) associated with the original parcel of 40 acres. The applicant submitted an application #P09-00361-AGK on August 14, 2009 to rescind and replace #96148 AKG H due to the lot line adjustment. The new contract is currently in review by the County. The parcel takes access through an easement on the adjoining property to allow direct access to Long Ranch Road, a private road. The surrounding area of 853 acres burned in 1955 and burned again in the 1981 Atlas Peak Fire along with some 33,600 acres. The site was developed with a new winery and related construction in 2008. The winery was completed and began operation on September 2012.

The latest modification plans to expand marketing events, increase visitation to a maximum of 18 daily visitors, the use of an existing landscaped area for tastings, and conversion of an existing shed for winery storage were submitted on August 9, 2013. The application was deemed complete December 15, 2013.

**Code Compliance History**

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

**Discussion Points**

Setting- Brand Napa Valley is located on a 42.26 acre parcel located on the west side of Long Ranch Road approximately 1 mile from its intersection of Sage Canyon Road. The proposal is to expand the operations of an existing 10,000 gallons per year winery to include: increased tours and tastings by appointment only; add an outdoor tasting area to include existing picnic area at the end of an existing private driveway; additional marketing events; use of an existing shed for winery storage; and a Napa County Road and Street Standards exception for an existing private driveway.

Land uses in the vicinity are a mix of large lot residential uses, active vineyard operations, and wineries with production ranging from 10,000 to 62,500 gallons annually. Residential uses in the project area are fairly sparse, with less than a dozen residences located within a mile of the Winery.

Tours and Tastings/Marketing Events- The applicant is proposing tours and tastings by appointment only on a daily basis up to a maximum of 18 visitors per day from the hours of 10 AM to 4 PM daily; marketing events up to 6 per year with a maximum of 75 guests between the hours of 10 AM to 10 PM; special marketing events up to 6 per year with a maximum of 200 guests between the hours of 10 AM to 10 PM, and participation in Auction Napa Valley with a maximum of 100 guests between the hours of 10 AM to 10 PM.

Staff has provided a table below comparing marketing and tours and tastings visitation at other wineries with annual production of 10,000 gallons per year. The proposed visitation programs falls into the high end of the spectrum with regards to number of visitors and on the high end for events among its peer group of wineries with an approved production capacity of 10,000 gallons per year. The table also provides a comparison of winery building square footage for the wineries listed. As can be seen, Brand Napa Valley building square footage relative to its production capacity hits on the higher end of the spectrum at 11,453 square feet, with other wineries ranging in size from 800 square feet to 15,202 square feet.

| **Staff Report – 10K GPY Comparison Wineries** |  |  |
| --- | --- | --- |
| Winery Name | Current or Expanded Total Production | Tours & Tasting | Visitors(Avg/Week) |  Building size |  Marketing Events |
| ARNS WINERY | 10,000 | APPT | 0 | 800 | 0 |
| BEHRENS FAMILY WINERY | 10,000 | NO | 0 | 2000 | 0 |
| BOESCHEN WINERY | 10,000 | APPT | 16 | 6,360 | 4 |
| COMBS BROTHERS CELLARS | 10,000 |  APPT | 20 | 900 | 0 |
| DANA ESTATES | 10,000 | APPT | 6 | 8,046 | 0 |
| DIAMOND CREEK VINEYARDS | 10,000 | APPT | 2 | 7,722 | 0 |
| DIAMOND MOUNTAIN WINERY | 10,000 | APPT | 10 | 2,948 | 14 |
| FOLEY JOHNSON WINERY | 10,000 | APPT | 25 | 7,000 | 0 |
| FUTO WINERY | 10,000 | APPT | 10 | 15,202 | 5 |
| JAMES COLE WINERY | 10,000 | APPT | 72 | 3,333 | 5 |
| **BRAND NAPA VALLEY** | 10,000 | APPT | 108 | 11,453 | 19 |

Traffic- The winery traffic generated by the project is expected to be minimal. The parcel is landlocked and access is provided with two road easements to allow direct access to Long Ranch Road. The easements have a 60 feet width allowance. The easements are on City of Napa parcels associated with Lake Hennessey as a municipal water source. The existing road was widened to meet commercial standards as part of the 2009 Use Permit. The applicant has submitted traffic information which identifies that the proposed winery hours (1**0:00 am to 4:00 pm, Monday-Saturday for visitation and 7:00 am to 5:00 pm, Monday-Friday for production)**, the number of employees (10), the winery’s Tours/Tastings Plan (18 persons maximum per day), and the Marketing Plan with food catered at the winery ( 6-75 person events per year, 6-200 person events per year, and one -100 person event) will contribute to 15 daily trips and 5 daily PM peak trips to Long Ranch’s overall traffic.

The Department of Public Works and Engineering Services has reviewed project access and recommends approval of the project as proposed. The Napa County Fire Marshall has reviewed this application and has identified no significant impacts related to emergency vehicle access provided that standard conditions of approval are incorporated. Project impacts related to traffic hazards and emergency access are expected to be less than significant.

The Department of Public Works has reviewed the traffic sheet and application and recommends approval of the project on the basis that the traffic volumes are below the threshold that would be significant. The existing 15 parking spaces would be sufficient to accommodate parking needs during normal business days for employees and visitors. Additional parking will be required during marketing events. As proposed, temporary event parking will be provided via shuttle parking service. The applicant has sufficient space to accommodate some additional parking throughout the remainder of the property.

Greenhouse Gases/Climate Action Plan- The County requires project applicants to consider methods to reduce Green House Gas (GHG) emissions consistent with Napa County General Plan Policy CON-65(e), which requires GHG review of discretionary projects. The applicant has completed the Department’s Best Management Practices Checklist for Development Projects, which is attached to this report as part of the application materials. The applicant proposes to incorporate GHG reduction methods including: 1) generation of on-site renewable solar energy, 2) habitat restoration, 3) solar hot water heating, 4) energy conserving lighting, 5) water efficient fixtures, 6) efficient site design, 7) water efficient landscape, 8) limiting amount of grading and tree removal, 9) and use of recycled materials.

GHG Emission reductions from local programs and project level actions, such as application of the CalGreen Building Code, tightened vehicle fuel efficiency standards, and more project specific on-site programs including those winery features noted above would combine to reduce emissions. The proposed project would not conflict with or obstruct the implementation of any applicable air quality plan.

Grape Sourcing- The subject property contains approximately 10 acres of existing vineyards which supplies approximately 3,500 gallons annually. The winery produced 8,940 gallons of wine in the year 2012 and complied with the 75% rule. The applicant has also informed the County that it has verbal agreements with other county vineyard operators and owners which will also be utilized to comply with the 75% Napa Valley grape source requirement.

**Consistency with Standards**

Zoning - The project is consistent with AW (Agricultural Watershed) zoning district regulations. A winery (as defined in Napa County Code § 18.08.640) and uses in connection with a winery (see Napa County Code § Section 18.20.030) are permitted in the AW district with an approved use permit. This application is subject to and complies with all tenants of the Winery Definition Ordinance and all other requirements of the Zoning Code as applicable.

Building Division Requirements -The Building Division reviewed this application and had no comments.

Fire Department Requirements - The Fire Marshal's office reviewed this application and recommends approval with standard conditions. Please see their attached memo dated September 17, 2013.

Engineering Services Division Requirements - The Engineering Services Division reviewed this application and recommends approval with standard conditions. Please see their attached memo dated December 17, 2013.

Environmental Health Division Requirements - The Environmental Health Division reviewed this application and recommends approval with standard conditions. Please see their attached memo dated December 23, 2013.