Cahill, Christopher

From: Gitelman, Hillary

Sent: Monday, December 21, 2009 4:10 PM

To: Cahill, Christopher

Subject: FW: Re WDO & Marketing Events

From: McDowell, John

Sent: Monday, November 16, 2009 10:05 AM **To:** Gitelman, Hillary; Gray, Melissa; Anderson, Laura

Subject: FW: Re WDO & Marketing Events

Melissa - please include in the public record for WDO item on Wednesday's meeting.

Thanks- John

From: John Merritt [mailto:Johnmerritt@elainebellcatering.com]

Sent: Saturday, November 14, 2009 4:02 PM

To: McDowell, John; tkscottco@aol.com; napacommissioner@yahoo.com; fidd@comcast.net; Pope, Matt;

heathertp@comcast.net

Subject: Re WDO & Marketing Events

Planning Commissioner Terry Scott
Planning Commissioner Heather Phillips
Planning Commissioner Michael Basayne
Planning Commissioner Bob Feldman
Planning Commissioner Matt Pope

Dear Commissioners:

Re: WDO and Marketing Events

The October 26, 2009 Memorandum from Director Gitelman highlights an important problem with the WDO. The Memorandum states "Since adaptation of the WDO, it has not always been clear whether business meeting and similar events qualify as marketing events". The WDOs lack of clarity and confusion about what is allowed by the WDO is actually much greater than suggested. This is evidenced on the Napa Valley Vintners website list of wineries that promote corporate and social events. There is confusion about what is or is not permitted. Many operate with the belief that only weddings are not permitted, except in the case where weddings are permitted. Permitted by the WDO or not, with the interpretation that corporate events are allowed many wineries have hosted corporate events as part of their marketing strategy. The fact that Napa County has issued use permits to many of these wineries as part of an approved marketing plan has only contributed to the confusion. The WDO clearly needs to be modified so that there is no longer confusion about what is and is not permitted.

This is no longer 1989 when the WDO was written. The wine industry has changed globally

and the marketing methods required have changed as well. Marketing today requires increasing consumer awareness and strategies that develop more personal contact with end users is critical, as is the nurturing and development of brand ambassadors. The strictures imposed on wine marketing by the WDO put Napa Valley wineries at a marketing disadvantage today. Wine regions that are direct competitors of Napa Valley wineries allow the wineries in their region to decide how best to use their permitted marketing events. Why should a Napa Valley winery with approved event permits not be allowed to decide the best way to market that winery's products?

Wine sales and jobs are suffering to a degree that none of us would have thought possible a few years ago. Corporate cutbacks have certainly reduced the number of bankers coming to Napa Valley for "wine education events". Hundreds of jobs have been lost in Napa Valley because of the reduced number of corporate events. This has reduced Napa Valley payrolls by millions of dollars. I know that my company's payroll alone is down over \$1,000,000. Permitting social events would replace the corporate events that have disappeared. The overall number of events would not increase. Replacing lost corporate events with social events will not generate an increased demand on County services or infrastructure. We need to bring back those Napa Valley jobs that have disappeared back and we need to give Napa Valley wineries every marketing edge available. A strong local economy is the best way there is to protect our agricultural assets.

The amendment proposed in 2005 would be a good start. There are two restrictions in that proposed modification that causes concern.

Part D states "the only alcoholic beverages served at the event are wines which can be sold at the winery...." I have heard many wine makers state "you can't make wine without beer". Seriously, what alcoholic beverages may be sold or served at wineries is already well regulated by the state and federal governments. Why does Napa County need to further complicate the lives of its vintners? Our company has done many events where several wineries products and various alcoholic beverages are represented. It is all part of marketing.

Part E allows the sale of food "...without charge, except to the extent of cost recovery" This requirement is so vague that an army of accountants could not enforce this. The State Board of Equalization has dozens of pages defining what is part of the sale of food. Books have been written trying to define cost. Napa County does not need to get involved in determining the cost of food.

Commissioners, please support an amendment to the WDO that will give each winery the right to use existing event permits in a way each winery determines will be most helpful in marketing. Any WDO revisions should also be clear and not try to use inventive and arbitrary language that allows a group at bankers to meet at a winery where the CEO is the guest of honor but restricts the same kind of event if a person in a white dress is the guest of honor. Support a WDO amendment that will bring back the jobs and payroll that have disappeared from Napa Valley.

