



Staff Report

Agenda Item #: {{section.number}}A

Yountville Town Council Staff Report

DATE: June 18, 2024

TO: Mayor and Town Council

FROM: Diane Levine, Associate Planner

PREPARED BY: Diane Levine, Associate Planner

RECOMMENDATION

Adopt Resolution 24-4287 Approving a Use Permit and Master Development Plan Amendment for the Yountville Mad Fritz at Jessup Cellars ("Mad Fritz") to Operate out of the Existing Jessup Cellar's Cottage and Outdoor Patio Located at 6720 Washington Street (APN 036-033-013), Find the Proposed Use of a Tap Room to be Compatible with and Appropriate for the Old Town Commercial Zone, and Find the Project Exempt from the California Environmental Quality Act.

DISCUSSION/BACKGROUND

The parcel site is a 9,590-square-foot (sq ft) parcel that fronts on Washington Street and is zoned Old Town Commercial (OTC). The proposed use would operate out of the 318 sq ft unit sitting on the very southwest corner of the parcel (the "Cottage"), which is detached from the primary Jessup Cellars building but connected to a small residential unit at its rear. The location can be seen in Attachment A, Figure 1. The Cottage currently operates as a private tasting room for Jessup Cellars. Surrounding uses include commercial uses to the north, a multifamily home owned by Restoration Hardware to the south, and residential properties to the east, separated by an existing parking lot in the rear of the parcel.

As the oldest tasting room in town, Jessup Cellars has been operating at its current location since 2003 and its Master Development Plan (MDP) and subsequent Use Permits have been amended throughout the years. Most notable as it relates to this request, was the Town Council's approval of Resolution Number (No.) 15-3223, which allowed for the converting of the Cottage into a private tasting room. In 2018, the Town Council approved Resolution No. 18-3470 to allow wine tasting service for 16 seats/guests in the outdoor patio space.

Now, the applicant would like to utilize the Cottage and outdoor patio space to offer a primarily small-pour tap room with barrel-aged beers and some retail for locals and visitors alike. The applicant currently brews beer at their St. Helena location, focusing on a smaller-batch, high-quality product produced using a "winemaker's lens." Thus, the applicant refers to their product as *Origin Beer*. In 2020, the Mad Fritz tap room in St Helena was forced to close due to the pandemic and the applicant has been seeking a fitting location to offer a similar experience in Yountville. The applicant would also offer a small retail element, selling coffee beans roasted at the St Helena brewery location, brewery bottles, and to-go merchandise (t-shirts, playing cards, and hats).

ANALYSIS

Zoning

The applicant is requesting a Use Permit to operate a tap room in the Cottage and outdoor patio space. This new use will replace the wine tasting use that is currently permitted to operate in those locations. Yountville Municipal Code (YMC) § 17.192.080 requires that any change in approved land uses after approval of a final MDP must be approved as an MDP Amendment pursuant to YMC Chapter 17.192 and follow the provisions established for use permits in YMC Chapter 17.200. YMC § 17.200.090 requires a request for a change of use category or a change to the operation that would affect a condition of approval of a use permit shall require the filing of a new application for a use permit as set forth in YMC Chapter 17.200.

Because a tap room is not listed under YMC § 17.60.050, *Uses Requiring a Use Permit*, it is required that the Town Council, in its sole discretion, approve the use by determining it “compatible or appropriate” (YMC § 17.60.050(T)). Staff recommends the use be found appropriate with uses for the OTC zoning. The proposed use is consistent with the intent of the OTC zoning district in that it is in line with small-scale, pedestrian-friendly, commercial businesses that enhance the interface between commercial uses and the street. The business operation would fit with the immediate and surrounding area and provide an amenity that does not yet exist in town. The business operation would support the General Plan’s goal of Business Diversity. Additionally, Staff finds the approval of this Use Permit will support General Plan Policy ES-1.5 *Business support*, fostering a “collaborative relationship between the Town and local businesses to support their success.”

