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Agenda Date: 6/16/2010

Agenda Placement: 9B

Napa County Planning Commission Board Agenda Letter

TO: Napa County Planning Commission

FROM: John McDowell for Hillary Gitelman - Director
Conservation, Development & Planning

REPORT BY: Trish Hornisher, PLANNER III - 299-1349

SUBJECT: Ceja Family Winery Variance (#P01-00171-VAR) and Use Permit (#P09-00352-UP)

RECOMMENDATION

CEJA FAMILY WINERY / PEDRO AND AMELIA CEJA ETAL- VARIANCE REQUEST - #P10-00171-VAR & USE PERMIT REQUEST – #P09-00352-UP

CEQA STATUS: Negative Declaration Prepared. According to the Negative Declaration, the proposed project would have no potentially significant impacts. This project site is not on any of the lists of hazardous waste sites enumerated under Government code section 65962.5.

REQUEST: **(A)** Approval of a Variance from the required road setbacks set forth in Napa County Code section 18.104.230 (A.)(2.) to allow the construction of a winery building no more than 130 feet from the centerline of a shared private access road where 300 feet is required. **(B)** Approval of a Use Permit to establish a new 45,000 gallon per year winery in three phases totaling 31,200 square feet as proposed below: Phase I: Demolish an existing barn and two small agricultural structures; construct a new, two-story fermentation building with barrel storage, mechanical room, administrative office, wine library and tasting room and covered crush pad/work areas for a Phase I winery totaling 21,603 square feet; with 10 full-time and 5 part-time employees; 23 parking spaces (incl. one ADA space); Tours and Tasting By Appointment Only for a maximum of 24 visitors per day (168 max. per week); a Marketing plan with four 20-person food and wine pairing events per month, four 50-person industry/wine club events per year, one wine auction event per year and participation in the Napa Valley Wine Auction (all events will serve food items); install a commercial kitchen with a new water system; install a combined winery and domestic sanitary wastewater subsurface drip dispersal system; make improvements to the existing main access for winery production use. Phase II: Construct a second 5,760 square foot two-story structure immediately adjacent to the proposed Phase I winery structure to include a second outdoor crush/work area, additional barrel storage, a commercial kitchen, hospitality area and outdoor patio area. Phase III: Construct an addition to the Phase II structure totaling 3,837 square feet to include additional wine storage; a mechanical equipment room and an outdoor patio. The project is located on a 10.39 acre parcel on the northwest side of Las Amigas Road approximately 350 feet east of its intersection from Cuttings Wharf Road and approximately 2 miles southwest of St. Hwy. 12/121 within an Agricultural Watershed: Airport Compatibility (AW:AC) combination zoning district. (Assessor's Parcel #: 047-240-037) 1016 Las Amigas Road, Napa.

Staff Recommendation: Adopt the Negative Declaration and approve the Variance and Use Permit as proposed with conditions of approval.

Staff Contact: Patricia Hornisher 299-1349 or Trish.Hornisher@countyofnapa.org

EXECUTIVE SUMMARY

Proposed Action:

That the Planning Commission:

1. Adopt the Negative Declaration for the Ceja Family Winery, based on the findings 1-6 of Exhibit A;
2. Approve Variance #P10-00171-VAR based on the attached findings 7-12 of Exhibit A; and,
3. Approve Use Permit #P09-00352-UP based on the attached findings 13-17 of Exhibit A and subject to the recommended Conditions of Approval of Exhibit B.

Discussion:

The applicant requests Planning Commission approval of a new 45,000 gallon per year winery on a 10.39 acre parcel located in the Carneros viticultural region. It is approximately 5 1/2 miles southwest of the City of Napa's business district with access off Las Amigas Road. The property is now developed with a main residence that has an attached, legally-established single room Bed & Breakfast short-term vacation rental, a two-story storage building, a small pond covering one-third of an acre and 7.6 acres of producing vineyards. There is also a barn and two small accessory sheds which will be demolished prior to construction of the winery.

The winery is planned to be centrally located on the parcel at a distance of about 310 feet from Las Amigas Road. The winery facility will be designed in a distinctive California Mission style and total 31,200 square feet with construction planned in three phases. Phase I involves development of the main, 21,063 square foot, two-story production building with By Appointment tours and tasting, marketing, installation of a subsurface drip disposal system and access road improvements. Phase II includes construction of a separate, two-story building located adjacent to the first, totaling 5,760 square feet. It includes barrel storage, a second covered crush pad, commercial kitchen, hospitality area and outdoor patio. Phase III adds 3,837 square feet to the existing Phase II structure for additional wine storage, a mechanical building and patios.