Sincerely, John B. Merritt Elaine Bell Catering Cc: John McDowell, Deputy Planning Director



December 1, 2009

Mr. Mark Luce Chair, Napa County Board Supervisors Napa Valley Vintners 1195 – 3rd Street Napa, CA 94558

Dear Mark:

I would like to offer my perspective to the Board as it wrestles with the knotty issue of what modifications, if any, to make to the Winery Definition Ordinance.

To me the first issue that must be dealt with is what problem is the Board of Supervisors trying to solve? To date there has been no clear definition of the "problem" other than that put forward by the original proponents of the change, a group of event planners, who were trying to provide an economic stimulus for the events industry that has been hurt, along with everyone else in the valley, by the downturn in the economy.

If this is the primary motivation behind the Board's proposal, I would sincerely question whether the proposed sweeping changes to the WDO are either the appropriate of effective response. If there is a downturn in events, as the proponents claim, it seems clear that this is not caused by a lack of venues for entertaining but a lack of individuals and businesses that want or can afford to put on lavish events in this depressed economic climate. If, as the proponents claim, there are many event planners and staff that are out of work, that in itself is clear evidence that there were sufficient venues available in the last few years to keep these people employed — otherwise they would not have been employed then and unemployed now. Simply providing new venues for entertaining is unlikely to stimulate new events that will re-employ these people — it will only take more business away from those who have already invested money in entertainment facilities in areas designated for non-agricultural activities under the general plan.

If the Board of Supervisors is genuinely concerned about stimulating more events and tourist spending in the Valley, I would suggest that they consider actively supporting Destination Napa Valley through an increased share of the TOT which would be a far better approach to stimulating events than putting the long term viability of the Ag Preserve as risk to solve what is basically a short term economic problem in the events industry.

Another possibility is that the Board is concerned about the Napa Valley loosing out in a visitor competition with other wine regions. This really gets to the whole issue of what we

want the image of the Napa Valley to be and what kind of visitors we are trying to attract to the Valley. Destination Napa Valley and other industry and visitor groups have consistently come to the conclusion that what we need are not more visitors but better visitors who stay in the Valley for

longer periods rather than simply creating more demand over the weekends when it is already impossible to get hotel rooms, drive on the roads or get a reservation for dinner. Again, I don't see anything in the proposed changes to the WDO that really speaks to upgrading the quality of visitors or getting them to use the valley during mid-week.

Finally, it may be that the Board is responding to the complaints of a limited number of winery owners who, for their own commercial purposes, now simply do not want to operate under the limitations of their permits granted under the WDO. Frankly I don't have much sympathy for this group as they all knew the rules when they decided to go Into business. Basically we all made a conscious decision when the WDO was adopted to surrender some of our individual rights as property owners for the greater good of protecting the Napa Valley and the Ag Preserve, which makes it so unique. This is a trade-off that has richly rewarded the winery owners of the Napa Valley and the economy of Napa County as a whole. To consider sacrificing this unique agreement to solve the short term economic concerns of a few winery owners seems at a minimum short sighted and more realistically a case of committing collective financial suicide for the benefit of a few unhappy winery owners.

There are unquestionably inequities that exist between permits for individual wineries that have allowed some wineries to define "marketing events" much more broadly than others. This was evident from the comments at the NVV's November 17 meeting in Yountville where different winery permits clearly contained different interpretations of permitted "marketing events". This is the understandable result of the County staff having issued over 300 individual permits since 1990 and the varying interpretations of the WDO inherent in that process. I would suggest, however, that the solution to that problem is for the individual wineries who would like more latitude under the staff's current interpretation of the WDO to ask the County to modify their existing permits rather than to gut the current WDO and risk the demise of the Ag Preserve that it was adopted to support.

Thank you for considering these comments.

Dofg Mc Chen

Peter McCrea Proprietor



December 9, 2009

Supervisor Mark Luce, Board President District 2 Napa County Board of Supervisors County Administration Building 1195 Third Street, Suite 310 Napa, CA 94559 RECEIVED

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Dear Supervisor Luce,

I am the owner of the Harvest Inn, which is a 74-room hotel located at One Main Street in St. Helena. I have owned the hotel since 2000, and I am active as a member of the Board of Directors of The Napa Valley Destination Council.

