

ATTACHMENT 1

Findings and Statement of Overriding Considerations

ATTACHMENT 1

FINDINGS FOR APPROVAL WINERY ORDINANCE UPDATE

Case Nos. 14ORD-00000-00006 and 15EIR-00000-00002

1.0 CEQA FINDINGS

1.1 FINDINGS PURSUANT TO PUBLIC RESOURCES CODE SECTION 21081 AND THE CALIFORNIA ENVIRONMENTAL QUALITY ACT GUIDELINES SECTIONS 15090, 15091, AND 15163:

1.1.1 CONSIDERATION OF THE ENVIRONMENTAL IMPACT REPORT

The Final Environmental Impact Report (Final EIR) (15EIR-00000-00002) and EIR Revision Letter (RV 01) dated November 1, 2016 were presented to the Board of Supervisors and all voting members of the Board of Supervisors have reviewed and considered the information contained in the Final EIR and its appendices and RV 01 prior to approving the project. In addition, all voting members of the Board of Supervisors have reviewed and considered testimony and additional information presented at or prior to its public hearings. The Final EIR, appendices, and RV 01 dated November 1, 2016 reflect the independent judgment and analysis of the Board of Supervisors and is adequate for this project.

1.1.2 FULL DISCLOSURE

The Board of Supervisors finds and certifies that the Final EIR, appendices, and RV 01 constitute a complete, accurate, adequate and good faith effort at full disclosure under CEQA. The Board of Supervisors further finds and certifies that the Final EIR, appendices, and RV 01 have been completed in compliance with CEQA.

1.1.3 LOCATION OF RECORD OF PROCEEDINGS

The documents and other materials which constitute the record of proceedings upon which this decision is based are in the custody of the Planning and Development Department located at 123 East Anapamu Street, Santa Barbara, CA 93101.

1.1.4 GENERAL CEQA FINDINGS

The Final EIR for this project has been prepared as a Program EIR pursuant to CEQA Guidelines Section 15168. The degree of specificity in the EIR corresponds to the specificity of the general or program level policies of the Project and to the effects that may be expected to follow from the adoption of the Project. The EIR is not as detailed as an EIR on specific development projects or implementation programs that might follow.

CEQA requires analysis not only of potential direct or primary impacts, but also of potential indirect or secondary effects which may be caused by a proposed project and may be reasonably foreseen, even though later in time or farther removed in distance. In light of these principles, the Final EIR discusses and classifies the potential indirect,

secondary effects arising from the project specifically and from cumulative development, which may subsequently occur under the Project.

The project mitigates the environmental impacts for Class I impacts to the maximum extent feasible as discussed in the findings made below. Where feasible, changes, and alterations have been incorporated into the project, which are intended to avoid or substantially lessen the significant environmental effects identified in the Final EIR.

The Final EIR identified mitigation measures designed to reduce potentially significant impacts which might occur from development under the Project. During the process of incorporating these mitigation measures in the Project, some minor changes have been made that do not impact the effectiveness of the mitigation measures.

Public Resources Code Section 21081.6 and CEQA Guidelines Section 15091(d) require the County to adopt a reporting or monitoring program for the changes to the project that it has adopted or made a condition of approval in order to avoid or mitigate to the maximum extent feasible the environmental effects. All mitigation measures identified in the Final EIR have been incorporated directly into the Winery Ordinance (Land Use Development Code (LUDC), section 35.42.280) as shown in Attachment 4, of the Board Letter dated November 1, 2016, which is hereby incorporated by reference. To ensure compliance with adopted mitigation measures during project implementation, the ordinance includes specifications for each adopted mitigation measure that identify the action required and the monitoring that must occur. Therefore a separate mitigation monitoring and reporting program is not necessary and the Board of Supervisors finds the Winery Ordinance 35.42.280 sufficient for a monitoring and reporting program.

1.1.5 FINDINGS THAT CERTAIN UNAVOIDABLE IMPACTS ARE MITIGATED TO THE MAXIMUM EXTENT FEASIBLE

Additional documents discuss the impacts analyzed in the EIR as well as infeasibility of certain suggestions by the public. The Board Agenda Letter dated November 1, 2016 and its attachments are incorporated by reference.

Air Quality and Greenhouse Gas Emissions

Impacts: The Final EIR identified a significant air quality impact related to operational impacts from traffic generated emissions, fermentation generated emissions, and odor. In addition to NO_x and Reactive Organic Compound (ROC) emissions generated by vehicle trips, the proposed Project would generate ROCs during the processing of wine. Emissions generated from the fermentation process begin when the grapes are harvested and continue until wine is produced and bottled. The level of ROC emissions vary by winery production size, by the type of grape fermented, and by the fermentation process. The aggregate nature of the proposed Project to permit the potential development of 40 new wineries over the next 20 years would generate ROCs in excess of the daily threshold. The combined operational air quality impacts from traffic, fermentation, and

odor, as a result of the proposed Project would result in a significant and unavoidable impact.

