Agenda Date: 5/7/2014 Agenda Placement: 9B



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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:	Titus Vineyard Winery

RECOMMENDATION

TITUS VINEYARDS WINERY/LEE TITUS & SONS LTD - USE PERMIT #P13-00367-UP & VARIANCE P13-00366-VAR 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 and Variance to establish a new winery with an annual production capacity of 24,000 gallons as follows: a) construction of a new 14,469+/- sg.ft. winery building with 3,461 sg.ft. dedicated to accessory uses and 11,008 sq.ft. dedicated to production; b) a 3,983 sq.ft. covered crush pad; c) 10 full-time and 2 part-time employees; d) tours and tastings by appointment only on a daily basis up to a maximum of sixty (60) visitors per day; e) a Marketing Plan that includes the following: Private Promotional tastings with meals up to eight (8) per year with a maximum of twenty-five (25) guests (food prepared within an on-site commercial kitchen), Wine Club Marketing events up to four (4) per year with a maximum of 125 guests with catered food, Wine Release events up to six (6) per year with a maximum of 125 guests with catered food and use of portable toilets, and Wine Auction events up to two (2) per year with a maximum of 125 guests with catered food and use of portable toilets; f) Winery hours of operation Monday through Sunday 8:00 am to 5:30 pm and 7 am to 10 pm (non-harvest production hours); g) Visitation hours Monday through Sunday 10:00 am to 6:30 pm; h) Request for on premise consumption of wines produced on site within the hospitality area and outdoor patio area in accordance with AB 2004; i) Construction of a commercial kitchen; j) Construction of a twenty-one (21) space parking area, three (3) space loading and staging areas; k) Construction of a transient non-community water system and wastewater storage, treatment and disposal facilities; I) Construction of a new water storage tank (40,000 to 60,000 gallon) for fire suppression; m) Construction of a new access driveway off of Silverado Trail; and n) Construction of a left turn lane on the northbound Silverado Trail approach to the project entrance. The proposal also includes a Variance request to encroach approximately 178 feet into the required 600 foot setback from Silverado Trail. The project site abuts the Napa River on the west, and Silverado Trail on the east and includes existing vineyards, vegetation, an existing three (3) bedroom single-family residence, and an agricultural barn used for farm equipment storage. As proposed, the residence will not be used as part of the proposed winery and the barn will continue to be used for

farm equipment storage. The project is located on a 31.77 acre parcel on the west side of Silverado Trail approximately .25 miles north from the intersection with Deer Park Road, within the AP (Agricultural Preserve) zoning district; 2971 Silverado Trail, St. Helena; APN: 021-353-013.

Staff Recommendation: Adopt the Negative Declaration and approve the Variance request and Use Permit as conditioned.

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

Applicant Contact: Jeffrey Redding; (707) 255-7375; ireddingaicp@comcast.net

EXECUTIVE SUMMARY

Proposed Actions:

That the Planning Commission:

1. Adopt the Negative Declaration for the Titus Vineyard Winery based on Findings 1-6 of Exhibit A;

2. Approve Variance request (P13-00366-VAR) based on Findings 7-11 of Exhibit A and subject to the recommended Conditions of Approval (Exhibit B); and

3. Approve Use Permit (P13-00367-MOD) based on Findings 12-16 of Exhibit A and subject to the recommended Conditions of Approval (Exhibit B).

Discussion:

The applicant requests use permit approval for the construction of a new 24,000 gallon per year winery in approximately 14,469 sq.ft. building on a 31.77 acre parcel. The proposed winery would have up to sixty (60) by appointment only tours and tastings visitors daily. The marketing plan would consists of private promotional tastings with meals up to eight (8) per year with a maximum of twenty-five (25) guests (food prepared within an on-site commercial kitchen), wine club events up to four (4) per year with a maximum of 125 guests with catered food, wine release events up to six (6) per year with a maximum of 125 guests with catered food and use of portable toilets, and wine auction events up to two (2) per year with a maximum of 125 guests with catered food and use of portable toilets. The proposal also includes a variance request to encroach approximately 178 feet into the required 600 foot setback for Silverado Trail. 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

Negative Declaration Prepared. According to the proposed Negative Declaration, the proposed project would have

no potentially significant environmental impacts. This project site is not on any of the lists of hazardous waste enumerated under Government Code Section 65962.5.

