

**Exhibit A**

**BACKGROUND**

**Silver Oak Wine Cellars  
Use Permit Major Modification Application № P10-00345  
915 Oakville Cross Road, Oakville, C<sup>alif.</sup>, 94562  
Assessor's Parcel №. 031-080-030**

Owner: Silver Oak Wine Cellars

Applicant: Silver Oak Wine Cellars

Representative (Attorney): Rob Anglin, Holman Teague Roche Anglin LLP

Zoning: AP (Agricultural Preserve)

General Plan Designation: AR (Agricultural Resource)

Filed: October 5, 2010

Complete: September 15, 2011

Production Capacity - Existing: 132,500 gallons per year

Production Capacity - Proposed: 210,000 gallons per year

Number of Employees - Existing: 22 full time and 3 part time employees

Number of Employees - Proposed: 50 full time employees

Visitation - Existing: Public tours and tastings; 500 or fewer visitors per day

Visitation - Proposed: Public tours and tastings; 500 or fewer visitors per day, 3,000 maximum per week

Hours of Operation - Existing: 7 am to 6 pm, 6 days a week

Hours of Operation - Proposed: 7 am to 6 pm, daily

Parking - Existing: 64 spaces (39 customer plus 25 employee)

Parking - Proposed: 79 spaces (39 customer plus 40 employee)

Winery Coverage - Existing: Approx. 3.1 acres (15 acres max) and/or 13.7% of the 22.5 acre lot area (25% max)

Winery Coverage - Proposed: Approx. 3.2 acres (15 acres max) and/or 14.2% of the 22.5 acre lot area (25% max)

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

#### **North**

Agricultural Resource General Plan designation - AP zoning  
Agricultural, residential, and proposed winery uses on large lots; including a 74 acre vineyard/residential/proposed winery parcel (Swanson) and a 43 acre vineyard parcel (Garvey).

#### **South**

Agricultural Resource General Plan designation - AP zoning  
Agricultural uses on large lots; including a 213 acre vineyard parcel (Franciscan).

#### **West**

Agricultural Resource General Plan designation - AP zoning  
Agricultural and residential uses; including a 20 acre vineyard/residential parcel (Del Bondio).

#### **East**

Agricultural Resource General Plan designation - AP zoning  
Agricultural uses; including a 64 acre vineyard parcel (Komes).

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

Opus One~7900 St. Helena Highway~Producing~110,000 gallons per year~By appointment

Ashe Vineyard and Winery~7688 St. Helena Highway~Producing~2,500 gallons per year~No visitation

Nemerever Winery~711 Oakville Cross Road~Not Yet Producing (approved 2003)~10,000 gallons per year~By appointment

Miller Winery~701 Oakville Cross Road~Not Yet Producing (approved 2007)~10,000 gallons per year~By appointment

Groth Winery and Oakcross Vineyards~750 Oakville Cross Road~Producing~200,000 gallons per year~By appointment

Plump Jack Winery~620 Oakville Cross Road~Producing~25,000 gallons per year~Open to the public

Villa Ragazzi~7878 Money Road~Producing~20,000 gallons per year~By appointment

Saddleback Cellars~7802 Money Road~Producing~8,000 gallons per year~By appointment

### **Parcel History and Evolution of this Application**

June 1981 – The Planning Department approves a **Small Winery Exemption** for Silver Oak Cellars, allowing 18,000 gallons per year of production and no visitation.

September 1986 – The Planning Commission approves **Use Permit № U-568586**, which increases allowed production from 18,000 to 48,000 gallons per year, allows a new 8,600 sq. ft. production and storage facility, and adds public tours and tasting.

March 1998 – The Zoning Administrator approves **Use Permit Minor Modification № 97195**, allowing a new parking lot, an increase in employees from 12 to 25, and driveway improvements.

June 1998 – The Zoning Administrator approves **Use Permit Minor Modification № 97538**, which includes the construction of a 720 sq. ft. covered tank slab and the construction of a 128 sq. ft. pad for filtering equipment.

July 1999 – The Zoning Administrator approves **Use Permit Minor Modification № 98488**, including the conversion of 650 sq. ft. of storage into offices.

February 2000 – The Planning Commission approves **Use Permit Major Modification № 99115**, allowing an increase in production capacity to 132,500 gallons per year.

February 2006 – A fire destroys much of the Silver Oak winery, including two to three million dollars worth of wine.

November 2006 – The Planning Department approves **Use Permit Very Minor Modification № P06-01048**, allowing Silver Oak to relocate its tasting and sales facilities into temporary trailers while the winery is rebuilt.

