



A Tradition of Stewardship  
A Commitment to Service

Agenda Date: 2/18/2015

Agenda Placement: 9C

## Napa County Planning Commission Board Agenda Letter

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**TO:** Napa County Planning Commission

**FROM:** Charlene Gallina for David Morrison - Director  
Planning, Building and Environmental Services

**REPORT BY:** SHAVETA SHARMA, PLANNER III - 707-299-1358

**SUBJECT:** Melka Winery Use Permit (P14-00208-UP) and Variance (P14-00209-VAR)

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### **RECOMMENDATION**

#### **MELKA WINERY USE PERMIT (P14-00208-UP) & VARIANCE (P14-00209-VAR)**

**CEQA Status:** Consideration and possible adoption of a Categorical Exemption. Pursuant to the California Environmental Quality Act, Section 15301 [See Class 1 ("Existing Facilities")]; Section 15303 [See Class 3 ("New Construction or Conversion of Small Structures")]; and Section 15304 [See Class 4 ("Minor Alterations to Land")], which may be found in the guidelines for the implementation of the California Environmental Quality Act and Napa County's Local Procedures for Implementing the California Environmental Quality Act, Appendix B. 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 to establish a new 10,000 gallons per year winery with 1) daily tours and tastings for five persons maximum per weekday and seven persons maximum per weekend and a maximum of 30 persons per week by appointment only; 2) conversion of an existing 2,309 square foot barn to winery uses; 3) construction of a new 2,675 square foot building with a 500 square foot open breezeway; 4) construction of an 875 square foot covered crush pad; 5) on premise consumption in the hospitality building of wines produced on site in accordance with Business and Professions Code Sections 23358, 23390 and 23396.5 (also known as AB 2001 (Evans Bill)); 6) two (2) 30 person marketing events annually; 7) one (1) 100 person auction event annually; 8) connection to an existing domestic wastewater treatment and disposal system 9) a hold and haul system for process wastewater; 10) a 20,000 gallon water storage tank and pump house; 11) an improved 20 foot driveway access in accordance with Napa County Road and Street Standards; and 12) construction of seven (7) parking spaces; and 13) ten or fewer employees. A Variance is also requested to encroach 435 feet into the required 600 foot setback from Silverado Trail. The 10.68 acre project site is located approximately 200 feet north of Deer Park Road and within the Agricultural Watershed (AW) Zoning District at 2900 Silverado Trail, St. Helena (APN: 021-352-041).

**Staff Recommendation:** Find the project Categorical Exempt from CEQA and approve the requested Use Permit and Variance request as conditioned.

**Staff Contact:** Shaveta Sharma, Planner [shaveta.sharma@countyofnapa.org](mailto:shaveta.sharma@countyofnapa.org)

**Applicant Contact:** Cherie Melka (707) 695-7687

## **EXECUTIVE SUMMARY**

### **Proposed Actions:**

That the Planning Commission:

1. Find the project Categorically Exempt from CEQA based on Finding 1 of Exhibit A; and
2. Approve Variance Request (P14-00209) based on Findings 2-8 of Exhibit A, and subject to the recommended Conditions of Approval (Exhibit B); and
3. Approve Use Permit (P14-00208), based on Findings 9-13 of Exhibit A, and subject to the recommended Conditions of Approval (Exhibit B).

### **Discussion:**

The applicant requests approval of a Use Permit to establish a new 10,000 gallons per year winery with daily tours and tastings for five persons maximum per weekday and seven persons maximum per weekend and a maximum of 30 persons per week by appointment only; conversion of an existing 2,309 square foot barn to winery uses; construction of a new 2,675 square foot building with a 500 square foot open breezeway; construction of a 875 square foot covered crush pad; on premise consumption of wines produced on site in accordance with Business and Professions Code Sections 23358, 23390 and 23396.5 (also known as AB 2001 (Evans Bill)); two (2) 30 person marketing events annually; one (1) 100 person auction event annually; connection to an existing domestic wastewater treatment and disposal system; a hold and haul system for process wastewater; a 20,000 gallon water storage tank and pump house; a new 20 foot driveway access in accordance with Napa County Road and Street Standards; construction of seven (7) parking spaces; and ten or fewer employees. A Variance is also requested to encroach 435 feet into the required 600 foot setback from Silverado Trail. The 10.68 acre project site is located approximately 200 feet north of Deer Park Road and within the Agricultural Watershed (AW) Zoning District at 2900 Silverado Trail.

