



A Tradition of Stewardship  
A Commitment to Service

Agenda Date: 7/3/2013

Agenda Placement: 9A

## Napa County Planning Commission Board Agenda Letter

---

**TO:** Napa County Planning Commission

**FROM:** Charlene Gallina for Hillary Gitelman - Director  
Planning, Building and Environmental Services

**REPORT BY:** Sean Trippi, Principal Planner - 299-1353

**SUBJECT:** Davis Estates Winery

---

### **RECOMMENDATION**

#### **DAVIS ESTATES / FROSTFIRE VINEYARDS LLC - USE PERMT MODIFICATION (P12-00373-MOD) & VIEWSHED (P13-00195-VIEW).**

**CEQA Status:** Consideration and adoption of a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program (MMRP). 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 area: Cultural Resources. This project site is not on any of the lists of hazardous waste sites enumerated under Government Code Section 65962.5.

**Request:** Approval of a viewshed application and modification to previous use permit approvals for the Davis Estates (formerly Saviez Vineyard) to allow the following: (1) increase annual production from 20,000 to 30,000 gallons; convert the existing 3,780 sq. ft. historic barn to hospitality uses, including a commercial kitchen; (2) construct two new winery buildings with approximately 17,495 sq. ft. of floor area; (3) create approximately 2,800 sq. ft. of outdoor work area including a 1,600 sq. ft. covered crush pad; (4) construct approximately 15,445 sq. ft. of cave area, including a warming kitchen; (5) increase previously approved on-site parking from 3 to 14 spaces; (6) a revised Marketing Plan with two (2) wine and food pairings per month for a maximum of 50 guests at each event, two (2) wine and food pairings per year for a maximum of 100 guests at each event, and participation in the wine auction; (7) increase tours and tastings which may include food pairing(s) by appointment only to a maximum of 20 visitors per weekday, 34 visitors on weekends and holidays with a maximum of 168 visitors per week or 182 visitors per week when there's a holiday; (8) hours of operation from 10 AM to 6:30 PM (tasting) and 7 AM to 5 PM (production), seven days a week; (9) allow on-premise consumption pursuant to the Evans Bill (AB2004); (10) increase full-time employees from 2 to 5 with no part-time employees; (11) install a new on-site winery process and domestic wastewater treatment system; and, (12) new landscaping, driveway improvements and signage. The winery is located on a 114.32 acre site on the east side of Silverado Trail, immediately south of its intersection with Larkmead Lane within the Agricultural Watershed (AW) zoning district. APN: 021-010-003. 4060 Silverado Trail, Calistoga.

**Staff Recommendation:** Adopt the mitigated negative declaration and approve the use permit modification and viewshed applications with the proposed conditions of approval.

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

**Applicant Contact:** Tom Adams, Dickenson, Peatman & Fogarty, (707) 252-7122

## **EXECUTIVE SUMMARY**

### **Proposed Actions:**

1. That the Planning Commission adopt the Mitigated Negative Declaration and MMRP for Davis Estates, based on findings 1-6 of Exhibit A;
2. That the Planning Commission approve the Viewshed (P13-00195) application based on findings 7-13, Use Permit Modification (P12-00373-MOD), including the setback reduction based on findings 14-22 of Exhibit A and subject to the recommended Conditions of Approval (Exhibit B).

### **Discussion:**

This application proposes a modification to a winery use permit first approved in 2002 to convert an existing  $\pm$  3,780 sq. ft. historic barn and add a second floor to create a  $\pm$  6,306 sq. ft. two-story winery production and administration building with an outdoor tank and crush pad area for a new winery with a production capacity of 20,000 gallons annually. Although the winery has not been in production since it was approved, the use permit was deemed "Used" based on the installation of the winery's wastewater system. The property has since changed hands and the new owner proposes to increase annual production to 30,000 gallons, construct new winery buildings and caves, increase the number of daily visitors for by-appointment tours and tasting to 20 to 34 people per weekday and on weekends, respectively, including food pairings, revising the marketing plan and other site improvements. Staff believes the required findings can be made in support of the requested land use actions, and are recommending approval subject to the mitigation measure and conditions of approval.

