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Planning Commission Staff Report,  
March 9, 2018

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Item 8C



A Tradition of Stewardship  
A Commitment to Service

Agenda Date: 3/7/2018

Agenda Placement: 8C

## Napa County Planning Commission Board Agenda Letter

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**TO:** Napa County Planning Commission  
**FROM:** Charlene Gallina for David Morrison - Director  
Planning, Building and Environmental Services  
**REPORT BY:** Wyntriss Balcher, Planner II - 707 299-1351  
**SUBJECT:** Caldwell Vineyards Major Modification #P17-00074-MOD

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### **RECOMMENDATION**

#### **CALDWELL VINEYARDS, LLC/CALDWELL VINEYARDS WINERY/MAJOR MODIFICATION #P17-00074-MOD AND ROAD & STREET STANDARDS EXCEPTION REQUEST**

**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 Use Permit Modification for an existing winery to allow the following: 1) increase the winery production capacity from 25,000 gallons to 35,000 gallons per year; 2) increase the existing area of the winery caves; 3) increase the number of daily by-appointment visitation; 4) increase the number of employees; 5) modify by-appointment tasting hours; 6) modify the Marketing Plan; 7) allow for on-site consumption of wines; 8) construct a trellis shade structure; 9) increase the width of portions of the existing roadway; and, 10) an Exception to the Napa County Road and Street Standards (RSS). The project is located on a ±42.96 acre parcel at the terminus of Kreuzer Lane; within the Agricultural Watershed (AW) zoning district; 270 Kreuzer Lane, Napa; APN: 045-310-056 and 045-310-055.

**Staff Recommendation:** Adopt the Negative Declaration and approve the Use Permit Modification and RSS Exception, as conditioned.

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**Applicant Contact:** Susanne M. Heun, Consulting COO, (707) 363-3424; [Susanne@me.com](mailto:Susanne@me.com)

**ITEM CONTINUED FROM THE JANUARY 17, 2018, PLANNING COMMISSION MEETING.**

**THIS ITEM IS SET TO BE DISCUSSED AT 1:00 PM.**

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**EXECUTIVE SUMMARY****Proposed Actions:****That the Planning Commission:**

1. Adopt the Negative Declaration, based on Findings #1 - #7 (Attachment A);
2. Approve the requested Exception to the Napa County Road and Street Standards based on Findings #8 - #9 of Attachment A and subject to the recommended Conditions of Approval (Attachment B); and
3. Approve Use Permit (P17-00074-MOD), based on Findings #10 - #14 (Attachment A), and subject to the recommended Conditions of Approval (Attachment B).

**Discussion:**

On January 17, 2018, the Commission held a public hearing to consider a request to increase the existing winery production capacity from 25,000 gallons to 35,000 gallons/year, increase the existing cave area, increase the number of employees, increase visitation, modify the marketing plan, add on-site consumption of the wine, construct an outdoor trellis which is described in detail within the January 17, 2018 Staff Report (Attachment E). The proposal also included an exception to the Napa County Road and Street Standards. On January 15, 2018, several emails from neighbors for the Commission were forwarded to staff, expressing concerns about the project. Subsequently, on January 16, 2018, the neighbors forwarded emails and letters to the Commission requesting the item be continued in consideration of neighbors who could not attend. The Commission opened the hearing and heard staff's presentation, the applicant and interested party's testimony. The neighbors in attendance stated their concerns and requested the Commission continue the item to another date. The Commission decided to continue the item to March 7, 2018 at 1:00 PM, a time certain in consideration of absent neighbors, and directed the applicant to meet with the neighbors and try and resolve the issues presented. The applicant invited the neighbors to a meeting, held on February 6, 2018 to discuss the project. Thus far, the applicant has proposed no changes to their request to expand; however, they have agreed to modifying their visitation numbers during slow periods of the year and installing traffic calming measures on the private lane leading to the winery.

**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 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**

On January 17, 2018, the Planning Commission held a public hearing to consider a modification to the existing Caldwell Winery. A copy of this Staff Report is provided in Attachment H. The full staff report can be found at

<http://services.countyofnapa.org/AgendaNet/GranicusMeetingDocuments.aspx?id=5348>. The current staff report contains only updates in response to the Commission's January 17, 2018 request for additional information and response to questions posed to staff.

On January 15, and 16, 2018, staff received several emails and letters, expressing concerns about the project and requesting the item be continued in consideration of neighbors who could not attend. The Commission opened the meeting and heard presentations by staff and the applicant, as well as, hearing testimony by interested parties. The neighbors in attendance stated their concerns and requested the Commission continue the item to another date in consideration of neighbors with work conflicts.

After considering all information and testimony provided, the Commission decided to continue the item to March 7, 2018 to allow the applicant ample time to address the questions and issues raised at the hearing. The Commission set the hearing time at 1:00 PM, in consideration of neighbors who would not be able to attend in the morning. The applicant concurred with the date and time.

