

DATE: April 30, 2010

TO: Planning Commission

SUBJECT: TIERED WINERY ZONING ORDINANCE AMENDMENT, POD 08-012
District: All

SUMMARY:

Overview

Previously, a Zoning Ordinance Amendment was brought forward to allow Boutique Wineries as a “by right” use subject to limitations. Prior to the effective date of the Ordinance the Board of Supervisors repealed the Ordinance and found that information existed that potentially significant environmental impacts could occur from the by right establishment and operation of Boutique Wineries, and that additional California Environmental Quality Act review in the form of an Environmental Impact Report (EIR) would be required for such an Ordinance. The Board directed staff to develop a tiered set of regulations that more comprehensively address various sized wineries, including winery uses by right and directed the preparation of an EIR.

The proposed amendment to the County Zoning Ordinance would introduce a new winery classification and revise the regulations for two existing winery classifications. The amendment would introduce a new “Packing and Processing: Small Winery” Use Type that would be allowed subject to limitations and with an approved Administrative Permit in the A70 (Limited Agriculture) and the A72 (General Agriculture) Use Regulations. The Amendment would also revise the existing regulations for “Packing and Processing: Wholesale Limited Winery” and “Packing and Processing: Boutique Winery” Use Type to allow these uses by right and subject to specified standards and limitations in the A70 and A72 Zones. The Wholesale Limited Winery Use Type is currently allowed by right and the Boutique Winery Use Type is currently allowed with an approved Administrative Permit. Organizational changes would locate the standards and limitations for Wholesale Limited, Boutique and Small Wineries in one section of the Zoning Ordinance.

Recommendation(s)

DEPARTMENT OF PLANNING AND LAND USE

That the Planning Commission recommends to the Board of Supervisors that they take the following actions:

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1. Adopt the environmental findings included in Attachment D.
2. Adopt the Ordinance titled:

“AN ORDINANCE AMENDING THE ZONING ORDINANCE TO AMEND EXISTING AND INTRODUCE NEW WINERY PACKING AND PROCESSING USE TYPES (POD 08-012)”

Fiscal Impact

The adoption of the ordinance may result in an increase in Administrative Permits and Building Permits. Department of Planning and Land Use costs associated with increases in building permit submittal would be covered by existing building permit fees and Administrative Permit costs would be covered by the Department’s discretionary permit cost recovery fee structure. Therefore, the proposed ordinance is not anticipated to result in a significant fiscal impact to the County. Staffing demands are also expected to be accommodated by the existing staff in the Department of Planning and Land Use. Therefore, no modifications to the County’s Operational Plan are required.

Business Impact Statement

The Proposed Project will benefit San Diego County by promoting the County as a wine producing region and supporting economic growth of visitor serving businesses such as restaurants, cafes and lodging facilities. While the proposed project is not expected to directly generate a significant number of new winery jobs, some new tourist related job opportunities would be expected as San Diego County becomes recognized as a wine producing area. Therefore, the proposed project will benefit the County by encouraging tourism and creating greater local employment opportunities.

Advisory Board Statement

N/A

Involved Parties

County of San Diego

BACKGROUND:

On May 14, 2008 (19), the Board of Supervisors adopted urgency Ordinance No. 9938, repealing the April 23, 2008 (1) approval of a “By-Right” Boutique Winery Zoning Ordinance Amendment. That Ordinance had proposed to allow Boutique Wineries as a “by right” use subject to limitations within the Zoning Ordinance. In repealing the approval, On June 18, 2008 (5), the Board of Supervisors adopted a Zoning Ordinance Amendment (Ordinance No. 9940) introducing a new winery classification, Boutique Wineries as a Packing and Processing Use Type, subject to approval of an Administrative Permit prior to issuance. In addition, the Board directed staff to develop a tiered set of regulations that more comprehensively address various

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sized wineries. Because this tiered set of regulations would include a proposal to allow certain wineries by-right, the Board of Supervisors directed the preparation of an EIR. A consultant was hired to prepare the EIR under the direction and supervision of the Department of Planning and Land Use and staff developed a proposed Tiered Winery Zoning Ordinance Amendment.

Currently, the Zoning Ordinance identifies three categories of use types relating to the winery industry. Each category is regulated on a tiered scale, based primarily on the amount of wine produced. Other factors include on-site sales, tasting facilities, and public event availability. The three existing categories are as follows:

- A Wholesale Limited Winery can produce up to 7,500 gallons of wine per year and is allowed by right within Limited Agriculture (A70) and General Agriculture (A72) Zones. This category of winery is limited to production only and is not allowed to provide on-site tastings.
- A Boutique Winery can produce up to 12,000 gallons of wine per year and entertain public tastings subject to an Administrative Permit.
- A Winery has no limits on the production of wine and can provide an array of public events and sales subject to a Major Use Permit.

The proposed amendments would allow certain activities for Wholesale and Boutique Wineries to occur by right. By right means that no discretionary zoning permit is required. Other permits or other regulations may still be required and include but are not limited to ministerial building permits and discretionary grading permits. These uses would also be subject to regulations from other agencies including those relating to water quality and pesticide application. In addition, all wineries are required to hold a valid permit and bond issued by the U.S. Department of the Treasury Alcohol and Tobacco Tax and Trade Bureau and a current 02 Winegrowers license issued by the California Department of Alcoholic Beverage Control. Additional Ordinance changes would provide consistency for both A70 and A72 Zones and clarification that the ordinance applies to Small, Boutique, and Wholesale Limited Wineries.

Zoning Ordinance Amendment Summary

The proposed amendments are described below for each of the winery use types:

Wholesale Limited

- Increase allowed production from 7,500 to 12,000 gallons of wine per year.
- Text has been added to clarify that on-site sales to the public are prohibited with regard to wine and other goods from the winery.
- All of the existing standards and limitations are proposed to be relocated to Section 6910 from Section 1735.

The general result of these changes would be to increase the amount of wine production from 7,500 gallons per year to 12,000 gallons per year that could be done by right. Consistent with the

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existing conditions, no discretionary permit would be required for an existing Wholesale Limited Winery to increase production pursuant to this amendment.

Boutique

- A Boutique Winery must operate as a Wholesale Limited Winery for at least one year prior to operating as a Boutique Winery.
- The existing wine production limit (less than 12,000 gallons annually) remains unchanged.
- Of the total fruit used in winemaking, a minimum of 75 percent shall be grown within San Diego County, a minimum of 25 percent shall be grown on the premises, and a maximum of 25 percent may be grown outside of San Diego County.
- Boutique Wineries continue to share the same limitations on the size of on-site structure(s) used in the production of wine as Wholesale Limited Wineries, but are allowed one on-site tasting/retail sales room that may operate from 10:00 A.M. until legal sunset seven days a week. The tasting/retail sales room shall be accessory to wine production and shall not exceed 30 percent of the total square footage of the structure used for wine production.
- Events, including but not limited to weddings and parties, and amplified sound are prohibited.
- The sale and consumption of pre-packaged food is allowed on the premises. Catered food service is allowed, but no food preparation is allowed at a Boutique Winery.
- A minimum of six parking spaces shall be provided for customers and a minimum of three spaces shall be provided for employees and operations. No parking is allowed off the premises.
- The on-site driveway and parking area shall not be dirt. The on-site driveway and parking area may be surfaced with chip seal, gravel, or an alternative surfacing material such as recycled asphalt suitable for lower traffic volumes.
- Outdoor eating areas shall be limited to a maximum of five tables and provide seating capacity for no more than 20.
- Vehicles with a capacity in excess of 12 passengers are not allowed.

The general result of these changes would be the allowance of a Boutique Winery to provide on-site tasting and direct sales to the public by right. No discretionary permit would be required for the establishment of a Boutique Winery or for an existing Wholesale Limited Winery to become a Boutique Winery. There would be no change to the maximum allowed wine production, which would remain at less than 12,000 gallons or approximately 5,000 cases.

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Small Winery

- Wine production shall be limited to less than 120,000 gallons annually.
- Of the total fruit used in winemaking, a minimum of 50 percent shall be grown within San Diego County, a minimum of 25 percent shall be grown on the premises, and a maximum of 50 percent may be grown outside of San Diego County.
- The sale and consumption of pre-packaged food is allowed on the premises. Refrigeration shall be approved by the County of San Diego Department of Environmental Health. Catered food service is allowed, but no food preparation is allowed at a Small Winery. Catered food service includes the provision of food that is ready to eat and that has been prepared off the Small Winery premises.
- Events, including but not limited to weddings and parties, may be allowed upon the making of the findings for approval of an Administrative Permit (see Section 1.5.1. Project Approvals/Permits).

The type of operation proposed to be classified as a Small Winery is currently classified as a Winery Use Type and is allowed with a Major Use Permit. The Proposed Project would change the type of permit required to an Administrative Permit. Administrative Permit's are approved/denied as a Director of Department of Planning and Land Use level decision and may be appealed to the Planning Commission; while Major Use Permit are reviewed by the Planning Commission and may be appealed to the Board of Supervisors. Each application for a Small Winery would be evaluated under the neighborhood compatibility, General Plan, and California Environmental Quality Act (CEQA) findings as required in the Zoning Ordinance, and conditions could be added to an Administrative Permit to address any site specific concerns.

In addition, the Small Winery Use Type would be more restrictive than the Winery Use Type in that a Small Winery has a specific limit on wine production (less than 120,000 gallons/50,000 cases per year) while the Winery Use Type does not have this limitation. Furthermore, the Small Winery would be allowed only in the A70 and A72 Zones with an Administrative Permit, whereas the Winery is allowed in many more zones with a Major Use Permit, and is allowed by right in the Industrial Zones.

It should be noted that no changes are proposed to the "Packing and Processing: Winery" (Winery) Use Type. This includes the crushing of grapes, berries, and other fruits and fermentation, storage, and bottling of wine from fruit grown on or off the premises. A Winery may also include a tasting room and retail outlet as secondary uses. The Winery Use Type is allowed upon approval of a Major Use Permit in the Rural Residential (RR), Recreation-Oriented (RRO), Residential-Commercial (RC), A70, A72, Limited Control (S87), Specific Plan Area (S88) and General Rural (S92) Use Regulations. A Winery is allowed by right in all Industrial Use Regulations.

PROJECT ISSUES:

See Public Input

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ENVIRONMENTAL STATUS:

A Draft Environmental Impact Report (DEIR) has been prepared for this project and is on file at the Department of Planning and Land Use as Environmental Review Number 08-00-004. The DEIR was circulated for public review in August of 2009. The DEIR's information and analysis identify that certain significant effects of implementing the proposed project are unavoidable and unmitigable. These unavoidable significant effects relate to air quality, biological resources, cultural resources, hydrology and water quality, noise, traffic and water supply. The DEIR conclusions are largely based on the fact that the proposed project would allow by right winery use types throughout an area approximately 440,000 acres in size with varying environmental conditions; in addition to the fact that the exact location of future wineries cannot be predicted. Therefore, significant environmental effects could not be conclusively ruled out.

After the DEIR was circulated for public review and partially in response to certain comments received, the Department revised portions of the DEIR. The revised portions included Section 2.7, Water Supply & Ground Water. The revised information changed the Cumulative Impact Analysis for Water Supply & Ground Water Supply (Sect.2.7.3) from less than significant to significant based on additional analysis of the project's impact on ground water basins. The Department circulated the DEIR Revisions for public review on April 22, 2010. See Attachment C. The 45 day public review period ends on June 7, 2010.

PREVIOUS ACTIONS:

On June 18, 2008 (5), the Board of Supervisors adopted a Zoning Ordinance Amendment (Ordinance No. 9940) introducing a new winery classification, Boutique Wineries as a Packing and Processing Use Type, subject to approval of an Administrative Permit prior to issuance. In addition, the Board directed the Chief Administrative Officer to develop a tiered set of regulations for various sized wineries and to prepare an Environmental Impact Report to analyze the potential impacts the ordinances changes would have on the environment.

On May 14, 2008 (19), the Board of Supervisors adopted urgency Ordinance No. 9938, repealing the approval of a "By-Right" Boutique Winery Zoning Ordinance Amendment adopted on April 23, 2008 (1).

On April 23, 2008 (1), the Board of Supervisors adopted a "By-Right" Boutique Wineries Zoning Ordinance Amendment (Ordinance No. 9934) that allowed Boutique Wineries in the A70 – Limited Agriculture and the A72 – General Agriculture Use Regulations that are located on public roads by right and required either a Road Maintenance Agreement or Administrative Permit based on the number of parcels on a private road. The Board of Supervisors also adopted a Mitigated Negative Declaration.

On April 4, 2008, the Planning Commission voted to uphold their March 7, 2008 recommendation that the Board of Supervisors adopt a proposed Boutique Winery Zoning Ordinance Amendment which allows Boutique Wineries on public roads by right and requires either a Road Maintenance Agreement or Administrative Permit based on the number of parcels on a private road, and the adoption of the Mitigated Negative Declaration.

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On March 7, 2008, the Planning Commission voted to recommend that the Board of Supervisors adopt a proposed Boutique Winery Zoning Ordinance Amendment which allows Boutique Wineries on public roads by right and requires either a Road Maintenance Agreement or Administrative Permit based on the number of parcels on a private road, and the adoption of the Mitigated Negative Declaration.

