

Board Report

File #: ZA 19-131, Version: 1

PLN190137- GONTARYUK

Public hearing to consider allowing a three-year extension to a previously permitted cottage industry for the production of between 100-150 cases of wine per year conducted in a single-family residence and garage. **Project Location:** 8 Trampa Canyon, Carmel Valley, Cachagua Area Plan

Proposed CEQA action: Categorically Exempt per Section 15301 of the CEQA Guidelines RECOMMENDATION:

It is recommended that the Zoning Administrator adopt a resolution to:

- Find the project is an existing use, which qualifies for a Class 1 Categorical Exemption per Section 15301 of the CEQA Guidelines and does not meet any of the exceptions under Section 15300.2; and
- 2) Approve a Use Permit to allow a three-year extension to a previously approved permit for a cottage industry for the production of between 100-150 cases of wine per year conducted in a single-family residence and garage.

The attached draft resolution includes findings and evidence for consideration (**Exhibit B**). Staff recommends approval subject to 4 conditions of approval.

PROJECT INFORMATION:

Agent: Paul Byrne Property Owner: Nikolay Gontaryuk APN: 417-221-006-000 Zoning: RC/40 Parcel Size: 15.03 Acres Plan Area: Cachagua Land Use Plan Flagged and Staked: Not Applicable Project Planner: Son Pham-Gallardo

SUMMARY:

The proposed project is located in Cachagua, approximately 0.7 miles north of Cachagua Road. The subject application is the second Use Permit associated with a cottage industry for the production of between 100-150 cases of artisan wine per year utilizing an existing garage. The first Use Permit authorizing the small winery (cottage industry) at the site was approved by the Zoning Administrator on June 28, 2018 (Resolution No. 18-039). Pursuant to cottage industry regulations in the Zoning Ordinance, that initial Use Permit was valid for a one-year period. The use has commenced at the site, no significant issues or complaints have been received during the initial one-year period, and the applicant is requesting a second Use Permit for a three-year period, to allow the continued use at the property without changes to the initially approved operation.

DISCUSSION:

Cottage industry operations are located within a 500 square foot garage attached to an existing 4,700 square foot residence. There is an existing 1.5 acre vineyard on-site. Existing operations include production of

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approximately 100-150 cases of artisan wine per year and the proposal would extend authorization of these operations for a three year period. According to the applicant, ninety percent (90%) of the wine produced onsite will be for sale, the remaining ten percent (10%) will be for personal consumption.

The initial application for the same use was approved by the Zoning Administrator on June 28, 2018 (Resolution #18-039). Due to the time limitations placed on the cottage industry ordinance (see further discussion below), the applicant is coming in for the issuance of a second Use Permit, since the first permit is only valid for one year.

The garage will be used for stemming and pressing of grapes. In addition, fermentation and storage [three oak barrels (300 liters) and five oak barrels (100 liters)] will also take place in the garage. Bottling (by hand) will be done offsite by a local winery in Marina. Wine barrels will be driven offsite in a non-commercial vehicle by the owner and delivered to Marina. Therefore, no mobile botting will be required nor take place on-site.

The applicant had planned on establishing a wine club with on-line memberships and sales to local restaurants. Distribution to the wine club will amount to possibly twelve shipments per year. The wine club has not yet been established but the applicant still plans on pursuing this option over the course of the next three years. The shipments will come out of various United States Postal Service (USPS) and/or United Parcel Service (UPS) facilities in Carmel Valley and Carmel. No USPS or UPS pick-ups will occur on site. Deliveries to the local restaurants will be done by the owner, a few times a month depending on demand, in the owner's private, non-commercial vehicle. Equipment/Supply delivery to the home of wine bottles and barrels to site will be done once a year. Since the overall production is minimal, there are no significant impacts to the neighborhood with regards to traffic. Furthermore, the home will not be open to the public and no wine sales will take place on-site.

The purpose of the Cottage Industry is to establish the regulations, standards and circumstances under which business of limited scale and impact may be established in all zoning districts where a single-family dwelling is an allowed use. It is the further purpose of this Section to provide for standards, review processes and review periods to assure that such uses are not detrimental to the residential property and character of the neighborhood in the area in which they are established.