Staff finds the proposed project consistent with the Napa County Zoning Ordinance, including the Winery Definition Ordinance and General Plan and recommends approval of the project with standard winery conditions of approval. Under Section 15300.2 of the California Environmental Quality Act, a Class 3 (Section 15303) and a Class 4 (Section 15404) exemption cannot be used if environmental sensitivities exist at the site or if there will be cumulative impacts. The applicant submitted an Archeological Study prepared by Tom Origer and Associates dated December 20, 2013 which concluded the proposed project location was not likely to encounter or disturb any archeological specimens. In keeping with CEQA guidelines, if archeological remains are uncovered during construction, all work would be halted until a qualified archeologist could investigate the site. The applicant also submitted a Cultural Resources Survey prepared by Tom Origer and Associates dated October 24, 2013 which concluded that the project would not impact any cultural resources. There are no hazardous waste sites, nor historic resources identified on the site. The proposed visitation plan is minimal and does not create a cumulative traffic impact. Therefore these exemptions are appropriate and this proposal qualifies for the Categorical Exemptions listed above.

**FISCAL IMPACT**

Is there a Fiscal Impact?                      No

**ENVIRONMENTAL IMPACT**

The project is Categorically Exempt, pursuant to the California Environmental Quality Act, Section 15301 [See Class 1 ("Existing Facilities")]; Section 15303 [See Class 3 ("New Construction or Conversion of Small Structures")]; and Section 15304 [See Class 4 ("Minor Alterations to Land")], which may be found in the guidelines for the implementation of the California Environmental Quality Act and see also Napa County's Local Procedures for Implementing the California Environmental Quality Act, Appendix B; and, Section 15301 (existing facilities) and Appendix B of Napa County's Local Procedures for Implementing the California Environmental Quality Act includes Class 3, New Construction or Conversion of Small Wineries. The project site is not included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5.

**BACKGROUND AND DISCUSSION**

**Owner/Applicant:** Cherie and Philippe Melka, 2900 Silverado Trail, St. Helena, CA 94574; (707) 695-7687

**Representative:** Cherie and Philippe Melka, 2900 Silverado Trail, St. Helena, CA 94574; (707) 695-7687

**Zoning:** Agricultural Watershed – AW

**General Plan Designation:** Agriculture, Watershed and Open Space – AWOS

**Filed:** June 16, 2014; **Completed:** January 2, 2015

**Parcel Size:** 10.68 acres

**Winery Characteristics:**

Production Capacity (Existing): N/A

Production Capacity (Proposed): 10,000 gallons per year.

Winery Size (Existing): N/A

Winery Size (Proposed): 4,984 square feet.

Winery Development Area (Existing): N/A

Winery Development Area (Proposed): 5,120 square feet.

Winery Coverage (Existing): N/A

Winery Coverage (Proposed): 18,050 square feet or 1.50 acres; 8.40% (Maximum 25% or 15 acres)

Accessory/Production Ratio (Existing): N/A

Accessory/Production Ratio (Proposed): 2,309 square feet accessory use: 37.5% (Maximum 40% of production facility allowed).

Number of Employees (Existing): N/A

Number of Employees (Proposed): 10 or fewer.

Visitation (Existing): N/A

Visitation (Proposed): 5 persons weekdays; 7 weekends; maximum 30/week.

Marketing Program (Existing): N/A

Marketing Program (Proposed): Two (2) marketing events per year, for a maximum 30 persons and One (1) Auction event annually for a maximum of 100 persons. All food to be catered.

Days and Hours of Operation (Existing): N/A

Days and Hours of Operation (Proposed): Visitation 10:00 am - 4:00 pm; production 7:00 am - 5:00 pm

Parking (Existing): N/A

Parking (Proposed): 7 parking spaces, one (1) ADA space.

Setbacks (Required): 20' side, 20' rear, ±600' from Silverado Trail.

Setback (Proposed): Existing facility is located ±165' from Silverado Trail. A variance is requested due to environmental constraints of the property.

#### **Adjacent General Plan Designation/ Zoning / Land Use:**

North:

Agricultural Watershed (AW)/Agriculture, Watershed and Open Space (AWOS)/Rural residential uses.

South:

Agricultural Resource (AR) / Agricultural Preserve Zoning (AP)/Agricultural use (vineyards), rural residential, and a recently approved winery Titus Vineyards, currently under construction.

East:

Agricultural Watershed (AW)/Agriculture, Watershed and Open Space (AWOS)/ Agriculture (vineyards).

West:

Agricultural Resource (AR) /Agricultural Preserve zoning (AP)/Agricultural use (vineyards).

