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Agenda Date: 11/19/2008

Agenda Placement: 9A

Napa County Planning Commission Board Agenda Letter

TO: Napa County Planning Commission
FROM: John McDowell for Hillary Gitelman - Director
Conservation, Development & Planning
REPORT BY: Trish Hornisher, PLANNER III - 299-1349
SUBJECT: Alpha Omega Winery Modification - Supplemental Status Report

RECOMMENDATION

ALPHA OMEGA WINERY, LLC. / ALPHA OMEGA WINERY – VARIANCE AND USE PERMIT MAJOR MODIFICATION REQUEST #P08-00047 AND #P07-00869-MOD

CEQA Status: Subsequent Mitigated Negative Declaration Prepared. According to the proposed Subsequent Mitigated Negative Declaration, the proposed project would have, if mitigation measures are not included, a potentially significant environmental impact in the following area: transportation/traffic. 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 Variance: to allow a new production/barrel building to encroach a max. of 74 ft. into the required 300 foot setback from centerline of Mee Lane and a corner of the new covered porch addition on the existing winery building to encroach 127 ft. into the required 600 foot setback from centerline of St. Hwy. 29 and a Use Permit Modification: to modify Use Permits: #U-118081, #U-538485, & #95037-MOD in 2 phases: **Phase A:** (1) establish the size of the pre-Winery Definition Ordinance public tasting room; (2)(a) Public Tours and Tasting Visitors: recognize Public Tours and Tasting visitors without prior appoint. at a max. of 900 visitors/wk; (2)(b) By Appointment Tours and Tasting Visitors: establish Tours and Tasting by Appt. Only Visitors and combine them with Marketing event visitors for max. of 450 visitors/wk. The total combined Public, By Appt. & Marketing visitors not to exceed a max. of 1,350 visits/wk; (3) increase employees to 19 f/t and 6 p/t with an additional 15 p/t, seasonal workers during Harvest; (4) establish a Marketing Plan to include: 7 events/mo. with a max. of 50 people/event, 10 annual events with a max. of 100 people/event, and 6 annual events with a max. 200 people/per event (2 for the Napa Valley Wine Auction). Events to be catered by off-site food service; (5) authorize the use of the covered patio and garden areas by visitors; (6) add a 2nd work shift during Harvest only; (7) increase parking to 63 auto & 2 bus spaces; and, (8) convert the existing wastewater pond to a dual domestic and process wastewater system. **Phase B:** (1) construct a new approx. 9,273 sq. ft. production/barrel building adjacent to the existing 6,298 sq.ft. winery structure totaling approx. 15,571 sq.ft.; (2) increase production from 50,000 gal. to 144,000 gal. The project is located on a 10.79 ac. parcel on the southeast side of Mee Lane approx. 760 ft. northeast of its intersection with St. Highway 29 & approx. 2 mi. south of the City of St. Helena. (Assessor's Parcel #: 030-080-046) 1155 Mee Lane, St. Helena.

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

Staff Contact: Patricia Hornisher 299-1349

EXECUTIVE SUMMARY

Proposed Action:

1. That the Planning Commission adopts the Subsequent Mitigated Negative Declaration, and Mitigation Monitoring Program for the Alpha Omega Winery Major Modification, based on findings 1-6 of Exhibit A (attached);
2. That the Planning Commission approves Variance #P08-00047 based on findings 7-10 of Exhibit A; and,
3. That the Planning Commission approves Use Permit Major Modification P07-00869-MOD based on findings 11-15 of Exhibit A and subject to the attached Revised Conditions of Approval (to be provided after Commission deliberation for this item.)

NOTE: THIS AGENDA ITEM is a Status Report for the project as described and recommended below. It contains supplemental information only as requested by the Planning Commission at their November 5th meeting. The supplemental information items are provided as attachments to this item.

To access the original report and all previous document attachments in AgendaNet, please refer to the November 5th, 2008, agenda item 9A. Copies of the supplemental and original report are also available during regular business hours at the Napa County Planning Department, 1195 Third Street, Rm 210. (This item was continued from: September 3, 2008; October 1, 2008; October 15, 2008; and November 5, 2008.)

Status Report Discussion:

The Alpha Omega Winery Variance and Use Permit Modifications was first heard at the Planning Commission meeting on September 3rd, 2008. At the hearing, the applicant requested a continuance because of neighbor concerns over the proposed visitation, parking, traffic impacts, and noise and because of a discrepancy in the total visitation number as represented in the staff report. The Planning Commission granted a continuance to October 1st for the purpose of resolving the neighbor issues and revising the project request accordingly.

