

STAFF REPORT

PROJECT DATA:

Application: PLN190072 / Use Permit / Suncoast Organic Bakery
Public Hearing: February 19, 2020
Applicant/Owner: David and Lisa Jensen
Location: 6310 Southside Road, Hollister, CA
APN: 025-430-004
General Plan: Agriculture (A)
Zoning: Agricultural Production (AP)
Planner: Arielle Goodspeed

PROJECT DESCRIPTION:

The applicants propose to establish a permanent, year-round agricultural tourism operation on the same property that has hosted the Suncoast Organic Bakery Rural Home Enterprise. Proposed operations include a retail and sit-down bakery venue and restaurant, beer production and distribution, patio dining and outdoor gathering areas, gift shop, and include farm-to-table banquets, beer and wine tasting, various public and private gatherings and event activities that may include acoustic or amplified music.

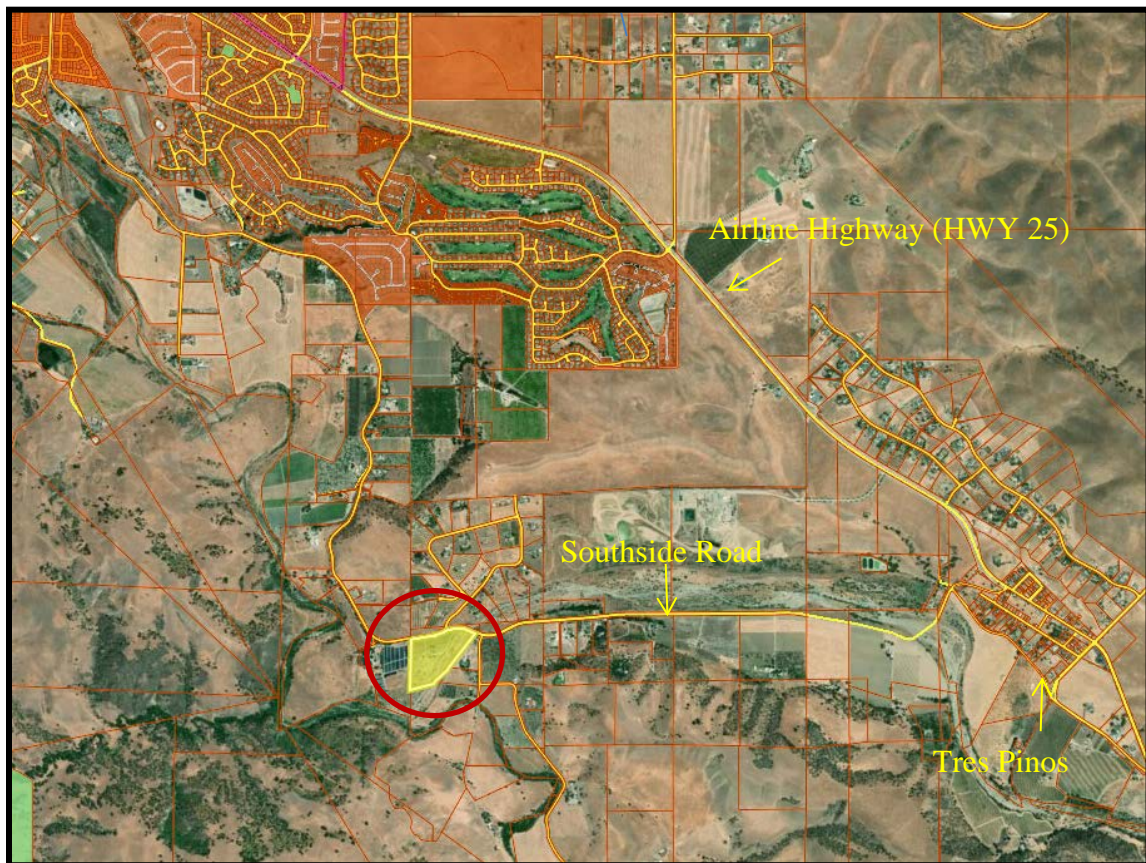


Figure 1. Project Site within Broader Region

SITE DESCRIPTION:

