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Agenda Date: 1/17/2018

Agenda Placement: 8C

Napa County Planning Commission Board Agenda Letter

TO: Napa County Planning Commission
FROM: Vincent Smith for David Morrison - Director
Planning, Building and Environmental Services
REPORT BY: Wyntriss Balcher, Planner II - 707 299-1351
SUBJECT: Vine Cliff Winery Major Modification #P17-00129-MOD

RECOMMENDATION

CHARLES & NELL SWEENEY FAMILY TRUST/VINE CLIFF WINERY/USE PERMIT MAJOR MODIFICATION #P17-00129-MOD

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 Major Modification for an existing 48,000 gallon winery to allow: 1) an increase in the daily tours and tastings visitation; 2) modification of the approved marketing program; 3) an increase in the number of employees; and, 4) the addition of on-premises consumption of wine in certain designated areas. No change in production capacity or existing physical winery facilities are proposed by the project. The project is located on a ±99.59 acre parcel, on the east side of Silverado Trail approximately one mile south of its intersection with Oakville Cross Road within the Agricultural Watershed (AW) zoning district; 7400 Silverado Trail, Napa 94558; APN:032-030-027.

Staff Recommendation: Adopt the Negative Declaration and approve the requested Use Permit Modification as conditioned.

Staff Contact: Wyntriss Balcher (707) 299-1351; wyntriss.balcher@countyofnapa.org

Applicant Contact: George H. Monteverdi, Monteverdi Consulting, (707) 255-5368,
George@monteverdiConsulting.com

EXECUTIVE SUMMARY

Proposed Actions:

That the Planning Commission:

1. Adopt the Negative Declaration, based on recommended Findings 1-7 of Attachment A; and,
2. Approve Use Permit Modification #P17-00129-MOD based on Findings 8-12 and subject to the recommended conditions of approval (Attachment B).

Discussion:

Vine Cliff Winery was established under the Napa County Small Winery Exemption #SW-178889 on September 14, 1988, for 10,000 gallons/year in a new 4,428 ft² winery building. Use Permit #96095-UP, approved in 1996, added use of the existing historic cave, increased production to 30,000 gallons/year, constructed an administration building, custom producers, limited visitation and marketing activities for the wine trade, and a left turn lane on Silverado Trail. As a Pre-WDO winery, the originally approved 10,000 gallons of production are not subject to the 75% rule. Production capacity was increased to 48,000 gallons/year and marketing activities were approved by later use permits. The approved but not constructed administration building was reduced in area to 2,393 ft² by a very minor modification #P08-00159-VMM in 2008. The winery participated in the 2012 winery audit and was subsequently advised that the visitation numbers were not in compliance with the approved visitation. The winery chose to resolve the issue with the installation of a wine tasting facility in St. Helena, and reduced its visitation to comply with their use permit.

This use permit modification requests an increase in by appointment visitation, six (6) additional marketing events, and an increase in the number of employees. With the exception of the required access road requirements, no physical changes are proposed and no other changes are proposed to the winery operations.

This proposal has been analyzed for its environmental impacts, which were found to be less than significant. Staff has reviewed the proposal and found it consistent with the Zoning Ordinance and applicable General Plan policies and is recommending approval for the following reasons: 1) the proposal includes voluntary greenhouse gas offset features; 2) potential traffic impacts have been fully addressed and an existing left turn lane serves the winery; 3) there are no viewshed issues; 4) the project will be subject to the County's expanded housing impact fees; and, 5) there is direct access from Silverado Trail.

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

Owner: Charles and Nell Sweeney Family 2003 Trust dba Vine Cliff Winery

Applicant: Michael Sweeney, 7400 Silverado Trail, Napa CA 94558, 707-287 7387, Michael @VineCliff.com

Representative: George H. Monteverdi, Monteverdi Consulting, LLC, PO Box 6079 Napa, CA 94581, 707-761-2516, George@monteverdiConsulting.com

Zoning District: Agricultural Watershed (AW)

General Plan Designation: Agriculture, Watershed & Open Space (AWOS)

Filed: March 27, 2017; **Resubmitted :** July 21, 2017; **Complete:** August 28, 2017

Parcel Size: ±99.59 acre

Existing Development: Development on the property consists of a 21,696 ft² winery; a total of 15,000 ft² wine caves (two (2) caves); a single family residence, a guest cottage, vineyards, a decorative pond, an improved access driveway and parking lot. A 2,393 ft² administration building was approved, but has not been constructed .

