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Agenda Date: 2/20/2013

Agenda Placement: 9A

Napa County Planning Commission Board Agenda Letter

TO: Napa County Planning Commission
FROM: Charlene Gallina for Hillary Gitelman - Director
Planning, Building and Environmental Services
REPORT BY: LINDA STCLAIRE, PLANNER III - 707.299.1348
SUBJECT: Whetstone Wine Bar Use Permit

RECOMMENDATION

BULLER TRUST / WHETSTONE WINE BAR USE PERMIT APPLICATION NO. P12-00008

CEQA Status: A Mitigated Negative Declaration was prepared. According to the proposed Mitigated Negative Declaration, if mitigation measures are not included, the project would have potentially significant effects on the environment in the following areas: Cultural Resources and Hydrology. The project site is not on any of the lists of hazardous waste sites enumerated under Government Code Section 65962.5.

Request: Approval of a **Use Permit** to establish a new wine bar with the following: 1) convert an existing 2,924 square foot residence to a wine bar; 2) convert a 120 square foot existing garden shed to a stand alone accessible restroom; 3) employ two full-time and one part-time employees; 4) conduct hours of operation - 11:00 AM-4:00 PM, seven days per week with a maximum of 40 people per day; 5) retail sales, tastings and catered meals for a maximum of 24 persons per day, by appointment; 6) ten food and wine events per year with a maximum of 24 persons per event and two events per year for a maximum of 50 persons per event. Catered food will be included; 7) installation of a new septic system; 8) Install a 12,000 gallon fire protection water tank and pump house building; 9) Install a fire hydrant near Atlas Peak Road with access through the historic stone wall; and 10) nine parking spaces.

Approval of an **Exception** to the Napa County Road and Street Standards: a) to allow use of an existing historic entrance with 15 foot clearance; and, b) to allow a greater than required 50 foot distance for fire truck access.

The 6.65 acre project site is located on Atlas Peak Road 0.21 miles northwest of its intersection with Monticello Road, within a CL (Commercial Limited) zoning district. (Assessor's Parcel No. 039-320-008). 1075 Atlas Peak Rd, Napa.

Staff Recommendation: Adopt the Mitigated Negative Declaration and approve the Use Permit and Exception to the Napa County Road and Street Standards as conditioned.

Staff Contact: Linda St. Claire (707) 299-1348, linda.stclaire@countyofnapa.org

EXECUTIVE SUMMARY

Proposed Actions:

That the Planning Commission:

1. Adopt the Mitigated Negative Declaration and the Mitigation Monitoring & Reporting Program based on Findings 1-5 of Exhibit A;
2. Approve Use Permit P12-00008 based on Findings 6-10 of Exhibit A and subject to the recommended conditions of approval of Exhibit B; and
3. Approve Exception to the Napa County Road and Street Standards based on Findings 11 & 12 of Exhibit A and subject to the recommended conditions of approval of Exhibit B.

Discussion:

The project consists of converting an existing 2,924 square foot residence to a wine bar; convert a 120 square foot existing garden shed to a stand alone accessible restroom; employing two full-time and one part-time employees; conduct hours of operation - 11:00 AM-4:00 PM, seven days per week; nine parking spaces; a maximum of 40 people per day for a maximum of 280 people per week, by appointment; ten food and wine events per year with a maximum of 24 persons per event and two events per year for a maximum of 50 persons per event, catered food will be included. A new septic system will also be installed. The applicant has also requested an exception to the Napa County Road and Street Standards to allow reduced width from 20 feet to 15 feet through a historic stone pillar entrance, and to reduce the fire truck turn around from the required 250 feet to 50 feet.

The residence has been vacant for many years and the owners moved to the Sierras. The owners currently lease out all of the useable space on the parcel which includes the Jessel Gallery, Del Dotto Winery and retail, a small commercial office, private storage spaces and a single family residence. A winery Use Permit was granted (#98230-UP) to John Del Dotto in 1999 and a retail wine business (#98225-UP) to the same, also in 1999. Staff has no objections to the request and finds the project consistent with the Winery Definition Ordinance and other applicable provisions of the Zoning Ordinance and General Plan, subject to standard conditions of approval.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

Mitigated Negative Declaration prepared. According to the Mitigated Negative Declaration, if the mitigation measures are not included, the proposed project would have significant effects on the following areas: Cultural Resources and Hydrology. 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: Buller Family 2005 Trust, Dale and Delores Buller

Applicant: Michelle Hawkins Whetstone, (707) 254-0600

Representative: Julianna Inman Architects (707) 226-5304

Zoning: CL (Commercial Limited)

General Plan Designation: RR (Rural Residential)

Filed: January 13, 2012 **Determined Complete:** December 20, 2012

Parcel Size: 6.65 acres

Existing Building Size: One building 2,924 square feet.