On December 5, 2007 (5), the Board of Supervisors directed the Chief Administrative Officer to amend the draft Ordinance to include a solution to the private road problem, requiring a Road Maintenance Agreement or Administrative Permit based on number of parcels; address any liability issues involved; and return to the Board of Supervisors in 120 days with necessary documentation including any necessary environmental documentation and findings that would allow the Boutique Wineries by right for properties located on public roads.

On September 7, 2007, the Planning Commission voted to recommend that the Board of Supervisors direct staff to complete additional work to address Boutique Wineries on private roads.

On February 28, 2007 (4), the Board of Supervisors considered a number of options for the future regulation of wineries and directed the Chief Administrative Officer to return to the Board in 120 days with the following: 1) An amendment to the Zoning Ordinance to add Boutique Wineries as an allowed use in the A70 Limited Agriculture and the A72 General Agriculture Use Regulations; 2) Review and amend the Transportation Impact Fee Ordinance to accommodate Boutique Wineries; and, 3) Review and consider the Ramona Valley Winery Association's proposal to develop a series of options to regulate wineries based on product output.

On October 18, 2006 (6), the Board of Supervisors directed the Chief Administrative Officer to work with the Ramona Valley Winery Association, the San Diego County Farm Bureau and any other interested winery owners to investigate options that would allow Boutique Wineries to expand and operate successfully by right without burdensome regulations, and report back to the Board of Supervisors in 120 days. The Board of Supervisors also directed development of a map of current San Diego wineries and a cost estimate for creating signage that identifies the San Diego Wine Region.

PUBLIC INPUT:

In addition to the comments received in response to the public review of the project's EIR, see Attachment E. Comments have been received from the Ramona Valley Winery Association (RVWA) regarding the proposed Zoning Ordinance Amendment. The RVWA comments are summarized as follows:

1. Exempt –On Premise Signs - The RVWA has requested consideration of enlarging the size of exempt signage from 12 square feet to 32 square feet. The size of the sign as proposed is consistent with other agricultural uses (i.e. roadside farm stands) therefore staff does not support this request because a 12 square foot sign is consistent with other Agricultural Uses.

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2. Two Phase Establishment- The ordinance as proposed requires wineries to operate as a Wholesale Limited one year prior to establishing a tasting room. The RVWA believes this condition may impose unnecessary delays and expense. Staff does not believe this condition will impose hardship, as vineyards typically take three years to established grape crops viable for wine production.
3. Public Gatherings - The RVWA believes the language used to prohibit large scale public gatherings is too vague and therefore open to restrictive enforcement. Staff believes the intent of this condition is clear in that large scale public gatherings of a commercial nature are prohibited. Large scale event for personal use of the winery operator that are not for commercial purposes are permitted (i.e. personal family events).
4. Food Preparation, Boutique Wineries - The proposed ordinance allows the sale and consumption of pre-packaged food on premises at Boutique Wineries. Catered food service is also allowed. On-site food preparation is prohibited. The RVWA has requested that on-site food preparation be considered. Staff believes the condition as proposed is appropriate as on-site food preparation and consumption is a Restaurant Use which is commercial in nature and inconsistent with the A70 and A72 Agricultural Zones.

DEPARTMENT REASONS FOR RECOMMENDATION:

1. The project, as proposed, is consistent with the Land Use Designations where the A70 (Limited Agriculture) and A72 (General Agriculture) Use Regulations occur, including Estate (17), Multiple Rural Use (18), Intensive Agriculture (19), General Agriculture (20), National Forest/State Parks, Impact Sensitive (24) and Extractive (25) (County Land Use Element, 2000). The project is consistent with the General Plan because wineries, which are considered an agricultural use, are anticipated by these Land Use Designations that provide for agriculture and are consistent with the Agricultural Use Regulations.
2. The project, as proposed, is consistent with the Community and Subregional Plans because it proposes an agricultural use and none of the Community and Subregional Plans include policies that discourage agriculture.
3. The project, as proposed, is consistent with the A70 (Limited Agriculture) and the A72 (General Agriculture) Use Regulations because it proposes an agricultural use in the Agricultural Use Regulations that are intended to create and preserve areas for agricultural crop production.
4. The project complies with the California Environmental Quality Act and State and County CEQA Guidelines because a Draft Environmental Impact Report has been reviewed and considered by the Planning Commission before making a recommendation on the project.

cc:

All Community Planning and Sponsor Groups

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Eric Larson, San Diego County Farm Bureau, 1670 East Valley Parkway, Escondido, CA 92027

Robin Van Dyke, California Department of Alcoholic Beverage Control, 334 Via Vera Cruz, Suite 204, San Marcos, CA 92078

Andy and Carolyn Harris, Chuparosa Vineyards, 910 Gem Lane, Ramona, CA 92065

Victor and Beth Edwards, Edwards Cellars, 26502 Highway 78, Ramona, CA 92065

Don Kohorst, Pyramid Vineyards, 130 Magnolia Avenue, Ramona, CA 92065

Mike Kopp, Hillstone Vineyard & Kohill Winery, 17211 Highlander Drive, Ramona, CA 92065

Bill Schweitzer, Pacciolo Vineyard, 16988 Sky Valley Drive, Ramona, CA 92065

Steven E. Pelzer, 18015 Bluegrass Road, Ramona, CA 92065

Carolyn Dorroh, 17235 Voorhes Lane, Ramona, CA 92065

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John & Rosemary Roberts, 17172 Salt Mine Road, Ramona, CA 92065

Kevin Pender, P.O. Box 1223, Ramona, CA 92065

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Tom and Joann Ramsthaler, 17055 Garjan Lane, Ramona, CA 92065

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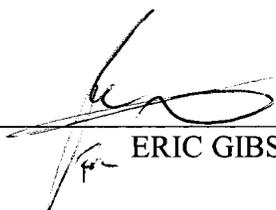
ATTACHMENTS:

- Attachment A – Resolution or Form of Decision Approving (POD08-012)
- Attachment B – Resolution or Form of Decision Approving (POD08-012)-Strikeout/Underline
- Attachment C – Environmental Documentation
- Attachment D – Environmental Findings
- Attachment E – Public Documentation
- Attachment F – Board of Supervisor Minute Order – July 9, 2008

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AUTHORIZED REPRESENTATIVE:

 _____
 ERIC GIBSON, DIRECTOR

Attachment A
Resolution or Form of Decision
Approving (POD08-012)

ORDINANCE NO. _____ (NEW SERIES)

AN ORDINANCE AMENDING THE ZONING ORDINANCE TO AMEND EXISTING AND INTRODUCE NEW WINERY PACKING AND PROCESSING USE TYPES (POD 08-012)

The Board of Supervisors of the County of San Diego ordains as follows:

Section 1. The Board of Supervisors finds and determines that the following amendments of the Zoning Ordinance to introduce new winery classifications as Packing and Processing Use Types and to amend existing winery classifications and to allow these winery classifications as permitted uses subject to limitations in the Agricultural Use Regulations are reasonable and necessary for the public health, safety, convenience, and welfare and are consistent with the General Plan.

Section 2. Section 1205.e. of the San Diego County Zoning Ordinance is amended to read as follows:

e. Agricultural Use Types.

Horticulture: Cultivation
Horticulture: Storage
Tree Crops
Row and Field Crops
Animal Raising
Animal Waste Processing
Packing and Processing: Limited
Packing and Processing: General
Packing and Processing: Support
Packing and Processing: Winery
Packing and Processing: Small Winery
Packing and Processing: Boutique Winery
Packing and Processing: Wholesale Limited Winery
Agricultural Equipment Storage

Section 3. Section 1735 of the San Diego County Zoning Ordinance is amended to read as follows:

1735 **PACKING AND PROCESSING.**

Packing and Processing refers to packing and processing of fresh agricultural products and does not include cooking, canning, tanning, rendering and reducing operations which are general industrial uses. Following are categories of Packing and Processing use types:

a. Packing and Processing: Limited. The customary preparation for market of fresh produce, flowers, feed, fiber, milk, eggs, rabbits, poultry and other similarly sized small or specialty animals raised for human consumption, produced on the same premises as the packing and processing operation.

- b. Packing and Processing: General. The customary preparation for market of fresh produce, flowers, feed, fiber, milk, eggs, rabbits, poultry and other similarly sized small or specialty animals raised for human consumption, produced on premises other than that upon which the packing and processing operation is located.
- c. Packing and Processing: Support. Fabrication, assembly, reconditioning and sale of boxes, cartons, crates and pallets for handling and transporting crops provided this use is secondary to agricultural or horticultural production on the premises.
- d. Packing and Processing: Winery. Crushing of grapes, berries and other fruits and fermentation, storage and bottling of wine from fruit grown on or off the premises. A Winery may also include a tasting room and retail outlet as secondary uses.
- e. Packing and Processing: Small Winery. Crushing of grapes, berries and other fruits and fermentation, storage and bottling of up to 120,000 gallon of wine per year. A Small Winery may also include a tasting room and retail outlet as secondary uses.
- f. Packing and Processing: Boutique Winery. Crushing of grapes, berries and other fruits and fermentation, storage and bottling of up to 12,000 gallons of wine per year. A Boutique Winery may also include a tasting room and retail outlet as secondary uses.
- g. Packing and Processing: Wholesale Limited Winery. Crushing of grapes, berries and other fruits for the fermentation, storage, bottling and wholesaling of up to 12,000 gallons of wine per year.

Section 4. Section 2702 of the San Diego County Zoning Ordinance is amended to read as follows:

2702 PERMITTED USES.

The following use types are permitted by the A70 Use Regulations:

- a. Residential Use Types.
 - Family Residential
- b. Civic Use Types.
 - Essential Services
 - Fire Protection Services (see Section 6905)
- c. Agricultural Use Types.
 - Horticulture (all types)
 - Tree Crops
 - Row and Field Crops
 - Packing and Processing: Limited

Section 5. Section 2703 of the San Diego County Zoning Ordinance is amended to read as follows:

2703 PERMITTED USES SUBJECT TO LIMITATIONS.

The following use types are permitted by the A70 Use Regulations subject to the applicable provisions of Section 2980. The number in quotes following the use type refers to the subsection of Section 2980 which applies.

a. Residential Use Types

Mobilehome Residential "18"

b. Commercial Use Types

Animal Sales and Services: Veterinary (Large Animals) "6"

Animal Sales and Services: Veterinary (Small Animals) "6"

Cottage Industries "17" (see Section 6920)

Recycling Collection Facility, Small "2"

Recycling Processing Facility, Wood and Green Materials "3"

c. Agricultural Use Types

Packing and Processing: Small Winery "22" (see Section 6910)

Packing and Processing: Boutique Winery "22" (see Section 6910)

Packing and Processing: Wholesale Limited Winery "22" (see Section 6910)

Section 6. Section 2722 of the San Diego County Zoning Ordinance is amended to read as follows:

2722 PERMITTED USES.

The following use types are permitted by the A72 Use Regulations:

a. Residential Use Types.

Family Residential

b. Civic Use Types.

Essential Services

Fire Protection Services (see Section 6905)

Law Enforcement Services (see Section 6905)

c. Agricultural Use Types.

Horticulture (all types)

Tree Crops

Row and Field Crops

Packing and Processing: Limited

Section 7. Section 2723 of the San Diego County Zoning Ordinance is amended to read as follows:

2723 PERMITTED USES SUBJECT TO LIMITATIONS.

The following use types are permitted by the A72 Use Regulations subject to the applicable provisions of Section 2980. The number in quotes following the use type refers to the subsection of Section 2980 which applies.

a. Residential Use Types

Mobilehome Residential "18"

b. Commercial Use Types

Animal Sales and Services: Veterinary (Large Animals) "6"

Animal Sales and Services: Veterinary (Small Animals) "6"

Cottage Industries "17" (see Section 6920)

Recycling Collection Facility, Small "2"

Recycling Processing Facility, Wood and Green Materials "3"

c. Agricultural Use Types

Packing and Processing: Small Winery "22" (see Section 6910)

Packing and Processing: Boutique Winery "22" (see Section 6910)

Packing and Processing: Wholesale Limited Winery "22" (see Section 6910)

Section 8. Section 2980 of the San Diego County Zoning Ordinance is hereby amended to read as follows:

2980 LIMITATIONS ON PERMITTED USES.

The following limitations apply to the uses indicated by the corresponding number in quotes in the previous sections entitled "Permitted Uses Subject to Limitations."

"1" Dwellings as Secondary Uses. Limited to dwellings which are secondary uses of a structure, lot or parcel primarily used for business purposes.

"2" Recycling Collection Facilities shall comply with the applicable provisions of Section 6970.

"3" Recycling Processing Facilities shall comply with the applicable provisions of Section 6975.

"4" Secondary Use. Permitted only as a secondary use within a dwelling. No such use shall have a floor area greater than the floor area devoted to residential purposes.

"5" Same Lot. Permitted only if located on the same lot as the industrial use it serves.