Vineyard Acreage (Existing): 23 acres

Vineyard Acreage (Proposed): No change

Winery Characteristics:

Winery Size (Approved): 2,338 ft² winery; 15,000 ft² caves; 2,393 ft² administration building, 2,272 ft² covered crush pad area

Winery Size (Existing): ± 2,338 ft² winery; 15,000 ft² caves; 2,272 ft² covered crush pad area (approved 2,393 ft² administration building has not been constructed)

Winery Size (Proposed): No changes

Production Capacity (Approved): 48,000 gallons /year

Production Capacity (Proposed): No change

Winery Coverage (Existing): ±66,000 ft², ±1.5 acres or ±1.5%

Winery Coverage (Proposed): No change

(Maximum 25% or 15 acres)

Accessory/Production Ratio (Existing): ±2,338 ft²/±21,696 ft² = ±11%

Accessory/Production Ratio (Proposed): No change

(Maximum 40% allowed)

Number of Employees (Existing): Two (2) full-time and two (2) part-time

Number of Employees (Proposed): 10 full-time and six (6) part-time employees

Visitation (Approved): Private tours and tastings, 100/year, maximum of 4 persons; (Monday through Sunday)

Visitation (Proposed): Maximum 50 visitors per day (By Appointment Only); Weekly Maximum - 350 visitors (Monday through Sunday)

Marketing Program (approved/existing): Wine trade tours and tasting, two (2)/week, maximum four (4) guests; wine trade luncheons, two (2)/month, maximum 50 guests; and private promotional dinners, six (6)/year, maximum 50 guests

Marketing Program (proposed): Wine trade tours and tasting, two (2) per week, maximum four (4) guests; wine

trade luncheons, two (2)/month, maximum 50 guests; and private promotional dinners, six (6)/year, maximum 50 guests and six (6) additional marketing events/year, a maximum 100 guests with food preparation by a licensed caterer. Marketing events will take place in the existing winery building, the cave, and its immediate environs (patio, gardens, and vineyards). Evening events to occur between 11:00 am and 11:00 pm. The winery will be closed for retail sales, daily tours and tastings on days when marketing events to occur. Marketing events will not be scheduled to begin or end between 4:00 pm and 6:00 pm

Days and hours of operation (Approved/Existing): 11:00 am to 11:00 pm

Days and hours of operation (Proposed): No change proposed

Parking (Approved/Existing): 17 spaces

Parking (Proposed): no change proposed

Setbacks (Required): 600 feet from Silverado Trail, 20 feet side yards and rear yard

Setbacks (Existing): ±1,050 feet from Silverado Trail, ±877 ft. north side, ±372 ft southeast side

Adjacent General Plan Designation/Zoning/Land Use

North: Agriculture, Watershed & Open Space (AWOS)/Agricultural Watershed (AW) / agriculture, residential

South: Agricultural Resource (AR) and Agriculture, Watershed & Open Space/ Agricultural Preserve (AP) /Rector Reservoir, State Department of Fish and Wildlife offices

East: AWOS/ AW//agriculture, residential

West: Agricultural Resource/Agricultural Preserve/agriculture, residential and approved winery.

Wineries in the Vicinity (located within 1 mile of the project):

Please refer to Attachment "I".

Property History:

The winery was established under the Napa County Small Winery Exemption #SW-178889 on September 14, 1988 for 10,000 gallons/year in a new 4,428 ft² winery building with two (2) full-time and two (2) part-time employees and no more than one (1) visitor/day (no public tours/tastings); operating seven (7) days per week.

Use permit modification #94180-MOD was approved by the Zoning Administrator on February 17, 1995, to allow redesign of the winery floor plan which included the existing 1,498 ft² barrel room; construction of a 2,926 ft² raised tank pad; and construction of a 2,271.5 ft² slab for grape reception and crushing.

