



Staff Report

Item #: {{item.number}}

Zoning and Design Review Board Staff Report

DATE: September 10, 2024

TO: Board Members

FROM: Ken MacNab, Planning & Building Director

PREPARED BY: Kari Svanstrom, Contract Planner, Swan Stream Studios

Applicant: Tiffany Tenorio / Hope and Grace wines

Owner: Hillstone Restaurant Group, Inc.

Location: 6795 Washington Street - APN 036-032-014

Land Use Classification: OTC Old Town Commercial

SUBJECT:

Adopt Resolution Number 24-017 Recommending the Town Council Conditionally Approve a Use Permit to allow a wine tasting establishment, along with retail sales, in an existing commercial building at 6795 Washington Street (the "Project").

PROJECT SITE

The Project site is part of the Washington Square commercial development at the southwest corner of Washington and Madison Streets that includes R&D Kitchen, Hillstone Home, and Honor Market among other establishments. The Project would occupy "Building E", an approximately 1,556 square foot commercial space with a patio facing Washington Street.

The Project site is located in the Old Town Commercial zoning district, and fronts the Washington Street pedestrian corridor. The project site was formerly home to Girard Tasting Room, which operated from 2007 until 2021. The site is surrounded by commercial uses on all sides, including the Honor Market directly north, the North Block Hotel to the south, and Ciccio and Pancha's to the east.

BACKGROUND/DISCUSSION

Hope and Grace Winery has operated a wine tasting room with retail sales at 6540 Washington Street since 2006. They are looking to relocate to the space formerly occupied by the Girard Tasting Room in Building E of Washington Square as their current lease is ending. Operations would be similar to the current hope and grace tasting room, and also similar to the prior tasting room operations allowed under the previously approved Conditional Use Permit for Girard's. A new Use Permit is required because the previous Use Permit expired due to the use being discontinued for more than one year.

PROJECT PROPOSAL

As noted, hope and grace Wines intends to relocate their existing operations to the new location at 6795 Washington Street, to include daily wine tastings both inside and in the patio area between the store front and

Washington Street, wine and associated merchandise sales (approximately 25% of the space). Daily tasting room hours would be from 9:30am-7pm. Evening events (as scheduled) are proposed to be from 6pm-10pm. Any live music would be limited to acoustic indoor music (guitar, etc., not amplified). Hope and grace Wines is a fairly small operation, with 2 full-time employees and one part-time employee.

No exterior modifications are proposed with the exception of signage, which is not part of this application. Interior modifications would not change the available public space, and would generally include a new bar and display areas (relocated from hope and grace Wines current location), various appliances, lighting and seating. The front patio area would have approximately 12 seats (3 tables/4 chairs per table). Customer and employee parking would be provided in the off-street parking area for Washington Square.

ANALYSIS

Yountville Municipal Code ("YMC") section 17.60.050 subsections (E) and (G) require a use permit to operate a wine tasting room and perform alcoholic beverage retail sales in the Old Town Commercial Zoning District. General retail sales are a permitted use pursuant to YMC section 17.60.040(A)

A Use Permit application requires review and recommendation by the Zoning and Design Review Board (ZDRB) to the Town Council. The Town Council shall have the final authority to approve, conditionally approve or deny applications for use permits.

Staff is not aware of any operational issues that existed when the Girard tasting room was in business at this location, nor are there any known issues regarding the operations of hope and grace Wines at its current location. Given the similarities of the past and proposed use, staff provides a comparison of the two Use Permits for the ZDRB to consider.

The Girard Winery tasting room operative Use Permit allowed the following:

- 20 seats in the outdoor patio seating area (hope and grace Wines proposes 12 seats)
- Daily tasting hours from 10am to 8pm (hope and grace proposes 9:30am to 7pm)
- Outdoor special event hours of 10am to 8pm; Indoor special event hours of 10am to 10pm (hope and grace Wines proposes special events from 6pm to 10pm, mostly indoors with outdoor patio use as ancillary. Hope and grace Wines do not anticipate a large number of special events given their current operations.
- Service of full-size catered meals, no food preparation on site (hope and grace Wines will have catered food or cheese plates, no food preparation on site)
- hope and grace Wines hosts wine club pick-up events from 4pm to -6pm with approximately 30-40 attendees during that time.

