

**EL DORADO COUNTY
PLANNING AND BUILDING DEPARTMENT
ZONING ADMINISTRATOR
STAFF REPORT**



Agenda of:

December 07, 2022

Staff:

Jon Philip Mijat

CONDITIONAL USE PERMIT

- FILE NUMBER:** CUP22-0004/H2O Alaro Microbrewery
- APPLICANT/OWNER:** Jay Cuccia/RJM Property Holdings CA LLC
- REQUEST:** Conditional Use Permit (CUP) to allow a microbrewery use with an initial output of 650 beer barrels a year to a maximum of 12,000 beer barrels a year within an existing structure for wholesale distribution. There will be no on-site tasting room.
- LOCATION:** Located on the west side of Robert J Mathews Pkwy, approximately 1,200 feet south of the intersection with Golden Foothill Pkwy, in the El Dorado Hills area, Supervisorial District 4 2 (Exhibit A).
- APN:** 117-085-013 (Exhibit B)
- ACREAGE:** 3.01 Acres
- GENERAL PLAN:** Research and Development (R&D) (Exhibit C)
- ZONING:** Research and Development – Design Review Community Combining Zone (R&D-DC) (Exhibit D)
- ENVIRONMENTAL DOCUMENT:** Categorically Exempt pursuant to Section 15301 of the California Environmental Quality Act (CEQA) Guidelines (Existing Facilities).
- RECOMMENDATION:** Staff recommends the Zoning Administrator take the following actions:
1. Find the project Exempt under Section 15301 of the CEQA Guidelines; and
 2. Approve Conditional Use Permit CUP22-0004, based on the Findings and subject to the Conditions of Approval as presented.

EXECUTIVE SUMMARY

The proposed project includes a request for a CUP to allow a microbrewery use within an existing structure to initially brew 650 beer barrels a year with a future potential maximum expansion of 12,000 beer barrels a year as allowed by the Zoning Ordinance microbrewery use definition and dependent upon success. There will be no on-site sales or tasting room as all product is slated for wholesale distribution. Operation of a microbrewery is an allowed use with approval of a CUP on lands zoned Research and Development – Design Review Community Combining Zone (R&D-DC). A discretionary design review is not required as 130.27.050.D.1 exempts structures and site development when the base zone has expanded to include architectural style and site design requirements.

BACKGROUND/EXISTING CONDITIONS/SITE CHARACTERISTICS

The project parcel is located within the El Dorado Hills Community Region and is within the El Dorado Hills Business Park, surrounded by other warehousing, industrial, and office operations as allowed in the R&D zone district. Approximately 300 feet to the west is the Marble Valley Academy. The site is relatively flat starting around 500 feet AMSL at Robert J Matthews Parkway and rising to about 530 feet AMSL at the rear of the property. The parcel is 3.01 acres and has a 31,200 square foot multi-story building constructed in 1989 under building permit #89060631. There are currently 65 parking spaces and the Brewery/ Wholesale Distribution Uses will not require additional parking (Exhibit D). The prior use was a solar energy equipment supplier, and the County issued building permit #-0313331 for an on-site CBD purification room in the former solar company's clean room on October 29, 2020.

PROJECT DESCRIPTION

The proposed project includes a CUP request for the operation of a microbrewery, located at 5000 Robert J Mathews Pkwy, CA 95762, with an initial output of 650 beer barrels a year within an existing 31,200 square foot building. Depending on the success of the operation, the applicants would eventually expand the use to be able to process 12,000 beer barrels a year which is the maximum allowed under the microbrewery definition. The microbrewery will provide on-site manufacturing, bottling, and wholesaling of beer. There is no current proposal for on-site sales and consumption. There will be a sign change out from an existing sign location.

Additionally, no new landscaping, parking, or exterior lighting are being proposed as part of this project. The applicant will need to obtain licenses from the US Alcohol and Tobacco Tax and Trade Bureau (basic permit) and California Alcohol Beverage Control (ABC).

