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Agenda Date: 4/21/2021

Agenda Placement: 7A

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: Jason Hade, Principal Planner - (707) 259-8757

SUBJECT: Conn Creek Winery Use Permit Major Modification P19-00317

RECOMMENDATION

STE. MICHELLE WINE ESTATES / CONN CREEK WINERY / USE PERMIT MAJOR MODIFICATION # P19-00317-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 Major Modification to an existing 850,000 gallon per year winery to allow the following: (1) Expansion of the ground floor of the existing winery building by approximately 770 square feet to include a new mechanical equipment area; increase the second floor area by adding approximately 2,118 square feet of new interior space over an existing one-story area; and an approximately 670 square foot tasting room addition (by appointment tasting only) on the second floor; (2) Site improvements including: a covered trash enclosure; a new 240 square foot pump house to house a new fire pump, gravel access road to the associated infrastructure; and the installation of electric vehicle charging stations; (3) Modification of the existing driveway entrance by removing the existing entry structure and improvement of the existing driveway to County Road and Street Standards; (4) Increase the number of employees from 15 full-time and 1 part-time employee to 20 full-time and 1 part-time employees; (5) On-premises consumption of wines produced on site in the garden area and tasting rooms in accordance with Business and Professions Code Sections 23358, 23390 and 23396.5; (6) Change the winery's tasting room hours of operation from 10:00 AM to 4:00 PM to 10:00 AM to 4:30 PM (Seven days a week); (7) Modification of Condition of Approval No. 1.g of Use Permit Modification No. #95532-MOD to allow for the use of the garden area for public tours and tastings; and (8) Inclusion of food and wine pairings as part of additional tours and tastings. Unrelated improvements to be constructed either before or in conjunction with the proposed improvements include: upgrading of the existing fire pump to be located within the proposed 240 square foot pump house and installation of a 100,000-gallon firewater storage and a new 25,000-gallon domestic water tank. These improvements were required by previous entitlements to comply with local or state requirements. Building permits for these previously required improvements are being prepared and would be submitted independent of the proposed site improvements requested as part of this Use Permit Major Modification

application. Permitting and installation may overlap the processing of the current application. No changes to the approved production levels and visitation and marketing program are proposed. The project is located on an approximately 5.98-acre site within the AP (Agricultural Preserve) zoning district with a General Plan land use designation of AWOS (Agriculture, Watershed and Open Space) at 8711 Silverado Trail, Napa, CA; APN: 030-120-032.

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

Staff Contact: Jason R. Hade, Principal Planner, (707) 259-8757 or jason.hade@countyofnapa.org

Applicant Contact: Jeffrey Redding, AICP; 2423 Renfrew Street, Napa, CA 94558; (707) 255-7375; jreddingaicp@comcast.net

EXECUTIVE SUMMARY

Proposed Actions:

That the Planning Commission:

1. Adopt the Negative Declaration based on recommended Findings 1-7 in Attachment A; and
2. Approve Use Permit Major Modification No. P19-00317-MOD, based on recommended Findings 8-12 in Attachment A, and subject to the recommended conditions of approval in Attachment B.

Discussion:

The proposal is to modify an existing winery to permit an increase in the number of on-site employees; minor site improvements; expansion of the existing winery building, as well as, interior remodeling; improvement of the existing driveway, and the use of the existing outdoor garden area for public tours and tastings. No changes to the approved production levels and visitation and marketing program are proposed.

Staff has reviewed the proposal and found it to be consistent with the Zoning Ordinance and applicable General Plan policies. Sufficient water is available to serve the project and a Transportation Demand Management plan would be implemented as part of the project's recommended conditions of approval. A project specific condition of approval is recommended to address any potential noise issues associated with the requested use of the existing outdoor space for tours and tastings. The winery has already implemented the following GHG reduction methods: installation of energy conserving LED lighting; bicycle racks, on-site lockers and shower for employee use; installation of water efficient fixtures; recycling of 75 percent of all waste; implementation of a sustainable purchasing and shipping program; certification as a Napa Green Winery and Napa Green Land; use of recycled materials; education to staff and visitors on sustainable practices; use of 70 to 80 percent cover crop; and retaining biomass removed via pruning and thinning by chipping the material and using it rather than burning on-site. The applicant intends to implement the following new GHG reduction methods at the winery: minimizing the amount of grading and tree removal; and installation of electric vehicle charging stations.