As an interested member of Napa County's hospitality community, I am aware that the Napa County Board of Supervisors is currently reviewing potential changes to the Winery Definition Ordinance and that a formal decision on this matter has been postponed until the Napa Valley Vintners submits their industry recommendation on or about January 31, 2010.

I respectfully urge you to take a very cautious approach to altering the Winery Definition Ordinance for the following reasons:

- The Agricultural Preserve is an incredibly important factor in building and ensuring Napa Valley's position as one of the most special and beautiful wine regions and destinations on earth. It would be a shame to put that at any risk in a response to a short-term economic problem.
- The prospect of having conferences, weddings and other events at wineries which do not have the
 facilities for these activities raises multiple environmental concerns, including unnecessary traffic
 and increased pollution produced by transporting cooking equipment, dishes, utensils, linens, food,
 staff and so on.
- The Napa Valley has hundreds of beautiful hotels, inns, bed & breakfasts and restaurants which are
 permitted, equipped and designed for conferences, weddings and other such events. This is where
 these activities should take place.

In conclusion, to better withstand economic challenges Napa Valley needs more effective and competitive destination marketing. As you know, the lodging industry is working together with the Napa Valley Destination Council to put in place a county-wide Tourism Business Improvement District ("TBID"). After managing a similar initiative in San Francisco, I am currently Chairman of the Steering Committee to develop the TBID. All involved are anticipating that this initiative will provide adequate funding for an enhanced Napa Valley tourism destination marketing effort.



DEC 1 1 2009

December 9, 2009

Napa, CA 94559

Mr. Brad Wagenknecht County Supervisor – District 1 County Administration Building 1195 Third Street, Suite 310

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Dear Supervisor Wagenknecht,

My name is Kirk Candland and I am writing to you today on behalf of Silverado Resort, where I am the General Manager. Our property is located at 1600 Atlas Peak Road іл Napa.

As an interested member of Napa County's hospitality community, we are aware that the Napa County Board of Supervisors is currently reviewing potential changes to the Winery Definition Ordinance and that a formal decision on this matter has been postponed until the Napa Valley Vintners submits their industry recommendation on or about January 31, 2010.

We respectfully urge you to take a very cautious approach to altering the Winery Definition Ordinance for the following reasons:

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- The Napa Valley has hundreds of beautiful hotels, inns, bed & breakfasts and restaurants which are permitted, equipped and designed for conferences, weddings and other such events. This is where the activities should take place.

In conclusion, what the Napa Valley really needs to better withstand economic challenges is significantly more effective and competitive destination marketing. As you know, the lodging industry is working together with the Napa Valley Destination Council to put in place a Countywide Tourism Business Improvement District to provide adequate funding for this enhanced marketing effort. I appreciate your support of this critical undertaking.

Please feel free to call me at 257-5430 if you would like to discuss this further.

Sincerely,

Kirk Candland General Manager

Silverado Resort'



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COUNTY OF NAPA BOARD OF SUPERVISORS

R. W. C.

Napa County Board of Supervisors County Administration Building 1195 Third Street, Suite 310 Napa, CA 94559

December 9, 2009

Dear Supervisor Mark Luce - Board President,

My name is Tom Banducci and I am writing to you today on behalf of Silverado Resort, where I am the Director of Engineering. Our property is located at 1600 Atlas Peak Road in Napa.

As an interested member of Napa County's hospitality community, we are aware that the Napa County Board of Supervisors is currently reviewing potential changes to the Winery Definition Ordinance and that a formal decision on this matter has been postponed until the Napa Valley Vintners submits their industry recommendation on or about January 31, 2010.

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- The Napa Valley has hundreds of beautiful hotels, inns, bed & breakfasts and restaurants
 which are permitted, equipped and designed for conferences, weddings and other such
 events. This is where the activities should take place.

In conclusion, what the Napa Valley really needs to better withstand economic challenges is significantly more effective and competitive destination marketing. As you know, the lodging industry is working together with the Napa Valley Destination Council to put in place a County-wide Tourism Business Improvement District to provide adequate funding for this enhanced marketing effort. I appreciate your support of this critical undertaking.

Please feel free to call me at 257 5426 if you would like to discuss this further.

