



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 9/2/2020

Agenda Placement: 7B

Napa County Planning Commission Board Agenda Letter

TO: Napa County Planning Commission

FROM: Brian Bordona for David Morrison - Director
Planning, Building and Environmental Services

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

SUBJECT: Hyde Winery Use Permit Major Modification P17-00026

RECOMMENDATION

HYDE WINES LLC - HYDE WINERY - USE PERMT MAJOR MODIFICATION NO. P17-00026-MOD

CEQA Status: Consideration and possible adoption of a Negative Declaration. According to the Negative Declaration, the proposed project would not have any potentially significant impacts. The project site is not on any of the lists of hazardous waste sites enumerated under Government Code Section 65962.5.

Request: Approval of a Major Modification to an existing 30,000-gallon per/year winery approval to allow the following: 1) increase daily tours and tastings by appointment only from 20 visitors per day, 120 visitors per week (6,240 visitors per year), to 125 visitors per day, 875 visitors per week (45,500 visitors per year); 2) increase marketing events from 10 per year with up to 30 guests at each event and one (1) per year with up to 100 guests at each event (400 guests per year) to eight (8) events per year with up to 55 guests at each event, two (2) events per year with up to 150 guests at each event, one (1) per year with up to 100 guests at each event (840 guest per year); 3) increase previously approved on-site parking from 12 parking spaces to 35 parking spaces; 4) increase employees from two (2) full-time and two (2) part-time to five (5) full-time and four (4) part-time; 5) construct a 3,659 sf outdoor, uncovered patio (near the existing barn); 6) on-premise consumption of wines produced on site in the tasting room and the existing and proposed outdoor patios in accordance with Business and Professions Code Sections 23358, 23390 and 23396.5; 7) appointment of a winery staff member as Travel Demand Management (TDM) coordinator to schedule the additional tastings so none would end during the weekday and Saturday P.M. peak, facilitate reducing auto commuting trips and promote use of shuttle buses to all marketing events in order to reduce overall vehicle trips to the site and lessen Vehicle Miles Traveled (VMT) associated with the winery; and, 8) driveway improvements, signage, and landscape improvements. No increase to annual wine production and no construction of new buildings or expansion of existing buildings is proposed. The project is located on a 12.26 acre property on the southeast corner of State Route 12/121 and Los Carneros Avenue. 1044 Los Carneros Avenue, Napa. APN: 047-220-013.

Staff Recommendation: Adopt the negative declaration and approve the use permit modification with the proposed

conditions of approval.

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

Applicant Contact: Jeff Dodd, Coblenz, Patch, Duffy & Bass, LLP (415) 772-5724 or jdodd@coblenzlaw.com ams@dpf-law.com

EXECUTIVE SUMMARY

Proposed Actions:

That the Planning Commission:

1. Adopt the Negative Declaration based on recommended Findings 1-7 in Attachment A; and,
2. Approve Use Permit Major Modification No. P14-00411-MOD based on recommended Findings 8-13 in Attachment A, and subject to the recommended conditions of approval in Attachment B.

Discussion:

A Use Permit for the winery was approved in 2010 for 30,000 gallons of production with four full and part time employees, tours and tastings by appointment and a marketing program. The application proposes operational changes and physical improvements to the existing winery to increase daily visitation allowances, modify the marketing program, increase the number of employees, provide additional parking, an outdoor patio, and approval of on-premises consumption in the building and the outdoor patio. The proposal also includes appointment of a winery staff member as Travel Demand Management (TDM) coordinator to facilitate reducing auto commuting trips and reduce overall vehicle trips to the site and lessen Vehicle Miles Traveled (VMT) associated with the winery.

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 and number of marketing events are well above wineries with the same production capacity. Sufficient water is available to serve the project and a Transportation Demand Management plan would be implemented as part of the project, reducing potential transportation impacts. All potential environmental impacts were found to be less than significant. Based on the reasons stated above, staff recommends approval of the project subject to the recommended conditions of approval.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact? No

County Strategic Plan pillar addressed:

ENVIRONMENTAL IMPACT

Consideration and possible adoption of a Negative Declaration. According to the Negative Declaration, the proposed project would not have any potentially significant 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/Applicant: Larry Hyde, Hyde Winery LLC, 1044 Los Carneros Avenue, Napa, CA 94559