February 2007 – The Planning Commission approves **Use Permit Major Modification № P06-1344**, approving a new 75,000 square foot winery facility, a new 64 car parking lot, and a wholly new and upgraded process and sanitary wastewater treatment and disposal system.

### **Code Compliance History**

Having discussed the application with our Enforcement desk, toured the property, and reviewed the Department's files, Planning Staff is not aware of any code compliance issues on the subject parcel.

### **Discussion Points**

#### **Setting**

Silver Oak Wine Cellars is located on a 22 ½ acre parcel adjacent to Oakville Cross Road and just northwest of Money Road. The winery, which has been operating at this location since 1981, now

includes a 75,000 square foot winery complex, wastewater treatment improvements including a pond, parking lots, landscape improvements, and 12 acres of producing vineyard. The entire Silver Oak facility is located within the 100-year floodplain, though improvements required as a component of the winery's recent reconstruction elevated all of the facility's structural improvements above the FEMA-established base flood elevation.

Land uses in the vicinity are a mix of large lot residential uses, active vineyard operations on lots ranging (generally) from ten to seventy acres, and wineries with production ranging from 8,000 to 200,000 gallons annually. The County is currently processing an application for a new winery located directly to the north of Silver Oak Wine Cellars (Swanson Vineyards, 7711 Money Road, 100,000 gallons per year proposed, tours and tasting by appointment proposed). Residential uses in the project area are fairly sparse, with less than a dozen residences located within a mile of the Silver Oak campus; most of the residential uses are, however, clustered around Money Road, which runs just to the north of the subject property.

### The Project

The changes proposed as a component of this application are really quite minimal. As a matter of fact, if the proposal did not include an increase in winery production, it would most likely have been approved at the Zoning Administrator level. This application would result in no new structures and no existing structure would be altered. To the extent that physical changes to the facility and its surroundings are proposed, they would not extend beyond limited paving to accommodate additional employee parking and some shoulder widening along Oakville Cross Road. Specifically, the project includes : 1.) an increase in maximum annual production from 132,500 to 210,000 gallons per year; 2.) an increase in winery employment from approximately 25 employees to 50 employees; 3.) a 15 car increase in the size of the existing employee-dedicated parking area; 4.) the recognition of Sunday visitation, which has long been part of the winery's operation, but which was not formally included in any of its pre-WDO use permit approvals; and 5.) the addition of Evans consumption (on-premise sales of wine by the glass or by the bottle) within existing visitor areas.

Due to some initial problems in interpreting the submitted wastewater feasibility study, the project description previously included a 7,500 square foot addition to the facility's wastewater disposal field. Information submitted in the interim indicates that the existing Silver Oak wastewater treatment system is more than adequate to treat and dispose of the wastewater associated with the additional 77,500 gallons of production and the +/-25 additional employees proposed here. As a result, wastewater treatment system improvements are no longer a part of the project.

### Project Specific Conditions

As a way of ensuring that no additional open to the public visitation results from the approval of a 7 day a week visitation schedule, Planning staff is recommending that the winery's existing 3,000 visitor per week maximum visitation figure be preserved. The proposed condition insures consistency with the WDO and alleviates any need to create a complicated and restrictive split schedule with open-to-the-public visitation Monday through Saturday and tours and tastings by appointment only on Sunday.

As noted in the project description, Public Works is conditioning their approval on the widening of Oakville Cross Road in the vicinity of the winery to create a full-width shoulder adjacent to the westbound traffic lane. Public Works has worked extensively with the applicant and with their neighbor to the north (Garvey) to ensure that adequate right-of-way will be available for this additional paving.

On a clarifying note, while the required widening was previously referred to as necessary to create a bike lane, no formal bike lane is proposed at this time. Instead, the widening would create full-width shoulders to improve conditions for drivers, cyclists, and pedestrians alike.

### **Consistency with Standards**

#### **Zoning**

The project is consistent with AP (Agricultural Preserve) 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 18.16.030) are permitted in the AP district with an approved use permit. This application complies with the Winery Definition Ordinance and those other requirements of the Zoning Code as applicable.

#### **Building Division Requirements**

The Building Division has reviewed this application and has no comments.

#### **Fire Department Requirements**

The Fire Marshal's office recommends approval with standard conditions. Please see their attached memo.

#### **Department of Public Works Requirements**

The Department of Public Works recommends approval with conditions addressing roadway widening. Please see their attached memo.

#### **Department of Environmental Management Requirements**

The Department of Environmental Management recommends approval with standard conditions. Please see their attached memo.