Use Permit Application #96095-UP was approved by the Planning Commission on December 18, 1996 to: 1) increase the production capacity from 10,000 to 30,000 gallons per/year; 2) construct a 840 ft² mezzanine within the existing 1498 ft² barrel room building; 3) construct a 3,835 ft² single story administrative office building for offices, conference room, kitchen and tasting/reception room; 4) use the existing historic 2,072 ft² cave and add new 10,255 ft² caves (total 12,327 ft²) for wine barrel storage only; 5) allow custom production for three (3) custom producers utilizing 5,000 gallons/year of the 30,000 gallons/year production capacity; 6) allow by appointment private tours and tasting, 100 private tours and tastings/year for a maximum four (4) persons; and, 7) to add marketing activities: tours and tasting for wine trade only, two (2) times/ week, maximum four (4) persons; luncheons for wine trade only, two (2) times/month, maximum 10 persons; and private promotional dinners for persons who have pre-established business or personal relationships with the winery or its owners, six (6) time/year, for a maximum 12 persons. The construction of a left turn lane to serve the winery and a requirement to use water and/or dust palliatives during grading and construction were incorporated into the project to mitigate potential traffic and air quality concerns. The winery is a pre-WDO winery, therefore, the additional 20,000 gallons

approved by the use permit was subject to the 75% rule regarding the use of grapes grown in Napa County.

On October 20, 1998, Use Permit Modification #98041-MOD was approved by the Zoning Administrator to allow the approved 3,835 ft² winery administrative office building floor plan to be revised to add 123 ft² for a total 3,958 ft² structure for use as: office, tasting/reception, conference, kitchen and lab/storage areas. No changes to winery operations were proposed.

On May 5, 1999, Use Permit #98323-UP was approved by the Planning Commission to: 1) increase the production capacity from 30,000 to 48,000 gallons/yr; 2) increase the area of the area of the caves to 15,000 ft² for barrel storage and wine library wine storage; 3) provide a maximum 21 parking off-street parking spaces; and, 4) modify the marketing plan to allow: tours and tasting for wine trade only, two (2) times/ week, maximum 4 persons; luncheons for wine trade only, two (2) times/month, maximum 50 persons; and private promotional dinners for persons who have pre-established business or personal relationships with the winery or its owners, six (6) times/yr., for a maximum 50 persons, to occur between 11:00 AM and 11:00 PM and to allow marketing functions in the caves. The approval included a condition that the winery would be closed for retail sales during the periods when there will be over 40 persons attending any of the subject events, and the events can not be scheduled to begin or end between 4:00 to 6:00 PM. In addition, the conditions of approval required compliance with building and fire codes prior to public use of the caves.

On April 3, 2008, Very Minor Modification Use Permit #P08-00159-VMM was administratively approved to redesign and reduce the previously approved 3,835 ft² hospitality and administration building to 2,393 ft²., but leaving it on the same footprint as the original plans, and remove custom crush production.

Code Compliance History:

The winery participated in the 2012 Winery Audit, and was notified on August 4, 2014 that the winery was not in compliance with the allowable visitation levels. There was discussion between the Code Compliance Team (Team) and the owner regarding the visitation levels that were approved, and the Team requested the owner to submit an approval document that supported the winery's position. On February 2, 2015, the winery was issued a Notice of Violation, and the Team requested a decision from the owner whether the winery would be submitting a modification to the use permit or comply with the approved visitation levels. The winery chose to reduce the visitation to the approved levels and opened a tasting room in St. Helena in 2014, thus resolving the violation. The case was closed in 2016.

