



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 1/15/2020

Agenda Placement: 7B

Continued From: 10/2/19 & 12/4/19

Napa County Planning Commission Board Agenda Letter

TO: Napa County Planning Commission

FROM: Charlene Gallina for David Morrison - Director
Planning, Building and Environmental Services

REPORT BY: Charlene Gallina, SUPERVISING PLANNER - 299-1355

SUBJECT: Scarlett Winery

RECOMMENDATION

ALSACE COMPANY, LTD / SCARLETT WINERY / USE PERMIT #P16-00428-UP

CEQA Status: Consideration and possible adoption of a Mitigated Negative Declaration. According to the proposed Mitigated Negative Declaration, the proposed project would not have any potentially significant environmental impacts after implementation of mitigation measures (or MM's). MM's are proposed for the following area(s): Transportation. 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 for a new 30,000 gallon per year winery to allow the following: a) construction of a winery building consisting of two detached structures (a two story 4,514 sf hospitality/administration building and a one story 18,022 sf production building) separated between the east outdoor terrace area and a landscaped area; b) construction of a 4,725 sf covered outdoor crush pad - crush will occur inside the winery production building; c) tours and tastings by appointment only with a maximum of 15 visitors per day and a weekly maximum of 80 visitors; d) a marketing program of two (2) food and wine pairing lunch event per month with a maximum of 10 persons; one (1) wine club release event per year with a maximum of 100 guests; one (1) large event per year with a maximum of 125 guests; and one (1) wine club release event per year for groups of up to 200 guests with up to 10 event staff. Events to be held between 10 am and 6 pm or 6 pm to 10 pm. Larger events (100, 125, and 200 guests) to be held on weekends only. Portable toilets to be utilized during any event hosting greater than 75 guests. Shuttle service used for events over 100 guests; e) six (6) full-time, two (2) part-time employees and two (2) employees during harvest for vineyard activities only; f) a commercial kitchen for some food preparation and use as a caterers' staging area for some of the marketing events; g) on-premises consumption of wines produced on-site within the east and west outdoor terraced areas, outdoor picnic area and hospitality building designated tasting areas in accordance with Business and Professions Code Sections 23358, 23390 and 23396.5 (AB2004-Evans Bill); h) winery hours of operation daily 6 am – 6 pm (Non-harvest production hours) and daily visitation hours of operation daily 10 am –6 pm; i) construction of seven (7) visitor and five (5) employee parking spaces both with a handicapped space and one area for a high occupancy vehicle for a total of 13 spaces; j) installation of a

wastewater system; k) installation of a regulated transient non-community water system; l) installation of two (2) 20,000-gallon domestic water storage tank and one (1) 100,000-gallon fire water storage tank; m) installation of an entry gate and winery sign; and n) all project spoils to be disposed on-site. The project is located on an approximately 47.88 acre site at 1052 Ponti Road, which intersects with Skellenger Lane just west of Silverado Trail, within the Agricultural Preserve (AP) & Agricultural Watershed (AW) Zoning Districts, St. Helena, CA; APN: 030-280-010.

Staff Recommendation: Adopt the Mitigated Negative Declaration and approve the Use Permit, as conditioned.

Staff Contact: Charlene Gallina, Supervising Planner, (707) 299-1355; charlene.gallina@countyofnapa.org

Applicant: Sherrett Reicher, Alsace Company LTD; (925) 314-0193; mcooper@scarlettwinest.com

Applicant Representative: Donna B. Oldford, Plans4Wine; (707) 963-5832; dboldford@aol.com

CONTINUED FROM THE OCTOBER 16, 2019 AND DECEMBER 4, 2019 COMMISSION MEETINGS.

EXECUTIVE SUMMARY

Proposed Actions:

That the Planning Commission:

1. Adopt the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program based on revised recommended Findings 1-7 in Attachment A; and,
2. Approve Use Permit No. P16-00428-UP based on Findings 8-12 of Attachment A and subject to the revised recommended conditions of approval (Attachment B).

