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Agenda Date: 10/7/2020 Agenda Placement: 7C

Napa County Planning Commission **Board Agenda Letter**

TO: Napa County Planning Commission

FROM: Brian Bordona for David Morrison - Director

Planning, Building and Environmental Services

REPORT BY: Trevor Hawkes, Planner III - 707-253-4388

SUBJECT: Sheehy Winery - Use Permit Major Modification P19-00426

RECOMMENDATION

RUDD PROPERTIES, LLC / SHEEHY WINERY / USE PERMIT P19-00426-MOD

CEQA Status: Consideration and possible adoption of an Addendum to a previously adopted Mitigated Negative Declaration (MND) in accordance with CEQA Guidelines Section 15162. Pursuant to CEQA Guidelines Section 15164, an addendum to an adopted MND may be prepared if only minor technical changes or additions are necessary or if none of the conditions contained in Section 15162 calling for preparation of a Subsequent Negative Declaration have occurred. According to the previously-adopted MND (2018), the then-proposed speculative light industrial building would have, if mitigation measures were not included, potentially significant environmental impacts in the area of Biological Resources. Adopted mitigation measures, which required pre-construction surveys for nesting bird species, bat species, California red-legged frog, and western pond turtle have not been implemented, as no development has taken place on the site at this time. Analysis of the current modification proposal identified no new or substantially more severe significant impacts relative to the original project analyzed in the prior MND. This project site is not on any of the lists of hazardous waste sites enumerated under Government code section 65962.5.

Request: Approval of a Major Modification to a previously approved use permit (P17-00274-UP), as subsequently modified to allow a wine production facility as follows: (1) Maximum annual wine production up to 98,400 gallon per year within a previously approved 40,085 square foot speculative light industrial building; (2) a decrease in the number of on-site employees from 43 to 10 full-time employees; and (3) approval of a variation to the development standards to construct an attached canopy located over the delivery area. No visitation or marketing is proposed under this request. The project is located on a 2.74 acre site on the east side of Devlin Road, adjoining Sheehy Creek to the north within the Napa Valley Business Park Specific Plan Area. The project site is within the Industrial Park: Airport Compatibility (IP:AC) zoning district and has a General Plan land use designation of Industrial. APN's: 057-210-037 & 038, Napa.

Staff Recommendation: Adopt the Addendum to the previous Mitigated Negative Declaration and approve the Use

Permit with the proposed conditions of approval.

Staff Contact: Trevor Hawkes (707) 253-4388, or trevor.hawkes@countyofnapa.org

Applicant Contact: Rudd Properties, LLC (707) 948-2688, or guy.byrne@lrico.com

EXECUTIVE SUMMARY

Proposed Actions:

That the Planning Commission:

- 1. Adopt the Addendum prepared for the proposed project, as set forth in Finding 1 of Attachment A; and
- 2. Approve Major Modification Application No. P19-00426-MOD, based on Findings 2 through 15 of Attachment A, and subject to the recommended Conditions of Approval (Attachment B).

Discussion:

The applicant requests approval of a Major Modification of the prior Use Permit approval (Use Permit P17-00274-UP) to specify the details of the previous 40,085 square foot speculative light industrial building approval to a wine production facility. The previously approved speculative light industrial building included approximately 38,020 square feet of warehousing and 2,065 square feet of office land uses. This major modification to the previous Use Permit would specify the 38,020 square feet of warehousing for wine production. Building footprints, elevations, and the project site plan would remain as approved prior to the current request with the exception of the addition of a 1,550 square foot attached canopy covering the grape delivery area of the drive aisle adjacent to the eastern boundary of the property. Approval of the attached canopy requires approval of a variation to the development standards for the IP zoning district, to allow the attached canopy to extend five (5) feet into the 10 foot rear setback. As it was in the prior approval, the applicant still intends to connect to the City of American Canyon for water services and to the Napa Sanitation District for wastewater and irrigation services. The applicant also requests to modify the prior approved number of on-site employees from 43 full-time employees to 10 full-time employees. No visitation or marketing is included in this request.

Based on an analysis of the project there would be no new or substantial increase in the severity of any potentially significant impact that was identified in the MND prepared for the original speculative light industrial building. Staff supports adoption of an Addendum to the previously adopted MND and approval of the Major Modification request.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact? No

County Strategic Plan pillar addressed:

ENVIRONMENTAL IMPACT

Consideration and possible adoption of an Addendum to the adopted Mitigated Negative Declaration prepared for the facility in 2018. Pursuant to CEQA Guidelines Section 15164 an addendum to previously adopted environmental documents may be prepared if only minor technical changes or additions are necessary or if none

of the conditions contained in Section 15162 calling for preparation of a subsequent negative declaration have occurred. This project site is not on any lists of hazardous waste sites enumerated under Government Code Section 65962.5.

BACKGROUND AND DISCUSSION

Owner/Applicant: Rudd Properties, LLC., 68 Coombs Street, Suite D-10., Napa, CA 94559

Representative: Summit Engineering, Inc., 463 Aviation Boulevard, Suite 200, Santa Rosa, CA 95404

Airport Compatibility: Zone D - Common Traffic Zone - area of routine overflight at low elevations. Warehousing, light manufacturing, and ancillary office space uses are compatible with this zone.

