Dry Creek Valley Citizens Advisory Council Zoom Meeting Minutes January 16, 2025 Meeting held in person and online

Call to Order

The meeting of the Dry Creek Valley Citizens Advisory Council was called to order by Chair Alex Harris at 6:10 pm.

Roll call was taken. Present were Art Murray, Dani Price, Nancy Bevill, Richard Kagel, and Alex Harris.

Swearing in of New Councilmember—Dani Price

Jenny Chamberlain, from Supervisor James Gore's office, handled the swearing in of our newest councilmember, who is filling the vacancy left when Elaine Foppiano resigned.

Approval of Minutes

Minutes of the 10-17-2024 meeting were approved with corrections on a motion by Arthur Murray, and a second from Richard Kagel. Passed on a voice vote 5-0.

Public Comments on Non-Agenda Items -

No comments.

<u>Correspondence:</u> We received several new letters in regards to the referral on this agenda. They will be attached with the Minutes.

Councilmember Announcements and Disclosures: NA

Referrals from Permit Sonoma County -

File Number: UPE24-0048

Applicant Name: Robert Mauritson **Owner Name:** Robert Mauritson

Site Address: 3319 Dry Creek Road, Healdsburg

APN: 090-150-041

Project Description: Request for a Use Permit for a new 100,000-case winery on a 20.45-acre parcel including: construction of a new 16,264 sq. ft. production facility, including a 9,130 (TYPO) sq. ft. tank storage room, 2,304 sq. ft. barrel room, 2,304 sq. ft. goods storage room, an a 2,493 sq. ft. tasting room with approx.. 1,400 sq. ft. outdoor porch/patio area; construction of a 4,608 sq. ft. covered crush pad; 24 agricultural promotional events and 6 industry wide event days with a maximum of 50-300 guests; removal of an existing barn and two water wells; expansion of existing on-site access road and driveway entrance. Zoning: LIA B620, RC50/25 SR VOH

The hearing on this referral was deferred from October 17, 2024. The applicant and his team amended their application and are here to present the changes and answer further questions.

Jean Kapolchok started the presentation and introduced Corn Munselle, Civil Engineer; Dalene Whitlock, Traffic Impact Analyst, and Ken Lafranchi, the project architect from Lafranchi of Lafranchi Architecture and Development. Jean stated that the parcel conforms to our Guidelines, the traffic conforms, the water use conforms, parking conforms, noise conforms, food service conforms, the local focus of 80% of the grapes coming from Sonoma County is on point. The hang-up on this referral seems to be the aspect of "rural character"--which is not mandatory--and "concentration". They consider both of these preferences rather that requirements.

Jean asked what the impact of locating a 80,000 case winery would be on this site? She reiterated that there is a 200 ft. set back from the scenic corridor. The parking has not changed. The events have not changed. She also indicated that the access remains the same. Traffic will be slightly more than there is currently—the bulk of that will be at harvest, so it will increase for a limited time.

It was asked what would happen if this project does not go forward. It was indicated that we had received some letters in support of the project. **Bob Mauritson** mentioned it would be an advantage to be able to crush grapes at will, as the valley's wine grapes are a perishable commodity. He indicated ti would give both himself and others a local place to crush, allowing them extra time to sell. The plan does include the next generation. Jean stated that this project supports Sonoma County agriculture.

Dalene Whitlock—Traffic Consultant—stated that most of a winery's traffic is due to visitors. Production of wine does not produce as much traffic. Traffic impact does not change much based on the size of the winery. There is a limit to how many grapes can be processed at once, so daily traffic will not change much. The change from 100,000 to 80,000 cases will reduce the number of days required for crushing. Visitation numbers will not be impacted. Visitors are not a single purpose trip. She reminded everyone that there were no adverse traffic effects identified in the study and that any impacts should be less with a reduction in case production.

Jean asked the council if they would like to walk through the architectural design again. Arthur asked for a review and if anything had changed. The team reminded the council that one old barn will be removed, and there is a house that will remain. Also, the site was chosen as no grapes are grown there currently and the ground is already compacted. It is currently used as a staging site. The winery is designed to be an agricultural looking building. Nothing has changed from the previous presentation. She read a portion of the letter received from Mike Saini.

Cort Munselle—Munselle Civil Engineering—addressed the circulation pattern. The exit and entrance are the same. He highlighted the parking area and circular traffic pattern around the facility. He mentioned septic needs and facilities had already been covered, that storm water was addressed. It will be retained, and slowly allowed to infiltrate the soil. There will be no parking on Dry Creek Road.

Arthur asked about using access from Gallo/Frei Brothers Road. The team replied that Gallo's position is not known, but that Gallo's access is one way, so access to this proposed winery facility is safer and better.