"6" Veterinary Hospitals. Hospital must be located on a parcel of land not less than 2 acres in size. Indoor treatment areas must be located at least 100 feet from the nearest

- property line, and out door treatment or confinement areas must be located at least 200 feet from the nearest property line.
- "7" Limitation on Enclosed Storage. All operations, including the storage of materials and equipment, shall be entirely within an enclosed building, and the area devoted to storage shall not be greater than the area devoted to sales and administrative offices.
- "8" Enclosed Building. All operations, including the storage of materials and equipment, shall be entirely within an enclosed building.
- "9" Enclosed Building or Walls. All operations, including the storage of materials and equipment, shall be entirely within an enclosed building or inside walls or solid fences not less than 6 feet in height.
- "10" Retail Establishments. Limited to retail establishments intended for the convenience of permitted establishments and/or clients thereof, provided no such retail establishment occupies more than 15 percent of the total floor area of the building in which it is located and has no entrance except from the lobby or interior of said building, or from a patio entirely surrounded by said building.
- "11" Insurance and Real Estate Offices. Limited to insurance and real estate offices as a secondary use within a dwelling. No such office shall have a floor area greater than the floor area devoted to residential purposes.
- "12" Gasoline Sales. There shall be no open storage of goods or materials, and all repair and lubrication services shall take place in an enclosed building.
- "13" Drycleaning Plants and Laundries. Limited to drycleaning plants and laundries which provide retail services only, use only non-flammable solvents, and employ not more than 10 people.
- "14" Performance Standards. Subject to meeting the applicable provisions of the performance standards specified in Section 6300.
- "15" Performance Standards and Power. Subject to meeting the applicable provisions of the performance standards specified in Section 6300. Prior to the installation or operation of electric or other power sources in excess of 20 horsepower, the proposed use shall be reviewed pursuant to Section 6304 and the Director shall certify that the use complies with the applicable performance standards.
- "16" Animal Related Activities. Animal related activities may be permitted subject to the Animal Regulations commencing at Section 3000.
- "17" Cottage Industries. Permitted subject to the provisions of Section 6920.
- "18" Mobilehome Residential. Subject to the Mobilehome Park Regulations commencing at Section 6500 or the Planned Development Standards commencing at Section 6600.

- "19" Adult Entertainment Establishments. Subject to meeting the applicable provisions of the regulations and performance standards specified in Section 6930 and upon issuance of an Administrative Permit as specified in Section 6930.
- "20" Secondary Use: On building sites 5 acres or less in size, the use shall be restricted to locations above the first story of a building or buildings the first story of which is reserved for permitted principal uses. On building sites larger than 5 acres, the use may, as an alternate to the foregoing, be located in a building or buildings intended and located solely for secondary uses provided that not less than 50 percent of the site area is devoted exclusively to permitted principal uses.
- "21" Drug Paraphernalia Establishments. Subject to meeting the applicable provisions of the standards specified in Section 6932 and upon issuance by the Director of an Administrative Permit.
- "22" Small, Boutique and Wholesale Limited Wineries. Allowed subject to the provisions of Section 6910.

Section 9. Section 6252.u of the San Diego County Zoning Ordinance is amended to read as follows:

- u. One sign up to 12 square feet in area for an allowed roadside sales stand, Small Winery or Boutique Winery identifying and advertising agricultural products produced on the premises.

Section 10. Section 6910 of the San Diego County Zoning Ordinance is amended to read as follows:

6910 WHOLESALE LIMITED, BOUTIQUE AND SMALL WINERIES

- a. Wholesale Limited Winery. A Wholesale Limited Winery shall comply with the following provisions:
 - 1. A Wholesale Limited Winery shall have a valid permit and bond issued by the U.S. Department of the Treasury Alcohol and Tobacco Tax and Trade Bureau, and a current 02 Winegrowers license issued by the California Department of Alcoholic Beverage Control. Licenses issued by the California Department of Alcoholic Beverage Control that allow other types of alcohol sales are prohibited.
 - 2. On-site sales to the public of wine and other goods from the winery, tasting rooms, and/or special events, including but not limited to weddings and parties, are prohibited. Internet sales, phone sales and mail-order sales are allowed.
 - 3. The maximum floor area of non-residential structure(s) used to crush, ferment, store and bottle fruit, wine and other products and equipment used in winemaking is limited to 1,000 square feet where the lot is less than one gross acre. A maximum floor area of 1,500 square feet is allowed where the lot is one acre or more but less than two acres gross, and 2,000 square feet of floor area is allowed where the lot is two to four acres gross. An additional 200 square feet of

floor area is allowed for each acre over four acres, up to a maximum of 5,000 square feet of additional allowed floor area.

4. Up to 75 percent of the fruit used in winemaking may be imported from off the premises while the remainder shall be grown on the premises.
 5. Wine production shall be less than 12,000 gallons annually.
 6. All operations shall comply with the provisions of Section 36.401 et seq. of the San Diego County Code of Regulatory Ordinances relating to Noise Abatement and Control.
- b. Boutique Winery. A Boutique Winery shall comply with the following provisions:
1. A Boutique Winery shall have a valid permit and bond issued by the U.S. Department of the Treasury Alcohol and Tobacco Tax and Trade Bureau, and a current 02 Winegrowers license issued by the California Department of Alcoholic Beverage Control. Licenses issued by the California Department of Alcoholic Beverage Control that allow other types of alcohol sales are prohibited.
 2. A Boutique Winery shall operate as a Wholesale Limited Winery for at least one year prior to operating as a Boutique Winery.
 3. Wine production shall be less than 12,000 gallons annually.
 4. Of the total fruit used in winemaking a minimum of 75% shall be grown within San Diego County, a minimum of 25% shall be grown on the premises and a maximum of 25% may be grown outside of San Diego County.
 5. The maximum floor area of non-residential structure(s) used to crush, ferment, store and bottle fruit, wine and other products and equipment used in winemaking is limited to 1,000 square feet where the lot is less than one gross acre. A maximum floor area of 1,500 square feet is allowed where the lot is one acre or more but less than two acres gross, and 2,000 square feet of floor area is allowed where the lot is two to four acres gross. An additional 200 square feet of floor area is allowed for each acre over four acres, up to a maximum of 5,000 square feet of additional allowed floor area.
 6. One tasting/retail sales room is allowed. The tasting/retail sales room shall be accessory to wine production and shall not exceed 30% of the total square footage of the structure used for wine production. Internet sales, phone sales and mail-order sales are allowed.
 7. Events, including but not limited to weddings and parties, are prohibited.
 8. The sale and consumption of pre-packaged food is allowed on the premises. Refrigeration shall be approved by the County of San Diego Department of Environmental Health. Catered food service is allowed, but no food preparation is allowed at a Boutique Winery. Catered food service includes the provision of

food that is ready to eat and that has been prepared off the Boutique Winery premises.

9. A tasting/retail sales room is allowed to operate from 10 a.m. until legal sunset seven days a week.
 10. A minimum of six parking spaces shall be provided for customers and a minimum of three spaces shall be provided for employees and Boutique Winery operations. No parking for a Boutique Winery is allowed off the premises.
 11. The on-site driveway and parking area shall not be dirt. The on-site driveway and parking area may be surfaced with Chip Seal, gravel, or an alternative surfacing material such as recycled asphalt suitable for lower traffic volumes.
 12. Amplified sound is not allowed.
 13. All operations shall comply with the provisions of Section 36.401 et seq. of the San Diego County Code of Regulatory Ordinances relating to Noise Abatement and Control.
 14. Outdoor eating areas shall be limited to a maximum of five tables and seating for no more than 20 people.
 15. Vehicles with a capacity in excess of 12 passengers are not allowed.
- c. Small Winery. A Small Winery shall comply with the following provisions:
1. A Small Winery shall have a valid permit and bond issued by the U.S. Department of the Treasury Alcohol and Tobacco Tax and Trade Bureau, and a current 02 Winegrowers license issued by the California Department of Alcoholic Beverage Control. The applicant shall disclose if any other licenses issued by the California Department of Alcoholic Beverage Control will be relied upon for operations at the Small Winery.
 2. Wine production shall be less than 120,000 gallons annually.
 3. Of the total fruit used in winemaking a minimum of 50% shall be grown within San Diego County, a minimum of 25% shall be grown on the premises and a maximum of 50% may be grown outside of San Diego County.
 4. The sale and consumption of pre-packaged food is allowed on the premises. Refrigeration shall be approved by the County of San Diego Department of Environmental Health. Catered food service is allowed, but no food preparation is allowed at a Small Winery. Catered food service includes the provision of food that is ready to eat and that has been prepared off the Small Winery premises.
 5. Events, including but not limited to weddings and parties, may be allowed upon the making of the findings in Section 6910.c.6.

6. An Administrative Permit is required and may be approved in accordance with the Administrative Permit Procedure commencing at Section 7050 if it is found:
 - i. That the location, size, design, and operating characteristics of the proposed use will be compatible with adjacent uses, residents, buildings, or structures, with consideration given to:
 - a) Harmony in scale, bulk, coverage and density.
 - b) The availability of public facilities, services and utilities.
 - c) The harmful effect, if any, upon desirable neighborhood character.
 - d) The generation of traffic and the capacity and physical character of surrounding streets.
 - e) The suitability of the site for the type and intensity of use or development which is proposed.
 - f) Any other relevant impact of the proposed use.
 - ii. That the impacts, as described in paragraph "i" of this section, and the location of the proposed use will be consistent with the San Diego County General Plan.
 - iii. That the requirements of the California Environmental Quality Act have been complied with.

8. Notice of the Administrative Permit application shall be given to owners of property within 300 feet of the exterior boundaries of a proposed Small Winery and a minimum of 20 different owners pursuant to Section 7060.c. No hearing is required unless requested by the applicant or other affected person pursuant to Section 7060.d.

Section 11. Effective Date. This Ordinance shall take effect and be in force thirty (30) days after the date of its passage, and before the expiration of fifteen (15) days after its passage, a summary shall be published once with the names of the members voting for and against the same in the Daily Commerce, a newspaper of general circulation published in the County of San Diego.

Attachment X
ENVIRONMENTAL FINDINGS

- 1) Find that the Planning Commission has reviewed and considered the environmental impact report for the proposed project dated July 13, 2009 on file with the Department of Planning and Land Use as Environmental Review Number 08-00-004

Attachment B
Resolution or Form of Decision
Approving (POD08-012)
Strikeout/Underline

(Underline indicates addition)
(~~Strikeout~~ indicates deletion)

ORDINANCE NO. _____ (NEW SERIES)

AN ORDINANCE AMENDING THE ZONING ORDINANCE TO AMEND EXISTING AND INTRODUCE NEW WINERY PACKING AND PROCESSING USE TYPES (POD 08-012)

The Board of Supervisors of the County of San Diego ordains as follows:

Section 1. The Board of Supervisors finds and determines that the following amendments of the Zoning Ordinance to introduce new winery classifications as Packing and Processing Use Types and to amend existing winery classifications and to allow these winery classifications as permitted uses subject to limitations in the Agricultural Use Regulations are reasonable and necessary for the public health, safety, convenience, and welfare and are consistent with the General Plan.

Section 2. Section 1205.e. of the San Diego County Zoning Ordinance is amended to read as follows:

e. Agricultural Use Types.

- Horticulture: Cultivation
- Horticulture: Storage
- Tree Crops
- Row and Field Crops
- Animal Raising
- Animal Waste Processing
- Packing and Processing: Limited
- Packing and Processing: General
- Packing and Processing: Support
- Packing and Processing: Winery
- Packing and Processing: Small Winery
- Packing and Processing: Boutique Winery
- Packing and Processing: Wholesale Limited Winery
- Agricultural Equipment Storage

Section 3. Section 1735 of the San Diego County Zoning Ordinance is amended to read as follows:

1735 **PACKING AND PROCESSING.**

Packing and Processing refers to packing and processing of fresh agricultural products and does not include cooking, canning, tanning, rendering and reducing operations which are general industrial uses. Following are categories of Packing and Processing use types:

- a. Packing and Processing: Limited. The customary preparation for market of fresh produce, flowers, feed, fiber, milk, eggs, rabbits, poultry and other similarly sized small or specialty animals raised for human consumption, produced on the same premises as the packing and processing operation.
- b. Packing and Processing: General. The customary preparation for market of fresh produce, flowers, feed, fiber, milk, eggs, rabbits, poultry and other similarly sized small or specialty animals raised for human consumption, produced on premises other than that upon which the packing and processing operation is located.
- c. Packing and Processing: Support. Fabrication, assembly, reconditioning and sale of boxes, cartons, crates and pallets for handling and transporting crops provided this use is secondary to agricultural or horticultural production on the premises.
- d. Packing and Processing: Winery. Crushing of grapes, berries and other fruits and fermentation, storage and bottling of wine from fruit grown on or off the premises. A Winery may also include a tasting room and retail outlet as secondary uses.
- e. Packing and Processing: Small Winery. Crushing of grapes, berries and other fruits and fermentation, storage and bottling of up to 120,000 gallon of wine per year. A Small Winery may also include a tasting room and retail outlet as secondary uses.
- ef. Packing and Processing: Boutique Winery. Crushing of grapes, berries and other fruits and fermentation, storage and bottling of up to 12,000 gallons of wine per year. ~~Of the total fruit used in winemaking: a minimum of 50% shall be grown within San Diego County, a minimum of 25% shall be grown on the premises and a maximum of 50% may be grown outside of San Diego County.~~ A Boutique Winery may also include a tasting room and retail outlet as secondary uses.
- fg. Packing and Processing: Wholesale Limited Winery. Crushing of grapes, berries and other fruits for the fermentation, storage, bottling and wholesaling of up to 12,000 gallons of wine per year from fruit grown on or off the premises, subject to the following criteria.
 - 1. ~~On site sales to the public, tasting rooms, and/or special events associated with the winery operation are prohibited. Internet sales, phone sales and mail-order sales are allowed.~~
 - 2. ~~The maximum floor area of non-residential structure(s) used to crush, ferment, store and bottle fruit, wine and other products and equipment used in winemaking is limited to 1,000 square feet where the lot is less than one gross acre. A maximum floor area of 1,500 square feet is permitted where the lot is one acre or more but less than 2 acres gross, and 2,000 square feet of floor area is permitted where the lot is 2 to 4 acres gross. An additional 200 square feet of floor area is permitted for each acre over 4 acres, up to a maximum of 5,000 square feet.~~
 - 3. ~~Up to 75 percent of the fruit used in winemaking may be imported from off the premises while the remainder shall be grown on the premises.~~
 - 4. ~~Wine production shall be limited to not more than 7,500 gallons annually.~~

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Section 4. Section 2702 of the San Diego County Zoning Ordinance is amended to read as follows:

2702 PERMITTED USES.

The following use types are permitted by the A70 Use Regulations:

a. Residential Use Types.

