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Agenda Date: 10/16/2019

Agenda Placement: 7D

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: Envy Winery

RECOMMENDATION

ENVY WINES, LLC / ENVY WINES / MAJOR MODIFICATION P18-00071-MOD AND EXCEPTION TO THE NAPA COUNTY ROADS & STREET STANDARDS

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 Major Modification for an existing 50,000 gallon per year winery to allow the following: a) increase annual wine production from 50,000 to 100,000 gallons per year; b) convert the existing laundry room and create a low risk food preparation kitchen to prepare cheese plates on-site; c) replace 256 sf of production floor area to accommodate a private seating tasting room for a total of 1,654 sf; and d) asphalt two (2) feet of an existing gravel shoulder to comply with the County's Road and Street Standards. The proposal also includes a request for an exception to the Napa County Roads and Street Standards to improve the existing common driveway for small portions of the driveway where due to existing legal constraints, construction of the required 20' pavement width is not possible. There are no proposed changes to winery's visitation, marketing program, or the number of employees. The project is located on an approximately 18.76 acre parcel accessed from a private drive on the south side of Tubbs Lane, approximately 0.25 mile from its intersection with St. Helena Highway (SR 128); 1170 Tubbs Lane, Calistoga, CA 94558; APN 017-210-027.

Staff Recommendation: Adopt the Negative Declaration and approve the Exception to the Roads & Street Standards and Major Modification, as conditioned.

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

Applicant: Mark Carter , Envy Wines, LLC; (916) 730-4107; info@cartercellars.com

Applicant Representative: Kirsty Shelton, Palisades Land Use Consultancy, (707) 692-6636;
ks@palisadeslanduse.com

EXECUTIVE SUMMARY

That the Planning Commission:

1. Adopt the Negative Declaration based on recommended Findings 1-7 in Attachment A;
2. Approve an Exception to the Napa County Road & Street Standards, based on Finding 8 of Attachment A and subject to the recommended conditions of approval in Attachment B; and
2. Approve Major Modification No. P18-00071-MOD based on Findings 9-13 of Attachment A and subject to the recommended conditions of approval (Attachment B).

Discussion:

Envy Winery was established under the name of Calistoga Cellars in 2002 as a 20,000 gallons per year winery within a 3,034 sf winery building plus a 1,282 sf covered porch with two (2) full-time and two (2) part-time employees, and six (6) parking spaces on-site. The winery was permitted to conduct tours and tastings by appointment only at 25 visitors per day. Operations were to be conducted six days a week. At the time, the marketing program included a monthly private promotional tastings with a maximum of 30 people and two (2) annual release events with a maximum of 100 people. Hours for marketing activities were to take place between the hours of 11:00 am to 10:00 pm, no longer than four (4) hour duration, within the winery and covered porch. On October 21, 2009, Use Permit Major Modification #P09-00288 was approved by the Planning Commission to add a 4,137 square foot barrel storage building with no increase in production, marketing, or employees. On March 21, 2012, Use Permit Major Modification #P11-00163 was approved by the Planning Commission authorizing an increase in annual production from 20,000 to 50,000 gallons per year, construction of a 3,500 sf new barrel storage building, a 1,360 sf covered walkway, an additional 699 sf covered crush pad area, a new marketing program to allow food and wine pairings (catered food only) for up to eight (8) people daily and one (1) additional marketing event permit month with 75 people, on-premise consumption of wine, the widening of the existing access road, and installation of a waste-water treatment and processing facility. The hours of operation for the winery were changed to Monday through Sunday 7:00 am to 5:00 pm and visitation hours are 10:00 am to 5:00 pm. As a result of winery construction, a total of nine (9) parking spaces existed on-site and therefore recognized in this approval.

The current proposal is to allow an increase in annual wine production at an existing winery from 50,000 to 100,000 gallons per year, convert the existing laundry room and create a low risk food preparation kitchen to prepare cheese plates on-site, replace 256 sf of production floor area to accommodate a private seating tasting room for a total of 1,654 sf, and asphalt two (2) feet of an existing gravel shoulder to comply with the County's Road and Street Standards. The proposal also includes a request for an exception to the Napa County Roads and Street Standards to improve the existing common driveway for small portions of the driveway where due to existing legal constraints, construction of the required 20' pavement width is not possible. There are no proposed changes to winery's visitation, marketing program, or the number of employees.

Staff has reviewed the proposal and found it to be consistent with the Zoning Ordinance and applicable General Plan policies. Furthermore, staff has also determined that there is sufficient waste and waste water capacity for the proposed increase, the applicant has incorporated existing and proposed GHG reduction measures for the winery, that the grape supply is commensurate with the proposed production request, and based upon the project's Initial Study, there will be no significant environmental impacts to the site. Staff has also reviewed the Road and Street Standards Exception request and determined that the required findings can be met. Based on these reasons, staff recommends approval of the project subject to the recommended 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 Negative Declaration. According to the proposed Negative Declaration, the proposed project would not have any potentially significant environmental impacts. This project is not on any lists of hazardous waste sites enumerated under Government Code Section 65962.5.

