ACTION MINUTES LAND USE & COMMUNITY DEVELOPMENT COMMITTEE

June 6, 2024

MEMBERS PRESENT: Richard Forster, Supervisor District 2

Frank Axe, Supervisor District 4

ABSENT: None.

STAFF PRESENT: Glenn Spitzer, Deputy County Counsel

Chuck Beatty, Planning Director

Mary Ann Manges, Recording Secretary

CALL TO ORDER: Supervisor Axe called the meeting to order at 2:00 p.m.

AGENDA: Approved by consensus.

PUBLIC MATTERS NOT ON THE AGENDA: None.

APPROVAL OF MINUTES: March 28, 2024 and May 23, 2024 approved.

CORRESPONDENCE: Letter from Foothill Conservancy

ITEM 1: Discussion and possible recommendation to the Board of

Supervisors concerning the County's zoning ordinances related to events that can be conducted by breweries and distilleries in the

AG/Exclusive Agriculture (Williamson Act) district.

Supervisor Axe introduced the item.

Mr. Beatty shared that staff was previously asked to look at other counties to see if breweries were treated differently than wineries in agricultural zones. He explained that El Dorado, Napa, Santa Cruz, and Solano counties have specific distinctions between wineries and breweries and regulate them differently. Many rural counties don't make any distinctions between wineries, distilleries, and breweries and consider them all to be by-right agricultural uses when combined with on-site ag production. Some have some specific ordinance for wineries and vineyards. Several counties require use permits for events over 125 attendees regardless of the facility type. He added that the Committee also asked staff to research the amount of water used to manufacture beer, and noted that the answer depends on the agenda of who is publishing the information. Some reports note that as little as 3 gallons of water are used per gallon of beer production, whereas others suggest up to 300 gallons of water per gallon of beer if crop irrigation is included. By and large, the microbrew industry reports a ratio of 3 to 6 gallons of water per gallon of beer.

Supervisor Axe responded that he believes that it is at least 3 or 4 to 1. He suggested that there be a limitation if using groundwater based on how much beer is going to be made.

Supervisor Forster suggested that an ordinance require the ag-related breweries to be a microbrewery and limit how big they can be. He asked if it is possible to put a cap on the total number allowed, and if it is not problematic in 5 years, possibly be amended.

Deputy County Counsel Spitzer responded yes.

Supervisor Axe asked if we know of any examples of where brewery impacted the water table.

Mr. Beatty responded not in Amador County and that a lot of the other counties have urban areas and with public utilities.

Supervisor Axe said that he believes that Amador Brewery partly put their brewery where it is in Plymouth so they can get piped water.

Supervisor Forster suggested putting limitations on case or flat production to limit ground water use.

Steven White, one of the owners of the 16 Quartz Hop Farm, said he does not have any objection to what the Committee members are saying about consumption of water and added that he is not looking to build a Sierra Nevada sized brewery. He shared that they are interested in 7- or 10-barrel system per that would produce 3 batches a week. Most breweries do 1 or 2 batches each week all year long.

Supervisor Forster asked if a cap of 5000 barrels would be reasonable.

Supervisor Axe asked if they are brewing right now. Mr. White responded no, that they cannot do it yet. Supervisor asked if they can do with a use permit. Mr. White replied that it is not profitable and that breweries and hops farming are on a decline right now and unless they can pour across the counter or have events as the wineries do, it isn't profitable enough to open the doors.

Supervisor Forster asked if they needed to be more like Amador Brewing or Break Even with doors open Thursday through Sunday.

Mr. White said the attraction is to get families onto the farm and demonstrate how the brewery is ag related.

Supervisor Axe said Amador Brewing does not have events, just food trucks and things like that and opened up the Hoist House as a second outlet in Pine Grove.

Supervisor Forster said their beer is all over Amador County in the stores, restaurants,

and other places also.

Discussion ensued about ag production variables and potential barrel production for a cap. Mr. White said he is trying to wrap his head around the concern of water consumption because the hops will take more irrigation water than the beer production will. He explained the hops are on irrigation just like grapes and in the future he wants to grow barley which is a dry crop and probably use a local malter.

Supervisor Axe said he did not think we grew much barley in California. Mr. White said we grow a lot of barley in California and he can get numbers of barrels from breweries they sell hops to. He said they are not going to be open every day and are right off the highway.

Supervisor Axe said the concern is whether the amount of water used will impact neighboring properties' water table and asked Mr. Beatty if has any information about how much a winery might use for water.

Mr. White says washing, cleaning, and sterilization and is not consistent because it happens during certain periods of the year and that landscaping at a winery might consume more water than the crop does.

Supervisor Forster said that Napa requires breweries to have a use permit and asked how they are making it.

Mr. White replied that he has friends that have tried but does not know of any breweries in Napa.

Supervisor Axe said that the County can provide a use permit that allows him what to do what he is requesting or possibly develop a pilot program with a limited number.

Supervisor Forster said that he would prefer to set some limits now, and down the line if there are no problems, they can increase those limits and that he does not believe we will be getting many requests - just like the micro-kitchens. Supervisor Axe said probably not, but you never know for sure.

Deputy County Counsel said that one option is to put a cap on the number of breweries allowed.

Supervisor Forster said maybe a pilot program could be put together like the microkitchens and this would be more about where they are operating, especially if they have events that are causing noise and traffic and everything else.

Mr. White said there was a comment at the last meeting where it was said planting 3 acres of hops means you have a farm. He said that he believes that are some wineries in our area that have no grapes and that he thinks they should be producing and selling that product to be considered a farm.

Supervisor Axe said the Williamson Act properties have to produce a certain amount of agricultural product and monetary value.

Supervisor Forster said people stopped growing hops in these areas because of the weather.