Based on the reasons stated above, staff recommends approval of the project subject to the recommended conditions of approval.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact? No

County Strategic Plan pillar addressed:

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 included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5.

BACKGROUND AND DISCUSSION

Owner: Ste. Michelle Wine Estates, P.O. Box 1966, Woodinville, WA 98072; (707) 261-6147

Representative: Jeffrey Redding, AICP; 2423 Renfrew Street, Napa, CA 94558; (707) 255-7375;
jreddingaicp@comcast.net

Zoning: Agricultural Preserve (AP) - District

GP Designation: Agriculture, Watershed and Open Space (AWOS) designation

Filed: July 18 2019; **Resubmittal Received:** October 21, 2019; August 12, 2020; and December 11, 2020; **Deemed Complete:** January 10, 2021

Parcel Size: 5.98 acres

Existing Development: The parcel is currently developed with a winery building, a process wastewater and irrigation pond, landscaping and garden area, vineyards, and 25 parking spaces.

Proposed and Existing Winery Characteristics

Winery Development Area - Approved: 40,550 square foot winery development area with uses identified above.

Winery Development Area - Proposed: 45,738 square feet.

Production Capacity Approved: 850,000 gallons per year. Actual maximum annual production was 204,051 gallons in 2018.

Production Capacity Proposed: No change.

Winery Coverage Approved: 97,690 square feet or approximately 30.4%. Note that the existing winery coverage exceeds the maximum permissible coverage of 25%, but was previously approved as such and does not propose to expand the coverage under this request.

Winery Coverage Proposed: No change.

Accessory/Production Ratio Approved: 7,076 square feet accessory/33,733 square feet production - approximately 21%.

Accessory/Production Ratio Proposed: 10,464 square feet accessory/33,669 square feet production -

approximately 31%.

Number of Employees Approved: 15 full-time and one part-time employee.

Number of Employees Proposed: 20 full-time and one part-time employee.

Visitation - Approved: 500 visitors maximum per week (no appointment required).

Visitation - Proposed: No change.

Marketing Program - Approved: 85 events per month (20 guests per event) and two events per year (60 guests per event).

Marketing Program - Proposed: No change.

Days and Hours of Operation - Approved: 6:00 AM to 10:00 PM daily (production hours) and 10:00 AM to 4:00 PM daily (visitation hours).

Days and Hours of Operation - Proposed: 6:00 AM to 10:00 PM daily (production hours) and 10:00 AM to 4:30 PM daily (visitation hours).

Parking - Approved: 25 parking spaces.

Parking - Proposed: No change.

Setbacks:

Required Road setbacks – 600 feet from the centerline of Silverado Trail and Conn Creek Road.

Required Property line setbacks - 20 feet side and rear yard setbacks (for structures).

Existing Setbacks - The existing winery building is located approximately 165 feet from the centerline of Silverado Trail, 200 feet from the centerline of Conn Creek Road, and 172 feet from the rear property line.

Proposed Setbacks - No change to the existing setback from Silverado Trail, approximately 215 feet from the centerline of Conn Creek Road and no change to the existing setback from the rear property line. Pursuant to County Code Section 18.104.230, the proposed building expansion may be located within the required 600-foot winery setbacks from Silverado Trail and Conn Creek Road provided that the expansion is placed no closer to the centerline of the right-of-way than the nearest point of the existing structure to which the expansion is attached.