The subject property consists of 21.23 acres of mostly level terrain that slopes gently toward Tres Pinos Creek at the rear of the property. The parcel is situated in a river valley setting located to the west of the Airline Highway (HWY 25) and east of rural unincorporated area of Tres Pinos, and south of the City of Hollister. The frontage road for the parcel is Southside Road, and agricultural parcels abut all sides of the property. To the south is San Benito River with Bird Creek feeding into the San Benito River to the west. The frontage road provides substantial linear capacity to handle arriving and departing vehicles, without incurring chaotic or unpredictable traffic patterns. Customers of Suncoast Organic Bakery find that ingress from or access onto Southside Road is readily accessible and easily navigated.

The area and site are zoned Agricultural Productive (AP), and the property is cultivated for olive trees and a small vineyard. The 400 olive trees are certified organic, and are located on the front of the property, which will remain in cultivation. The middle of the property is already developed. Most proposed new uses are to be out of existing structures. The parcel's current parking area is paved in front of Suncoast Organic Bakery and unpaved east of a greenhouse marked on legend as item 4, with overflow parking to be built along exit circulation, marked on the legend as item 18.

Seismic: North East corner of property is within an Alquist-Priolo Earthquake Fault Zone.

Fire Hazard: Non-wildland/Non-urban (most of property including all structures), High (South East corner of property)

Floodplain: A (Within a 100-year floodplain) along Tres Pinos Creek, all structures within Flood Zone X (not within a 100-year floodplain)

Archaeological Sensitivity: High Sensitivity

Other Endangered or Sensitive Species: Pinnacles Optioservus Riffle Beetle species habitat is known in the area along Tres Pinos Creek (not listed as endangered)

PROJECT BACKGROUND:

The project is an expansion of the existing Rural Home Enterprise, which had previously been permitted to allow a bread oven and grape and olive processing facility with an existing barn. Currently, in operation is an olive orchard with over 400 olive trees. The existing Suncoast Organic Bakery sold baked goods at the Mountain View Farmers Market starting in 2013 and out of a trailer next to Mansmiths BBQ along Airline Highway in Hollister in 2014. As the baked goods grew in popularity customers began to stop by the property to pick up goods. This led to the opening of the Suncoast Organic Bakery creating hours of customer operation on Fridays and Saturdays at project site. As this specific operation is outside the permitted Rural Home Enterprise the applicant has sought to obtain a Conditional Use Permit.

