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Agenda Date: 10/17/2012

Agenda Placement: 9A

Napa County Planning Commission Board Agenda Letter

TO: Napa County Planning Commission
FROM: Charlene Gallina for Hillary Gitelman - Director
Planning, Building and Environmental Services
REPORT BY: Sean Trippi, Principal Planner - 299-1353
SUBJECT: Odette Winery

RECOMMENDATION

ODETTE WINERY / OVERTURE VINEYARDS LLC - USE PERMT MAJOR MODIFICATION, P12-00141-MOD.

CEQA Status: Negative Declaration prepared. According to the proposed negative declaration the proposed project would not have 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 to modify previous use permit approvals for the Odette Winery to: (1) construct a new winery production building with approximately 15,985 sq. ft. of floor area plus another 1,695 sq. ft of equipment pads; (2) construct a new addition to the existing winery administration/hospitality building with approximately 3,590 sq. ft. of floor area including a 2,420 sq. ft. lecture hall, a 650 sq. ft. commercial kitchen, restrooms with 315 sq. ft. of floor area and a 250 sq. ft. breezeway; (3) increase on-site parking from 8 to 28 spaces; (4) extend an existing cave tunnel approximately 40-feet to connect to an existing vineyard road to the north of the existing winery building and construct a new cave portal; (5) convert a 2,620 sq. ft storage area within the existing cave to hospitality uses; (6) demolish existing hospitality uses within the cave and convert to storage uses; (7) establish a Marketing Plan with 4 events per month for a maximum of 50 guests at each event, 3 events per month for a maximum of 100 guests at each event, and 1 event per month for a maximum of 150 guests; food served at the events will either be catered or prepared in the proposed commercial kitchen; (8) increase tours and tastings with food paring(s) by appointment only to a maximum of 131 visitors per day, with a maximum of 917 visitors per week; (9) increase full time employees from 6 to 11 and decrease part time employees from 10 to 6; and, (10) install a new winery process and domestic wastewater system. The project is located on a 49.26 acre parcel on the east side of the Silverado Trail, approximately 1.5 miles south of the Silverado Trail/Yountville Cross Road intersection within the Agricultural Watershed (AW) zoning district. APN: 032-400-023. 5998 Silverado Trail, Napa.

Staff Recommendation: Adopt the negative declaration and approve the use permit modification with the proposed conditions of approval.

Staff Contact: Sean Trippi, 299-1353 or sean.trippi@countyofnapa.org

EXECUTIVE SUMMARY**Proposed Actions:**

1. That the Planning Commission adopt the Negative Declaration for the Odette winery, based on findings 1-6 of Exhibit A;
2. That the Planning Commission approve Use Permit Modification (File #P12-00141-MOD) based on findings 7-11 of Exhibit A and subject to the recommended Conditions of Approval (Exhibit B).

Discussion:

This application proposes a modification to a winery use permit first approved in 1980 and modified several times over the years (see History, below) to allow a new 15,985 sq. ft. production building, a 3,590 sq. ft. addition to the existing winery building, increasing the number of daily visitors for by-appointment tours and tasting to 131 people per day, including food pairings, revising the marketing plan and other site improvements. The existing facility predates the Winery Definition Ordinance (WDO), a portion of which is located within the road setback. Expansion of pre-WDO facilities are permitted upon grant of a use permit modification contingent upon all expanded aspects complying with the WDO. The proposed project appears consistent with these requirements, and therefore, approval of the modification is recommended.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: Negative Declaration Prepared. According to the proposed Negative Declaration, the proposed project would have no potentially significant environmental impacts. This project site is not on any of the lists of hazardous waste sites enumerated under Government Code Section 65962.5.

BACKGROUND AND DISCUSSION

Owner: Overture Vineyards, LLC

Applicant: Odette Estate

Representative: Brian Russell, (707) 255-3232

Zoning: AW (Agricultural Watershed)

General Plan Designation: AR (Agricultural Resource)

Filed: April 27, 2012

Revised: August 10, 2012

Complete: September 17, 2012

Winery Characteristics:

Production Capacity (Approved): 59,999 gallons per year

Production Capacity (Proposed): No change

Development Area - caves excluded (existing / proposed): approximately 3,642 sq. ft. / 5,485 sq. ft.