Questions from Council

Richard referenced the Guidelines document. He mentioned that the DCVCAC has not had as many referrals and permit requests, as it did when the Guidelines were developed. There was talk, at that time, of a moratorium on winery permits and also about how to deal with bad actors who had been granted permits. The general feeling was that our valley residents were a bit fed up and feeling like we had enough wineries in the valley. Richard asked how the grape growing and winery business had changed since then.

He also asked about the entrance photo. He mentioned a previous concern about trucks entering the winery, as they would have to pull off the road to the shoulder before entering the driveway to the winery, and this might pose a danger to bicyclists. He also mentioned an existing power pole, asked where the entrance was in relation to that, and also mentioned the existing drainage ditch. There was also a discussion of the location of the power pole in relation to the 3 or 4 mailboxes that are along that stretch of road. He was told the power pole was just north of the mailboxes. In regards to the ditch, the applicant indicated there would be a culvert where there is currently a drainage ditch.

Richard again asked about business. Do they have a sense of what percentage of the 80,000 cases would be crushed for juice? Bob said that 64,000 cases—80% of the total production—would become juice and they would meet the 80% minimum number of grapes required to be from Sonoma County. He explained that the balance of 20%, or 16,000 cases, would be potentially be open to out-of-county fruit. He estimated that about half of the 64,000 cases of crush capacity would be from Dry Creek. Richard asked about what percentage would be headed to bulk wine. Robert answered that it would depend on the

crop and also their sales in the tasting room. He thought a majority at the beginning would be for bulk juice. Richard said that he understands that the business has changed in a major way, in that many wineries are delivering their product as bulk juice. The timeliness of the rushing of the fruit is important to growers. Bob assured the council that the 80% Sonoma County grapes promise was written into the permit.

Richard asked about the sound wall—specifically if it will be added to screen residences just north of the winery site. He asked about the letter from Trent Norris and asked for clarification of where their properties are located. **Bob** said that they are back quite a ways from the road but that their rental properties may be closer to the road and the project—he believes they are across Frei Road. Richard would like the applicants to discuss and clarify the sound mitigation measures with **Trent Norris** to address their concerns for their properties. **Jean** mentioned they have been trying to set up a site meeting with the, but it has not yet happened. They would like to address this again with the acoustical engineers. Richard addressed the idea of being a good neighbor and expressed concern about the lack of notice to these particular neighbors. Richard would like to see a negotiated settlement with them rather than a battle. He again addressed the case size and the change in the business model.

Alex asked about Bob's personal prosecution. How much of their grapes would be beyond the 80,000 case limit. Bob stated that not all of his grapes go into juice.

Richard remarked that these questions need to be answered.

Questions from the Public

Questions from Public

Michael Verlander—2700 Dry Creek Road—Is there a tasting room? Is it for just their brand? Yes.

Bruce Lawton—asked Cort about groundwater and drainage and leeching system. Cort gave a recap of the soils report and said that soils are porous alluvial soils.

Michael Verlander – Question about zoning LLA. General purpose of County code. To protect... resources, etc. Zoned LIA—land intensive agriculture. From code: A to enhance and protect—permanent ag use, high production, to implement land intensive ag and policies. 20 acre parcel. Jean clarified there are 20.45 acres and they will be removing less than a ¼ acre of vines for the winery facility. The siting of the winery is on already compacted ground. There will be 18 acres of vines remaining. Bob estimated the land will produce 120 tons, plus or minus. He was asked for tonnage required for 80,000 cases. Bob estimated 1,200 tons; approximately 60 to 66 cases per ton. About 10% will be off that property. They were asked if the winery size is appropriate based on size of property. Michael mentioned this project and winery seem to be more of an industrial site, not just promoting the agricultural use of this property. Does the scale fit the existing wineries in the Valley? Can the proposed buildings accommodate 80,000 cases? His experience was not with bulk wine. Consistency with LIA addressed by Jean. Michael did not feel the policies were written to have a winery per parcel. Jean said the guidelines talk about the local area and Sonoma County--she did not believe the rules were written with the notion that a winery would have to be sized only with consideration of the size of parcel. There has been talk about processing of grapes within the local area, but the policy for Sonoma County grapes is not written. It was clarified that the Guidelines document suggests emphasis on local and Sonoma County grapes.

Mike Price--4705 Dry Creek Road—He doesn't think anyone wants to be able to stop anyone from doing what they need to do to support their business. He asked if this is the most appropriate place for this use. He believes it should be in a more industrial area, rather than in the middle of vineyards. He personally

has 30 acres with about 16 acres of vineyards. They had thought about building a winery and tasting room. They looked at maxing out at 30,000 cases. He wouldn't have bought his property if he wanted to do 100,000 cases.

