



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 8/1/2018

Agenda Placement: 7B

Napa County Planning Commission Board Agenda Letter

TO: Napa County Planning Commission

FROM: Charlene Gallina for David Morrison - Director
Planning, Building and Environmental Services

REPORT BY: Jason Hade, Planner III - (707) 259-8757

SUBJECT: Maxville Lake Winery Use Permit Major Modification P17-00225 and Use Permit Exception to Conservation Regulations P18-00189

RECOMMENDATION

KOKO NOR CORPORATION - MAXVILLE LAKE WINERY - USE PERMIT MAJOR MODIFICATION NO. P17-00225 AND USE PERMIT EXCEPTION TO CONSERVATION REGULATIONS P18-00189

CEQA Status: Consideration and possible adoption of a Mitigated Negative Declaration. According to the proposed Mitigated Negative Declaration, the proposed project would not have any potentially significant environmental impacts after implementation of mitigation measures. Mitigation measures are proposed for the areas of biological resources, transportation/traffic, and tribal cultural resources. The project site is not included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5.

Request: Approval of a Use Permit Major Modification to an existing 59,000 gallon per year winery to allow the following: (1) Convert approximately 2,069 square feet of the existing wine storage caves from a type I to a type III cave for hospitality use and convert approximately 3,056 square feet of existing winery building floor space to hospitality use; (2) Install a commercial kitchen and convert the existing mezzanine area to employee offices within the existing 23,662 square foot winery building; (3) Increase annual permitted maximum production from 59,000 gallons to 240,000 gallons; (4) Upgrade the existing wastewater system and associated infrastructure consistent with County Code; convert the existing storage ponds to a wastewater treatment pond; and install on-site drainage systems and fire suppression systems; (5) On-premises consumption of wines produced on site in the tasting areas and outdoor patio in accordance with Business and Professions Code Sections 23358, 23390 and 23396.5; (6) Increase employees from 10 full-time employees to 15 full-time employees and nine (9) part-time employees; (7) Increase parking spaces from 30 spaces to 50 spaces; (8) Change the winery's tasting room hours of operation from 10:00 AM to 4:00 PM to 10:00 AM to 6:00 PM (Seven days a week) and non-harvest production hours of operation from 8:00 AM to 5:00 PM to 7:30 AM to 6:00 PM (Seven days a week); and (9) Construct a new access driveway to Chiles Pope Valley Road. An increase in the maximum number of guests for daily tours and tasting and the modification of an existing marketing program is also requested. A Use Permit Exception to the Conservation Regulations (P18-00189) is also requested to allow construction of the proposed new access driveway to Chiles

Pope Valley Road to encroach into the required 55-foot stream setback by approximately 45 feet for Maxwell Creek and associated wetland for approximately 120 lineal feet. The project is located on an approximately 247.5 acre site within the AW (Agricultural Watershed) zoning district at 4105 Chiles Pope Valley Road, St. Helena, CA; APN: 025-020-023.

Staff Recommendation: Adopt the Mitigated Negative Declaration and approve the Use Permit Exception to the Conservation Regulations and Use Permit Major Modification, as conditioned.

Staff Contact: Jason R. Hade, AICP, Planner III, (707) 259-8757 or jason.hade@countyofnapa.org

Applicant Contact: Jeffrey Redding, AICP, Land Use Planning Services, 2423 Renfrew Street, Napa, CA 94558, (707) 255-7375 or jreddingacip@comcast.net

EXECUTIVE SUMMARY

Proposed Actions:

That the Planning Commission:

1. Adopt the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program (MMRP) based on recommended Findings 1-7 in Attachment A;
2. Approve an Exception to the Conservation Regulations in the form of a Use Permit (P18-00189), based on Findings 8-14 of Attachment A and subject to the recommended conditions of approval in Attachment B; and
3. Approve Use Permit Major Modification No. P17-00225-MOD based on recommended Findings 15-19 in Attachment A, and subject to the recommended conditions of approval in Attachment B.

Discussion:

The proposal is to modify an existing winery to permit an increase in annual production capacity from 59,000 gallons up to 240,000 gallons, increase daily visitation allowances, modify an existing marketing program and create a new winery entrance. A Use Permit Exception to the Conservation Regulations (P18-00189) is also requested to allow construction of the proposed new access driveway to Chiles Pope Valley Road to encroach into the required 55-foot stream setback by approximately 45 feet, leaving a 10 foot setback for Maxwell Creek and associated wetland for approximately 120 lineal feet.

