



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 9/17/2008

Agenda Placement: 10B

Napa County Planning Commission Board Agenda Letter

TO: Napa County Planning Commission
FROM: John McDowell for Hillary Gitelman - Director
Conservation, Development & Planning
REPORT BY: Hillary Gitelman, Director - 253-4805
SUBJECT: Cumulative Impacts Discussion

RECOMMENDATION

CUMULATIVE IMPACT DISCUSSION Presentation and discussion regarding cumulative impacts of winery projects and how they are addressed in staff reports & environmental documents.

CEQA Status: No action is requested; this is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

Request: Discussion item only; no action is requested.

Staff Recommendation: Planning Commissioners have raised several questions about the cumulative impacts of winery projects, and staff would like to present some information related to winery production and to the way cumulative traffic impacts are considered and addressed in staff reports and environmental documents.

Staff Contact: Hillary Gitelman 253-4805

EXECUTIVE SUMMARY

In past hearings, Planning Commissioners have raised questions regarding potential cumulative impacts of winery projects and how they are or are not addressed in the Planning Department's review of individual projects. This agenda item is intended to provide information in response to these questions, and to allow for further discussion of this important issue.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

In past hearings, Planning Commissioners have raised questions regarding potential cumulative impacts of wineries and how these impacts are assessed by Planning staff. Most of these questions have concerned traffic-related issues, although the Commission has also specifically asked for information on winery production capacity in relation to grapes grown in Napa County. This staff report and the presentation/discussion on September 17 will focus on these two issues. Future agenda items can be scheduled to focus on other, related issues.

Winery Production Capacity

Napa County has a total of 409 approved wineries, although only about 313 have actually been built and are in production. As the Commission is aware, Napa County wineries fall into three categories depending on whether they were approved (a) prior to the requirement for a use permit in 1974, (b) after the requirement for a use permit but prior to the Winery Definition Ordinance (WDO) in 1990, or (c) after the WDO.

Over the years, County Planning staff has maintained a data base of all wineries, with available information about each. The data base does not allow for a total calculation of production capacity associated with pre-use permit and pre-WDO wineries, but does allow for that calculation associated with post-WDO wineries which are subject to 75% local grape source requirements. This calculation is provided below, and does not include post-WDO wineries in the Airport Industrial Area (AIA), since these are not subject to the 75% rule:

- | Number of post-WDO wineries approved outside the AIA (some may not be built or in production): 178 wineries
- | Total approved production capacity of post-WDO wineries outside the AIA subject to the local grape source (75%) requirement: 7,821,399 gallons
- | 75% of permitted production capacity of post-WDO wineries subject to the 75% local grape source rule: 5,866,049 gallons (*must* be made with local grapes)

Since pre-use permit and pre-WDO wineries that have expanded their production capacity since 1990 are subject to the 75% rule for the new portion of their production capacity, the above calculation should ideally be supplemented by adding 75% of the increase in production capacity approved for pre-WDO wineries since February 1990, however this data is not readily available from the data base. (We would have to pull and review all the files.) We do know that an estimated 90 pre-WDO wineries have requested and received some kind of use permit modification (not necessarily related to production) since 1990.

Nonetheless, comparing the approved production capacity associated with post-WDO wineries subject to the 75% rule to the quantity of grapes grown and sold in Napa County is instructive. Based on the 2007 Crop Report, approximately 145,112 tons of grapes were harvested in Napa County in 2007. (This does not include grapes that were cut off the vine prior to harvest, or grapes that were not harvested for use/sale.)

Using an average of 135 gallons per ton, the quantity of grapes harvested in 2007 could produce approximately 19,590,080 gallons of wine. Thus, only 30% of Napa County's grape harvest can meet the local grape source conditions applied to post-WDO wineries since the WDO was adopted in 1990. This suggests a substantial market demand for Napa grown grapes independent of any restrictions or conditions applied as part of the County planning process, presumably due to the quality of wine (and higher prices) derived from using Napa-grown grapes.

Cumulative Transportation Impacts

The Environmental Impact Report (EIR) for the General Plan Update certified June 3, 2008 assessed County-wide cumulative transportation impacts associated with projected development (residential, non-residential and vineyards) to the future year of 2030. The analysis used projections of population growth to estimate the amount of residential development anticipated, and used employment and (in the Airport Industrial Area) square footage projections to estimate the amount of non-residential development anticipated. New development of wineries was expected to continue, with approximately 225 wineries possible over 20-25 years (about 9-11 wineries per year).

County-wide cumulative traffic impacts were assessed in a number of ways in the EIR, including vehicle miles traveled (VMT), travel times along selected routes, and PM Peak Hour volume-to-capacity ratio and level of service (LOS) for 94 different road segments throughout the County. The PM Peak Hour was selected for the analysis because that is generally when traffic congestion is at its worst (although the EIR does have a discussion of weekend traffic), and analyzing road segments rather than intersections was deemed to be more appropriate for a County-wide plan.