In addition to operational generated emission impacts, the Project's contribution to cumulative air quality would be significant and unavoidable as the region is anticipated to remain in non-attainment for the statewide 8-hour and 1-hour ozone standards.

Mitigation: Mitigation measure AQ-1 requires future winery applicants to develop and implement an odor abatement plan. The measure has been incorporated in the proposed ordinance as a new development standard (Attachment 4 of the Board Letter dated November 1, 2016, – Section 35.42.280.C.8), as described below. The development standard would reduce the impacts of odor; however, ROC emissions associated with the fermentation process would remain significant and unavoidable (Class I).

Section 35.42.280.C.8:

8. Odor abatement.

a. An odor abatement plan shall be prepared and implemented for all new winery structures and submitted to the Department prior to issuance of grading permits. This plan shall include, at a minimum, the following elements:

- (1) Name and telephone number of contact person(s) responsible for logging and responding to winery odor complaints.
- (2) Policy and procedure describing the actions to be taken when an odor complaint is received, including the training provided to the responsible party on how to respond to an odor complaint.
- (3) Description of potential odor sources (e.g., fermentation and aging processes and the resultant ethanol emissions).
- (4) Description of potential methods for reducing odors, including minimizing potential add-on air pollution control equipment.
- (5) Contingency measures to curtail emissions in the event of a continuous public nuisance.

Findings: The Board of Supervisors finds that mitigation measure MM AQ-1 has been incorporated in the Land Use and Development Code Section 35.42.280.C. County of Santa Barbara Standard Conditions of Approval AQ-4 (energy conserving techniques) is implemented during project review to further mitigate project specific and cumulative impacts in Impact AQ-3 to the maximum extent feasible. The Board of Supervisors finds that with mitigation measures and project review standards implemented, the project specific and cumulative contribution to air quality would remain significant and unavoidable.

Transportation and Traffic

Impacts: Quality of Life analyses were conducted for all 34 street segments in the four study areas. The Quality of Life impact analysis is intended to incorporate nuisance impacts due to greater traffic that, although not triggering standard traffic volumes or

intersection delay thresholds, would be evident to area neighborhoods as noticeable changes to area traffic, turning movements, and/or delays. Daily traffic volumes were also utilized in the Quality of Life assessment prepared specifically for this traffic impact study. The intent of this analysis is to identify rural roadways where the addition of Project traffic could result in a perceptible change in operations to local residents, even if the post-project volumes do not result in impacts to street segment capacity.

Compounded over 20 years (to “buildout” at Year 2035), this growth averages 2.43 percent per year (termed “ambient growth”). Project traffic volumes added to ambient growth over 20 years affects this 2.43 percent average growth per year. For the purposes of this study, a project-induced 50 percent or greater increase over the ambient growth percentage could be considered a potential cumulative significant impact. The threshold would therefore be 3.65 percent.

The Quality of Life threshold of 3.65 percent growth is exceeded during both the weekday and weekend time periods for all areas except for the Santa Rita Hills AVA, which showed that the threshold was not exceeded (Final EIR, Attachment 2, Appendix F – Final Traffic Study).

Implementation of Mitigation Measure TRA-1 would reduce cumulative traffic quality of life impacts in the Inner-Rural Area since there are fewer eligible 40-acre parcels and premises in the Inner-Rural Area where a potential Tier B winery could be developed. Project-related quality of life traffic impacts (Impact TRA-2) of future winery facilities in the Rural Areas (except within the Santa Rita Hills AVA) would be significant and unavoidable (Class I).

Mitigation: Mitigation measure TRA-1 requires a minimum of 40 acres premises area for Tier B winery applications in order to minimize, cumulative traffic quality of life impacts within the Inner-Rural area (Attachment 4 – Section 35.42.280.B Table 4-16), as described below.

Table 4-16 - Winery Permit Requirements and Development Criteria

	Tier A	Tier B	Tier C
Minimum winery premises area	None.	Inner-Rural Area: 40 acres. Rural Area: 20 acres.	40 acres.

Mitigation measure TRA-2 requires that the applicant prepare a Special Event Management Plan, which includes, but is not limited to, procedures to address traffic and parking associated with special events. This Plan also requires notification requirements, parking and traffic coordination, signage, and coordination and traffic incident response protocols with the County. The Plan also details appropriate staff response procedures for violation of plan provisions and is required to be updated and submitted annually for

County review (Land Use and Development Code, Section 35.42.280.C(11)(3)), as described below.