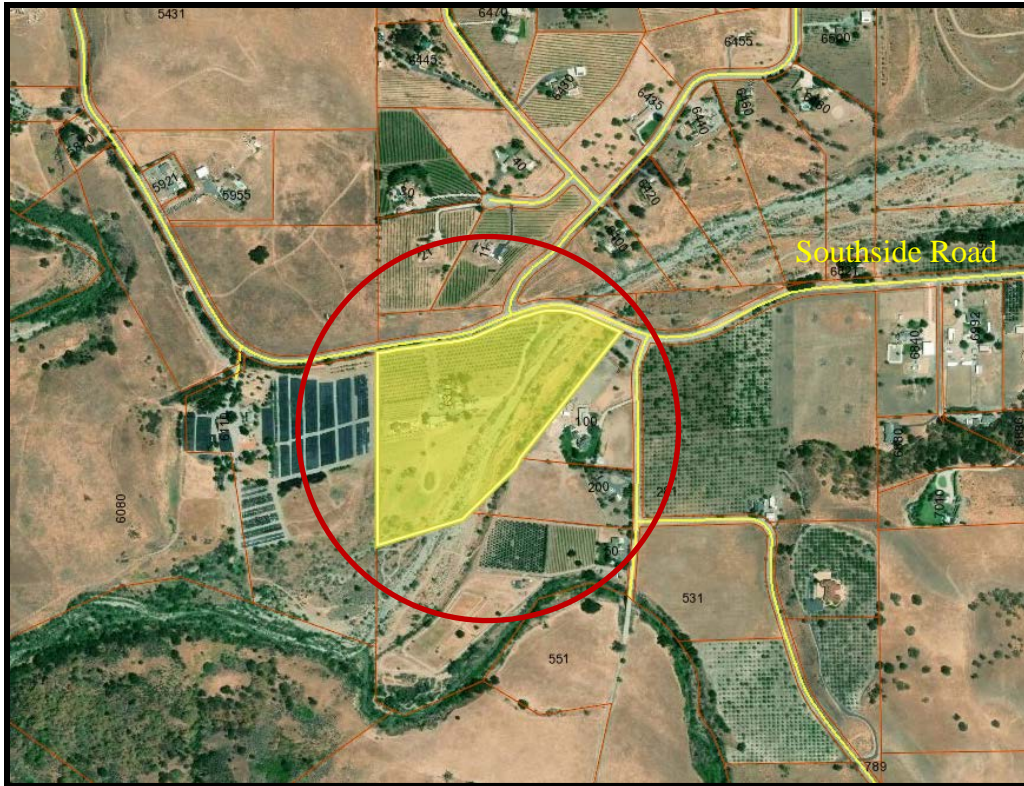


Figure 2. Project Site and Vicinity Map

USE PERMIT ELEMENTS and SITE CONFIGURATION: The proposed expansion will include a pilot brewery in the pole barn to the right of the bakery and will serve out of a converted shipping container like Field Work Brewing’s beer garden in Monterey. With obtaining the brewery Type 23 license the applicant will have the ability to serve beer and wine, in addition to distributing. Beer production will be during days closed and will include a 3.5 barrel brew system. Water used for brewery will be from existing wells, and the Bakery has previously been approved with holding tanks of almost 15,000 gallons. The following existing structures are to be converted and used as follows per site plan: (F) bakery kitchen/deli, (G) bakery retail, (H) offices and public restroom, (I) bakery exterior covered patio, (J) cold storage and future kitchen expansion, (K) storage shed and future ADA restrooms, (O) detached garage and future winery and brewery production and storage, (Q) greenhouse and future storage, and (R) barn and future winery and brewery production and retail tasting. The following will be new additions: (16) future exterior “beer garden” patio for new winery and brewery service, (18) area for overflow parking and future expansion, (22) future exterior patio and deck area(s), and (23) future live entertainment stage area.

The traffic circulation currently includes a one-way paved entrance, and an additional gravel exit. The driveway exit was designed to offer larger delivery trucks full access to the property during non-business hours. There are currently 12 paved parking spaces, including an ADA parking, access, and ramp with railing to the door. There is also a 360-degree paved turnaround next to paved parking spaces. There is space for further overflow parking spaces next to the beginning of the exit gravel driveway.

Current proposed hours of operation are to be Friday 11am-8pm, Saturday 9am-6pm, and eventually with demand growth Sunday 11am-5pm and Thursday 12pm-7pm (or similar hours on different days) subject to change for special events or as growth demands. Currently, there is one full-time employee, two part-time employees, 3 additional family members besides Lisa and David Jensen operating Suncoast Organic Bakery. As needed, hiring of additional employees for additional support will be determined. Additional operation information outlined within the development plan timeline and operations plan.

Table 1. New and Existing Attractions and Operations

Attractions and Operations		Utilities and Structures	
<u>Existing:</u> -Bakery/retail/patio area with 50 seats -Olive orchard with 400 olive trees	<u>New:</u> -Expand bakery to include more food and drink options -Beer Garden -Store -Farm-to-table dinners/event activities	<u>Existing:</u> -Bakery/commercial kitchen/deli -Bakery retail -Offices and public restroom -Bakery exterior covered patio -Cold storage and proposed kitchen expansion -Storage shed and proposed ADA restrooms -Detached garage and proposed winery and brewery production and storage -Greenhouse and proposed storage -Barn and future winery and brewery production and retail tasting -ADA Ramp -Electricity/solar panels -Bathrooms / Septic -Shade Structures -Water Storage Tanks of almost 15,000 gallons -Paved parking, entrance, and round-a-bout -Gravel exit	<u>New:</u> -Design modifications for cold storage for kitchen expansion -Design modifications of garage for future winery and brewery production and storage -Design modifications to greenhouse for future storage -Design modifications for future winery and brewery production and retail tasting -Future exterior “beer garden” patio for new winery and brewery service -area for overflow parking upon future expansion -Future exterior patio and deck area -Future live entertainment stage

See Attachment 1: Site Plan for full layout.