While the winery facility meets the winery road setback from Las Amigas Road, a second private road traverses the property to the east. Since this road serves another property, the applicant is requesting a Variance from the required 300 foot winery road setback to the proposed winery structure. The Planning Department has reviewed the Variance request and believes the findings can be made for approval along with those of the Use Permit.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

Negative Declaration Prepared. According to the Negative Declaration, the proposed project would have no potentially significant impacts. This project site is not on any of the lists of hazardous waste sites enumerated under Government code section 65962.5.

BACKGROUND AND DISCUSSION

Owner: Amelia Moran Ceja and Family

Applicant: Amelia Moran Ceja

Representative (Project Manager): Donna B Oldford, Plans4Wine

Zoning: AW:AC (Agriculture, Watershed : Airport Compatibility)

General Plan Designation: AR (Agricultural Resource)

Filed: August 6, 2009 Resubmitted: April 8, 2010

Complete for CEQA Review: April 8, 2010

Building Sizes:

Phase I: A new 21,603 square foot, two-story, Mission style production/fermentation building with covered crush pad, wine lab, mechanical room, administrative offices, tasting room and wine library.

Phase II: A second 5,760 square foot, two-story Mission style barrel storage building (adjacent to the production building), with an additional covered crush/work area; a commercial kitchen, hospitality area and outdoor patios.

Phase III: A 3,837 square foot addition to the Phase II building for additional wine storage, a mechanical room and additional outdoor patio areas.

Accessory Structures: two, 12,000 gallon water tanks for fire protection; trash enclosure and fire pump building.

Production Capacity: 45,000 gallons per year

Visitation: A maximum of 24 visitors per day (maximum of 168 visitors per week) with food pairing consistent with Ordinance 1340.

Marketing: Four 20-person private food and wine tasting events per month; four 50- person industry/wine club events per year; one 125-person wine auction event per year; and, participation in the annual Napa Valley Wine Auction as a Category 5 Temporary Event. All marketing events will serve food items.

Number of Employees: Ten full-time and five part-time employees

Hours of Operation: 6:00 AM to 6:00 PM, seven days a week

Parking: 23 parking spaces, including one ADA-accessible space

Parcel Size: 10.39 Acres

Accessory/Production Ratio: 38/62 % (40 % Accessory allowed)

Winery Coverage: 77,372 sq. ft. or 17 % at final build-out (25% or 15 acres whichever is less allowed)

Setbacks: 320' front (300' road setback required); 38' West side (20' required); 130' East side (300' road setback required); 160' Rear (20' required)

Adjacent Zoning / Land Use:

North

AW:AC - Ag Contract Vineyard/Rural Residential – 30.93 acres (one residence with vineyards);

South

AW:AC - Rural Residential – 7.22 acres (one residence with orchard and riparian area);

East

AW:AC - 2 parcels: Vineyard/Rural Residential - a 21.6 acres (one residence with vineyards); and, Vineyard/Winery - 11.55 acres (Kent Rasmussen Winery and vineyards)

West

AW:AC - Vineyard/Rural Residential - a 20.46 acres (one residence and vineyards)

Nearby Wineries (within one mile of the project site):

Acacia Winery - 2750 Las Amigas Rd; Approved 1979; Producing - 250,000 gal/yr; By Appt;

Bouchaine Vineyards - 1075 Buchli Station Rd; Approved 1983; Producing - 225,000 gal/yr; Open to the Public

Cuvaison Carneros - 221 Duhig Rd; Approved 2002; Producing - 340,000 gal/yr; By Appt.

Etude Winery - 1250 Cutting Wharf Rd; Approved 1982; Producing - 150,000 gal/yr; Open to the Public

Kent Rasmussen Winery (Carneros) - 2125 Cuttings Wharf Rd; Approved 1986; Producing - 20,000 gal/yr; Tasting Only (by appt.)

McKenzie Mueller Winery - 2530 Las Amigas Rd; Approved 1989; Producing - 96,000 gal/yr; By Appt

Property History:

May 1979 - September 1983 - Various Owners; numerous Building Permits issued for existing main dwelling and ag structures for remodeling and/or minor improvements and repairs.

June 1984 - Gordon Jamieson Owner; Use Permit approved to establish a one-room Bed & Breakfast facility within the existing main residence on a 5.24 acre parcel. This permit appears to be abandoned.

June 1992 - Rezoned from AW to AW:AC (adding Airport Compatibility Combination District).

September 1992 - Pedro & Amelia Ceja Owner; building permit issued for barn rewire which was finalized in 2001.

March 2007- Notice of Violation Letter sent to property owner. See Code Compliance History section below.