Mr. White said the Sacramento Valley used to be covered with hops but it was a lot more lucrative to build houses on the land.

Supervisor Axe said that it is a good experience for people coming out to see the hops and that he would like to find a way to help Mr. White achieve his goals but not impact things.

Discussion ensued regarding the possibility of using tertiary and reclaimed water as well as number of barrels produced. Supervisor Forster said that he likes that idea of requiring a certain amount of hops to be grown on site, and said he wants to reach out to Will Pritchard at Amador Brewing to see how many barrels a week he produces. Supervisor Axe said that the Committee would like to work with Mr. White to put something together and make sure we aren't creating a bad situation.

Supervisor Axe asked Mr. White if he intends to bottle or can and sell.

Mr. White said that they do not want to do distribution, just sell over the counter or canned beer to go.

Supervisor Axe asked Mr. White what kind of beers he is going to make and what type of hops he grows.

Mr. White responded all varieties of beer and that they grow 16 varieties of hops. He added that they are also part of an experimental program with the USDA and are the California grower for this national hop grower group. Once open, the brewery will consume most of their own hops whereas they sell the hops to other brewers now.

Gordon Vicini said he has owned the property for quite a while and put the hops in about 4 years ago and would like to have the events that wineries have in order to be profitable. We are going use the hops that like growing at the site. Would like to have the same conditions as the wineries because we are growing on site and would like to get something going sooner than later so they can plan for the future. The money is with events.

Discussion continued about how many barrels others make per week. Supervisor Axe said that he wants to ease into this and not create a negative impact. Mr. Vicini said they have sufficient water for their crops and that a vineyard nearby on Greilich Rd. uses recycled water. Ag production is something he has always been in and wants to keep it going for the family. He added that people want to come to Amador County as a

destination spot.

Supervisor Axe asked if they are going to expand their hops. Mr. White said that they currently have 3 ½ acres of hops and want to expand to 5 acres. He gets 800 to 1200 pounds of hops per acre if it is perfect. Currently, he sells wet and dry hops to other brewers.

Craig Barraco, Foothill Conservancy, said they had submitted a letter with their concerns and want to add that their needs to be a requirement that a substantial agricultural operation needs to be a part of this and that a brewery or a distillery operation and their events, retail operation, and visitors support of the original ag use. He said that he believes that this farm is a substantial operation.

Discussion ensued about the possibility of a pilot program and the use of a use permit. Supervisor Axe suggested that we need to include the part that quantifies what is an agriculture use and address the concern of groundwater use. Supervisor Forster said that he likes a 3-acre minimum for hops. Mr. White said that 3 ½ acres is plenty for his needs and that barley requires many acres to make money. Barley is dry crop and he can grow barley, cut the tops, and then cut the hay which is double use and showcases more on site uses. He would like to mirror Sierra Nevada brewery who grow their own hops and barley with a restaurant with vegetables and such grown on site on a small scale. Supervisor Axe said they potentially have an ag operation as big as 10 to 20 acres. Mr. White said can possibly plant 60 acres in on that site.

Supervisor Forster referred back to the Agricultural Advisory Committee minutes from 2019 and 2020. They noted that a brewery is not a winery and cannot have the same by right uses as a winery, and then recommended the Ag Exclusive zone to have the same by right uses. Mr. Beatty said that the Ag Committee agreed that breweries should have the same by right uses as wineries but were cautious about making that interpretation because it was not written into the code.

Supervisor Forster said they seemed okay if it was on ag exclusive and Mr. Beatty responded correct. Supervisor Axe asked what the appropriate land size for water use. Supervisor Forster said they were only in favor of Williamson Act properties which are usually 40 acres and larger. He added he likes having at least 3 acres of hops production and Williamson Act by right uses and entitling them to have the same rights as wineries.

Mr. Beatty said that is possible with a use permit, but there's no guarantee what level of uses they would end up with and suggested to add ag breweries into the new winery ordinance.

Deputy County Counsel Spitzer said right now the problem is if you make an amendment to address breweries, we will have to take it back to the Planning Commission. Mr. Beatty said that the Board can move forward with adopting the winery code changes, then add them to accommodate the ag breweries.

Supervisor Forster said that it seems reasonable and added that he does not want to stop the process on the winery ordinance amendments. Mr. Beatty said he can look at the specifics of Placer and El Dorado counties' farm brewery codes.

Mr. Beatty said he can put together a rough draft for the next meeting because the event uses are already prepared.

Deputy County Counsel Spitzer said the amendment could address the two issues of water use and tying it to a substantial agricultural use. Supervisor Axe said he does not know how much of a problem, if any, the water use is. He asked if some of the mines use water.

Mr. Vicini said that they have 3 surface water ponds at Plymouth Sand & Gravel, and a couple reservoirs, and use about 450 acre feet a year for the mine. 250 acres of permanent pasture are watered from the sand pits and reservoirs. He asked for some direction so they know they can continue doing what they are trying to do. He said they are not asking for anything more than what is in the draft winery ordinance. He said he agrees that there should be a minimum ag production and if they do not have water, they cannot grow the hops.

Supervisor Forster said he will provide Amador Brewery's contact information so we can find out about anyone else that might want to be involved. Mr. White said he can provide the contact information for Fowler Farms in Placer County which has been there since the 1800's or 1920's. They are a farm and have a brewery and a tasting room and would be a good reference.

Supervisor Axe said we will have a draft ordinance or changes for discussion at the next meeting and will try to have Will Prichard from Amador Brewing and maybe Fowler Farms. Supervisor Forster said to look at the new winery ordinance along with the conditions discussed today.

The meeting was adjourned at 3:09 p.m. The next Land Use Committee meeting is scheduled for June 20, 2024 at 2:30 p.m.