Staff has reviewed the proposal and found it to be consistent with the Zoning Ordinance and applicable General Plan policies. The requested annual maximum visitation is below the average and the median of similar production capacity by appointment wineries. The requested number of marketing events is above both the average and median for similar production capacity by appointment wineries while requested maximum annual visitors is below the average and median. Sufficient water is available to implement the project and a Transportation Demand Management plan would be implemented as part of the project's mitigation measures (MM TRANS-1 and MM TRANS-2). A tribal monitoring agreement would also be implemented via a mitigation measure to address potential cultural resources at the project site. Furthermore, the applicant has already implemented the following GHG reduction methods at the existing winery: installation of rooftop solar panels; installation of water efficient fixtures; application of low impact development; installation of water efficient landscape in compliance with the Water Efficient Landscape Ordinance (WELo); installation of energy conserving lighting; the installation of bicycle racks; and the designation of clean air/carpool/electric vehicle parking spaces. As part of this project, the applicant intends to install additional electric vehicle charging stations, implement a lake restoration plan, and explore the installation of water floating solar systems. All potential environmental impacts

were found to be less than significant with implementation of mitigation measures in the areas of biological resources, transportation/traffic, and tribal cultural resources.

Staff believes that the necessary findings can be made to approve the requested exception to the Conservation Regulations due to the proposed driveway's limited encroachment into the required stream setback and based upon the agreed upon biological resources mitigation measures. The new driveway would improve an existing gravel driveway with a previously permitted culvert to County standards. Biological resources mitigation measure would require that all road paving within 50 feet of the intermittent stream and seasonal wetlands be conducted during the dry season of May 1 to October 15 to minimize water quality impacts and that if any placement of fill within the seasonal wetlands or intermittent stream identified in the *Biological Resources Assessment Maxville Lake Winery and Vineyard Permit Modification Project Napa County, California*, is proposed, consultation and permitting must be obtained from the U.S Army Corps of Engineers, Regional Water Quality Control Board, and California Department of Fish and Wildlife prior to and during the construction.

Based on the reasons stated above, staff recommends approval of the project subject to the recommended conditions of approval. However, given the lack of estate grown grapes to support the requested annual production capacity increase, as well as, the winery's remote location, staff has included a Reduced Production Capacity Alternative for Commission consideration.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

Consideration and possible adoption of a Mitigated Negative Declaration and MMRP. According to the proposed Mitigated Negative Declaration, the proposed project would not have any potentially significant environmental impacts after implementation of mitigation measures. Mitigation measures are proposed for the areas of biological resources, transportation/traffic and tribal cultural resources. The project site is not included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5.

BACKGROUND AND DISCUSSION

Owner: KoKo Nor Corporation

Owner's Representative: Anthony Hsu, KoKo Nor Corporation, 4105 Chiles Pope Valley Road, St. Helena, CA 94574, (707) 965-9378

Representative: Jeffrey Redding, AICP, Land Use Planning Services, 2423 Renfrew Street, Napa, CA 94558, (707) 255-7375

Zoning: Agricultural Watershed (AW) - District

GP Designation: AWOS (Agriculture, Watershed, and Open Space) and Agricultural Resource (AR) Designations

Filed: June 5, 2017

Resubmittal Received: October 30, 2017 and January 11, 2018

Deemed Complete: April 6, 2018

Parcel Size: 247.5 acres

Existing Development: The existing winery parcel (APN 025-020-023) includes an existing winery building, 22,988 square foot cave, residence and guest cottage, two (2) 34,000 gallon fire protection water storage tanks, one (1) septic tank, two (2) process wastewater tanks, four (4) 30,000 gallon water storage tanks, water treatment system, propane tanks, and wastewater pond. The site also includes 30 parking spaces, landscaping, and walkways. Water sources for the project consist of five groundwater wells. Approximately 95 acres of vineyards are planted at the subject site. Existing winery access is provided via a driveway to Chiles Pope Valley Road.

Proposed and Existing Winery Characteristics

Winery Development Area - Approved: 120,178 square foot winery development area with uses identified above.

Winery Development Area - Proposed: 164,897 square feet.

Production Capacity Approved: 59,000 gallons per year. Current actual production was 30,000 gallons in 2015.

Production Capacity Proposed: 240,000 gallons per year.