BACKGROUND AND DISCUSSION

Owner: Lee Titus & Sons Ltd.

Applicant: Eric & Phillip Titus, 326 Ehlers Lane, St. Helena, CA 94574, (707) 963-3298

Representative: Jeffrey Redding, Planning Consultant (707) 255-7375

Zoning District: Agricultural Preserve (AP)

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

Filed: October 21, 2013 Revised: December 19, 2013 Complete: March 21, 2014

Parcel Size: 31.77 acres

Existing Development: The 31.77 acre parcel consists of an existing three (3) bedroom single-family residence and an agricultural barn used for farm equipment storage. 26 acres out of the 31.77 acres are planted in vineyards. Two existing olive groves are also on the property. Approximately 3 acres of vines have already been removed in preparation of the site to accommodate development of the proposed winery.

Winery Characteristics: Winery Size (Proposed): 14,469 sq.ft.

Production Capacity (Proposed): 24,000 gallons per year

Development Area (Proposed): 16,300 sq.ft., 0.4 acres

Winery Coverage (Proposed): 52,900 sq.ft., 1.2 acres, 3.8% (Maximum 25% or 15 acres)

Accessory/Production Ratio (Proposed): 3,461 sq.ft. accessory and 11,319 sq.ft. production; 31% (Maximum 40% allowed)

Vineyard Acreage (Existing): 29 acres Vineyard Acreage (Proposed): 26 acres; Approximately 3 acres of vines have already been removed in preparation of the site to accommodate development of the proposed winery.

Number of Employees (Proposed): 10 full-time, 2 part-time

Visitation (Proposed): 60 visitors per day; 280 maximum per week (based upon average of 40 per day)

Marketing Program (Proposed): Private Promotional tastings with meals up to eight (8) per year with a maximum of twenty-five (25) guests (food prepared within an on-site commercial kitchen); Wine Club Marketing events up to four (4) per year with a maximum of 125 guests with catered food; Wine Release events up to six (6) per year with a maximum of 125 guests with catered food and use of portable toilets; and Wine Auction events up to two (2) per year with a maximum of 125 guests with catered food and use of portable toilets.

Days and Hours of Operations (Proposed): Winery hours of operation Monday through Sunday 8:00 am to 5:30 pm; 7 am to 10 pm (non-harvest production hours); and Visitation hours Monday through Sunday 10:00 am to 6:30 pm.

Parking (Proposed): Construction of a twenty-one (21) space parking area, three (3) space loading and staging areas. Temporary event parking to be provided on-site via valet parking service.

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

Setbacks (Proposed): 95' side; 1,200' rear, 178' Silverado Trail. The proposal includes a variance request to encroach approximately 178 feet into the required 600 foot setback for Silverado Trail.

Adjacent General Plan Designation/Zoning District/Land Use:

North:

AR/AWOS General Plan Designation, AP Zoning – Adjoining the property site to the north are vineyards on 25.24 acres.

South:

AR/AWOS General Plan Designation, AP Zoning – Adjoining the property site to the south are vineyards on 9.04 acres. This parcel is also owned by Lee Titus & Sons Ltd.

East:

AWOS General Plan Designation, AW Zoning – Across Silverado Trail to the east are four homes with vineyards on parcels ranging in size from 2 to 10.57 acres.

West:

AR General Plan Designation, AP Zoning – Adjoining the property site across the Napa River to the west are vineyards and a reservoir on 9.26 acres.

