CITY OF CALISTOGA

STAFF REPORT

TO: CHAIRMAN MANFREDI AND MEMBERS OF THE

PLANNING COMMISSION

FROM: ERIK V. LUNDQUIST, ASSOCIATE PLANNER

MEETING DATE: JUNE 11, 2008

SUBJECT: VARIANCE (VA 2008-01), USE PERMIT (U 2008-04) AND

DESIGN REVIEW (DR 2008-07) FOR ROMEO VINEYARDS AND CELLARS LOCATED AT 1224 LINCOLN AVENUE

(APN 011-253-002)

REQUEST

 Consideration of two Variances: 1) to allow a 7'-0" front yard setback, where 20'-0" is required and 2) to allow parking within the 20'-0" front yard setback along Hazel Street. This project also includes the consideration of a Conditional Use Permit and Design Review application to operate a wine tasting and sales business within an existing 600 square foot structure on the property located at 1224 Lincoln Avenue (APN 011-253-002) within the "DC-DD", Downtown Commercial - Design District. The Applicant also requests the ability to conduct interim wine tasting and sales within the existing residence while the existing 600 square foot structure is being renovated. The applicant is Frank and Eugenia Romeo of Romeo Vineyards & Cellars, LLC. This proposed action is exempt from the California Environmental Quality Act (CEQA) under Section 15332 of the CEQA Guidelines.

BACKGROUND AND SETTING

The property is a through lot located midblock between Cedar Street and Myrtle Street. The lot has approximately 60 feet of frontage along Lincoln Avenue and Hazel Street. The property is established with an existing single family dwelling and a residential accessory structure. The two story single family residence, located toward Lincoln Avenue, was originally constructed around 1875 and has since been modified to its current configuration. The project will not significantly alter the residence. The existing 600 square foot residential accessory structure was recently constructed and finalized in 2006 for use as a home occupation business. This structure is located along Hazel Street approximately 7'-0" of the property line.



On Hazel Street viewing south to proposed 600 sq/ft wine sales establishment

PROPOSAL

Romeo Vineyards & Cellars has an already existing presence in the region. The vineyard is at 4425 Silverado Trail located in an unincorporated area of the County. The business operations are currently licensed (Type 02 License) through the Alcoholic Beverage Control (ABC) in Sonoma County including a duplicate license in San Carlos, San Mateo County. The duplicate 02 license in San Carlos is strictly for administrative activities (i.e. bookkeeping). A duplicate 02 license will also be used to establish this proposed wine sales and tasting facility. The duplicate type 02 license at this location will be issued by ABC upon approval of this use permit and provided that only Romeo Vineyards & Cellars wines are sold at this location. A duplicate Type 02 License does not require a Public Convenience and Necessity determination by the City Council. However, if ever in the future non Romeo wines are sold a public convenience and necessity determination by the City Council would be required.

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The proposed wine sales and tasting facility will be located in the 600 square foot accessory structure. The interior space will consist of a wine bar, wine racks, wine storage and a bathroom. Some modifications to the structure are warranted to make it more conducive to the proposed operations, which primarily include interior alterations. These modifications include, but are not limited to, handicap accessible bathroom, bar, sink, dishwasher, and wine refrigerator, accessible ramp, porch, skylights and corbels. The footprint of the structure will not change as a result of this project. Consumers will access and enter the tasting room from Lincoln Avenue, with exception to those that may need to use the handicap parking space.

There are protected trees in the front yard and in the patio area. These trees will be retained. No additional building and/or improvements are planned in the patio area, other than the handicap accessibility improvements.

Public access will be directed toward Lincoln Avenue. An existing pathway leads from Lincoln Avenue to the existing structure. Primary signage will be placed at Lincoln Avenue and the exterior door and porch fronting upon Hazel Street will be removed due reduce the overall presence of the use on Hazel Street..

STAFF ANALYSIS

A. Land Use

The applicant proposes a wine business in a space previously occupied by a home business. A conditional use permit is required pursuant to Section 17.22.040(B)(19) of the Calistoga Municipal Code to allow proposed wine sales and tasting.