August 2007- Approval for Home Occupation Permit (#P07-00555-HO) for 370 sq. ft. wine sales office located in the same area as the former B & B bedroom within existing main residence.

August 2007 - Quick Permit issued for 2-story unconditioned storage structure behind main residence.

November 2008 – Lot Line Adjustment recorded. Subject parcel becomes 10.39 acres.

August 2009 – Application submitted for Winery Use Permit and Variance request.

April 2010 – Application revisions (septic & winery access) submitted for final project review.

Code Compliance History:

Based on a review of the Planning and Building files, there is an anonymous verbal complaint from a customer documented by staff on March 5, 2007. The Napa County Code Compliance Unit investigated this complaint and sent the applicant a compliance letter on March 6, 2007, stating a violation of Title 18.20.030 of the Napa County Code existed on the property for the unauthorized: “advertisement and offering of winery-related services such as wine tasting, wine sales and marketing activities” without an approved winery use permit. In August of 2009, the applicant applied for a winery use permit as a means to remedy this compliance issue. While researching the current proposal, staff found evidence that visitation and marketing appeared to be continuing at the Las Amigas property as evidenced by numerous on-line reviews made by visitors to the site. However, no additional calls or written complaints from neighbors have been received by the Planning Department or the Code Compliance Unit since 2007.

Discussion Points:

1. The Winery Proposal

Pedro and Amelia Ceja and Family seek approval from the County of Napa for a variance to the required winery road setbacks and a use permit to establish a 45,000 gallon per year winery on their property located off Las Amigas Road. Their 10.39 acre parcel is situated in the southwestern portion of the County within the Carneros viticultural region approximately five and a half miles from downtown Napa. The subject property is on the north side of Las Amigas Road approximately 375 feet southwest of its intersection with Cuttings Wharf Road. It is currently planted with 7 acres of vineyard and has been farmed and homesteaded by the Ceja’s for about two decades. A small number of existing vines, totaling 1.6 acres, will be removed to accommodate the winery and wastewater treatment facilities. There is a small reservoir on-site that is used as a retention pond for vineyard drainage.

The project proposes to construct the winery production facility in three Phases. Two primary buildings will be built in Phase I & II and an addition to the second building in Phase III. Phase I includes demolition of an existing barn and two small agricultural structures and construction of a new, two-story fermentation/production building. This building houses barrel storage, a mechanical room, administrative offices, a wine library and tasting room and a covered crush pad/work areas for winery totaling 21,603 square feet. Phase II includes construction of a second 5,760 square foot two-story structure immediately adjacent to the proposed Phase I winery structure and includes a second outdoor crush/work area, additional barrel storage, storage, a commercial kitchen, hospitality area and outdoor patio area. Phase III proposes construction of an addition to the Phase II structure totaling 3,837 square feet to include additional wine storage; a mechanical equipment room and an outdoor patio.

The winery will operate seven days a week from 6 AM to 6 PM. Ten full-time and five part-time employees during the crush will staff the facility. A total of 23 parking spaces (including one ADA space) are proposed in addition to a concrete loading area adjacent to the main building. A maximum of 24 visitors per day (168/wk) is requested for By Appointment Tours and Tasting. The Ceja’s also request approval for food pairing during Tours and Tasting visitation as allowed by recent amendments to the Winery Definition Ordinance under Ordinance 1340 (Approved by the Board of Supervisors May 11, 2010). Marketing events will also serve food items and consist of four 20-person private food and wine tasting events per month; four 50- person industry/wine club events per year; one

wine auction event per year; and, participation in the annual Napa Valley Wine Auction as a Category 5 Temporary Event. Because of the septic design requirements, appointments for Tours and Tasting visitation and marketing events will be conditioned so that they do not occur on the same day. As outlined in the, "Nearby Wineries" section above, this project compares well with other wineries in the vicinity when considering total wine production.

2. Winery Design

The architectural design of the proposed winery is California Mission. Spanish style arches grace the front walkways of the facility. The walls will be finished with light colored stucco with contrasting colored stucco accents. The roof will be constructed using standing seam metal materials in a coordinating light color. Architectural features accent the facility throughout including a 45 foot observation tower, roof sky lights and wrought iron window treatments and gate. Staff believes the design is in keeping with other Napa Valley wineries and is reflective of the history and viticulture of the Carneros region.

3. Access / Variance to Winery Road Setback

The main winery access is designed as a "loop" road with two access points off Las Amigas Road. This design allows for maximum circulation flow for ingress and egress to the winery site. The two entrances are separated by a distance of approximately 350 feet. The loop road traverses on the east and west side of the parcel forming the loop connection at the back of the winery production building. The road located on the east side of the parcel also forks off from the loop to provide access to the property behind the winery site. The "loop" design is 18 feet wide with 2 feet of shoulder and meets the County Road and Street Standards. It is also approved by the Napa County Fire Marshall for access and fire protection.

