

Planning Commission Mtg.

JUN 03 2015

Agenda Item # 9B

June 2, 2015

SCOTT GREENWOOD-MEINERT
scottgm@dpf-law.com

RECEIVED

JUN 2 2015

Napa County Planning, Building
& Environmental Services

Commissioner Heather Phillips (VIA EMAIL: heather@vinehillranch.com)
Commissioner Michael Basayne (VIA EMAIL: napacommissioner@yahoo.com)
Commissioner Anne Cottrell (VIA EMAIL: Anne.cottrell@lucene.com)
Commissioner Terry Scott (VIA EMAIL: tkscott@aol.com)
Commissioner Matt Pope (VIA EMAIL: matt pope384@gmail.com)
Napa County Planning Commission
1195 Third Street, Room 210
Napa, CA 94559

VIA EMAIL: John.McDowell@countyofnapa.org
Mr. John McDowell, Deputy Planning Director
Planning, Building and Environmental Services
1195 Third Street, Room 210
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VIA EMAIL: Charlene.Gallina@countyofnapa.org
Ms. Charlene Gallina, Supervising Planner
Planning, Building and Environmental Services
1195 Third Street, Room 210
Napa CA 94559

Re: **Reverie On Diamond Mountain; Major Use Permit Modification No. P13-0000237**

Dear Chairperson Phillips, Commissioners and Staff:

This letter, and its attachments, are submitted on behalf of the applicant in the above-reference matter, Reverie on Diamond Mountain. One attachment is a visitation and marketing analysis prepared by the applicant that explains in further detail why the visitation and marketing increases in the application are absolutely necessary to the business of this estate vineyard and winery operation. On-site direct to consumer sales are essential to Reverie and as its vineyards have become more productive over time, which has led to Reverie's asking for increased production and visitation levels.

Here is a link to an excellent recent webinar put on by Silicon Valley Bank about the importance of Direct to Consumer sales; <http://svbwine.blogspot.com/2015/05/replay-of-2015-dtc-videocast-chat.html>.

Also included is a letter regarding Reverie's business plan from Professor Thach of California State University Sonoma, supporting the calculations in the business plan.

Staff has provided with its staff report a winery comparison table for wineries between 0-10,000 annual gallons (Exhibit F). Eventually this type of table may become a useful tool for staff, the public, the applicant and for the Commission, but until the information in the table is updated and verified as accurate, its usefulness is marginalized. Foremost, the chart does not include the dates that the wineries on it were permitted. There is information here that is stale at best.

For example, the table includes 60 sample winery approvals. We took a sample and just analyzed the 14 wineries listed with production capacities of 5,000 gallons. Of those we found the following discrepancies between the table's information, the information on the County's winery database and our own personal knowledge:

Chateau Chevre: The County database shows 50 visitors per week, not zero.

Mayacamas: The County database shows 50,000 gallons production, not 5,000.

Simone: This winery was never built. The property is now entirely planted in vineyard and is adjacent to and owned by Laird winery.

Pelosi: Allowed 8 visitors per day, 10 per week, not the other way around. This winery has also not been built yet.

In addition, like Simone and Pelosi, we are aware of other wineries listed that have never been built, such as Lindstrom and Shackford. There are probably numerous other ones. The table includes the number of annual events but does not include how many guests may attend these events, and the current policy of the Planning Commission is to combine the guests at events with the maximum allowable visitation to arrive at an annual figure of how many people are coming to the winery. The table includes 11 wineries with the indication that tours and tastings are allowed by appointment, but the daily and weekly visitation number is zero. The staff report states that wineries approved by Small Winery Exemptions were not included in the table because the Exemptions did not allow visitation and staff did not want them to affect the averages, yet Oakville Ranch, Ritchie Creek, Rust Ridge and Simone wineries are all in the main table, as well as the secondary table of wineries approved under the Exemption provisions. These may seem like small errors, but they impugn the accuracy and efficiency of the data.

In order for a table like this to be a useful tool someone needs to review all of the individual files to check the accuracy of the data and to determine whether or not the use permits are still valid. Further, the fact that wine audit information is private means that updated information for this table cannot be used to improve its accuracy.

Additionally, attached is another letter of support we received yesterday from a neighbor, Hal Taylor.