Representative: Jeff Dodd, Coblenz, Patch, Duffy & Bass, 700 Main Street, Suite 301, Napa, CA 94559 (415) 772-5724

Zoning: Agricultural Watershed (AW)

GP Designation: Agriculture, Watershed, and Open Space (AWOS)

Filed: January 23, 2017; **Resubmittals/Additional Information Received:** October 18, 2017, April 29, 2018, February 5, 2020, and July 29, 2020; **Deemed Complete:** July 30, 2020

Parcel Size: 12.27 acres

Existing Development: The project site is currently developed with a winery, agricultural barn and approximately 7.8 acres of vines. A single family home previously located on the site was demolished in 2017. The water source for the existing winery and vineyards are from two existing onsite wells. Domestic and process wastewater are treated and dispersed on-site. Access to the site is provided by driveway connection from Los Carneros Avenue, approximately 860 feet south of its intersection with State Route 12/121.

Winery Development Area - Approved: 12,774 sq. ft.

Winery Development Area - Proposed: 13,450 sq. ft.

Production Capacity Approved: 30,000 gallons per year.

Production Capacity Proposed: No change.

Winery Coverage Existing: 34,946 sq. ft. or approximately 6.54%.

Winery Coverage Proposed: 44,554 sq. ft. or approximately 8.34% (Maximum 25% or approximately 15 acres permitted, whichever is less).

Accessory/Production Ratio Existing: 2,246 sq. ft. accessory/10,444 sq. ft. production - approximately 22.5%. (Maximum 40%)

Accessory/Production Ratio Proposed: No change.

Number of Employees Existing: Two (2) full-time and two (2) part-time employees.

Number of Employees Proposed: Five (5) full-time and four (4) part-time employees.

Visitation - Approved: 20 visitors per day by appointment with a maximum of 120 visitors per week.

Visitation - Proposed: 125 visitors per day, 875 maximum per week.

Marketing Program - Approved: 10 per year with up to 30 guests at each event and one (1) event per year with up to 100 guests.

Marketing Program - Proposed: Eight (8) events per year with up to 55 guests at each event, two (2) events per year with up to 150 guests at each event, and one (1) event per year with up to 100 guests.

Days and Hours of Operation - Approved: 8:00 AM to 5:00 PM daily (production hours) and 10:00 AM to 6:00 PM daily (visitation hours) seven days a week.

Days and Hours of Operation - Proposed: No change.

Parking - Approved: 12 parking spaces.

Parking - Proposed: 35 parking spaces.

Existing Setbacks:

Road setbacks – Approximately 660 feet from the centerline of State Highway 12/121 (600 foot minimum) and approximately 338 feet from the centerline of Los Carneros Avenue (300 foot minimum).

Property line setbacks - Approximately 60 feet side (north) and 335 rear (east). Both required setbacks are a minimum of 20 feet (for structures).

Proposed Setbacks: No new structures are proposed.

Adjacent General Plan Designation/ Zoning / Land Use:

Surrounding land uses are primarily vineyards, wineries, the Carneros Inn Resort and Spa, residences, and a dog kennel. Properties in the vicinity of the project site range in size between 10,000 sf and 28 acres and the nearest residence to the existing winery building is approximately 416 feet to the west. The nearest winery, Saintsbury Winery, is located approximately 1/3 mile south of the proposed site.

North:

AR General Plan designation, CL/PD/AW zoning -

Across the State Highway to the north/northeast is the Carneros Inn Resort and Spa and a 24 acre property planted in vines..

South:

AR General Plan designation, AW zoning -

South/southwest of the project site are two properties consisting of 4.3 acres and 5.5 acres with a single-family home on each property.

East:

AR General Plan designation, AW zoning -

East of the project site is a 12.23 acre property owned by the project applicant planted in vines.

West:

AR General Plan designation, AW zoning -

West of the project site are 10 properties ranging in size from 0.10 to 15.7 acres. Nine of the properties have single-family homes, four of the properties include vineyards, and the property on the southwest corner of the State Highway and Los Carneros Avenue has a commercial kennel.

Nearby Wineries: (located within one mile of the project)

Please refer to Attachment K.