#### **Wineries in the Vicinity (located within 1 mile of the project)**

Winery Name	Address	Bldg Sq. Ft.	Production	Visitors (Ave/Wk)	Total Events/Yr	Employees
TITUS VINYARDS	2971 SILVERADO TRAIL	14,469	27,000	280	20	12
DUCKHORN VINEYARDS	1000 LODI LANE	32,933	160,000	626	167	42
BALLENTINE WINERY	2820 ST. HELENA HIGHWAY	7,400	50,000	100		4
REVANA WINERY	2910 ST. HELENA HIGHWAY	6,625	15,000	40	12	3
CHARLES KRUG WINERY	2800 MAIN STREET City of St. Helena	2,360	2,728,000	no record	no record	no record

MARKHAM VINEYARDS WINERY	2812 ST. HELENA HIGHWAY	40,736	3000,000	2,100	no record	22
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### Parcel History and Evolution of this Application

June 16, 2014 - A Use Permit application to establish a small winery on the project site was received. The site contains an existing residence, along with a second dwelling unit to be converted for accessory uses, and 1.5 acres of vineyard.

### Code Compliance History

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

### Discussion Points

Setting - The project site is 10.68 acres in area, and has frontage on Silverado Trail. There is an existing 2,309 square feet two-story second unit which will be converted to winery use as storage and hospitality areas. A new 2,675 square foot building with 875 square foot crush pad will be constructed for fermentation, pressing, barrel storage, and other production activities. The closest off-site residence is on a parcel north of the project parcel, ±300 feet from the winery buildings.

Tours and Tastings/Marketing Events - The applicant is proposing tours and tastings by appointment only for 5 persons/weekday, 7 persons/weekend and 30 persons/week. The marketing events include two events per year for a maximum of 30 people and one auction event per year with a maximum of 100 people.

Staff has prepared a table below comparing the proposed marketing and tours and tasting visitation for the winery to other wineries with annual production of 10,000 gallons per year. The proposed visitation program falls into the middle of the spectrum with regards to the number of "by appointments tours and tastings" for public wineries, as well as on the low end for events among its peer group of wineries with approved production of 10,000 gallons per year. The table also provides a comparison of winery building floor area. The project's 4,894 square feet is within the median range of winery floor area with wineries ranging in size from 800 square feet to 15,202 square feet.

Winery Name	Location	Production	Visitors (Avg/Week)	Building Size	Marketing Events	Employees
BY APPT ARNS WINERY	HILLSIDE 160 acres	10,000	0	800	0	2
BEHRENS FAMILY WINERY	HILLSIDE 19.96 acres	10,000	0	2000	0	1
BOESCHEN WINERY	VALLEY FLOOR 18.47 acres	10,000	16	6,360	4	3
BRAND NAPA VALLEY	HILLSIDE 42.26 acres	10,000	108	11,453	19	10 OR FEWER
DANA ESTATES	VALLEY FLOOR	10,000	6	8,046	0	4

	23.7 acres					
DIAMOND CREEK VINEYARDS	HILLSIDE 69.86 acres	10,000	2	7,722	0	2
DIAMOND MOUNTAIN WINERY	HILLSIDE 54.69 acres	10,000	10	2,948	14	4
FOLEY JOHNSON WINERY	VALLEY FLOOR 13.4 acres	10,000	25	7,000	0	4
FUTO WINERY	HILLSIDE 40 acres	10,000	10	15,202	5	3
JAMES COLE WINERY	HILLSIDE 10.67 acres	10,000	72	3,333	5	4
<b>MELKA WINERY</b>	<b>HILLSIDE</b> 10.68 acres	<b>10,000</b>	<b>30</b>	<b>8,894</b>	<b>3</b>	<b>10 OR FEWER</b>

Traffic - The existing winery is located on the east side of Silverado Trail, north of Deer Park Road. The project proposes establishing a small winery producing 10,000 gallons per year, a maximum of 30 guests weekly and a modest marketing plan.

According to the June 10, 2014 Focused Traffic Analysis prepared by Omni-Means for the project, the project will contribute to ten additional daily trips, of which four will occur during the weekday peak hours, and five weekend peak hour trips. By comparison, a single-family residence would generate 10 vehicle trips per day.

The report addresses the future projected traffic volumes, using the Napa County/Solano County 2020 and 2030 Travel Demand Forecasting Model from the Solano Transportation Authority. This data was provided in the form of directional segment volumes along State Highway 29 and Silverado Trail during AM and PM peak hours project an estimated annual growth rate of 1.8 percent. The model does not include forecasts for average daily traffic; therefore the weekday PM peak hour growth rate was applied to the weekday and weekend average daily traffic volumes to estimate future 2030 volumes; 800 trips daily on weekdays and 630 on weekend days. The General Plan Update Draft EIR expects that the 2030 volumes on State Highway 29 will result in a deterioration of that segment to a LOS F, largely as a result in regional growth beyond the ability of Napa County to control, but Silverado Trail is expected to continue operating at LOS C.