Winery Coverage Existing: 128,739 square feet or approximately 1.2%.

Winery Coverage Proposed: 173,458 square feet or approximately 1.6%. (Based on project plans Sheet UP8) (Maximum 25% or approximately 15 acres permitted, whichever is less).

Accessory/Production Ratio Existing: 12,456 square feet accessory/39,087 square feet production - approximately 32%.

Accessory/Production Ratio Proposed: 14,130 square feet accessory/37,454 square feet production - approximately 38%.

Number of Employees Existing: 10 full-time employees.

Number of Employees Proposed: Five additional full-time employees and nine part-time employees.

Visitation - Approved: 30 visitors per day by appointment and 210 visitors per week.

Visitation - Proposed: Maximum of 25 visitors per day Monday through Thursday and 75 visitors per day Friday through Sunday by appointment only; 325 visitors per week.

Marketing Program - Approved: Four events per year with up to 75 guests.

Marketing Program - Proposed: Addition of the following events to the approved marketing program described above with the following: (1) Ninety-six (96) events per year for up to 30 guests; (2) Twenty-four (24) events per year for up to 95 guests; (3) Six (6) events per year for up to 100 guests; (4) Two (2) wine auction related events per year for up to 75 guests; (5) Food service to be prepared by proposed on-site commercial kitchen or by licensed caterers; and (6) Permit use of outdoor patio area for tasting and marketing events.

Days and Hours of Operation - Approved: 8:00 AM to 5:00 PM daily (production hours) and 10:00 AM to 4:00 PM daily (visitation hours). All events to conclude by 10 PM.

Days and Hours of Operation - Proposed: 7:30 AM to 6:00 PM daily (production hours) and 10:00 AM to 6:00 PM daily (visitation hours).

Parking - Approved: 30 parking spaces.

Parking - Proposed: 50 parking spaces.

Setbacks:

Required Road setbacks – 600 feet from the centerline of Chiles Pope Valley Road.

Required Property line setbacks - 20 feet side and rear yard setbacks (for structures).

Proposed Setbacks - The existing buildings is located approximately 610 feet from the centerline of Chiles Pope Valley Road, 850 feet from the rear property line, 6,550 feet from the northern side property line and 250 feet from the southern side property line. No change to the existing building setbacks is proposed.

Building Height-Existing: 33 feet.

Building Height-Proposed: No change. 35 foot maximum height permitted.

Adjacent General Plan Designation/ Zoning / Land Use:

North: Agriculture, Watershed and Open Space (AWOS)/Agricultural Watershed (AW) zoning district/agricultural use (vineyards)

South: AWOS/AW/zoning district/rural residential

East: AWOS and Agricultural Resource (AR)/AW/rural residential

West: AWOS/AW zoning district/agricultural use (vineyards) and rural residential

Nearby Wineries: (located within 2 miles of the project)

Please refer to Attachment L.

Parcel History:

- | Use Permit #77-66 was approved by the Planning Commission on August 1, 1966 authorizing a children's summer camp at the subject site. This Use Permit was subsequently revoked by the Planning Commission on February 15, 1984.
- | Use Permit #97484-UP was approved by the Planning Commission on July 22, 1998 authorizing the construction of a 23,662 square foot winery with a maximum annual permitted production capacity of 59,000 gallons over any consecutive three year period, not to exceed 65,000 gallons in any given year. This permit also authorized daily tours and tastings for a maximum of 30 persons per day and up to four events per year with a maximum of 75 persons per event.
- | On April 9, 1999, the Zoning Administrator approved Use Permit Modification #98354-MOD to allow the construction of a wastewater and fire protection pond in lieu of the previously approved underground wastewater system.
- | Use Permit Modification #02354-MOD was approved by staff on September 24, 2002 authorizing a cave for wine storage.
- | Custom crush activities were later permitted on July 31, 2003 via Use Permit Modification #03224-MOD approved by staff.
- | The current property owner, KoKo Nor Corporation, purchased the property on December 8, 2013.
- | The most recent Use Permit modification (P16-00294), approved by staff on July 20, 2016, permitted the installation of a new fire protection system consisting of the installation of two water storage tanks on a concrete pad.
- | Building Permit B16-00117 was issued on May 15, 2017 and authorized the interior remodeling of the winery.

Code Compliance History:

There are no active code violations at the project site.