Nicole Litchfield--3232 Dry Creek Road, Healdsburg—stated she is in favor of improvement to the property. Her concern is scale of the industrial size facility behind the tasting room. Basically it is a two-lane highway with a 50 mph speed limit and no passing lane. She acknowledged her previous letter. She was interested if any neighbors wrote in with support, saying she thought all neighbors were concerned with scale. She feels that the size tips the balance. They are in support of family wineries, but this is not the right place for a project of this scale.

Councilmember Arthur Murray addressed her question about neighbors, stating we had received a letter of support from Dan Teldeschi, who is a neighbor just north of the Dry Creek Store.

<u>Rich Masino</u>—3280 Dry Creek Road—He wants to support agriculture, but his concern is traffic safety. He respects Gallo's facility because they have a turn lane. This project enters right into the direct traffic flow of a two-lane road where the average speed 50-80 mph. He was almost rear-ended by someone texting and driving

60 mph on this stretch. He mentioned there are more stores of trouble entering area driveways from multiple neighbors. He is in support of winery and in support of the tasting room. He thinks that his concern is about the production facility and believes this is not the right place.

Nicole asked if the Guidelines say this type of facility should be near a highway, rather than in the middle of the valley floor.

John Saini—Saini Vineyards and Winery, 507 Dry Creek Road, Healdsburg—He is in favor of the project. He asked what would happen if Bob backs out of the project. He said that so far we have welcomed everyone. He is the poster child for being near large facilities. In the realm of size for wineries, this is fairly small. Mentioned every farm used to have a dryer. He understands about traffic. His property is near a Kendall-Jackson facility and they wanted to do a 16 ft. lane in front of his house. He believes they mitigated every concern. He believes county regulations caused their own winery to be delayed for 5 years. He believes we should support them. He asked that we think about Gallo with a million-and-half-case facility bringing in fruit from out of the country. Knows of another current winery that has been 8-years in the making. They have been run through the gauntlet.

<u>Kim Wallace</u>—Dry Creek Vineyards—3410 Dry Creek Road—She said that she had written an opposition letter, and stated that this is an awkward position to be in, as we are all neighbors and friends, and she is also a family winery owner. She knows the impacts of a larger scale winery. She mentioned that the revised proposal is for 80,000 case. She asked if the 80% all Bob Mauritson's grapes. She also asked how much of the 64,000 cases will be bottled on site.

He stated that he has wine contracts with other wineries. The juice would get shipped out before bottling. A majority of their capacity will be shipped out to other wineries. Part of the juice will be bottled for other labels. No other labels will be sold out of the tasting room. A small amount would be for their own family brand.

Kim asked what is best for Dry Creek Valley. She believes the spirit of Guidelines were written for the future and stated that we can't ignore impacts. Kim's family has about 85 acres to produce 30,000 cases. They have no impact on neighbors. She feels the scope of Bob's business model is not appropriate for the site. She asked everyone to remember there are 7 wineries—plus Zo has 600 case winery—and this does not include Saini. She believes the nature of business model is not right for the spot, and reminded the

Council that this will set a precedent. She acknowledged the downscaling from 100,000 to 80,000 cases but still doesn't like it. She mentioned he does not live on the site or in the valley. She believes the nature of their business model is not right for this spot, and reminded the Council that this will set a precedent. She acknowledged the downscaling from 100,000 cases to 80,000 cases, but still does not like it. She also acknowledged that she does not live on their winery site, nor in the Valley.

(Note for clarification: the seven wineries are Dry Creek Vineyards, Passalacqua, F. Teldeschi Winery, Rued Winery, Gallo, Amista Vineyards, and Mauritson Wines. Zo is also in this vicinity with only a 600 case permit farm stay. If you go slightly farther in each direction, there is also Rafanelli Winery, Unti Vineyards, Saini Vineyards, and Nalle Winery.)

<u>Councilperson Arthur Murray</u> asked if anyone knew when the last time a winery of this scale was approved. Kim Wallace shared that Dry Creek Vineyard was approved in 1993. Someone mentioned that Gallo had fairly recently sought approval for an increase in production that was approved.

<u>Bruce Lawton</u>—Pech Merle—4543 Dry Creek Road Healdsburg—Bruce asked about the footprint. Bob acknowledged that the footprint was designed to be small. They have tall tanks and not much barrel storage. The quanitity of wine that stays there is less, per the architect, Ken Lafranchi.

Councilperson Richard Kagel asked about barrel storage. He was told there will be 2,600 sq. ft.

