



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 7/2/2014

Agenda Placement: 9A

Continued From: 3/19/14 & 4/16/14

Napa County Planning Commission Board Agenda Letter

TO: Napa County Planning Commission
FROM: Melissa Frost for David Morrison - Director
Planning, Building and Environmental Services
REPORT BY: Sean Trippi, Principal Planner - 299-1353
SUBJECT: Yountville Hill Winery

RECOMMENDATION

YOUNTVILLE HILL WINERY / CS2 WINES, LLC - USE PERMIT AND AN EXCEPTION TO THE CONSERVATION REGULATIONS (P13-00279); VARIANCE (P13-00417); AND, VIEWSHED (P13-00416)

CEQA Status: Consideration and possible adoption of a Mitigated Negative Declaration. According to the proposed Mitigated Negative Declaration, the proposed project would have, if mitigation measures are not included, a potentially significant environmental impact in the following areas; Biological Resources, Cultural Resources, and Transportation/Traffic. The project 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 exception to the conservation regulations, a variance, and a viewshed application to establish a new winery with an annual production capacity of 100,000 gallons as follows: (1) construct two new winery buildings with approximately 14,019 sq. ft. of floor area, including a 1,208 sq. ft. reception building and a 12,811 sq. ft. winery, administration and visitor center building with 9,605 sq. ft. of unenclosed terraces; (2) construct approximately 35,588 sq. ft. of cave area, including a warming kitchen; (3) provide 37 on-site parking spaces; (4) establish a Marketing Plan with 48 events per year for a maximum of 50 guests at each event (half of the events will be scheduled to begin after 6:30 PM); six (6) events per year for a maximum of 100 guests at each event; two (2) events per year for a maximum of 200 guests at each event; and, two (2) wine auction events per year; (5) allow tours and tastings, which may include food pairing, by appointment only for a maximum of 285 visitors per day with a maximum of 1,120 visitors per week (285 Sat/Su; 110/day Mon-Fri); (6) establish hours of operation from 6 AM to 3 PM (production staff), 8 AM to 5 PM (administrative staff) and 9:30 AM to 6:30 PM (hospitality staff – visitation would occur between 10 AM and 6 PM); 7 days a week; (7) allow on-premise consumption of the wines produced on-site in the winery administration and visitor center building and terraces pursuant to the Evans Bill (AB2004); (8) employ up to 19 people; (9) install a new on-site winery process and domestic wastewater treatment system; and, (10) new landscaping, driveway improvements, four water storage tanks (10,500 gallons each), and signage. The proposal also includes an exception to the conservation regulations to grade/construct improvements on slopes exceeding 30%, a viewshed application to construct on

slopes 15% or greater and visible from a viewshed designated roadway (State Route 29) and a variance to allow the lower cave portal and winery related activities on the pad in front of the cave to encroach into the approximately 275-foot into the 600-foot setback from State Route 29, winery buildings to encroach into the 300-foot setback from a private road, a staircase at the rear of the winery building to encroach 6-feet into a 20-foot rear yard and a non-habitable portion of the structure/landscaped terrace and stairs at the third or roof level to encroach 15-feet into the 20-foot rear yard. The project site is comprised of two parcels that will be combined. An existing 4,000 sq. ft. residence (former bed & breakfast) and garage, the existing driveway from State Route 29 to the structures, and a cave will be removed as part of the proposal to facilitate construction of the winery, a new driveway, and associated improvements. The 10.9 acre project site is located on the east side of State Route 29 approximately ¼-mile south of the Yount Mill Road / State Route 29 intersection. APN's: 031-130-028 & 029. 7400 St. Helena Hwy, Napa.

Staff Recommendation: Adopt the Mitigated Negative Declaration and MMRP and approve the requested use permit, conservation regulation exception, variance and viewshed applications with the proposed conditions of approval.