Discussion Points:

Setting - The 247.5 acre project site is located within the AW zoning district at 4105 Chiles Pope Valley Road approximately six miles north of the intersection of Sage Canyon Road (State Route 128) and Chiles Pope Valley Road and approximately six miles northeast of downtown Saint Helena. The parcel is comprised of 9.84 acres of developed area, approximately 95 acres of planted vineyards, chaparral, grassland, and 10.76 acres of oak woodland. The project site also features an artificial wetland, freshwater marsh, intermittent stream, ephemeral stream, pond (Maxville Lake), and seasonal wetland. Site topography ranges from slopes of less than five percent to slopes in excess of 30 percent within the southwestern portion of the property. Soil types include Tehama silt loam, zero to five percent slopes, Bress-Dibble complex, 15 to 30 percent slopes, and Bress-Dibble complex, 30 to 50 percent slopes. An area within the northern section of the site lies within the boundaries of the 100 year flood hazard zone, but is outside of the 500 year flood hazard boundaries. The western portion of the project site is in an area designated as Very High Fire Hazard Severity while the remaining portion of the site is within an area designated as Moderate Fire Hazard Severity.

The property is surrounded by rural residential and agricultural (vineyards) uses. The existing winery building is located approximately 855 feet to the southwest of the nearest neighboring residence which lies on the east side of Chiles Pope Valley Road.

Winery Proposal - The request is to modify an existing winery to permit an increase in annual production capacity up to 240,000 gallons, increase daily visitation allowances, modify an existing marketing program, increase the number of employees and create a new winery entrance. A Use Permit Exception to the Conservation Regulations (P18-00189) is also proposed to allow construction of the proposed new access driveway to Chiles Pope Valley Road to encroach into the required 55-foot stream setback by approximately 45 feet for Maxwell Creek and associated wetland for approximately 120 lineal feet.

Visitation/Marketing Program - As shown in Attachment L, the proposed annual maximum visitation is below the average and the median of similar production capacity by appointment wineries. The requested number of marketing events is above both the average and median for similar production capacity by appointment wineries while requested maximum annual visitors is below the average and median. The proposed visitation increase could result in a maximum of 16,900 tastings per year, but it is very unlikely that the winery would host 25 visitors (Monday through Thursday) or 75 visitors (Friday through Sunday) for 365 days per year. Based on a current permitted maximum of 30 visitors per day and 210 visitors per week, the winery may host 10,920 tastings per year. Marketing events with 30 guests are planned for weekdays and weekends between the hours of 12:00 PM to 3:30 PM while 100 person events would be held on weekdays and weekend days between the hours of 2:00 PM to 4:00 PM. The tasting room would be closed during marketing events of 95 or 100 persons. Staff has provided a decision making option below which would reduce the number of authorized marketing events relative to the winery's production capacity.

Traffic and Parking - W-Trans prepared a *Traffic Impact Study for Maxville Lake Winery Use Permit Modification* on February 13, 2018. Analysis indicates that under existing conditions the study intersections are currently operating at LOS C or better overall during both peak hours. However, the Sage Canyon Road approach to Silverado Trail is operating at LOS F during the weekday PM peak hour. After addition of the project-related traffic, the study intersections would continue operating at the same levels of service and the project would be responsible for an increase that represents less than 10 percent of the existing PM peak hour traffic volumes on the Sage Canyon Road approach. Under baseline conditions which include traffic associated with known winery projects within the study area that are approved or pending, the study intersections would continue to operate at the same levels of service as under existing conditions. The inclusion of project-related traffic would not change these service levels and project traffic would still be responsible for less than 10 percent of the baseline PM peak hour traffic volumes

on the Sage Canyon Road approach to Silverado Trail. Under the projected future volumes, Silverado Trail/Deer Park Road would deteriorate to LOS F during weekday PM peak hour and LOS E during the weekend midday PM peak hour and Silverado Trail/Sage Canyon Road would deteriorate to LOS F overall during the weekday PM peak hour. Although these service levels are considered unacceptable, the project would contribute less than five percent of the anticipated increase in traffic volumes at Silverado Trail/Deer Park Road so this impact would be considered less than significant under the County's guidelines. However, the project would add greater than a five percent increase at the Silverado Trail/Sage Canyon Road intersection approach. Implementation of mitigation measures TRANS-1 and TRANS-2 requiring the implementation of a TDM plan applicable to both winery visitors and employees would reduce potential impacts to a less than significant level. TDM measures would include requiring employee shifts at the winery to be scheduled so that no employees end their work day between 3:30 PM and 6:00 PM on weekdays to minimize the outbound trips during the evening peak hour. Events at the winery would be scheduled to conclude before 3:30 PM or after 6:00 PM on weekdays to minimize the outbound trips during the evening peak hour. Public Works Department staff reviewed the study and concluded that the study adequately demonstrates that the proposed use in the proposed location would not result in any significant impacts, either project-specific or cumulative, on traffic circulation in the vicinity. Therefore, the project would result in a nominal increase in trips on the study area transportation network. Additionally, a project specific condition would ensure that tasting by appointment would not occur during events of 95 or 100 guests.

