

A Tradition of Stewardship A Commitment to Service Agenda Date: 12/2/2015 Agenda Placement: 9C

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: Phelan Residence - Use Permit Exception P12-00265

RECOMMENDATION

PHELAN RESIDENCE - USE PERMIT EXCEPTION #P12-00265 & EXCEPTION TO THE NAPA COUNTY ROAD & 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 an Exception in the form of a Use Permit to the Conservation Regulations (P12-00265) to authorize retention of previously constructed and/or installed improvements within the blue-line stream setback along an unnamed tributary to Cedar Valley Creek. The improvements include the following:

- 1) Reconstruction of an existing 864+/- s.f. caretaker's dwelling, and 868+/- s.f. addition;
- 2) A propane tank, raised garden beds, wooden planters, retaining walls and steps, a bocce ball court, a concrete retaining wall, an above ground drainage pipe, a wooden flume, an underground pipe, a waterslide and dock; and 3) Removal and relocation of an existing septic system.

The following components have been specifically included under this request in order to implement the preliminarily approved California Department of Fish & Wildlife Streambed Alteration Agreement and Proposed Stream Channel Restoration Landscape and Revegetation Plan:

- 1) Replace the existing wooden retaining wall with concrete retaining wall and steps;
- 2) Replace the on-stream pond liner with a concrete liner;
- 3) Replace the above ground drainage pipe, extend the existing concrete channel and install storm drain pipes to connect to the existing concrete channel along the east side of the main dwelling;
- 4) Re-store and enhance portions of the Creek within the vicinity of the unpermitted improvements;
- 5) Remove an approximately 150 foot long 3 foot wide black plastic lining previously installed within the stream channel;
- 6) Remove rocks ranging in size from 12-36 inches from an area of approximately 150 foot long and 3 feet wide; and

7) Re-establish native riparian vegetation within the project foot print.

If this Use Permit Exception is authorized by the County, the applicant has requested that the caretaker's cottage near the Creek become the primary dwelling and the original dwelling on-site become the guest dwelling. The application also includes a request for a Napa County Road and Street Standards Exception (RSS) for the shared portion of Hennessey Ridge Road (a private community drive). The Exception proposes a reduction in the number of required turnouts along a portion of the shared driveway, a reduction to the inside radius of curvature for a horizontal curve at nine stations, and an increase in the allowable maximum centerline slope at two sections (22% and 23% slopes)when the RSS requirement is 20% maximum. The project is located on a 163.3 acre parcel accessed via Hennessey Ridge Road, which is shared with ten (10) parcels and approximately 2.75 miles from its intersection with Chiles Pope Valley Road and 0.4 miles north of Sage Canyon Road, within the Agricultural Watershed (AW) zoning district; 100 Hennessey Ridge Road, St Helena, CA 94574; APN: 025-440-007.

Staff Recommendation: Adopt the Negative Declaration and approve the Use Permit Exception and an Exception to the Napa County Road & Street Standards.

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

Applicant Contact: JEP, LLC, Jeff Phelan; (949) 720-8000

Applicant Representative: Jeff Redding; (707) 255-7375; ireddingaicp@aol.com

EXECUTIVE SUMMARY

Proposed Actions:

That the Planning Commission:

- 1. Adopt the Negative Declaration for the Fhelan Residence Use Permit Conservation Regulation Exception based on Findings 1-6 of Exhibit A;
- 2. Approve an Exception to Road & Street Standards based on Findings 7-8 of Exhibit A, and subject to the Conditions of Approval (Exhibit B)
- 3. Approve an Exception to the Conservation Regulations in the form of a Use Permit (P12-00265) based on Findings 9-20 of Exhibit A, and subject to Conditions of Approval (Exhibit B)

Discussion:

The property was originally developed some time in the 1900's with a main dwelling, a shed and a man-made storage pond that is fed primarily from hillside seep and historically, had an open flume comprised of redwood conveyed passive flows from the pond during storm events. The property has deeded rights conveyed by the federal government to construct the pond, a dam, and channels prior to 1902 thus, establishing pre-1914 State Water rights for the pond. A well and a septic/leach field also exist on the property. On October 16, 1972, the County issued a building permit (#16567) for the construction of an 864 s.f. caretaker's cottage which was located near an existing creek. The closest residence is located 1,752 feet from the project site.