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

Winery	Address	Floor Area (square feet)	Production gal / year	Tours & Tastings visitors / week (average)	Employees
Duckhorn Vineyards	1000 Lodi Ln	27,927	110,000	50 - Public	17.5
Charles Krug Winery	800 Main St	*	2,728,000	Public	*
Markham	2812 St Helena Hwy	70,783	300,000	400 - Public	17.5
Ballentine	2820 St Helena Hwy	21,640	50,000	10 - By Appt	4
Revana	2910 St Helena Hwy	6,624	15,000	40 - By Appt	3.5
Morlet	2825 St Helena Hwy	7,681	20,000	25 - By Appt	4.5
William Cole	2849 St Helena Hwy	9,400	20,000	10 - By Appt	2.5
St Clement	2867 St Helena Hwy	9,600	72,000	490 - Public	14.5
Vineyard 29	2927 St Helena Hwy	27,339	48,500	10 - By Appt	4
Freemark Abbey	3022 St Helena Hwy	32,720	60,000	1,800 - Public	12
Grace Family	1210 Rockland Dr	2660	7,000	20 - By Appt	1
Titus Vineyards Winery		14,469	24,000	420	10.5

Note: Floor area includes caves * No Information Available

Code Compliance History:

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

Discussion Points:

Setting - The 31.77 acre parcel is located on the west side of Silverado Trail, approximately 1/4 miles northwest of the Silverado Trail/Deer Park intersection. The project site abuts the Napa River on the west, and Silverado Trail on the east. Existing vineyards border the property on the south and north with an existing residence also located to the north of the subject parcel. Existing vegetation is located along the north property line acting as a natural screen. An existing three (3) bedroom single-family residence and an agricultural barn are located between the proposed winery and Silverado Trail. Approximately 26 acres out of the 31.77 acres are planted in vineyard, and two olive groves exist south of the existing residence and north of the agricultural barn. Approximately 3 acres of vines have already been removed in preparation of the site to accommodate development of the proposed winery. It should be noted that should the County not authorized the winery, vineyards would be replanted. No trees are proposed to be removed. The closest biological resource is the Napa River which is approximately 1,200 feet away from the proposed winery. The existing parcel is located almost entirely within the Napa River floodway and the 100 year flood plain. Grading on-site will consist of spreading import fill (approximately 9,800 cubic yards) to elevate the area proposed for improvement at least 1' above existing grade.

New Winery Proposal - As proposed, the new winery would be located 178 feet at its closest point to Silverado Trail increasing to 223 feet. The new winery would consist of a 14,469 sq.ft. building. The building would be single story in height (ranges 13'2" for tasting room to 21'6" for the production and barrel room) and would have an architectural design that consists of vertical board formed concrete with integral "cobblestone" color, a 0.5:12 to 0.75:12 sloped standing seam metal roof (cool roof) with 4 inch metal outriggers with dark bronze paint finish, a dark finished panel system (hospitality and office areas) and anodized aluminum with dark bronze finish for all windows and doors. A 21 space parking area would accommodate parking needs during normal business days for employees and visitors. The property contains several mature trees (firs, walnut, pine, olive) planted around the existing residence, agricultural barn and adjacent to Silverado Trail. As proposed, all of these trees will be retained. In addition, another olive grove and several coniferous trees will be planted in front of the northeast corner of the proposed winery building and fire suppression tank. Other landscaping proposed includes a mixed height of scrubs and sun perennials, which will be used to screen the proposed winery building, crush activities and parking/loading areas from drive-by motorist and adjacent properties across Silverado Trail.