BACKGROUND AND DISCUSSION

Property Owner / Applicant: Envy Wines LLC / Mark Carter; 1170 Tubbs Lane, Calistoga, CA 94515; (916) 730-4107

Representative: Kirsty Shelton, Palisades Land Use Consultancy, 101 South Coombs, Suite Y6, Napa, CA 94559; (707) 692-6636

Zoning: AP (Agricultural Preserve)

General Plan Designation: AR (Agricultural Resource)

Submitted: March 5, 2018; **Resubmitted:** July 12, 2018, March 20, 2019, March 25, 2019; **Determined Complete:** September 12, 2019

Parcel Size: 18.76 acres

Existing Development: 50,000 gallon winery, ±12,608 sf in area

Vineyard Acreage (Existing): 11 acres

Vineyard Acreage (Proposed): No change proposed

Proposed Winery Characteristics:

Winery Size (Existing): 12,608 sf with covered crush pad

Winery Size (Proposed): Replace 256 sf of production floor area to accommodate a private seating tasting room; convert the existing laundry room and create a low risk food preparation kitchen to prepare cheese plates on-site

Development Area (Existing): 16,728 sf

Development Area (Proposed): No change proposed

Winery Coverage (Existing): 46,178 sf, 1.06 acres, 0.06% (Maximum 25% or 15 acres)

Winery Coverage (Proposed): No change proposed

Accessory/Production Ratio (Existing): 1,389 sf accessory - 11,210 sf production; The ratio equals 12% (Maximum 40% permitted)

Accessory/Production Ratio (Proposed): 1,654 sf accessory - 10,954 sf production; The ratio equals 15% (Maximum 40% permitted)

Production Capacity (Existing): 50,000 gallons per year

Production Capacity (Proposed): 100,000 gallons per year

Visitation (Existing): 25 visitors; on-site consumption of wine permitted

Visitation (Proposed): No change proposed

Marketing (Existing): Eight (8) people per day with food and wine pairings, one (1) event per month with a maximum of 30 people, one (1) event per month with a maximum of 75 persons, and two (2) events per year with a maximum of 100 people.

Marketing (Proposed): No change proposed

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

Number of Employees (Proposed): No change proposed

Hours of Operation (Existing): 7:00 AM to 5:00 PM daily; Visitation from 10:00 AM - 5:00 PM (no change)

Hours of Operation (Proposed): No change proposed

Parking (Existing): Nine parking spaces

Parking (Proposed): No change proposed

Setbacks Required: 600' Tubbs; 20' front, rear, and side

Setbacks Existing: 114.4' front (no Tubbs Lane frontage except for driveway entrance); 113.3' side; and 360' rear

Setbacks Proposed: No change proposed

Adjacent General Plan /Zoning / Land Use:

North - AR / AP / Residential

South - AR/ AP / Vineyard

West - AR / AP / Vineyard; Summers Winery across Tubbs Lane

East - AR / AP / Residential

Nearby Wineries (located within 1 mile of the project):

Please refer to Attachment K.

Property History:

On February 20, 2002, the Planning Commission conditionally approved Use Permit # 01074-UP to allow a 20,000 gallons/year winery including retail wine sales and custom production activities for a maximum two entities up to a maximum 25% winery production capacity (5,000 gallons/year). Construction of a 3,403 square feet winery structure, six off-street parking spaces, a marketing program, two full-time and two part-time employees were also included, Although Appeal # A2001-025-A was filed to the Board of Supervisors, it was later withdrawn on May 7, 2002.

Use Permit Major Modification # P09-00288-MOD was approved October 21, 2009 to allow construction of a new 4,137 square feet barrel storage building with no increase in winery production, marketing program activities or number of employees.

On December 17, 2009, Williamson Act, Type A, Agricultural Preserve Contract # P09-00436-AGK was recorded for the project site.

On March 21, 2012, Use Permit Major Modification #P11-00163 was approved by the Planning Commission authorizing an increase in annual production from 20,000 to 50,000 gallons per year, construction of a 3,500 sf new barrel storage building, a 1,360 sf covered walkway, an additional 699 sf covered crush pad area, a new marketing program to allow food and wine pairings (catered food only) for up to eight (8) people daily and one (1) additional marketing event permit month with 75 people, on-premise consumption of wine, the widening of the existing access road, and installation of a waste-water treatment and processing facility. The hours of operation for the winery were changed to Monday through Sunday 7:00 am to 5:00 pm and visitation hours are 10:00 am to 5:00 pm. As a result of winery construction, a total of nine (9) parking spaces existed on-site.