Adjacent General Plan Designation/ Zoning / Land Use:

North: Agriculture, Watershed and Open Space (AWOS) General Plan land use designation/Agricultural Watershed (AW) zoning district/agricultural use (vineyards) and rural residential

South: AWOS/Agricultural Preserve (AP)/vineyards and wineries

East: AWOS/AW/rural residential and vineyards

West: AWOS/AP/rural residential and vineyards

Nearby Wineries: (located within 1 mile of the project)

Please refer to Attachment J.

Parcel History:

Conn Creek Winery was approved by the Planning Commission on May 16, 1979 (Use Permit #U-507879) as a 10,000 square foot winery facility with a maximum annual production capacity of 50,000 gallons. On May 20, 1987, the Planning Commission approved Use Permit Modification #U-358687 which authorized the expansion of the existing winery building by 13,900 square feet, a wastewater pond; increase in maximum annual production capacity to 260,000 gallons (crushed and fermented on site), public tours and tastings, and 25 parking spaces.

The Planning Commission approved Use Permit Modification #92463-UP on October 6, 1993 which permitted an increase in maximum annual production capacity to 850,000 gallons with the entire increase (590,000 gallons) comprised of bulk wine received and bottled at the winery. Use Permit Modification #95532-MOD was approved by the Planning Commission on June 19, 1996 and authorized the construction and use of a 16,000 square foot garden area for previously approved marketing events, an increase in the number of full-time employees from nine to 15, increase in parking spaces from eight to 36 spaces, and confirmed the maximum number of weekly visitors to the winery as 500 guests. The Zoning Administrator approved Use Permit Modification #96562-MOD on June 20, 1997 which included the construction of 1,260 square foot barrel storage/private tasting room on the east side of the building as well as minor remodeling to the building. Use Permit Very Minor Modification P18-00007-VMM was approved by the PBES Director on October 23, 2018 and authorized the construction of a canopy over the existing crush pad and drainage infrastructure improvements.

Code Compliance History:

There are no open or active code compliance cases at the subject site.

Discussion Points:

Setting - The 5.98-acre parcel is relatively flat and is currently developed with a winery building, a process wastewater and irrigation pond, landscaping and garden area, vineyards, and 25 parking spaces. Access to the property is from Silverado Trail via a paved driveway. On-site soil type is Cortina very gravelly loam, 0 to 5 percent slopes. Approximately half of the site lies within the 100-year flood hazard boundaries, but outside of the 500-year flood hazard boundaries. The project site is outside of a designated Fire Hazard Severity area. Conn Creek is located along the western property line of the parcel. The California Department of Transportation (Caltrans) recently upgraded the existing bridge over Conn Creek as part of a road-widening project. Land uses in the area are dominated by large lot residential properties, wineries, including Rutherford Ranch Winery, Dakota Shy Winery and Heitz Cellars, and vineyards. The nearest residence is located on the Heitz property approximately 145 feet to the south of the existing winery.

Winery Proposal - The proposal is to modify an existing winery to permit an increase in the number of on-site employees; minor site improvements; expansion of the existing winery building as well interior remodeling; improvement of the existing driveway, and the use of the existing outdoor garden area for public tours and tastings.

Visitation/Marketing Program - No changes to the approved production levels and visitation and marketing program are proposed. Tastings to occur within the proposed 670 square foot tasting room addition on the second floor would be by appointment only. Visitation/Marketing Program/Production comparison charts have not been provided as no changes to these project components are proposed.

Food Service - Wine and food pairings are requested, but food service would not be the predominant use at the marketing events requested for recognition. Food service at daily wine and food pairings would consist of pre-packaged items such as cheese, dried fruit, nuts and crackers. A county approved and licensed caterer provides food at marketing events. No on-site cooking occurs at the winery. All marketing events would be required to conform to Condition of Approval No. 4.3 which addresses food service as it relates to the marketing of wine.