Family Residential

b. Civic Use Types.

Essential Services

Fire Protection Services (see Section 6905)

c. Agricultural Use Types.

Horticulture (all types)

Tree Crops

Row and Field Crops

Packing and Processing: Limited

~~Packing and Processing: Wholesale Limited Winery~~

Section 5. Section 2703 of the San Diego County Zoning Ordinance is amended to read as follows:

2703 PERMITTED USES SUBJECT TO LIMITATIONS.

The following use types are permitted by the A70 Use Regulations subject to the applicable provisions of Section 2980. The number in quotes following the use type refers to the subsection of Section 2980 which applies.

a. Residential Use Types

Mobilehome Residential "18"

b. Commercial Use Types

Animal Sales and Services: Veterinary (Large Animals) "6"

Animal Sales and Services: Veterinary (Small Animals) "6"

Cottage Industries "17" (see Section 6920)

Recycling Collection Facility, Small "2"

Recycling Processing Facility, Wood and Green Materials "3"

c. Agricultural Use Types

Packing and Processing: Small Winery "22" (see Section 6910)

Packing and Processing: Boutique Winery "22" (see Section 6910)

Packing and Processing: Wholesale Limited Winery "22" (see Section 6910)

Section 6. Section 2722 of the San Diego County Zoning Ordinance is amended to read as follows:

2722 PERMITTED USES.

The following use types are permitted by the A72 Use Regulations:

a. Residential Use Types.

Family Residential

b. Civic Use Types.

Essential Services

Fire Protection Services (see Section 6905)

Law Enforcement Services (see Section 6905)

c. Agricultural Use Types.

Horticulture (all types)

Tree Crops

Row and Field Crops

Packing and Processing: Limited

~~Packing and Processing: Wholesale Limited Winery~~

Section 7. Section 2723 of the San Diego County Zoning Ordinance is amended to read as follows:

2723 PERMITTED USES SUBJECT TO LIMITATIONS.

The following use types are permitted by the A72 Use Regulations subject to the applicable provisions of Section 2980. The number in quotes following the use type refers to the subsection of Section 2980 which applies.

a. Residential Use Types

Mobilehome Residential "18"

b. Commercial Use Types

Animal Sales and Services: Veterinary (Large Animals) "6"

Animal Sales and Services: Veterinary (Small Animals) "6"

Cottage Industries "17" (see Section 6920)

Recycling Collection Facility, Small "2"

Recycling Processing Facility, Wood and Green Materials "3"

c. Agricultural Use Types

Packing and Processing: Small Winery "22" (see Section 6910)

Packing and Processing: Boutique Winery "22" (see Section 6910)

Packing and Processing: Wholesale Limited Winery "22" (see Section 6910)

Section 8. Section 2980 of the San Diego County Zoning Ordinance is hereby amended to read as follows:

2980 LIMITATIONS ON PERMITTED USES.

The following limitations apply to the uses indicated by the corresponding number in quotes in the previous sections entitled "Permitted Uses Subject to Limitations."

- "1" Dwellings as Secondary Uses. Limited to dwellings which are secondary uses of a structure, lot or parcel primarily used for business purposes.
- "2" Recycling Collection Facilities shall comply with the applicable provisions of Section 6970.
- "3" Recycling Processing Facilities shall comply with the applicable provisions of Section 6975.
- "4" Secondary Use. Permitted only as a secondary use within a dwelling. No such use shall have a floor area greater than the floor area devoted to residential purposes.
- "5" Same Lot. Permitted only if located on the same lot as the industrial use it serves.
- "6" Veterinary Hospitals. Hospital must be located on a parcel of land not less than 2 acres in size. Indoor treatment areas must be located at least 100 feet from the nearest property line, and out door treatment or confinement areas must be located at least 200 feet from the nearest property line.
- "7" Limitation on Enclosed Storage. All operations, including the storage of materials and equipment, shall be entirely within an enclosed building, and the area devoted to storage shall not be greater than the area devoted to sales and administrative offices.
- "8" Enclosed Building. All operations, including the storage of materials and equipment, shall be entirely within an enclosed building.
- "9" Enclosed Building or Walls. All operations, including the storage of materials and equipment, shall be entirely within an enclosed building or inside walls or solid fences not less than 6 feet in height.
- "10" Retail Establishments. Limited to retail establishments intended for the convenience of permitted establishments and/or clients thereof, provided no such retail establishment occupies more than 15 percent of the total floor area of the building in which it is located and has no entrance except from the lobby or interior of said building, or from a patio entirely surrounded by said building.
- "11" Insurance and Real Estate Offices. Limited to insurance and real estate offices as a secondary use within a dwelling. No such office shall have a floor area greater than the floor area devoted to residential purposes.

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- "12" Gasoline Sales. There shall be no open storage of goods or materials, and all repair and lubrication services shall take place in an enclosed building.
- "13" Drycleaning Plants and Laundries. Limited to drycleaning plants and laundries which provide retail services only, use only non-flammable solvents, and employ not more than 10 people.
- "14" Performance Standards. Subject to meeting the applicable provisions of the performance standards specified in Section 6300.
- "15" Performance Standards and Power. Subject to meeting the applicable provisions of the performance standards specified in Section 6300. Prior to the installation or operation of electric or other power sources in excess of 20 horsepower, the proposed use shall be reviewed pursuant to Section 6304 and the Director shall certify that the use complies with the applicable performance standards.
- "16" Animal Related Activities. Animal related activities may be permitted subject to the Animal Regulations commencing at Section 3000.
- "17" Cottage Industries. Permitted subject to the provisions of Section 6920.
- "18" Mobilehome Residential. Subject to the Mobilehome Park Regulations commencing at Section 6500 or the Planned Development Standards commencing at Section 6600.
- "19" Adult Entertainment Establishments. Subject to meeting the applicable provisions of the regulations and performance standards specified in Section 6930 and upon issuance of an Administrative Permit as specified in Section 6930.
- "20" Secondary Use: On building sites 5 acres or less in size, the use shall be restricted to locations above the first story of a building or buildings the first story of which is reserved for permitted principal uses. On building sites larger than 5 acres, the use may, as an alternate to the foregoing, be located in a building or buildings intended and located solely for secondary uses provided that not less than 50 percent of the site area is devoted exclusively to permitted principal uses.
- "21" Drug Paraphernalia Establishments. Subject to meeting the applicable provisions of the standards specified in Section 6932 and upon issuance by the Director of an Administrative Permit.
- "22" Small, Boutique and Wholesale Limited Wineries. Allowed subject to the provisions of Section 6910.

Section 9. Section 6252.u of the San Diego County Zoning Ordinance is amended to read as follows:

- u. One sign up to 12 square feet in area for a ~~permitted~~ an allowed roadside sales stand or ~~a, Small Winery or bBoutique wWinery~~ identifying and advertising agricultural products produced on the premises.

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Section 10. Section 6910 of the San Diego County Zoning Ordinance is amended to read as follows:

6910 WHOLESALE LIMITED, BOUTIQUE AND SMALL WINERIES

a. Wholesale Limited Winery. A Wholesale Limited Winery shall comply with the following provisions:

1. A Wholesale Limited Winery shall have a valid permit and bond issued by the U.S. Department of the Treasury Alcohol and Tobacco Tax and Trade Bureau, and a current 02 Winegrowers license issued by the California Department of Alcoholic Beverage Control. Licenses issued by the California Department of Alcoholic Beverage Control that allow other types of alcohol sales are prohibited.
2. On-site sales to the public of wine and other goods from the winery, tasting rooms, and/or special events, including but not limited to weddings and parties, are prohibited. Internet sales, phone sales and mail-order sales are allowed.
3. The maximum floor area of non-residential structure(s) used to crush, ferment, store and bottle fruit, wine and other products and equipment used in winemaking is limited to 1,000 square feet where the lot is less than one gross acre. A maximum floor area of 1,500 square feet is allowed where the lot is one acre or more but less than two acres gross, and 2,000 square feet of floor area is allowed where the lot is two to four acres gross. An additional 200 square feet of floor area is allowed for each acre over four acres, up to a maximum of 5,000 square feet of additional allowed floor area.
4. Up to 75 percent of the fruit used in winemaking may be imported from off the premises while the remainder shall be grown on the premises.
5. Wine production shall be less than 12,000 gallons annually.
6. All operations shall comply with the provisions of Section 36.401 et seq. of the San Diego County Code of Regulatory Ordinances relating to Noise Abatement and Control.

b. Boutique Winery. A Boutique Winery shall comply with the following provisions:

1. A Boutique Winery shall have a valid permit and bond issued by the U.S. Department of the Treasury Alcohol and Tobacco Tax and Trade Bureau, and a current 02 Winegrowers license issued by the California Department of Alcoholic Beverage Control. Licenses issued by the California Department of Alcoholic Beverage Control that allow other types of alcohol sales are prohibited.
2. A Boutique Winery shall operate as a Wholesale Limited Winery for at least one year prior to operating as a Boutique Winery.
3. Wine production shall be less than 12,000 gallons annually.

4. Of the total fruit used in winemaking a minimum of 75% shall be grown within San Diego County, a minimum of 25% shall be grown on the premises and a maximum of 25% may be grown outside of San Diego County.
5. The maximum floor area of non-residential structure(s) used to crush, ferment, store and bottle fruit, wine and other products and equipment used in winemaking is limited to 1,000 square feet where the lot is less than one gross acre. A maximum floor area of 1,500 square feet is allowed where the lot is one acre or more but less than two acres gross, and 2,000 square feet of floor area is allowed where the lot is two to four acres gross. An additional 200 square feet of floor area is allowed for each acre over four acres, up to a maximum of 5,000 square feet of additional allowed floor area.
6. One tasting/retail sales room is allowed. The tasting/retail sales room shall be accessory to wine production and shall not exceed 30% of the total square footage of the structure used for wine production. Internet sales, phone sales and mail-order sales are allowed.
7. Events, including but not limited to weddings and parties, are prohibited.
8. The sale and consumption of pre-packaged food is allowed on the premises. Refrigeration shall be approved by the County of San Diego Department of Environmental Health. Catered food service is allowed, but no food preparation is allowed at a Boutique Winery. Catered food service includes the provision of food that is ready to eat and that has been prepared off the Boutique Winery premises.
9. A tasting/retail sales room is allowed to operate from 10 a.m. until legal sunset seven days a week.
10. A minimum of six parking spaces shall be provided for customers and a minimum of three spaces shall be provided for employees and Boutique Winery operations. No parking for a Boutique Winery is allowed off the premises.
11. The on-site driveway and parking area shall not be dirt. The on-site driveway and parking area may be surfaced with Chip Seal, gravel, or an alternative surfacing material such as recycled asphalt suitable for lower traffic volumes.
12. Amplified sound is not allowed.
13. All operations shall comply with the provisions of Section 36.401 et seq. of the San Diego County Code of Regulatory Ordinances relating to Noise Abatement and Control.
14. Outdoor eating areas shall be limited to a maximum of five tables and seating for no more than 20 people.
15. Vehicles with a capacity in excess of 12 passengers are not allowed.

c. Small Winery. A Small Winery shall comply with the following provisions:

1. A Small Winery shall have a valid permit and bond issued by the U.S. Department of the Treasury Alcohol and Tobacco Tax and Trade Bureau, and a current 02 Winegrowers license issued by the California Department of Alcoholic Beverage Control. The applicant shall disclose if any other licenses issued by the California Department of Alcoholic Beverage Control will be relied upon for operations at the Small Winery.
2. Wine production shall be less than 120,000 gallons annually.
3. Of the total fruit used in winemaking a minimum of 50% shall be grown within San Diego County, a minimum of 25% shall be grown on the premises and a maximum of 50% may be grown outside of San Diego County.
4. The sale and consumption of pre-packaged food is allowed on the premises. Refrigeration shall be approved by the County of San Diego Department of Environmental Health. Catered food service is allowed, but no food preparation is allowed at a Small Winery. Catered food service includes the provision of food that is ready to eat and that has been prepared off the Small Winery premises.
5. Events, including but not limited to weddings and parties, may be allowed upon the making of the findings in Section 6910.c.6.
6. a. ~~An Administrative Permit for a Packing and Processing: Boutique Winery may~~ is required and may be approved in accordance with the Administrative Permit Procedure commencing at Section 7050 if it is found:
 - 4j. That the location, size, design, and operating characteristics of the proposed use will be compatible with adjacent uses, residents, buildings, or structures, with consideration given to:
 - a) Harmony in scale, bulk, coverage and density;_
 - b) The availability of public facilities, services and utilities;_
 - c) The harmful effect, if any, upon desirable neighborhood character;_
 - d) The generation of traffic and the capacity and physical character of surrounding streets;_
 - e) The suitability of the site for the type and intensity of use or development which is proposed; ~~and to~~_
 - f) Any other relevant impact of the proposed use; ~~and~~_

- 2ij. That the impacts, as described in paragraph "4i" of this section, and the location of the proposed use will be consistent with the San Diego County General Plan; and
- 3iii. That the requirements of the California Environmental Quality Act have been complied with.

