Letter of Determination

1650 Mission St. Suite 400 San Francisco, CA 94103-2479

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Planning Information: 415.558.6377

March 15, 2016

Warner Schmalz Forum Design 1014 Howard Street San Francisco CA 94103

Site Address:

53 Bluxome Street

Assessor's Block/Lot:

3786/019A

Zoning District:

WMUO (WSOMA Mixed Use-Office) District

Staff Contact:

Jonathan DiSalvo, (415) 575-9182 or jonathan.disalvo@sfgov.org

Record No.:

2016-001584ZAD

Dear Mr. Schmalz:

This letter is in response to your request for a Letter of Determination regarding the property at 53 Bluxome Street. This parcel is located in the WMUO (WSOMA Mixed Use-Office) Zoning District and 65-X Height and Bulk District. The request is whether an existing winery (d.b.a. Bluxome Street Winery) would be permitted to increase bottling capacity from 5,000 to 200,000 cases per year in the WSOMA Mixed Use-Office District.

On May 17, 2010, the Zoning Administrator issued a Letter of Determination for the subject property finding that the proposed winery (with annual production of up to 5,000 cases of wine and no permanent bottling equipment with mobile bottling on site for one day three times per year) would be considered to be a Light Manufacturing Use as defined in Planning Code Section 890.54(a). This section allows food processing that does not include mechanized assembly line production of canned or bottled goods. The determination found that the minimal use of bottling equipment (3 days per year) would be consistent with the definition of Light Manufacturing Use.

The current proposal seeks to provide permanent bottling facilities and increase maximum annual production to 200,000 cases. In a supplemental letter with a description of the proposed methods of bottling, it was estimated that permanent bottling equipment could meet the proposed maximum annual production of 200,000 cases with approximately 100 days of activity (2,000 cases per day) versus approximately 250 days for a mobile bottling truck (800 cases per day).

Based upon the description provided in the Letter of Determination Request Letter and the supplemental letter, it is my determination that the proposed operation (with increased production and bottling) would not comply with the definition of Light Manufacturing Use. The proposed use most closely meets the definition of Food, Fiber, and Beverage Processing 1 Use (see below), which is not permitted in the

March 15, 2016 Letter of Determination 53 Bluxome Street

WMUO Zoning District. A Food, Fiber, and Beverage Processing 1 Use is permitted in the following Zoning Districts: PDR-1-D, PDR-1-G, PDR-2, M-1, and M-2.

Planning Code Section 102

Food, Fiber and Beverage Processing 1. An Industrial use that involves the processing of food-stuffs, agricultural fibers, and beverages with a low potential for noxious fumes, noise and nuisance to the surrounding area including but not limited to bottling plants, breweries, dairy products plant, malt manufacturing or processing plant, fish curing, smoking, or drying, cereal manufacturing, liquor distillery, manufacturing of felt or shoddy, processing of hair or products derived from hair, pickles, sauerkraut, vinegar, yeast, soda or soda compounds, meat products, and fish oil. This use does not include the processing of wood pulp, and is subject to the operating conditions outlined in Section 202.2(d)

Please note that a Letter of Determination is a determination regarding the classification of uses and interpretation and applicability of the provisions of the Planning Code. This Letter of Determination is not a permit to commence any work or change occupancy. Permits from appropriate Departments must be secured before work is started or occupancy is changed.

APPEAL: If you believe this determination represents an error in interpretation of the Planning Code or abuse in discretion by the Zoning Administrator, an appeal may be filed with the Board of Appeals within 15 days of the date of this letter. For information regarding the appeals process, please contact the Board of Appeals located at 1650 Mission Street, Room 304, San Francisco, or call (415) 575-6880.

Sincerely,

Scott F. Sanchez

Zoning Administrator

cc:

Jonathan DiSalvo, Planner

Property Owner

Neighborhood Groups

BLUXOME STREET WINERY

59 Blacher Stress SE CA 94107 Dukumban keyacin

P 415,543,5353

R# 2016-001584ZAD 53 BLUXOME ST.

February 17, 2016

Mr. Warner H. Schmalz, A.I.A Principal FORUM DESIGN

Dear Warner,

This letter is documentation in support for your response to SF planner Jonathan DiSalvo who wanted to know the method of proposed bottling: by mobile truck, or by permanent installed equipment as part of our request to gain an updated Letter of Determination to confirm the code compliance of City Vintner San Francisco Winery LLC request to increase the production capacity of our currently approved and legal use of the property.

For the maximum production level of 200,000 cases provided we would permanently install a bottling line (Scenario B on the attached).

As a practical matter a mobile bottling line would be used in the earlier growth years, however after reaching approximately 25,000 cases of production a plan would be made to permanently install the equipment.