<u>Setback Variance Request</u> - A setback variance for Silverado Trail is being requested for this property due to its proximity to the 100 year FEMA designated floodplain for the Napa River and its flood way. Only a small strip of land along Silverado Trail is located outside of both the flood way and flood plain. The Base Flood Elevation for the winery building will be 238 feet and the proposed buildings will have a finished floor elevation of 239 feet or higher. During winery construction, fill will be placed directly into the building development area. Approximately +/-9,800 cubic yards of fill will be trucked in for the parking lot and building pad at a depth of one (1) foot feet minimum. The estimated time for completing the importing operations is 4 to 6 weeks with an average of 30 trucks per day. Locating the proposed winery and required infrastructure outside of the required 600 foot setback would place the building partially within the flood way or in a location that would require additional fill to ensure that the finished floor elevation of the winery is at least one foot above the base flood elevation as required by the County's Flood Plain Management Ordinance. By locating the proposed winery in the middle of the vineyard, the building would be visually prominent to motorist passing by on Silverado Trail instead of a low profile that the proposed project represents, as well as, require removal of vineyard outside the 3 acres that was previously removed by the applicant.

As proposed, the applicant has requested a variance to encroach approximately 178 feet into the required 600 foot setback for Silverado Trail. Given this distance, the new winery would be located 178 feet at its closest point to Silverado Trail increasing to 223 feet. The height of the building ranges 13'2" to 21'6" at its highest point. As shown on their project plans, existing vineyards border the property on the south and north of the subject parcel and existing tree vegetation is located along the north property line acting as a natural screen to motorist on Silverado Trail traveling southbound. Two olive groves currently exist south of the residence and north of the agricultural barn. An existing agricultural barn and existing residence is located between the proposed winery and Silverado Trail and would be used to screen the proposed winery. Another olive grove and coniferous trees would be planted in front of the northeast corner of the proposed winery building and 40,000 to 60,000 gallon water storage tank for fire suppression. Other landscaping proposed includes a mixed height of scrubs and sun perennials. As proposed by the applicant, existing vegetation and proposed landscaping, as well as, existing structures would serve as a visual barrier for drive-by-motorist and adjacent properties located across Silverado Trail, thereby, not result in degrading the visual character of the site.

<u>Tours & Tasting/Marketing Events</u> - The applicant is proposing tours and tastings by appointment only on a daily basis up to a maximum of sixty (60) visitors daily (and 280 maximum per week based upon an average of 40 per day) from 10 am to 6:30 pm. The marketing plan would consist of private promotional tastings with meals up to eight (8) per year with a maximum of twenty-five (25) guests, wine club events up to four (4) per year with a maximum of 125 guests with catered food, wine release events up to six (6) per year with a maximum of 125 guests up to two (2) per year with a maximum of 125 guests.

Staff has provided a table below comparing marketing and tours and tastings visitation at other wineries with annual production of 24,000 to 25,000 gallons per year. The proposed visitation program falls into the high end of the spectrum with regards to number of "by appointment tours and tastings" and public wineries, as well as, on the high end for events among its peer group of wineries with an approved production capacity of 24,000-25,000 gallons per year. The Commission may want to consider the applicant's rationale for these visitation and marketing numbers before granting approval or altering daily and maximum numbers. The table also provides a comparison of winery building square footage for the wineries listed. As can be seen, Titus Vineyards Winery's building square footage is relatively high for its production capacity given that it does not incorporate a cave. Of this comparison group, 4 wineries have incorporated a cave into their winery operation, making other wineries ranging in size from 2,980 square feet to almost 26,070 square feet in size.

Winery	Location	Approved Production	Floor Area (sq. ft.)	Tours & Tastings visitors/week (average)	Marketing Events per year*	Employees
BY APPT ONLY						
Von Strasser Winery	Hillside	24,000	11,000	28	18	3.5
Seavey Vineyard	Hillside	24,000	12,085	6	1	5
Edge Hill Estate	Hillside	24,000	12,200***	25	7	5
Chateau Chevalier	Hillside	24,500	3,500	0	0	4
Caldwell Winery	MST Study Area	25,000	16,970***	40	13	2.5
Ehren Jordan Wine Cellars	Valley Floor	25,000	15,000***	10	5	2
Regusci	Valley Floor	25,000	2,980	10	**	1
McBride	Hillside	25,000	3,035	50	7	2.5