Section 35.42.280.C (11) (3)

- (3) Winery special event management plan. Prior to the issuance of planning permit(s), including zoning clearance, the winery shall prepare a special event management plan that includes the following information and submit to the Department for review and approval. This plan shall also be updated and submitted annually for County review and approval a minimum of 30 days prior to the initial event for the year.
 - (a) The total number of special events held during the previous year and the total number anticipated to occur in the current year.
 - (b) Traffic.
 - (1) Parking and traffic coordination plan, including signage if applicable.
 - (2) Traffic incident response protocols.
 - (3) Details of traffic complaints received during the previous year.
 - (4) Changes to event operations resulting from issues that arose due to parking or traffic.
 - (c) Noise.
 - (1) Details of noise generated by special events and noise complaints received.
 - (2) Outdoor amplified sound schedule of permitted hours and sound limits in compliance with Subsection C.14.b.
 - (3) Noise incident response protocols.
 - (4) Changes to event operations resulting from issues that arose due to noise.
 - (d) Contact information. The winery operator shall provide the Department with the contact information of a representative who shall be able to respond to neighbor concerns during a special event and wine industry-wide event and who is responsible for assuring compliance with all winery permit conditions.
 - (e) Reporting requirement. The winery operator shall provide notice to the Department of each proposed special event and wine industry-wide event on a form provided by the Department no later than 10 days prior to the beginning of each proposed event.

Findings: The Board of Supervisors finds that mitigation measures TRA-1 and TRA-2 have been incorporated in the Land Use and Development Code, Section 35.42.280.C. to further mitigate project specific and cumulative impacts to the maximum extent feasible. The Board of Supervisors finds that with mitigation measure TRA-2 the project specific

and cumulative contribution to quality of life traffic impacts (Impact TRA-2) would remain significant and unavoidable (Class I) in Rural Areas (except within the Santa Rita Hills AVA).

The Board of Supervisors finds the residual significant impacts are acceptable due to the overriding considerations that support adoption of the Winery Ordinance Update discussed in the Statement of Overriding Considerations section of these Findings.

1.1.6 FINDINGS THAT CERTAIN IMPACTS ARE MITIGATED TO INSIGNIFICANCE BY MITIGATION MEASURES

The Final EIR identified several subject areas for which the project is considered to cause or contribute to significant, but mitigable, environmental impacts (Class II). For each of these Class II impacts identified by the Final EIR, feasible changes or alterations have been required in, or incorporated into, the project which avoid or mitigate to the maximum extent feasible the environmental effects, as discussed below.

Additional documents discuss the impacts analyzed in the EIR as well as infeasibility of certain suggestions by the public. The Board Agenda Letter dated November 1, 2016 and its attachments are incorporated by reference.

Air Quality and Greenhouse Gas Emissions

Impacts: In addition to NO_x and Reactive Organic Compound (ROC) emissions generated by vehicle trips, the proposed Project would generate ROCs during the processing of wine (Impact AG-3). The Final EIR identified a significant and mitigable air quality impact related to operational impacts from traffic-generated emissions, fermentation generated emissions, and odor.

Mitigation: Implementation of project development standards, County Standard Conditions of Approval (AQ-4) and MM AQ-1 would reduce the impacts of odor to less than significant in support of APCD Rule 303 (Class II).

Findings: The Board of Supervisors finds that mitigation measure AQ-1 has been incorporated into the Winery Ordinance Update. The Board of Supervisors finds that implementation of mitigation measure AQ-1 will reduce the impacts of odor (Impact AG-3) to a less than significant level (Class II).

Land Use

Impacts: The Final EIR identified potentially significant but mitigable project-specific quality of life impacts from temporary population increases in Rural Areas, Inner-Rural Areas, and EDRNs by special events at potential wineries.

Mitigation: The Final EIR identified three mitigation measures: Mitigation Measure NOI-1 *Special Event Management Plan*; Mitigation Measure TRA-1 *Minimum Premises Area Increase*; and Mitigation Measure TRA-2 *Special Event Management Plan*.

Mitigation Measure TRA-1 requires a 40-acre minimum winery premises for Tier B wineries in the Inner-Rural Area to minimize cumulative traffic quality of life impacts. Mitigation Measure NOI-1 and TRA-2 requires development and implementation of a special event management plan to address noise and traffic related quality of life impacts associated with special events. These measures have been incorporated in the proposed ordinance as new development standards (Attachment 4, – Section 35.42.280.C.11.d.3, and Table 4-16). Land use related quality of life impacts would be significant, but mitigable (Class II) with incorporation of mitigation measures NOI-1, TRA-1, and TRA-2.