The proposed business will be located within the existing accessory building. Site and structural modifications are proposed in order to meet accessibility and energy efficiency standards. During the remodeling, the applicant proposes to conduct interim wine tasting within the main residence. Staff accepts this proposal provided that a condition is incorporated that requires the wine tasting to cease from operating in the residence once occupancy is granted in the tasting room.

The current location of the structure in the front yard setback is a legal non-conforming situation. The proposed renovations trigger conformance with all applicable regulations. Relocating the structure such that it is located outside of the required setback is a hardship. Thus, the applicant has requested a variance to allow the structure to remain within the setback. Staff concurs with the hardship findings and supports the request with the findings and conditions of approval contained in the draft resolution.

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The applicant has also expressed an interest in conducting limited dining to complement the wine tasting. As indicated by the applicant, the dining experience would be phased over time. Staff has concerns regarding this proposal for two reasons; 1) specific plans have not be submitted detailing the scope of the dining, including kitchen facilities and seating layout and 2) the site does not have sufficient water and wastewater supply to serve the expected demand. Thus, staff suggests prohibiting dining, except for pre-packaged foods, until such time that the appropriate allocation is received and an amendment to this use permit is authorized by the Planning Commission.

B. Parking and Circulation

 The parking area is accessed directly via Hazel Street. The property is currently developed with three (3) standard parking spaces. One such space is located parallel to and within the right of way of Hazel Street. The other two conjoining spaces are perpendicular to Hazel Street and are about five (5) feet off the property line.

The property currently conforms to the amount of parking, 2 spaces, as required for a single family residence. The proposal to use the 600 square foot structure as a wine sales and tasting facility increases parking demand. Pursuant to Chapter 17.36 of the Calistoga Municipal Code 5 spaces are required, 2 spaces for the residence and 3 spaces for the commercial establishment. A 25 percent credit can be given to walk-away businesses. Thus, with the application of the 25 percent credit, a total of four on site parking spaces are required. Since one of the parking spaces is located off site within in the right of way of Hazel Street, only two parking spaces can be provided. The project is deficient by two parking spaces. The applicant proposes to pay an in-lieu fee for the deficit parking at the Tier I rate. Staff finds that the project meets the Tier I rate criteria as defined in the Calistoga Municipal Code and a condition of approval has been incorporated addressing payment requirements.

The current location in the front yard setback is a legal non-conforming situation. The proposed change of use triggers conformance with all applicable regulations. Reconfiguring the parking such that it is located outside of the required setbacks is a hardship. Thus the applicant has requested a variance to allow parking to remain within the setback. Staff concurs with the hardship findings and supports the request with the findings and conditions of approval contained in the draft resolution.

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C. Growth Management

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Since the property is established with a single-family residence, the property is entitled to 0.428 annual acre feet of water and 0.328 annual acre feet of wastewater for residential purposes. This new commercial use would result in an increased demand for water and wastewater service. As such, a growth management allocation must be awarded prior to authorizing an additional water and wastewater allocation. The application period for the Growth Management cycle will not commence until September of this year. Since the demand is likely to be minimal, less the 500 gallons a week, Staff suggests allowing this project to move forward with the use permit approval process provided a condition is incorporate which limits the residential use to weekends until such time that a growth management allocation can be awarded by the City Council in November. Limiting the residential use on the property will conserve water and ensure that the property does not exceed the property's historic water and wastewater usage. Once a growth management allocation is received full time occupancy of the residence will be reinstated. A condition of approval has been incorporated reflecting these requirements and compliance will be monitored through water meter usage. The structures are required to be separately metered.

D. Aesthetics

The proposed wine tasting shop focused on Lincoln Avenue is consistent with the Design Guidelines and is appropriate addition to the existing streetscape. The conversion of the space to wine tasting and sales establishment is in keeping with the desired uses along Lincoln Avenue and in the "DC-DD", Downtown Commercial – Design District.

The proposed wine tasting shop use will have no significant impact on the surrounding area provided the recommended conditions of approval are incorporated into the project.

FINDINGS

To reduce repetition, all of the appropriate findings are contained in each of the appropriate Resolutions, see attached.

