

**SANTA BARBARA COUNTY
BOARD AGENDA LETTER**



Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Agenda Number:
Prepared on: 2/11/03
Department Name: Planning and Development
Department No.: 053
Agenda Date: 2/25/03
Placement: Departmental
Estimate Time: 1 hour
Continued Item: YES
If Yes, date from: 2/18/03

TO: Board of Supervisors

FROM: Dianne L. Meester, Interim Director
Planning and Development

STAFF CONTACT: Julie Harris, Planner II (568-3518)

SUBJECT: Proposed Work Plan and Budget to Process Ordinance Amendment for Revised Permit Procedures for Wineries

Recommendation(s):

That the Board of Supervisors:

1. Review and consider this staff report regarding work program implications and budget estimates to revise Article III permit procedures for wineries based on a tiered permit process for winery development; and
2. Provide staff with direction on the following issue: a special events permit that would consider events not only in association with winery development but on other agricultural lands; and
3. Either:
 - Direct Planning and Development to commence the ordinance amendments for revised permit procedures for wineries this Fiscal Year, reducing the work effort on the Santa Ynez Valley Community Plan and reducing revenue collection in Development Review North by \$16,000;
 - or*
 - Re-evaluate the request for the proposed ordinance amendment as a part of the FY 2003/04 budget process.

Alignment with Board Strategic Plan:

The recommendation(s) are primarily aligned with Goal No. 1. An Efficient Government Able to Respond Effectively to the Needs of the Community and Goal No. 4. A Community that is Economically Vital and Sustainable.

Executive Summary and Discussion:

BACKGROUND

On January 14, 2003 the Board of Supervisors received a report from the Central Coast Wine Growers Association Wine Industry Task Force (WITF) outlining a proposed tiered permit process for winery applications (Attachment A - staff report for Jan 14). The Winery Subcommittee of the WITF presented a draft “Tiered Permit Process for Winery Applications” and proposed winery development standards to be used in conjunction with the tiered permit process (Attachment B). The matrix is the result of a coordinated work effort between the Winery Subcommittee and Planning and Development’s (P&D) Wine Industry Working Group.

The Board directed P&D staff to return for a discussion of a potential work plan and budget to draft a new ordinance that would revise the permit procedures for wineries following a tiered permit process.

WORK PLAN AND BUDGET

Staff has returned today with a proposed work plan and budget (Attachment C). Staff estimates a timeline of six to seven months to complete development and adoption of an ordinance amendment. The budget to complete this work effort is estimated to be \$28,700.

The budget makes several assumptions:

- Environmental review can be accomplished with a negative declaration;
- The ordinance amendment will only address special events as they relate to wineries;
- The majority of staff time would be split between one comprehensive planner and one development review planner.

To summarize the major work plan effort, one planner from the Comprehensive Planning Division will be in charge of finalizing the permit tiers and development standards. This effort will involve coordination and meetings with the Winery Subcommittee, review and finalization of the definitions and development standards, and coordination with other County departments/divisions (e.g. Public Works, Environmental Health Services) regarding inclusion of relevant development standards. One planner from the Development Review Division will draft ordinance language to implement the permit tiers and development standards, lead review by relevant committees (e.g. Agricultural Advisory Committee, Agricultural Preserve Advisory Committee, BAR, Santa Ynez Valley GPAC) and conduct environmental review. Both planners will conduct public workshops and participate in Planning Commission and Board of Supervisors hearings. The project will be completed with staff training in the new procedures.

TABLE 1. ESTIMATED HOURS AND COST FOR PROCESSING A REVISED PERMIT PROCESS FOR WINERIES WITHOUT CONSIDERATION OF A SPECIAL EVENT PERMIT FOR OTHER AGRICULTURAL OPERATIONS.¹

Division	Hours	Cost
Comprehensive Planning	261	\$11,900
Development Review	256	\$16,300
Printing	-0-	\$500
Total	529	\$28,700

¹ See Attachment C for a breakdown of hours and tasks by division.