Winery Coverage - caves excluded (existing / proposed): approximately 21,270 sq. ft. / 70,210 sq. ft. or 1.6 acres (+/- 3.3% of parcel) (winery coverage is a maximum of 25% of parcel or 15 acres, whichever is less)

Production Facility (existing / proposed): approximately 21,498 sq. ft. (includes 17,480 sq. ft. of caves) / 32,210 sq. ft. (includes 17,480 sq. ft. of caves, a cave portal will be extended to its intersection with a proposed vineyard road which may not result in additional cave floor area)

Accessory Use (existing / proposed): approximately 3,168 sq. ft. / 7,615 sq. ft.

(An 1,102 sq. ft. storage room within an existing administrative building is proposed for conversion to a tasting room. No new structures are proposed)

Accessory to Production Ratio (existing / proposed): 14% / 24%

(accessory to production ratio is a WDO maximum of 40%)

Marketing (Existing): Twelve (12) events per year for a maximum of 35 guests; two (2) events per year with a maximum of 60 guests; two (2) events per year with a maximum of 40 guests; and, three (3) events per year for 75 guests with catered food.

Marketing (Proposed): Four (4) events per month for a maximum of 50 guests; three (3) events per month with a maximum of 100 guests; and, one (1) event per month with a maximum of 150 guests. Food for the proposed marketing events will be catered or prepared onsite in a proposed commercial kitchen.

Visitation (Existing): Tours & tastings by appointment for approximately 24 visitors per day on average.

Visitation (Proposed): Tours & tastings by appointment only for 131 visitors per day (maximum) with a maximum of 917 visitors per week.

Number of Employees (Approved): 6 full-time and 10 part-time.

Number of Employees (Proposed): 11 full-time and 6 part-time.

Days & Hours of Operation (Existing): 7 days a week, 9:00 AM to 5:00 PM

Days & Hours of Operation (Proposed): No Change (except that visitation currently concludes at 4:30 PM and is proposed to conclude at 5:00 PM)

Parking (Existing): 8

Parking (Proposed): 28

Setbacks: The existing winery building is setback approximately 450 feet from the centerline of Silverado Trail and 112-feet from a shared access road. The original project approval predates the requirement for a 600-foot setback from the centerline of Silverado Trail and 300-feet from the centerline of the shared access road. An expansion to a winery may be permitted within the minimum setback area only if the expansion is placed no closer to the centerline of the right-of-way than the nearest point of the existing structure to which the expansion is attached. The proposed addition to the existing winery building complies with this provision. The new production building is

setback approximately 720-feet from the centerline of Silverado Trail.

Setting: The 49.26 acre project site is located on the east side of Silverado Trail approximately 1.5 miles south of the Silverado Trail/Yountville Cross Road intersection. The site is currently developed with a winery, a home, vineyards and associated improvements. Access to the property is via two existing driveways on Silverado Trail. There is an existing left-turn at the driveway providing access to the existing winery building and other properties to the east. This shared access drive bisects the property. The existing winery, proposed winery production building and site improvements, vineyards and the existing home are on the north side of the shared access road with vineyards south of the shared drive. The second driveway provides access to the existing single family home and northerly vineyards. The property is "L"-shaped with the notch in the northwest corner of the site. Properties in the vicinity of the project site range in size from 6.4 to 355 acres. Surrounding uses include single-family homes, vineyards, and a number of wineries (see below).

Other producing wineries along Silverado Trail within about a mile or two of the project site include Silverado Vineyards, Baldacci Family Vineyards, Robert Sinsky Vineyards, and Cliff Lede Vineyards to the north/northeast, Pine Ridge to the west, Hartwell, Chimney Rock, Clos du Val, and Regusci to the south/southeast, Quixote and Stag's Leap (Doumani 1 & 5) to the northeast, and Beringer, Robinson family and Cavus to the east. Cliff Lede, Napa Valley Reserve (HMS), and Palladian to the northwest, Mario Perelli Minetti and Houge to the southeast, and Joseph Phelps to the east. There are also a couple of approved wineries in the vicinity, Stephens (north) and Rockledge (northeast).