The EIR analysis concluded that projected development during the time frame of the General Plan will result in significant and unmitigable traffic impacts, although most of the impacts were projected to occur whether or not the General Plan was updated, and a great percentage of the traffic increases were projected to involve external (regional) trips without an origin or destination in Napa County. Road segments with significant congestion under some future (cumulative) scenarios include:

- American Canyon Road between I-80 and Flosden Road (eastbound and westbound)
- Deer Park Road between Sanitarium Road and Silverado Trail (eastbound)
- Deer Park Road between Silverado Trail and SR29 (eastbound)
- Flosden Road between American Canyon Road and the County line (northbound)
- Napa Vallejo Highway between Kaiser Road and SR29 northbound and southbound
- Petrified Forest Road between SR 128 and Franz Valley School Road (eastbound and westbound)
- Silverado Trail between Oak Knoll Ave and Hardman Ave (northbound and southbound)
- Silverado Trail between SR 128 and Yountville Cross Road (northbound and southbound)
- Silverado Trail between Pope Street and Zinfandel Lane (southbound)
- Silverado Trail between the Calistoga City Limits and SR 29 (northbound)
- Soscol Ave between First Street and Silverado Trail (northbound and southbound)
- SR 12/121 between Cuttings Wharf Road and Stanley Road (eastbound and westbound)
- SR 12 between Lynch Road and Kelly Road (eastbound and westbound)
- SR 121 between Wooden Valley Road and Vichy Ave (eastbound)
- SR 128 between the Sonoma County Line and Tubbs Lane (eastbound and westbound)
- SR 128 between Petrified Forest Road and SR 29 (eastbound and westbound)
- SR 128 between Chiles-Pope Valley Road and Silverado Trail (eastbound and westbound)
- SR 128 between the Yolo County Line and SR 121 (westbound)
- SR 29 between Green Island Road and American Canyon Road (northbound and southbound)
- SR 29 between Oakville Grade and Madison Street (northbound and southbound)
- SR 29 between SR 128 and Oakville Grade (northbound and southbound)
- SR 29 between Chaix Ln and Zinfandel Ln (northbound and southbound)

SR 29 between Lodi Lane and Deer Park Road (northbound and southbound)
SR 29 between Kelly road and SR 12 (northbound and southbound)
SR 29 between Napa Vallejo Highway and Kelly Road (northbound)
SR 29 between Napa Vallejo Highway and SR 12/121 (northbound)
Tubbs Lane between SR 29 and SR 128 (eastbound)

The implications of the General Plan EIR's conclusions on individual projects are that (a) all discretionary projects with the potential to cause significant traffic problems or to noticeably contribute to cumulatively significant traffic problems are required to submit a traffic study prepared by a qualified expert; and (b) all traffic studies are required to provide sufficient data and analysis to allow planning staff to consider whether the project's contribution to the overall cumulatively significant traffic should be viewed as "considerable." The concept of "cumulatively considerable" derives from the State Guidelines for the California Environmental Quality Act (CEQA) which explain in Section 15065(a)(3) that *a project may have a significant impact and thereby require an EIR where there is substantial evidence that the project may have "environmental effects that are individually limited but cumulatively considerable. 'Cumulatively considerable' means that the incremental effects of an individual project are significant when viewed in connection with the effects of past projects, the effects of other current project, and the effects of probably future projects.*"

For typical winery projects, the assessment of cumulative impacts will rarely if ever result in a finding that the project would have peak hour traffic generation that would be "cumulatively considerable" because new wineries tend to have limited, comparatively small levels of employment, visitation and marketing. Nonetheless, the project's contribution to cumulative traffic congestion impacts warrants discussion, as do questions related to construction and off-peak traffic associated with marketing events and other activities. Also, in this discussion, it's important to take a finer grained approach than the General Plan EIR, and examine the immediate vicinity of the proposed winery (or the road leading to the winery if it's particularly steep or narrow).

CEQA allows agencies to analyze cumulative impacts one of two ways -- using a projections-based approach similar to the General Plan EIR, or a list-based approach which lists other past, present, and reasonably foreseeable future projects that are considered part of the cumulative context. Napa County typically uses both methods when it comes to analyzing projects by referencing available projections of daily and peak hour traffic growth (or alternatively by applying a growth rate to existing traffic), and by listing known projects in the immediate vicinity that could --when combined with the project -- result in some off-peak, construction-related, or other impacts not addressed by the projections-based analysis. Providing a list of projects can also serve to explain or support assumptions used in a projections-based approach.

When it comes to mitigation for contributions to cumulative impacts, projects can only be required to address their "fair share," typically through impact fees such as those imposed in the Airport Industrial Area. In other words, a project adding 50 peak-hour trips can't be held responsible for constructing a multi-million dollar interchange when it only contributes a 2% increase to the overall traffic. A project's location and size affects both its contribution to cumulatively significant impacts and its mitigation responsibilities.

SUPPORTING DOCUMENTS

None

Napa County Planning Commission: Approve

Reviewed By: John McDowell