Discussion Points:

Setting – The project is located on a ±99.59 acre parcel with frontage on the east side of Silverado Trail, ± one (1) mile south of Oakville Cross Road, approximately 2.5 miles northeast of the Town of Yountville boundary, and ±2,000 feet northwest of Rector Reservoir. The property is in the Yountville, California USGS Quad, at elevation ±280 feet MSL. The existing ±2,338 ft² winery, ±2,272 ft² crush pad, and 15,000 ft² caves are located on the southeasterly portion of the property, within a drainage canyon with moderate slopes (±18%) that increase to ±30% slopes east and north of the winery and caves. There is a single family residence and guest house located above the 30% slopes toward the north side of the property. In addition, there are ±23 acres of vineyards, paved access roads, a paved parking area, and a decorative pond. There is an existing left turn lane on Silverado Trail serving the parcel. Adjacent land uses include agriculture, large lot residential, State Department of Fish and Wildlife headquarters, and Rector Reservoir. The closest off-site residence is ±1,500 feet north from the existing winery and project site.

The Napa County Environmental Sensitivity maps indicate this parcel is located within a geologically sensitive area and a wildflower biological sensitivity area. The project, however, does not propose any significant land disturbing activities, limited to the disturbed areas adjacent to the existing access driveway.

Winery Proposal - The proposal is to modify an existing 48,000 gallon winery to: 1) increase daily tour and tasting visitation; 2) modify the approved marketing program; 3) close winery for retail sales and daily tours/tasting on the days marketing events occur; 4) increase employees, and 5) add on-premise consumption of wine and purchased at the winery to occur within the tasting room, the immediate proximity of the winery including the nearby pond, and garden area, vineyards, and within winery caves. The proposal includes a request to remove custom production” language from the winery’s use permit (Use Permit #96095-UP, Conditions 1(e)). The County does not require a use permit for custom producers but the production of the custom producers must not exceed the winery’s 48,000 gallon annual production capacity.

Tours & Tasting/Marketing Events – The applicants are requesting to increase daily tours and tasting from 100 visitors/year (maximum 4 persons/ day) to 50 visitors per day, by appointment only, with food pairing; 2) modify the approved marketing program (wine trade tours and tasting, twice per week maximum 4 guests; wine trade luncheons, two/month, maximum 50 guests; and private promotional dinners, six (6) /year, maximum 50 guest) to add six (6) marketing events/year, a maximum 100 guests with food preparation by a licensed caterer; 3) close winery for retail sales and daily tours/tasting on the days marketing events occur; 4) use portable toilet facilities at all events; 5) increase employees from two (2) full-time and two (2) part-time to 10 full-time and six (6) part-time employees; and 6) add on-premise consumption of wine produced and purchased at the winery to occur within the tasting room, the patio, pond and garden area, vineyards, and within the caves.

In comparison to a winery with similar production size, the total number of weekly visitors is twice the median and average numbers of similar wineries. The number of marketing events is also substantially greater than the average and median numbers of similar size wineries.(Reference Attachment I)

Traffic & Parking - A Traffic Impact Report was prepared for the project (Crane Transportation Group, June 1, 2017). The study included a traffic count for harvest Friday PM commute peak hour and Saturday afternoon peak hour. According to the report, historical traffic count information for major Napa County roadways indicates that there are higher volumes during this time period than during all other times of the year. Existing, year 2020, and year 2030 (“Cumulative- General Plan Buildout”) operating conditions were evaluated both with and without project traffic at the Silverado Trail intersection with the project driveway, Yountville Cross Road and Oakville Cross Road. Sight line adequacy was also evaluated at the project driveway intersection with Silverado Trail and found that sight lines at the project driveway and Silverado Trail meet minimum stopping sight distance criteria based upon the Caltrans March 2014 Highway Design Manual.

The report concluded that the proposed project would not result in any significant off-site circulation impacts to the two intersections with Silverado Trail at Yountville Cross Road and Oakville Cross Road. The report further states that the project would not degrade operations from acceptable to unacceptable at any location; increase peak hour volumes by 1 percent or greater at any location already experiencing unacceptable “Without Project” operation; nor increase volumes on the stop sign control side street approaches to Silverado Trail by 10 percent or greater in the Year 2016 Harvest plus project, Year 2020 Harvest plus project, and the Cumulative (2030) Harvest plus project off-site. There is an existing left turn lane serving the property.