Mitigation measures NOI-1, TRA-1, and TRA-2 address project specific and cumulative impacts in Impact LU-2 and have been integrated into the development standards associated with the Winery Ordinance as shown below:

Section 35.42.280.C (11) (3)

(3) Winery special event management plan. Prior to the issuance of planning permit(s), including zoning clearance, the winery shall prepare a special event management plan that includes the following information and submit to the Department for review and approval. This plan shall also be updated and submitted annually for County review and approval a minimum of 30 days prior to the initial event for the year.

- (a) The total number of special events held during the previous year and the total number anticipated to occur in the current year.
- (b) Traffic.
 - (1) Parking and traffic coordination plan, including signage if applicable.
 - (2) Traffic incident response protocols.
 - (3) Details of traffic complaints received during the previous year.
 - (4) Changes to event operations resulting from issues that arose due to parking or traffic.
- (c) Noise.
 - (1) Details of noise generated by special events and noise complaints received.
 - (2) Outdoor amplified sound schedule of permitted hours and sound limits in compliance with Subsection C.14.b.
 - (3) Noise incident response protocols.
 - (4) Changes to event operations resulting from issues that arose due to noise.
- (d) Contact information. The winery operator shall provide the Department

with the contact information of a representative who shall be able to respond to neighbor concerns during a special event and wine industry-wide event and who is responsible for assuring compliance with all winery permit conditions.

- (e) Reporting requirement. The winery operator shall provide notice to the Department of each proposed special event and wine industry-wide event on a form provided by the Department no later than 10 days prior to the beginning of each proposed event.

Section 35.42.280.B

Table 4-16 - Winery Permit Requirements and Development Criteria

	Tier A	Tier B	Tier C
Minimum winery premises area	None.	Inner-Rural Area: 40 acres. Rural Area: 20 acres.	40 acres.

Findings: The Board of Supervisors finds that mitigation measures NOI-1, TRA-1, TRA-2 have been incorporated into the Winery Ordinance Update. These standards in combination with other development standards of the Winery Ordinance Update will reduce land use impacts in Impact LU-1 to the maximum extent feasible. The Board of Supervisors finds that implementation of mitigation measures NOI-1, TRA-1, and TRA-2 will mitigate land use related quality of life impacts (Impact LU-2) to a less than significant level (Class II).

Noise

Impacts: The Final EIR identified potentially significant but mitigable noise impacts from the operation of large outdoor events (special events) that would periodically increase ambient noise levels near wineries.

Mitigation: The Final EIR identified mitigation measure NOI-1 *Special Event Management Plan* to minimize noise-related quality of life impacts associated with special events. The measure has been incorporated in the proposed ordinance as a new development standard (Attachment 4 – Section 35.42.280.C.11.d.3). Noise related quality of life impacts would be significant, but mitigable (Class II) with incorporation of the proposed mitigation measure.

Mitigation measure NOI-1 addresses project specific and cumulative impacts in Impact NOI-3 and has been integrated into the development standards associated with the Winery Ordinance as shown below:

Section 35.42.280.C (11) (3)

- (3) Winery special event management plan. Prior to the issuance of planning permit(s), including zoning clearance, the winery shall prepare a special event management plan that includes the following information and submit to the Department for review and approval.

This plan shall also be updated and submitted annually for County review and approval a minimum of 30 days prior to the initial event for the year.

- (a) The total number of special events held during the previous year and the total number anticipated to occur in the current year.
- (b) Traffic.
 - (1) Parking and traffic coordination plan, including signage if applicable.
 - (2) Traffic incident response protocols.
 - (3) Details of traffic complaints received during the previous year.
 - (4) Changes to event operations resulting from issues that arose due to parking or traffic.
- (c) Noise.
 - (1) Details of noise generated by special events and noise complaints received.
 - (2) Outdoor amplified sound schedule of permitted hours and sound limits in compliance with Subsection C.14.b.
 - (3) Noise incident response protocols.
 - (4) Changes to event operations resulting from issues that arose due to noise.
- (d) Contact information. The winery operator shall provide the Department with the contact information of a representative who shall be able to respond to neighbor concerns during a special event and wine industry-wide event and who is responsible for assuring compliance with all winery permit conditions.
- (e) Reporting requirement. The winery operator shall provide notice to the Department of each proposed special event and wine industry-wide event on a form provided by the Department no later than 10 days prior to the beginning of each proposed event.