A Cottage Industry may be conducted in any zoning district which allows residential use, subject to the following standards:

- All Cottage Industry is subject to a Use Permit pursuant to <u>Chapter 21.74</u> <<u>https://library.municode.com/ca/monterey_county/codes/code_of_ordinances?</u>
 and the Zoning Administrator is the Appropriate Authority to consider such Use Permit.
- 2. A total of two persons, other than the resident and immediate family residing on site, may be employed in the cottage industry.
- 3. There shall be no advertising for the cottage industry, on the property, except for such advertising as may be incorporated within the four square-foot nameplate allowed for the residence. The location and design of such nameplate shall be subject to the approval of the Zoning Administrator.
- 4. Adequate access and parking must be provided on-site to accommodate the residential use, employees and two customers of the cottage industry.

An Operational Plan (Exhibit D) has been submitted. Once a year, two employees along with the owner will be on site to assist with the harvesting. No advertising will take place on-site. The site currently

accommodates parking for 6 vehicles. Therefore, the proposed project meets all the standards of the Cottage Industry.

Furthermore, all Use Permits issued for cottage industry shall be subject to the following time limits:

- 1. The initial Use Permit shall not be issued for more than one year,
- 2. The second Use Permit shall not be issued for more than three years; and
- 3. The third and subsequent Use Permits shall not be issued for more than five years.

The purpose of these time limits is to provide adequate on-going review of the Cottage Industry to assure that the use continues to meet the standards of this Section, that the nature of the area has not changed sufficiently to cause the use to be detrimental to the area/neighborhood, and to review the conditions of the prior Use Permit to determine their continuing adequacy. Since the commencement of this use, no significant issues or complaints have been received during the initial one-year period. Therefore, staff finds that the establishment of this cottage industry has not been detrimental to the surrounding area and neighborhood. A condition of approval (Condition No. 3), has been applied for the time limits.

A traffic study was not required by the Public Works department because the grapes will remain on-site to be processed, no new structures are proposed, and regular deliveries will not take place. All other agencies (Environmental Health Bureau, Environmental Services, Public Works, Cachagua Fire Protection District) have reviewed the project and no additional conditions were applied.

The proposed project has adequate sewer and water. The application was reviewed by Monterey County Environmental Health Bureau (EHB). Due to the small scale of the production, EHB had no concerns regarding impacts to water supply or wastewater. The site is located in an alluvial area of the county, so there is no concern with fractured rock wells. The use was determined to be compatible with the area and surrounding neighborhood. This proposed project further complies with the zoning standards and will not adversely affect resources at the site or be adversely affected by those resources. Therefore, the application for the Cottage Industry is consistent with the regulations set forth in Monterey County Code Section 21.64.095.C and is part of an allowed use of the Resource Conservation district subject to a Use Permit.

<u>CEQA</u>

California Environmental Quality Act (CEQA) Guidelines Section 15301 categorically exempts the operation, repair, maintenance, permitting, leasing, licensing or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. The key consideration is whether the project involves negligible or no expansion of an existing use. The project is a three-year extension to a previously approved permit for a cottage industry in an existing garage of a single family dwelling. Therefore, the proposed use is consistent with the parameters of this Class 1 exemption. There are no exceptions pursuant to Section 15300.2. No evidence of significant adverse environmental effects were identified during staff review of the development application.

OTHER AGENCY INVOLVEMENT:

The following agencies have reviewed the project, have comments, and/or have recommended conditions:

Environmental Health Bureau RMA-Public Works RMA-Environmental Services Cachagua Fire Protection District Prepared by: Son Pham-Gallardo, Associate Planner x5226 Reviewed by: Craig Spencer, RMA Services Manager, x5334 Approved by: John M. Dugan, FAICP, RMA Deputy Director of Land Use and **Community Development** The following attachments are on file with the Resource Management Agency: Exhibit A - Project Data Sheet Exhibit B - Draft Resolution including: Conditions of Approval • Site Plans **Operations** Plan Exhibit C - Vicinity Map Exhibit D - Resolution 18-039

cc: Front Counter Copy; Zoning Administrator; Craig Spencer, RMA Services Manager; Paul Byrne, Agent; Nikolay Gontaryuk, Applicant/Owner; The Open Monterey Project (Molly Erickson); LandWatch (Executive Director); John H. Farrow; Janet Brennan; Project File PLN190137