## **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 area: Cultural Resources. 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/Applicant:** Frostfire Vineyards, LLC

**Representative:** Tom Adams, Dickenson, Peatman & Fogarty, (707) 252-7122

**Zoning:** AW (Agricultural Watershed)

**General Plan Designation:** AWOS (Agriculture, Watershed and Open Space)

**Filed:** October 16, 2012

**Revised:** April 1, 2013

**Complete:** June 3, 2013

**Winery Characteristics:**

Production Capacity (Approved): 20,000 gallons per year

Production Capacity (Proposed): 30,000 gallons per year

Development Area - caves excluded (approved / proposed): approximately 9,150 sq. ft. / 32,960 sq. ft.

Winery Coverage - caves excluded (approved / proposed): approximately 22,000 sq. ft. / 86,250 sq. ft. (+/- 0.02% of parcel)

(winery coverage is a maximum of 25% of parcel or 15 acres, whichever is less)

Production Facility (approved / proposed): approximately 6,262 sq. ft. / 28,710 sq. ft. (includes 15,360 sq. ft. of caves)

Accessory Use (approved / proposed): approximately 1,738 sq. ft. / 10,810 sq. ft.

Accessory to Production Ratio (approved / proposed): 27.7% / 37.6%  
(accessory to production ratio is a WDO maximum of 40%)

Marketing (approved): Two (2) events per year for a maximum of 40 guests at each event with catered food.

Marketing (proposed): Two (2) events per month for a maximum of 50 guests at each event; Two (2) events per year for a maximum of 100 guests at each event; and, participation in the wine auction. Food for the proposed marketing events will be catered or prepared onsite in a proposed commercial kitchen.

Visitation (approved): Tours & tastings by appointment for approximately 10 visitors per day on average, 40 per week.

Visitation (proposed): Tours & tastings by appointment only for maximum of 20 visitors per weekday, 34 visitors on weekends and holidays with a maximum of 168 visitors per week or 182 visitors per week when there's a holiday.

Number of Employees (approved): 2 full-time and 2 part-time.

Number of Employees (proposed): 5 full-time and 0 part-time.

Days & Hours of Operation (approved): 7 days a week, 8:00 AM to 5:00 PM

Days & Hours of Operation (Proposed): No Change (except that visitation currently concludes at 4:30 PM and is proposed to run from 10:00 a.m. to 6:30 p.m.)

Parking (approved): 3

Parking (proposed): 14

**Setbacks:** The existing historic barn, constructed in 1921 and previously approved for winery uses, is setback

approximately 545 feet from the centerline of Silverado Trail where a 600-foot setback is generally required. One winery building that replicates the existing historic barn is proposed to be setback the same distance from Silverado Trail. The other winery buildings and cave portals are proposed to be setback a minimum of approximately 615-feet from the centerline of the Silverado Trail. Section 18.104.235 (Exceptions to Winery Setback Requirements for Historical Buildings and Sites) of the Napa County Code allows wineries or structures containing accessory uses to be located a minimum of 300-feet from the centerline of Silverado Trail. This section also allows new winery or winery accessory structures to be located no closer to the roadway than the historic structure. In both cases, certain findings must be made to grant the reduced setback. These findings were made as part of the original use permit approval and staff believes that the findings can be made in this case as well and recommends approval of the reduced setback.

**Setting:** The 114.32 acre project site is located on the east side of Silverado Trail, immediately south of its intersection with Larkmead Lane. The project site is concurrently developed with a main and secondary residence, the historic barn previously approved for conversion to winery uses, an old cottage used for farm management purposes, a recently constructed barn, a windmill, water storage tanks, and vineyards. Access to the property is provided by three existing driveways from Silverado Trail. The centermost driveway serving the winery will be widened as needed to provide an 18-foot wide two-way driveway with a one-foot shoulder on each side. This driveway also provides access to the main residence on the property. The northerly and southerly driveways provide access to the property's vineyards. The northerly driveway also provides access to an existing secondary living unit and the recently constructed barn used to support the on-site agricultural activities. Surrounding uses include single-family homes, vineyards, and a number of wineries (see below).

Producing wineries within a mile of the project site include Dutch Henry, Hourglass and Shutters wineries to the north, Wermuth and Stoney Springs wineries to the south, and Frank Family Vineyards and Larkmead Vineyards to the west.