ANALYSIS

General Plan Consistency: The project is consistent with all applicable General Plan policies including Policy 2.2.1.2. (Research & Development Land Use Designation), Policy 2.2.1.5 Building Intensity, Policy 2.2.5.2 (General Plan Consistency), Policy 2.2.5.21 (compatibility with adjoining land uses), Policy 5.1.2.1 (adequacy of public services and utilities), and Policy 5.2.1.2 (adequate quantity and quality of water for all uses, including fire protection). Further details are discussed in the Findings section below.

Zoning Ordinance Consistency: Staff has determined that the proposed project, as conditioned, is consistent with all applicable standards and requirements of Title 130 of the County Ordinance Code (Zoning Ordinance). The project parcel is zoned R&D-DC and the project has been analyzed in accordance with all applicable development standards for this zone district. Further details are discussed in the Findings section below.

Surrounding Land Uses: The project would not conflict with surrounding uses since all brewing activities occur within an existing structure. Fire and EMS did not make comments or express concerns regarding the proposed use. The microbrewery use is a use allowed in the R&D-DC zone with the approval of a CUP.

AGENCY COMMENTS:

The project was distributed to all applicable local and state agencies for review and comment. Standard comments for conditions of approval were received from the County's Air Quality Management District. The El Dorado County Emergency Services Authority, County Environmental Management, Pacific Gas and Electric, and the County's Surveyors office provided confirmation of no comments or issues. The County's Department of Transportation (DOT) did not require a traffic impact study, on-site transportation review, and had no comments or conditions.

ENVIRONMENTAL REVIEW:

Conditional Use Permit CUP22-0004 has been found Categorical Exempt pursuant to Section 15301, Existing Facilities, of the CEQA Guidelines. The proposed use will result in negligible expansion of the existing structure and require minor interior alterations to portions of the existing structure to accommodate the proposed use. Filing of a Notice of Exemption is required in accordance with CEQA Guidelines Section 15062 to initiate a 35-day statute of limitations on legal challenges to the County's decision that the project is exempt from CEQA. The applicant shall submit a \$50.00 recording fee to Planning Services in order for the County Recorder to file the Notice of Exemption.

SUPPORT INFORMATION

Attachments to Staff Report:

Findings
Conditions of Approval

Exhibit A.....Location/Vicinity Map
Exhibit B.....Assessor’s Parcel Map
Exhibit C.....General Plan Land Use Designation Map
Exhibit D.....Zoning Map
Exhibit E.....Site Plan

FINDINGS

Conditional Use Permit CUP22-0004/H2O Alaro Microbrewery Zoning Administrator/December 07, 2022

1.0 CEQA FINDINGS

- 1.1** Conditional Use Permit (CUP) CUP22-0004 has been found Categorically Exempt pursuant to Section 15301, Existing Facilities of the California Environmental Quality Act (CEQA) Guidelines. The proposed use will result in negligible expansion of the existing structure and require minor interior alterations to portions of the existing structure to accommodate the proposed use.
- 1.2** 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 Building Department, Planning Services Division, at 2850 Fairlane Court, Placerville, CA, 95667.

2.0 GENERAL PLAN FINDINGS

2.1 The project is consistent with General Plan Policy 2.2.1.2.

General Plan Policy 2.2.1.2 identifies that the purpose of the Research & Development (R&D) land use designation is to provide areas for the location of high technology, nonpolluting manufacturing plants, research and development facilities, corporate/industrial offices, and support service facilities in a rural or campus-like setting which ensures a high quality, aesthetic environment. R&D designations is highly appropriate for the business park/ employment center concept and the zone can be located in Community Regions or in Rural Centers.

Rationale: Policy 2.2.1.2 establishes the uses allowable for Research & Development (R&D). The proposed project does not propose any changes to the land use designation applied to the site and a microbrewery is substantially consistent with the uses allowed. Therefore, the proposed project is compatible with the R&D land use designation and General Plan Policy 2.2.1.2.

