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A Commitment to Service

Agenda Date: 9/4/2013
Agenda Placement: 10A

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: Kirsty Shelton, Planner - 299-1377
SUBJECT: Robert Keenan Winery Use Permit

RECOMMENDATION

ROBERT KEENAN WINERY/ MICHAEL C. KEENAN / USE PERMIT P12-00438

CEQA Status: Consideration and possible adoption of a Categorical Exemption. Pursuant to the California Environmental Quality Act, Section 15301 - Existing Facilities Class 1 & Napa County's Local CEQA Procedures, Appendix B, Class 4: Minor Alterations in Land, Number 13: New access roads and driveways. 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 Use Permit to: 1) Acknowledge an existing winery with an annual production of 50,000 gallons per year and a 5,841 sq. ft. winery building with a 615 sq. ft. office, 1061 sq. ft. tasting room, and 4,165 sq. ft. barrel storage building, six on-site parking spaces, tours and tastings by appointment only for a maximum of 35 visitors per weekday and 245 visitors per week, a marketing plan, the hours of operation from 10 AM to 4 PM (tasting) and 8 AM to 5 PM (production), 7 days a week, and 10 or fewer employees; 2) allow on-site consumption pursuant to the Evans Bill (AB 2004); 3) allow food and wine tasting; 4) construction of a 540 sq. ft. outdoor cover and a 263 sq. ft. second floor deck, 346 sq. ft. new office and remodeling of the interior floor area removing the wine lab and replacing it with two ADA accessible bathrooms; and 5) approval of an exception to the road and street standards to allow for a reduced driveway width, improvements and signage. The 147.39-acre project site is located on the east side of Spring Mountain Road 3.6 miles of its intersection with Madrone Avenue located in the City of St. Helena, 1,035 feet west of its intersection with SR-29, within the Agricultural Watershed (AW) Zoning district at 3656 Spring Mountain Road, St. Helena, CA (APN: 022-150-036).

Staff Recommendation: Find the project Categorically Exempt from CEQA and approve the requested use permit and associated road exception as conditioned.

Staff Contact: Kirsty Shelton, Kirsty.Shelton@countyofnapa.org, (707) 299-1377

Applicant Contact: Jon M. Webb, Albion Surveys, jwebb@albionsurveys.com, (707) 963-1217

EXECUTIVE SUMMARY

Proposed Actions:

That the Planning Commission:

1. Find the project Categorical Exempt from CEQA based on Finding 1 of Exhibit A;
2. Approve the Road and Street Standards Exception, based on Findings 2-3 of Exhibit A; and
3. Approve Use Permit (P12-00438) based on Findings 4-8 of Exhibit A and subject to the recommended Conditions of Approval (Exhibit B).

Discussion: The Keenan Winery is a legal operating winery without a Use Permit. County Code Section 18.104.250 recognized those wineries operating prior to the enactment of the County Code in 1974 that required a use permit for new winery uses, however any change in that use would require a Use Permit. In 2009 the winery was chosen in the annual wine audit and in response, the County issued a letter saying that the 50,000 gallons per year production was in conformance with the production quantity allowed.

Currently, the Keenan Winery would like to secure a building permit for an interior remodel, which would typically be administratively approved by a Very Minor Modification to the Use Permit. However, in this situation the winery doesn't have a use permit, therefore a new use permit is required.

The original winery was developed in the 1890's. There was a lapse in operation until the current owner started business in 1972. This use permit request acknowledges the historical production of 50,000 gallons per year conditioned to comply with the 75% Napa County fruit source requirement and current visitation of 35 people per day to participate in tours and tastings, by appointment only. This request also includes an exception to the road and street standards. Staff has no objections to these requests, and finds the project consistent with the Napa County Winery Definition Ordinance, Road and Street Standards, and other applicable provisions of the Zoning Ordinance, and General Plan, subject to standard conditions.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

The project is found to qualify as a Categorical Exempt project, pursuant to the California Environmental Quality Act, Section 15301 - Existing Facilities Class 1 & Napa County's Local CEQA Procedures, Appendix B, Class 4: Minor Alterations in Land, Number 13: New access roads and driveways (See attached CEQA Memo). 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: Michael C. Keenan/Robert Keenan Winery

Representative (owner): Jon M. Webb, Albion Surveys, (707) 963-1217

Zoning District: AW (Agricultural Watershed)

