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Agenda Date: 7/7/2010
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: Chris Cahill, Planner - 707.253.4847

SUBJECT: Sandpoint Winery Use Permit Application No. P09-00516-UP and Variance Application No. P09-00535-VAR

RECOMMENDATION

SCOTT YOUNG / SANDPOINT WINES LLC / SANDPOINT WINERY - USE PERMIT P09-00516-UP and VARIANCE P09-00535-VAR

CEQA Status: Negative Declaration Prepared. According to the proposed negative declaration, the project would not have any potentially significant environmental impacts. The project site is not on any of the lists of hazardous waste sites enumerated under Government Code section 65962.5.

Request: Variance to allow construction of a new winery within required road setbacks (300 feet required, 82 feet proposed). Use Permit to establish a new 30,000 gallon per year winery with: 1.) +/- 10,700 sq. ft. two story winery building with cellar and second-story deck; 2.) winery storage shed and at-grade courtyard improvements; 3.) three full-time and three part-time employees; 4.) by-appointment tours and tastings with a maximum of 16 visitors per day and 42 per week; 5.) annual marketing plan with 24 20-person events, three 60-person events, a 125-person (non-Auction Napa Valley) auction event, and participation in Auction Napa Valley; and 6.) four new 15 foot tall water tanks totaling +/- 80,000 gallons. The project is located on a 16 acre parcel located on the south side of Inglewood Avenue, approximately ½ mile west of its intersection with CA-29 (the St. Helena Highway) and within the AP (Agricultural Preserve) zoning district. APN: 027-120-056. 1919 Inglewood Avenue, St. Helena, Calif., 94574

Staff Recommendation: Adopt the negative declaration and approve the requested variance and use permit as conditioned.

Staff Contact: Chris Cahill, 253-4847 or chris.cahill@countyofnapa.org

EXECUTIVE SUMMARY

Proposed Action:

That the Planning Commission:

1. Adopt the Negative Declaration for Sandpoint Winery, based on findings 1-5 of Exhibit A;
2. Approve Variance No. P09-00535 based on findings 6-11 of Exhibit A; and
3. Approve Use Permit No. P09-00516 based on findings 12-16 of Exhibit A and subject to the recommended conditions of approval (Exhibit B).

Discussion:

The applicant proposes a new 30,000 gallon per year winery to be located on the south side of Inglewood Avenue in the South St. Helena area, more or less directly adjacent to the intersection of Inglewood Avenue and Stanton Drive. The flat 16 acre parcel currently includes residential uses and approximately 15 acres of producing vineyard. The new winery would be located at the property's northeastern corner, about 60 feet from the eastern sideyard property line, in a new 10,700 square foot two story (plus cellar) winery building. The proposed winery would have a maximum of 16 by-appointment visitors per day, with no more than 42 in a given week, and a marketing program including 28 events annually with 20 to 125 visitors per event. A variance from the County's winery road setbacks is requested to allow the new winery to be constructed some 82 feet from the centerline of Inglewood Avenue, in an area where a 300 foot setback would otherwise be required. The applicant argues that the winery road setback reduction is defensible, in this case, because the existing development pattern along Inglewood Avenue is such that off-site impacts would actually increase were the winery to be located 300 feet back from the roadway. Staff is recommending approval of both the use permit and of the variance, though we would ask the Commission to carefully consider the arguments submitted by the applicant and any neighbor input (either for or against the project) before determining whether or not the required findings can be made in support of the variance.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

Negative Declaration Prepared. According to the proposed negative declaration, the project would not have any potentially significant environmental impacts. The project site is not on any of the lists of hazardous waste sites enumerated under Government Code section 65962.5.

BACKGROUND AND DISCUSSION

Owner: Sandpoint Wines LLC

Applicant: Scott Young, Sandpoint Wines

Representative (Planner): Donna Oldford, Plans4Wine

Zoning: AP (Agricultural Preserve)

General Plan Designation: AR (Agricultural Resource)

Filed: December 3, 2009 **Complete:** May 9, 2010

Winery Size: +/- 10,700 square feet (including a +/- 4,300 square foot cellar)

Production Capacity: 30,000 gallons per year

Visitation: By-appointment tours and tastings; 16 visitors per day maximum and an average of 42 per week

Number of Employees: 3 full-time and 3 part-time

Hours of Operation: 6 am to 6 pm daily

Marketing: 24 20-person events, three 60-person events, a 125-person (non-Auction Napa Valley) auction event, and participation in Auction Napa Valley. *All marketing events potentially include catered food service and all figures are max.*

Parking: 6 spaces

Parcel Size: 16 acres

Accessory/Production Ratio: 27% (40% allowed)

Winery Coverage: Approx. 0.4 acre (15 acres max) and/or 1.7% of the lot area (25% max)

Property Line Setbacks: 60' front (48' required), 60' east side (20' required), 400' west side (20' required), and 1,150' rear (20' required)

Winery Road Setbacks: 82' proposed (300' required)

Adjacent General Plan Designation/ Zoning / Land Use:

North

Agricultural Resource General Plan designation - **AP** zoning

Residential uses on relatively small lots; including 1/2 acre residential parcels (Sexton, Bettinelli, Donaldson, & Jackson) and a 12 acre residential/vineyard parcel (Nickolatos)

South

Agricultural Resource General Plan designation - **AP** zoning

Agriculture; including a 203 acre vineyard/residential parcel (Komes Ranch) and an 18 acre vineyard/residential parcel (Pollard Ranch)

West

Agricultural Resource General Plan designation - **AP** zoning

Agriculture; including a 5 acre vineyard parcel (Komes Ranch)

East

Agricultural Resource General Plan designation - **AP** zoning

Agriculture/Residential; including an 11 acre vineyard/residential parcel (Morris/Brown)

Nearby Wineries (located within 1/2 mile of the project):

Hall Winery - 401 S. St Helena Highway - *Producing* - **1,260,000 gallons per year** - Open to the public
Villa Helena Winery - 1455 Inglewood Avenue - *Producing* - **6,000 gallons per year** - Open to the public
Corison Winery - 987 S. St. Helena Highway - *Producing* - **20,000 gallons per year** - By appointment
Milat Winery - 1091 S. St. Helena Highway - *Producing* - **20,000 gallons per year** - By appointment
Flora Springs Wine Company - 1978 West Zinfandel Lane - *Producing* - **120,000 gallons per year** - By appointment, with public tours and tasting at 677 S. St. Helena Highway
Jaeger Family Vineyards - 2125 Inglewood Avenue - *Producing* - **13,200 gallons per year** - By appointment

Parcel History and Evolution of this Application:

May 2007 - The Youngs (as Sandpoint Wines) purchase the property from Jaeger Vineyards, its longtime owners.

July 2008 - The Youngs pull the first of a number of building permits to construct a new guest house and main residence on the property.

December 2009 - Donna Oldford files the subject applications, which consist of **use permit No. P09-00516** and **variance No. P09-00535**.

December 2009 - The Planning Department and the Department of Environmental Management each issue incompleteness determinations outlining the additional information needed to process the application.

April 2010 - The applicant submits the additional required information outlined in the County's various incompleteness determinations.

June 2010 - The Planning Department posts the project negative declaration and agendas Sandpoint Winery item for a hearing before the Planning Commission.

Code Compliance History:

Having discussed the application with Enforcement staff, toured the property, and reviewed the Department's files, Planning Staff is not aware of any code compliance issues on the subject parcel.

Discussion Points:Setting

The project is proposed on a 16 acre parcel located on the south side of Inglewood Avenue, approximately ½ mile west of Inglewood's intersection with State Highway 29 (or the St. Helena Highway) and more or less directly adjacent to the intersection of Inglewood Avenue and Stanton Drive. As the crow flies, it is also about 1/3 mile south of the City of St. Helena. The property formerly included a residence, barn, and vineyard and is currently being redeveloped with a "residential enclave" including a new single family residence, guest house, pool, pool house, and garages. Slightly less than 14 acres of existing, producing, vineyard would also remain.

The Proposed Winery

The Young Family (as Sandpoint Wines LLC) and their planning consultant Donna Oldford are proposing a new 30,000 gallon per year winery set amongst existing vineyards on the rectangular parcel's northeast corner. The

winery would be located 60 feet from the eastern sideyard property line and about 80 feet from the center line of the Inglewood Avenue right-of-way. The facility would be housed entirely within a new purpose-built two story structure with a barrel storage cellar. The proposed building totals approximately 10,700 square feet on what would effectively be three levels. The cellar level, which would be entirely below grade, is to be given over to barrel storage and storage uses. The main level would be at finished grade and would include winemaking, fermentation, office, employee break room, and mixed use conference room/tasting room facilities. Much of the second story would be open to the main tank storage room below, with the remainder (approximately 1,600 square feet) given used for a mix of office, storage, and conference/tasting room spaces. In addition, a 450 square foot second raised deck is proposed off the second floor office and conference room area. Quoting from the applicant's project statement, which does a good job of describing the design of the proposed winery structure;

The design of the winery is in the vernacular of a Napa Valley barn-like structure, but includes design details that are country French in appearance. The winery structure will be plaster with wood and stone details and window facade treatment. The second story of the winery structure features a series of gabled windows on the south side. The west elevation shows an elevated deck area off the second story and a suspended metal overhang covering an outdoor work area. The roof of the structure is tile of a muted earthen tone.

An approximately 3,000 square foot decomposed granite courtyard is proposed between the winery and Inglewood Avenue; the area would be landscaped with a number of trees and a tall hedge providing privacy and screening between the winery and the road. A covered outdoor work area totaling less than 2,000 square feet is proposed at the rear of the winery (on the southern elevation). Additional winery improvements slated for the property include a 6-car parking lot proposed at the northeast corner, four new 15-foot-tall fireflow and process wastewater irrigation holding tanks totalling 80,000 gallons, a new driveway entrance located some 180 feet to the east of the property's existing residential access drive, and new process and domestic wastewater distribution fields (both of which are proposed to be located to the east of the proposed winery, in existing vineyard areas).