B8. Notice of the Administrative Permit application shall be given to owners of property within 300 feet of the exterior boundaries of ~~the~~ a proposed Boutique Small Winery and a minimum of 20 different owners pursuant to Section 7060.c. No hearing is required unless requested by the applicant or other affected person pursuant to Section 7060.d.

Section 11. Effective Date. This Ordinance shall take effect and be in force thirty (30) days after the date of its passage, and before the expiration of fifteen (15) days after its passage, a summary shall be published once with the names of the members voting for and against the same in the Daily Commerce, a newspaper of general circulation published in the County of San Diego.

Attachment C

Environmental Documentation

The draft Environmental Impact Report has been distributed separately to Planning Commissioners. A copy of the draft Environmental Impact Report is available for public review at the Department of Planning and Land Use.



COUNTY OF SAN DIEGO • DEPARTMENT OF PLANNING AND LAND USE

Memorandum

TO: All Reviewers
FROM: Matthew Schneider, Project Manager
SUBJECT: Tiered Winery Zoning Ordinance Amendment, POD 08-012, Log No. 08-00-004, SCH# 2008101047
DATE: April 22, 2010

The Draft Environmental Impact Report (DEIR) for the Tiered Winery Zoning Ordinance Amendment was originally circulated for a 45-day public review period commencing July 16, 2009 and ending August 31, 2009. Comments were received from the public during this review period. In particular, several comments were received concerning the water supply analysis (Chapter 2.7) in the DEIR. In responding to these comments, staff revised Chapter 2.7 which resulted in the identification of new significant and unmitigable impacts to cumulative imported water supply (WS-3) and cumulative groundwater supply (WS-4).

Pursuant to CEQA Guidelines Section 15088.5, the Department is recirculating for public review (April 22, 2010 through June 7, 2010) only revised Chapter 2.7 of the DEIR. Revisions to this chapter of the DEIR are shown in strikeout/underline in the document being recirculated. The County of San Diego requests that comments be limited to the revisions of this recirculated portion of the DEIR; the County of San Diego will consider new comments that pertain only to this revised Chapter 2.7 of the DEIR.

2.7 Water Supply and Groundwater Supply

This discussion focuses on the supply of both potable water and groundwater. Other issues related to utilities and service systems, such as wastewater treatment, storm-water drainage, and solid waste are discussed in Section 3.2.11 as effects found not significant during the Initial Study. Water Quality issues associated with groundwater were previously discussed in Subchapter 2.4 Hydrology and Water Quality.

2.7.1 Existing Conditions

Imported Water

Water imported to the San Diego region comes from two primary sources, the Colorado River through the Colorado River Aqueduct, and the State Water Project from Northern California through the Sacramento-San Joaquin River Delta and the California Aqueduct, which is owned and operated by the Department of Water Resources. These sources deliver water to the MWD, which then distributes water supplies on a wholesale basis to water agencies, including the SDCWA. The mission of the SDCWA is to provide a safe and reliable supply of water to its member agencies serving the San Diego region. The SDCWA receives purchased water that is further distributed to member water agencies that serve the County of San Diego.

If the projected MWD, SDCWA, and member agency supplies are developed as planned, no water shortages are anticipated within the SDCWA service area under normal water year, single dry water year, or multiple dry water year conditions through 2030 (SDCWA 2007). However, the planning document in which MWD analyzes regional water supplies, the Urban Water Management Plan (UWMP), is almost five years old, is due for an update, and does not account for issues such as imported water cutbacks (i.e., delta smelt [*Hypomesus transpacificus*]) or drought conditions. The water shortage condition caused by the current multiple-year drought is discussed in greater detail within Section 2.7.1.2 below.

Groundwater

The imported water delivered by MWD and distributed locally by SDCWA only serves a portion of the total unincorporated population. Geographically, the majority (65 percent) of the unincorporated area (which includes more than half of the project area) is reliant upon either separate groundwater dependent districts or private wells, which are unaffiliated with SDCWA. Groundwater supplies for the areas outside of the SDCWA's service area have never been accurately quantified. Groundwater in the region is limited by the geology and by the semi-arid hydrologic conditions present. Narrow river valleys with shallow alluvial deposits are characteristic of many of the most productive groundwater basins. However, outside of these basins, much of the geology consists of fractured crystalline bedrock and fine-grained sedimentary deposits that are generally capable of producing only small amounts of groundwater to private wells. Water use is discussed further in section 2.7.1.3 below.

2.7.1.1 Existing RegulationsWater Code

Section 10900 et seq. of the Water Code outlines the Agricultural Water Suppliers Efficient Water Management Practices. The intent is to provide assistance and technical consultation to address additional efficiency in agricultural water use. The California Legislature has adopted legislation to address water supply planning efforts. The legislation commonly referred to as SB 610 and SB 221 is now codified in Water Code Sections 10910-10914. The new law places requirements on individual projects and requires consideration of water supplies and demands for a project.

Section 10910, et seq. requires that the water purveyor of a public water system prepare a water supply assessment to be included in the environmental documentation for certain projects subject to CEQA, as specified in Water Code Section 10912. These projects include, among others, those that would demand an amount of water equivalent to, or greater than, that of a commercial project employing more than 1,000 persons or having more than 250,000 square feet of floor space, and a residential project with 500 dwelling units. A water supply assessment would also be required for a project which would increase the number of connections by 10 percent for a public water system that has fewer than 5,000 service connections (Water Code Section 10912(b)). Where large scale projects are proposed, proof of a sufficient supply of water is based on a written verification from the applicable water service provider.

Urban Water Management Planning Act

The state Urban Water Management Planning Act requires water utilities that provide water to more than 3,000 customers or supply more than 3,000 AF per year to prepare and update an UWMP every five years (Water Code Sections 10610 - 10656). These plans are prepared according to guidelines released by the Department of Water Resources. A UWMP is required in order for a water supplier to be eligible for Department of Water Resources administered state grants, loans, and drought assistance. A UWMP provides useful information on water demand, water supply, recycled water, water quality, reliability planning, demand management measures, best management practices and water shortage contingency planning. The UWMP Act requires preparation of a UWMP that:

1. Accomplishes water supply planning over a 20-year period in five year increments;
2. Identifies and quantifies adequate water supplies, including recycled water, for existing and future demands, in normal, single-dry and multiple-dry years; and
3. Implements conservation and efficient use of urban water supplies.

Agencies preparing an UWMP are required to include an urban water contingency analysis. The Department of Water Resources also offers guidance on this analysis (State of California 2009e). Some of the components of the contingency analysis include:

- Stages of action an agency will take in response to water shortages, including achievable levels for voluntary and mandatory rationing during water supply shortages to help control consumption;
- An estimate of supply for three consecutive dry years (quantify the minimum water supply available during the next three years based on the driest three-year historic sequence for your water supply); and
- How it will monitor and document water cutbacks.

The Department of Water Resources' Office of Water Use Efficiency and Transfers also published a guidebook for local agencies to be better prepared for drought conditions. In this guidebook, it was reported that educational efforts and rationing policies established in water shortage contingency plans can affect water use patterns during dry years (State of California 2005b).

San Diego County Groundwater Ordinance

The County of San Diego currently manages anticipated future groundwater demand through County Code Section 67.701 et seq. (Groundwater Ordinance). This Ordinance does not limit the number of wells or the amount of groundwater extraction from existing landowners. However, the Ordinance does identify specific measures to mitigate potential groundwater impacts of projects requiring specified discretionary permits. Existing land uses are not subject to the Groundwater Ordinance unless a listed discretionary permit is required. Additionally, Major Use Permits or Major Use Permit Modifications which involve construction of agricultural and ranch support facilities or those involving new or expanded agricultural land uses are among the exemptions from the Groundwater Ordinance. Also, the Groundwater Ordinance does not apply to by-right agricultural uses or operations. However, the agricultural exemptions do not supersede or limit the application of any law or regulation, including CEQA.

General Plan - Conservation Element

The County of San Diego recognizes that the continued growth and development of San Diego County is dependent on the availability of an adequate supply of potable water, and on the region's ability to treat and dispose of wastewater. San Diego County is almost entirely dependent upon imported water. Because of these facts, the General Plan Conservation Element includes a chapter which sets forth policies pertaining to water. Two policies in particular are applicable to the Proposed Project:

POLICY 3: The County shall support programs which assure an adequate supply and quality of water to meet the present and future population needs and to ensure this water is provided in concert with environmental and growth management policies.

POLICY 5: Water distribution systems should be designed and constructed to economically accommodate future use of reclaimed or desalinated water when technologically and economically feasible.

Urban Water Management Planning

In 2005, the MWD adopted its current Regional Urban Water Management Plan. MWD's reliability assessment showed that MWD can maintain reliable water supplies to meet projected demand through 2030. MWD identified buffer supplies, including other State Water Project groundwater storage and transfers that could serve to supply additional water needs. MWD also has an Integrated Resource Plan that outlines a strategy to increase water supplies and lower demands. The plan update, currently being prepared to include projections and planning through 2035, is scheduled to be completed in 2009.

SDCWA adopted its current UWMP in April 2007. SDCWA and its member agencies have made considerable progress in conserving and diversifying its supplies. SDCWA's UWMP documents existing and planned water supplies, including MWD supplies (imported Colorado River water and State Water Project water), SDCWA supplies (water transfer supplies, canal lining project water supplies, and seawater desalination supplies), and local member agency supplies (surface water reservoirs, water recycling, groundwater and groundwater recovery). The SDCWA's UWMP reports that the San Diego region has conserved an average 40,500 AF per year over the last five years. Part of this conservation came as a result of the implementation of several water conservation and transfer agreements, including the SDCWA/Imperial Irrigation District transfer agreement.

Based on SDCWA's water supply reliability assessment as contained in its current UWMP, SDCWA concludes that if the SDCWA and member agency water supplies are developed as planned, along with implementation of MWD's Integrated Resources Plan, supplies will be adequate to serve existing and projected demands within SDCWA's service area under average, single-dry or multiple-dry years through 2030. The SDCWA's UWMP also discloses that SDCWA is at risk for water shortages should supplies identified by MWD not be developed as planned. To alleviate this risk, the SDCWA is pursuing development of additional storage programs, and development of additional seawater desalination. However, the UWMP also states:

A small but growing share of local supply comes from recycled water and groundwater recovery projects, with additional local supply planned from seawater desalination. Yield from these projects are considered drought-proof since they are primarily independent of precipitation (SDCWA 2007).

The 2004 Regional Water Master Plan prepared by SDCWA presents both long-term options and recommendations to meet future water demands as well as the plan for implementing major capital improvements to meet demands through 2030. According to SDCWA, a combination of storage and new supplies would provide a reliable solution to alleviating risks during a dry period.

2.7.1.2 Water Shortage

Drought occurs as a result of lower than average annual rainfall for an extended period of time. Drought is measured by a series of hydrologic indicators, recorded data, and local climactic conditions. The severity of drought ranges from abnormally dry and moderate to severe, extreme, and exceptional. The SDCWA and member agencies classify local conditions as part of a drought response plan: Level 1 - Drought Watch

calls for 10 percent voluntary conservation; Level 2 – Drought Alert requires up to 20 percent mandatory conservation; Level 3 – Drought Critical requires up to 40 percent mandatory conservation; and Level 4 – Drought Emergency requires more than 40 percent mandatory conservation (SDCWA 2009a). San Diego is currently operating at a Level 2, which requires mandatory conservation. As a result of global climate change factors, drought patterns may change or intensify. Extended periods of low precipitation have an effect on local and state water supplies and storage levels.