Discussion:

On October 2, 2019, the Planning Commission held a public hearing to consider approval of a Use Permit for the construction and operation of a new winery with a production capacity of up to 30,000 gallons. The October 2, 2019 Staff Report is available at:

<http://services.countyofnapa.org/AgendaNet/GranicusMeetingDocuments.aspx?id=5736> . Staff presented to the Commission that the project would consist of an approximately 22,536 sf winery (hospitality and production buildings) plus a 4,725 sf covered outdoor crush pad located on a 47.88-acre site and that request included daily visitation and marketing events with food and wine pairings prepared on-site in a commercial kitchen or by caterers and on-premise consumption of wines produced at the winery. The project also includes various utilities and site improvements associated with construction.

Several letters and emails were received prior to the hearing and comments solicited which opposed the project and focused on the following issues: 1) access to the project site via Ponti Road and its the adequacy right-of-way width and potential harm to existing trees and the feasibility to relocate the winery access to Silverado Trail; 2) potential noise impacts of the winery on surrounding residences; 3) issues associated with groundwater availability and use, and the adequacy of the Project's Water Availability Analysis (WAA); 4) shuttle service to the winery for marketing events; and 5) general land use concerns as a result of proposed visitation, marketing and production. During Commission deliberation, the Commission requested project clarification of the public comments received on the item, and requested that the project applicant and the neighbors meet to discuss and address issues associated with the proposed winery request before the next meeting.

At the conclusion of the Commission's October 2nd deliberation, the Commission voted to continue the item to the December 4, 2019, to allow staff and the applicant/permittee sufficient time to review comments and prepare and provide additional information. On December 4, 2019, Staff returned to the Commission to requesting another continuance to January 15, 2020 due to staff and applicant/permittee needing additional time to respond requested information.

Staff has re-reviewed the supplemental information received by the applicant, as well as, reevaluated the project as noted in this staff report and still found that the project would be consistent with the Zoning Ordinance and applicable General Plan policies. Furthermore, the requested visitation and marketing program has been found similar in size to those of 30,000 gallon per year production wineries with by appointment visitation and marketing activities. Based upon an independent evaluation of WAA by the County's consultant, sufficient water is available for the site. Furthermore, staff has found that the grape supply is commensurate with the proposed production request, and the applicant also proposes to incorporate GHG reduction measures as part of the project. Staff has also determined that there will be no significant environmental impacts to the site, including noise based upon staff's reassessment of the project, stormwater issues, as well as, the required Transportation/Traffic mitigation measures (as revised) into the project for Ponti Road. Based on these reasons, staff recommends approval of the project subject to the recommended revised conditions of approval.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact? No

County Strategic Plan pillar addressed:

ENVIRONMENTAL IMPACT

Consideration and possible adoption of a Mitigated Negative Declaration and MMRP. According to the proposed Mitigated Negative Declaration, the proposed project would not have any potentially significant environmental impacts after implementation of mitigation measures. Mitigation measures are proposed for the areas of transportation/traffic. The project site is not included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5.

BACKGROUND AND DISCUSSION

On October 2, 2019, the Planning Commission held a public hearing to consider approval of a Use Permit for the construction and operation of a new winery with a production capacity of up to 30,000 gallons. Several letters and emails were received prior to the hearing and comments solicited which opposed the project and focused on the following issues: 1) access to the project site via Ponti Road and its the adequacy right-of-way width and potential harm to existing trees and the feasibility to relocate the winery access to Silverado Trail; 2) potential noise impacts of the winery on surrounding residences; 3) issues associated with groundwater availability and use, and the adequacy of the Project's Water Availability Analysis (WAA); 4) shuttle service to the winery for marketing events; and 5) general land use concerns as a result of proposed visitation, marketing and production. During Commission deliberation, the Commission requested project clarification of the public comments received on the item, and requested that the project applicant and the neighbors meet to discuss and address issues associated with the proposed winery request before the next meeting. At the conclusion of the Commission's October 2nd deliberation, the Commission voted to continue the item to the December 4, 2019, to allow staff and the applicant/permittee sufficient time to review comments and prepare and provide additional information. On

December 4, 2019, Staff returned to the Commission to requesting another continuance to January 15, 2020 due to staff and applicant/permittee needing additional time to respond requested information.