Given the similarity of operations, and the fact that the relocation of hope and grace Wines, an existing wine tasting room, would not increase the number of tasting rooms in the Town, staff supports approval of the requested Use Permit with Conditions of Approval. Additionally, the site is clearly in a commercial location with no residential uses nearby, and would be subject to the requirements for Impact Category II of YMC Section 17.144. The required findings for approval of the request Use Permit are provided below. Recommended Conditions of Approval in Exhibit A of the Resolution (Attachment 1a), and include:

- Limiting special events to 40 attendees
- Limiting patio seating to a maximum of 12 seats
- Requiring the outdoor consumption of wine be related to the hope and grace Wines permitted wine tasting activities
- Setting daily hours of operations of:
 - Tasting room (indoors and outdoors) and retail sales to 9:30am to 7pm
 - Special events, other than wine pick-up events, from 6pm to 10pm, with use of the patio only as an auxiliary use and not the main space utilized for the event
- Limiting live music to be indoors and not amplified
- Participation in the Town's Employee Parking Management program

The ZDRB may also wish to consider the following:

- Limits on the number of special events per month or year (other than wine pick-up events, which generally do not have all attendees at the location all at once)
- Any limits on the outdoor patio use during special events
- Any other considerations the ZDRB feels appropriate

The following Yountville Municipal Code (YMC) sections are applicable to this application:

- YMC § 17.60 OTC, Old Town Commercial
- YMC § 17.200 Use Permits
- YMC § 17.144 Regulations for Impact on Adjacent Uses

Land Use and Zoning – Old Town Commercial Zoning District

17.72.020.B specifies that the Old Town Commercial “*is a land use classification intended to reflect Yountville's commercial beginnings in the period between 1870 to 1920 and in so doing create a distinct commercial district. To preserve the building and site layouts typical of this period and to avoid development of an auto-oriented commercial strip, new development should be street-oriented and configured in multiple small pedestrian-oriented buildings.*

It is also the intent of this classification to promote an interesting, attractive environment for pedestrians, and enhance the interface between commercial uses and the street. The design of new construction and alterations to existing buildings shall enhance the area's appearance as an historic commercial retail area.”

The proposed use would occupy an existing building. The site is a small pedestrian oriented building with a patio facing Washington Street. The proposed use includes table seating that would be utilized throughout the day, which will help to activate the street by providing an interface between the commercial use and the street.

§ 17.60.020 Old Town Commercial - General Conditions

YMC § 17.60.020(A) requires all new uses listed in Section 17.60.050 of this chapter shall require a use permit as regulated by Chapter 17.200 of this title; new development proposals shall require approval of a Master Development Plan as regulated by Chapter 17.192 of this title; expansion or exterior remodeling of a structure shall require design review approval as regulated by Chapter 17.188 of this title; and all commercial operations shall be as regulated by Chapter 17.144, Regulations for Impact on Adjacent Uses, of this title.

Use Permit approval has been requested in accordance with YMC § 17.60.050(E) and the required findings for approval of a Use Permit can be made (see Findings section below). No new development or exterior changes are proposed.

YMC § 17.60.020(B) requires that development be of an intensity and scale which preserves and enhances the historic, small-scale commercial character of the district. Building height, massing and size shall be compatible with adjacent development, with smaller building sizes appropriate for the east side of Washington Street, and shall comply with the design standards established in Chapter 17.72 of this title.

The proposed use is located in an existing building and no exterior modifications or expansion to the building is proposed. The proposed seating in the exterior patio area is less than what was allowed under the previously approved Use Permit.

YMC § 17.60.020(C) requires that development shall contribute to a well-integrated mix of uses that create an attractive, vibrant, and walkable Washington Street experience. Buildings shall be generally street-oriented with pedestrian entrances from the street.

The use of the patio seating area for daily operations will add to the liveliness and atmosphere along

Washington Street, as well as add interest for pedestrians.

YMC § 17.60.020(D) requires that parking shall be accommodated in ways which limit its visibility and prominence, typically in small lots screened from public view as established in Chapter 17.116, Off-Street Parking and Loading, and Chapter 17.136, Walls, Fences and Landscape Screening, of this title.