Nearby Wineries:

Winery	Address	Floor Area (square feet)	Production Gallons/year	Tours & Tastings Visitors/week	Employees
Dutch Henry Winery	4310 Silverado Trail	5,000	20,000	50**	0***
Hourglass Winery	701 Lommel Road	10,400	30,000	22	1.5
Shutters Winery*	Lommel Road (no street number)	20,634	50,000	40	4.5
Wermuth Winery	3942 Silverado Trail	775	20,000	100	0***
Stoney Springs Winery	264 N. Fork Crystal Springs Road	2,789	20,000	****	4
Frank Family Vineyards	1091 Larkmead Lane	81,000	564,500	700	25
Larkmead Vineyards	1100 Larkmead Lane	9,486	36,000	120	5

\* - Approved/entitled but not producing

- \*\* - Retail sales customers (no tours and tastings approved)
- \*\* - Number of employees not specified in project files
- \*\*\*\*- 12 passenger vehicles allowed per week (2 per day)

**Adjacent General Plan Designation/ Zoning / Land Use:****North:**

AR/AWOS General Plan designation, AW zoning -

Adjoining the site to the north are three properties ranging in size from 8.8 to 41 acres on fairly steep wooded hillsides. Two of the properties are undeveloped. The third property includes two homes and vines. There is a single family home on a 70 acre property at the northeast corner of the project site that is also steep and heavily wooded.

**South:**

AWOS General Plan designation, AW zoning -

South/southwest of the project site are six properties ranging in size from 4.0 to 9.5 acres with three homes, vines, and the Wermuth winery.

**East:**

AWOS General Plan designation, AW zoning -

East/southeast are two properties consisting of 29 and 88 acres, each developed with a home. The larger property is planted with vines.

**West:**

AR General Plan designation, AP zoning -

West of the project site are two properties with 39 and 43 acres, both planted in vines with a home on the smaller property.

**History:**

A Use Permit for the Saviez winery was approved in 2002 and subsequently deemed "used" in 2004. Although the winery was originally approved in 2002 and deemed used in 2004, it has never been operational. Additional details are provided below.

June 5, 1998 – A Home Occupation permit was issued by the Zoning Administrator (#97493-HO) to Paul Saviez to use a 158 sq. ft. room in the main residence to conduct wines sales and record keeping. 300 gallons of wine was produced annually and crushed, aged, bottled and stored off-site. No visitors or on-site storage of wine were allowed in conjunction with this permit.

August 7, 2002 – Use Permit (#01099-UP) was approved by the Planning Commission to convert an existing ± 3,780 sq. ft. historic barn and add a second floor to create a ± 6,306 sq. ft. two-story winery production and administration building with an outdoor tank and crush pad area for a new winery with a production capacity of 20,000 gallons annually. No new structures were proposed with this application. The approved hours of operation were from 7:00 AM to 5:00 PM, seven days a week, with two full-time and one part-time employee, and three on-site parking spaces. The approval also included tours and tastings by appointment for up to 10 visitors on the busiest day with an average of 40 visitors per week and two annual marketing events with catered food for up to 40 guests at each event.

August 27, 2003 – A one-year time extension was approved by the Zoning Administrator. There were no changes to the project or original conditions of approval.

January 30, 2004 – The CDPD Director determined the use permit was “Used” based on the installation of the winery’s waste water system. No other improvements were constructed.

January 7, 2009 – Use Permit Modification (P07-00436-MOD) was approved by the Planning Commission to convert ± 836 sq. ft. of the existing main residence to a winery office and tasting room and convert ± 2,700 sq. ft. of the previously approved but unbuilt winery office, laboratory and tasting room within the barn to winery storage. No other changes were approved. This approval rescinded the previously approved Home Occupation permit. This Modification subsequently expired as no building permits were issued to convert the residence to winery accessory uses.

### **Code Compliance History:**

Based on a review of the Planning Division's files, there are no records of any code compliance issues on this property.

### **Discussion:**

#### Use Permit Modification -

The use permit modification currently before the Commission includes the construction of new winery production and hospitality buildings, an addition to the existing winery hospitality building, modifying the use of the existing caves, increasing by appointment visitors, a revised marketing plan, a slight increase in employment, and other minor improvements.

#### Winery Buildings/Viewshed Analysis -

The existing barn that would be converted to primarily hospitality and accessory uses has dark brown board and batten wood siding with a corrugated metal roof. The new buildings would match the design and finishes of the existing barn. Local stone will be used as an accent material for the cave portals, building base, and site work. New building finishes are dark brown stained cedar board on board wood siding with corrugated metal roofing to match the existing barn. The new structures are benched into the site and behind an earth berm reducing the scale of the structures and diminishing views of the cave portal walls. Approximately 60 new trees will be planted on-site as part of this proposal to screen the building and integrate it into the native landscape. Parking for 6 vehicles will be provided just south of the converted barn, another 8 parking spaces will be provided just north of the new winery building styled after the existing barn.