Findings: The Board of Supervisors finds that mitigation measure NOI-1 has been incorporated into the Winery Ordinance Update. The Board of Supervisors finds that implementation of mitigation measure NOI-1 will mitigate noise related impacts (Impact NOI-3) to a less than significant level (Class II).

Transportation and Traffic

Impacts: Quality of Life analyses were conducted for all 34 street segments in the four study areas. The Quality of Life impact analysis is intended to incorporate nuisance impacts due to greater traffic that, although not triggering standard traffic volumes or intersection delay thresholds, would be evident to area neighborhoods as noticeable changes to area traffic, turning movements, and/or delays. Daily traffic volumes were also utilized in the Quality of Life assessment prepared specifically for this traffic impact study. The intent of this analysis is to identify rural roadways where the addition of

Project traffic could result in a perceptible change in operations to local residents, even if the post-project volumes do not result in impacts to street segment capacity.

Compounded over 20 years (to “buildout” at Year 2035), this growth averages 2.43 percent per year (termed “ambient growth”). Project traffic volumes added to ambient growth over 20 years affects this 2.43 percent average growth per year. For the purposes of this study, a project-induced 50 percent or greater increase over the ambient growth percentage could be considered a potential cumulative significant impact. The threshold would therefore be 3.65 percent.

The Quality of Life threshold of 3.65 percent growth is exceeded during both the weekday and weekend time periods for all areas except for the Santa Rita Hills AVA, which showed that the threshold was not exceeded (Final EIR, Attachment 2, Appendix F – Final Traffic Study).

Project-related Quality of Life impacts (Impact TRA-2) of future winery facilities in the Inner-Rural Area, including special events, would be less than significant (Class II) with implementation of Mitigation Measures TRA-1 and Mitigation Measure TRA-2. Implementation of Mitigation Measure TRA-1 would reduce cumulative traffic quality of life impacts in the Inner-Rural Area since there are fewer eligible 40-acre parcels and premises in the Inner-Rural Area where a potential Tier B winery could be developed.

Mitigation: Mitigation measure TRA-1 requires a minimum of 40 acres premises area for Tier B winery applications in order to minimize, cumulative traffic quality of life impacts within the Inner-Rural area (Land Use and Development Code, Section 35.42.280.B Table 4-16), as described below.

Table 4-16 - Winery Permit Requirements and Development Criteria

	Tier A	Tier B	Tier C
Minimum winery premises area	None.	Inner-Rural Area: 40 acres. Rural Area: 20 acres.	40 acres.

Mitigation measure TRA-2 requires that the applicant prepare a Special Event Management Plan, which includes, but is not limited to, procedures to address traffic and parking associated with special events. This Plan also requires notification requirements, parking and traffic coordination, signage, and coordination and traffic incident response protocols with the County. The Plan also details appropriate staff response procedures for violation of plan provisions and is required to be updated and submitted annually for County review (Land Use and Development Code, Section 35.42.280.C(11)(3)), as described below.

Section 35.42.280.C (11) (3)

- (3) Winery special event management plan. Prior to the issuance of planning

permit(s), including zoning clearance, the winery shall prepare a special event management plan that includes the following information and submit to the Department for review and approval. This plan shall also be updated and submitted annually for County review and approval a minimum of 30 days prior to the initial event for the year.

- (a) The total number of special events held during the previous year and the total number anticipated to occur in the current year.
- (b) Traffic.
 - (1) Parking and traffic coordination plan, including signage if applicable.
 - (2) Traffic incident response protocols.
 - (3) Details of traffic complaints received during the previous year.
 - (4) Changes to event operations resulting from issues that arose due to parking or traffic.
- (c) Noise.
 - (1) Details of noise generated by special events and noise complaints received.
 - (2) Outdoor amplified sound schedule of permitted hours and sound limits in compliance with Subsection C.14.b.
 - (3) Noise incident response protocols.
 - (4) Changes to event operations resulting from issues that arose due to noise.
- (d) Contact information. The winery operator shall provide the Department with the contact information of a representative who shall be able to respond to neighbor concerns during a special event and wine industry-wide event and who is responsible for assuring compliance with all winery permit conditions.
- (e) Reporting requirement. The winery operator shall provide notice to the Department of each proposed special event and wine industry-wide event on a form provided by the Department no later than 10 days prior to the beginning of each proposed event.

Findings: The Board of Supervisors finds that mitigation measures TRA-1 and TRA-2 have been incorporated in the Land Use and Development Code, Section 35.42.280.C. The Board of Supervisors finds that implementation of mitigation measures TRA-1 and TRA-2 will mitigate Project-related quality of life impacts (Impact TRA-2) in the Inner-Rural Area to a less than significant level (Class II).