Prior to the October 1st Planning Commission meeting, the applicant gave written notice requesting a further continuance to allow additional time to work through neighbor concerns. The applicant indicated meetings with the neighbors were progressing toward a satisfactory resolution. The Commission granted a continuance to October 15th.

Two more continuances (on October 15th and November 5th) were requested by the applicant in order to finalize neighbor negotiations and provide the Planning Department with previously requested documents regarding the extent of winery operations during the pre-1990 Winery Definition Ordinance (WDO) time period for the purpose of verifying: (1) the size of the public tasting room; (2) the public visitation level; and, (3) the frequency of public marketing events.

At the hearing on November 5th, the Commission granted the request for continuance to November 19th. They also requested that staff: (1) provide additional information showing past approvals for wineries with similar production levels as the proposed project; and, (2) summarize any changes to the project now being proposed as a result of the neighbor negotiations. These items are provided as attachments to this item.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: None required.

BACKGROUND AND DISCUSSION

As noted above, this item was continued on three different occasions from September 3rd, 2008 to a final hearing date of November 19th, 2008. **The original report and document attachments are provided under the November 5th, 2008, AgendaNet item for further consideration at this hearing.** In addition, at their November 5th meeting, the Commissioners requested additional information to augmented the original staff report. These items include: a summary of the changes to the project as proposed by the applicant and agreed upon by concerned neighbors; and, information from the winery database showing past, approved visitation levels for a range of wineries with production levels similar to the proposed project. (See attached items B & C.)

A final proposal letter from Alpha Omega Winery was sent to the neighbors on November 4th for their signature and agreement. The draft is attached as item A. In general, reductions were agreed upon in the areas of production, visitation and marketing events and several components were added to ensure traffic control and noise reduction related to visitation and winery operations. Attachment B summarizes the reductions (inclusive of visitation, marketing and temporary events) and how they vary from week to week. The proposal includes a 6 month and 1 year review of visitation levels to be set by the Planning Commission. Finally, Alpha Omega proposes it will not apply for increases in visitation or marketing until July 1, 2016, if the revised project, as outlined, is unopposed by neighbors.

As requested by the Commission, a comparison table showing past approved visitation levels for a range of wineries similar to the revised project is attached as item C.

Other Considerations:

Parking: No change to the original requested 63 parking spaces is proposed. Staff reviewed the parking requirement based on the proposed reduced maximum of 400 per day. As calculated, 60 spaces would be required for busiest day visitation and employees inclusive of the four custom producers.

Phasing: It is the Planning Commission's purview to the set timing requirements for when entitlements can commence in the Conditions of Approval for the project. In this case, the neighbors have no objection that visitation and marketing increases commence in Phase A which does not include completion of the new production building. As discussed in the staff report, past approvals have generally allowed entitlements to commence upon issuance of a temporary or final occupancy for the project expansion.

Production/Accessory Use Ratio: The applicant has confirmed that the existing winery building's mezzanine is currently used as a production equipment storage room. Therefore, as recalculated, the required 60/40 Production to Accessory ratio for the existing winery building (which includes the proposed expanded pre and post WDO tasting rooms) is consistent with Napa County Code section 18.104.020 requirements at a ratio of 66% Production to 34% Accessory.

Pre-WDO Visitation and Size of Pre-WDO Tasting Room: No documents have been submitted by the applicant to substantiate the original request to approve Pre-WDO visitation levels at 900 visitors per week. At a meeting on November 5th, the applicant stated he was unable to obtain past winery production documents from Alcoholic Beverage Control (ABC) or the Alcohol and Tobacco Tax and Trade Bureau (TTB). The issue of use and intensity was covered in the staff report with evidence to the contrary being placed on the applicant.

After the Commission considers the project revisions as discussed above and further detailed in the attachments, staff is prepared to revise the Conditions of Approval accordingly for approval and final actions on the project. The CEQA determination remains unchanged. No changes to the Project Revision Statement or the Mitigation Monitoring and Reporting Program are required.

SUPPORTING DOCUMENTS

- A . Draft Final Proposal Letter Alpha Omega/Neighbors
- B . Comparison Tables Project Changes & WDO
- C . Table: Winery Visitation Levels for 100K to 150K Gallons per Year

Napa County Planning Commission: Approve

Reviewed By: John McDowell