After implementation of the proposed project, the site would be accessed via an existing driveway on Chiles Pope Valley Road as well as a new driveway also connecting to Chiles Pope Valley Road. Sight distance along Chiles Pope Valley Road at the project driveway and proposed driveway was evaluated based on sight distance criteria contained in the *Highway Design Manual* published by Caltrans. "Adequate sight distance is available at both driveways to accommodate all turns. Although Chiles Pope Valley Road is generally curvy, both driveways are positioned on straight segments with adequate sight distance in both directions both for drivers exiting the site and also for following drivers to see and react to a vehicle stopped to turn into the project driveway, should that unlikely event occur." (W-Trans, 2018) Proposed site access was reviewed and approved by the Napa County Fire Department, Engineering Services Division, and Public Works Department, as conditioned. Based on the existing volumes on Chiles Pope Valley Road and expected daily volumes at the project driveways, a left turn lane is not required at either of the two proposed project driveways per the County's standard left turn lane warrant.

The proposal includes the construction of 20 additional parking spaces for a total of 50 parking spaces at the subject site. Based upon the County standard of 2.6 persons per vehicle during weekdays and 2.8 persons per vehicle during weekends and 1.05 persons per vehicle for employees the minimum parking required for daily activities would be 50 parking spaces. However, it is unlikely that the winery would host 75 visitors at one time on a weekend and have 15 full-time employees and nine part-time employees at the site at one time.

Groundwater Availability - Water sources for the project site consist of five groundwater wells, a natural spring, and Maxwell Lake. The natural spring is no longer used. Based on the capacity of the four new wells drilled in 2015, the winery has elected to use wells #1, #3, and #4 for all domestic and process water supply. Well #1 was drilled in 1972 to a depth of 216 feet and has a 25 foot annular seal with an estimated yield of 7 gpm. (Summit Engineering, 2017) Well #3 was drilled in 2015, has a depth of 440 feet, a 50 foot seal and sustainable yield of 15 gpm from an eight hour pump test. Well #4 was drilled in 2015, has a depth of 345 feet, a 50 foot seal and sustainable yield of 24 gpm from an eight hour pump test. The applicant submitted a Tier 2 Water Availability Analysis (WAA) completed by Summit Engineering on August 31, 2017 showing the projected water use for the project plus existing demand is 42.6 AF/YR. The anticipated total overall water demand for the project site would be 42.6 AF/YR representing a 3.8 AF/YR increase of the existing water demand of 38.8 AF/YR. The parcel water demand can be met with the existing project wells. The Water Availability Analysis concluded that sufficient water would be available to serve the proposed project. The winery, as part of its entitlement would include the County's standard condition of approval (COA 4.9 - Attachment B) requiring well monitoring as well as the potential to modify/alter permitted uses on site should groundwater resources become insufficient to supply the use.

Wastewater - Wastewater disposal would be accommodated on-site and in compliance with State and County regulations. According to the Wastewater Disposal Feasibility Study prepared by Summit Engineering on August 31, 2017, the project site and proposed system has adequate disposal capacity to serve the project. The Division of Environmental Health reviewed this report and concurred with its findings. The Division of Environmental Health reviewed this report and concurred with its findings.

Greenhouse Gas Emissions - The County requires project applicants to consider methods to reduce Green House Gas (GHG) emissions consistent with Napa County General Plan Policy CON-65(e), which requires GHG review of discretionary projects. The applicant has completed the Department's Best Management Practices Checklist for Development Projects, which is attached to this report as Attachment E. As discussed above, the applicant proposes to incorporate the following additional GHG reduction methods: install additional electric vehicle charging stations, implement a lake restoration plan, and explore the installation of water floating solar systems. Furthermore, the applicant has already implemented the following GHG reduction methods at the existing winery: installation of rooftop solar panels; installation of water efficient fixtures; application of low impact development; installation of water efficient landscape in compliance with the Water Efficient Landscape Ordinance (WELo); installation of energy conserving lighting; the installation of bicycle racks; and the designation of clean air/carpool/electric vehicle parking spaces.