#### Cave Portals/Tunnels -

The proposed cave tunnels include approximately 15,445 sq. ft. of floor area and would primarily be used for barrel storage. The proposal includes four cave portals. One portal would be accessed from the main or centrally located winery production building (between the historic barn and its doppelganger) and provides access to the main tunnel that terminates to the east of the building in a circular room. A half circle starting just before the main tunnel's termination point leads back to the front of the winery production building to two portals on either side of the building. The fourth portal is centered on the outdoor covered crush pad to the north of the production building and east of the new winery "barn" leading to a "t-shaped" tunnel. Access to the tunnels would also be provided by two elevators and a stairway from the second floor service buildings behind the tasting area.

#### Tours and Tastings/Marketing Events -

The original use permit allowed tours and tastings by prior appointment for 10 visitors per day with no more than 40 visitors per week. This application includes a request to allow tours and tastings by prior appointment for a maximum of 20 visitors per weekday and 34 visitors on weekends and holidays with a maximum of 168 visitors per week or 182 visitors per week when there's a holiday (not including the Friday after Thanksgiving).

The proposal also includes a request to revise the marketing plan. The current marketing plan allows two events

annually for 40 guests at each event. The revised marketing plan consists of 26 events annually, including two (2) events per month with up to 50 guests, two (2) per year with up to 100 guests, and participation in the wine auction. The food for the proposed marketing events would be either prepared on-site in the proposed commercial kitchen or provided by an off-site caterer.

Staff has provided a table comparing marketing and tours and tastings visitation at similarly sized wineries below. The proposed revisions to the visitation program falls roughly into the upper end amongst its peer group of wineries producing 30,000 gallons per year. Given the increasing importance of direct-to-consumer sales for Napa Valley wineries, the 168-182 maximum weekly visitors proposed here does not strike staff as outlandish or disproportionate.

Comparison Wineries:

Winery	Approved Production	Tours & Tastings	Tours & Tastings Avg/Week	Marketing Events Per Year
Anthem Winery & Vineyards	30,000	None	1**	0***
Cade Winery	30,000	Appt	75	15
Corbett Vineyards*	30,000	Appt	60	14
Consentino Winery	30,000	Public	350	0***
David Arthur Vineyards	30,000	Appt	35	0
Eagle Eye Winery*	30,000	Appt	112	9
Fischer Winery*	30,000	Appt	50	23
Fontanella	30,000	Appt	10	9
Goose Cross Cellars	30,000	Appt	350	14
H & L Winery*	30,000	Appt	140	11
Hillview Vineyard*	30,000	Appt	112	3
Hourglass Winery	30,000	Appt	22	15
Hyde Winery*	30,000	Appt	120	10
Judd's Hill Winery	30,000	Appt	28	0***
Outpost Wines	30,000	Appt	6	5
Robert Foley Winery*	30,000	None	0	0
Rogers Winery*	30,000	Appt	120	11
Sandpoint Winery*	30,000	Appt	112	28
Snowden Vineyards*	30,000	Appt	6	12
Star Vineyards	30,000	Appt	20	0***
Toad Hill Cellars*	30,000	None	0	0
Wallis Family Estate*	30,000	Appt	108	3
Waugh Winery*	30,000	Appt	70	17
<b>Davis Estate (proposed)</b>	<b>30,000</b>	<b>Appt</b>	<b>168 - 182</b>	<b>26</b>

\* - Approved but not producing.

\*\* - Use Permit allowed occasional wine tasting for trade representatives, average one per week.

\*\*\* - Older winery, no marketing Program proposed or approved.