PUBLIC COMMENTS

To date one verbal comment has been received from Cheryl West the owner of the property located at 1017 Cedar Street. Ms. West's stated that she opposes the project because the new business would add to an already congested street. She further stated that she didn't want a wine tasting facility across from a residential neighborhood.

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Staff finds that Ms. West's comments are legitimate and, therefore, recommends several conditions of approval that will reduce these potential impacts. These conditions are has follows:

All advertisements, including signage shall be directed toward Lincoln Avenue. No signage in excess of 4 square feet shall face Hazel Street, unless authorized by the Planning and Building Director or Planning Commission. All website advertisements, business cards, flyers etc. shall direct and promote public access via Lincoln Avenue.

Deliveries shall occur on Cedar Street, between Lincoln Avenue and Hazel Street, in the designated loading zone or on Lincoln Avenue, unless otherwise authorized by the Planning and Building Department or Police Department. Deliveries shall be transported via the Lincoln Avenue frontage. Hazel Street shall not be used for regularly scheduled deliveries.

Open and outdoor storage of merchandise or materials shall be prohibited.

Since the wine tasting facility will be focused toward Lincoln Avenue, via signage and public access, initially restrictions have not been placed upon the hours of operation, however, if substantive complaints are received the Planning and Building Department and Police Department may reduce the hours of operations to an acceptable level.

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 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.

RECOMMENDATIONS

A. Based on 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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- 226 B. Staff recommends adoption of Resolution PC 2008-23 approving a Variance to permit a portion of the 600 square foot structure to be located within the front yard setback on the property located at 1224 Lincoln Avenue within the "DC-DD", Downtown Commercial –Design District, based upon the findings provided in the draft resolution and subject to conditions of approval.
- 232 C. Staff recommends adoption of Resolution PC 2008-24 approving a Variance to permit parking within the front yard setback on the property located at 1224 Lincoln Avenue within the "DC-DD", Downtown Commercial –Design District, based upon the findings provided in the draft resolution and subject to conditions of approval.
- D. Staff recommends adoption of a Resolution PC 2008-25 approving Conditional Use Permit (U 2008-04) and Design Review (DR 2008-07) to allow wine sales, including wine tasting on the property located at 1224 Lincoln Avenue (APN 011-253-002) within the "DC-DD", Downtown Commercial Design District, based upon the Findings presented in the resolution and subject to conditions of approval.

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.

Building Setback Variance

I move that the Planning Commission adopt Resolution PC 2008-23 approving a Variance to a permit a portion of the existing 600 square foot structure to be located within the front yard setback on the property located at 1224 Lincoln Avenue within the "DC-DD", Downtown Commercial –Design District, based upon the findings provided in the draft resolution and subject to conditions of approval.

Parking Setback Variance

I move that the Planning Commission adopt Resolution PC 2008-24 approving a Variance to permit parking within the front yard setback on the property located at 1224 Lincoln Avenue within the "DC-DD", Downtown Commercial –Design District, based upon the findings provided in the draft resolution and subject to conditions of approval.

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Conditional Use Permit and Design Review

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288 289 I move that the Planning Commission adopt Resolution PC 2008-25 approving Conditional Use Permit (U 2008-04) and Design Review (DR 2008-07) to allow wine sales, including wine tasting on the property located at 1224 Lincoln Avenue (APN 011-253-002) within the "DC-DD", Downtown Commercial — Design District, based upon the Findings presented in the resolution and subject to conditions of approval.

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<u>NOTE</u>: The applicant or any interested person is reminded that the Calistoga Municipal Code provides for a ten (10) calendar day appeal period. If there is a disagreement with the Planning Commission, an appeal to the City Council may be filed. The appropriate forms and applicable fee must be submitted prior to 5:00 p.m. on or before the tenth calendar day following the Commission's final determination.

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ATTACHMENTS

- 1. Draft Building Setback Variance Resolution PC 2008-23
- 2. Draft Parking Setback Variance Resolution PC 2008-24
 - 3. Draft Conditional Use Permit and Design Review Resolution PC 2008-25
 - 4. Applicant's written submittal dated May 19, 2008
- 290 5. Project Plans