1.1.7 FINDINGS THAT IDENTIFIED PROJECT ALTERNATIVES ARE NOT FEASIBLE

The Final EIR evaluated a no project alternative, Alternative 1 - Local Production Emphasis, and Alternative 2 - Expanded Winery Activities. The Board of Supervisors finds that the identified alternatives are infeasible for the reasons stated below.

No Project Alternative

The No Project Alternative assumes the County would not approve the proposed Winery Ordinance Update Project and therefore would not amend the County's existing Winery Ordinance in Section 35.42.280 of the LUDC. The No Project Alternative would not change current regulatory mechanisms to govern the development of wineries within the Rural and Inner-Rural Areas of County, and the existing Winery Ordinance would continue to guide future winery development. No changes would be made to existing development criteria for the size of winery premises, the size of tasting rooms, limitations on winery special events, and the range of activities and visitor-serving uses, restrictions on winery visitors, and restrictions on visitor hours. None of the policies, development standards, and actions of the Winery Ordinance Update would be implemented and LUDC amendments would not be adopted.

The No Project Alternative would result in similar impacts as the Project on the following resources:

- Aesthetics/Visual Resources (Class III)
- Agricultural Resources (Class III)
- Air Quality and Greenhouse Gas Emissions (Class I)
- Biological Resources (Class III)
- Cultural Resources (Class III)
- Geologic Hazards and Soils (Class III)
- Hazards (Class III)
- Hydrology and Water Resources (Class III)

The No Project Alternative would result in more adverse impacts on the following resources:

- Land Use Plan (Class I)
- Noise (Class I)
- Transportation and Traffic (Class I)

The No Project Alternative would result in incrementally more adverse impacts on the following resource:

- Public Services and Utilities (Class III)

The No Project Alternative would not reduce any significant impacts to a less than significant level. The adoption of the No Project Alternative could result in greater

impacts related to land use, noise, and traffic, and incrementally more adverse impacts to public services and utilities. Furthermore, significant and unavoidable impacts to air quality would remain. Impacts related to all other resource areas would remain similar. This alternative would not meet the objective of providing efficiency and clarity in the winery permit process, and ensuring compatibility with surrounding land uses as future winery development under the existing ordinance may generate greater increases in temporary populations, which may result in conflicts with surrounding agricultural and residential land uses. Therefore, the Board of Supervisors finds that the project (as modified by incorporation of EIR mitigation measures and several components of Alternatives 1 and 2) is preferable to the No Project Alternative.

Alternative 1 - Local Production Emphasis

Alternative 1 would amend the existing Winery Ordinance in Section 35.42.280 of the LUDC to propose new winery permit requirements and development criteria within a tiered-level permitting system. Alternative 1 proposes three tiers – Tier A, Tier B, and Tier C - which are determined by the winery premises scale and the acres of planted vineyards and the types of uses. This alternative would require at least 51 percent of the winery case production at all new wineries to be from grapes grown within Santa Barbara County, and at least 20 percent of the case production from grapes grown on the parcel containing the winery. Alternative 1 would include greater minimum acreage requirements for winery premises: 5 acres for Tier A wineries, 40 acres for Tier B wineries, and 40 acres for Tier C wineries.

Development standards proposed as mitigation for the Project would also apply to Alternative 1. Thus, it would primarily result in similar impacts on the following resources:

- Aesthetics and Visual Resources (Class III)
- Biological Resources (Class III)
- Cultural Resources (Class III)
- Geologic Hazards, Soils, and Minerals (Class III)
- Hazards (Class III)
- Land Use (Class II)
- Noise (Class II)
- Public Services and Utilities (Class III)

Alternative 1 would result in incrementally less adverse impacts on the following resources:

- Agricultural Resources (Class III)
- Transportation and Traffic (Class II – Inner Rural Areas; Class I – Rural Areas)

Alternative 1 would result in incrementally less but significant impacts on the following resource:

- Air Quality and Greenhouse Gas Emissions (Class I)

Alternative 1 would result in incrementally more adverse impacts on the following resources:

- Hydrology and Water Resources (Class III)

Alternative 1 would achieve most of the Project objectives which include, promoting orderly development of wineries within the County, providing efficiency and clarity in the winery permit process, preserving the primary agricultural use of winery premises, and ensuring compatibility with surrounding land uses. Alternative 1 further supports the objective to preserve the primary agricultural use of winery premises by including additional development criteria that encourages local wine grape cultivation. Like the Project, Alternative 1 would also ensure land use compatibility through the inclusion of development standards and mitigation such as the requirement of a Special Event Management Plan, limitations on the number of winery visitors on a premises, and visitor hours. Alternative 1 requirement for larger winery premises would encourage the development of industrial-scale winery operations and would inhibit smaller sized boutique wineries. This could result in socioeconomic impacts that would favor agriculturalist with greater economic means and land ownership, and would place disproportionately greater constraints on those with smaller sized agricultural land holdings and has been deemed infeasible for social, economic, and other reasons. Therefore, the Board of Supervisors finds that the project (as modified by incorporation of EIR mitigation measures and several components of Alternatives 1 and 2) is preferable to Alternative 1.

