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Agenda Date: 12/6/2017

Agenda Placement: 8A

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: Wyntriss Balcher, Planner II - 707 299-1351
SUBJECT: Gargiulo Vineyards Major Modification #P17-00199-MOD

RECOMMENDATION

JEFF & VALERIE GARGIULO / GARGIULO VINEYARDS WINERY / USE PERMIT MAJOR MODIFICATION #P17-00199-MOD

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 Use Permit Modification to an existing 20,000 gallon winery to: 1) construct a new underground barrel cellar; 2) construct a crush pad cover extension; 3) construct a cover over an existing storage area; 4) relocated and construct driveway improvements; 5) add on-premises consumption of wine in accordance with Business and Professions Code Sections 23358, 23390 and 23396.5; 6) install fire protection water tanks and a pump house; and 7) remove an existing cottage. No change in production capacity, winery operations or infrastructure (including employees), the number of permitted visitors, or the marketing program. The project is located on a ±12.74 acre parcel on the south side of Oakville Cross Road, ±700 feet west of its intersection with Silverado Trail, within the Agricultural Watershed (AW) zoning district; 545 Oakville Cross Road, Napa; APN: 031-070-039.

Staff Recommendation: Adopt the Negative Declaration and approve the requested Use Permit Modification as conditioned.

Staff Contact: Wyntriss Balcher (707) 299-1351; wyntriss.balcher@countyofnapa.org

Applicant Contact: George H. Monteverdi, Monteverdi Consulting, (707) 255-5368, George@monteverdiConsulting.com

EXECUTIVE SUMMARY**Proposed Actions:**

That the Planning Commission:

1. Adopt the Negative Declaration, based on recommended Findings 1-7 of Attachment A; and,
2. Approve Use Permit Modification #P17-00199-MOD based on Findings 8-12 and subject to the recommended conditions of approval (Attachment B).

Discussion:

The 20,000 gallon winery was established by Use Permit #00527-UP, upon approval by the Planning Commission on September 18, 2002. The original proposal was to construct a two-story, wood frame winery, not to exceed 4,420 sq. ft. in enclosed floor area. The proposal is to construct a new, ±3,130 sq. ft. subterranean barrel storage cellar building; a ±843 sq. ft. extension to the cover over the existing winery crush pad, and a steel trellis over an outdoor storage area adjacent to the winery building. No changes in production, winery operations, number of employees, visitation or marketing program is proposed.

This proposal has been analyzed for its environmental impacts, which were found to be less than significant. Staff has reviewed the proposal and found it to be consistent with the Zoning Ordinance and applicable General Plan policies and is recommending approval for the following reasons: 1) the proposed project is consistent with the Napa County Zoning Ordinance and applicable General Plan Policies; 2) the barrel storage building has been designed for minimal visual impact by its subterranean placement; 3) the proposed use of native grasses planted on the above-grade roof, in the style of a structure called a sod house, is designed to blend within the oak and grass woodland natural landscape; 4) the proposed subterranean design and placement of the barrel cellar were designed to minimize disturbance of the steep slopes and to avoid the removal of the valuable heritage oaks landscape to the greatest extent possible; and, 5) the proposed new barrel storage building will not result in the removal of vineyards.

FISCAL IMPACT

Is there a Fiscal Impact? No

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. The project site is not on any of the lists of hazardous waste sites enumerated under Government Code Section 65962.5.

BACKGROUND AND DISCUSSION

Owner: Jeff & Valerie Gargiulo, DBA Gargiulo Vineyards Winery, 545 Oakville Cross Rd. Napa, CA 94558

Applicant: Jeff & Valerie Gargiulo, DBA Gargiulo Vineyards Winery, 545 Oakville Cross Rd. Napa, CA 94558,
Justin@GargiuloVineyards.com

Representative: George H. Monteverdi, Monteverdi Consulting, PO Box 6079, Napa, CA 94581,
George@monteverdiConsulting.com

Zoning District: Agricultural Watershed (AW)

General Plan Designation: Agricultural Resource (AR) and Agriculture, Watershed and Open Space (AWOS)

Filed: May 24, 2017 **Resubmittal:** August 11, 2017 **Completed:** September 11, 2017

Parcel Size: ±12.74 acres

Existing Development: Development on the property consists of a single family residence, a two story winery, a guest cottage, a barn, and vineyards.

Vineyard Acreage (Existing): ±7.54 acres

Vineyard Acreage (Proposed): ±7.54 acres

Winery Characteristics:

Winery Size (Existing): ± 4,420 sq. ft.