Staff Contact: Sean Trippi, (707)-299-1353 or sean.trippi@countyofnapa.org

Applicant Contact: Lester Hardy, (707) 967-9610 or lester@lhardy.com

CONTINUED FROM THE MARCH 19, APRIL 16, AND JUNE 18, 2014 (CANCELED) MEETINGS

EXECUTIVE SUMMARY

Proposed Actions:

That the Planning Commission:

1. Adopt the Mitigated Negative Declaration and MMRP based on Findings 1-6 of Exhibit A;
2. Approve the Use Permit & Exception to the Conservation Regulations (P13-00279) based on Findings 7-18 of Exhibit A and subject to the Revised Conditions of Approval (Exhibit B);
3. Approve the Variance (#P13-00417) based on Findings 19-22 of Exhibit A and subject to the Revised Conditions of Approval (Exhibit B); and,
4. Approve the Viewshed (P13-00416) based on Findings 23-29 of Exhibit A and subject to the Revised Conditions of Approval (Exhibit B).

Discussion:

A public hearing was held on March 19, 2014 and was continued to April 16, 2014, then to June 18, 2014 (meeting was canceled), and then to today to allow the neighbors to fully understand the project's components and allow the applicant to address concerns raised with respect to water, noise, lighting, aesthetics, traffic, and visitation. A copy of the staff report discussing details of the proposed project is attached. Specific aspects of the revised request and the project are addressed herein.

The applicant requests approval of a use permit to allow construction of a new 100,000 gallon per year winery with approximately 14,019 sq. ft. of floor area and 9,605 sq. ft. of unenclosed terraces within the footprint of the winery building and approximately 35,588 sq. ft. of caves on a 10.9 acre site on the east side of State Route 29, just north of the Town of Yountville. The project site is comprised of two parcels that will be combined. The proposed winery would have up to 285 by-appointment tours and tastings visitors on the weekends and 110 visitors during the week, daily and a marketing plan with 48 events per year for a maximum of 50 guests at each event (half of the events will be scheduled to begin after 6:30 PM); six (6) events per year for a maximum of 100 guests at each

event; two (2) events per year for a maximum of 200 guests at each event; and, two (2) wine auction events per year. The proposal also includes an exception to the conservation regulations to grade/construct improvements on slopes exceeding 30%, a viewshed application to construct on slopes 15% or greater and visible from a viewshed designated roadway (State Route 29) and a variance to allow the lower cave portal and winery related activities on the pad in front of the cave to encroach into the 600-foot setback from State Route 29, winery buildings to encroach into the 300-foot setback from a shared driveway, a staircase at the rear of the winery building to encroach 6-feet into a 20-foot rear yard and a non-habitable portion of the structure/landscaped terrace and stairs at the third or roof level to encroach 15-feet into the 20-foot rear yard. An existing 4,000 sq. ft. residence (former bed & breakfast) and garage, the existing driveway from State Route 29 to the structures, and a cave will be removed as part of the proposal to facilitate construction of the winery, a new driveway, and associated improvements. Staff recommends approval of the project as conditioned.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

Mitigated Negative Declaration Prepared. According to the proposed Mitigated Negative Declaration, the proposed project would have, if mitigation measures are not included, a potentially significant environmental impact in the following areas; Biological Resources, Cultural Resources and Transportation/Traffic. In accordance with Section 15073 of the California Environmental Quality Act (CEQA) Guidelines, Napa County submitted the initial proposed IS/MND to the State Clearinghouse for a 30-day review period beginning on February 14, 2014. In addition, Napa County circulated a Notice of Intent to adopt the initial proposed IS/MND to interested agencies and individuals. During, and following the public review period, the County received a number of comment letters expressing concerns with the project. Subsequent to the preparation of the initial IS/MND, the applicant submitted additional information addressing the concerns raised in many of the comment letters.

Review of the additional studies and reports has concluded that the environmental analysis and impacts identified in Mitigated Negative Declaration (MND) remain substantively unchanged and supports the finding that the additional studies and reports do not raise any new issues and do not exceed the level of impacts identified in the previously prepared Mitigated Negative Declaration. These studies and reports in support of the MND have been summarized in the attached CEQA memorandum which is incorporated here by reference.

The project is not included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5.

BACKGROUND AND DISCUSSION

This project was originally scheduled for hearing on March 19, 2014. At the request of the applicant and interested members of the public, the item was continued to April 16, 2014, and subsequently continued to June 18, 2014. Since the original hearing date, staff has received a number of comment letters and e-mails. In response to issues raised by neighbors, the applicant has provided additional information and amended their project, including two project statement addendum dated June 3 and June 11, 2014, as outlined below. The conditions of approval have been revised to reflect the proposed revisions to the project statement. Correspondence that had not been attached to the March 19 or April 16 reports is attached to this report.