The Commission directed staff to provide additional information regarding the Coombsville reclaimed water program, its route and its status. In addition, the Commission directed staff to investigate the installation of traffic control measures at the intersection of Fourth Avenue and Kreuzer Lane and the installation of traffic calming measures on the private lane, such as speed bumps, as mitigation to issues presented.

#### Intersection Control and Traffic Calming Measures

Staff contacted the Public Works Department regarding a stop sign warrant, and were advised that the California Manual on Uniform Traffic Control Devices (California MUTCD), the Caltrans Standard Specs and the Caltrans Highway Design manual must be utilized to determine: traffic warrants; design details; and, construction procedures for all traffic control devices with the exception of left-turn lanes. The warrant evaluation would require the collection of daily/peak hour volume counts at the intersection of Fourth Avenue and Kreuzer Lane and performance of roadway segment Level of Service (LOS) analysis per methodologies outlined in the Highway Capacity Manual. The applicant was advised of the need for a focused traffic analysis and has contacted W-Trans to prepare the report. As of the release of this report, the Traffic Analysis has not been received by staff for evaluation. Should staff receive the analysis, and have ample time to evaluate said analysis, staff will provide the Commission and the public with a follow-up memo evaluating the conclusions.

Traffic calming devices are typically not permitted on any private roadway surface unless approved by the Fire Marshall (2017 Napa County Road and Street Standards Section 15). The Fire Marshal has been contacted regarding the installation of such devices on the private road beyond the gate, and on February 13, 2018, recommended conditions of approval regarding the installation of traffic calming devices, which are incorporated into the recommended conditions of approval. In summary, the Fire Marshal re-states that traffic calming devices are prohibited unless specifically approved by the fire code official, and to approve any traffic calming measures, the applicant must submit a specific proposal based on the CA MUTCD. Since no specific proposal has been designed/submitted, staff discussed traffic calming concepts with the Fire Marshal and learned that speed bumps are generally not supported given their hindrance to quick access by emergency vehicles; however, signs and other surface measures such as rumble-strips may be considered.

#### MST Recycled Water Pipeline Project

A portion of the project property is located within the MST Groundwater Deficient Area, however the well serving the winery is located outside of the MST boundary. The well also is used to irrigate the vineyards on the owner's other property (APN: 045-310-055) to the north of the winery cave. As noted in the Water Availability Analysis provided with the January 17, 2018 Planning Commission Report, there is no increase in vineyards proposed and the proposed modification to increase the production capacity, visitation and marketing will result in an increase of 0.33 acre-

ft/year, within the fair share allowed for groundwater use. In response to the proposal, one neighbor stated that the recycled water pipeline is within Fourth Avenue and can be installed to the winery to prevent depletion of groundwater supply. The Commission requested that a connection to the recycled water line be investigated by the applicant.

A copy of the MST Recycled Water Pipeline Map has been attached to the staff report (Attachment G). With regard to the recycled water availability, the subject winery is located over 5,000 feet from the pipeline at the intersection of Fourth Avenue and Kreuzer Lane. Further, the reclaimed water would not be able to be used for vineyard irrigation or wine production, and would be used for restrooms and domestic irrigation.

### Compliance Evaluation

The winery submitted copies of the winery's visitor logs and the event notifications for the past three years. This was requested by staff pursuant to a request of one neighbor listed in the original conditions of approval. Copies were forwarded to the requestor. Upon review of the logs, it is noted that in 2016 there were 18 days where the total daily visitation exceeded the maximum 8 visitors and there were 4 days in 2015 where the daily visitation exceeded the maximum 8 visitors. The winery visitation was in compliance during 2017. The visitation logs indicate that there were no weeks when the weekly maximum of 40 visitors was exceeded. The logs and a summary of this data has been included in Attachment D. Also, the documentation submitted was for two events where notification was sent to the two neighbors. The location of the on-site consumption of the wine were discussed and clarified. A location map was prepared to identify the locations of the tasting rooms, the outdoor area in front of the wine cave portals and the covered trellis area as proposed by the project. (see Attachment K - Graphics).

A field visit was conducted on February 6, 2018 to evaluate compliance with the original use permit conditions of approval. The prior approval Condition of Approval #9 required that all outdoor storage of winery equipment be screened from the view of adjacent properties by a visual barrier consisting of fencing or dense landscaping. The screening of the outdoor mechanical equipment and tanks were to be satisfied by the oak trees growing along the driveway, however, it was noted that a portion of the utility equipment was not screened due to a gap between the oak trees, allowing the equipment to be visible to a neighbor located to the southwest. The applicant's representative stated that a screen had been constructed to address this section, and its installation would satisfy the condition. In addition, the ventilation equipment located in two areas below and adjacent to the road are concrete retaining walls with metal ducts visible to the adjacent neighbors. This equipment needs to be open to expel and to draw in air; however, the Building Division advises that a decorative mesh screening might be installed to improve the view which would not obstruct the air flow. A revision of the recommended Conditions of Approval includes a requirement to screen the ventilation ducts in a manner that will not interfere with the ventilation system and said improvement shall be installed prior to issuance of any future building or grading permit.