Proposed Building Size: Additional building for accessible restrooms - approximately 120 square feet.

Total Square Footage: 3,044 square feet.

Accessory to Production Ratio: N/A

Hours of Operation: 11a.m.- 4p.m., seven days per week.

Employees: Proposed: Two full-time and one part-time.

Visitation:

The applicant has proposed "by appointment only" tastings at the bar with a maximum of forty persons per day seven days per week for a maximum of 280 persons per week. The have also proposed a small marketing plan which includes ten events per year for a maximum of 24 persons, and two events per year for a maximum of 50 persons.

Winery Coverage:

N/A

Winery Development Area:

N/A

Parking:

Proposed Total Parking: nine spaces.

Adjacent Zoning / Land Use:

North - RC - Residential Country- a 1.13 acre parcel - vineyard and single family residence (Lewis).

South - PD - Planned Development- a 5.83 acre parcel - vacant (Altamura).

East PD - Planned Development- Silverado - multiple parcels, each approximately 0.5 acre (Cataldo, Dyer, Madrid).

West - RC - Residential Country- a 0.6 acre parcel -single family residence (Vivan).

Nearby CL Zoned parcels: (within 1 mile)

Bayleaf Restaurant - 2025 Monticello Rd.
Valley Market and Deli - 2023 Monticello Rd.
The Hay Barn Gallery, Gordon Huether Art Gallery - 1821 Monticello Rd.

Property History:

The proposed Whetstone Tasting Bar is in an existing historic building constructed in 1885 as a residence for the owners of the Estee Winery and later, from 1932 to 1954 as the Hedgeside Distillery. Some records indicate that Dale and Delores Buller (current owners) purchased the parcel in 1954. They occupied the residence until approximately 12 years ago, moved to the Sierras and, according to neighbors, the residence has been vacant since then.

Until 1985 the zoning on the parcel had been split between Residential and Industrial. The zoning was changed to Commercial Limited and continues with this zoning today.

The parcel has been used for residential and a number of commercial uses over the years, only three of which currently have active use permits, the Del Dotto Winery and Retail Sales (98228-UP & 98230-UP) and Napa Drayage and Warehouse U-737879). In 1977 a Use Permit (U-207677) was approved and issued to John Beckett Cellars to allow wine storage in an approximately 120 square foot portion of the historic Hedgeside Distillery (Del Dotto) and the entire 3,200 square feet of the existing caves.

Other current uses on the parcel include the Jessel Art Gallery, a studio residence above the gallery, a construction consulting company and some small private storage. These uses will eventually obtain use permits and applications have been submitted or are pending submittal. Michael Holmes Gallery had been leasing the 8,000 square foot Napa Drayage and Warehouse building to the west of Jessel Gallery but in the past year moved to downtown Napa. Jessel has been using the building for storage and painting classes. They have been located on this parcel since 1984. It is unclear, from research of County records, why this use had been conducted without a use permit for so long. The current code enforcement actions are an effort to bring the entire parcel into compliance. The Del Dotto Winery has submitted a use permit modification and the owners have agreed to submit an application that will cover the remaining uses on the parcel.

Code Compliance History:

A Code Enforcement case was opened on July 25, 2011 due to multiple operations occurring on the parcel without permits. The applicant of this permit was conducting a tasting bar and holding events before permits were issued. The applicants responded to the code enforcement action by submitting a use permit application. Other uses on the parcel that have been operating without permits are, as stated above, submitted or are pending submission of use permits, also in response to the code enforcement action. By allowing the tenants of the parcel to submit separate use permits, it has allowed the applicant to move forward to obtain a use permit as quickly as possible. The remaining uses on the parcel have also responded to the code enforcement action with submitted applications or intentions to submit by an agreed upon deadline of February 28, 2013.

Discussion Points:

1). The site is located in the MST (Milliken-Sarco-Tulocay) water deficient area. The Napa County Board of Supervisors passed a Groundwater Ordinance in 1999 thus setting the "fair share" standard for water in the MST of 0.3 acre feet per acre and specifying the threshold of significance, in accordance with CEQA, for water usage in the MST. A groundwater permit was required as a condition of approval by the Napa County Environmental Health Division when the Del Dotto Winery use permit was approved in 1999. This permit was not obtained but the Whetstones have begun the process and will be working with the Del Dottos and the property owners to complete the process.

There are two wells located on the parcel, both which have been serving the needs of the parcel. These wells do not meet the standards for a public water system, (set by the State of California Well Standards), which states that

any well serving the needs of 25 people or more must meet certain depth and lining standards. An additional well on an adjacent parcel, also owned by the Buller Trust, was installed by the Del Dottos and has been used to serve the winery. This well was inspected in January 2000 and met the State standards. It will continue to serve the Del Dotto Winery and will be the source of water for the Whetstone Tasting Bar. Since the well will provide water for over 25 persons, the applicant must obtain a public water system permit and the Environmental Health Division has included this requirement in their conditions. The remaining uses on the parcel may be required to hook into this well also. Because the well is located on an adjacent parcel, a water supply easement was also requested to ensure service would continue to be provided in the event that one parcel is sold.