Grape Sourcing - The project site and two adjacent parcels owned by the applicant currently include approximately 95 acres of vineyards. The yield from these existing vineyards totaled 250 tons in 2018. An additional 50 acres of land owned by the applicant on the project site and adjacent parcels with less than five percent slopes will be planted in 2019. These plantings are expected to produce up to 123,750 gallons of wine from Napa County. Including an allowance for 25 percent of out of county fruit, these vineyards represent approximately 154,750 gallons or 64 percent of the grapes needed for the requested annual production capacity. The remaining grapes would come from grape growing contracts in the Carneros, St. Helena, and Soda Canyon Road areas ensuring compliance with the County's 75 percent rule. The recommended conditions of approval include a requirement for compliance with the 75 percent grape sourcing rule (COA 4.6 – Attachment B). In light of the lack of estate grown grapes present or planned at the subject site to provide sufficient fruit for the requested capacity increase to 240,000 gallons per year, staff has provided a decision making option for a reduced annual production capacity for Commission consideration.

Exception to the Conservation Regulations – Among the purposes of the Conservation Regulations (County Code Section 18.108.010) are intentions for the County to: 1) minimize the effects of cut, fill, earthmoving, grading operations and similar activities on the natural terrain; 2) minimize soil erosion caused by human modifications to the natural terrain; 3) maintain and improve water quality by regulating stormwater quality and quantity; 4) preserve riparian areas and other natural habitat near streams; and 5) encourage development that minimizes impacts to existing land forms, avoids steep slopes and preserves existing vegetation and unique geologic features.

The existing gravel road to be improved to County standards as a new access driveway to Chiles Pope Valley Road crosses over an intermittent stream via an existing culvert and is directly adjacent to a seasonal wetland. As shown on UPEX1 prepared by Summit Engineering on September 14, 2017 (Attachment K), approximately 120 lineal feet of the proposed driveway would encroach within the County Conservation Regulation required 55 foot intermittent stream and seasonal wetlands setback. These areas could potentially be impacted by construction activities as a result of potential accidental discharge during paving activities. However, implementation of mitigation measures BIO-5 and BIO-6 below would reduce potentially significant impacts to a level of less than significant. According to the biological resources assessment, “because the project footprint will avoid directly impacting wetlands and waters, and the implementation of the mitigation and avoidance measures discussed, the project would result in a less than significant impact to wetlands and waters in the Project Area.” (WRA Environmental Consultants, 2017). If the seasonal wetlands or intermittent stream are filled or otherwise modified, a potential impact would occur subject to regulation by the U.S. Army Corps of Engineers, Regional Water Quality Control Board, and California Department of Fish and Wildlife.

As required by MM BIO-5, to avoid potentially impacting seasonal wetlands and the intermittent stream, all road paving within 50 feet of the intermittent stream and seasonal wetlands shall be conducted during the dry season of May 1 to October 15 to minimize water quality impacts. Prior to construction, the delineated wetland boundary shall be demarcated in the field and an erosion control silt fence shall be installed between the edge of the delineated wetland boundary and the road to ensure all construction activities avoid the wetland, and no accidental discharge occurs. Mitigation Measure BIO-6 requires that if any placement of fill within the seasonal wetlands or intermittent stream identified in the *Biological Resources Assessment Maxville Lake Winery and Vineyard Permit Modification Project Napa County, California*, is proposed, consultation and permitting must be obtained from the U.S Army Corps of Engineers, Regional Water Quality Control Board, and California Department of Fish and Wildlife prior to and during the construction.

To justify an exception to the Conservation Regulations, additional findings are necessary, including findings that the proposed project would complement natural landforms; would require minimal grading, minimal removal of vegetation, and minimal disturbance to watercourses; and would not result in significant adverse impacts to sensitive species or stormwater quality. Staff believes that the necessary findings can be made to approve the requested exception to the Conservation Regulations due to the proposed driveway's limited encroachment into the required stream setback (a 10-foot setback from Maxwell Creek would be provided) and based upon biological resources mitigation measures outlined above.