2.2 The project is consistent with General Plan Policy 2.2.1.5

General Plan Policy 2.2.1.5 identifies the allowable building intensities for land use designation.

Rationale: Policy 2.2.1.5 identifies the allowable building intensity or Floor Area Ratio (FAR) for Research & Development land use designation as 0.50. The current project is proposing negligible exterior expansion and the current FAR for the site is 0.24. This is found by dividing current total floor area of 31,200 square feet by total parcel area 131,115.6 square feet. Therefore, the proposed project is compatible with General Plan Policy 2.2.1.5.

2.3 The project is consistent with General Plan Policy 2.2.5.2

This policy requires that all applications for discretionary projects or permits shall be reviewed to determine consistency with the policies of the General Plan.

Rationale: Staff has prepared this Findings section to document the project's consistency with the policies of the General Plan.

2.4 The project is consistent with General Plan Policy 2.2.5.21

General Plan Policy 2.2.5.21 requires that development projects be located and designed in a manner that avoids incompatibility with adjoining land uses that are permitted by the policies in effect at the time the development project is proposed. Those development projects that are potentially incompatible with existing adjoining uses shall be designed in a manner that avoids any incompatibility or shall be located on a different site.

Rationale: The adjoining parcels are zoned R&D-DC and are also located within the El Dorado Hills Business Park. The property to the east (117-088-007) is vacant and there are no pending projects or permits being processed. The remaining parcels surrounding the project parcel are built and are occupied with various uses from message therapy, office, gym, distillery, and private school. The parcel currently does not have a tenant operating. The proposed project would be substantially consistent to the surrounding operations as the proposed microbrewery use will be conducted entirely within existing structure. Therefore, the project will not be expected to result in land use conflicts with adjoining land uses.

The microbrewery use is not an incompatible use adjacent to a school as there is approximately 200 feet between the brewery and playground. The school site is between 10 and 20 feet higher in elevation above the brewery plus there is vegetative landscaping with mature trees at the property lines and parking lot between these parcels which further obscures the brewery from the school. Furthermore, the brewery is located within an existing structure and will not be open to the public for purchase or tasting rooms. It will be wholesale only.

2.5 The project is consistent with General Plan Policy 5.1.2.1.

General Plan Policy 5.1.2.1 requires a determination of the adequacy of the public

services and utilities to be impacted by that development.

Rationale: The project is proposed within an existing building that is within an existing business park that has adequate public services and utilities and will not impact the public services and utilities. An Initial Consultation Letter was sent out that had a 30-day notice period and within that time frame, the agencies responsible for public services or utilities did not return a comment, returned a 'no comment' response, or returned standard comments normally addressed through the processing of building/grading permit. Therefore, the project will not result in impacts to public services or utility services and those public services and public utilities are adequate.

2.6 The project is consistent with General Plan Policy 5.2.1.2.

General Plan Policy 5.2.1.2 requires that adequate quantity and quality of water for all uses, including fire protection, be provided with proposed development.

Rationale: The proposed project parcel has two (2) fire hydrants and El Dorado County Community Water District and Fire Protection District, EDH Fire, did not return a comment for additional fire apparatus. Also, the parcel is serviced by El Dorado Irrigation District which did not return a comment either. The County of El Dorado Environmental Health Department did not have comments as "the parcel is served by public water and sewer and the beer produced at this facility will be sold wholesale. There will be no retail sales of beer from this location, and a permit to operate (health permit) will not be required." Therefore, the project is consistent with policy 5.2.1.2.

2.7 The project is consistent with General Plan Policy 5.7.1.1.

General Plan Policy 5.7.1.1 (Fire Protection in Community Regions) requires the applicant to demonstrate that adequate emergency water supply, storage, conveyance facilities, and access are available, or are provided for, concurrent with development.

Rationale: EDH Fire currently provides fire protection service to the project site. There will be no significant changes to the current site water supply, storage, conveyance, or site access. Therefore, the site will remain in compliance with policy 5.7.1.1.