Based on a citizen complaint received in September 2011, the County red tagged the property owner in 2011 for the reconstruction of and an 868 +/-s.f. addition to the caretaker's cottage located within a now designated blue-line creek setback. Upon investigation, it was revealed that the owner also made the following improvements without the benefit of a building permit, approval of a use permit exception, or authorization from the California Department

of Fish & Wildlife: installation of a propane tank, construction of wooden retaining walls creating bocce ball courts and raised garden beds, construction of wooden retaining walls and steps, construction of a concrete retaining wall, replacement of above ground drainage pipe below the retaining wall, replacement of an above ground wooden flume with an underground pipe below the concrete retaining wall, placement of a plastic waterslide on top of the a pre-existing dock, a makeshift waterfall within the defined stream channel, improvement to the associated driveway, and installation of two driveway gates and two residence identification signs.

A Stipulation and Order was filed on August 11, 2011 by County Counsel requiring the applicant to immediately cease occupancy of the replacement dwelling on the property until a Certificate of Occupancy was issued by the Building Official and to obtain a use permit exception from the Planning Commission and any required California Department of Fish & Wildlife permit for any portion of the replacement dwelling to remain within applicable stream setbacks required by Napa County Code Chapter 18.108 within one year from execution of the Agreement. The applicant was also required to submit revised septic plans and proof of a valid water supply to the Department to meet current Napa County Code requirements. The Stipulation and Order was executed on January 9, 2013. The applicant was also fined \$31,486.27 for the offense in addition to paying processing fees for all required permits.

This project seeks recognition after-the-fact of previously constructed improvements within County required stream setbacks, as well as, an exception to the County's Road and Street Standards. The nature and constraints for the road exception are to minimize environmental impacts by reducing earth disturbances on steep slopes exceeding 30% and preserving heritage trees.

As is the current practice, Staff reviewed the request from the standpoint as if the improvements had yet to be installed. From that perspective, staff believed that several aspects of the proposal would have been supported given the history of overall development of the property in light of establishment of the County's Conservation Regulations back in 1994.

In moving forward, the Commission has four general decision making options as follows and detailed in the main body of this report: 1) approve the project as requested by the applicant; 2) approve some level of the project and require additional restoration; 3) deny the request; or 4) continue the project.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

Negative Declaration Prepared. According to the proposed Negative Declaration, the proposed project would have no potentially significant environmental impacts. This project site is on any of the lists of hazardous waste sites enumerated under Government Code Section 65962.5.

BACKGROUND AND DISCUSSION

Property Owner: JEP, LLC, Jeff Phelan; 12 Corporate Plaza, Ste. 150 Newport Beach, CA 92660; (949) 720-8000.

Representative: Jeff Redding; (707) 255-7375; jreddingaicp@aol.com.

Zoning: Agricultural Watershed (AW) District.

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

Application Filed: August 7, 2012

Application Complete: June 30, 2015

Setback Requirements:

Required Stream Setback – Applicability - Location Dependent on Improvement Slope (Percent) Required Setback 15-30 65 feet 30-40 85- feet 40-50 105 feet 50-60 125 feet

Adjacent Land Uses:

North - AW - Property directly to the north includes rural residential, vineyard and the Green & Red Winery.

South - AW - Properties directly to the south consist of vacant rural residential parcels and rural residential.

West - AW - Properties directly to the west are vacant, rural residential, and vineyards.

East - AW - Properties directly to the east are vacant rural.

Property History:

The property was originally developed some time in the 1900's with a main dwelling, a shed and a man-made storage pond that is fed primarily from hillside seep and historically, had an open flume comprised of redwood conveyed passive flows from the pond during storm events. The property has deeded rights conveyed by the federal government to construct the pond, a dam, and channels prior to 1902 thus, establishing pre-1914 State Water rights for the pond. A well and a septic/leach field also exist on the property. On October 16, 1972, the County issued a building permit (#16567) for the construction of an 864 s.f. caretaker's cottage which was located near an existing creek. The closest residence is located 1,752 feet from the project site.