California is currently experiencing a multi-year drought. According to the State of California Department of Water Resources:

As of February 1, 2009, statewide hydrologic conditions were as follows: precipitation, 65 percent of average to date; runoff, 35 percent of average to date; and reservoir storage, 65 percent of average for the date. Sacramento River unimpaired runoff observed through January 31, 2009 was about 2.1 million AF, which is about 36 percent of average.

Although current weather conditions change and water resources vary from year to year, the period of low rainfall over the past three years has reduced available water supplies and lowered groundwater levels. In 2008, the Department of Water Resources also restricted pumping for the State Water Project in response to a court order protecting the delta smelt, a Federal Threatened and State Endangered listed fish species. In March 2008, the SDCWA issued a model drought ordinance to assist member agencies in implementing voluntary and mandatory use restrictions to respond to progressive stages of a drought in the region. While there are varying levels of certainty regarding water supplies across the state, California is experiencing severe drought conditions in some areas. In mid-2008, the Governor responded to severe water shortages by declaring a state of emergency in several Central Valley counties.

In July 2008, the SDCWA issued this response: "...the region's water supplies remain impacted by extremely dry conditions around California over the last year that significantly reduced storage in key reservoirs, as well as by an eight-year drought in the Colorado River basin" (SDCWA 2008). The SDCWA also reported that pumping restrictions on the State Water Project reduced water delivery by nearly one million AF of water statewide. Pumping restrictions affected approximately 300,000 AF of MWD's supplies. Because San Diego receives water from the State Water Project, local jurisdictions and water agencies are now planning for additional storage capacity while increasing conservation programs and diversifying water supplies including recycled water. Planning for reliability of supplies to meet current and projected demands is conducted, in part, through the preparation and five-year updates of UWMP.

Although water conservation programs are expected to reduce total demand for water in the San Diego region, overall demand for water is expected to grow. Water districts throughout the County of San Diego are also required to prepare an UWMP that indicates how the projected water supply will meet projected demand under normal water years, single dry water year, and multiple water year conditions until 2030. Population and growth projections from the land use jurisdictions are used to determine water demand. Although the individual and regional UWMP conclude that supplies are available to meet the demand, recent water cutbacks at the state level have affected local supplies in the short-term and increased the call for water efficiency and conservation.

Most recently, in April 2009, MWD announced that water deliveries to San Diego will be reduced by 13 percent and rates will be increased in response to the drought conditions. In turn, SDCWA will reduce supplies to member agencies by 13 percent. A news release from SDCWA stated "residents and businesses will face mandatory water use restrictions designed to ensure the region does not exceed its water supply allocation from MWD" (SDCWA 2009b). Subsequently, the SDCWA reported: "Growers and farmers will have agricultural water supplies cut between an estimated 13 percent and 30 percent, depending on the agricultural water program in which they are enrolled" (2009c). As part of the drought response by member agencies, commercial growers not already participating in the Interim Agricultural Water Program (IAWP) could be required to limit irrigation of crops to certain time periods (i.e., before 10:00 A.M. and after 6:00 p.m. only) (SDCWA 2009a).

Urban water management planning continues to address changes in state and local conditions. The UWMPs are scheduled to be updated in 2010 (State of California 2009e). Based on the 2005 Guidelines, the 2010 updates to the UWMPs will likely address recent developments, including consecutive years of reduced precipitation and cutbacks in the regional imported water supply due to the severity of California's drought and recent case rulings that place limits on the distribution of water from the State Water Project. However, the guidelines for the update have not been released.

2.7.1.3 Water Use

The project area includes lands within and outside of the SDCWA service area. Within the service area, retail water service is provided by more than 20 water districts. Of those, the service areas for Rainbow Municipal Water District, Valley Center Municipal Water District, Ramona Municipal Water District, and Padre Dam Municipal Water District cover major portions of the north, central, and southern portions of the project area. Like other water districts in the County of San Diego, these water districts obtain their water supplies from the SDCWA. The remaining portion of the County of San Diego, primarily the eastern portion, is completely dependent on groundwater resources. As discussed in Section 2.4, Hydrology and Water Quality, 55 percent of the project area is groundwater-dependent. A large percentage of the County's agricultural land is involved in the active production of citrus and avocado crops, because they are suited to growing on the steep slopes that are so common in the County of San Diego. Grapes are grown on just over 300 acres throughout the County of San Diego (see Figure 1-5). This is an increase of nearly 50 percent over the last five years. Like citrus and avocado crops, wine grapes can grow on relatively steep slopes and in relatively poor quality soils, but utilize significantly less water to do so. Soil texture and capacity of soil to hold water, slope and soil erosion potential, drainage potential, or high water table are all factors which would affect the water use at individual vineyards.

Various crops produced in the County of San Diego have differing water needs. Crop coefficients are used by growers and scientists to estimate and manage irrigation methods for specific crops. Information about efficient crop watering, timing, and methods has not been calculated to develop a crop coefficient or standard for wine grape crops in the San Diego region. However, the County of San Diego estimates that water use for irrigation could be as high as 2.1-2.9 AF per acre per year (684,300-945,000 gallons). The actual amount of water used varies throughout the year. For example, most irrigation would occur during the growing season (mid-April to October), and it is expected that the vines would not be watered from November through February.

According to the Farm and Home Advisors Office, grape growers use less water than the above numbers indicate. In a comparison between grapes and avocados, avocados (a water-intensive crop) can require up to 3-4 AF per year per acre (977,500-1,303,400 gallons) for optimum production. On the opposite end of the spectrum, grapes (not a water-intensive crop), require about 1.5 AF per year per acre (488,800 gallons) (Bender pers. com. 2009).

Existing winery operators were also consulted about their water use. Irrigation for crops is actually less than one AF per year per acre (50,000 to 300,000 gallons). The range of water use at existing wineries is explained by the variation in elevation, rainfall, and soil conditions. Further, studies have shown that vines growing under water "stress" or deficit conditions can often produce fruit with superior winemaking characteristics. A water-deficit condition causes the production of a chemical which signals the plant to switch from foliage making to survival mode, or fruit growth (Goode 2006). This is an important characteristic in a region with increased scarcity of and competition for water resources.

In addition to crop irrigation, water is used for wine production, cleaning, and visitor services (i.e., restrooms). The peak months of water use in wine processing are the harvest season (August through September). During this time, water use in wine production is estimated at six gallons of water for every gallon of wine produced (County of Napa pers. com. 2009). Local water use for wine production could be as high as 10 gallons of water for each gallon of wine produced (McGeary pers. com 2009).

Approximately 45 percent of the project area lies within the SDCWA boundary and would be able to obtain a water supply from one of the water districts that distributes water from surface reservoirs or other imported water sources subject to existing agreements with providers. For the wineries that lie within the SDCWA boundary, imported water would be available for winery uses including irrigation, domestic, or commercial demands and the winery would not have to rely upon groundwater supplies. Water availability would be subject to agricultural agreements already in place. In many cases, conversion to wine grapes may provide the producer with a viable lower water use crop.

An important factor in any agricultural operation within the County of San Diego is the cost of water due to the reliance on imported water. Limited water supply, conservation incentives, importation costs, and energy costs are reasons for high water costs. To illustrate and compare water costs in the County of San Diego with nearby farming counties, the cost for imported water is \$15 per acre foot in Imperial County and \$379 per AF in Ventura County, compared to \$650 per AF in County of San Diego. In addition, while most farmers in the County of San Diego face high costs of water, others are faced with a limited supply. As discussed in Section 2.7.1.2, Water Shortage, in areas such as Borrego Springs and Julian, farmers rely entirely on groundwater sources to irrigate crops. Water scarcity is a continuous problem for farmers in Borrego Springs given the arid climate of the region and its location outside the boundary of the SDCWA. In particular, groundwater in the Borrego Springs area is subject to an annual decline where recharge does not replace extraction.

The MWD UWMP notes a decline in agricultural water use since 1970 within its service area. Based on crop data, including watering requirements, the SDCWA projects the percentage of water demand for agricultural uses to decrease to 6 percent of the total demand over the next 25 years (SDCWA 2007).

2.7.1.4 Agricultural Programs

Interim Agricultural Water Program (IAWP)

The IAWP is a program of the MWD for agricultural customers to receive discounted water supplies in exchange for cut backs in low water years. Eligible water district customers directly opt into the IAWP which is administered by individual water agencies. The program is voluntary but for those growers who sign up, imported treated and untreated water for local agriculture is provided with certain stipulations. One important component is that farmers receive water at a discounted rate in exchange for mandatory water reduction (up to 30 percent) during periods of shortage, prior to cuts in industrial and municipal supplies.

It was estimated that cutbacks in availability in 2008 would affect approximately 5,000 San Diego County growers who participate in IAWP (SDCWA 2009a). As an example, the Ramona Municipal Water District has over 250 IAWP participants within their service area. In exchange for receiving discounted rates on their water supply, participants were asked to cut their water use in 2008 as mandated by MWD. This action was a result of the State of California's declaration of a water shortage. In October of 2008, the Metropolitan Water District approved a phase out of its IAWP by January 2013 and no new IAWP customers are being accepted.

Special Agricultural Water Rate

The Special Agricultural Water Rate (SAWR) was implemented in 1998 and arose out of the recognition that agricultural water users would be significantly impacted by the costs of the SDCWA's Emergency Storage Project, which was designed to make water available to the San Diego region in the event of an interruption in imported water deliveries. In response, the SAWR was created to provide agricultural customers with a discounted water rate in exchange for a reduced level of service during an emergency shortage. The SAWR discount has two major components: (1) Storage Charge discount, and (2) Melded Supply and Treatment Rate discount.

Under the Storage Charge discount, agricultural customers do not pay the commodity based portion, or Storage Charge, of the Emergency Storage Project but do pay the Infrastructure Access Charge portion. In return, during an emergency shortage, agricultural customers would receive only 50 percent of their normal use while full-price customers would receive 75 percent.

In addition, agricultural customers do not pay the SDCWA's Melded Supply Rate or Melded Treatment Surcharge. As a result, growers (1) do not have to pay for costs associated with the SDCWA's transfer agreements, the All-American - Coachella Canal Lining Projects, and the Central Valley Transfer and Groundwater Storage Assets, which they would not have access to during shortage conditions and (2) pay the Metropolitan IAWP treatment rate.

2.7.2 Analysis of Project Effects and Determination as to Significance

2.7.2.1 Water Supply

Guidelines for the Determination of Significance

For the purposes of this EIR, a significant impact on water supply would occur if:

- Sufficient water supplies are not available to serve the project from existing entitlements and resources, and new or expanded entitlements are needed.

The guideline of significance is derived from Appendix G of the State CEQA Guidelines. The intent of the evaluation of this guideline is intended to determine whether or not the Proposed Project would affect water supplies. ~~Water quality and groundwater supplies and recharge were~~ previously addressed under Subchapter 2.4, Hydrology and Water Quality.

Analysis

This discussion applies to new or expanded entitlements from future Wholesale Limited and Boutique Wineries which require water services from a water district. Two of the three wineries consulted in the preparation of this EIR rely on groundwater. The third winery is currently using public water and plans to supplement supplies with well water. Future wineries which would rely on groundwater are analyzed under Section 2.7.2.2, Groundwater Supply. Some future wineries could require or already have water service from a water district, while others may need to make a new connection or change their status to accommodate the retail and wine tasting component. The majority of the winery operators who responded to a survey produce less than 1,500 cases per year and are located on less than 25 acres (Appendix B). Under the proposed ordinance, a winery operating by right as a Wholesale Limited or Boutique Winery would be limited to a maximum floor area of 5,000 square feet for non-residential structure(s) to house equipment used in winemaking. Large scale projects such as those with more than 250,000 square feet of floor space or 500 residential units would be subject to the water supply assessment requirements contained in Sections 10910-10914 of the Water Code to determine whether sufficient water supply is available to meet expected project demand. However, Wholesale Limited and Boutique Wineries would not be of a size and scale that would be affected by these water supply assessment requirements.

The Proposed Project could involve the expansion of agriculture on agriculturally-zoned lands. One of the project objectives is to encourage the farming of crops that use less water. Although vineyards generally require less water than many other crops grown within the County of San Diego, irrigation requirements for future wineries are not yet known. Currently, the average water use for vineyards is expected to be less than water intensive crops. Wineries could use up to 1.5 AF of water per year per acre.

Based on the estimate that 6-10 gallons of water used for every gallon of wine produced, a Boutique Winery producing 12,000 gallons of wine per year could use an additional 72,000-120,000 gallons of water per year for wine production. The main water use within a winery itself is for washing down floors and areas throughout the winery, cleaning equipment including the receiving lines, the presses, the tanks, and the bottling lines,

and to wash the barrels or other storage containers at various stages of the winemaking process.

Water can be used as a frost preventative by growers near rivers or in a valley. Existing winery operators indicated that they are not using water as a frost preventative either because it is not necessary or it is not effective in higher elevations and sloped areas. For Boutique Wineries which would operate by right, additional water supplies would be needed for non-production uses at the winery, like toilets and sinks, to accommodate the tasting room component.