Councilperson <u>Alex Harris</u> asked about bottling, and if this could be addressed in the proposal. Bob stated that on-site bottling would most likely be no more than 10,000.

Nicole Litchfield said she was also concerned with the noise generated by grape delivery.

<u>Mike Sterline</u>-(no speaker card)—stated that he operates Nicole's winery—he expressed concern for the neighbors across the street from the project. There are 10 homes. He said that when their winery turns on the chillers, all the neighbors can hear it. He also expressed another concern: it is a small community and he asked that the impact on this group be considered.

John Saini mentioned his experience with sound mitigation from Kendall-Jackson's facility and that it all had to be included in their plans. (He clarified he was talking about his own nearness to KJ's Stonestreet Winery. He also stated that all of his properties have two huge wineries right next door. He also mentioned that chillers must meet a certain decibel requirement. He asked those in opposition what they would like to see? He believes that they should be careful what they wish for.

<u>Kim Wallace</u> addressed the warnings from John Saini. She said the property could be sold and there could be a beautiful large home. She does not see it being sold to Gallo for trucks or any of the other scenarios John forestold.

Mike Verlander shared that they first winery they tried to build had the neighbors up in arms, and they persisted in believing that he would go forward with the winery. He ended up putting his winery in an industrial area in Windsor, which ended up being a good thing. He said that transportation and costs were much better in this other location. The County will be the big bar that this project will have to meet. The task of the DCVCAC is to decide if it meets the Guidelines. This is just the beginning of the process.

John Saini stated that the review of the Saini project for the County did not have any opposition.

Comments from Councilmembers

Richard Kagel stated that this is a hybrid project. The major part is a bulk wine production facility with a 10,000 case family winery piggy-backed onto it. He referred to the Guidance document and said it does not make sense to have a bulk wine facility here and that it seemed reasonable to split their need. He asked if they could do barrel aged high quality wine in a smaller facility and process grapes in a facility that the neighbors would consider appropriate. He thought there would be both costs and benefits. He does not like to see fights. He thinks that the fights might increase. He asked Bob to consider splitting the project and to consider the economics of that. He asked if that had been evaluated at all. Ecologically he thought it seems more sound. He also mentioned that 20 acres is the bare minimum for a winery, so the scale seems like it should be on the smaller end of the scale, also. He likes the promise of crushing 80,000 cases of Dry Creek grapes, but believes it could be located elsewhere.

<u>Nancy Bevill</u> pointed to the lesson that information should be gathered and information on the project should be made available. Maybe if the industrial part was not the major part of the project it would be more acceptable. We are all concerned with being able to see grapes in the valley, but she asked how we make these decisions as a community. It should not be a single person going ahead without consulting their neighbors. When a big event takes place, it effects the whole valley. She would like to see a family make a living on their farm, but also thinks they should consider the industrial part being separate from the winery.

Arthur Murray stated that Bob's family is respected. This council exists because it will go before the County and they want to know what the Dry Creek Valley community thinks about the project. They will do what they are going to do. He believes that at the last meeting there was good dialog. The consensus was 20,000 or 30,000 cases would be a good number. He asked if that was feasible for this project. He used the example of a power plant. Bob is coming in at the tipping point. He knew that the new proposal of 80,000 cases would be difficult because it was not closer to 30,000. He asked If 30,000 would be feasible or if it could be put somewhere else.

<u>Dani Price</u> spoke to how special it is to live in Dry Creek Valley. She does not feel that the size and scope of this project fits our Guidelines.

Bob he could not reduce the project to 30,000 cases because of the amount of his own production. Currently he has it processed in Ukiah.

Statement of Motion:

On a motion by Councilmember Arthur Murray and a second from Councilmember Richard Kagel the Dry Creek Valley Citizens Advisory Council moved to recommend **denial** of UPE24-0048 at 3319 Dry Creek Road, Healdsburg, based on the revised 80,000 case capacity.

The motion carried on a roll call vote (4-1).

Councilmember Nancy Bevill-aye Councilmember Alex Harris-nay Councilmember Richard Kagel-aye Councilmember Arthur Murray-aye Councilmember Dani Price-aye

Discussion Items

ACTION ITEM – Action if indicated

Possible discussion items: Discuss items of significant interest on the calendar; discussion of General Plan Update.

Adjournment	
On a motion by Councilmember Arthur Murray, seconded by Councilmember Alex Harris, the meet was adjourned at 7:43 pm. The motion carried on a voice vote (4-0).	ing
Approved Date:Council Chair:	

<u>Agenda Items:</u> Potential projects for future meetings and suggestions for the next DCVCAC meeting. Opt out of Zoom-discuss opting out or allowing without public comments via Zoom.