Titus Vineyards (Proposed)	Valley Floor	24,000	14,469	280	20	10.5
PUBLIC						
Ehlers Estate	Valley Floor	25,000	26,070***	100	**	8.5
Plump Jack	Valley Floor	25,000	7,574	140	**	5

Note: Floor area includes caves

* No Tours & Tastings

**No Data - Attributed to older wineries with no marketing program proposed or approved.

***A caves incorporate into winery

<u>Traffic & Parking</u> - Based upon the Traffic Impact Report prepared by Crane Transportation Group, dated October 3, 2013, the proposed winery is expected to generate 59 daily trips and 23 daily PM peak hour trips. On a typical Saturday, 58 daily trips with 29 peak hour trips would be expected. Furthermore, it is anticipated during winery construction, that fill will be placed directly into the building development area. The estimated time for completing the importing operations is 4 to 6 weeks with an average of 30 trucks per day. In addition, the applicant is seeking conceptual approval of three options for their wastewater disposal system, in which one option includes use of a hold and haul system, which is considered by the applicant as a last preference. Under this scenario, it is estimated that 5,000 gallons per week of processing waste would be generated during the harvest season. In this case, if a 6,000 gallon pumping truck was used, an additional 2 trips would be generated by the winery per week. If a 1,500 or 2,000 gallon pumping truck was used, an additional 6 or 8 trips would be generated by the winery per week. During the rest of the year, these trips would be much less. It should also be noted that traffic operations were also analyzed for cumulative (Year 2030) conditions. Based on traffic forecast, volumes on Silverado Trail and at the intersection of Deer Park Road would minimally impact the level of service during Friday and Saturday peak traffic hours. Additional measures implemented by the County, including scheduling events and visitation outside of peak periods (currently a condition of approval), would further mitigate long term conditions.

The applicant has proposed to incorporate into the project design a left turn lane on the northbound Silverado Trail approach to the project entrance. Volumes will exceed County left turn lane warrant criteria at this location. The turn lane will be built to County standards and will improve safety for northbound vehicles on Silverado Trail making a left turn into the winery. The left turn pocket, taper and transition will also be designed and striped to provide breaks in the striping to accommodate turn movements to/from driveways on the east side of Silverado Trail in the vicinity of the Titus Winery entrance. Sight lines will be adequate at the project's proposed driveway connection to Silverado Trail. The Department of Public Works has reviewed project access and recommends approval of the northbound left turn design and new driveway access. A condition of approval will be added to the project requiring that this left turn lane be installed in conjunction with the construction of the winery. The Napa County Fire Marshall has reviewed this application and has identified no significant impacts related to emergency vehicle access provided that standard conditions of approval are incorporated.

The project proposes a total of 21 parking spaces. These parking spaces would be sufficient to accommodate parking needs during normal business days for employees and visitors. Additional parking will be required for larger marketing events. The applicant proposes to provide valet services for larger events. The applicant has sufficient space to accommodate additional parking throughout the remainder of the property. No parking will be permitted within the right-of-way of Silverado Trail.

<u>Groundwater Availability</u> - Napa County has established a water availability threshold of 31.77 AF/YR for this parcel, which is calculated by applying a rate of 1.0 AF/YR multiplied by the acreage of the site. The total projected water use for the existing residential, agricultural uses and the proposed winery is 14.2 AF/YR. The water use for the property is currently 13.8 AF/YR (Residence – 0.75 AF/YR and Vineyards - 13.0 AF/YR). A new well will be dedicated to serving the domestic water needs of the winery (production, visitation and marketing activities, and landscaping)