Nearby Wineries:

Approved/Unconstructed:

Winery	Address	Floor Area	Production (gal/year)	Tours & Tastings (visitors/week)
Pillar Rock	6110 Silverado Trail	13,313 sq. ft.	16,000	40 (by appointment)
Lindstrom	5994 Silverado Trail	5,750 sq. ft.	3,500	6 (by appointment)
Griffin	5850 Silverado Trail	1,947 sq. ft.	2,400	8 (by appointment)
Annapurna	1467 Yountville Cross Rd.	15,950 sq. ft.	12,000	60 (by appointment)

Producing:

Stag's Leap	5766 Silverado Trail	83,672 sq. ft.	330,000	700 (public)
Pine Ridge	5901 Silverado Trail	67,741 sq. ft.	300,000	922 (public)
Hartwell	5765 Silverado Trail	13,000 sq. ft.	12,000	9 (no tours/tastings)
Regusci	5584 Silverado Trail	2,980 sq. ft.	25,000	10 (by appointment)
Silverado Vineyards	6121 Silverado Trail	78,218 sq. ft.	360,000	850 (public)
Baldacci Family	6236 Silverado Trail	576 sq. ft.	20,000	0
Cliff Lede	1473 Yountville Cross Rd.	55,522 sq. ft.	80,000	125 (pub) & 20 (appt)
Robert Sinsky	6320 Silverado Trail	19,685 sq. ft.	65,000	820 (public)
Chimney Rock	5350 Silverado Trail	48,500 sq. ft.	145,000	475 (public)
Clos du Val	5330 Silverado Trail	60,614 sq. ft.	350,000	987 (public)
Shafer	6154 Silverado Trail	44,433 sq. ft.	200,000	105 (by appointment)

Quixote	6126 Silverado Trail	8,050 sq. ft.	20,000	70 (by appointment)
Stag's Leap (Doumani 1)	6150 Silverado Trail	9,400 sq. ft.	60,000	60 (by appointment)
Stag's Leap (Doumani 5)	6150 Silverado Trail	70,180 sq. ft.	315,000	10 (by appointment)
Beringer Wine Estate	6148 Silverado Trail	61,180 sq. ft.	315,000	7 (by appointment)
Robinson family	5880 Silverado Trail	3,186 sq. ft.	15,000	8 (by appointment)
Cavus Vineyards	5860 Silverado trail	16,650 sq. ft.	2,500	0

Adjacent General Plan Designation/ Zoning / Land Use:

North:

AR General Plan designation, AW zoning -

Adjoining the site to the north is a 114 acre property is a fairly steep wooded hillside with vineyards on the flat portion and two homes. The hillside extends onto the 20 acre property in the "notch" of the project site which includes vineyards, two homes, and the approved but unbuilt Lindstrom Winery.

South:

AR General Plan designation, AW zoning -

The south side of the property adjoins an undeveloped 10 acre parcel.

East:

AR General Plan designation, AW/AP zoning -

Exclusive of the 20 acre property in the "notch" of the project site are two properties with 6.4 and 14.7 acres, zoned AW/AP and AP respectively. Both properties are planted in vines and include residences with two homes on the smaller property.

West:

AR General Plan designation, AP zoning -

The west side of the project site adjoins Silverado Trail. Across the Trail are three properties totaling about 114 acres. All three properties included wooded areas and vineyards the northerly and southerly properties each include one home and the 50 acre property in the middle is home to the Pine Ridge Winery.

History:

The winery was established in 1980, prior to adoption of the Winery Definition Ordinance, and has been in continuous operation since that date and has also been known as Steltzner.