CONSIDERATIONS

1. *Special Events Permit*

Special events associated with winery development and other agricultural uses provide several benefits to agricultural properties including marketing of agricultural products, additional farm income, and increasing awareness and education of visitors about farming, ranching and the agricultural heritage of Santa Barbara County. A permit path is needed for such events in order to regulate scale, intensity and frequency of events so that they do not impact the primary agricultural use or the character of the area. Of particular concern is at what point do these events cease being a supporting use of the agricultural lands and the site becomes more of an event venue.

Recent trends show an increase in requests for more frequent and larger events with winery development and reported zoning violations of events on non-winery agricultural lands. A primary question to consider is whether this work effort is the appropriate avenue to pursue the creation of a special events permit that would address larger events and events of greater intensity and frequency at wineries and other agricultural properties.

A special events permit process is currently listed as a priority ordinance amendment, which would address special events permitting in any zone district. This item is part of a list of scheduled zoning ordinance amendment updates that are funded from P&D's base budget. Not pursuing a special events permit at this time could delay its development. However, most winery events would not be affected, as a certain number of events at wineries would be allowed under the revised winery permit process with a development plan, similar to existing procedures.

The options before the Board are whether to address special events:

- associated with wineries only; or
- associated with wineries and other agricultural uses.

Pursuing the permit in conjunction with the winery permit revisions would add at least a month to the timetable; however, given the broader implications of this project and the greater number of landowners potentially affected, the time to adoption could be longer causing a delay in adoption of the revised permit procedures for wineries. Developing a special events permit could increase the costs of this program by as much as \$5,000. These costs would be incurred by staff time required to draft additional ordinance language and environmental analysis and would be divided between Comprehensive Planning (14 hours/\$700) and Development Review North (70 hours/\$4,300). The cost assumes that environmental review can also be accomplished with a negative declaration.

2. *Implications for Funded Programs*

Should the Board direct P&D to move forward with the process it is likely that delays will result to currently funded programs as staff time will be diverted from those efforts to the winery permit revisions process. As stated above, the primary staff members that would be assigned to the winery project include a comprehensive planner and development review planner. The comprehensive planner is part of the team working on the Santa Ynez Valley Community Plan, where the initiation draft plan is currently being written. Delays in completion of the initiation draft are likely with the planner's time being diverted to work on the revised winery permit procedures. In Development Review, the planner assigned is also in charge of the general zoning ordinance amendments and performs case processing. Similarly, the planner's case processing assignments and commensurate revenue would be reduced.

Mandates and Service Levels:

The WITF and community members have expressed interest in having a winery permitting process that promotes efficiency, clear expectations and clear development standards that address related impacts. A revised permit process for wineries should produce service levels that allow efficiency in the process through permit streamlining, reducing costs to applicants in both time and money.

The proposed permit revisions are not currently identified in either of Comprehensive Planning's Two-Year or Five-Year Work Programs.

Fiscal and Facilities Impacts:

The Article III ordinance amendment request is not funded in P&D's Adopted FY 2002/03 Budget nor is it currently proposed in P&D's 2003/04 recommended budget. Preliminary estimates to complete this work effort include 529 to 613 staff hours (over a 6-7 month timeline) at a cost of \$28,700-33,700.

Processing the requested ordinance amendments this fiscal year will result in project delays and reduced levels of work for currently funded programs. Chiefly impacted are the Santa Ynez Valley Community Plan and a reduced availability of a Development Review planner for case processing. This would reduce permit revenue by \$16,000.

If the Board authorizes P&D to process the proposed winery permit process ordinance amendment the total impact to the General Fund would be \$44,700-49,700 (program budget estimate + lost permit revenue) requiring an allocation of a General Fund contingency or delays in the Santa Ynez Valley Community Plan and a reduction in available hours and funding for permit processing in the North County.

Special Instructions:

Please send copies of the minute order to Julie Harris and Cintia Mendoza (Planning and Development).

Concurrence:

Not Applicable.

Attachments:

- A. January 14, 2003 Board Agenda Letter
- B. Draft Winery Permit Tiers Matrix and Proposed Development Standards (as presented by WITF 1/14/03)
- C. Proposed Work Program and Budget Summary