Sincerely,

Tom Banducci

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COUNTY OF NAPA TOARD OF SUPERVISORS

December 9, 2009

Mark Luce - Board President County Supervisor – District 2 County Administration Building 1195 Third Street, Suite 310 Napa, CA 94559

NAPA CO. CONSERVATION DEVELOPMENT & PLANNING DEPT.

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Dear Supervisor Luce:

My name is Linda Ozores and I am writing to you today on behalf of Silverado Resort, where I am the Director of Human Resources. Our property is located at 1600 Atlas Peak Road in Napa.

As an interested member of Napa County's hospitality community, we are aware that the Napa County Board of Supervisors is currently reviewing potential changes to the Winery Definition Ordinance and that a formal decision on this matter has been postponed until the Napa Valley Vintners submits their industry recommendation on or about January 31, 2010.

We respectfully urge you to take a very cautious approach to altering the Winery Definition Ordinance for the following reasons:

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- The prospect of having conferences weddings and other events at wineries which do not have the facilities for these activities raises multiple environmental concerns, including unnecessary traffic and increased pollution produced by transporting cooking equipment, utensils, linens, food, staff and so on.
- The Napa Valley has hundreds of beautiful hotels, inns, bed & breakfasts and restaurants which are permitted, equipped and designed for conferences, weddings and other such events. This is where the activities should take place.

In conclusion, what the Napa Valley really needs to better withstand economic challenges is significantly more effective and competitive destination marketing. As you know, the lodging industry is working together with the Napa Valley Destination Council to put in place a Countywide Tourism Business Improvement District to provide adequate funding for this enhanced marketing effort. I appreciate your support of this critical undertaking

Please feel free to call me at 257-5493, if you would like to discuss this further.

Sincerely,

Linda Ozores

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December 9, 2009

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Dear Supervisor Luce,

Napa, CA 94559

Mr. Mark Luce - Board President County Supervisor - District 2 County Administration Building 1195 Third Street, Suite 310

My пате is Dan Tierney and I am writing to you today on behalf of Silverado Resort, where I am the Controller. Our property is located at 1600 Atlas Peak Road in Napa.

As an interested member of Napa County's hospitality community, we are aware that the Napa County Board of Supervisors is currently reviewing potential changes to the Winery Definition Ordinance and that a formal decision on this matter has been postponed until the Napa Valley Vintners submits their industry recommendation on or about January 31, 2010.

We respectfully urge you to take a very cautious approach to altering the Winery Definition Ordinance for the following reasons:

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- The Napa Valley has hundreds of beautiful hotels, inns, bed & breakfasts and restaurants which are permitted, equipped and designed for conferences, weddings and other such events. This is where the activities should take place.

In conclusion, what the Napa Valley really needs to better withstand economic challenges is significantly more effective and competitive destination marketing. As you know, the lodging industry is working together with the Napa Valley Destination Council to put in place a Countywide Tourism Business Improvement District to provide adequate funding for this enhanced marketing effort. I appreciate your support of this critical undertaking.

Please feel free to call me at 257-5412 if you would like to discuss this further.

Sincerely,

Dan Tierney Controller

Silverado Resort®

1600 Atlas Peak Road Napa, California 94558 (707) 257-0200 www.silveradoresort.com

DEC 16 2009

December 14, 2009

COUNTY OF NAPA BOARD OF SUPERVISORS

Napa County Board of Supervisors County Administration Building 1195 Third Street, Suite 310 Napa, CA 94559

Dear Supervisor Dillon,

My name is Terry Peterson and I am writing to you today on behalf of Silverado Resort, where I am the Director of Food and Beverage. Our property is located at 1600 Atlas Peak Road in Napa.

As an interested member of Napa County's hospitality community, we are aware that the Napa County Board of Supervisors is currently reviewing potential changes to the Winery Definition Ordinance and that a formal decision on this matter has been postponed until the Napa Valley Vintners submits their industry recommendation on or about January 31, 2010.

We respectfully urge you to take a very cautious approach to altering the Winery Definition Ordinance for the following reasons:

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- The Napa Valley has hundreds of beautiful hotels, inns, bed & breakfasts and restaurants which are permitted, equipped and designed for conferences, weddings and other such events. This is where the activities should take place.

In conclusion, what the Napa Valley really needs to better withstand economic challenges is significantly more effective and competitive destination marketing. As you know, the lodging industry is working together with the Napa Valley Destination Council to put in place a Countywide Tourism Business Improvement District to provide adequate funding for this enhanced marketing effort. I appreciate your support of this critical undertaking.