Code Compliance History:

None. There are no open or pending code violations. The County is not aware of any compliance issues on the property and no complaints have been filed.

Discussion Point(s):

Setting - The project is located on an approximately 18.76-acre parcel accessed from an approximate 790 foot private drive on the south side of Tubbs Lane, approximately 0.25 mile from its intersection with St. Helena Highway (SR 128), and located ½ mile northwest of the City of Calistoga. The subject property is nearly level (slopes typically 0-2%) and at an elevation of 390 Mean Sea Level (MSL). Foundation materials consist of Quaternary fluvial deposits overlain by Class II soils of the Bale loam and Bale clay loam series. Runoff is slow and the hazard of erosion is slight. A portion of the property lies within the designated 100-year floodplain of the Napa River, but the site of the existing winery and proposed improvements is outside the floodplain. Surrounding land uses include agriculture, vineyard, winery, residential and commercial activities (market, and tourist attraction-Old Faithful Geyser). The closest residences are approximately 500 feet (to east) and 700 feet (to south) from the winery site. There is geothermal activity in the area, with noted steaming areas and an active geyser to the north of the property.

Winery Proposal - The current proposal is to allow an increase in annual wine production at an existing winery from 50,000 to 100,000 gallons per year, convert the existing laundry room and create a low risk food preparation kitchen to prepare cheese plates on-site, replace 256 sf of production floor area to accommodate a private seating tasting room for a total of 1,654 sf, and asphalt two (2) feet of an existing gravel shoulder to comply with the County's Road and Street Standards. The proposal also includes a request for an exception to the Napa County Roads and Street Standards to improve the existing common driveway for small portions of the driveway where due to existing legal constraints, construction of the required 20' pavement width is not possible. There are no proposed changes to the winery's visitation, marketing program, or the number of employees (Attachment F). Furthermore, staff has provided a winery comparison analysis identifying that Envy Winery is below average and the medium in daily/weekly/annual visitation and marketing comparable wineries with 100,000 gallons per year in production (Attachment K).

Groundwater Availability - A Tier I Water Availability Analysis (WAA), dated February 2018, was prepared by Madrone Engineering to determine the estimated water use of the existing development, the proposed project and water availability (Attachment H). There are three (3) wells for project use. One well (well #1) is permitted as a source for a transient, non-community water system, and the other wells are used for vineyard irrigation. All wells are on a neighboring parcel (APN: 017-210-009), and both wells are connected to Envy Wines via an existing well and utility easement. The winery parcel is on the Valley Floor and subject to the Valley Floor screening criteria of one acre-foot of water per acre of land and a Tier 1 analysis. Therefore, based upon the parcel's acreage of 18.75, the total allowable water usage is 18.75 acre-feet per year (AF/YR). The parcel water demand can be met with the existing

project well (Well #1). This well per a well yield test completed in 2009 has a reliable pumping capacity of 50 gallons per minute (gpm). Based upon the WAA, the projected water use of 4.821 AF/YR equates to an average of 4,300 gallons per day. At a constant rate of 3.0 gpm (only 6% of Well #1 capacity), approximately 4,300 gallons of water would be available each day. Given this condition, project water use is well within the physical capabilities of Well #1. Based on the WAA prepared for the project, existing water use for the parcel is 3.477 AF/YR (Vineyard - 1.80 AF/YR, Process Water - 1.075 AF/YR, Domestic/Landscaping - 0.471 AF/YR, Employees - 0.028 AF/YR, Visitors - 0.100 AF/YR, Marketing - 0.003 AF/YR) and the proposed water use would be 4.821 AF/YR (Vineyard - 1.80 AF/YR, Process Water - 2.15 AF/YR, Domestic/Landscaping - 0.721 AF/YR, Employees - 0.028 AF/YR, Visitors - 0.100 AF/YR, Marketing - 0.022 AF/YR) resulting in an increase of 1.344 AF/YR.

Wastewater - All of the wastewater generated by the winery (process wastewater and sanitary wastewater) would be treated on-site using the existing treatment systems (Attachment I).

Traffic - Traffic generated by the 50,000 gallon increase in production for proposed project will be minimal, one trip (0.9) per day is expected as a result of the 50,000 gallon production for a total of 1.8 trips. (Trip Generation Sheet - Attachment F). Traffic during a Crush Saturday is increased by 0.55 trips. No other increases in traffic will occur since there are no proposed changes to the winery's visitation, marketing program or the number of employees.