September 26, 1980 – A Small Winery Use Permit Exemption was approved administratively to convert a former 1,800 sq. ft. prune storage building to a small winery with a maximum annual production capacity of 20,000 gallons. The existing building was approximately 450-feet from the centerline of Silverado Trail and 120-feet from the centerline of a private access drive to the west. The winery was open from 8:00 AM to 5:00 PM, seasonally, with one full-time and one part-time employee. Parking for four vehicles was provided on-site. No public tours or tastings or tours were approved. The property also includes a single family home and vineyards.

December 12, 1989 – A Modification to the Small Winery Use Permit Exemption was approved administratively that allowed the construction of a 3,500 sq. ft. pad/outdoor processing area to be used in the processing of the previously approved production capacity. No other changes were proposed or approved.

February 6, 1991 – Use Permit (#U-90-10) was approved by the Planning Commission that increased annual production capacity from 20,000 to 59,999 gallons; reconstructed and expanded the 1,876 sq. ft. winery building to

6,340 sq. ft; utilized an existing 8,160 sq. ft. unused cave for barrel storage; and approved a marketing plan. The conditions of approval indicated that the existing winery had previously conducted private tours and tasting and retail sales. The conditions of approval referenced tours and tastings, but the number of visitors was not expressly stated. The application materials indicated there would be approximately 17-24 visitors per day with as many as 60 visitors on the busiest day. The winery was open from 9:00 AM to 5:00 PM, 5 days per week for winery operations. The winery was open for retail sales from 10:30 AM to 5:30 PM, 7 days per week. The number of employees rose from 4 full-time and 8 part-time to 6 full-time and 10 part-time. On-site parking increased from 12 to 16 parking spaces. There was a discrepancy regarding the floor area of the caves. The conditions of approval indicated 14,500 sq. ft of caves and the use permit application indicated 8,160 sq. ft. The figure was later corrected to be approximately 9,100 sq. ft. of caves.

November 15, 1991 – A Modification to Use Permit (#U-90-10) was approved administratively that reduced the floor area of the approved winery building from 5,430 sq. ft. to 3,200 sq. ft. and other architectural alterations.

August 23, 1996 – Use Permit Modification (#95583-MOD) was approved by Zoning Administrator to allow additional uses within the existing cave including a 264 sq. ft. wine laboratory and tasting/retail sales area, a 380 sq. ft. retail sales/case storage area, and 480 sq. ft. for tasting/marketing. The approval also allowed up to four custom production customers for 24,000 of the 59,999 gallons produced annually and modified the marketing plan. As noted above, the conditions of approval corrected the floor area of the caves indicating that there are approximately 9,100 sq. ft. of caves.

January 1, 2001 – Use Permit Modification (#00094-MOD) was approved by the Zoning Administrator to utilize 7,751 sq. ft. of existing unused cave floor area for barrel aging/storage. No other changes were proposed or approved.

Code Compliance History:

Based on a review of the Planning Division's files, there are no records of any code compliance issues on this property.

Discussion:

Use Permit Modification -

The use permit modification currently before the Commission includes the construction of a new winery production building, an addition to the existing winery hospitality building, modifying the use of the existing caves, increase by appointment visitors, a revised marketing plan, a slight increase in employment, and other minor improvements.

Winery Building -

The existing winery building includes stucco siding, a stucco cornice and standing seam metal roofing. The proposed addition will match the architectural style and finishes and will replace an outdoor tank farm. New shutters and trim will be added to a majority of the existing windows. New trellises, benches and courtyard landscaping will be added to the existing winery building.

The new production building will have a circular shape created by shotcrete walls and will be partially built into the hillside. The structure will be capped with a standing seam metal roof. Photovoltaic panels are proposed on the rear third of the roof. Floor to roof non-reflective, perforated aluminum screen walls will define the "open" main entrance to the building. Salvaged shipping containers will house the wine laboratory, office and break room near the front of the building. Bottling tanks and the main covered crush pad will also be located at the front of the building. Insulated wall panels with polycarbonate panels above will define the tank and barrel fermentation areas and as well as the storage/shop area. A covered work pad will be located at the rear of the building with uncovered water storage tanks and an enclosed pump room beyond. Three cave portals will connect to the new production

building. Parking for 6 vehicles will be provided at the front of the new production building. The remaining 22 parking spaces will be located near the existing winery building.