Code Compliance History:

Based on a citizen complaint received in September 2011, the County red tagged the property owner in 2011 for the reconstruction of and an 868 +/-s.f. addition to the caretaker's cottage located within a now designated blue-line creek setback. Upon investigation, it was revealed that the owner also made the following improvements without the benefit of a building permit, approval of a use permit exception, or authorization from the California Department of Fish & Wildlife: installation of a propane tank, construction of wooden retaining walls creating bocce ball courts and raised garden beds, construction of wooden retaining walls and steps, construction of a concrete retaining wall, replacement of above ground drainage pipe below the retaining wall, replacement of an above ground wooden flume with an underground pipe below the concrete retaining wall, placement of a plastic waterslide on top of the a pre-existing dock, a makeshift waterfall within the defined stream channel, improvement to the associated driveway, and installation of two driveway gates and two residence identification signs.

A Stipulation and Order was filed on August 11, 2011 by County Counsel requiring the applicant to immediately cease occupancy of the replacement dwelling on the property until a Certificate of Occupancy was issued by the Building Official and to obtain a use permit exception from the Planning Commission and any required California Department of Fish & Wildlife permit for any portion of the replacement dwelling to remain within applicable stream

setbacks required by Napa County Code Chapter 18.108 within one year from execution of the Agreement. The "stream" within the Stipulation was identified and displayed in Exhibit A as the "Pond/Spillway" denoted in green (See attached). The applicant was also required to submit revised septic plans and proof of a valid water supply to the Department to meet current Napa County Code requirements. The Stipulation and Order was executed on January 9, 2013. It should be noted that the applicant was also fined \$31,486.27 for the offense in addition to paying processing fees for all required permits.

On August 7, 2012, the applicant, as required in the Stipulated Order, submitted an application in the form of a Use Permit Exception to the Conservation Regulations for all completed and proposed work within a blue-line creek setback. On April 18, 2013, a request for an Exception to the Napa County Roads and Street Standards was also submitted. The applicant has also submitted an application and received preliminary approval from the California Department of Fish & Wildlife for a Streambed Alteration Agreement, which includes implementation of a stream channel restoration landscape and revegetation plan in the areas disturbed. On June 5, 2013, the Division of Environmental Health authorized a Septic System permit to relocate the existing septic tank outside of the creek channel and shut down an existing leach field. This system has yet to be installed and the permit expired pending processing of this Use Permit Exception. The permit will need to be reauthorized by the Division of Environmental Health.

On September 27, 2011, building permits (B11-01008 and B11-01049) for these improvements were submitted. On June 27, 2014, another building permit (B14-00988) was submitted to convert the main dwelling into a guest house by reducing the footprint to meet County guest house size requirements. On December 3, 2014, two Well Permits were issued for the property and a final inspection was conducted and signed-off.

Additional improvements have been made to the property with regards to the construction of a tree house and planting of additional trees on the hillside located above the existing structures without benefit of appropriate permits or other required approvals. However, staff has been informed by the applicant's representative that the tree house is less than 120 sq.ft. and does not require a building permit. Furthermore, staff has been notified that the additional trees on the hillside above the existing structures were all dug and installed by hand. To date, no permits have been submitted for the residential identification signs or the two driveway gates and the other recent improvements outside of the blue-line creek setback are still under investigation as to whether or not a permit is required from the County.

Discussion Points:

<u>Project Setting</u> - The subject property is comprised of 163.3-acres of land which is accessed via a private community driveway named Hennessey Ridge Road. The project site is situated approximately 2.75 miles northeast of the intersection of Chiles Pope Valley Road. An existing improved driveway extends 0.4 of a mile from the terminus of Hennessey Ridge Road to the existing residential development. The site is located on the upper portion of the Greeg Mountains above the eastern margin of Napa Valley. The elevation of the site is approximately 1,600 feet above mean sea level (msl). The topography of the property is generally comprised of steeply sloping hills ranging from 1-62%. There is a mix of oak woodland and chaparral/scrub vegetation located on the property.