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

Original Application Filed: December 20, 2012

Application Deemed Complete: July 12, 2013

Parcel Size: 147.39 acres

Winery Size (Existing): 5,841 sq.ft. winery building and a 4,165 sq.ft. barrel storage building

Winery Size (Proposed): No change

Production Capacity (Existing): 50,000 gallons per year

Production Capacity (Proposed): No change

Accessory to Production Ratio (Existing): 21%

Accessory to Production Ratio (Proposed): 23%

Winery Coverage (Existing): 0.9%

Winery Coverage (Proposed): No change

Number of Employees (Existing): Four full-time and one part-time

Number of Employees (Proposed): Fewer than ten

Hours of Operation (Existing): 10:00 am to 4 pm daily (visitation); 8:00 am to 5:00 pm (production not including harvest)

Hours of Operation (Proposed): No change

Tours & Tastings (Existing): 35 people per day by appointment only

Tours & Tastings (Proposed): No change

Marketing (Existing): 6 events of 30 people, 12 events of 35 people, 2 events of 75 people one event of 300 people (all events are per year).

Marketing (Proposed): No change

Adjacent General Plan Designation/Zoning District/Land Use:

Northerly - Agricultural Watershed (AW) and Agricultural, Watershed & Open Space (AWOS) - Two large vineyard and residential parcels ranging in size from 56-74 acres.

Southerly - Agricultural Watershed (AW) and Agricultural, Watershed & Open Space (AWOS) - Six parcels (winery, vineyard, and residential) ranging in size for 2.4 acres to 72 acres.

Easterly - Agricultural Watershed (AW) and Agricultural, Watershed & Open Space (AWOS) - Six parcels residential and vineyards ranging in size from 23 acres to 54 acres.

Westerly - Agricultural Watershed (AW) and Agricultural, Watershed & Open Space (AWOS) - Six parcels (winery, vineyard, and residential) ranging in size from 2 to 45 acres.

Nearby Wineries (within about a mile of the project site):

Philip Vineyard - 3780 Spring Mountain Rd - 5,000 gallons per year - tours and tasting by appointment (10/wk)
La Vielle Montagne- 3851 Spring Mountain Rd - 3,000 gallons per year - tours and tasting by appointment (2/wk)
Terra Valentine Wines- 3787 Spring Mountain Rd - 5,000 gallons per year - no tours and tastings by appointment
Richards Winery - 4013 Spring Mountain Rd - 10,000 gallons per year - tours and tastings by appointment (14/wk)
Schweiger Vineyards - 4015 Spring Mountain Rd - 20,000 gallons per year - tours and tastings by appointment (10/wk)
Smith Madrone Vineyards - 4022 Spring Mountain Rd - 18,000 gallons per year - tours and tastings by appointment (10/wk)
Barnett Vineyards - 4070 Spring Mountain Rd - 20,000 gallons per year - no tours and tastings

Parcel History and Evolution of this Application:

1890 - Historic Conradi Winery documented at 50,000 gallons per year production;
1972 - The Keenan family re-built and rehabilitated the historic winery;
2009 - Wine audit concluded that the Keenan Winery was in compliance with the 50,000 gallons per year production limit.

Code Compliance History:

The Code Enforcement Division did not identify any enforcement issues.

Discussion Points:

Use Permit Modification - Although this winery was producing prior to the adoption of the Winery Definition Ordinance (WDO), the winery would have had to secure a use permit in the grace period following adoption of the WDO in 1991 to get the Pre-WDO rights such as public tours and tasting and exemption from the Napa County grape source requirement. Therefore, this winery is conditioned to have tours and tastings by appointment. The demographics and remote location of this winery naturally dictates appointments and word of mouth advertising anyways. The applicant already complies with the 75% grape source and the winery has agreed to this requirement for this conditional use permit.

Wineries with Similar Traits - The number of tours and tasting and marketing events are modest and lower than most wineries of this size as depicted in the attached table (Attachment "A") comparing marketing and tours and tastings visitation at similarly sized wineries.

Grape Sourcing - Keenan Winery uses estate grown fruit and complies with the 75% grape sourcing requirement, Napa County Code Section 18.104.250(C), which states:

All existing wineries which expand beyond their winery development areas shall be subject to the following additional limitations: 1. At least seventy-five percent of the grapes used to make that portion of the winery's still wine which is produced as a result of the expansion shall be grown within the county of Napa.