Alternative 2 - Expanded Winery Activities

Alternative 2 would amend the existing Winery Ordinance in Section 35.42.280 of the LUDC to propose new winery permit requirements and development criteria within a tiered-level permitting system. Alternative 2 also proposes three tiers – Tier A, Tier B, and Tier C - which are determined by the winery premises scale and the acres of planted vineyards and the types of uses. This Alternative would reduce the minimum acreage requirements for winery premises and planted vineyards. This alternative does allow for expanded winery activities (e.g. tasting rooms, special events, wine maker meals) under all tiers compared to the Project. This alternative is more restrictive than the project, limiting the size of winery structural development and tasting room to a maximum of 20,000 square feet for Tier C wineries with no exception for a larger size through Planning Commission approval.

Development standards proposed as mitigation for the Project would also apply to Alternative 2. Thus, it would primarily result in similar impacts on the following resources:

- Aesthetics and Visual Resources (Class III)
- Air Quality and Greenhouse Gas Emissions (Class I)
- Biological Resources (Class III)
- Cultural Resources (Class III)
- Geologic Hazards, Soils, and Minerals (Class III)

- Hazards (Class III)
- Hydrology and Water Resources (Class III)

Alternative 2 would result in incrementally less adverse impacts on the following resource:

- Agricultural Resources (Class III)

Alternative 2 would result in incrementally more adverse impacts on the following resources:

- Land Use (Class II)
- Noise (Class II)
- Transportation and Traffic (Class II – Inner Rural Areas; Class I – Rural Areas)
- Public Services and Utilities (Class II)

Alternative 2 would not reduce any significant impacts to a less than significant level from the Project. Alternative 2 would potentially result in incrementally less adverse environmental impacts to agriculture, and incrementally more adverse impacts to land use, noise, transportation and traffic, and public services and utilities. Nonetheless, the classification of all impacts under Alternative 2 would be the same as under the Project, including Class I air quality impacts attributed to operational ROC emissions.

Similar to the Project, Alternative 2 does meet the project objectives of promoting orderly development of wineries, providing efficiency and clarity in the winery permit process, preserving the primary agricultural use of winery premises, and ensuring compatibility with surrounding land uses, and balancing the needs of various stakeholders. Like the Project, Alternative 2 includes development standards and mitigation including the requirement of a Special Event Management Plan, limitations on the number of winery visitors on a premises, and visitor hours that would ensure that winery developments are compatible with surrounding land uses. This alternative would also provide greater flexibility for agriculturalists to develop wineries. However, the Board of Supervisors finds that the adoption of Alternative 2 may not achieve a balance between meeting Project objectives, including quality of life concerns, while addressing environmental impacts and has been deemed infeasible for social, economic, and other reasons. Therefore, the Board of Supervisors finds that the project (as modified by incorporation of EIR mitigation measures and several components of Alternatives 1 and 2) is preferable to Alternative 2.

Environmentally Superior Alternative

The Board of Supervisors finds Alternative 1 to be the Environmentally Superior Alternative. Alternative 1 was found to generate the least adverse impacts while achieving most Project objectives. Implementation of Alternative 1 would increase parcel acreage requirements of Tier B developments in the Inner Rural Area from 20 acres to 40 acres which would reduce quality of life traffic impacts to less than significant in the

Inner-Rural Area (Class II). Alternative 1 provides a balance between meeting Project objectives, including quality of life concerns, while addressing environmental impacts.