OPERATIONS AND DEVELOPMENT PLAN TIMELINE:

Approval of this project would permit the applicant to host the following activities year-round:

- Suncoast Organic Bakery and Restaurant
- Suncoast Nuthouse Brew production and distribution
- Beer Garden
- Store
- Special Events: farm-to-table dinners, and similar one-off events

All seating occupancy is located outside on outdoor patio seating.

Phased Operations

Phase 1 **To Start Immediately: Occupancy 50 people**

The main goal of phase 1 is to bring into compliance all Suncoast Organic Farm business operations and future activity. The bakery currently has an open retail area with no seating and a patio area that has 50 seats. Occupancy of seating varies from 30 -70 percent during current business activity on Fridays and Saturdays.

New activity for Phase 1 will include the startup of Suncoast Nuthouse Brew production and distribution in pole barn (E) with no public accessibility. This will allow us to work out all operational activity and troubleshoot production issues that can arise. Product will be packed in cans and growlers for purchase with their bakery item.

Additional ADA improvements listed on site plan as items (22) and (25) pedestrian access and painting handicap parking.

Phase 2 **May start within first year: Occupancy 60 people**

This phase consists of construction and implementation of the beer garden. This will include the addition of two ADA compliant unisex restrooms and the installation of the taproom to serve beer and wine. This will provide room for additional six seats and a bar for patrons to walk up and order beer and wine. The property improvements to pave the access approach at the south exit. All building plans to be provided for building permits.

Phase 3 **May start within two years' time: Occupancy 120 people**

Restoration of site plan item (K) storage shed gift shop. At this time all engineered designed plans will be provided for building permits. There will be no seating, only roughly 12'x 32' or 384 square feet. There will be a building addition of a 20' x 60 ' carport for the storage of farm equipment, and the installation of additional solar on roof as part of this phase. The plans will be submitted at that time.

- **Farm to Table/Event Activity:**

Design and development of 20' x 60' shade structure (26). Design of this structure may influence the dimension to add aesthetics and style to this structure. Initially this could be a temporary event tent or canopy that will provide seating for 100 customers. During large events of 50-100 customers, this will be the only business activity. Suncoast Bakery and

Nuthouse Brew would be closed to the public to support the private event. Hours of operation for events would only be between 9am to 9pm Thursday through Saturday and 9am to 6pm on Sundays or similar days and times. All event activity will end by 9pm. This structure will also provide an overflow area for the bakery patio and beer garden.

Permanent structure will be dependent on business growth and revenue at that point architectural drawings and engineering will be provided.

- **Overflow Parking:**

An addition of 43 parking spots on decomposed granite marked on site plan as item (18).

Phase 4 5-10 years

The last phase is contingent on the growth of Suncoast Organic Farm business success.

A new 1,169 square foot Brewhouse (R), restoration of the walnut drying barn for the move from pilot brewery pole barn (E). Architectural and engineering for restoration of walnut processing barn (R) will be provided. Occupancy will be determined at that time

Expansion of the commercial kitchen to area (J). Architectural drawings and engineering will be provided at that time.

Ongoing/Continuous Operations

Signage: Any signage would be subject to County Code.

Dark Skies Rules: Night-time lighting may be limited (pointed down, shielded) to maintain rural feel, night vision, &etc. (w/exceptions for safety).

Amplified Music: Allowed inside. Allowed outdoors, but subject to County Code § 19.39 Noise Control Regulations and § 25.37.035 Noise Level Standards maximum permissible sound pressure levels for Land Use designation Agricultural Productive for Noise Level (dBA) of 45 at Day and 35 at Night (Day and Night as defined per County Code § 19.39), measured at property line and to not extend past 9 p.m.. As conditioned this meets and exceeds Noise Control Regulations.

