On May 21, 2019, the Board of Supervisors directed staff to prepare an outline for discussion of a future ordinance focused on four areas:

- Protect small wineries by allowing them to reasonably expand their business through the use permit process, in a way that isn’t cost and time prohibitive;
- Create a path that allows facilities operating under a Small Winery Exemption to transition so that they can fairly compete in the modern economy;
- Streamline the use permit modification process, so that County resources can be focused on more complex projects and policy issues; and
- Provide incentives for wineries to expand operations in the Airport Industrial Area Specific Plan (AIASP), to relieve traffic up valley and create shorter commutes for out-of-county employees.

Attached is version No. 4 of the Small Winery Protection and Use Permit Streamlining Ordinance. It is a strike-out and underline document reflecting changes made since version No. 3.

This version reflects suggestions from the individuals and groups that commented during the public review of version No. 3, as well as changes in my own assessment.

A summary of the major changes is provided below.

You are being provided this outline as one of our key stakeholders and/or have previously provided comments on this topic. Your comments on this draft proposal would be greatly appreciated.

I am available to meet with you to review the outline anytime within the next three weeks and welcome the opportunity to discuss this with you.

If you have any comments or suggested changes, please forward them to me by October 4, 2019.

I will be presenting this outline, with any additional revisions based on public input, to the Board of Supervisors for their direction on October 15, 2019.

Respectfully,

David

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- Small Winery Protection:

  - The maximum production for small wineries was kept at 20,000 gallons annually. This is consistent with the small winery exemption (County Code Section 18.08.0600). According to the County Winery Database, there are 219 wineries with approved production of 20,000 gallons or less (43% of the 459 wineries on the database (excluding cities, unknown status, and expired permits).
  - The amount of traffic has been clarified to be total, not additional trips. The numbers have been updated to reflect preliminary discussions with Board of Forestry staff. The language has also been clarified as to what trips are excluded and that trips may be flexibly allocated.
  - The maximum amount of occupied space (10,000 square feet) has been clarified to exclude unenclosed structures such as crush pad covers.
exclude unenclosed structures such as crush pad covers.

- The number and attendance at marketing events has been made consistent with the Napa County CEQA Guidelines small wineries exemption.
- A provision was added prohibiting applications to increase the production, tasting room visitation, or marketing events for two years following approval of a small winery use permit.
- The recommendation to have appeals of Director/Zoning Administrator actions taken to the Planning Commission has been deleted. Creating a new layer of appeals would increase costs and time for applicants and appellants, and would be inconsistent with the ordinance’s purpose of process streamlining.
- The paragraph referencing Small Winery Exemption operations has been deleted, as it is duplicative of existing regulations.
- A statement was added allowing the Zoning Administrator to refer a project to the Planning Commission, where there is significant controversy or significant environmental impacts, consistent with Section 18.126.010 of the Code regarding the intent of administrative permits.

**Use Permit Process Streamlining:**

- The language regarding criteria was deleted and replaced it with a statement allowing the Zoning Administrator to refer a project to the Planning Commission, where there is significant controversy or significant environmental impacts, consistent with Section 18.126.010 of the Code regarding the intent of administrative permits.
- Clarified that Minor Modifications and Administrative Approvals would not require a public hearing, unless the Director determines that there is significant controversy or environmental impact.
- Added that a 10% increase in existing production would qualify as a Minor Modification.
- Modified the language to be consistent with the Napa County CEQA Guidelines small wineries exemption, regarding the number and attendance at marketing events. Also added that a 10% increase in the number of events or annual attendees would qualify as a Minor Modification.
- Clarified that an increase in building and cave size could be an additional 5,000 square feet or a 50% increase, whichever is less. For existing wineries with production of 30,000 gallons annually or less, the combined building and cave size average is 8,550 square feet; the median is 6,800 square feet.
- Added a provision allowing an increase in impermeable surface of 15%.
- Added a new category of Administrative Approvals. Similar to the concept of substantial conformance, these are items that do not alter the purpose or the intensity of the use permit.

**Airport:**

- The industrial area has been corrected to reflect the correct name: Napa Valley Business Park Specific Plan.
- Added a statement allowing the Director or Zoning Administrator to refer a project to the Planning Commission, where there is significant controversy or significant environmental impacts, consistent with Section 18.126.010 of the Code regarding the intent of administrative permits.