Winery Size (Proposed): ±7,550 sq. ft. (includes ±3,130 sq. ft. underground barrel cellar)

Production Capacity (Approved): 20,000 gallons

Production Capacity (Proposed): No change proposed

Winery Coverage (Existing): ± 35,525 sq.ft., ± .81 acres or -± 6.4%

Winery Coverage (Proposed): ± 39,895 sq.ft., ± .92 acres or -± 7.2%

(Maximum 25% or 15 acres)

Accessory/Production Ratio (Existing): ±878 sq. ft./ ±4,593 sq. ft. = 16%

Accessory/Production Ratio (Proposed): ± 1360 sq. ft. / 10,103 sq. ft. = 13%

(Maximum 40% allowed)

Number of Employees (Existing): Three (3) employees

Number of Employees (Proposed): No change proposed

Visitation (Existing): 10/day, by appointment only

Visitation (Proposed): No change proposed

Marketing Program (Existing): One (1) event/month for a maximum 40 guests

Marketing Program (Proposed): No change proposed

Days and Hours of Operation (Existing): Monday-Sunday: 10:00 am - 4:00 pm (hospitality); 10:00 am - 6:00 pm (production)

Days and Hours of Operation (Proposed): No change proposed

Parking (Existing): 5 parking spaces

Parking (Proposed): No change proposed

Setbacks (Required): 300 feet from Oakville Cross Road; 20 feet from property lines

Setbacks (Existing): ±360 from Oakville Cross Road - existing winery building crush pad cover addition; ±240 feet from Oakville Cross Road to barrel cellar and ±233 ft. eastern property line

Adjacent General Plan Designation/Zoning District/Land Use:

North: AR / Agricultural Preserve (AP) / Agriculture (vineyards) and Rudd Estate Winery

Southeast: AR /AP (Agricultural Preserve) / Agriculture (vineyards) and Tench Winery

West: AR/ AP/ Agriculture (vineyards) and Residential

East: AWOS /AW /Agriculture and Residential

Nearby Wineries Located within one mile of the project:

Please refer to Attachment G.

Property History:

The 20,000 gallon winery was established by Use Permit #00527-UP, upon approval by the Planning Commission on September 18, 2002. The original proposal was to construct a two-story, wood frame winery, not to exceed 4,420 sq. ft. in enclosed floor area; a 10,000 sq. ft. cave for barrel storage, and five parking spaces. By appointment tours and tasting for a maximum 10 persons/day and one (1) marketing event per month (maximum attendance of 40 persons) was also approved. Operations included two (2) full-time and one (1) part-time employee and retail wine sales. Tours and tasting are required to end by 4:00 PM to avoid peak traffic hours.

Use Permit Modification #04112-MOD was administratively approved on March 3, 2004 to reduce the height of the roofline for the revised winery building, allow a minor adjustment to the location of the structure and realignment of the access driveway. The installation of screening trees between the winery building and the property line were also included in this action.

Use Permit Modification #P04-0425-MOD was administratively approved on October 6, 2004 to relocate the previously approved winery, eliminate the previously approved 10,000 sq. ft. cave, and permit utilization of an existing 800 sq. ft. barn/office building and the construction of a 3,600 sq. ft. addition for a winery totaling 4,420 sq. ft.

Use Permit Modification #P05-0272-MOD was administratively approved on August 23, 2005, to construct a ±1,146 sq. ft. concrete slab at the lower level of the winery to serve as a barrel washing area and forklift hard surface.

Code Compliance History:

There is no record of any code violations.

Discussion Points:

Setting – The subject ±12.74 acre parcel is located on the south side of Oakville Cross Road, ±700 feet west of its intersection with Silverado Trail and approximately 4 miles northeast of the Town of Yountville. The project site is situated on the south side of the knoll, between an existing residence and an existing winery. A small guest cottage will be removed to construct the proposed barrel cellar and an existing gravel access driveway traversing the site will be relocated northward, below an existing vineyard (which will not be disturbed) and above the proposed cellar. There is a grove of oak trees (blue oaks) along the road, covering a substantial part of the north side of the property, with vineyards planted to the south. Development on the property consists of a single family residence, a two story winery, a guest cottage, a barn, and ±7.54 acres of vineyards. The surrounding land uses include agriculture, residential, and wine production facilities. The owner's residence is located on the parcel immediately

to the west, ±85 west of the winery, and the next closest residence is ±450 feet west of the winery.

Winery Proposal - The project requests approval of a Major Modification to an existing 20,000 gallon winery to: 1) construct a new ±3,130 sq. ft. underground barrel cellar for a total ±7,550 sq. ft. winery; 2) construct a new ±843 sq. ft. extension to the existing covered crush pad; 3) construct a 680 sq. ft. painted steel trellis over an outdoor storage area; 4) relocate the existing driveway and construct driveway improvements to facilitate improved access to the existing winery and proposed barrel cellar; 5) on-premises consumption of wine within the tasting room, the immediate proximity of the winery building including the nearby garden area, the existing 182 sq. ft. loft in the winery building, and within a ± 300 sq. ft. portion of the barrel cellar to be used for occasional marketing/tasting activities; 6) install four (4) new water storage tanks (11'-6") and a 180 sq. ft. fire pump house; and 7) remove an existing cottage for the construction of the proposed barrel building and access driveway. No change in production capacity, winery operations or infrastructure (including employees), the number of permitted visitors, or the marketing program is proposed by the project. A small guest house will be removed to construct the relocated access driveway and proposed barrel cellar, and the removal of one oak tree, located outside the existing oak canopy, will be necessary.

