



Agenda Date: 3/21/2006
Agenda Placement: 8C
Set Time: 11:15 AM PUBLIC HEARING
Estimated Report Time: 15 Minutes

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Hillary Gitelman - Director
Conservation, Development & Planning
REPORT BY: Steven Lederer, Deputy Planning Director, 253-4417
SUBJECT: Public Hearing - Home Occ/Ag Proc Ord

RECOMMENDATION

First and final reading and adoption of an ordinance amending Sections 18.16.030 and 18.20.030 (To Allow Certain Small Agricultural Processing Facilities In The Agricultural Preserve (AP) and Agricultural Watershed (AW) Zoning Districts Upon Grant Of A Use Permit) and Section 18.104.090 (To Allow Storage, Warehousing and Manufacturing of Less Than 200 Gallons of Wine Under A Home Occupation Permit) of the Napa County Code.

ENVIRONMENTAL DETERMINATION: Categorical Exemption Class 5: It has been determined that this type of project does not have a significant effect on the environment and is exempt from the California Environmental Quality Act. The project will not impact an environmental resource of hazardous or critical concern, has no cumulative impact, there is no reasonable possibility that the activity may have significant effect on the environment due to unusual circumstances, will not result in damage to scenic resources, is not located on a list of hazardous waste sites, cause substantial adverse change in the significance of a historical resource or extract groundwater in excess of the Phase 1 groundwater extraction standards as set by the Department of Public Works. [See Class 5 ("Minor Alterations in Land Use Limitations") which may be found in the guidelines for the implementation of the California Environmental Quality Act at 14 CCR §15305; see also Napa County's Local Procedures for Implementing the California Environmental Quality Act, Appendix B.]

EXECUTIVE SUMMARY

The proposed ordinance would result in two changes to allow:

1. A use permit to be granted in the AP and AW zoning districts for processing of agricultural products other than wine as long as the fruit processed is grown in Napa County, the facility is not industrial in character, is less than 5,000 square feet and located on a parcel of ten acres or more.
2. Wine production as a home occupation, as long as certain conditions are met (i.e., production does not exceed 200 gallons per year, the property owner provides the County with copies of the reports to the Department of Treasury, Alcohol and Tobacco Tax and Trade Bureau that are required for bonded wineries, etc.).

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: Categorical Exemption Class 5: It has been determined that this type of project does not have a significant effect on the environment and is exempt from the California Environmental Quality Act. The project will not impact an environmental resource of hazardous or critical concern, has no cumulative impact, there is no reasonable possibility that the activity may have significant effect on the environment due to unusual circumstances, will not result in damage to scenic resources, is not located on a list of hazardous waste sites, cause substantial adverse change in the significance of a historical resource or extract groundwater in excess of the Phase 1 groundwater extraction standards as set by the Department of Public Works. [See Class 5 ("Minor Alterations in Land Use Limitations") which may be found in the guidelines for the implementation of the California Environmental Quality Act at 14 CCR §15305; see also Napa County's Local Procedures for Implementing the California Environmental Quality Act, Appendix B.]

BACKGROUND AND DISCUSSION

The two changes to the zoning ordinance described below originated with citizens of the County and were modified to reflect testimony received at the January 18, 2006 hearing of the Planning Commission. On March 1, 2006, the Planning Commission recommended that the Board adopt the proposed ordinance.

Home Occupations

The suggested change to Section 18.104.090 was requested by a constituent in District 1, who recognized that the federal TTB can approve small facilities (i.e. actual bonded wineries) for the production and sale of wine, but requires a local determination of zoning consistency. The same constituent pointed out that such activities are permitted under the City of Napa's zoning ordinance as a home occupation, and a change to the County's ordinance could make it more consistent with the City's ordinance and thus more understandable to the general public.

Under the current rules governing "Home Occupations" in County Zoning Code Section 18.104.090, residents of the County are permitted to undertake certain manufacturing, craft, consulting, and other businesses in their home, provided that they obtain a home occupation permit and abide by a number of stringent conditions. These conditions include requirements that the use be "clearly incidental and subordinate" to the residential use, that there be no signs or other visual evidence of the home occupation on the exterior of the building, that no employees other than the dwelling's residents be engaged, and that no traffic be generated in excess of amounts that are normal and expected in residential neighborhoods. The County has issued around 250 Home Occupation permits in total, and has had few problems with related enforcement issues.

Zoning ordinance (Section 18.104.090(I) and (J)) currently excludes wine production and storage as a permitted home occupation stating: "There shall be no warehousing or manufacturing of wine for sale on the premises." & "The storage of wine for sale on the premises shall be prohibited." The proposed text amendment would amend these sections to state that there shall be no storage, warehousing or manufacturing of wine for sale on the premises, *except where annual wine production and storage does not exceed 200 gallons.*

If this text amendment is enacted, it would permit individuals desiring to make and sell up to 200 gallons of wine in their home to apply for an administrative permit. Permits would be referred to Environmental Management for review and issued upon their concurrence that the subject septic system is adequate, and contingent on applicants meeting all of the conditions contained in the ordinance. Permits could be considered for revocation by the County should the conditions be violated.

Agricultural Processing Facilities

The suggested change to Section 18.16 Agricultural Preserve (AP) District and Section 18.20 Agricultural Watershed (AW) District was also requested by a constituent of District 1, and subsequently by an olive oil producer in District 3. Both proponents argued that current regulations allowing processing of agricultural products other than grapes only when those products are grown on the processing site or contiguous parcels is too restrictive. They argued that small processing facilities should be allowed to process fruit grown anywhere in Napa County as long as the facilities are not industrial in nature, which would be in conflict with the Napa County General Plan.

Under the current rules governing uses permitted upon grant of a use permit in the AP and AW districts (Section 18.16.030(B) & 18.20.030(B)), facilities other than wineries that are used for the processing of agricultural products are permitted with approval of a conditional use permit only if they process "agricultural products grown or raised on the same parcels or contiguous parcels under the same ownership." Applications for these facilities are rare, and there are few that have been approved within the County.

The proposed text change would amend these sections of the zoning ordinance to permit facilities other than wineries that are used for the processing of agricultural products with approval of a use permit provided that the facilities process only agricultural products raised in Napa County, and provided the facilities were small in size and not industrial in character. In other words, processing facilities other than wineries would be subject to a 100% rule, meaning that 100% of the agricultural products processed on site must be grown or raised in Napa County. Also, the facilities could not exceed 5,000 gross square feet in size (interior and exterior square feet combined), and must be designed to be agricultural, rather than industrial in character. Consistent with existing regulation and policy, retail sales would be permitted only if they involved products raised or processed on the parcel. Thus, a fruit stand could sell produce grown on site, or strawberry jam processed on site, but could not sell produce raised elsewhere (in the County or the world) or jams and jellies made off-site.

If the ordinance is adopted, it would expand opportunities for individuals or organizations desiring to increase or initiate processing of agricultural products other than grapes, subject to approval of a conditional use permit. Applications for conditional use would be analyzed for conformance with the new requirements related to product source, building size and character, and would be approved only if the findings provided in Zoning Ordinance Section 18.124.070 can be made. These findings include conformance with zoning regulations and noticing requirements, a finding that the use "will not adversely affect the public health, safety or welfare of the county" and a finding that the use is consistent with the County General Plan.

Recommended Action

The ordinance is now before the Board for first and final reading and formal adoption. County Counsel recommends adoption of the Ordinance.

SUPPORTING DOCUMENTS

A . Tracked Ordinance

B . Clean Ordinance

CEO Recommendation: Approve

Reviewed By: Andrew Carey