YMC § 17.60.030, *Site-Specific Conditions*, identifies parcels in the OTC zoning district, one of which is the subject property. It reads, “For the existing commercial building located at 6720 Washington Street (that is, APN 036- 033-013) which may be eligible for the nomination to the National Register of Historic Places: The structure shall not be removed or substantially altered without environmental review pursuant to the California Environmental Quality Act.” The Use Permit in no way requests to remove or alter the building.

No alterations are proposed to the exterior of the Cottage or the outdoor patio space that would trigger Design Review under YMC §§ 17.160.050 and 17.188.020.

Parking

The existing site offers a total of 12 parking spaces in the rear parking space, five (5) of which are employee parking spaces, as well the six (6) public pull-in spaces in front of the site and two (2) public parallel spaces along the north side of the subject building. As mentioned, the proposed business operations would be largely similar to the existing use. There would be no increase in indoor or outdoor seat counts and Jessup Cellars would not be replacing the up to 16 seats rendered to accommodate the outdoor seating for Mad Fritz. The number of employees dedicated to the space would remain at one (1). Because of these factors, existing parking is suitable.

A comparison of the existing and proposed operations can be seen below, under *Current Use Permit* and *Proposed Use Permit*.

Use Permit

The current Use Permit for the Jessup Cellars Cottage as it relates to the Mad Fritz Application:

- *Eight (8) Indoor seats*
- *Up to 16 outdoor seats*
- *Up to 15 special events annually*
- *A maximum of 50 persons shall be permitted at special events at any given time*
- *One employee to serve space*
- *Hours of operation:*
 - *Tasting Room (indoors): 10am-9pm*
 - *Outdoor Patio: 10am-6pm or dusk*
 - *Special Events: 10am-10pm*

The new Use Permit would authorize use of the Cottage and outdoor patio as a small tap room/beer tasting room, subject to the following parameters:

- *Eight (8) indoor seats*
- *Up to 16 outdoor seats*
- *One employee to serve space*
- *Hours of operation:*
 - *Indoors: 12:30 pm-7:30 pm*
 - *Outdoor: 12:30 pm-7:30 pm*

Zoning and Design Review Board Recommendation

On June 11th, a public hearing was held by the Zoning and Design Review Board (ZDRB) in which the ZDRB received a presentation from Staff, provided the applicant an opportunity to speak, and opened up public comment for this item. No public comment was made at the meeting. However, one (1) public comment was received electronically. That public comment was provided to the board prior to the meeting and is attached herein as Attachment B, *ZDRB Public Comment*.

The Board members were unanimously in support of Mad Fritz both in its location and use and the recommendation for Council to adopt the item as presented was motioned and seconded. Comments from the Board included the encouragement to use commercial spaces, providing a use that is “divergent yet within the lines” from the prototypical wine-tasting rooms, and a good use of a small space.

FINDINGS

Pursuant to YMC §17.192.060, *Findings and Decision*, following the public hearing, the Town Council may approve the application and authorize a Master Development Plan if from the facts presented all of the following findings can be made:

A. The proposed development, and each increment of a phased project, creates an environment of sustained desirability and stability;

No development is proposed.

B. The land uses and design of the proposed development are consistent with the intent of the General Plan, Title 17, and any other applicable plans or policies adopted by the Town Council, or those in the process of being prepared and adopted; and

No development is proposed.

C. Findings can be made as required by Sections **17.188.060** and **17.200.060** of this title.

Section 17.188.060 (Design Review Findings and Decisions) is not applicable as there are no proposed design changes or exterior alterations. Findings required by 17.200.060 are below.

Pursuant to YMC §17.200.060, *Findings and Decision*, following the public hearing, the Town Council may approve the application and authorize a use permit if from the facts presented all of the following findings can be made:

A. The proposed use, at the intensity represented and at the proposed location, will provide a use that is compatible with the neighborhood and community;

The change in business from a wine tasting room to serving beer, at the intensity proposed, would be a

use compatible with the Old Town Commercial zoning district and the surrounding uses. Indoor and outdoor seating capacity will remain the same, maintaining the intimate, small-scale experience. Furthermore, the proposed use would be supportive of Old Town Commercial's classification as it would promote pedestrian activity, and hours of operation are considerate of neighboring uses.