2.8 The project is consistent with General Plan Policy 6.2.3.2.

Policy 6.2.3.2 (Adequate Access for Emergencies) requires the applicant demonstrate that adequate access exists, or can be provided to ensure that emergency vehicles can access the site and private vehicles can evacuate the area.

Rationale: The proposed microbrewery use is within an existing building on a previously developed parcel where there is driveways are along the eastern property line toward the northside and another toward the south end of the property. There are no proposed changes to site access. Therefore, the project is consistent with policy 6.2.3.2.

3.0 ZONING FINDINGS

3.1 The project is consistent with Section 130.23.020.

Section 130.23.020 Matrix of Allowed Uses for the Industrial / R&D Zones (Industrial and Research and Development Zone Development Standards) describes zone-specific allowed uses within the R&D Zone District.

Rationale: A microbrewery is a use allowed through the approval of a CUP, which is the intent of this proposed project CUP22-0004.

3.2 The project is consistent with Section 130.27.050 Design Review-Community (-DC) Combining Zone.

Section 130.27.050 Design Review-Community (-DC) Combining Zone implements the General Plan by establishing a Design Review-Community (-DC) Combining Zone which includes standards and site review procedures.

Rationale: The proposed project is within an existing structure. Section 130.27.050.D Exemptions items 1, 4 and 5 are all applied to this proposed project. Item 1 is Structures and site development within a research and development zone that is combined with a (-DC) designation, if said base zone has been expanded to include architectural style and site design requirements which are more specific in nature and satisfy the intent of the design review concept. The zone for the proposed project is R&D-DC and there are adopted development and design standards for R&D zones. Item 4 is internal changes within an existing structure, including changes in the use of the existing structure, where no external changes or alterations are proposed. The proposed microbrewery is going to be within an existing structure with minor interior alterations. Item 5 is minor additions to existing structures wherein the total floor area increase is 10 percent or less, and where compliance to the appearance of the existing structure is demonstrated, providing the existing structure has been reviewed and approved under a previous design review permit or other discretionary application. The airlock addition to the western side of the building meets the no more than 10 percent threshold. Therefore, the project is consistent with zoning code section 130.27.050.

CONDITIONS OF APPROVAL

**Conditional Use Permit CUP22-0004/H2O Alaro Microbrewery
Zoning Administrator/December 07, 2022**

1. This Conditional Use Permit (CUP) is based upon and limited to compliance with the project description, Conditions of Approval set forth below, and the hearing exhibits marked:

Exhibit ESite Plan

Any deviations from the project description, exhibits, or conditions must be reviewed and approved by the County for conformity with this approval. Deviations may require approved changes to the permit and/or further environmental review. Deviations without the above described approval would constitute a violation of permit approval.

The project description is as follows:

The proposed project includes operation of a microbrewery, located at 5000 Robert J Mathews Pkwy, CA 95762, with an initial output of 650 beer barrels a year and a maximum of 12,000 beer barrels a year. The microbrewery will provide on-site manufacturing, bottling, and wholesaling of beer. No on-site sales and consumption are allowed.

This project includes minimal expansion of site developments, interior renovations, and sign change out of existing sign. No new landscaping, parking, or exterior lighting are being proposed.

The development, use, and maintenance of the property, the size, shape and the protection and preservation of resources shall conform to the project description above and the hearing exhibits and Conditions of Approval below. The property and any portions thereof shall be sold, leased, or financed in compliance with this project description and the approved hearing exhibits and Conditions of Approval hereto.