1.1.8 STATEMENT OF OVERRIDING CONSIDERATIONS

It is recommended that the Board of Supervisors make the following Statement of Overriding Considerations. The Winery Ordinance Update Final EIR (15EIR-00000-00002) identifies air quality impacts and traffic quality of life impacts in the Rural Areas will remain significant and unavoidable (Class I). The Board of Supervisors has balanced “the economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits” of the project against these effects and makes the following Statement of Overriding Considerations, which warrants approval of the project notwithstanding that all identified adverse environmental effects are not fully avoided or substantially lessened. [CEQA Guidelines Section 15093(a)] The Board of Supervisors finds that the benefits of the “proposed project outweigh the unavoidable adverse environmental effects,” and therefore, “the adverse environmental effects may be considered ‘acceptable.’” [CEQA Guidelines Section 15093(a)]

Pursuant to Public Resources Code Section 21081(b) and CEQA Guidelines Sections 15043, 15092, and 15093, any unavoidable adverse environmental effects of the project (the Winery Ordinance Update) are acceptable due to the following environmental benefits and overriding considerations:

- A. The Winery Ordinance Update provides for orderly economic growth within a reasonable time horizon in an area that has adequate public services (i.e., water, sewer, roads) in accordance with Land Use Element Land Use Development Policy 4, protects agriculture (Agricultural Element Goal 1), preserves the area’s character and scenic views, and balances the needs of future residents with the needs of existing residents, and providing an economic and social benefit.
- B. The Winery Ordinance Update has the potential to limit adverse impacts and contribute to the long-term protection of the environment, while preserving viable agriculture in the County and providing a region-wide environmental benefit.
- C. The Winery Ordinance Update adopts development standards to ensure the orderly development of wineries within the County and ensure their compatibility with surrounding land uses in order to protect the public health, safety, natural, and visual resources, providing an economic, social, and region-wide environmental benefit.
- D. The Winery Ordinance Update protects aesthetics and visual resources by enacting development standards that would limit the size and scale of development on winery premises and preserve the open space character of the surrounding natural environment, providing an economic, social, and region-wide environmental benefit.

- E. The Winery Ordinance Update supports goals of the Agricultural Element by allowing the installation of the supportive activity or wineries as an integral part of the production and marketing process of the farm, providing an economic benefit.
- F. The Winery Ordinance Update provides clarity for future applicants and land use regulators. The Projects' clear and updated permit requirements and development standards will streamline the project-review process for individual applications for future development by providing a framework that will reduce the amount of future project-specific review, environmental review, time, uncertainty, cost in the permit process and will provide an economic and social benefit.

2.0 ADMINISTRATIVE FINDINGS

2.1 AMENDMENTS TO THE DEVELOPMENT CODE AND ZONING MAP

Findings required for all amendments to the County Land Use and Development Code and the County Zoning Map. In compliance with Section 35.104.060 of the LUDC, prior to the approval or conditional approval of an application for an Amendment to the Development Code or Zoning Map, the review authority shall first make all of the following findings:

2.1.1 The request is in the interests of the general community welfare.

The proposed ordinance amendment is in the interest of the general community welfare since the amendment will serve to clarify, update, and streamline the development permit process for winery facilities while protecting and enhancing community values, environmental quality, or the public health and safety. The proposed amendments include a comprehensive set of development standards that give decision-makers additional ability to regulate the siting and use of such facilities in order to minimize potential adverse visual impacts to the surrounding area as analyzed in the Board Letter and its attachments, dated November 1, 2016, which is hereby incorporated by reference.

2.1.2 The request is consistent with the Comprehensive Plan, the requirements of State planning and zoning laws, and this Development Code.

The proposed ordinance amendment is consistent with the Santa Barbara County Comprehensive Plan (as described in Attachment 5 of the Board Letter dated November 1, 2016, herein incorporated by reference), and the requirements of State Planning and Zoning Laws. The project is consistent with the Comprehensive Plan and the LUDC.

Adoption of the Winery Ordinance Update and associated amendments to the County LUDC will provide more effective State planning and zoning laws by providing a clearer and more efficient permit process that will benefit the public. The ordinance will amend the LUDC to clarify and streamline the permit process for new winery development on lands designated for agricultural uses. The LUDC is amended to be consistent with the Winery Ordinance Update, and the proposed project is consistent with the remaining

portions of the LUDC that would not be revised by the LUDC ordinance amendment. In the future, individual projects developed in compliance with the Winery Ordinance will also be assessed for consistency with all applicable requirements of the LUDC. Therefore, the Winery Ordinance is consistent with the Comprehensive Plan, State planning and zoning laws and the County LUDC.

2.1.3 The request is consistent with good zoning and planning practices.

The proposed amendment is consistent with sound zoning and planning practices to regulate land uses for the overall protection of the environment and community values as discussed in the Board Letter and its attachments dated November 1, 2016, which is hereby incorporated by reference. Additionally, the Board of Supervisors finds that the Final EIR prepared for this amendment, with implementation of mitigation measures, provides a balance between meeting Project objectives, including quality of life concerns, while addressing environmental impacts. Therefore, the Board of Supervisors finds the project consistent with good zoning and planning practices.