Napa County Roads and Street Standards Exception - Envy Winery is currently accessed by a private driveway which varies in width from 16 to 18 feet, is paved, is flat (less than five (5) percent), and is approximately 1,000 feet in length. The project seeks an exception to the RSS from the commercial driveway width standard (20.0 feet wide driveway) for the initial 200 foot section of driveway that is contained within a flag lot configuration and has physical constraints (existing building on neighboring property) restricting widening. The project is also seeking an exception to the 50.0 foot standard horizontal curve inside turning radius at road station 2+50, which is where the property transitions from a flag lot to an open parcel. The subject parcel and access drive falls entirely within the Local Responsibility Area (LRA) and is not designated as being in a Very High Fire Hazard Severity Zone (VHFHSZ).

Engineering Division staff has reviewed the Road Exception Request letter prepared by Madrone Engineering dated June 21, 2019 with the applicant's authorized agents, Engineering staff and the Fire Marshal's office (Attachment G). With respect to Section (3) & Section (5) of the RSS as adopted by Resolution No. 2017-156 by the Board of Supervisors on September 26, 2017, the Engineering Division and the Fire Marshal's office has determined the following: Unlike exceptions within the SRA or for property located within the VHFHSZ, exceptions for property located completely within the LRA may be permitted when they do not provide the same overall practical effect as the SRA Fire Safe Regulations. However the exception request must provide measures which provide safe access for emergency apparatus, safe civilian evacuation, and the avoidance of delays in emergency response based on the demands of the property. As proposed, the exception request areas meet the above by providing an 18.0 feet wide driveway with a clear line of site and existing gravel shoulder which provides adequate area for vehicles to pass each other on the road if necessary. The area with an inside radius of 25 feet is significantly wider than the minimum standard and has been simulated by Madrone Engineering that a Napa County Fire Truck can navigate the turn safely in each direction. The road will be improved to the RSS at all other areas.

Grape Sourcing - The property has 11 acres of vineyards planted on the subject property, which equals approximately 30 tons or 4,500 gallons of wine. The applicant has submitted a letter from Beckstoffer Vineyards, dated February 5, 2019, that they have the ability and desire to supply both Chardonnay and Merlot grapes from the Napa Valley AVA for the existing property to accommodate the existing 50,000 gallon capacity and the proposed 50,000 gallons per year increase. (Attachment F)

Greenhouse Gas Emissions - The applicant already implements the following GHG reduction methods at the winery: generation of on-site renewable energy through the winery's existing 252 panels of photovoltaic solar

panels to produce 65,012 watts of alternative energy, resulting in an annual net zero electrical energy demand; implements a vehicle miles traveled (VMT) reduction plan through employee incentives, employee carpool/vanpool, priority parking for efficient transportation, provide bicycle riding incentives and use of bus transportation for larger marketing events implementing a 29.1 % change VMT, participates in the bike tours within the City of Calistoga; and planted water efficient landscaping. The applicant proposes to install energy conserving lighting, recycle 75 percent of all waste; compost 75 percent of food and garden material; install an electrical vehicle charging station; participate in local food production; provide education to staff and visitors on sustainable practices; and retain biomass removed via pruning and thinning by chipping the material and reusing it rather than burning on-site.

Public Comment - As of preparation of this staff report, the only public comments received are letters of support. (Attachment E)

Decisions-Making Options:

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

Disposition - This option would result in approval of a 50,000 gallon/year increase in production, minimal changes to interior space of the winery, minor improvements to the existing driveway and an exception to the County's Roads and Streets Standards. This option has been analyzed for its environmental impacts, which were found to be less than significant. Sufficient grapes, water supplies and wastewater facilities are available to serve the proposed project and there is no history of code compliance issues at the project site. Staff is recommending in favor of approval for the following reasons: 1) the proposed project is consistent with the Napa County Zoning Ordinance and applicable General Plan Policies; 2) the project will utilize the existing facilities and will not result in the construction of any new structures with the exception to convert existing space from production to accessory; 3) the project will not result in increased development of agricultural land and the exception to the Roads and Street Standards have been deemed acceptable from Engineering Services subject to conditions. Considering all of the enumerated reasons, staff finds that the project meets all County Code requirements and complies with General Plan Policies. Staff supports this option based on the reasons discussed above.

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

Option 2 - Modification of Applicant's Request

Disposition - This option could result in no production increase or an amount less than requested and no changes to interior winery space.

Action Required - Follow the proposed actions listed in the Executive Summary and amend scope and project specific conditions of approval to reduce the increase in production. If major revisions to 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 of the Major Modification and Exception to the Roads and Streets Standards, 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 Major Modification and Exception request is not being approved.

Action Required - Commission would take a 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 . Recommended Findings
- B . Recommended Conditions of Approval & Agency Memos
- C . Previous Project Conditions
- D . Initial Study/Negative Declaration
- E . Public Comments
- F . Major Modification Application Packet
- G . Roads & Streets Standards Exception Application
- H . Water Availability Analysis
- I . Wastewater Feasibility Study
- J . Graphics
- K . Winery Comparison Analysis

Napa County Planning Commission: Approve

Reviewed By: Charlene Gallina