On the attached summary I have provided a comparison of the impacts of both scenarios:

Mobile bottling truck

Scenario A

Permanently installed equipment

Scenario B

Peter F. Chouinard Operating partner

Cc. Matthew Reidy, Founding partner

City Vintners San Francisco Winery LLC Impacts - February 2016

| | | Scenario A | Scenario B |
|-----|--|--------------------|------------|
| | | | INSTALLED |
| | | MOBILE | PERMANENT |
| | | BOTTLING | BOTTLING |
| | | TRUCK | EQUIPMENT |
| | VOLUME | | |
| | Production Volume (Cases) | 200,000 | 200,000 |
| | Bulk Wine (Gallons) | 475,600 | 475,600 |
| | PRODUCTION | | |
| | Production/Day (Cases) | 800 | 2,000 |
| | Bottling Days | 250 | 100 |
| | TRIPS | | |
| (1) | Mobile Truck Trips | 50 | 0 |
| | * Would leave truck onsite for a week of bottling | | |
| (2) | Inbound - Bulk Wine | 72 | 72 |
| | * Bulk wine truck 6,600 gallons | | |
| (3) | Outbound - Case Goods * 48' Truck/22 Pallets/1,232 Case | 162 es per load | 162 |

NOTES

- (1) Mobile bottling trucks are a solution for up to 25,000 cases at which time planning efforts would be put in place to install a permanent bottling line TIME OF DAY (late at night/early morning): Mobile Bottling Trucks typically arrive after closing and are are put in place ready for bottling to begin the next morning. Alternatively the truck would arrive before 7am to make sure the lines are clean and ready to go by 8am.
- (2) Bulk Wine transport standardizes at 6,600 gallon trucks and the duration that the vehicle is onsite would be managed to be under 1 hour leveraging the appropriate pump (approx 150 GPM)
 TIME OF DAY (early morning): Standard delivery/pickup hours would be set between 8am 11am
- (2) Outbound Case Good shuttle to our offsite warehouse is maximized as a full 48' truck which holds 1,232 cases of wine. Loading is completed in under an hour.

 TIME OF DAY (early morning): Standard delivery/pickup hours would be set between 8am 11am



R#2016-00 CK# 10044 \$ 625,-} \$ \$ 645 -CK# 10046 20.- J \$ 645 -J. BANALES (SE)

January 29, 2016

1014 Howard Street San Francisco, CA 94103 T 415.252.7063 F 415.252.9020 forumdesign.com Mr. Scott Sanchez Zoning Administrator San Francisco Department of City Planning 1650 Mission Street, Suite 400 San Francisco, Ca 94103

Re: Request for Letter of Determination
City Vintners San Francisco Winery LLC
53 Bluxome Street (3786/0/94)

Dear Mr. Sanchez,

This letter is a request for a Letter of Determination to confirm the code compliance of the ownership's request to increase the production capacity of their current approved and legal use of the said property. The Letter of Determination granted by your office in 2010 is attached for reference which describes the use, capacity, and process of the then new winery to be located at this address. A letter from the ownership is also attached which describes in detail the history, current use, and the proposed changes requested in the production process within the building.

The property was zoned as SSO (Service Secondary Office) at that time. The zoning has been changed in the interim. It is now zoned WMUO- WSOMA Mixed Use-Office. It is our opinion that this zoning change has not changed the permitted use of this property.

The original Change of Use in 2010 was to comply with code section 890.54(a) (1) as a Light Manufacturing Use permitting "Food processing, not including mechanized assembly line production of canned or bottled goods". The October-December 2014 code section maintains this same description. The bottling process has been historically done by a mobile bottling trailer which only occasionally is located on site as described in the in the 2010 Letter of Determination.

The ownership's request is to increase the bottling capacity from 5,000 cases to 200,000 cases per year. A detailed description of this process is in the attached letter. The updated definition of "Manufacturing, Light" in section 102 (a) of the code dated April- June 2015 includes "Food Processing" as a principal use with no mention or limitation on bottling as a part of the permitted use. In addition no mention of bottling or capacity of food processing is described elsewhere in the code under "Manufacturing 1, 2 or 3, Heavy". The conclusion of this interpretation of the code is that "production of canned or bottled goods" is permitted as a Light Manufacturing use in this zoning district.

As discussed by the ownership in the attached letter, this request for increasing the bottling capacity of the business will not produce a signification impact on the

neighborhood for noise, traffic, loading or odors. All increases in the bottling capacity will occur within the existing building.

Please review the attached material and contact this office if you have any questions or clarifications. The Bluxome Street Winery has been an exemplary neighbor and a great asset to the surrounding community. Granting this determination will permit this business to continue to complement the greater interests of the city as well sustaining a unique commercial enterprise in San Francisco.

FORUM DESIGN

Warner H. Schmalz, A.L.A.

Principal

CC. Matt Reidy

BLUXOME STREET WINERY

53 5 Litama Straet 55 CA 94107 buxoneta herypomi

P 415.543.5353

January 22, 2016

Mr. Scott Sanchez Zoning Administrator San Francisco Planning Department 1650 Mission Street, Suite 400 San Francisco, CA 94103

Re: City Vintners San Francisco Winery LLC – DBA Bluxome Street Winery Request for "Clarification" Amendment to Letter of Determination

Dear Mr. Sanchez,

City Vintners San Francisco Winery LLC (aka Bluxome Street Winery) would like to request a letter of clarification to confirm our ability to increase our level of production at our property located at 53 Bluxome Street, San Francisco. Our future business success is now contingent on mapping out a plan to support our growth plans to best fully utilize our property. To accomplish that and prior to making new investments, it is now necessary to confirm our ability to expand our winery case production.