The winery structures are centrally located on the site with the front elevation facing Las Amigas Road, a County maintained public road. Because its location will be 310 feet from the centerline of this road, it will be outside the required 300 foot winery setback for a public or private road. As described above, there is a second access road on the eastern side of the winery parcel. This access is considered a private road because it provides access to at least one parcel other than the winery parcel. Therefore, the same 300 foot winery road setback is required. Since the winery structure is only 130 feet from the centerline of this road on the east side of the winery and 155 feet from the centerline at the rear of the winery, a Variance to winery road setbacks is needed. After reviewing the Variance request, staff believes the findings can be made for its approval. Please refer to the Variance findings for further explanation.

4. Accessory Structures

In addition to planned winery accessory structures, the site plan shows several large unidentified rectangular areas to the northwest of the existing main residence. During the site visit, staff verified these areas as two tournament size bocce ball courts with an observation pergola, a large patio area and an outdoor kitchen. Based on the project description, these improvements are not included as part of the winery use permit project. Currently, tournament style bocce ball used and related activities are not permitted under the Winery Definition Ordinance. Use of these areas cannot be used in conjunction with activities occurring at the winery, and are subject to the winery conditions of approval and conformance with current Napa County Zoning regulations.

5. Production/Accessory Ratio

The overall project at build-out is in compliance with the 60/40 production to accessory square footage ratio required by the Winery Definition Ordinance. The square footage for Phase I shows the production area will total 69% production (31% for accessory). During Phase II, the ratio becomes 56/44% and is not in compliance. However, with the completion of Phase III and the addition of 3,108 square feet of barrel storage, the ratio moves back to 62% production and 38% accessory space. Thus, the three phased project as it is currently proposed, meets the production/accessory requirements of the WDO.

6. Biological and Archaeological Resource Surveys

County environmental sensitivities maps indicated that the project site was in close proximity to known biological and archaeological resources. Consequently in April of 2010, the property was reviewed by Stephen Rae, PhD, of MUSC Natural Resource Assessment. A record search and field survey was performed which concluded that no sensitive biological resources existed within the project boundaries. Also, In March 2010, a cultural resource evaluation was performed by Sally Evans, of Archaeological Resource Service (ARS) which recommended that standard conditions of approval for archaeological monitoring be applied.

7. Process & Sanitary Wastewater Systems

The Department of Environmental Management reviewed the proposal for the winery process and winery and domestic sanitary wastewater and recommended approval provided all conditions of approval as stated in their revised memo dated June 4, 2010, are met by the applicant. The revised memo includes review and approval of the proposed septic design to include the additional Tours and Tasting food service use in accordance with Ordinance No. 1340 and the proposed conditions of approval.

8. Water Availability/New Water System

Water for the proposed winery and existing vineyards will be supplied by three existing on-site wells and two water storage tanks totaling 24,000 gallons for fire protection with additional storage for fire sprinkler systems as specified by the Napa County Fire Marshall in their memo dated January 27, 2010. Because the project proposes the installation of the commercial kitchen, one of the wells will be equipped with a 51 foot annular seal and meet all requirements of the County and State of California to operate and maintain a transient non-community water system.

The Phase I Water Availability Analysis indicates the total current water demand is 5.05± af/yr for the residence and attached Bed & Breakfast room, vineyard and other agricultural irrigation and is apportioned as follows: 0.75 af/yr for residential; 0.10 af/yr for B & B; 3.80 af/yr for existing vineyard; 0.40 af/yr other agriculture. The project is located on Napa County's Valley Floor area which has an established acceptable water extraction volume of 1.0 acre foot per acre per year. Since the project parcel is 10.42 acres (10.39 acres per the Assessor), the resulting threshold for the property is 10.42 acre feet per year.

The Phase I report estimates the projected groundwater demand for the site at build-out (Phase I, II & III) will be only 5.35 af/yr resulting from the winery development which will add 1.20 af/yr but the removal of 1.6 acres of vineyard which will reduce vineyard irrigation to 3.00 af/yr. Thus there is an overall increase totaling 0.30 af/yr for groundwater extraction for the proposed winery, residence, existing vineyards, agriculture and landscaping. Public Works has commented the proposed project would not have a significant impact on groundwater supplies or static water levels neighboring wells because the resulting water demand totaling 5.35 af/yr is well below the established County water allotment of 10.42 af/yr and would therefore be a less than significant impact.