Public Comments - At the time of staff report preparation, no public comments had been received.

Decision Making Options:

As noted in the Executive Summary Section above, staff is recommending approval of the project with conditions of approval as described in Option 1 below. Decision making options also include a no project alternative and a reduced project alternative.

Option 1 - Applicant's Proposal

Disposition - This option would result in approval of the proposed modifications to the 59,000 gallon per year winery. Staff recommends this option as the request is consistent with the Zoning Ordinance and applicable General Plan policies. Potential environmental impacts were found to be less significant. Adequate water is available to implement the project and a TDM plan would be implemented. The applicant also proposes to incorporate additional GHG reduction methods beyond those reduction measures which have already been adopted at the site.

Action Required - Follow the proposed action listed in Executive Summary. If conditions of approval are to be amended, specify conditions to be amended at time motion is made. This option has been analyzed for its environmental impacts, which were found to be less than significant with the implementation of the mitigation measures for biological resources, transportation/traffic, and tribal cultural resources.

Option 2 - Reduced Production Capacity Alternative

Disposition - This option would require that the applicant reduce their requested annual production capacity increase to better align with the amount of existing and planned estate grown grapes given the winery's remote location. If the Commission elects this option, staff further recommends that the maximum daily visitation and marketing program be reduced in correlation with the reduction annual production capacity or to reduce the number of marketing events by incorporating these activities into daily visitation numbers thereby utilizing marketing events for after hours of the winery via non-peak travel time. Based on the grape sourcing discussion

above, staff recommends a maximum annual permitted production capacity range of 160,000 to 180,000 gallons which includes future growth. Staff will be prepared to discuss appropriate corresponding maximum daily visitation and marketing program numbers at the hearing if the Commission is interested in exploring this option further.

Action Required – Follow proposed actions listed in the Executive Summary and amend scope and project specific conditions of approval to reduce the maximum annual production capacity and related visitation and marketing program and required conditions of approval. The item will need to be continued to a future date if significant revisions to the recommended conditions of approval are desired.

Option 3 - Redesign Alternative

Disposition - This option would require that the applicant attempt to relocate the proposed new driveway location to completely avoid the stream setback or further minimize the proposed driveway's encroachment into this setback. However, this would be challenging as Maxwell Creek traverses the entire parcel requiring any new driveway to the north of the winery area to cross the creek. Relocating the driveway outside the stream setback would potentially require additional oak tree removal and grading. A new alignment would also fail to take advantage of utilizing the existing gravel roadway with a previously approved culvert. Because of the location of Maxwell Creek within the site, a redesigned alternative is likely to still require a Conservation Regulations exception.

Staff does not support this option because it appears that an alternate driveway location would not have significantly fewer environmental impacts than the proposed project. Although outside the stream setback, such an alternative location may require additional vegetation removal and disturbance, potentially leading to greater environmental impact.

Action Required – Follow proposed actions listed in the Executive Summary and amend scope and project specific conditions of approval to revise the location of the driveway and required conditions of approval. The item will need to be continued to a future date to complete CEQA review on the new driveway and any associated required improvements.

Option 4 - Deny Proposed Project

Disposition - In the event the Commission determines that the project does not, or cannot meet the required findings for the granting of a Use Permit modification and Conservation Regulations Exception, Commissioners should identify what aspect or aspects of the project are in conflict with the required findings. State Law requires the Commission to adopt findings, based on the General Plan and County Code, setting forth why the proposed Use Permit modification and Conservation Regulations Exception is not being approved. Based on the administrative record as of the issuance of this staff report, there does not appear to be any evidence supporting denial of the project.

Action Required - Commission would take tentative motion to deny the project and remand the matter to staff for preparation of required findings to return to the Commission on a specific date.

Option 5 - Continuance Option

The Commission may continue an item to a future hearing date at its own discretion.

SUPPORTING DOCUMENTS

- A . Recommended Findings
- B . Recommended Conditions of Approval and Final Agency Approval Memos
- C . Previous Conditions
- D . Initial Study/Mitigated Negative Declaration
- E . Use Permit Application Packet
- F . Conservation Regulations Exception Application Packet
- G . Water Availability Analysis
- H . Wastewater Feasibility Study
- I . Traffic Impact Study
- J . Biological Resources Assessment
- K . Graphics
- L . Winery Comparison Analysis

Napa County Planning Commission: Approve

Reviewed By: Vincent Smith