B. The proposed use will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity, or injurious to property, improvements or potential development in the vicinity;

The largely similar operation would not require any aspect that would have an impact on health, safety, convenience, or general welfare of persons residing or working in the vicinity beyond what currently exists. The request would not be injurious to property as business would be held on-site, nor would it be injurious to future development.

C. The proposed use would not conflict with the Town's goal of achieving economic sustainability with a mix of varied commercial services;

A tap room does not yet exist in town. Therefore, the request supports the Town's goal of economic sustainability with a mix of varied commercial services.

D. The proposed use will not impair accessibility or traffic patterns for persons and vehicles based on the type and volume of anticipated traffic, will provide safe and adequate ingress and egress, and will furnish adequate off-street parking and loading for both customers and employees to the extent deemed feasible by the decision-making body;

There are no anticipated changes from the existing operation to the proposed operation that would induce an increase in traffic or parking demand, nor impair accessibility. Existing infrastructure, including ingress and egress and pedestrian walkways are suitable to serve the proposed operation.

E. The proposed use provides sufficient safeguards to prevent noxious or offensive emissions such as glare, dust and odors, or levels of noise which may exceed the Town's noise regulations;

It is not anticipated that the proposed use would increase noise or other offensive emissions beyond what is currently acceptable.

F. The proposed use does not require excessive amount of water or generate excessive amounts of waste;

No change in water demand or waste amount is anticipated for this use. Beer brewing, which would require an increase in water use and possibly generate additional waste, occurs off-site. Therefore, the proposed use would not result in the use of an excessive amount of water or generate excessive amounts of waste beyond what is currently accepted for the site.

G. The existing or proposed utility, police and fire services are adequate to serve the proposed use;

The proposed use would not require additional utilities nor would it create a significant impact on the number of persons in the Town at one time. Therefore, existing police, fire and utility services are adequate.

H. The proposed use will comply with all applicable provisions of Title 17 and will be consistent with the policies and standards of the General Plan; and

The proposed use would be consistent with the policies and standards of the General Plan and Title 17 of the Yountville Municipal Code.

I. For properties in the Retail Overlay District, the proposed use enhances retail opportunities within the commercial code of the Town and the proposed use maximizes active uses along the Washington Street core business area and in doing so enhances the pedestrian activity and interest.

The subject property is not within the Retail Overlay District.

ENVIRONMENTAL REVIEW

Exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15061(b)(3) and 15301 of Title 14 of the California Code of Regulations (the "CEQA Guidelines"). CEQA Guidelines Section 15061(b)(3) (the "Common Sense Exemption") exempts activities which do not have the potential for causing a significant effect on the environment. Section 15301 of the CEQA Guidelines ("Existing Facilities") exempts from CEQA "... the operation, ... permitting, ... or minor alteration of existing public or private structures, ... involving negligible or no expansion of existing or former use." As the approval of the Use Permit and MDP amendment involves negligible or no expansion of the current use of the Cottage and outdoor patio area for wine tasting, and it can be seen without certainty that the approvals will not have a significant effect on the environment, the project is exempt from the requirements of CEQA.

FISCAL IMPACT

Is there a Fiscal Impact? No

Is it Currently Budgeted? N/A

Where is it Budgeted? N/A

Is it Mandatory or Discretionary? Discretionary

Is there a Staff Resource Impact? Nominal

STRATEGIC PLAN GOAL

Is item Identified in Strategic Plan? Yes

If yes, Identify Strategic Goal and Objective. **Premier Destination:** The Town values its residents, rich history, natural environment, culinary excellence, arts, and distinguished businesses that make our home a place people love.

Briefly Explain Relationship to Strategic Plan Goal and Objective. By permitting a business to provide hospitality and service with thoughtfully and locally crafted beer, an additional option is added to town the contributes to continuing to provide distinguished businesses serving both the local community and visitors with Yountville as a premier destination.

ATTACHMENTS

Attachment A, Figure 1

Attachment B, ZDRB Public Comment