There are several seasonal drainages that traverse the site – four defined unnamed blue line streams of which two of the streams drain into Chiles Creek, one drains into Sage Creek, and the primary stream where all of the existing development has occurred drains into Cedar Creek and lies within a canyon of the Greeg Mountains. A single unnamed ephemeral drainage channel initiates approximately 250 feet north of the storage pond at the very top of the watershed and extends north-to-south before transitioning into a man-made storage pond. The lower 150- to 120-foot reach of this drainage is the area proposed for restoration by the property owner through the removal of plastic and replacement of existing rocks. The reach of the drainage channel upstream from the project site forms an approximately two-foot wide and less than six inch deep scour channel within a relatively steep hillside surrounded by chaparral habitat. The minor scour channel flows naturally for approximately 50 to 100 feet.

At this point, the channel has been significantly altered from its natural state and marks the beginning of the proposed restoration area. Large boulders were used to construct step pools and delineate the outer edge of the channel, and the channel was lined with a layer of thick plastic to prevent infiltration and loss of seepage. The thick layer of plastic has prevented vegetation from establishing in the channel. This ephemeral drainage only has water during and immediately following significant rain events. At the south end is a man-made storage pond into which the ephemeral drainage flows across the relatively narrow (about 6 feet wide) road like area along the pond's edge during significant rain events. The pond is lined with an impermeable layer of plastic and contains a plastic culvert that acts as a passive spillway. Overflow from the pond is directed through this passive spillway, empties into a rock-lined dissipater and passes through another culvert under the roadway. From there, flows exit into a naturally functioning ephemeral stream channel, to a confluence with an intermittent channel, where it becomes a full Class II stream is defined as a seasonal or year round habitat that exists for aquatic non-fish vertebrates and/or aquatic benthic macroinvertebrates.

The parcel's current use is residential. A main residence, guesthouse and a detached garage exist on the property. A man-made storage pond, which has existed on the property for over 100 years and is fed by a natural spring, with a private dock and a waterslide exists approximately 55 feet northwest of the main residence. A blue-line creek is shown on the USGS Map, extending southeast from the pond through the existing residence into the blue-line creek (Cedar Creek). Other unpermitted improvements existing near the main residence and also in close proximity to the blue-line creek include a propane tank, raised garden beds, wooden planters, retaining walls and steps, bocce ball court, concrete retaining wall and an above ground drainage pipe, and a wooden flume with an underground pipe. Other improvements that have been installed without obtaining County permits include two gates, two identification signs, and private driveway retaining walls.

Conservation Regulation Compliance – Napa County Code Section 18.108.025 General Provisions – Intermittent/Perennial Streams prohibits construction of main or accessory structures, earthmoving activity, grading or removal of vegetation or agricultural uses of land within the designated stream setback areas unless specifically authorized by the Commission through the granting of an exception in the form of a use permit subject to the Commission determining that the project meets certain required findings. The findings are geared toward limiting the extent of encroachments into creek setbacks and preserving and/or enhancing environmental resources elsewhere on the project site to off-set the allowed encroachment.

