CITY OF CALISTOGA STAFF REPORT

TO: CHAIRMAN MANFREDI AND MEMBERS OF THE PLANNING

COMMISSION

FROM: **ERIK V. LUNDQUIST, SENIOR PLANNER**

JULY 13, 2011 DATE:

SUBJECT: BEER AND WINE SERVICES – 1471 FIRST STREET

CONDITIONAL USE PERMIT (U 2011-09)

REQUEST

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Consideration of a Conditional Use Permit application to establish retail wine sales. including wine tasting in an existing 1,989 square foot mixed use space located at 1471 First Street (APN 011-204-012) within the "CC-DD", Community Commercial-Design District Overlay Zoning District. The property is developed with a residential structure that is currently used for residential purposes and administrative offices for Beer and Wine Services, Inc. This proposed action is exempt from the California Environmental Quality Act (CEQA) under Section 15332 of the CEQA Guidelines.

10 **BACKGROUND** 11

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This matter was originally scheduled for Planning Commission consideration on June 22, 2011. Subsequent to introducing the item, the Applicant requested a continuance in light of a Staff memorandum dated June 22, 2011 circulated to the Planning Commission just prior to the meeting suggesting inclusion of a condition of approval mandating that Ms. Anderson's wine tasting facility pour only wines made from a minimum 75% Napa Valley grapes.

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A complete project description can be found in the June 22, 2011 Staff Report, Attachment 3.

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STAFF ANALYSIS

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During the City Council's meeting of June 21, 2011 Norma Tofanelli, a citizen spoke under oral comments requesting that the City Council consider developing a winery ordinance to regulate public wine tasting facilities operating under the Type 02 license from ABC, among other wine sourcing regulations. Specifically, Ms. Tofanelli submitted a letter dated June 21, 2011 from the Napa County Farm Bureau, Napa Valley Grapegrowers and Napa Valley Vintners requesting the City mandate that wine tasting facilities operating under the Type 02 license pour only wines made from a minimum Beer and Wine Services, Inc. 1471 First Street (APN 011-204-012) Conditional Use Permit (U 2011-09) July 13, 2011 Page 2 of 3

75% Napa Valley grapes. As a result, the City Council has directed Staff to schedule this matter for discussion at an upcoming meeting of the City Council. The matter is currently scheduled for Council discussion on July 19, 2011.

Since this matter before the Planning Commission is preceding the City Council's consideration of such a winery regulation, the Planning Commission could either: 1) reject staff's suggestion to include the mandate that the wine tasting facility only pour wines made from a minimum 75% Napa Valley grapes and approve the applicant's request without this condition, 2) continue this matter subsequent to Council consideration and/or clarification, or 3) incorporate a condition of approval in anticipation of the regulation. For the Planning Commission's consideration, a condition of approval could state:

"The wines for tasting and for sale must be made from a minimum of 75% Napa Valley grapes and must be labeled Napa Valley or be sub-appellation of the Napa Valley. Prior to initial operation, this wine tasting facility shall provide a written statement demonstrating compliance with this condition."

This condition of approval regarding Napa Valley grape sourcing as been included within draft Resolution PC 2011-14 (Attachment No. 2).

GENERAL PLAN OF CONSISTENCY DETERMINATION

The General Plan is silent on the issue of off-site (or off-premise) winery tasting rooms and offices. The General Plan does have numerous policies to support local serving businesses in general. The suggested condition of approval is consistent with policies in the City of Calistoga General Plan that support the local economy including:

Guiding Policies:

- P1. The City shall encourage commercial development to incorporate local-serving commercial and residential uses in the second story. [Objective LU-1.1]
 - P2. Tourism activities shall be regulated to minimize adverse impacts to other segments of the economy, and the resident population. [Objective LU-1.2]

CONDITIONAL USE PERMIT FINDINGS

To reduce repetition, all of the necessary findings are contained in the draft Resolution PC 2011-14, see attachment No. 2.

ENVIRONMENTAL REVIEW

Under the provisions of Section 15332, In-Fill Development, of the State Guidelines for Implementation of the California Environmental Quality Act (CEQA) as stated below, this project is found to be exempt from the environmental review requirements of

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Chapter 19.10 of the Calistoga Municipal Code, implementing the California Environmental Quality Act of 1970, as amended in that; 1) the proposal is consistent with the General Plan and Zoning District, 2) the subject site is less than five acres and is surrounding by urban uses, 3) approval of the project would not result in any significant effects relating to traffic, noise, air quality or water quality, and 4) the site can be adequately served by all required utilities and public services.

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RECOMMENDATIONS

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A. Based upon the above findings, staff recommends the filing of a Notice of Exemption for the Project pursuant to Section 15332 of the CEQA Guidelines.

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B. Based upon the above findings and pursuant to Section 17.06.020(B)(2) of the Zoning Ordinance, staff recommends that the requirement for Design Review approval be waived because there are no substantial design issues to be reviewed.

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C. Based upon the above findings, staff recommends approval of a Conditional Use Permit (U 2011-09) to allow retail wine sales, including wine tasting in an existing mixed use space located at 1471 First Street (APN 011-204-012) within the "CC-DD", Community Commercial-Design District.

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SUGGESTED MOTIONS

Categorical Exemption

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I move that the Planning Commission direct Staff to file a Notice of Exemption for the Project pursuant to Section 15332 of the CEQA Guidelines.

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Conditional Use Permit

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108 109 I move that the Planning Commission adopt Resolution PC 2011-14 approving Conditional Use Permit (U 2011-09) to allow retail wine sales, including wine tasting in an existing mixed use space located at 1471 First Street(APN 011-204-012) within the "CC-DD", Community Commercial-Design District, based upon the findings provided in the Resolution and subject to conditions of approval.

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ATTACHMENTS

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- 1. Vicinity Map
- 115 2. Revised PC Resolution 2011-14
- Napa County Farm Bureau, Napa Valley Grapegrowers and Napa Valley Vintners dated June 21, 2011
- 118 4. Planning Commission Staff Report dated June 22, 2011

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