Visitation

The applicant has proposed revisions to the tours and tastings program for the winery by phasing visitation levels. Initially, a maximum of 420 visitors per week for tours and tastings by appointment would be allowed for the first two years after the winery has been granted a certificate of occupancy. Subsequent to review of the winery for compliance with the use permit by staff and reported to the Planning Commission, a maximum of 700 visitors per week would be allowed. A second compliance review of the use permit would be conducted after at least one year after the first review and when the winery has reached a production level of 50,000 gallons per year review. Once the second compliance review has been conducted, the winery would be limited to a maximum of 1,000 visitors per week.

Viewshed

Construction of new buildings on slopes of 15% or greater are subject to the County's Viewshed Protection Program when they are visible from scenic roadway candidates identified in the Community Character Element of the Napa County General Plan and/or a designated area under the Viewshed Protection Program (Chapter 18.106 of the Napa County Code) which includes State Route 29 (SR 29). The Community Character Element includes a policy that new development projects located within view of a scenic corridor should be subject to site and design review to ensure that such development does not destroy the scenic quality of the corridor. In conformance with this policy, the County's Viewshed Protection Program provides for review of projects in locations such as the project site, and establishes standards that must be met prior to project approval.

Structures are required to be located and/or screened from view such that visual impacts are reduced. Use of existing natural vegetation, new landscaping, topographical siting, architectural design, and colortone are mentioned in the Viewshed Protection Program as viable ways to reduce the visual impact, and either these techniques must be applied to effectively "screen the predominant portion" (defined as 51% or more of viewable areas as it relates to views or screening of structures and benches and shelves from designated roads) of the proposed structures, or the applicant must seek an exception pursuant to Code Section 18.106.070. Whether or not an exception is needed, the proposed project cannot be approved unless the County finds it to be in conformance with the Viewshed Protection Program, which is expressly designed to protect the scenic quality of the County and to promote architecture and designs that are compatible with hillside terrain and minimize visual impacts (See Code Section 18.106.010). For this reason, the project that is ultimately approved for this site must be one which has addressed potentially significant visual impacts. And by definition, such a project -- while noticeable from surrounding areas --- would not substantially degrade scenic views or visual quality. In the case of this proposal, an exception is not being requested.

In addition, prior to the issuance of a building permit, the property owner shall be required to execute and record in the County recorder's office a use restriction, in a form approved by County Counsel, requiring building exteriors, and existing and proposed covering vegetation, as well as any equivalent level of replacement vegetation, to be maintained by the owner or the owner's successors so as to maintain conformance with County Code Section 18.106.050(B).

The applicant has submitted additional visual simulations of the proposed winery improvements showing the effect of new tree plantings after about 7-10 years in combination with the existing vegetation, as well as graphics depicting that approximately 60 to 70% of the winery building will be screened. It also appears that the parking areas will be completely screened and that most if not all of the retaining walls will be screened. Based on the submitted information, while noticeable from surrounding areas, the predominant portions of the proposed winery buildings, cave portals and retaining walls will be screened in compliance with the requirements of the viewshed ordinance.

Lighting/Reflection

Although the project site is in an area that has a certain amount of existing nighttime lighting, the installation of new sources of nighttime lights may affect nighttime views. Standard conditions of approval require that all proposed lighting is shielded and directed downward so that surrounding properties are not affected, which has been applied to this project.

The applicant has submitted measures that will be implemented to further reduce potential affects of nighttime lighting including: (1) the winery driveway will have lighting only at curves, with low-to-the-ground bollards (Vision 3 dual head path light). These lights will be motion activated and timed, so that they are turned on only when a car is driving the road and then turn off automatically; (2) low level, indirect lighting will be used wherever lighting is installed at the buildings; (3) the winery, administrative and visitor building will be equipped with louvers that will significantly diminish the amount of light escaping the building; and, (4) all project lighting will be compliant with the most recent update of the "Nonresidential Compliance Manual for California's Energy Efficiency Standards" and the most recent update of the California Building Code. There are a few other criteria identified in the applicant's revised project statement that are already included in the standard conditions of approval and are not reprinted here.