PLANNING AND ZONING: The County General Plan indicates the property and the surrounding rural landscape carry the Agriculture (A) land use designation. Under the County Zoning Ordinance the subject parcel is zoned Agricultural Productive (AP).

- The proposed project is consistent with the area's Agriculture (A) land use designation in the General Plan in that it meets or fulfills LU-3.1 Agricultural Diversification, LU-3.2 Agricultural Integrity, LU-3.4 Lower-Impact Agricultural Practices, LU-3.5 Locally Grown and Produced Food, LU-3.6 Agricultural Support Services, and LU-3.7 Visitor Serving Uses in Agricultural Areas. Suncoast Organic Bakery has met the Agricultural designation by consolidating several ventures on-site including agro-tourism components of local small-scale organic certified operations of olive trees and processing, by making and selling value-added goods through the bakery and brewery, and hosting farm-to-table dinners and is recognizable regional profile that attracts visitors and customers to San Benito County.

- The proposed use conforms to the General Plan in that it implements a series of key objectives identified as critical to the continued economic viability and competitiveness of the County's agricultural sector in that it meets or fulfills ED-1.6 Agricultural Base Diversification, ED-2.1 Business Expansion, ED-4.1 Wine and Hospitality Combining District, ED-5.4 Destination Attractions and; in that the proposed use is an entrepreneurial diversification that increases economic viability and resilience of the applicants' farming operation, qualifies as an agricultural support use, and attracts and serves visitors to the County by marketing the agricultural character of the area.
- The proposed use may be considered consistent with the conditional use permit provisions of Agricultural Productive (AP) zoning (SBB §25.07.022 and §25.07.005 Conditional Uses), in that the project qualifies as a commercial recreational use, as a permanent stand for the sale of agricultural products, or similar (§25.07.005(I) Commercial recreational uses, including but not limited to RV parks, hunting clubs and riding clubs; §25.07.005(K) Permanent stands for the sale of agricultural products; and §25.07.005(Z) Uses similar to the above as determined by the Planning Commission).

ENVIRONMENTAL EVALUATION:

Finding: In accordance with the California Environmental Quality Act (CEQA) Guidelines Section 15074, Staff recommends the Planning Commission consider the comments received during the public review process prior to approving the project, and finds, on the basis of the whole record before it, that the proposed project is Categorical Exempt under CEQA Guideline Sections 14 C.C.R. §15301(a, d, and e), §15303(c and e), and 15304(a and b).

- **Evidence:** Section §15301(a, d, and e) Existing Facilities exemptions consist of “the operation, repair, maintenance, permitting... or minor alterations of existing public or private structures.” The existing agritourism facility includes a range of small existing accessory structures. These were previously permitted and are allowed by right under AP zoning. Under this determination for a use permit the project would continue to operate and maintain the previously permitted accessory structures.
- **Evidence:** Section §15303(c and e) New Construction or Conversion of Small Structures exemptions consists of “a store, motel, office, restraint or similar structure not involving the use of significant amounts of hazardous substances, and not exceeding 2,500 square feet in floor area” and “accessory (appurtenant) structures including garages, carports, patios, swimming pools, and fences.” One bakery has been approved by the County Building Department and is permitted by right as an accessory structure in areas with an Agriculture land use designation. New Construction exempts large accessory structures, a determination that is consistent with regional practice.
- **Evidence:** Section, 15304(e) Minor Alterations of Land exemptions consist of “minor public or private alterations in the condition of land, water, and/or vegetation which do not involve removal of healthy, mature, scenic trees,” including “grading on a slope of less than 10 percent, except that grading shall not be exempt in a waterway, in any wetland, in an officially designated scenic area, or in officially mapped areas of severe geologic hazard” and “new

gardening or landscaping.” No trees were removed under the Rural Home Enterprise permit, and no mature scenic trees are proposed to be removed for this use permit or any associated activities. Only minor alterations of the land were required for the establishment of the Suncoast Organic Bakery and Suncoast Nuthouse Brew.