Although irrigation and water demand requirements for vineyards and wine production would be comparable to or less than for other crops grown in the region, it is not known whether grape crops would replace water intensive crops or non-irrigated land. The water usage from irrigation, wine production, and other uses at individual wineries varies among existing wineries in operation depending on site conditions and irrigation techniques.

SDCWA is the supplier of water for the San Diego region and the individual water agencies that have a portion of their service area within the project area. SDCWA, like other water districts, relies on the population projections and analysis conducted by local and regional land use agencies to develop information for water demand. In their 2005 UWMP, SDCWA estimated that between 2005 and 2030, the percentage of water used for agriculture is going to decrease, while the percentage for water use for commercial and industrial and residential is projected to increase (SDCWA 2007). The 2010 update to the UWMP would also need to identify a contingency analysis based on current conditions, including changes to supply estimates based on the driest three-year historic sequence, projected water use based on land use characteristics, etc. Because the Proposed Project is an extension of agricultural uses in A70 and A72 Zones, replacement of existing crops and expansion of winery operations to allow retail sales and wine tasting would not change the growth projections or demand for resources on which water supply and availability are measured in the UWMP for the SDCWA.

Information about the planned response to prolonged drought conditions indicates that ~~before 2009 is over,~~ commercial growers could be required to limit irrigation of crops to certain time periods or observe other mandatory conservation measures. However, the effect on individual water agencies has not been determined. In response to the NOP, Ramona Municipal Water District indicated that drought conditions could lead individual water agencies to place a moratorium on new or expanded service (Appendix C). For development of new wineries or expansion of existing wineries on lands not currently irrigated, there is a potential to significantly increase demand for water at a time when rainfall levels are below average and statewide drought conditions have resulted in cutbacks of imported water. There is a lack of certainty of water supplies available to serve the project area from individual water agencies. Where vineyards are planted as replacement for a higher water use crop (e.g., avocado, citrus, etc), new or expanded wineries could result in a decrease in water use. However, the location and number of new or expanded water service connections that could be required from Wholesale Limited or Boutique Wineries operating by right under the amended Zoning Ordinance are not known and could result in a demand for water where currently none exists. Therefore, with respect to imported water supplies, the Proposed Project could result in **significant impacts (WS-1)**.

2.7.2.2 Groundwater Supply

Guidelines for the Determination of Significance

A significant impact would occur if the Proposed Project would:

- Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level.

This guideline listed above is from Appendix G of the State CEQA Guidelines and is intended to protect groundwater supplies.

Analysis

As stated in Section 2.4.1.3 above, approximately 45 percent of the project area lies within the SDCWA boundary and would be able to obtain a water supply from one of the water districts that distributes water from surface reservoirs or other imported water sources subject to existing agreements with providers. For the wineries that lie within the SDCWA boundary, imported water would be available for winery uses including irrigation, domestic, or commercial demands, and the winery would not have to rely upon groundwater supplies. Some of this 45 percent may lie within the boundaries of a water district but have an on-site well and use a combination of imported water and groundwater. For these areas within the SDCWA boundary, water availability would be subject to agricultural agreements already in place. In many cases, conversion to wine grapes may provide the producer with a viable lower water use crop.

Conversely, approximately 55 percent of the project area lies outside of the SDCWA boundary and would rely on groundwater for irrigation and wine-making purposes. Because one of the objectives of the proposed ordinance amendment is to encourage the growth of the wine industry in the County and because a large portion of the project area is groundwater dependent, an increase in the number of wineries and vineyards in groundwater dependent areas may impact groundwater supplies. In some cases, the impacts would not be significant because the increase in water use would not substantially deplete groundwater supplies. As noted in a report entitled *Best Winery Guidebook: Benchmarking and Energy and Water Savings Tool for the Wine Industry*, prepared by the Lawrence Berkeley National Laboratory for the California Energy Commission Public Interest Energy Research Program, the main water use within a winery itself is for cleaning. This was confirmed by local winemakers who were interviewed for this EIR and by winemakers in San Diego and Riverside Counties who responded to a County survey conducted in the fall of 2008 (Appendix B). The major water use areas are the crush pad and press area, the fermentation tanks, barrel washing, barrel soaking, the bottling line, and the cellars and barrel storage areas. Water is used to wash down floors and areas throughout the winery, to clean equipment including the receiving lines, the presses, the tanks, and the bottling lines, and to wash the barrels or other storage containers at various stages of the winemaking process.

Water is also used for humidification in the cellars and barrel storage areas, and other non-production uses at the winery, like toilets and sinks in office buildings and maintenance workshops. The majority of water use in the winery itself occurs during the initial crushing, fermenting, and bottling of wine. These activities occur over a limited

period of time when grapes are harvested, typically September and October. Water use in the winery would be reduced throughout the remainder of the year. Production of wine grapes requires significantly less water than many other crops grown within the County. Based on the interviews with three representative producers in the County, estimated water use for irrigation ranged between 50,000 and 300,000 gallons per acre annually. As previously noted, a number of factors can influence irrigation requirements, including elevation, rainfall, and soil conditions. On the opposite end of the water use range are avocados, which can require up to three to four AF per acre (970,000 – 1,303,400 gallons per acre).

Therefore, the water use required to operate these newly allowed uses would be limited in duration and would not be substantial compared to the amount used by other crops, especially avocado and citrus, because irrigation requirements are significantly less per acre. Further, it is likely that the replacement of existing crops and expansion of winery operations to allow retail sales and wine tasting would not substantially increase demand for groundwater or deplete groundwater supplies to a level which would not support existing land uses or planned uses for which permits have been granted. However, as with imported water supplies, the number and location of new or expanded wineries which may be relying on groundwater for their primary water source is unknown. Therefore, the Proposed Project may result in additional demand for groundwater where none currently exists, or where groundwater supplies are limited and/or yields of groundwater are low. Consequently, with respect to groundwater supplies, impacts would be **significant (WS-2)**.

Because the proposed ordinance includes language limiting the square footage of winery production and tasting room structures, the amount of increased impervious surface areas would be minimal. Thus, new wineries would not involve operations that would interfere substantially with groundwater recharge. Furthermore, the replacement of an existing crop in order to grow wine grapes or construction of tasting rooms as allowed for Wholesale Limited or Boutique Wineries would not involve regional diversion of water to another groundwater basin, or diversion or channelization of a stream course or waterway with impervious layers, such as concrete lining or culverts, for substantial distances (e.g., ¼ mile). Therefore, **no impact** to groundwater recharge is anticipated.

2.7.3 Cumulative Impact Analysis

Imported Water Supply and Groundwater Supply Guideline for Determination of Significance

- Cumulative imported water supply impacts would be significant if the Proposed Project's water supply demands significantly exceed those planned for in the MWD UWMP.

Basis for the Assessment

In 2005, the MWD adopted its current Regional Urban Water Management Plan. MWD's reliability assessment showed that MWD can maintain reliable water supplies to meet projected demand through 2030. MWD identified buffer supplies, including other State Water Project groundwater storage and transfers that could serve to supply additional water needs. MWD also has an Integrated Resource Plan that outlines a strategy to increase water supplies and lower demands. The plan update, currently being prepared

to include projections and planning through 2035, is scheduled to be completed in 2009. MWD supplies water to wholesalers including the SDCWA.

Water supplies for the County of San Diego within the SDCWA boundaries are provided mainly by SDCWA to its member agencies of the SDCWA or through groundwater wells outside of the SDCWA service area. In order to project and plan for future water needs, SDCWA has entered into a Memorandum of Agreement with SANDAG to use the most recent regional growth forecast for planning purposes developing the UWMP and Regional Water Facilities Master Plan (RWFMP). Because the information in the UWMP is based on regional growth forecasts by SANDAG, the basis of those forecasts is critical to supply and demand projections. SANDAG projects growth based in part on local general plans. To the extent that development occurs in accordance with the general plans used to prepare the growth forecasts, their long-term impact on future water supply and demand for the underlying land use designations in the general plans are were included addressed by in the SDCWA's UWMP and RWFMP plans.

Analysis

The Proposed Project does not amend the General Plan or alter the growth projections used by SDCWA and therefore, conforms to the assumptions used in the UWMP and RWFMP. Replacement of existing crops and expansion of winery operations to allow retail sales and wine tasting would not change the underlying land use designations upon which water supply and availability are planned for in the UWMP. Although irrigation and water demand requirements for vineyards and wine production would be comparable to, or less than for other crops that can be grown on A70 and A72 lands, there is a potential to significantly increase demand for water on lands not currently irrigated, at a time when rainfall levels are below average and statewide drought conditions have resulted in cutbacks of imported water (similar to the discussion regarding WS-1 above). There is a lack of certainty of water supplies available to serve the project area from individual water agencies. Where vineyards are planted as replacement for a higher water use crop (e.g., avocado, citrus, etc), new or expanded wineries could result in a decrease in water use. However, the location and number of new or expanded water service connections that could be required from Wholesale Limited or Boutique Wineries operating by right under the amended Zoning Ordinance are not known and could result in a demand for water where currently none exists. Therefore, with respect to imported water supplies, the Proposed Project could result in a significant cumulative impact (WS-3).

The SDCWA estimates that agricultural customers account for 10 to 20 percent of the water demand in the region, and that demand varies based on weather and rainfall. In 2005, agricultural customers accounted for 13 percent of the water demand (SDCWA 2007). According to the UWMP, if supplies are developed as planned, no water shortages are anticipated within the SDCWA service area through 2030; however, the UWMP is due for an update (SDCWA 2007).

The Proposed Project does not amend the General Plan and, as a result, conforms to the growth projections from SANDAG. These projections were used by SDCWA in developing the means by which cumulative water demand requirements are met. The adoption of the ordinance, therefore, conforms to the plan, and cumulative impacts to water supply are less than significant.

Groundwater Supply Guideline for Determination of Significance

A significant cumulative impact would occur if the Proposed Project would:

- Substantially contribute to the depletion of groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level.

This guideline is from Appendix G of the State CEQA Guidelines and is intended to protect groundwater supplies.

Basis for the Assessment

As stated above in Section 2.7.2.2, approximately 45% of the project area lies within the SDCWA area and would have access to imported water, and 55% of the project area lies outside the SDCWA area and is dependent on naturally occurring groundwater resources. Within the SDCWA, groundwater may also be used but can more easily be supplemented with imported water as needed. Conversely, imported water may be supplemented with groundwater when agricultural concerns are subject to restrictions on the use of imported water and groundwater is available.

Groundwater availability is subject to many factors within San Diego County such as physical geological properties and amount of groundwater recharge and storage. Fractured rock aquifers are the prevailing aquifer type in the County of San Diego. This type of aquifer has low groundwater storage capacity and groundwater levels can fluctuate widely due to differences in annual precipitation and groundwater use. There are also extensive areas of alluvial aquifers (such as the Ramona area) which have large groundwater storage capacity and groundwater levels are not subject to drastic variations. However, where groundwater demand exceeds the rate of recharge, historical groundwater levels demonstrate a trend of decline.

Analysis

As stated above in Chapter 2.7.2.2., one of the objectives of the proposed ordinance amendment is to encourage the growth of the wine industry in the County which could result in new and/or expanded vineyards and new tasting rooms. This would cause a corresponding increase in the demand for groundwater for irrigation, wine production, and customer needs associated with a tasting room.

The severity of any impacts associated with increased groundwater use as a result of the project in conjunction with other existing and planned uses will be dependent upon several factors including but not limited to the following:

- Physical properties of the underlying aquifer;
- Whether irrigation demands are increased for new or expanded vineyards and wine production, or reduced by converting from a higher water demanding crop; and,
- Cumulative demands on the aquifer from nearby agricultural or other types of land uses.

Locations of groundwater supply issues (such as declines in the groundwater table, poor groundwater recovery, low well yield, poor groundwater quality, etc.) are described in the General Plan Update Groundwater Study (Revised December 1, 2009). However, localized groundwater supply problems are not limited to these areas and are possible throughout the County where there is excessive groundwater use by a single user, or due to the unique physical geologic properties affecting the groundwater storage for a particular site. Since the number and location of new or expanded wineries which will rely on groundwater for their primary water source is unknown, the Proposed Project may cause or contribute to depletion of groundwater supplies where supplies are limited and/or yields of groundwater are low. Consequently, with respect to groundwater supplies, cumulative impacts would be significant (WS-4). Because the proposed ordinance includes language limiting the square footage of winery production and tasting room structures, the amount of increased impervious surface areas would be minimal. Thus, new wineries individually and in combination with other types of land uses in the groundwater dependent portion of the county would not interfere substantially with groundwater recharge. Therefore, no impact to groundwater recharge is anticipated.

2.7.4 Significance of Impacts Prior to Mitigation

2.7.4.1 Water Supply

WS-1 and WS-3: Direct and cumulative impacts from a lack of water available from existing entitlements and resources to serve new wineries or expansion of existing wineries on lands not currently irrigated would be significant.

2.7.4.2 Groundwater Supply

WS-2 and WS-4: Because of the potential for the development of future new or expanded wineries to create additional demand for groundwater, direct and cumulative impacts related to the adoption of the Proposed Project would be significant.