The County has not received any comments or complaints that existing groundwater use from the property has affected any neighboring wells during the prior history of the property's residential and vineyard water use. The applicant indicates the existing three wells have no performance issues. As a standard condition of all new use permit approvals, the County Environmental Management Department requires the permittee to monitor groundwater usage. Based on the estimated minor increase in water use and conditions of approval to monitor water usage, staff believes the project will not interfere substantially with groundwater recharge, cause a net deficit in aquifer volume or lower the local groundwater level.

9. Traffic Information

As stated above, the main access to the winery site is off a private driveway serving two parcels located on the north side of Las Amigas Road approximately 375 feet southwest of its intersection with Cuttings Wharf Road. On May 12, 2010, the project engineer submitted the, *Ceja Winery Traffic Generation Calculation*, report. It indicates the proposed project's weekly operations will generate approximately: 30 full-time employee trips (10 additional seasonal employee trips) with 19 occurring for peak part-time employees; and, 2 truck trips. By Appointment Tours

& Tasting visitor trips and Marketing Event visitor trips will range from as low as 14 to 89 visitor trips. Because the project is conditioned so that tours and tasting and marketing events visitation do not occur on the same day, total trips for these activities is reduced. Marketing Events are conditioned to begin or end during off peak hours.

There are no traffic counts available from Napa County Public Works Department roads in the immediate vicinity of the project (i.e., Cuttings Wharf Road or Las Amigas Road). The closest counts available are at the intersection of State Highway 12/121 and Cuttings Wharf Road. Annual average daily traffic (AADT) at this intersection is 30,000 vehicles. According to the Napa County Public Works Department, Las Amigas Road currently operates at Level of Service A. They indicated that resulting traffic generated by the proposed project does not warrant a traffic study, site distance study or installation of a left turn lane. Averaging the number of trips as described in the traffic generation report on a per year basis, the project will generate an additional 67 daily trips. Since these trips will be dispersed throughout the existing road network, the additional traffic will not result in a noticeable change to the traffic volumes nor impact the Level of Service on Las Amigas Road or the immediate intersection on Cuttings Wharf Road. The net increase of traffic attributable to the proposed project will be arriving and departing the site throughout the day thus, will not result in a noticeable increase in traffic. The project will also not result in a significant impact individually or cumulatively to the surrounding street capacity, traffic load or level of service.

10. Neighbor Comments

The applicant has sent a letter of introduction to all the surrounding neighbors regarding the project. This letter is provided as an attachment. According to the applicant, the neighbors have been updated regularly on the project status. As of the date of this report, no further inquiries from the public have been received from staff.

Consistency with Standards:

All reviewing departments/agencies have found the project as proposed and conditioned to be consistent with their respective requirements and regulations.

Zoning

The project is consistent with AW:AC (Agriculture Watershed : Airport Compatibility) combination zoning district regulations. A winery (as defined in Napa County Code Section 18.08.640) and uses in connection with a winery (see Napa County Code Section 18.20.030) are permitted in the AW district with an approved use permit. This application complies with the Winery Definition Ordinance and the setbacks and other requirements of the Zoning Code. Additionally, the project complies with all applicable ALUCP Zone E regulations set forth in Title 18.80.030 for overflight easement conditions of approval, acceptable land use, and general design requirements for light, glare, electronic interference as well as Title 18.104.120 (C.) for maximum height.

Building Division Requirements - The Building Division recommends approval with standard conditions.

Fire Department Requirements - The Fire Department recommends approval with standard conditions. Please see their memo dated January 27, 2010.

Public Works Department Requirements - The Public Works Department recommends approval with conditions of approval as stated in their memo dated May 14, 2010, and including Public Works Groundwater comments memo dated May 14, 2010.

Environmental Management Department Requirements - The Department recommends approval provided all conditions of approval are satisfied. Please see their revised memo dated June 4, 2010.

Sheriff's Department Requirements - The Sheriff's Department has reviewed this application and has no comment.

City of American Canyon Requirements - The City of American Canyon has reviewed the application and has no comment.

SUPPORTING DOCUMENTS

- A . Exhibit A - Findings
- B . Exhibit B - Conditions of Approval
- C . Initial Study/Negative Declaration
- D . Biological and Cultural Resource Assessments
- E . Department Comments
- F . Use Permit Application Materials
- G . Greenhouse Gas Checklist
- H . Wastewater Feasibility and Phase One Water Reports
- I . Variance Application Materials
- J . Ceja Neighbor Outreach Letter
- K . Report Graphics

Napa County Planning Commission: Approve

Reviewed By: John McDowell