Cave Portals/Tunnels -

The cave tunnels include approximately 17,480 sq. ft. of floor area and would primarily be used for barrel storage. There are two cave portals located behind the existing winery building, with one long tunnel that connects the existing winery building to the area where the new production building is proposed. There are also two other existing cave portals and tunnels adjoining the area of the proposed production build. There is an existing tasting area in the long tunnel that is proposed to be converted to barrel storage. The second portal behind the existing winery building would lead to a new tasting/hospitality area. There are two connections from the proposed tasting area to the long tunnel. There is also a tunnel that provides a second means of egress from the tasting area. The proposal would include relocating the portal so that it connects with a proposed vineyard road. The existing cave portals behind the winery building would be improved with a curvilinear wall with a single entrance that would lead to the two access points to the for the long tunnel and the tasting area.

Cave/Tunnel Easement -

The majority of the tunnels are constructed on the adjoining property to the east. An easement was recorded in 1987 which granted the winery owner the right to construct, use and maintain the cave tunnels. However, there is a portion of the long tunnel that falls outside the easement. Staff is recommending through a condition of approval that the easement be corrected so that the tunnels are entirely within the easement.

Tours and Tastings/Marketing Events -

Although the original use permit predates the WDO, public tours and tasting were not permitted. Subsequent modifications to the use permit addressed tours and tastings by prior appointment but were unclear on the number of visitors. Based on the information on file, staff believes the winery was allowed an average of about 17-24 visitors per day with as many as 60 on the busiest day. This application includes a request to allow private tours and tasting for no more than 131 visitors per day with a maximum of 917 visitors per week.

The proposal also includes a request to revise the marketing plan. The current marketing plan allows 19 events annually ranging in size from 35 to 70 guests. The revised marketing plan consists of 96 events annually, including 4 events per month with up to 50 guests, 3 per month with up to 100 guests and one per month with up to 150 guests. The food for the proposed marketing events would be either be prepared on-site in the proposed commercial kitchen or provided by an off-site caterer.

Staff has provided a table comparing marketing and tours and tastings visitation at similarly sized wineries below. The proposed revisions to the visitation program falls roughly into the most intensive 1/4 amongst its peer group of wineries producing at or about 60,000 gallons per year. Given the increasing importance of direct-to-consumer sales for Napa Valley wineries, the 917 maximum weekly visitors proposed here does not strike staff as outlandish or disproportionate.

Comparison Wineries

Winery	Approved Production	Tours & Tastings	Tours & Tasting Avg/Week	Marketing Events per year
Cain Cellars	59,000	By Appointment	5	no data
Hendry Ranch	59,000	By Appointment	20	no data
Catacula Lake	59,000	By Appointment	110	4
Truchard Vineyards	60,000	None	12	no data
Freemark Abbey	60,000	Public	1,800	no data

Heitz Wine Cellars	60,000	By Appointment	no data	no data
Elyse	60,000	By Appointment	24	no data
Atalon	60,000	By Appointment	20	no data
Cliff Lede Vineyards	60,000	Public/By Appointment	875/140	15
Stag's Leap (Doumani 1)	60,000	By Appointment	60	no data
Bourassa	60,000	By Appointment	45	10
Hunnicutt	60,000	By Appointment	21	16
Spelletich	60,000	None	0	0
Two Rocks	62,500	By Appointment	15	21
Turley Wine Cellars	65,000	By Appointment	75	no data
Robert Sinsky Vineyards	65,000	Public	820	no data
Odette (proposed)	59,999 (no change)	By Appointment	917 (Max/Week)	96