Traffic and Parking - W-Trans prepared a *Traffic Impact Study for the Conn Creek Winery* on November 9, 2020. Based on the County's winery trip generation assumptions, the proposed project would be expected to generate an average of 15 new trips per day, including five during the weekday p.m. peak hour and four during the weekend midday peak hour. Both study intersections are currently operating at LOS C or better overall, but at LOS E or F during one or both peak hours evaluated. With project traffic added these service levels would be unchanged, and as the project would be responsible for less than ten percent of the peak hour volumes on the minor street approach, the impact is considered acceptable under the County's standards. Under anticipated future volumes

both intersections are expected to continue operating acceptably overall with the exception of SR 128/Sage Canyon Road, which is expected to operate at LOS E during the weekday evening peak hour; side street approaches are all expected to operate at LOS F under future volumes. The addition of project-generated traffic would result in an acceptable impact as the project-related traffic would be less than five percent of the total volume on the side-street approaches. The segment of Silverado Trail along the project frontage is operating at LOS E or better for both peak hours and would continue doing so with the addition of project-related volumes. Based on County policy, LOS E is considered acceptable at this location. According to the study, under anticipated future volumes, southbound Silverado Trail is expected to continue operating acceptably at LOS E during the weekend peak hour but degrade to LOS F during the weekday peak hour, with the LOS for both peaks remaining unchanged with the addition of project-generated traffic. For the weekday peak hour, since the project would contribute less than five percent of the anticipated increase in traffic along the segment, the impact is considered acceptable. The northbound study segment is expected to operate acceptably at LOS C during the weekday p.m. peak hour and LOS D during the weekend peak hour, and the LOS in both directions would remain the same with the addition of project-related traffic. Public Works Department staff reviewed the study and concluded that the study adequately demonstrates that the proposed use in the proposed location would not result in any significant impacts, either project-specific or cumulative, on traffic circulation in the vicinity. Therefore, the project would result in a nominal increase in trips on the study area transportation network.

The project would not conflict or be inconsistent with CEQA Guidelines section 15064.3, subdivision (b). The proposed Conn Creek Winery Use Permit modification project is estimated to generate 15 net new daily trips, which is well below the 110 trip threshold in the Office of Planning and Research guidelines. The traffic study provided strategies such as carpool incentives, active transportation incentives, on-site lunches, and a guaranteed ride home to be considered for implementation via a Transportation Demand Management (TDM) Plan. A condition of approval would require implementation of a TDM with strategies such as these for the life of the project.

The project site includes 25 existing parking spaces. Based upon the County standard of 2.6 persons per vehicle during weekdays and 2.8 persons per vehicle during weekends and 1.05 persons per vehicle for employees the minimum parking required for weekend activities would be approximately 45 parking spaces. However, it is unlikely that the winery would host 71 visitors at one time and have 21 employees at the site at one time.

Groundwater Availability - The project is categorized as being located within the Valley Floor in an area that has an established acceptable water use criteria of 1.0 acre foot per acre per year based upon current County Water Availability Analysis policies. Based upon those criteria, the Allowable Water Allotment for the project site is 5.98 acre-feet per year (af/yr), determined by multiplying the 5.98 acre Valley floor site by a one AF/YR/acre fair share water use factor. Currently, there are two existing operational wells onsite. Only Well 01 is connected to the public water system and supplies the required potable water demand for the entire winery property. An older well on the property located within the production building is no longer actively used but is reserved for potential irrigation use. According to the Water Availability Analysis for Conn Creek Winery 8711 Silverado Trail, St. Helena, CA APN: 030-120-032 prepared by Summit Engineering, Inc. on November 17, 2020, the anticipated total overall water demand for the project site would be 5.76 AF/YR representing a 0.08 AF/YR increase of the existing water demand of 5.68 AF/YR and is below the water allotment for the parcel. The winery, as part of its entitlement would include a condition of approval requiring well monitoring as well as the potential to modify/alter permitted uses on site should groundwater resources become insufficient to supply the use. Project specific conditions of approval are also recommended (COA 4.20.a, 6.15.a and 9.9.a) which would limit the parcel to 5.98 AF/YR per year for all groundwater consuming activities, require the preparation of a Groundwater Demand Management Program for the parcel, and the installation of water meters for each well serving the parcel to monitor groundwater use.