This project seeks recognition of previously constructed improvements within County required stream setbacks. Some of improvements installed within the blue-lined creek setback without a permit occurred in 2011, while other installed improvements occurred under the prior owner after adoption of the Conservation Regulations in 1994. As such, it is unknown to what extent, if any, biological and hydrological resources were impacted by the unauthorized construction activities. Physical changes to the existing environment, if the Conservation Regulation Exception is approved, would consist of completion of previous improvements and removal of a septic tank within the blue-line creek setback, installation of a new septic system outside of the blue-line creek setback area, and implementation of a stream channel restoration landscape and revegetation plan within designated areas in conjunction with the preliminary approval of a Streambed Alteration Agreement from the California Department of Fish & Wildlife. (Refer to the Phelan Residence Stream Channel Assessment, Stream Channel Restoration Landscape and Revegetation Plan, the Stream Channel Restoration Project Mitigation, Monitoring and Reporting Plan and a Draft Construction Plan, all prepared in March 2013 by Analytical Environmental Services, a qualified biological environmental consultant). Restoration and enhancement activities required by the California Department of Fish & Wildlife will be limited to removal of an approximately 150 foot long 3 foot wide black plastic lining previously installed within the stream channel, removal of rocks ranging in size from 12-36 inches from an area of approximately 150 foot long and 3 feet wide, and re-establishing native riparian vegetation within the project foot print. The proposed restoration landscape and re-vegetation plan will include the planting of a variety of native grasses, forbs, herbs, and shrubs along with some small native "redbud" trees within the setbacks of the ephemeral drainage channel. Overall, the proposed improvements will not require the removal of any native vegetation and will occur in areas previously disturbed by past uses or previous development.

As proposed, if the County grants the requested use permit exception after-the-fact, that action has no potential to adversely change the environmental setting from how it now sits and thus, the project does not have the potential to result in new impacts. Conversely, the County is under no obligation to authorize these improvements and denial of the use permit exception may occur. In the event the County denied the request, the unauthorized improvements would need to be removed and restored to a natural state. Denial of the permit request and restoration of stream setback areas would be exempt from CEQA pursuant to CEQA Guidelines Categorical Exemption 15321, Enforcement Actions by Regulatory Agencies.

Road & Street Standards Exception Request - Hennessey Ridge Road is a private shared road that currently serves approximately 14 parcels and seven existing dwelling units. It is approximately 14,400 linear feet from the connection with Chiles Pope Valley Road to its terminus at the gated entrance to 100 Hennessey Ridge Road. The existing private shared access road varies in width from 14 feet to 20 feet.

To approve a road modification request, the Planning Commission must find that the project satisfies essentially two requirements. The first is the exception is needed to: 1) to preserve unique features of the environment...Exception does not include man made environmental features, decorative landscaping, fences...etc.; 2) to accommodate physical site limitations such as grade differentials; or, 3) to accommodate other limiting factors - such as historical or legal constraints. The second requirement is that the proposed alternative design contains mitigating features such that the alternative design achieves the same overall practical effect as that of a project that meets the standards (RSS Section 3(D)).

An exception to the County's residential road standards is requested with this project as described in the revised letter from RSA dated November 25, 2015. The exception proposes the following reduction in the number of required turnouts along a portion of the shared driveway.

- Between road STA 0+00 to 83+00 the shared driveway serves more than six existing dwelling units and requires 34 turnouts to be placed approximately every 250 feet. The applicant is proposing to provide 25 turnouts for this section of driveway. The number of turnouts would be reduced by 9 in this section of driveway with a maximum distance between turnouts varying from 100 feet to approximately 775 feet.
- Between road STA 83+00 to 102+00 the shared driveway serves between two to three existing dwelling units and requires 7 turnouts to be placed approximately every 300 feet. The applicant is proposing to provide 8 turnouts for this section of driveway. No exceptions to the number of turnouts are requested for this section of shared access driveway. The maximum distance between turnouts in this section of the shared access driveway varies from 150 feet to approximately 375 feet.
- Between road STA 102+00 to 140+00 at the terminus of the shared portion of the access driveway, the shared driveway serves one existing dwelling unit and requires 10 turnouts to be placed approximately every 400 feet. The applicant is proposing to provide 10 turnouts for this section of driveway. No exceptions to the number of turnouts are requested for this section of shared access driveway. The maximum distance between turnouts in this section of the shared access driveway varies from 120 feet to approximately 725 feet.

The exception also proposes a reduction to the inside radius of curvature for a horizontal curve at nine stations, and an increase in the allowable maximum centerline slope at two sections (22% and 23% slopes) when the RSS requirement is 20% maximum.

These three areas covered by the exception have been reviewed by the Division of Engineering Services and the Fire Marshal, and staff is in support of granting of the exception as currently designed. The nature and constraints for the road exception are to preserve unique features of the environment by reducing earth disturbances on steep slopes exceeding 30% and preserving heritage trees.