Grape On-Haul

The Young property is currently developed with something less than 15 acres of vineyard and the development of the proposed winery and its associated landscape and hardscape areas will require the removal of perhaps 1/2 acre of vines. According to calculations provided by the applicant, the remaining estate vineyard will provide enough fruit to supply roughly 45% of the 30,000 gallon per year winery's total need. The on-haul of the additional fruit needed when, and if, the facility reaches full production would account for approximately 15 truck trips per year. These grape delivery trips would, however, occur during the one to two month harvest period and would generally be limited to the early and mid morning hours.

Visitation and Marketing

Tours and tastings visitation to the proposed Sandpoint Winery would be by-appointment, with a maximum of 16 visitors per day and an average of 42 per week. In addition, a moderately-sized annual marketing program is proposed for the facility, including 24 20-person (max) private food and wine pairing events, three 60-person (max) open house/ wine club/ release events, and a 125-person (max) charitable auction event outside of Auction Napa Valley. Participation in Auction Napa Valley is also proposed. As the facility has no commercial kitchen, all food will have to be catered. As noted above, normal hours of operation would be 6 am to 6 pm, daily.

Winery Road Setback Variance

The Sandpoint Winery is proposed to be set back 82 feet from the centerline of Inglewood Avenue, which, as a non-arterial public roadway, requires a 300 foot centerline setback. As a result, the applicants have filed for a variance from the Winery Definition Ordinance's N.C.C. §18.104.230 winery road setback requirements. In response to concerns raised by staff about the Commission's ultimate ability to make the findings required in support of the requested variance, the applicant's team has submitted their own findings analysis, the highlights of which are outlined below:

- | According to the applicant, the variance request meets the intent of the 300 foot setback to "avoid a wall of structures as viewed from major public roads." This is because locating wineries at the 300 foot setback line from Inglewood Avenue would tend to increase their visual prominence from Highway 29, which is undeniably a more significant thoroughfare than Inglewood Avenue from a viewshed perspective. The applicant's architect has created an exhibit (*View Study*, March 30, 2010, attached) which illustrates impacts on Inglewood and Highway 29 from the proposed project.
- | According to the applicant, clustered development, as proposed in this application, increases efficiency and reduces project greenhouse gas emissions.
- | Other wineries have been approved within winery road setbacks countywide, specifically including the Villa Helena (Arger-Martucci) Winery, which is located on Inglewood Avenue about 1/4 mile to the east of the Sandpoint property. Villa Helena is situated slightly more than 100 feet back from the Inglewood centerline.
- | According to the applicant, the proposed location is environmentally superior in that it would preserve vineyard areas which would otherwise be given over to extended access roads.
- | The Young's residence, which is currently under construction, is located very near to the proposed winery. According to the applicant, this "should provide a measure of reassurance to neighbors as far as any potential nuisance factors."
- | Were the Sandpoint property to be located just 300 feet to the west, it would be an "end of the road" property and would not be subject to the required 300 foot winery setback. According to the applicant, this creates an uneven playing field with respect to the application of the County's setback requirements.
- | According to the applicant, the, "neighbors closest to the proposed winery have expressed a very strong desire to see the winery developed closer to Inglewood Avenue, in order that their views are preserved, the winery is screened..., and noise is contained closer to the road." A letter of support for the project has been submitted by the neighbor directly to the east of the proposed Sandpoint Winery and it is attached to this report for the Commission's review.

Planning staff is supportive of a winery on the Young property. It would appear to us that the main question for the Planning Commission to consider here is whether or not a variance should be granted to allow the winery to be located inside the required 300 winery road setback. If the Commission is convinced by the applicant's analysis (as paraphrased above and copied in full in the attachments), we would recommend approval of the variance as requested. If the Commission does not believe that the required findings can be made in support of the variance requested here, staff would recommend that the Commission provide the applicant with guidance as to the correct location of the proposed winery and continue the matter to allow them to make any requested changes.

Consistency with Standards:

Zoning

The project is consistent with AP (Agricultural Preserve) 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 18.16.030) are permitted in the AP district with an approved use permit. This application complies with the Winery Definition Ordinance and, where variances and/or exceptions to the requirements of the Zoning Code are requested, staff believes required findings can be made.

Building Division Requirements

The Building Division recommends approval with standard conditions. Please see their final project memo.

Fire Department Requirements

The Fire Marshal's office recommends approval with standard conditions. Please see their May 11 and January 5, 2010 memos (attached).

Department of Public Works Requirements

The Department of Public Works recommends approval with standard conditions. Please see their June 24, 2010 memo (attached).

Department of Environmental Management Requirements

The Department of Environmental Management recommends approval with standard conditions. Please see their June 22, 2010 memo (attached).

SUPPORTING DOCUMENTS

- A . Proposed Findings
- B . Proposed Conditions of Approval
- C . Environmental Management Conditions
- D . Fire Marshal's Conditions
- E . Public Works Conditions
- F . Negative Declaration and Initial Study
- G . Greenhouse Gas Reduction Checklist
- H . Applicant's Additional Variance Findings and View Study
- I . Neighbor Comments
- J . Submitted Application Materials
- K . Graphics

Napa County Planning Commission: Approve

Reviewed By: John McDowell