

Agenda Date: 10/25/2005 Agenda Placement: 8E Set Time: 1:30 PM PUBLIC HEARING Estimated Report Time: 90 Minutes

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO:	Board of Supervisors
FROM:	Steven Lederer for Hillary Gitelman - Director Conservation, Development & Planning
REPORT BY:	Steven Lederer, Deputy Planning Director, 253-4417
SUBJECT:	Public Hearing - Potential Winery Definition Ordinance Amendments

RECOMMENDATION

Director of Conservation, Development and Planning recommends the Board:

- 1. Conduct the Public Hearing regarding the potential amendment of Section 18.08.370 (Marketing of Wine);
- 2. At the close of the Public Hearing, take one of the following actions:
 - a. Consistent with the Planning Commission's negative recommendation regarding this item, vote not to adopt the proposed ordinance; or
 - b. Adopt the environmental document, conduct a first and final reading and adopt the ordinance amending Section 18.08.370 to expand the definition of "Marketing of Wine" to allow cultural, business and social events to occur at wineries under certain conditions.

ENVIRONMENTAL DETERMINATION: Negative Declaration prepared. According to the Negative Declaration, the proposed action would have no significant environmental impacts.

EXECUTIVE SUMMARY

The attached ordinance has been prepared at the direction of the Board of Supervisors to expand the definition of "Marketing of Wine" to allow cultural, business and social events to occur at wineries under certain conditions. The ordinance would "sunset" approximately two years from its effective date unless the Board of Supervisors takes further action to renew the ordinance at a later date. The purpose of the ordinance is to give the wine industry more flexibility and other options for promoting the education and development of their wines.

At its meeting of October 19, 2005, the Planning Commission recommended against the adoption of this ordinance.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: Negative Declaration Prepared. According to the Negative Declaration, the proposed action would have no significant environmental impacts.

BACKGROUND AND DISCUSSION

The Planning Commission reviewed this item at its meeting of October 19th. After taking public testimony from several members of the public, the Commission voted 4-0 (Commissioner Graves had recused himself) to recommend that the Board not adopt the ordinance. The majority of the public, including several wine, farming, and viticultural trade associations and individuals, spoke against the proposed ordinance. Two photographers and one caterer spoke in favor. The Commission stated that they felt either no changes should be undertaken, or that a comprehensive review of marketing activities be undertaken by the Board, perhaps as part of the General Plan process, or at some other time when resources to conduct this comprehensive review were available. Information about the ordinance is provided below.

The attached ordinance has been prepared at the direction of the Board of Supervisors to expand the definition of "marketing of wine" to allow cultural, business and social events to occur at wineries under certain conditions. The ordinance will "sunset" approximately two years from its effective date unless the Board of Supervisors takes further action to renew the ordinance at a later date. The purpose of the ordinance is to give the wine industry more flexibility and other options for promoting the education and development of their wines, while still ensuring that such events remain accessory to the main purpose of the winery (production of wine). Some members of the wine industry have indicated that a broader definition of marketing events is needed for some wineries to remain competitive in today's market.

The ordinance in itself does not authorize any increase in the number of events or an increase in the number of persons authorized to attend those events beyond what is currently allowed under a winery's use permit, but would allow more flexibility in the types of marketing events that could occur. By way of example, if a winery's use permit allows 4 marketing events per month with a maximum of 75 people per event, under the proposed ordinance, the winery would still be limited to 4 marketing events per month with no more than 75 people yet those events could include social and cultural events such as weddings, corporate retreats, workshops or other events related to the education, development and marketing of wine. If a winery wanted to increase its marketing events, it would be required to apply for a use permit modification and go through a separate process subject to environmental review and public notice. At this point, it is unknown whether any wineries would seek additional marketing events as a result of the ordinance.

The ordinance will apply to pre and post winery definition ordinance (WDO) wineries in the same manner. Use Permits for all wineries approved after the WDO have specific marketing plans identified. In addition, many pre-WDO wineries have established marketing plans through the use permit modification process. For those pre-WDO wineries which do not have clearly established marketing plans, visitation can continue as established by their current use permits. In the event that the level of allowed visitation is in question, a use permit modification or certificate of extent of legal non-conformity will be required to establish the allowable marketing levels. As with many operational provisions of use permits, enforcement of transitory activities is difficult, and most likely enforcement will be directed at egregious violators and locations where neighbor complaints arise.

Section One of the ordinance amends the definition of "marketing of wine" in Section 18.08.370 to include cultural, business, and social events under specified conditions. Such events must be consistent with the winery's approved use permit, and limits event times to avoid peak traffic hours. Outdoor amplified music and event ending times are restricted in situations where the event will occur within a quarter mile of neighboring residences. The ordinance also expressly states that an event may not result in a greater number of visitors or marketing events over what is authorized under a winery's approved use permit. There is to be a no net increase in the number of visitors or events under the ordinance.

Subsequent to the drafting of this ordinance, suggestions have been made that, during the high tourist season (May 1 to October 31) social events (such as weddings) be limited to no more than 10 per year or no more than 20% of the total events allowed by a particular winery, whichever is more restrictive. The purpose of this suggestion is to ensure that social marketing events remain clearly accessory to the main purpose of the winery's operation.

SUPPORTING DOCUMENTS

- A. Environmental Document
- B . Tracked Ordinance
- C . Final Ordinance

CEO Recommendation: Approve Reviewed By: Britt Ferguson