The report indicates that the application of the County's standard trip generation form indicates that the project would generate trips during the peak period. However, if by-appointment tasting room visits added by the project are scheduled to begin and end outside of the peak traffic periods (4:00 to 6:00 PM on weekdays, 2:00–4:00 PM on Saturdays, and 1:00 to 3:00 PM on Sundays) and marketing events arrival and departure are scheduled to occur outside of the same peak hours, to reduce the number or eliminate potential future traffic impacts on State Highway 29 and Silverado Trail, and the project would not be expected to result in any new peak hour trips. As such, conditions of approval have been added to the project to ensure no trips are added to the network during peak hours so the project will not result in a significant increase in traffic or make a considerable contribution to cumulative traffic impacts identified in the Napa County General Plan EIR.

Groundwater Availability - There is an existing well on site which produces at a flow rate of 75 gallons per

minute, thereby is capable of producing the peak daily demand of 1,008 gpd in a period of 13.4 minutes. The proposed water use on the site is not expected to increase as a result of the winery operations and as such will not affect any nearby wells. In addition, the only well within 500 feet is co-owned by the applicant and an adjacent neighbor. As stated in the attached letter, the neighbor has no issues with the proposed project and is supportive of the winery project.

A Water Availability Analysis was prepared for the project by Delta Consulting & Engineering, Inc., dated February 9, 2015. The study found that the proposed 10,000 gallon winery, with 10 or fewer employees, maximum 1,560 annual visitors, 3 marketing events, and irrigation of 1.5 acre in vineyards would result in a total water demand of 1.130 af/yr. This number is a very small increase over the existing water use for the property which is 0.842 af/yr, due to the conversion of the second unit to winery uses. As a result the project would maintain a sustainable rate of groundwater use with the proposed project. With the Draft Water Availability Analysis Program now requiring parcel specific information, the applicant provided information analyzing well to well and well to surface water interaction, and in both instances there is no impact as a result of the project. Water quality is adequate for irrigation purposes and is proposed to be treated for winery hospitality purposes.

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. The applicant proposes to incorporate GHG reduction methods including, generation of on-site renewable energy, energy conserving lighting; energy star roof, bicycle incentives, water efficient fixtures, water efficient landscape, recycling 75% of waste, electric vehicle charging stations, becoming a "Napa Green Winery", use of 70-80% cover crop have been implemented; and retaining bio-mass on site. The proposed project has been evaluated against the BAAQMD thresholds and determined that the project would not exceed the 1,100 MT/yr of CO<sub>2</sub>e.

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 those winery features noted above would combine to further reduce emissions below the Significance of Thresholds. The project is in compliance with the County's efforts to reduce emissions as described above.

Environmental Sensitivities - Under Section 15300.2 of the California Environmental Quality Act, a Class 3 (Section 15303) and a Class 4 (Section 15404) exemption cannot be used if environmental sensitivities exist at the site or if there will be cumulative impacts. The applicant submitted an Archeological Study prepared by Tom Origer and Associates dated December 20, 2013 which concluded the proposed project location was not likely to encounter or disturb any archeological specimens. In keeping with CEQA guidelines, if archeological remains are uncovered during construction, all work would be halted until a qualified archeologist could investigate the site. The applicant also submitted a Cultural Resources Survey prepared by Tom Origer and Associates dated October 24, 2013 which concluded that the project would not impact any cultural resources. There are no hazardous waste sites, nor historic resources identified on the site. The proposed visitation plan is minimal and do not create a cumulative traffic impact. Therefore these exemptions are appropriate and this proposal meets the Categorical Exemptions listed above.

Grape Sourcing - The subject property is currently planted in ±1.5 acres of vineyards. The applicant has submitted grape purchase agreement with several Napa Valley grape growers to ensure sufficient local grapes for their modest production. Melka Winery has an adequate source of grapes to comply with the 75% grape sourcing rule.

### **Consistency with Standards**

Zoning - The project is consistent with the AW (Agricultural Watershed) zoning district regulations. A winery (as

defined in the Napa County Code Section 18.08.640) and uses in connection with a winery (refer to Napa County Code Section 18.20.030) are permitted in the AW District with an approved use permit. The project, as conditioned, complies with the Napa County Winery Definition Ordinance and all other requirements of the Zoning Code as applicable.

Environmental Health Division - Recommends approval with standard conditions in the attached Memorandum dated October 7, 2014.

Engineering Services Division - Recommends approval with standard conditions in the attached Memorandum dated September 22, 2014.

Fire Department - Recommends approval with standard conditions in the attached Inter-Office Memo dated July 10, 2014.

### **SUPPORTING DOCUMENTS**

- A . EXHIBIT A-Findings
- B . EXHIBIT B-Conditions of Approval
- C . EXHIBIT C- Categorical Exemption Memo
- D . EXHIBIT D- Department Memos
- E . EXHIBIT E- Traffic Study
- F . EXHIBIT F- Water Analysis
- G . EXHIBIT G- Application
- H . EXHIBIT H-Public Comments
- I . EXHIBIT I- Graphics

Napa County Planning Commission: Approve

Reviewed By: Charlene Gallina