Traffic/Parking -

The applicant has submitted a traffic analysis (*Traffic Analysis for the Proposed Odette Winery Use Permit Modification in Napa County*, prepared by George Nickelson, dated September 19, 2012) which analyzes existing and proposed traffic conditions. As analyzed in the submitted traffic study, the increases in employment, marketing and by-appointment tours and tastings visitation proposed in this application would result in 150 daily trips on a weekday (an increase of 91 trips), 116 daily trips on a Saturday (an increase of 77 trips) and 132 daily trips on a Saturday during crush (an increase of 77 trips). Trips during the PM peak hour would increase from 22 to 43 on a weekday and from 10 to 19 on a Saturday. Based on the Napa County Transportation Planning Agency's forecasts in the General Plan, traffic volumes on Silverado Trail are expected to increase by approximately 1.2% per year or 22% from 2012 to the 2030 horizon of the traffic model. The cumulative increases on Silverado Trail would degrade the LOS of the access road at its intersection with Silverado Trail from D to about E for the weekday PM peak hour for motorists making a left turn from the access road onto Silverado Trail. The Saturday PM peak hour LOS would remain C at this intersection. The left turn lane on Silverado Trail would continue to operate at LOS A for both the weekday and Saturday peak hour under the cumulative scenario. The LOS would remain unchanged from the cumulative scenario when projected project trips are added although delay times would be increased by several seconds. Stopping sight distances, based on Cal Trans design standards for a 55 mph roadway, would be 500 feet measured along the travel lanes on Silverado Trail. Vehicle visibility was measured at about 1,400 feet when looking north from the project driveway, and about 1,200 feet looking south meeting the Cal Trans standard.

The traffic analysis concluded that the project impacts on traffic loading and levels of service (LOS) are deemed not to be considerable and would not result in a significant change in the level of service on Silverado Trail. The traffic analysis also concluded that the existing left turn lane on Silverado Trail had adequate capacity (or vehicle queuing length) for projected traffic increase and that a dedicated right turn lane from Silverado Trail onto the access road was not warranted.

Greenhouse Gas Reduction Strategies -

The County's Draft Climate Action Plan would require discretionary projects to reduce their GHG emissions to 38% below "business as usual" volumes as of 2020 through the application of a combination of State, local, and project-specific programs and policies. Because the Draft Climate Action Plan has not yet been formally adopted, it cannot be considered a formal threshold of significance for CEQA purposes. Nonetheless, the project was analyzed for consistency with the Draft Climate Action Plan. Although project-specific GHG emissions would be limited, the applicant would likely find it challenging to reduce emissions by 38% unless the project could take credit for GHG reductions that may have occurred at the winery between 2005 and the present or find another way

to offset emissions from the projected increase in vehicle trips. The project's "business as usual" emissions were calculated by Planning staff using CalEEMod GHG modeling software, resulting in modeled annual emissions of 1,106 metric tons of carbon dioxide and carbon dioxide equivalents (MT CO₂e). GHG Emission reductions from local programs and project level actions, such as application of the CalGreen Building Code, tightened vehicle fuel efficiency standards, and more project-specific on-site programs including the installation of a solar energy system would reduce emissions by 241 MT CO₂e, which is about 22% of the "business as usual" level. Unless the applicant proposes more sustainable elements such as additional alternative energy systems, or a transportation demand management plan, the proposal does not meet the goal of 38% "business as usual" emissions by 68 MT CO₂e.

Consistency with Standards:

Zoning -

The project is consistent with AW (Agricultural Watershed) zoning district regulations. A winery (as defined in Napa County Code § 18.08.640) and uses in connection with a winery (see Napa County Code § Section 18.20.030) are permitted in the AW district with an approved use permit. This application complies with the Winery Definition Ordinance. The Fire Department, Engineering Services Division, Public Works Department, and Environmental Health Division have all recommended approval of the project as conditioned.

SUPPORTING DOCUMENTS

- A . Findings
- B . Conditions of Approval
- C . Review Agency Comments
- D . Initial Study-Negative Declaration
- E . Green House Gas Analysis
- F . Traffic Analysis
- G . Previous Conditions of Approval
- H . Application Materials
- I . Graphics

Napa County Planning Commission: Approve

Reviewed By: John McDowell