Background/Project History:

On August 4, 2010, the Planning Commission approved a use permit (file #P09-00025-UP) and adopted a negative declaration to establish a 30,000 gallon per year winery in a 9,947 sf winery building with a 2,413 sf covered outdoor crush pad. The approval included two full-time and two part-time employees, 13 parking spaces, tours and tastings by appointment with a maximum of 20 visitors per day and 120 visitors per week, and a marketing plan with 10 annual events with 30 guests and one annual event and for 100 guests.

Code Compliance History:

There are no active code violations at the project site.

Discussion Points:

Setting - The 12.26 acre project site is located on the southeast corner of State Route 12/121 and Los Carneros Avenue, between Cuttings Wharf Road and Old Sonoma Highway. The project site is currently developed with a winery, agricultural barn and approximately 7.8 acres of vines. A single family home previously located on the site was demolished in 2017. The water source for the existing winery and vineyards are from two existing onsite wells. Domestic and process wastewater are treated and dispersed on-site. Access to the site is provided by a driveway connection from Los Carneros Avenue, approximately 860 feet south of its intersection with State Route 12/121. The property is relatively flat (± 0 -5% slope) with elevations on the property ranging from approximately 115 feet above mean sea level (msl) to approximately 120 feet above msl. The property is surrounded primarily by rural residences, vineyards, and wineries. The nearest residence is located approximately 416 feet west of the existing winery building and approximately 392 feet to the proposed patio. An existing barn is located between the winery building and proposed outdoor patio and the nearest residence.

Visitation - The winery currently has by-appointment visitation for 20 visitors a day and is proposing daily visitation for up to 125 visitors per day and up to 875 visitors per week. As shown in Attachment K, the winery was compared to other wineries producing 30,000. Compared to by-appointment wineries and a pre-WDO winery, the proposed daily, weekly and annual visitation is higher than the average and median.

Marketing Program - The winery's current marketing plan consists of 10 events per year with up to 30 guests and one (1) annual event with up to 100 guests. The proposed marketing plan includes eight (8) events per year with up to 55 guests at each event, two (2) events per year with up to 150 guests at each event, one (1) per year with up to 100 guests at each event. Events will continue to take place in the winery and on the proposed patio, with the option for catered food service. Events will end by 10:00 p.m. with quiet cleanup until 11:00 p.m. The number of events would not increase, but the overall marketing visitation increases from 400 guests to 840 guests. As shown in Attachment K, when compared to the average event numbers of by-appointment wineries, the marketing plan proposes fewer events than the average and median of other 30,000 gallon per year wineries but with more annual guests.

Traffic - The site is located on the southeast corner of Los Carneros Avenue and State Route (SR) 12/121. Access to the winery is from an existing driveway on Los Carneros Avenue, approximately 860 feet from the Los Carneros Avenue/SR 12/121 intersection. Based on the current entitlement, the project is expected to generate 26 daily trips on a typical weekday, 24 trips on a Saturday and 25 trips on a Saturday during crush. Trips during the PM peak hour would be 10 on a weekday and 14 on both Saturday scenarios. As analyzed in the submitted traffic study, the proposed increases in employment visitors would result in 120 daily trips on a weekday (an increase of 94 trips), 112 daily trips on a Saturday (an increase of 98 trips) and 113 daily trips on a Saturday during crush (an increase of 99 trips). Trips during the PM peak hour would increase from 10 to 46 on a weekday and from 14 to 64 on Saturdays, an increase of 36 weekday trips and 50 Saturday trips.

The applicant has submitted a traffic study "Traffic Impact Study for the Proposed Hyde Winery Expansion," prepared by W-Trans, dated September 14, 2018. The traffic study analyzed the potential impacts of the project during the weekday PM and weekend mid-day peak hour on three intersections in the vicinity: SR 12/121/Cuttings Wharf Road, SR 12/121/Los Carneros Avenue, and SR 12/121/Old Sonoma Road. The intersections of SR 12/121/Cuttings Wharf Road, SR 12/121/Los Carneros Avenue have one or two approaches that are controlled by a stop sign. The SR 12/121/Old Sonoma Road has a traffic signal. According to the study, for informational purposes, all three intersections currently operate at an unacceptable service level during one or both peak periods. However, traffic added to the intersections of SR 12/121/Cuttings Wharf Road and SR 12/121/Old Sonoma

Road would not have a significant impact. Traffic added to the SR 12/121/Los Carneros Avenue would exceed the level of significance under existing and future conditions. However, the thresholds of significance and potential impacts are related to LOS, which is no longer considered an environmental impact.