#### Traffic/Parking -

The applicant has submitted a traffic study "Updated Traffic Study for the Proposed Davis Estates Winery Project", prepared by George W. Nickelson P.E., for Omni-Means, dated May 20, 2013, which analyzes existing and proposed traffic conditions. According to the traffic analysis, Silverado Trail has an average annual daily traffic volume of approximately 4,140 vehicles which is indicative of a LOS B. The winery is expected to generate 51 daily trips on a typical weekday, 60 daily trips on a Saturday, and 67 daily trips on a Saturday during crush. The projected trip generation rates include 20 trips per day for the existing main residence and second unit based on data from the Institute of Transportation Engineers. Trips during the PM peak hour would be 13 on a weekday and 12 on a Saturday. Silverado Trail would continue to operate at LOS B when project trips are added to existing traffic volumes, including vehicles making a left turn onto the site. There is currently no left turn lane on Silverado Trail and according to the traffic analysis a left turn lane would not be required as a result of the winery (the warrant for a left turn is based on existing traffic counts or trips and new trips added by the project.) Based on the Napa County Transportation Planning Agency's forecasts in the General Plan, traffic volumes on Silverado Trail are expected to increase from approximately 4,140 to 12,400 daily trips with about 1,344 weekday PM peak hour trips in 2030. However, the traffic study points out that cumulative volumes based on historical data are approximately 60% of the model forecast volumes, indicating traffic volumes may not increase to the model's projections by 2030. Nevertheless, the cumulative increases on Silverado Trail would result in projected operating conditions of LOS C, which is an acceptable level of service under cumulative conditions using forecasted traffic volumes. Stopping sight distances, based on Cal Trans design standards for the measured vehicle speeds, would be 500-550 feet measured along the two travel lanes on Silverado Trail. Vehicle visibility was measured at about 1,000 feet when looking in either direction more than meeting the Cal Trans standard. However, the study did note that existing vegetation south of the project site should be monitored and trimmed as necessary to maintain adequate sight distance at the southerly driveway. The study also recommended that signs should identify the use of each driveway, ie. visitors, deliveries, and private residence. Both of these suggestions are included as project specific conditions of approval.

#### Greenhouse Gas Reduction Strategies -

In 2011, the Bay Area Air Quality Management District (BAAQMD) released California Environmental Quality Act (CEQA) Project Screening Criteria and Significance of Thresholds related to greenhouse gas emissions (GHG) for new development. Although the thresholds were challenged in court and set aside, they were based on substantial evidence and still appropriate for evaluating proposed projects. The District's screening table (BAAQMD Air Quality Guidelines, Table 3.1) suggests that similar projects such as a quality restaurant and light industrial uses with less than 9,000 sq. ft. and 121,000 square feet of floor area, respectively, would not generate GHG in excess of the significance criterion (1,100 metric tons of carbon dioxide equivalents per year). By comparison a high quality restaurant is considered comparable to a winery tasting room for purposes of evaluating air pollutant emissions, but grossly overstates emissions associated with other portions of a winery, such as office, barrel storage and production, which generate fewer vehicle trips. Therefore, a general light industry comparison has also been used for other such uses.

The proposal includes a total of approximately 39,520 square feet of floor area, with about 6,580 square feet devoted to tasting/hospitality uses. The proposed floor area is below the screening levels for similar uses in the District's Guidelines, therefore the proposed use would not generate GHG above the significance threshold established by the District, and further analysis (and quantification) of GHG emissions is not warranted.

However, in addition to the project being below the Air District's thresholds of significance and screening criteria, the applicant proposes to incorporate GHG reduction methods including: solar panels, an electric fleet vehicle, cool roof, bicycle racks and lockers/showers for employees, recycled water, water efficient landscaping, electric vehicle charging station, use of 70-80% cover crops, chipping and reusing pruned plant materials, and certified



“Napa Green” vineyards.

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 further reduce emissions resulting from the project.

Grape Sourcing - The Davis Estates contains 12 acres of vineyards on the 114.32 acre site. The existing and proposed production increase from 20,000 gallons/year to 30,000 gallons/year will be accommodated by existing vineyards located on-site. In addition to the 12 acres on site, Mr. Davis owns several other off-site properties where a total of 22 acres of vines exist and/or are proposed. Mr. Davis may plant more acreage on-site in the future.

**Consistency with Standards:**

Zoning - The project is consistent with AW (Agricultural Watershed) zoning district regulations. A winery (as defined in Napa County Code § 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 Viewshed Protection Program.

Department/Division Review - The Fire Department, Engineering Services Division, Public Works Department, and Environmental Health Division have all recommended approval of the project as conditioned.

**SUPPORTING DOCUMENTS**

- A . Exhibit A - Findings
- B . Exhibit B - Conditions of Approval
- C . Review Agency Comments
- D . Previous Conditions of Approval
- E . IS/Mitigated Neg Dec & MMRP
- F . Traffic Impact Study
- G . 2002 Historic Analysis
- H . Application Materials
- I . Narrative & Supplemental Info
- J . Graphics

Napa County Planning Commission: Approve

Reviewed By: John McDowell