In addition to item number 3 in the list above, a combination of three techniques will be used to minimize reflection on the glass at the winery, administrative and visitor building: louvers, as noted above, exterior motorized shades, and non-reflective glass. The applicant indicates that these strategies (especially the louvers and shades) will also reduce the amount of light emitted from the building on nights where the building may be lit after dark. An example of the proposed louvers is attached to this report.

Evening Activities/Hours of Operation

The proposal includes a total of 58 marketing events per year. According to the applicant, 32 of these proposed events would occur after 6:30 P.M. The amended project statement proposes to schedule 24 of the evening events for the months with longer days, (generally between March 21 through September 21) the average sunset is approximately 7:55 P.M., with dark skies approximately 30 minutes later. This would result in the lights being on within the winery, administrative and visitor building for approximately 90 minutes after dark and approximately four hours after dark for the other eight events.

Further, the applicant proposes to reduce the hours that the winery, administrative and visitor center building is open during the months of November through February. During these four months, tours and tastings will end at 4:00 P.M. with all hospitality staff leaving at 4:30 P.M. The offices would close at 5:00 P.M. As noted in the next section, below, weekday peak hour trips would be reduced from 39 to 22.

Traffic/Collisions

A traffic impact analysis was prepared for the project and was summarized in the Mitigated Negative Declaration. An addendum to the traffic analysis, by Omni-Means, dated June 6, 2014, was prepared to assess the potential traffic related impacts based on modifying the proposed hours of operations for the tasting room and is attached to this report. According to the analysis, the reduced hours of operation for the tasting room would generate approximately 22 trips during the weekday PM peak hour (all outbound) Compared to the original analysis for winery operations extending to 6 P.M., weekday peak hour trips would be reduced from 39 to 22.

In addition to the addendum referenced above, a Focused Collision History Analysis, also prepared by Omni-Means, dated May 14, 2014, evaluating the accident rate on SR-29 in the vicinity of the project in comparison to the accident rate along a longer representative segment of SR-29 overall. The report also compares the accident rates to statewide rates and Napa County rates as identified by the California State Department of Transportation (Caltrans). A review of accidents near the project driveway is also included in the report.

The study evaluated the collision history for the three year period from 2010-2012, being the most recent three full calendar years for which reported accident records are available. The accident totals excluded accidents occurring at or within 100 feet of a public cross street since these are considered "intersection" accidents for which the accident rate is calculated differently because they are influenced by side street traffic volumes and the intersection design characteristics (such as lane geometries and type of traffic controls).

There were 27 total accidents over the three year period (8 recorded accidents in 2008, 8 in 2009, and 11 in 2012) for an average of 9.0 accidents per year within the "project vicinity" segment (between Washington Street and Oakville Grade). The segment is 1.88 miles long and has an Average Annual Daily Trip (AADT) volume of 23,433 trips (the average AADT for years 2010-2012). The "project vicinity" segment has a calculated accident rate of 0.56 accidents per million vehicle miles.

There was a total of 89 recorded accidents (24 in 2010, 29 in 2011, and 36 in 2012) representing an average of 29.67 accidents per year within the "overall" SR-29 segment (between Washington Street and Zinfandel Lane). The segment was measured to be 5.93 miles long and to have an AADT of 22,533 trips (the average of all Caltrans AADT volumes between Washington Street and Zinfandel Lane from 2010 to 2012). The "overall" SR-29 segment has a calculated accident rate of 0.61 accidents per million vehicle miles.

The statewide average accident rate for a conventional, flat, two-lane rural road with a speed limit of 55 mph or less is 0.82 accidents per million vehicle miles. The calculated accident rates for SR-29 are lower than the statewide average rate. The accident rate in Napa County for two and three lane rural roads is 1.50 accidents per million vehicle miles (2010 data).

The collision history in the immediate area of the project driveway, including the Mustard's Grill Restaurant driveway and the Cosentino Winery facility, was also evaluated with one recorded accident within 100 feet of the project driveway (vehicle hitting an object due to unsafe northbound turn 100 feet north at mile marker 21.35) from 2010 to 2012.

The report concluded that the calculated accident rate in the project vicinity is lower than the accident rate for the overall SR-29 corridor that was evaluated, and both SR-29 rates are lower than the statewide average and Napa County average rates, indicating the evaluated roadway segments of SR-29 are experiencing fewer accidents than average based on the volumes and roadway characteristics. This report is summarized in the attached CEQA memorandum.