In order to address the potential impact SR 12/121 intersection with Los Carneros Road, an Addendum to the traffic study dated July 28, 2020, was submitted, providing additional information on their proposed Traffic Demand Management (TDM) plan which would appoint a winery staff person as TDM coordinator to facilitate improvements to employees commuting and visitation scheduling. The solution presented in the Addendum requires the TDM coordinator to schedule visitation appointments that would restrict new traffic during the peak hours (Fridays between 4:00 and 5:00 p.m. and Saturdays between 3:45 and 4:45 p.m.). With incorporation of the TDM scheduling, the project would not have a significant impact on the level of service or the capacity and function of the roadway system. Impacts to the County roadway system would be less than significant.

Parking - The project proposes to add 23 parking spaces to the previously approved 12 parking spaces for a total of 35 spaces. The spaces will be spread along the driveway so there will not be a single, large parking lot maintaining the agricultural character of the site. No parking is permitted or proposed within the right-of-way of Los Carneros Avenue.

Groundwater Availability - The project site is within the Carneros region, or an area otherwise categorized as "all other areas" by the County's Water Availability Analysis (WAA) Guidance Document. Water use criteria for properties located within "all other areas" is parcel specific based on a Tier 2 analysis. A Tier 2 WAA was completed by CMP Civil Engineering, dated January 28, 2020 (revised) which determined that the proposed project would not have a significant effect on groundwater resources. The WAA indicated that the projected overall water demand for the project site will be 5.13 AF/YR representing a 0.30 AF/YR increase of the existing water demand of 4.83 AF/YR. According to the analysis, the calculated groundwater annual recharge rate is estimated to be 9.3 acre-feet per year for the project site. The report also indicates that recycled process wastewater is used for irrigation further reducing potential impacts on groundwater resources.

Wastewater - According to the Wastewater Feasibility Report prepared by Theodore J. Walker, dated December 28, 2019, the project site and existing systems have adequate disposal capacity to serve the increase number of employees and visitors. No expansion or upgrades to the system would be required. 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: electric vehicle charging station (s). The existing winery has already implemented the following GHG reduction practices: generation of on-site renewable energy, alternative fuels and electrical vehicle in fleet, a VMT reduction plan, and electrical vehicle charging stations. The winery has implemented energy conserving lighting, bicycle incentives, use of recycled water, use of water efficient fixtures, low impact development, installation of water efficient landscaping; recycling 75% of all waste, implementation of a sustainable purchasing and shipping program, building orientation that optimizes natural heating, cooling and day lighting of interior spaces, limited the amount of grading and tree removal, and has designed the building to qualify as LEED Silver. The applicant also proposes to implement a number of other practices with un-measured GHG reduction potential as outlined in the application submittal materials.

Grape Sourcing - In 2010, the Planning Commission approved use permit P09-00025 establishing the winery with an annual production capacity of 30,000 gallons. The entire production capacity is subject to the 75% Napa Valley grape source requirement. The project site has approximately 7.8 acres of vineyards with an additional 12.4 acres

of vines on two adjoining properties to the east. No changes are proposed to the winery's production levels as part of this use permit modification.

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 30,000 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 the applicant 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 the time motion is made. This option has been analyzed for its environmental impacts, which were found to be less than significant.

Option 2 - Reduced Project Alternative

Disposition - All potential environmental impacts have been found to be less than significant through a combination of project design and conditions of approval. However, this option provides the Planning Commission at their discretion, the ability to further reduce potential impacts by modifying the proposed scope of the project via a reduced visitation and marketing program.

Action Required - Follow the proposed actions listed in the Executive Summary and amend scope and project specific conditions of approval to require a reduction in the requested visitation and marketing program. If major revisions of the conditions of approval are required, the item will need to be continued to a future date.

Option 3 - 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 is not being approved.

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 4 - 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/Negative Declaration
- E . Public Comments
- F . Application Materials
- G . Water Availability Analysis & Water System Feasibility Study
- H . Wastewater Feasibility Study
- I . Traffic Study & Addendum
- J . Graphics
- K . Winery Comparison Analysis

Napa County Planning Commission: Approve

Reviewed By: Brian Bordona