Zoning: IP:AC - Industrial Park: Airport Compatibility

General Plan Designation: Industrial

Application filed: October 23, 2019; Resubmittal(s): July 8, 2020, July 22, 2020; Application complete: August 8,

2020

Parcel size: Two lots totaling 2.74 acres

Proposed and Existing Characteristics:

Building Size (Entitled): 40,085 square feet **Building Size (Proposed):** No change

Production Capacity (Entitled): None

Production Capacity (Proposed): 98,400 gallons per year

Number of Employees (Entitled): 43 Number of Employees (Proposed): 10

Visitation and Marketing Activities: None proposed

Entitled Hours of operation: None specified

Proposed Hours of operation: Non harvest work hours 7am – 5pm with one (1) employee

Entitled Parking: 58 stalls
Proposed Parking: No change

Adjacent General Plan Designation / Zoning / Land Use:

The property is surrounded by properties developed with office/light industrial/warehousing complexes, including winery production facilities.

North:

General Plan designation: Industrial (I)

Zoning District: Industrial Park: Airport Compatibility

Land Use: Sheehy Creek & vacant land

South:

General Plan designation: Industrial (I)

Zoning District: Industrial Park: Airport Compatibility

Land Use: Industrial uses and offices

East:

General Plan designation: Industrial (I)

Zoning District: Industrial Park: Airport Compatibility

Land Use: vacant land

West:

General Plan designation: Industrial (I)

Zoning District: Industrial Park: Airport Compatibility

Land Use: Industrial uses and offices

Wineries in Vicinity:

As noted in Attachment I, there are 20 wineries operating, approved to operate, or pursuing approvals to operate within the south Napa County industrial area. Production capacity varies and can be classified into three main groups 10,000 to 80,000 gallons, 120,000 to 880,000 gallons, and one winery at 45 million gallons annually. It should be further noted that wineries located within the NVBPSP are not subject to the Winery Definition Ordinance provisions.

Parcel History:

The Napa County Planning Commission approved P17-00274-UP on December 5, 2018, and adopted the project's MND and Mitigation and Monitoring Reporting Program. The MND found that the proposed project would have potentially significant impacts on Biological Resources unless mitigation measures were adopted. Biological Resource mitigation for the project included four (4) measures which required pre construction surveys for nesting bird species, bat species, California red-legged frog, and western pond turtle. As of the preparation of this Staff Report, Permit P17-00274-UP had not been activated by the applicant.

Code Compliance History:

There are no open or pending code violations for the subject site.

Discussion Points:

Physical modifications to previous Use Permit and Variation to the Development Standards: As discussed above the proposed project is a Major Modification to Use Permit P17-00274, which the Planning Commission approved on December 5, 2018, and has yet to be activated by the applicant. Physically, the project remains unchanged from the previous approval, with the exception of a 1,550 square foot attached canopy covering the grape delivery area along the eastern side of the building. The attached canopy will extend 31 feet from the building, measures 50 feet wide and 33 feet in height. The canopy will slope towards the east with a roof made of heavy timber and concrete tile, 4" diameter gutters and supported on the eastern edge by 6"x6" steel posts. Napa County Code (N.C.C.) Section 18.40.060(A)(3) requires that building rear setbacks in the IP zoning district are set at 10 feet, and the posts for the attached canopy extend five (5) feet into the 10 foot rear yard. Pursuant to N.C.C. Section 18.40.250(A) the Planning Commission may authorize variation to the IP zoning district setback standards if the Findings in N.C.C. Section 18.40.250(D) can be made. Staff supports the variation to the development standards because the attached canopy provides a positive environmental impact, scales with surrounding structures, and won't impact

aesthetics in the general area. Findings for N.C.C. Section 18.40.250(D) have been provided in Attachment A (Findings 7 - 16).

Greenhouse Gas Reduction Strategies: The applicant team has completed the Best Management Practices Checklist for Development Projects, which is attached to this report as part of the application materials. The applicant proposes to incorporate energy conserving lighting, connecting to recycled water, installation of water efficient fixtures, water efficient landscape, and finally achieving 75% recycled waste and compostable material. GHG Emission reductions from local programs and project level actions, such as application of the CalGreen Building Code, tightened vehicle fuel efficiency standards, and project-specific on-site programs including those features noted above would combine to further reduce emissions below the thresholds of significance. The project is in compliance with the County's efforts to reduce emissions as described above.

<u>Public Utilities</u>: Water services will be provided by the City of American Canyon and will be required to meet the City's Zero Water Footprint (ZWF) Policy, which may include contributing to the City's water conservation fund. Sewer services will be provided by Napa Sanitation District (NSD). The applicant will also connect to NSD's recycled water system for irrigation. Annexation to NSD will be required prior to the provision of services.

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 including the following:

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

Discussion - This option would result in construction of the proposed approximately 40,085 sq. ft. building, as previously approved in P17-00274-UP, and as modified in the above Major Modification request. Staff recommends approval of the applicant's request as conditioned.

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

Option 2 – Reduced Project Alternative

Discussion - Generally development in the business park area does not lend itself to a reduced project alternatives such as floor area reductions or restrictions on the number of employees, hours of operation or business operations. Furthermore, all potential environmental impacts have been found to be less than significant through a combination of project design and conditions of approval. However, this option provides the Planning Commission at their discretion, the ability to further reduce potential impacts by modifying the proposed scope of the project via a reduced production program.

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

Option 3 – Deny Proposed Use Permit

Discussion - In the event the Commission determines that the project does not, or cannot meet the required findings for grant of a use permit, Commissioners should articulate what aspect(s) of the project is in conflict with required findings, and either deny the request or continue the item to allow the applicant an opportunity to redesign 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

Discussion - 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 and Final Agency Approval Memos
- C . Addendum to a Previously-Adopted Mitigated Negative Declaration
- D . Previously Adopted Mitigated Negative Declaration
- E . Use Permit Application Packet
- F. Winery Comparison Table
- G. Graphics

Napa County Planning Commission: Approve

Reviewed By: Brian Bordona