Noise

Noise from winery operations is generally limited; however, the proposed marketing plan and bottling activities could create additional noise impacts. The submitted marketing plan includes a number of monthly events, some of which would include up to 200 visitors. The area surrounding the subject property is very lightly developed, with only a scattering of homes located in the immediate vicinity with the nearest residences approximately 700 feet east and approximately 1,135 feet west, across S.R. 29, of the proposed winery building, and approximately 700 feet west of the lower cave portal/pad.

The applicant submitted three separate noise analyses, prepared by Illingworth & Rodkin, Inc., assessing the potential impacts of bottling activities, dated March 14, 2014, that would occur during the daytime at the lower cave portal/pad and two reports concerning outdoor marketing events, dated March 21 and May 30, 2014, that would occur at the winery building. The reports concluded that noise generated from events and bottling at the proposed winery would not result in a significant noise impact at area residences and businesses. The reports are summarized in the attached CEQA memorandum.

Groundwater

Subsequent to preparation of the MND, the applicant commissioned Richard C. Slade & Associates LLC, Consulting Groundwater Geologists to assess groundwater conditions and conduct a pump test (i.e. a Phase 2 water analysis) for the project site. The results of their assessment are included in a Memorandum dated May 31, 2014, and summarized in the CEQA memorandum dated June 26, 2014, and below.

The site has two wells located in the lower, flatter portion of the site near the north and south property boundaries. The northerly well (Well No. 1) currently provides water to irrigate the existing vineyard and is approximately 23-foot deep. The other well (Well No. 2) was drilled to provide potable water and is approximately 300-foot deep. The wells were drilled in 1984 and 1974, respectively. Well No. 2 is proposed to be destroyed as part of this request. A third well was drilled in April 2014 in the eastern portion of the property near the top of the site is approximately 705-foot deep. This well would provide potable water for the winery.

Based on the annual water demand of 4.87 af/yr, average daily demand would be 4,350 gallons per day (gpd) and peak day demand would be 8,700 gpd (200% of daily demand). To meet these demands Well No. 3 would need to be pumped at a constant rate of 6.0 gallons per minute (gpm), 12 hours per day, every day or at a rate of 4.0 gpm 18 hours per day, every day to meet daily demand. To meet peak day demand, the well would need to be pumped at a rate of 12.1 gpm for 12 hours or 8.1 gpm for 18 hours. These estimates assume no on site water storage. The proposed winery does include water storage tanks.

Well No. 1 will continue to be used to meet a very small portion (0.72 AF/yr) of the project demand to irrigate the vineyard, which will be supplemented with treated wastewater. This equates to the well pumping at a rate of roughly 1.5 gpm, pumping 12 hours per day, every day during a typical 16-week irrigation season.

RCS performed a constant rate pumping test in Well No. 3 at a rate of 15 gpm, chosen for the pumping test because it is higher than the pumping rate at which onsite wells would need to pump in the future on to meet the peak day demand (12.1 gpm, assuming pumping 12 hrs/day every day) for the project. Further, this rate is much higher than the rate at which onsite wells would need to pump to meet the average daily demand for the project (6.0 gpm, assuming pumping 12 hrs/day, every day).

Water level drawdown in the pumping well at the end of the 24-hour pumping test was 11.2 ft when pumping at a rate of 15 gpm. Water levels became relatively stable after 6 hours of pumping, and thereafter remained stable throughout the pumping period. Within 24 hours of the cessation of the pumping test, the water levels in the well had fully recovered to the pre-test static water level.

While pumping Well No. 3 at a rate of 15 gpm for a period of 24 hours, very little to no water level drawdown was observed in onsite Well Nos. 1 and 2, which lie 900 ft. and 720 ft. from Well No. 3, respectively. The nearest known offsite well, as shown on Figure 5, is located roughly 1000 ft. west-northwest of Well No. 3. Because this distance is greater than are the distances from Well No. 3 (the pumping well) to Well Nos. 1 and 2 (the observation wells), and because essentially no water level drawdown was observed in Well No. 1 and 2 while pumping Well No. 3, then water level drawdown impacts while pumping Well No. 3 on that more distant offsite well would be considered to not be detectable. This would also be the same for all offsite wells that are at similar distances, or greater distances, from Well No. 3 than are Well Nos. 1 and 2.