and residence only. As proposed, the two existing wells will continue to serve vineyard irrigation needs. Therefore, the estimated annual water demand for vineyard irrigation needs will be reduced to 11.5 AF/YR due to the 3 acres of vines removed from production for the proposed winery. The existing residence remains the same at 0.75 AF/YR and the new winery will be 0.64 AF/YR (production and visitation and marketing activities). New landscaping installed for the project will be 1.3 AF/YR. To date, the County is not aware of, nor has it received any reports of, ground water shortages near the project area. As estimated, the overall water demand of 14.2 AF/YR is below the threshold established for the parcel and is projected to increase by 0.4 AF/YR due to changes in existing conditions. It should be noted that based upon an updated Water Availability Analysis submitted on April 26, 2014, the Draft Negative Declaration (released for public comment on April 16, 2014) has been updated to reflect this new information. The purpose of this revision was to incorporate projected irrigation for the proposed landscaping plan that has been developed to meet the County's Water Efficient Landscaping Ordinance (WELO). Based upon this new information, staff has determined that water use for the proposed project remains at a level of less than significant impact and that no further analysis is required.

While the Draft Negative Declaration did not specifically address current climatic conditions, the County is cognizant of fluctuating environmental factors that could affect groundwater resources even in non-drought years as evident by the groundwater use condition of approval (see Condition 13.A. in Exhibit B) that has been included on winery approvals over the past 5 years since approximately 2009. This condition enables the County to collect additional data on the groundwater aquifer if it is determined that water usage at the winery is affecting, or would potentially affect groundwater supplies or nearby wells, due to changed circumstances or in light of significant new information provides substantial evidence that the groundwater system referenced in the permit would significantly affect the groundwater basin. This condition also allows the County to recommend additional reasonable conditions on the permittee as necessary (such as water use minimization through best available control technology, best water management conservation practices, and/or reduced groundwater extraction/use) to meet the requirements of the Napa County Groundwater Ordinance and protect public health, safety, and welfare.

<u>Grape Sourcing</u> - The subject property contains 26 acres of vineyards. Approximately 3 acres of vines have already been removed in preparation of the site to accommodate development of the proposed winery. The adjacent parcel to south (9.04 acres) is also owned by Lee Titus & Sons Ltd. The applicant has informed staff that another 6.5 acres located on Elhers Lane is also under the ownership of the Titus family and would also be dedicated for use by this winery. The grapes available from these sources would supply approximately 150 to 160 tons annually, sufficient to accommodate proposed production levels and comply with the 75% Napa Valley grape source requirement.

Greenhouse Gas Reduction - 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: roof mounted solar panels, planting of new vegetation over 0.5 acres, energy conserving lighting, installation of a cool roof, bicycle parking and directional signs to give information on biking in Napa Valley, installation of water efficient fixtures, implementation of low-impact development practices and include bio-retention or rain garden area and permeable pavements, implementation of recycling activities, composting of 75% food and garden material, implementation of a sustainable purchasing/shipping program, planting of deciduous trees on the south side of building elevation, electric vehicle charging station, incorporation of a site design that orients the building to have southern exposure for natural heating, east-west cross breeze and 4' overhangs for shade and summer cooling, and becoming a certified "Napa Green Winery" and certified Napa Green Land". 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 reduce emissions.

Consistency with Standards:

Zoning – The project is consistent with AP (Agricultural Preserve) 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 18.16.030) are permitted in the AP 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.

<u>Environmental Health Division</u> – Recommends approval with standard conditions in the attached Memorandum dated March 21, 2014.

Engineering Services Division – Recommends approval with standard conditions in attached Memorandum dated January 27, 2014.

<u>Public Works Department</u> - Recommends approval on December 26, 2013 (Traffic Study), and recommends approval in the attached Memorandum, dated November 20, 2013 (Ground Water).

<u>Fire Department</u> – Recommends approval with standard conditions in the attached Inter-Office Memo dated January 23, 2014 and November 16, 2013.

SUPPORTING DOCUMENTS

- A . Exhibit A Findings
- B. Exhibit B Conditions of Approval
- C . Department Conditions
- D. Revised Negative Declaration
- E. Revised Water Availability Analysis
- F. Application Packet
- G . Traffic Impact Report
- H. Water System Information
- I. Wastewater Disposal Feasibility Study
- J. Graphics

Napa County Planning Commission: Approve Reviewed By: Charlene Gallina