The applicant has indicated that they have 49 acres currently planted in vines. This amount of applicant owned fruit would be sufficient to meet the 75% local fruit requirement.

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. 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 10,006 square feet of floor area, with about 2,055 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 has and proposes to incorporate GHG reduction methods including a 49 Kilowatt photovoltaic solar array which generates all of the electrical energy required for the property, four employees live on site rather than driving thus reducing vehicle miles traveled, the winery recycles 75% of all waste, future plans include installing water and energy efficient fixtures as they need replacing, produce local food, educating staff and visitors on sustainable practices, and using 70-80% cover crop on their vineyards.

Exception to the Road and Street Standards - Project access consists of an approximately 4,000 foot long private road from Spring Mountain Road to the winery and residences site. This road was installed ranging in widths from ten to twelve feet with two foot shoulders in 1972 with the initial development of the winery, and in conformance with the applicable standards at the time. Over the last 41 years the purpose and function of the road remains the same, however traffic volumes on the road have increased slightly. Beside the adjacent private residences, there are four other parcels traffic generating uses on this driveway. Traffic volumes are quite low as a result, and are projected to remain as such with the proposed improvements.

As a result of the project coming under use permit, it was evaluated for compliance with current Road and Street Standards requirements which call for a two-way common paved driveway a minimum of 18 ft. in width with 2 ft. gravel shoulders. Although traffic volumes are not projected to discernibly increase from current conditions, the project is subject to the current Road and Street Standards because they are adding offices and visitation space.

The applicant has requested a road and street standards modification requesting sections along the driveway be allowed to remain in their current configuration. Approval of road modification requires that two findings be addressed. First, the Commission must find that a legal or environmental constraint exists that prevents the applicant from otherwise meeting the standard. The second requirement, is that the resulting alternative design is the equivalent, or 'meets the same overall practical effect' for safety and function as a design that meets standards.

Staff worked with the applicant and visited the site on several occasions evaluating the existing conditions for compliance with the required findings. Staff believes that the existing trees and slopes in the vicinity of the driveway qualify as 'unique environmental features' in keeping with the first required finding. There is no legal constraint, but the first finding can be met as there are natural features that would be substantially impaired or destroyed as a result of widening the road to standards.

Regarding the second finding, Staff believe this finding can be met contingent upon the applicant installing several safety improvements, and thus meeting the requirement of "same overall practical effect". The existing road contains the following safety features stretches of road that have adequate site visibility to see oncoming traffic, existing turnouts, and signage. Engineering and Fire Division proposed conditions of approval will require the following additional safety improvements: 1) visibility mirrors; 2) requirement to improve the road to current standards in the areas that won't affect the steep slopes and terrain, and 3) install additional turnouts that conform to the current standards. The applicant has agreed to implement these improvements concurrent with the building permit for the interior modifications. As a result, Staff believes the project design contains substantial safety improvements that go beyond certain minimum standards compensating for the reduced width of the two-lane

access drive.

Please note that this road modification has been evaluated based on the size and scope of this project. If in the future expansion of the winery is proposed, road improvements will again need to be evaluated to determine if the existing road is sufficient to provide safe and functional access to the intensified use.

Consistency with Standards:

Zoning - A winery (as defined in the Napa County Code Section 18.08.640) and uses in connection with a winery (refer to Napa County Code Section 18.20.030) are permitted in the AW (Agricultural Watershed) District with an approved use permit. Based upon discussion provided above, staff is recommending approval of the use permit request. The project as conditioned complies with the Napa County Winery Definition Ordinance and all other requirements of the Zoning Code.

Fire Department - Recommends approval with standard conditions in the attached Memorandum dated January 24, 2013

Engineering Services Division - Recommends approval with standard conditions in the attached Memorandum dated August 16, 2013

Environmental Health Division - Recommends approval with standard conditions in the attached Memorandum dated August 16, 2013

SUPPORTING DOCUMENTS

- A . Exhibit A - Draft Findings
- B . Exhibit B - Draft Conditions of Approval
- C . Department Memos
- D . CEQA Memo
- E . Comparison Table for Marketing and Tours and Tastings
- F . Historical Documentation
- G . Application and Submittal Documents
- H . Water and Wastewater Feasibility Study
- I . Graphics

Napa County Planning Commission: Approve

Reviewed By: John McDowell