The Winery Comparison Analysis and Summary of Changes tables were reviewed and the database numbers were clarified and revised.

### Winery Outreach and Responses to the Commission

The applicant's representative has submitted letters to address the Commissions concerns and directions and are included in Attachment C.

The neighbors were sent an email on January 25, 2018, to advise that the gate had been repaired. The applicant's representative set up a neighborhood meeting for all interested parties on February 6, 2018 to listen and note what the neighbors had to say. The applicant advised that fourteen neighbors were in attendance along with three Caldwell Vineyards representatives. The neighbors reiterated the concerns that they submitted to the County in writing.

The project representative has indicated that they are amenable to speed calming measures on the private portion of Kreuzer Lane, including speed bumps and speed limit signs.

The applicant notes that the request for a maximum of 60 guests per day and a maximum of 420 guests per week throughout an entire year is to ensure that visitation remains in compliance during the peak months of May through October; however, the applicants do not believe they will achieve 60 guests per day or 420 per week during the months of November through April. They felt that the annual calculation of 21,840 [from Winery Comparison Table] does not take into consideration the predictable ebb and flow of visitation to the Napa Valley. Staff discusses a possible project modification to the requested annual visitation number in the "Project Revisions" section below.

#### Code Compliance History

Staff reported previously that there is a past history of various code compliance violations and a lawsuit initiated, however, all issues had been resolved. As noted in one neighbor's letter, there was a winery compliance report presented to the Planning Commission regarding ongoing winery code compliance and enforcement activities. The recommendation was to direct staff to return to the Commission if this matter was not resolved by July 1, 2010. The County filed a lawsuit action on July 1, 2010. A Judgment was filed on June 2, 2011. Records indicate a request by the winery to be included in the 2012 Wine Audit. They were found to be out of compliance for visitation and production. They were continued to be monitored and found compliant after review of the 2015 documentation.

#### Public Comments

A letter from Peter Menzel was received requesting to be included in the list of neighbors to be notified of any marketing events. This Assessor's Parcel Number has been included in the Revised Conditions of Approval (COA) No. 4.3(g). It should be noted that the County will also be added to this list. Another letter was received from Denis F. Shanagher of Duane Morris, representing a group of concerned property owners on Kreuzer Lane and in the surrounding neighborhood. Mr. Shanagher has requested a short continuance of the hearing in order to allow for the necessary and appropriate time to review the Traffic Analysis noted above. (Refer to Attachment F)

#### Project Revisions

With regard to the concerns expressed about traffic, the project representative has indicated that they are amenable to speed calming measures on the private portion of Kreuzer Lane, including speed bumps and speed limit signs. Staff has not included a condition of approval as this issue should be discussed by the Planning Commission and direction provided.

With regard to the requested visitation numbers, the applicant representative indicates that the winery would not necessarily achieve 60 guests per day, 420 per week during the months of November through April. As such, the Commission may wish to consider seasonal maximums to be applied to this request; an approach that has been approved in the past for other wineries. Given the applicant's noted "slow time" of November through April, staff suggests a 50% reduction to 30 per day and 210 per week as an appropriate visitation level for this period. If the Commission agrees with this modification, staff can provide a recommended special condition of approval at the hearing.

Finally, with regard to screening, the original conditions of approval and the recommended standard conditions include a condition requiring screening of outdoor equipment. Staff recommends installing screening to address the existing ventilation equipment and the visually exposed mechanical equipment. As such, COA No. 6.15(b) has been added to require such screening.

**SUPPORTING DOCUMENTS**

- A . Recommended Findings
- B . Recommended Revised Conditions of Approval and Final Agency Approval Memos
- C . Applicant Supplemental Information Documents
- D . Caldwell Vineyards Winery Visitor Logs and Summary
- E . Traffic Analysis
- F . Public Comments
- G . MST Recycled Water Pipeline Map
- H . Planning Commission Staff Report January 17, 2018
- I . Initial Study/Negative Declaration
- J . Revised Winery Comparison Analysis & Summary of Changes
- K . Graphics
- L . Item 7C - Staff Memo (Added after initial agenda posting)
- M . Item 7C - Correspondence (Added after initial agenda posting)
- N . Item 7C - Staff Memo (Added after initial agenda posting)
- O . Item 7C New Correspondence rec'd 3-2-18 (Added after initial agenda posting)
- P . Item 7C- Correspondence from neighbors (Added after initial agenda posting)
- Q . Caldwell Traffic Study Analysis (Added after meeting)
- R . Peter Menzel Item 7C (Added after meeting)
- S . Item 7C received during meeting (Added after meeting)
- T . 7C - Speaker Supporting documentation(1) (Added after meeting)
- U . 7C - Speaker Supporting documentation(2) (Added after meeting)

Napa County Planning Commission: Approve

Reviewed By: Charlene Gallina