Please feel free to call me at 257-5432 if you would like to discuss this further.

Sincerely,

Terry Peterson



DEC 1 6 2009

COUNTY OF NAPA BOARD OF SUPERVISORS

December 15, 2009

Ms. Diane Dillon Napa County Board of Supervisors County Administration Building 1195 Third Street, Suite 310 Napa, CA 94559

Dear Supervisor Dillon,

My name is Philip Hansell and I am writing to you today on behalf of Silverado Resort, where I am the Director of Sales and Marketing Our property is located at 1600 Atlas Peak Road in Napa.

As an interested member of Napa County's hospitality community, we are aware that the Napa County Board of Supervisors is currently reviewing potential changes to the Winery Definition Ordinance and that a formal decision on this matter has been postponed until the Napa Valley Vintners submits their industry recommendation on or about January 31, 2010.

We respectfully urge you to take a very cautious approach to altering the Winery Definition Ordinance for the following reasons:

- The Agricultural Preserve is an incredibly important factor in building and ensuring Napa Valley's position as one of the most special and beautiful wine regions and destinations on earth. It would be a shame to put that at any risk in response to a short-term economic problem.
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- The Napa Valley has hundreds of beautiful hotels, inns, bed & breakfasts and restaurants which are permitted, equipped and designed for conferences, weddings and other such events. This is where the activities should take place.

In conclusion, what the Napa Valley really needs to better withstand economic challenges is significantly more effective and competitive destination marketing. As you know, the lodging industry is working together with the Napa Valley Destination Council to put in place a countywide Tourism Business Improvement District to provide adequate funding for this enhanced marketing effort. I appreciate your support of this critical undertaking.

Please feel free to call me at 257-5448 if you would like to discuss this further.

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Sincerely,

Philip Hansell

Director of Sales and Marketing

Silverado Resort

Silverado Resort®

1600 Ashas Peak Road Napa, California 14558 (707) 257-0200 www.silveradoresort.com



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COUNTY OF NAPA BOARD OF SUPERVISORS ALL BOS RECEIVED

December 21, 2009

Mark Luce - Board President County Supervisor - District 2 County Administration Building 1195 Third Street, Suite 310 Napa, CA 94559

Dear Supervisor Luce,

My name is George A. Goeggel and I am writing to you today on behalf of Auberge Resorts (Auberge du Soleil, Calistoga Ranch and Solage Calistoga.) I am a Principal/Director with Auberge Resorts as well as the Managing Partner of Auberge du Soleil. Our properties are located at the following addresses.

Auberge du Soleil	Calistoga Ranch	Solage Calistoga
180 Rutherford Hill Road	580 Lommel Road	755 Silverado Trail
Rutherford, CA 94573	Calistoga, CA 94515	Calistoga, CA 94515

As active members of the Napa Valley's hospitality community, we are aware that the Napa County Board of Supervisors is currently reviewing potential changes to the Winery Definition Ordinance and that a formal decision on this matter has been postponed until the Napa Valley Vintners submits their industry recommendation on or about January 31, 2010.

We respectfully urge you to take a very cautious approach to altering the Winery Definition Ordinance for the following reasons:

- The Agricultural Preserve has been and is an important and distinctive factor in building and
 conserving Napa Valley's position as one of the most renowned destinations in the world. It
 would be unconscionable to put the Agricultural Preserve, which has served us so well, at risk for
 a shortsighted economic gain.
- The prospect of having conferences, weddings and other events at wineries which may not have
 the facilities for these activities raises multiple environmental concerns, including unnecessary traffic
 and increased pollution produced by transporting equipment and people.



 The Napa Valley has hundreds of beautiful hotels, inns, bed & breakfasts and restaurants which are permitted, equipped and designed for conferences, weddings and other such events. This is where these activities should take place.

We recommend that The Napa Valley should address the economic challenges with a more effective and competitive destination marketing. As you know, the lodging industry is working together with the Napa Valley Destination Council to put in place a County-wide Tourism Business Improvement District to provide adequate funding for this enhanced marketing effort. I very much appreciate your support of this critical undertaking.

Please feel free to call me at (707) 963-1211 if you would like to discuss this further.

Sincerely

George A Goeggel

Principal/Director

Aúberge Resorts Managing Partner

Auberge du Soleil