To determine the water allowance, both parcels have been analyzed. The adjacent parcel also contains a residence, a vineyard and an additional well. To meet the no net increase requirement, the applicant has proposed use of well water of 3.57 acre feet per year. The total water allowance for the two parcels is 3.67 acre feet per year. Mitigations will be required, which include installation of meters on all of the wells; reporting their well readings to the Planning, Building and Environmental Services and Public Works Departments; retrofitting and/or installation of water efficient appliances; and landscaping practices to ensure water use meets WELO requirements. The Department of Public Works has also required the use of the above best available technology and best management water conservation practices, which include using water efficient appliances and fixtures in the proposed wine bar, and restroom. With the well metering, WELO landscaping, and best management conservation practices the threshold of significance has been met resulting in a "no net increase" in water usage, therefore ensuring a less than significant environmental effect.

2). Greenhouse Gas - Napa County requires applicants to consider methods to reduce GreenHouse Gas Emissions consistent with General Plan Policy CON-65(e) which requires GHG review of discretionary projects. The applicant has completed the Department's GHG Emissions and Reductions Summary Worksheet, which is attached to this report as part of the application materials. The applicant proposes reduction measures to include reuse of an existing building, bicycle access, and use of an existing well. The project's 2020 "Business as Usual" emissions were calculated by Planning staff using California Emissions Estimator Model (CalEEMod) GHG modeling software, resulting in modeled annual emissions of 51 metric tons of carbon dioxide equivalents (MT CO₂e). The proposed project has been evaluated against the BAAQMD thresholds and determined that the project would not exceed the 1,100 MT/yr of CO₂e.

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 features noted above would combine to reduce emissions by 8% below "business as usual" levels in 2020. The proposed project would not conflict with or obstruct the implementation of any applicable air quality plan.

3). Circulation - The applicant has submitted traffic data that concludes the bar will contribute to the overall traffic by 28 (eight PM peak trips) on weekdays and 29 vehicle trips (17 PM peak trips) on a typical Saturday. The proposed project includes two full-time and one part-time employees, 40 busiest days visitors, and four marketing events per year with 50 persons per event. At 2.8 persons per car that would equate to 36 additional trips on the day of the largest marketing event. The applicant has indicated that they will not take any appointments for tastings at the bar on the same day as a marketing event.

The Napa County Engineering Services Division and Public Works Department has evaluated the project and found that proposed traffic volumes are below the threshold which would require construction of a left turn pocket from Atlas Peak Road to access the wine bar. There are three access points to enter this parcel. The wine bar access is the furthest driveway from Monticello Road and terminates at a proposed parking area for nine vehicles for the bar, a residence, and the vineyard. The applicant has indicated that they will not utilize parking at the other two access points. Engineering Services has also reviewed the parking and recommends approval with standard conditions.

Napa County Engineering Division and the Napa County Fire Department has also evaluated a request for an exception from the Napa County Road and Street Standards to allow use of an existing historic entrance with 15 foot clearance; and to allow a greater than required minimum of 50 foot distance for fire truck access. Engineering and Fire have recommended approval with conditions.

4). Conversion of a Residence to a Commercial Use - The conversion of a residence to commercial use requires additional review by the Building Division to ensure the California Building Code has been met. The applicant has provided an historical analysis of the site by a qualified historian, Julianna Inman, who has indicated that the site has maintained its historic integrity and the proposed project meets the Secretary of the Interior's Standards. The building is also eligible for nomination to historic status and eligible to follow Chapter 15 of the Napa County Historical Building Code and the Secretary of the Interiors Standards for rehabilitation.

Consistency with Standards:

Zoning - The project is consistent with CL (Commercial Limited) District regulations. Taverns or bars (as defined in Napa County Code Section 18.28.030) are permitted in the CL (Commercial Limited) District with an approved use permit. The project as conditioned complies with the requirements of the Zoning Code as applicable.

Agency Requirements - The Public Works Department, Assistant County Fire Marshall, Engineering Services, Building and Environmental Health Divisions recommend approval with conditions (refer to Attachment C).

SUPPORTING DOCUMENTS

- A . Proposed Findings
- B . Proposed Conditions of Approval
- C . Department/Agency Comments
- D . Correspondence - Bruce letter
- E . Environmental Documents
- F . Application
- G . Technical Studies
- H . Graphics

Napa County Planning Commission: Approve

Reviewed By: John McDowell