- **Evidence:** Section §15323 Normal Operations of Facilities for Public gatherings consists of “the normal operations of existing facilities for public gatherings for which the facilities were designed, where there is a past history of the facility being used for the same or similar kind of purpose.” The uses being proposed include a past history of existing on the premises as far as the bakery operations, and the new operations being proposed do not warrant a significant change.

Finding: No significant impact from the project as conditioned, as to noise or traffic.

- **Evidence:** The project is conditioned to set standards as specified in San Benito County Code § 19.39 Noise Control Regulations and § 25.37.035 Noise Level Standards. As project is conditioned for special events for more than 50 people to provide traffic control.

STAFF ANALYSIS: In making its findings, Staff found development standards will be met and the Planning Commission may impose conditions, pursuant to SBC §25.43.005 Conditions, that regulate time, place, and manner in order to protect the general health, safety, and welfare. Responsible County Agencies have reviewed the site plan and the land use proposed, and has provided conditions to assure code compliance and safety.

The use, as presented, conforms to the General Plan in that it supports, diversifies, and protects agriculture in the county, by raising the profile of San Benito agriculture regionally, generating tourist traffic, and diversifying the local agricultural sector—all of which applies to Suncoast Organic Farm itself and its viability as a farming operation. The proposed use is consistent with Agricultural Productive (AP) zoning in several respects.

As an agricultural support use, the project qualifies as an entrepreneurial diversification that would improve the resilience and viability of the applicants’ farming operation appreciably, and increase agricultural competitiveness of the agricultural sector generally.

STAFF RECOMMENDATION: Staff recommends that the Planning Commission review the staff report and review the attached draft resolution, which includes findings and conditions of approval. Staff further recommends that the Planning Commission make the findings included in the resolution and adopt the resolution to approve Use Permit PLN190072, subject to the conditions of approval found in the resolution.

Exhibits and Attachments

Exhibit A. Project Data Sheet PLN190072

Exhibit B. Resolution for approval, with conditions of approval, and with attachments:

Attachment 1. Project Site Plan

Attachment 2. Project Circulation Plan

Exhibit A: Project Data Sheet PLN190072
Suncoast Organic Farms / 6310 Southside Road, Hollister

Project proposal: To establish a permanent agritourism operation and event center, to extend operations at Suncoast Organic Bakery to include more food items and more hours of operation, Suncoast Brew production and distribution, beer garden, gift shop, and farm-to-table dinners and event activities.

Assessor Parcel Number: 025-430-004

Legal Lot of Record: This parcel was established as a legal lot of record per Parcel Map filed June 3, 1976 in Book 3 Page 13 of Parcel Maps, Official County Records.

Permit Requirement: Use Permit

Zoning: (AP) Agricultural Productive

General Plan: (A) Agriculture

Land Use: Agricultural/Agricultural Support. The parcel currently is used Suncoast Organic Bakery, which includes selling of baked goods or products of agricultural products grown or produced.

Minimum Building Site Allowed: 5 Acres

Lot Sizes: Parcel 21.23 acres, of APN 025-430-004

Sewage Disposal: The applicant has worked with County Environmental Health to meet septic system requirements.

Water: The applicant has complied with County Environmental Health and the regional water quality board to ensure water quality requirements are met.

CEQA Determination: Exempt per CEQA Sections §15301(a, d, and e), §15303(c and e), and 15304(a and b).

FEMA Flood Zone: In Flood Zone A (Within a 100-year floodplain) along Tres Pinos Creek, all structures within Flood Zone X (not within a 100-year floodplain) floodplain, according to FEMA FIRM 06069C0070D, effective April 15, 2009.

Fire Severity: Non-wildland/Non-urban (most of property including all structures), High (South East corner of property) Fire Hazard Severity Zone

Within earthquake fault zone: North East corner of property is within an Alquist-Priolo Earthquake Fault Zone

Williamson Act Contract Area: No

Is the proposal consistent with the General Plan Designation and Zoning? The proposed agricultural tourism operation conforms to the General Plan Agriculture land use designation and is consistent with Agricultural Productive zoning, subject to approval by the Planning Commission.