Response to Public Comments - Staff and the applicant prepared supplemental information that have been attached herein to assist in a reassessment of the project. Please see Attachments C, D, and E. On January 6, 2020, staff had received late correspondence from Shute, Mihaly & Weinberger, LLP regarding additional traffic and road issues (Attachment G). Based upon review of this information, staff will be sending out before the meeting a memorandum completing our assessment of these issues.

Neighborhood Meeting - At the request of the Planning Commission, a neighborhood meeting conducted on November 20, 2019 by the applicant and attended by six neighbors. Meeting notes and the meeting invitation dated October 7, 2019 has been provided in Attachment F for Commission review.

Public Comments - At the time of staff report preparation, a letter had been received by Shute Mihaly Weinberger LLP representing proposed project neighbor George and Nancy Montgomery, as well as, Mrs. Montgomery (Attachment G). Staff will be responding to these issues through issuance of a memorandum prior to the meeting.

Decision Making Options:

As noted in the Executive Summary Section above, staff is recommending approval of the project with conditions of approval as described in Option 1 below. Other decision-making options include a no project alternative and a reduced project alternative.

Option 1 - Applicant's Proposal (Staff Recommendation)

Disposition - This option would result in approval of the proposed 30,000 gallon per year winery. Staff has re-reviewed the supplemental information received by the applicant, as well as, reevaluated the project as noted in this staff report and still found that the project would be consistent with the Zoning Ordinance and applicable General Plan policies. Furthermore, the requested visitation and marketing program has been found similar in size to those of 30,000 gallon per year production wineries with by appointment visitation and marketing activities. Based upon an independent evaluation of WAA by the County's consultant, sufficient water is available for the site. Furthermore, staff has found that the grape supply is commensurate with the proposed production request, and the applicant also proposes to incorporate GHG reduction measures as part of the project. Staff has also determined that there will be no significant environmental impacts to the site, including noise based upon staff's reassessment of the project ,as well as, the required Transportation/Traffic mitigation (as revised) into the project for Ponti Road. Based on these reasons, staff recommends approval of the project subject to the revised recommended conditions of approval.

Action Required - Follow the proposed action listed in Executive Summary. If conditions of approval are to be amended, specify conditions to be amended at time motion is made. This option has been analyzed for its environmental impacts, which were found to be less than significant.

Option 2 - Reduced Project Alternative

Disposition - This option would reduce production, visitation and/or marketing program numbers commensurate with other wineries or the surrounding neighborhood. However, based on the supplemental information presented with issuance of this staff report, there does not appear to be any evidence supporting a reduction in the project.

Action Required - Follow the proposed actions listed in the Executive Summary and amend scope and project specific conditions of approval to require the reduction in the proposed visitation and marketing program. If major revisions of the conditions of approval are required, the item will need to be continued to a future date.

Option 3 - Deny Proposed Project

Disposition - In the event the Commission determines that the project does not, or cannot meet the required findings for the granting a Use Permit, Commissioners should identify what aspect or aspects of the project are in conflict with the required findings. State Law requires the Commission to adopt findings, based on the General Plan and County Code, setting forth why the proposed Use Permit request is not being approved.

Action Required - Commission would take tentative motion to deny the project and remand the matter to staff for preparation of required findings to return to the Commission on a specific date.

Option 4 - Continuance Option

The Commission may continue an item to a future hearing date at its own discretion.

SUPPORTING DOCUMENTS

- A . Revised Recommended Findings
- B . Recommended Revised Conditions of Approval & Agency Memos
- C . Supplemental Information - Response to Comments
- D . Supplemental Technical Information
- E . Applicant Response to Comments
- F . Scarlett Winery Neighborhood Outreach Meeting
- G . Public Comments Received After October 2, 2019
- H . Staff Report of October 2, 2019
- I . Abbreviated Public Comments Received for October 2, 2019 Meeting
- J . Graphics

Napa County Planning Commission: Approve

Reviewed By: Charlene Gallina