RCS concluded that based on the data presented in their memorandum, Well No. 3 is capable of meeting the groundwater demands of the proposed project, including all potable water supplies. A small portion of the groundwater demand for vineyard irrigation will come from treated wastewater generated onsite and from Well No. 1. In addition, results of the water quality analyses for groundwater pumped from Well No. 3 meets the requirements for potable use for a public supply well. The report also concluded that potential impacts to neighboring offsite wells are considered to be less than significant, if any.

In addition, the applicant's June 3, 2014 project statement addendum includes water conservation measures

including water efficient cleaning systems, tank and barrel washing protocol, dry sweeping floors, the installation of meters on all wells on the project site as well as the treated wastewater irrigation system.

Development Area

The lower third of the project site, along the State Route (SR) 29, is generally flat and planted in vines, with two constructed drainages, one generally perpendicular to SR 29 and the other parallel to the SR 29. The drainage perpendicular to SR 29 (running west to east) flows beneath the existing driveway in a culvert. Setbacks from this drainage are between 45 and 85 feet from the top of bank.

East of the drainage parallel to SR 29 (running south to north) the site traverses slopes between 15% to 50%. Near the uppermost (eastern) portion of the site, the slope flattens out to approximately 15% (where the new winery building is proposed). The slope of the existing driveway exceeds 20-25% over its two longest legs.

The reception building is approximately half way up the hill, at the 600-foot setback from the centerline of SR 29. The winery, administrative and visitor building is approximately 800-foot setback from SR 29, east of the reception building, proposed in the approximate location of the existing residential structure on the property, perched near the top of the site.

In addition to the two buildings, the proposal includes approximately two caves; a lower cave with its portals and pad approximately 300-feet from SR 29, and an upper cave with its portals at the reception building.

The existing driveway to the residence on the site also provides access to another residence and to potential to a third property via a recorded access easement. The proposed, rebuilt driveway will continue to provide access to the off-site residence necessitating that the winery building be setback 300 feet from the driveway.

The slopes at the lower cave portals and pad are about 18% and the slopes at the reception building and upper cave portals are about 38%. The proposal includes removing the entire driveway and constructing a new driveway with slopes of 20% or less in compliance with County requirements.

Grape Sourcing

The applicant has represented that about 200 acres or so of vineyards will be needed for full production and that the applicant intends to own 150 acres of vineyards by 2022 (which would produce about 65,000 to 90,000 gallons of wine at 2-4 tons of grapes per acre and 150 gallons of wine per ton). Approximately 2.2 acres of vineyards are planted on the 10.9 acre site. Including the vineyards planted on site, the applicant owns or controls approximately 44 acres of producing vineyard (approximately 13,200 to 26,400 gallons), and are actively negotiating the purchase of another 150 acres of land, of which some is planted and producing, and some is to be planted in the future. The applicant also has several letters of intent to purchase grapes. Further, the applicant has requested as a voluntary condition of approval that 95% of the grapes and wine produced at their winery come from Napa County Grapes. However, staff is recommending the standard condition of approval to comply with the 75% grape source requirement, but the applicant is free to exceed the minimum requirement if they choose.

Exceptions/Variations

In order to assist the Commission in evaluating the proposed winery, staff has provided a brief discussion of alternative development scenarios for the project site.

A. In addition to a use permit to establish a winery, a lot line adjustment to combine the two parcels and a viewshed application, as proposed, the request includes:

1. an exception to the conservation regulations to grade/construct improvements on slopes exceeding 30%.
2. a variance to allow winery related activities on the pad in front of the lower cave to encroach into the 600-foot setback from SR 29.
3. a variance to allow the winery buildings to encroach into the 300-foot setback from a private road.
4. a variance to allow a staircase at the rear of the winery building to encroach and a non-habitable portion of the structure/landscaped terrace and stairs at the third or roof level to encroach into the 20-foot rear yard. If the winery building were moved forward, or to the west of its proposed location, to avoid or reduce these variances the driveway would become more steep, exceeding a 20% slope and may likely not have adequate turning radii for emergency vehicles.