2.7.5 Mitigation

The Proposed Project is a zoning ordinance amendment and is not project specific. The proposed zoning ordinance amendment would allow specified winery projects by right within A70 and A72 Zones, including the opening and operation of Boutique Wineries and the operational expansion of Wholesale Limited Wineries. The impacts of specific future winery projects cannot be determined at this stage, nor can appropriate specific mitigation measures be identified or enforced.

Some of these unidentified future winery projects may be required to obtain a discretionary permit, such as a Grading Permit, which would trigger CEQA review of the specific proposed winery project. For such winery projects, feasible mitigation measures could be included in the permit, thus making them enforceable. Typical mitigation measures for future winery projects having impacts on water supply could include:

- Voluntary participation by the project applicant in the IAWP to reduce water use by 30 percent (or more) in exchange for a discounted water rate;

- Agreement by the project applicant to the SWAR conditions to receive only 50 percent (or less) of normal water use during emergency water shortages in exchange for a discounted water rate;
- Prohibition of the conversion of any dryland agricultural or non-irrigated lands to grape production;
- Project design that incorporates advanced water conservation measures to the maximum extent feasible, including but not limited to grape crop selection for restricted irrigation, highly-efficient irrigation technologies to prevent evaporative loss, irrigation and civil water systems that maximize on-site recirculation or recharge for non-potable uses, limited use of toxic compounds (fertilizers and pesticides) combined with runoff catchment and filtration systems to maximize groundwater recharge, and other highly water efficient landscape modification and visitor structure design.

Thus, for by-right future winery project subject to CEQA review, specific impacts to water supply resources would be analyzed and mitigated when feasible.

However, there may also be future by-right winery projects for which related discretionary permits are required but for which mitigation would not be feasible, or future by-right winery projects for which no related discretionary permit is required at all (e.g., where grading volume is less than 200 CY). For such by-right winery projects, CEQA review would not be required, and appropriate mitigation would not be possible.

As it cannot be concluded at this stage that impacts to water supply from all future winery projects allowed by the ordinance amendment would be avoided or mitigated, impacts would remain significant and unmitigated.

2.7.6 Conclusion

The proposed ordinance amendment could result in the addition of new wineries, expansion of existing wineries, and additional tasting rooms at existing wineries. The expansion and opening of new Boutique and Wholesale Limited Wineries could occur by right without the need for a discretionary permit. Although the Proposed Project would involve agricultural uses on agricultural lands and grape crops are expected to require less irrigation than water intensive crops, impacts could result from new or expanded wineries on lands not currently irrigated or where groundwater supplies are limited and/or yields of groundwater are low (WS-1 and through WS-24).

Some future winery projects, in accordance with the Proposed Project zoning ordinance amendment, may be required to obtain a discretionary permit which would trigger CEQA review of the specific Proposed Project, and mitigation measures could be included in the permit, thus making them enforceable. However, there may also be future by-right winery projects for which no related discretionary permit would be required, or future winery projects for which mitigation measures are infeasible. Thus, without a mechanism to demonstrate that all impacts have been reduced to below a level of significance, impacts remain **significant and unmitigated**.

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Attachment D

Environmental Findings

**Attachment D
ENVIRONMENTAL FINDINGS**

- 1) Find that the Planning Commission has reviewed and considered the environmental impact report for the proposed project dated July 13, 2009 on file with the Department of Planning and Land Use as Environmental Review Number 08-00-004

Attachment E

Public Documentation

**LOUNSBERY FERGUSON
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OF COUNSEL
GARTH O. REID
PARKS & OBERHANSLEY

VIA US MAIL & E-MAIL

March 12, 2010

Bill Witt, Senior Deputy
Office of County Counsel
1600 Pacific Hwy Rm 355
San Diego, CA 92101
william.witt@sdcounty.ca.gov

Subject: Draft Tiered Winery Ordinance

Dear Bill:

As we recently discussed, the Ramona Valley Winery Association ("RVWA") is keenly interested in San Diego County's proposed ordinance to amend the Zoning Code relating to winery packing and processing uses (POD 08-012). To that end, they have asked that I review the draft language of the ordinance, dated March 19, 2009, so that certain clarifications may be made which will improve the day-to-day operations of wineries and ease administrative overhead at the County. Below, I have delineated several sections of the ordinance, showing proposed additions in bold and deletion using strikeout:

1. 6252 - EXEMPT ON-PREMISE SIGNS.

The following shall be exempt from these regulations and shall not require sign permits.

...

u. One sign up to 12 square feet in area for an allowed roadside sales stand, ~~a Small Winery or Boutique Winery~~ identifying and advertising agricultural products produced on the premises.

...

aa. One sign up to 32 square feet in area for an allowed small Winery or Boutique Winery identifying and advertising wine products on the premises.

The RVWA expects that a considerable proportion of winery structures will be set back from roadways, obscured from view, making them difficult for visitors to

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March 12, 2010
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identify. In prior discussions with County staff, representatives of the RVWA were told that total signage area allowances would be increased in order to enhance visibility, thus limiting additional traffic impacts which might arise from driver confusion.

In considering the difference between the 12 square foot sign allowance currently proposed by staff and the 32 square foot signage the RVWA discussed with staff previously, it does not seem that any significant community visual/aesthetics impacts would arise from the addition of merely 20 square feet. Winery properties are likely to be separated from one another by miles of road (or at least several thousand linear feet) so the likelihood of "sign pollution" is very low – below a level of significance from a CEQA standpoint.

As a point of fact, this identification signage would likely be attractive and in keeping with the style and architecture used on the winery property itself so as to enhance the allure of the operation. Ultimately, this will improve sales and return a significant public benefit to the County in the form of additional tax revenue.

We ask that staff consider augmenting the signage area allowed for all winery uses given the potentially remote locations of these agri-retail uses and the infrequency of posted location information in much of the County's A70 and A72 communities.

2. 6910 – WHOLESALE LIMITED, BOUTIQUE AND SMALL WINERIES
 - b. Boutique Winery. A Boutique Winery shall comply with the following provisions:
 - ...
 - 2. ~~A Boutique Winery shall operate as a Wholesale Limited Winery for at least one year prior to operating as a Boutique Winery.~~

The draft §6910(b)(2) described above will require a two-phase construction process for parties intending to open a Boutique Winery. A winery owner would need to operate as a Wholesale Limited Winery for one year prior to constructing and opening a tasting room, as well as instituting cosmetic improvements to enhance the property for public appeal as a Boutique Winery.

The sale of a similar quantity of wine at wholesale prices would afford winery owners only about 60% of the retail value, causing unnecessary economic harm. This runs counter to Section 7.3 of the Regional Land Use Element of the General Plan which sets a goal of promotion of employment opportunities and maximization of income to residents in the region. Moreover, this regulation would limit the tax revenue received by the County for retail sales.

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The staff's draft of §6910(b)(2) does not seem to serve a legitimate purpose as it does not mitigate environmental impacts or improve regulatory adherence. Rather, this restriction would add unnecessary expense and delay while stripping the County of a portion of the public benefits to be achieved by these code revisions. The RVWA therefore request that this section be stricken in its entirety.

...

7. ~~Events, including but not limited to weddings and parties, are prohibited. Large scale public gatherings and similar events, such as weddings, held onsite for commercial purposes, which would otherwise require a permit in an A70 or A72 zone, shall be prohibited unless an application is approved for such a permit.~~

The staff's amendment appears to prohibit virtually *any* event on a Boutique Winery, without limitation, and is likely void for vagueness. On its face, §6910(b)(7) would also likely run afoul of the fundamental right to freely associate as prescribed by the First Amendment of the US Constitution and as applied to the states by the the 14th Amendment. The RVWA suggests that the proposed language above be used instead, so that Boutique Wineries are granted the same rights as any other properties within the County to hold such gatherings. Alternatively, the proposed language may be revised in order to make such gatherings permissible so long as onsite parking limitations are adhered to, so that no environmental impacts are created and no additional regulation is consequentially required.

...

8. The sale and consumption of pre-packaged food is allowed on the premises. Refrigeration shall be approved by the County of San Diego Department of Environmental Health. Catered food service is allowed, but no food preparation is allowed at a Boutique Winery, unless an application for food preparation is approved by the Department of Environmental Health. Catered food service includes the provision of food that is ready to eat and that has been prepared off the Boutique Winery premises.

The County has a regulatory framework in place for onsite food preparation premised upon health and safety plan review and site inspection conducted by the Department of Environmental Health. No additional environmental impact categories would be affected, nor would impacts be intensified, by preparing food onsite as compared with serving catered or prepackaged foods as the staff's draft amendment proposes. In fact, allowing onsite food preparation will likely limit traffic impacts as caterers

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and/or food delivery trips will be lessened. Therefore, the RVWA suggests that Boutique Wineries be allowed to seek permits for onsite food preparation.

...

c. Small Winery. A Small Winery shall comply with the following provisions:

4. The sale and consumption of pre-packaged food is allowed on the premises. Refrigeration shall be approved by the County of San Diego Department of Environmental Health. Catered food service is allowed, but no food preparation is allowed at a Small Winery, **unless an application for food preparation is approved by the Department of Environmental Health**. Catered food service includes the provision of food that is ready to eat and that has been prepared off the Boutique Winery premises.

As discussed in our immediate prior comment regarding §6910(b)(8), Small Wineries should be allowed to obtain permits for onsite food preparation for the same reasons Boutique Wineries should be permitted to do so.

Should you have any questions or comments you may call me at 619-236-1201 or reach me at fmt@lfap.com so that we can work on Zoning Code revisions which will benefit both the County and the stakeholders. Thank you for your time in reviewing these comments.

Sincerely,
LOUNSBERY FERGUSON ALTONA & PEAK



Felix M. Tinkov, Esq.

Attachment F
Board of Supervisors Minute Order
June 9, 2008

**COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS
WEDNESDAY, JUNE 18, 2008**

MINUTE ORDER NO. 5

**SUBJECT: NOTICED PUBLIC HEARING:
BOUTIQUE WINERY ZONING ORDINANCE AMENDMENT;
POD 07-001 (DISTRICTS: ALL)**

OVERVIEW:

On May 14, 2008 (19), the Board of Supervisors adopted urgency Ordinance No. 9938, repealing the approval of a "By-Right" Boutique Winery Zoning Ordinance Amendment adopted on April 23, 2008 (1). The Department of Planning and Land Use is proposing a new amendment to the San Diego County Zoning Ordinance to introduce a new winery classification, Boutique Winery, which requires an Administrative (Discretionary) Permit prior to issuance. In addition, the Department seeks direction from the Board of Supervisors to develop a "tiered winery ordinance" that would include, among other uses, "By-Right" Boutique Wineries, prepare an Environmental Impact Report to analyze the potential environmental impacts of such an ordinance and appropriate funds to cover the cost of preparing the Environmental Impact Report.

FISCAL IMPACT:

Funds for this project are included in the CAO's Proposed Operational Plan Change Letter for Fiscal Year 2008-09. If approved, this request will result in Fiscal Year 2008-09 costs of \$260,000 to complete an Environmental Impact Report to analyze the potential impacts the ordinance changes would have on the environment. This request will require no additional staff years.

BUSINESS IMPACT STATEMENT:

With the proposed change in regulations, the number of Boutique Wineries in the County will likely increase, but the economic impact of this growth has not been determined.

RECOMMENDATION:

DEPARTMENT OF PLANNING AND LAND USE

1. Find that the proposed project is exempt from the California Environmental Quality Act (CEQA) as specified under Section 15061(b)(3) of the CEQA Guidelines for the reasons detailed in the staff report and Notice of Exemption dated May 16, 2008 on file with the Department of Planning and Land Use as POD 07-001 (Attachment B)
2. Adopt the attached Form of Ordinance (Attachment A):

**AN ORDINANCE AMENDING THE ZONING ORDINANCE TO
INTRODUCE BOUTIQUE WINERIES AS A PACKING AND
PROCESSING USE TYPE (POD 07-001)**

- 3. Direct the Chief Administrative Officer to develop a tiered set of regulations for various sized wineries and prepare an Environmental Impact Report to analyze the potential impacts the ordinance changes would have on the environment.

ACTION:

Revising section 1735e of the Boutique Winery Ordinance to read: "Packing and Processing: Boutique Winery. Crushing of grapes, berries and other fruits and fermentation, storage and bottling of up to 12,000 gallons of wine per year. Of the total fruit used in winemaking, a minimum of 50% shall be grown within San Diego County, a minimum of 25% shall be grown on the premises, and a maximum of 50% may be grown outside of San Diego County."; ON MOTION of Supervisor Jacob, seconded by Supervisor Slater-Price, the Board closed the Hearing and took action as recommended, adopting Ordinance No. 9940 (N.S.) entitled: AN ORDINANCE AMENDING THE ZONING ORDINANCE TO INTRODUCE BOUTIQUE WINERIES AS A PACKING AND PROCESSING USE TYPE (POD 07-001).

AYES: Cox, Jacob, Slater-Price, Horn
 ABSENT: Roberts

State of California)
 County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

THOMAS J. PASTUSZKA
 Clerk of the Board of Supervisors



By 
 Marvice E. Mazyck, Deputy