To grant a RSS Exception, the Planning Commission must also find that the alternative design meets the same overall practical effect as a project that complies with the standard. As proposed, the Division of Engineering Services and the Fire Marshal believe that the design meets the same overall practical effect, and support approval of the request subject to the conditions of approval provided in their memorandum dated October 29, 2015.

It should be further noted that during processing of this application and more recently during the comment period for this item (refer to Public Comment Attachment), staff was notified that authorization through a majority vote would be required by the Hennessey Ridge Homeowners' Association for any special assessment for such improvements or required property owner notification prior to commencement of any improvements on this private community drive. Given this requirement, staff has provided a condition requiring submittal of documentation that such authorization has been granted prior to the issuance of any building or grading permit associated with the project. If the applicant is unable to provide this required documentation then the project would need to be referred back to the Planning Commission for reconsideration.

<u>Public Comments</u> - As of printing of this staff report several letters from interested parties have been submitted and are attached. It is anticipated that additional correspondence may be received prior to the hearing and will be distributed by the Commission Clerk at the earliest available opportunity.

Decision Making Options

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

This option would result in approval of the project essentially as it exists today with the inclusion of minor site improvements within the creek setback areas, as well as, implementation of stream channel restoration landscape and re-vegetation plan activities required by the California Department of Fish & Wildlife. It would also authorize the road exception request as presented. Staff would also recommend that the propane tank be relocated to an area outside of the creek boundary. Subsequent to approval, the permittee would need to obtain building permits for all previously unpermitted work within the blue-line creek setback and required permits for implementation of roadway improvements. The attached proposed conditions of approval are written to reflect the applicant's proposal. Some of these conditions would need to be revised in the event the Commission wishes to pursue a reduced development option.

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

Option 2 - Additional Restoration Alternative

This option would allow the property owner to retain essential previously unpermitted improvements within the blue-line creek setback such as improvements to the caretakers residence, but require the removal and/or relocation of improvements such as the propane tank, planters, or bocce ball court outside of the creek setback to be restore back to the natural state prior to construction. As an alternative, the Commission could require additional stream restoration beyond the California Department of Fish & Wildlife somewhere on the property to further offset the encroachments within creek setbacks.

Action Required - Take a tentative action to approve the CEQA document and project, and remand the item to Staff for preparation of findings and revised conditions of approval. Final approval of this alternative and adoption of the revised conditions could occur at the next Commission meeting.

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Option 3 - Deny The Request

In the event the Commission determines that the project does not, or cannot meet the required findings for grant of a Use Permit Exception and/or Exception to the Road & Street Standards, Commissioners should articulate what aspect or aspects of the project are in conflict with required findings. In a similar fashion to use permit approvals, State law requires the Commission to adopt findings based substantial evidence, setting forth why the proposed use permit is not consistent with the General Plan and/or County Code and therefore is being denied. Based on the administrative record as of the issuance of this staff report, staff believes it would be more appropriate to approve a downscaled project then do deny the proposal outright. Denial of the project would result in the project being remanded to the Code Enforcement Division to work with the property owner to remove all unpermitted construction and restore the property back to its original state prior to construction.

Action Required - By simple motion the Commission would adopt a tentative motion of intent to deny the project and remand the matter to staff for preparation of required findings to return to the Commission on a specified date for formal adoption.

Option 4 - Continuance Option

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

SUPPORTING DOCUMENTS

- A . Exhibit A Findings
- B . Exhibit B Draft Conditions of Approval
- C . Department Comments
- D . Stipulation and Order Agreement
- E . Initial Study Negative Declaration
- F. Public Comment Letters
- G . Application Packet
- H. Stream Channel Assessment
- I. Restoration Program, Construction & Monitoring Plan
- J . Department of Fish & Wildlife Streambed Alteration Agreement
- K . Road Exception Request
- L. Building Permit Submittal
- M. Code Enforcement Photos
- N . Graphics

Napa County Planning Commission: Approve

Reviewed By: John McDowell