Underground portions of caves are not subject to setbacks; however, cave portals and outside work areas in front of caves are subject to setbacks when they are visible from the roadway. The lower cave portals are parallel to SR 29 and likely will be visible from the highway. There is existing vegetation between the portals and the highway and additional tree plantings are proposed as well. So the portals may wind up being completely screened from SR 29. However, staff believes a variance is appropriate given the possibility that the portals would be visible.

In addition to the variance for the lower cave portals and winery building, stairways and a non-occupied area at the rear of the winery building encroach into the 20-foot rear yard by 6-feet and 15-feet, respectively. Although Section 18.104.260 allows stairs and fire escapes to extend 6-feet into the required rear yard, staff believes a variance is appropriate for the stairs as Section 18.104.230(D) states that "excepting caves, nothing herein shall be construed as permitting construction or improvements within applicable setback or yard areas as specified by other sections of this title." The location of the winery building is predicated on constructing the new driveway so that it does not exceed a slope of 25%.

B. If the winery was proposed to be constructed on the flat portion of the site, in addition to the use permit, the following applications would be required:

1. a variance from the 600 foot winery setback from SR 29.
2. a variance from the 300 foot setback from a private road.

Under this scenario the winery building would be approximately 90 feet from SR 29 in order to avoid creek setbacks and vineyards would need to be removed. It is likely that caves would still be needed, which could result in:

3. a variance if the pad in front of the portal were to be used for winery activities, and
4. an exception to the conservation regulations if driveway improvements were required to access the cave portals.

A viewshed application may also be required to address the new driveway and retaining walls. Viewshed would also apply to any exterior alteration/addition to the existing residence.

C. If the existing residence were to be converted into a winery in addition to the use permit and assuming caves were proposed similar to the current proposal, the following applications would be required:

1. an exception to the conservation regulations to grade/construct improvements on slopes exceeding 30%.
2. a variance to allow winery related activities on the pad in front of the lower cave to encroach into the 600-foot setback from SR 29.
3. a variance to allow the winery buildings to encroach into the 300-foot setback from a private road.

Under this scenario, a viewshed application may be required to address the new driveway and retaining walls. Viewshed would also apply to any exterior alteration/addition to the existing residence.

D. If no winery was proposed and the house was remodeled with no exterior alterations and the improvements did not exceed 50% of the structures valuation, then a viewshed evaluation would not be required and the driveway may not need to be fully improved.

E. Conversely, if extensive interior remodeling of the house would be necessary to make it habitable, then the driveway would need to be improved, resulting in viewshed evaluation for the road and an exception to the conservation regulations for improvements on slopes exceeding 30%. Further, any exterior alterations to the house would trigger viewshed evaluation as well as driveway improvements. However, even a slight alteration of the house could trigger turnouts that may then result in an exception to the conservation regulations or a request for an exception to the Road and Street Standards.

Under these last two scenarios, it is likely that the two lots would not be combined and an additional residence could be constructed generally where vines are currently planted.

The table below, summarizes permitting requirements for alternatives/scenarios A - E, discussed above.

	600' Setback Variance	300' Setback Variance	20' rear yard Setback Variance	Con Regs Exception	Viewshed
Winery Alternative A (Proposed Project)	X	X	X	X	X
Winery Alternative B (Build near SR 29)	X	X		X	X
Winery Alternative C (Convert Residence)	X	X		X	X
Residence Alternative D (Minimal Interior Remodel)	N/A	N/A			
Residence Alternative E (Exterior/Interior Remodel)	N/A	N/A		X	X

Note: All winery alternatives include caves.

In conclusion, it does not appear that an alternative to develop or improve the property, except minor alterations to the existing residential structure on the site, could occur absent an exception of some sort. Therefore, based on information submitted to date, staff has prepared findings recommending approval of the project as proposed, subject to the recommended conditions of approval.

SUPPORTING DOCUMENTS

A . Revised Findings

B . Revised Conditions of Approval

C . CEQA Memorandum

- D . June 20 & 27, 2014 Letters and Revised Project Statements
- E . Riechers Spence & Associates Box Culvert - May 1, 2014
- F . Special Status Plant Survey Report - June 2, 2014
- G . Groundwater Report - May 31, 2014
- H . Additional Traffic Analysis dated May 14 & June 6, 2014
- I . Noise Studies dated March 14 & 21 and May 30, 2014
- J . Correspondence
- K . Graphics

Napa County Planning Commission: Approve

Reviewed By: Melissa Frost