The parking for the site is existing, and shared with other uses in Washington Square.

FINDINGS

Pursuant to YMC §§ 17.200.040(B), following the public hearing, the Zoning and Design Review Board (ZDRB) may adopt a Resolution recommending the Town Council approve the application for a Use Permit for Hope and Grace Wines to operate a wine tasting room at 6795 Washington Street, if from the facts presented, the findings required by YMC § 17.188.060 and 17.200.060 can be made.

YMC § 17.200.060 Use Permit

Per YMC § 17.200.060, the following findings must be made for the granting of an amendment to the existing Use Permit to authorize expansion of the non-conforming building:

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;

STAFF FINDING:

The proposed use is substantially similar to the tasting room that operated successfully at the site for over a decade. The use is compatible with other uses along Washington Street. It is generally of the same intensity as the restaurants, bars, and other commercial uses in the area.

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;

STAFF FINDING:

The proposed use will not generate harmful dusts, odors, glare or noises. As conditioned, the operational hours would be similar to surrounding uses.

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

STAFF FINDING:

The proposed use and operators are an existing small business in Yountville who are relocating their business to the new proposed location, where a wine tasting room had been previously operated. The use will add to the mix of uses in the surrounding area, which has a variety of commercial uses including lodging, restaurants, markets, and retail establishments.

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;

STAFF FINDING:

The proposed use would not alter traffic patterns, nor is it anticipated to increase the volume of traffic over the prior use in the space.

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;

STAFF FINDING:

The proposed use is not anticipated to produce noxious or offensive emissions, glare, dust, odors. Condition of approval requires all construction and demolition activities, as well as operations, conform to the Town's noise regulations.

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

STAFF FINDING:

The proposed use does not include any on-site food preparation, and the use will not require excessive amounts of water or generate excessive amounts of waste. No change in water demand or waste amount is anticipated for this use.

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

STAFF FINDING:

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. The proposed use has been reviewed fire and found to be adequately served by emergency services. As conditioned, the Project will meet the requirements for adequate service for utilities, police, and fire services.

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

STAFF FINDING:

The proposed use is allowed, with the approval of a use permit, in the Old Town Commercial district.

The use is consistent with the General Plan in that the use is a currently a small local business that is relocated to a new site in Town. This supports Goal ES-1.1 Tourism, as the approval would 'support the development of responsible businesses and events that enhance the Town's reputation as a world-class destination while preserving the livability of the Town for its residents, in that the approval of the use permit would allow an existing small business to relocate and remain in business. The use is also consistent with ES-1.2 Diversity of Businesses "Encourage a diverse mix of uses that avoids an over-representation of any particular use", in that the use will not change the diversity of businesses in town, as it is an existing business, not a new wine tasting room, and will be located in the space of a former wine tasting room. This criterion is met.

ENVIRONMENTAL REVIEW

Approval of the proposed Use Permit has been determined to be exempt per California Environmental Quality Act (CEQA) Guidelines sections 15061(b)(3) (common sense exemption) which exempts a project where there is no possibility it may have a significant effect on the environment; 15301 (existing facilities) which exempts the permitting of existing facilities and minor alterations to existing private structure with negligible or no expansion of the existing use; and 15303 (conversion of small structures) which exempts the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure.

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. The Project will relocate an existing Yountville small business to a currently vacant location, continuing a distinguished business to both residents and tourists.

RECOMMENDATION

Receive staff report and direct questions to staff.

Receive the applicant's presentation.

Conduct public hearing and receive testimony.

Conduct ZDRB discussion on proposed Use Permit Amendment request for the proposed wine tasting room.

Motion and second to Adopt Resolution No 24-017 forwarding a recommendation to the Town Council to

Approve an Application for a Use Permit for a wine tasting room, subject to conditions of approval.

ATTACHMENTS

1. Draft Resolution No. 24-017
- 1a. Exhibit A to Draft Resolution - Conditions of Approval
2. Written Statement and site photographs
3. Site and Floor Plans
4. Hope and Grace Use Permit for current location
5. Girard Use Permits (final amendment and original approval)