There is currently sufficient parking for the winery provided on site. The previous project approval authorized twenty-one parking spaces for the 48,000 gallon winery. These parking spaces would be sufficient to accommodate parking needs during normal business days for the additional employees and visitors. Additional parking will be required during marketing events, where there is adequate space by the winery to accommodate additional temporary parking. The new Napa County Road and Street Standards require additional width of two feet to the existing driveway, and this construction is the only physical changes related to the project.

Groundwater Availability - The project is located on a ±99.6 acre parcel in a “hillside zone”. A Water Availability Analysis (WAA) was prepared for the project (O’Connor Environmental, Inc. February 27, 2017) and submitted with the application. The study included a Tier 1 analysis detailing the existing and proposed groundwater demands.

Since the project is located in an area designated "hillside", a Tier 2 water analysis was also prepared to analyze any well or spring interference and the aquifer recharge. The analysis indicates that the existing total water demand is 17.8 af/yr (winery processing =1.03 af/yr; residences (2) =3.03af/y; employees (10) =.108af/yr; visitors (1,095/yr) = 0.010 af/yr; event visitors (1,500/yr) =.069af/yr; domestic landscaping =1.05 af/yr; ±25 ac vineyards = 12.50 af/yr). The analysis concluded that the projected water demand for the project is 18.01 af/yr (winery processing =1.03 af/yr; residences (2) = 3.03af/yr; employees (16) = .168af/yr; visitors (14,600/yr) = 0.134 af/yr; event visitors (2,100/yr) =.097af/yr; domestic landscaping =1.05 af/yr; ±25 ac vineyards = 12.50 af/yr. As a result of the foregoing, annual water demand for this parcel would increase 0.2 af/yr, from 17.8 af/yr to 18.01 af/yr.

The report utilized a Soil Water Balance model to estimate groundwater available for aquifer recharge in the project area. The report revealed that average year recharge was 4.0 inches/year or 103.3 af/yr. The total water use for the project is estimated to be 18.01 af/yr, which represents 17% of the mean annual recharge, indicating that the project is unlikely to result in declines in groundwater elevations or depletion of groundwater resources over time. The closest neighboring well to the two existing wells on the project parcel appear to be located ±1,275 feet northeast of the upper well on the adjacent parcel to the north. Based on the WAA guidance document, a Tier 2 well interference analysis is not required given that non-project wells are located greater than 500 feet from the project wells. Since the closest neighboring well to the project wells is located more than 500 feet from the project wells, it is presumed that significant well interference is unlikely to occur per County guidance. The analysis also included a spring interference evaluation and the engineer concluded that the ornamental/landscape pond on the parcel is in a topographical position that could be consistent with a spring source. The potential spring on the parcel is not used for domestic or agricultural purposes and the Tier 2 spring interference criterion is presumptively as the no natural springs for use for domestic or agricultural purposes is located within 1,500 feet of the project wells. The water availability analysis (WAA) calculations demonstrated that the project will not have a significant impact on groundwater supply and recharge rates. The project will not require a new water system or other improvements and will not have an impact on local groundwater.

Wastewater – The winery process wastewater and sanitary wastewater will continue to be handled by the existing, separate systems on the property. According to the Wastewater Feasibility Study prepared by Applied Civil Engineering, the existing wastewater infrastructure has been designed to effectively handle the volumes of anticipated process wastewater and sanitary sewage generated by the proposed increase in visitation and marketing activities. Portable toilets will be made available at all marketing events.

Cultural Resources/Tribal Cultural Resources - According to the Napa County Environmental Resource Maps (based on the following layers – Historical sites points & lines, Archaeology surveys, sites, sensitive areas, and flags), archaeological, or paleontological resources, sites or unique geological features have been identified on the property. Notifications of Proposed Project Pursuant to PRC Code Section 210803.2 were forwarded to the tribes on August 28, 2017. The September 28, 2017 letter from the Yocha Dehe Tribe was received on October 2, 2107, stating that their Cultural Resources Department has reviewed the project and concluded that it is within the aboriginal territories of the Yocha Dehe Wintun Nation. The letter stated further that the tribe has cultural interest in the proposed project area, but is not aware of any known cultural resources near the project site.