Our Letter of Determination, dated May 17, 2010, confirmed that our use is considered light manufacturing pursuant to Planning Code Section 890.54(a) and has been a principal permitted use in our area.

It has now been nearly six years since we last described winery operations as part of our request for a letter of determination. During that time period we have successfully managed a fully functioning winery in San Francisco, have been recognized as a leader in the community and have been a stellar neighbor.

Bluxome Street Winery was named the "2013 Maker of the Year," by SFMade.org for our support of nearly a hundred local San Francisco makers and producers. We were also named the "2014 Small Business of the Year," by the San Francisco Chamber of Commerce. Mayor Lee has named us the "Official Winery of San Francisco" and he buys our wines to give as gifts for visiting dignitaries. We have been a good neighbor, developing community events and most importantly have not had a single neighbor complaint relative to our operations (smells, noise or otherwise) nor have we had any complaints from SFPD or SFFD during our tenure.

City Vintners San Francisco Winery LLC Letter Continued...

Updated Description of Proposed Winery Operation

Our initial description of the proposed winery contemplated annual wine production of approximately 5,000 cases of wine, which translates into approximately 100 tons of grapes delivered to the winery to be fermented, crushed and stored in 200+ barrels before being bottled. This description assumed all aspects of wine production would be completed on site.

Our updated description of winery operations is to have annual wine production of approximately 200,000 cases of wine. The growth will be from a combination of fully processed wines (grape delivery, crush to fermentation, aging, storage, filtration, bottling), which is consistent with the initial description of winery operations and moving forward we would also produce a vast majority of the wines in what is referred to as a negociant method, which means that the wines would not be fully processed onsite. The word negociant is the French term for a wine merchant who buys and blends finished bulk wines and sells the results under its own name. One hundred years ago, there were nearly 100 negociants operating in San Francisco, with half of those located within a 10 block radius of our Bluxome Street location. As a negociant we would purchase finished wine and that wine would be delivered in bulk finished form to the winery. The intensity of grape deliveries, sorting, crushing, fermenting, pressing, barreling and aging would be completed off-site. The only activities we would undertake at the winery would be limited to receiving the wine, tank storage and bottling.

A 200,000 case negociant wine work is very low impact and is limited to transferring wine to new tanks in the winery. The case equivalent is approximately 475,000 gallons, which would translate to about 72 bulk wine deliveries per year. Deliveries would take place early in the morning. Once bottled the wines would be picked up 22 pallets per load, which is 1,232 cases or 162 pickups. This activity would also normally occur during morning hours throughout the year.

Regárds,

Matthew Reidy

Managing Member

Letter of Determination

1650 Mission St. Suite 400 San Francisco, CA 94103-2479

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May 17, 2010

Ilene Dick Farella, Braun, Martel LLP 253 Montgomery Street, Russ Building San Francisco CA 94104

RE:

53 Bluxome Street Block: 3786 Lot: 019A

Dear Ms. Dick:

This is in response to your letter dated, April 27, 2010 requesting a written determination whether the Planning Code permits the occupancy of a winery dba, "City Vintners San Francisco Winery LLC" as a principal use at 53 Bluxome Street. The said property is located within the SSO (Service / Secondary Office) South of Market District and the Western SoMa Special Use District.

Company Operations

Vintner's proposes to convert the existing industrial building to a 4,105 square foot winery, with 513 square feet of accessory office and 476 square feet of accessory storage. Winery production includes 1,523 square feet for wine-making (sorting, press, de stemmer, etc.) and 2,582 square feet for barrel, tank, and bin storage. Annual wine production is expected to be 5,000 cases of wine, which translates into approximately 100 tons of grapes delivered to the winery to be processed and stored into 200 barrels before being bottled. Bottling of the wine will be done by temporary bottling equipment brought to the site three times per year.

No permanent bottling equipment will be installed within the building. Equipment would be carried out in a mobile bottling trailer that remains at the site for only 1 day three times a year.

Determination

Based upon the detailed description of the proposed winery operation as described on your "Request for Determination Letter," it is here by determined that the use would be considered a light manufacturing use as described pursuant to Planning Code Section 890.54(a) and is a principally permitted use within the SSO (Service / Secondary Office) South of Market District and the Western SoMa Special Use District pursuant to Section 816.65.

If you believe this determination represents an error in interpretation of the Planning Code or abuse in discretion by the Zoning Administrator, an appeal may be filed with the Board of Appeals within 15 days

Ilene Dick Farella, Braun & Martell LLP 235 Montgomery Street, Russ Building San Francisco CA 94104 May 17, 2010 Letter of Determination 53 Bluxome Street

of the date of this letter. For information regarding the appeals process, please contact the Board of Appeals located at 1650 Mission Street, Room 304, San Francisco, or call (415) 575-6880.

Sincerely,

Lawrence B. Badiner Zoning Administrator

cc: Edgar Oropeza, Planner

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