Wastewater - According to the Wastewater Feasibility Study for the Conn Creek Winery prepared by Summit Engineering, Incorporated on November 17, 2020, the project site and proposed system improvements would have adequate disposal capacity to serve the project. The Division of Environmental Health reviewed this report and concurred with its findings.

Greenhouse Gas Emissions - The winery has already implemented the following GHG reduction methods: installation of energy conserving LED lighting; bicycle racks, on-site lockers and shower for employee use; installation of water efficient fixtures; recycling of 75 percent of all waste; implementation of a sustainable purchasing and shipping program; certification as a Napa Green Winery and Napa Green Land; use of recycled materials; education to staff and visitors on sustainable practices; use of 70 to 80 percent cover crop; and retaining biomass removed via pruning and thinning by chipping the material and using it rather than burning on-site. The applicant intends to implement the following new GHG reduction methods at the winery: minimizing the amount of grading and tree removal; and installation of electric vehicle charging stations.

Noise - The proposed project requests the modification of Condition of Approval No. 1.g of Use Permit Modification No. #95532-MOD to allow for up to 500 weekly visitors the use of the 16,000 square foot outdoor garden area for public tours and tastings. The 500 weekly visitors (public tours and tastings) are currently approved to be held indoors, but if held outdoors, have the potential to generate higher noise levels compared to existing conditions. Marketing events (85 events per month of up to 20 guests and two events per year of up to 60 guests) are already authorized to use the existing garden area and no change to the wine processing location is proposed. An environmental review was conducted as part of Use Permit Modification No. #95532-MOD in 1996 and no significant noise impacts were identified. The staff report acknowledged the close proximity of the home to the south, but mentioned that the existing six-foot hedge would serve to reduce noise impacts. No public comment letters were received concerning the issue at that time. With the location of the closest receptor residence ± 145 feet away and the implementation of a project specific Condition of Approval (COA 4.20.b) requiring the layout of the outdoor garden, landscaping, walls, and fencing to remain to block sound as it does for the existing marketing events, potential increases in noise levels generated from the use of the garden area for public tours and tastings would have a less than significant impact on local residences. The existing rows of approximately six-foot tall dense hedges serve to block sound along with a layer of plants in front of it.

Public Comments - At the time of staff report preparation, no public comments had been received.

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 no project alternative and a reduced noise project alternative.

Option 1 - Applicant's Proposal (Staff Recommendation)

Disposition - This option would result in approval of the proposed winery modification. Staff recommends this option as the request is consistent with the Zoning Ordinance, applicable General Plan policies, and other County regulations. Sufficient water is available to serve the project and a Transportation Demand Management plan would be implemented as part of the project's recommended conditions of approval. A project specific condition of approval is recommended to address any potential noise issues associated with the requested use of the existing outdoor space for tours and tastings. Furthermore, the applicant proposes to incorporate additional GHG reduction measures as part of the project, and there will be no significant environmental impacts to the site.

Action Required - Follow the 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.

Option 2 - Reduced Noise Proposal

Disposition – All potential environmental impacts related to noise have been found to be less than significant

through a combination of project design and conditions of approval. However, this option provides the Planning Commission the ability to further reduce potential impacts related to noise by not permitting the existing outdoor garden area to be used for public tours and tastings. If the Planning Commission elects to pursue this option, the recommended conditions of approval would need to be amended.

Action Required - Follow the proposed actions listed in the Executive Summary and amend scope and project specific conditions of approval to not permit the use of the existing garden area for tours and tastings. Depending on the extent of the revisions to the conditions of approval, the item may 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 the Use Permit Major 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 Major Modification is not being approved.

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 Major Modification Application Packet
- F . Water Availability Analysis
- G . Wastewater Feasibility Study
- H . Traffic Impact Study
- I . Graphics
- J . Winery Comparison Analysis

Napa County Planning Commission: Approve

Reviewed By: Brian Bordona