Greenhouse Gas Emissions - The County requires project applicants to consider methods to reduce Green House Gas (GHG) emissions consistent with Napa County General Plan Policy CON-65(e), which requires GHG review of discretionary projects. The applicant has completed the Department's Best Management Practices Checklist for Development Projects and has indicated that the project incorporates the following voluntary best management practices: planned generation of on-site renewable energy with the installation of ground mount PV array; construction of the approved but not built mixed use structure will aspire to CALGREEN Tier 1 or Tier 2 standards and propose to exceed Title 24 energy efficiency standards; vehicle miles traveled (VMT) reduction plan; continued use of energy conserving lighting; energy star roof/living roof/cool roof used on the roof of tunnel between barrel storage room and winery building and will implement Energy Star roofing in future re-roofing; promote bicycle incentives; connect to recycled water when it becomes available; maintain installed water efficient fixtures;

approved future structure will be designed to minimize earthmoving; continue to recycle 75% of all waste; maintain shade trees planted within 40 feet of the south side of building elevation; propose an electrical vehicle charging station; the existing site design is oriented and designed to optimize conditions for natural heating, cooling and day lighting of interior spaces and to maximize winery sun exposure; continued local food production; education of staff and visitors on sustainable practices; continue use of 70-80% cover crop; and retain biomass removed via pruning and thinning by chipping the material and reusing it rather than burning on-site.

Grape Sourcing - The property has ±23 acres of vineyards and the winery is an existing facility, producing 48,000 gallons per year. The estate grapes are utilized at the winery. The winery was established prior to the WDO, and expansion of the production capacity of the winery was approved by #96095-UP (10,000 to 30,000 gallons) and by Use Permit #98323-UP (30,000 to 48,000 gallons). Both approvals occurred after the adoption of the WDO, and conditions were included in the approvals which required the new production to comply with the 75% rule. Therefore, 10,000 gallons of the winery's production is not subject the 75% rule, but the remaining 38,000 gallons is required to be produced from 75% Napa County grown grapes.

Public Comments – To date, no public comments have been received.

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. Decision making options also include a reduced visitation/marketing alternative and no project alternative.

Option 1 - Approve Applicant's Proposal (Staff's recommendation)

Disposition - Primary operational changes resulting from this option would be an increase in daily and weekly visitation, an increase in marketing activities, and an increase in the number of employees. This option has been analyzed for its environmental impacts, which were found to be less than significant. Furthermore, the project as proposed meets all County Code requirements and complies with General Plan policies. There exist operational factors, including compliance with all WDO and Zoning Code regulations, no significant environmental impacts, and a sufficient water supply, which have led staff to conclude that the project merits approval as proposed and conditioned.

Action Required - Follow proposed action listed in the Executive Summary. If the recommended conditions of approval are to be amended, specify conditions to be amended at the time a motion is made.

Option 2 - Modification of Applicant's Request

Disposition - This option could result in a potential decrease in daily or weekly visitation, marketing events, or the number of employees.

Action Required - Follow proposed actions listed in the Executive Summary and amend scope and project specific conditions of approval to place limits on use. If major revisions of conditions of approval are required, the item will need to be continued to a future date.

Option 3 - Deny Proposed Project

Discussion-In the event the Commission determines that the project does not, or cannot meet the required findings for grant of a use permit modification, Commissioners should articulate what aspect or aspects of the project are in conflict with 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 modification is not being approved.

Based on the administrative record as of the issuance of this staff report, there does not appear to be any evidence supporting denial of the project.

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

Option 4 - Continuance Option

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

SUPPORTING DOCUMENTS

- A . Recommended Findings
- B . Recommended Conditions of Approval & Final Agency Approval Memos
- C . Previous Project Conditions and Code Compliance Issues
- D . Initial Study/Negative Declaration
- E . Use Permit Application Packet
- F . Water Availability Analysis
- G . Wastewater Feasibility Study
- H . Traffic Study
- I . Graphics
- J . Winery Comparison Analysis & Summary of Changes

Napa County Planning Commission: Approve

Reviewed By: Vincent Smith