To construct the barrel cellar, there will be an excavation of the southern slope of the knoll and the structure will be predominantly underground in a similar manner of cut and cover caves or sod houses. The roof will be planted in native grasses. A description of the structure has been included in the project description submitted with the project, including a photo of the design inspiration building. Due to a combination of the existing vegetation and natural topography, the exposed roof will not be visible from Oakville Cross Road or any other public right of way. The subterranean building footing is located 240 feet from Oakville Cross Road, however, staff has reviewed the project application and agrees that the proposed barrel cellar meets the criteria set forth in Napa County Code Section 18.104.230 (A)(2) regarding the exemption to the 300 foot winery setback for underground portions of caves. The applicant states that in addition to the reduction of visibility of a new structure on the knoll, the proposed cellar will allow for the retention of several heritage oak trees, avoid earthmoving on steep slopes, and obviate the need to remove existing vineyard acreage. The proposed extension to the existing covered crush pad and the proposed steel trellis over the outdoor storage area will only involve ground disturbance for the roof posts.

Tours & Tasting/Marketing Events – The winery was approved for 10 visitors/day, by appointment only and the approved marketing program includes one event per month for a maximum of 40 guests. The project does not propose any changes to production, number of employees, visitation or marketing activities. Therefore, no winery comparison analysis was included in this staff report due to the minimal physical expansion of this proposal.

Traffic & Parking - There is no proposal to increase the number of employees, the number of visitors, nor the marketing program. Therefore, the project would not result in any increase in traffic and any transport for off-site barrel storage would be minimized. No additional parking would be necessary since no increase in the number of employees or visitors is proposed.

Groundwater Availability - The project does not propose to make any changes to production capacity, employees, visitation, or marketing activities. Since no changes in the winery operations are proposed and no change in water demand will result, the project would not result in a significant impact on groundwater.

Grape Sourcing - The existing winery is an estate production winery, utilizing onsite grapes and other vineyards owned near Money Road west of the winery.

Greenhouse Gases/Climate Action Plan - Greenhouse Gases/Climate Action Plan - The County requires project applicants to consider methods to reduce Green House Gas (GHG) emissions consistent with Napa County General Plan Policy CON-65(e), which requires GHG review of discretionary projects. The applicant has completed the Department's Best Management Practices Checklist for Development Projects, which is attached to this report as part of the application materials. Proposed Greenhouse Gas Voluntary Best Management Practices include but

are not limited to: installing new energy conserving lighting; use of energy star roof/living roof/cool roof for the barrel cellar; continued use of water of efficient fixtures; continued low impact development; continue the water efficient landscaping; continue to recycle 75% of all waste; continue to compost 75% food and garden materials; maintain the planted shade trees within 45 feet of the west side of the existing winery building; a proposal to install electrical vehicle charging station; a site design that is oriented and designed to optimize conditions of natural heating and day lighting of interior spaces; continue limited grading and tree removal; and the existing winery is a Certified Green Business and a Certified "Napa Green Land". In addition, the winery also currently educates the staff and visitors on sustainable practices and retains biomass removed via pruning and thinning by chipping the materials and reusing it rather than burning on-site.

Public Comments - No comments have been received to date from the public regarding this project.

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 also include a reduced building size alternative and a no project alternative.

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

Disposition - This option would approve the proposed barrel storage cellar, the extension to the existing crush pad cover attached to the existing winery, the construction of a steel trellis over an outdoor storage area adjacent to the winery, and related driveway and facility improvements.

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 This option has been analyzed for its environmental impacts, which were found to be less than significant. The project does not propose any changes to the winery operations, number of employees, number of visitors, nor to the marketing program. There is no history of code compliance issues at the project site. Staff is recommending approval of the project 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 result in the construction of a barrel storage building designed for minimal visual impact with the its subterranean placement, the use of a native grass planted roof in the style of a structure called a sod house to blend within the oak and grass woodland natural landscape; 3) the design and placement of the barrel cellar is designed to minimize disrupting activities to the existing winery development by avoiding disturbance to steep slopes, undeveloped land, and the valuable heritage oaks landscape to the greatest extent possible since one oak tree will be removed; 4) the proposed new barrel storage building will not result in the removal of vineyards. Considering all of the enumerated reasons, staff finds that the project meets all County Code requirements and complies with General Plan Policies.

Option 2 - Reduce the size of the proposed barrel cellar.

Disposition - This option could result in a potential decrease in wine barrel storage and require offsite storage.

Action Required - Follow the proposed actions listed in the Executive Summary and amend scope and project specific conditions of approval to reduce the size of the proposed barrel cellar. 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 a Use Permit Modification, 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 Use Permit Modification is not being approved. Based on the administrative record as of the issuance of this staff report, there does not appear to be any evidence supporting denial of the project.

Action Required - Commission would take 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 and Final Agency Approval Memos
- C . Previous Project Conditions
- D . Initial Study/Negative Declaration
- E . Use Permit Application Packet
- F . Graphics
- G . Winery Comparison Analysis

Napa County Planning Commission: Approve

Reviewed By: Vincent Smith