Planning Division

2. **Permit Implementation:** In compliance with County Code Section 130.54.060 (Time Limits, Extensions, and Permit Expiration), implementation of the project must occur within 24 months of approval of this CUP or the permit becomes null and void. It is the responsibility of the applicant to monitor the time limit and make diligent progress toward implementation of the project and compliance with conditions of approval.
3. **Notice of Exemption (NOE) Recording Fee:** The applicant shall submit to the Planning Services Division a \$50.00 recording fee for the County Recorder to file the Notice of Exemption. Checks shall be payable to El Dorado County. No permits shall be issued until said fees are paid.
4. **Indemnity:** In the event of any legal action instituted by a third party challenging the validity of any provision of this approval, the developer and landowner agree to be responsible for the costs of defending such suit and shall hold County harmless from any legal fees or costs County may incur as a result of such action.

The developer and landowner shall defend, indemnify, and hold harmless El Dorado County and its agents, officers, and employees from any claim, action, or proceeding against El Dorado County or its agents, officers, or employees to attack, set aside, void, or annul an approval of El Dorado County concerning a Conditional Use Permit.

The County shall notify the applicant of any claim, action, or proceeding, and the County shall cooperate fully in the defense.

5. **Change in Ownership:** In the event of any change of ownership of the subject parcel (APN: 117-085-013) or any change in primary or accessory use, it is the responsibility of the future property owners to ensure all changes are consistent with this CUP, the El Dorado County General Plan, Zoning Ordinance, and all applicable standards in place at such time.
6. **Business License:** Prior to operation of the microbrewery, a business license must be acquired. This will require coordination with and review by the County's Tax Collector's Department.

Air Quality Management District

7. **New Point or Stationary Source:** Prior to construction/installation of any new point/stationary source emissions units (e.g., emergency standby engine greater than 50 HP, boilers/water heaters aggregating to a total input capacity of > 1 MMBH etc.), Authority to Construct applications (AC) shall be submitted to the EDCAQMD. Submittal of applications shall include facility diagram(s), equipment specifications and emissions estimates, and shall adhere to AQMD Rules 501, General Permit Requirements and 523, New Source Review. AC application can be found at EDCAQMD webpage below:

https://www.edcgov.us/Government/AirQualityManagement/Pages/authority_to_construct_permits.aspx

8. **Fugitive Dust:** As we understand the project, there will be no grading or construction necessary. Please be advised that a Fugitive Dust Mitigation Plan (FDP) Application with appropriate fees shall be submitted to and approved by the EDCAQMD prior to start of project construction if during the course of the project a Grading Permit is required from the Building Department, Dust control measures shall comply with the requirements of AQMD Rule 223, Fugitive Dust – General Requirements and Rule 223.1 – Construction, Bulk Material Handling, Blasting, Other Earthmoving Activities and Trackout Prevention.
9. **Paving:** The project construction may involve road development and shall adhere to AQMD Rule 224, Cutback and Emulsified Asphalt Paving Materials.
10. **Painting/Coating:** The project construction may involve the application of architectural coatings which shall adhere to AQMD Rule 215, Architectural Coatings.
11. **Open Burning:** Burning of wastes that result from "Land Development Clearing" must be permitted through the AQMD. Only dry vegetation originating from the property may be disposed of using an open outdoor fire and burning shall adhere to AQMD Rule 300, Open Burning.
12. **Portable Equipment:** All portable combustion engine equipment with a rating of 50 horsepower or greater shall be registered with the California Air Resources Board (CARB). A copy of the current portable equipment registration shall be with said equipment. The applicant shall provide a complete list of heavy-duty diesel-fueled equipment to be used on this project, which includes the make, model, year of equipment, daily hours of operations of each piece of equipment.
13. **Odors:** Odors that may result from manufacturing beer and shall comply with AQMD Rule 205, Nuisance.

Environmental Management- Hazardous Materials

14. If the facility stores hazardous materials in excess of reportable quantities the facility will be required to submit their hazardous materials information into CERS (California Environmental Reporting system) within 30 days of the facility becoming operational.

Environmental Management- Solid Waste

15. Construction and Demolition (C&D) Debris Recycling State Law mandates that a minimum of 65% of the waste materials generated from covered Construction and Demolition projects must be diverted from being landfilled by being recycled or reused on site.