Thank you for your time and consideration of these materials.

Sincerely,

DICKENSON, PEATMAN & FOGARTY



Scott Greenwood-Meinert

Enclosures

REVERIE on DIAMOND MOUNTAIN, LLC
MARKETING PLAN

CONCLUSION: The following information and attached calculations support our request for production of 9,200 gallons of wine and daily visitation of a maximum of 40 persons with an average of 200 persons per week (10,400 persons annually.) Such calculations were made based on our existing marketing emphasis of direct consumer sales with special emphasis on wine clubs membership. Our marketing plan also takes advantage of our unique walking tour with tasting that takes utilizes our beautiful gardens and breath taking redwood circle.

Direct-to-consumer marketing and particularly wine clubs are a major source of sales for all wineries and particularly for smaller wineries. The 2014 Wine Business Monthly/Silicone Valley Bank Tasting Room Survey, noted "...the direct to consumer sales channel is more vibrant than ever...." and that "...80% of all wineries now offer [wine]clubs.... Also, it noted that the "average winery saw the ranks of wine club members increase by 20%...."

HISTORY: The vineyard was planted in 1989-1990 to three varieties of grapes, Cabernet Sauvignon (about 80%), Cabernet Franc (about 10%) and Merlot (about 10%.) The property was bought in 1993 by Norman and Evelyn Kiken approximately 2 weeks before the first harvest. At that time, Norman, a CPA, was the CFO of a public company that was a major investor in Pine Ridge Winery. Norman served on the Pine Ridge Board and had worked several harvests there. As a super "wine geek" Norman left in 1994 to become the full time winemaker, Manager and (then) sole employee at Reverie. He is still the winemaker and Manager.

The first harvest was very small and the wine was custom crushed. Distribution was to friends and acquaintances and a small amount to New York restaurants. After harvest, a portion of the vineyard was budded over to Petit Verdot and to trial blocks of Barbera, Tempranillo and Malbec (since expanded.)

In 1994-1995, the Kiken's reconstructed a 150 year old barn that was to become the winery building and also served as a temporary residence while the primary home was being constructed elsewhere on the property. A winery permit which has not been modified since was granted in 1995.

The 1994 crop was also custom crushed as well as the 1995 grapes except for the Barbera and Tempranillo which were fermented at Reverie after the permit was obtained.

The original marketing plan was to sell a substantial amount of grapes to other wineries and to estate bottle the balance. As was typical at the time, Reverie utilized distributors and brokers to distribute the bulk of its production. Reverie's experience with this form of distribution was that it required expensive personal visits to the ultimate buyers, generally resulting in single case sales to high end restaurants and collection problems from its distributors. It also became more difficult to find good distributors as there was significant distributor consolidation and increased competition from new brands. Also, even good distributors did not provide adequate attention to small producers as they were under pressure from large wineries to sell their products. As a result, the winery was financially unsuccessful and needed to develop viable alternatives.

Reverie had started to receive individuals who had heard both good things about the wines and the uniqueness of its beautiful property, particularly its redwood "fairy ring." These visits combined with changes in the marketplace led to the conclusion that direct to consumer sales (utilizing only its own estate grown grapes) was the best marketing approach. Also, the low yields and high costs of farming a steep mountain vineyard made sales of grapes a non-viable alternative. Further, the small production varietals Reverie produced, while creating an interesting variety of wines for consumers, were not in demand by other wineries at adequate prices. (For example in 2014 Cabernet Sauvignon production was only 45% of total compared to approximately 80% when the property was acquired.) Eventually, a visitor based sales program with an emphasis on wine club sales was developed and has been very successful.

Wine clubs:

The principal advantage of a wine club to a winery is that shipments are automatic, most members remain customers for a period of time and bad debts are eliminated. It also requires personal attention from sales people, generally a discount from posted prices and incurrence of pouring costs. Most significantly, a large percentage of drop outs every year need to be replaced to maintain a static membership.

In implementing the visitation program, Reverie evaluated its assets. Its major asset is of course outstanding wines. However, good wines are the norm in Napa Valley and Reverie needed to separate itself from the many wineries, including the many new showplace wineries also emphasizing visitation program. Its major unique asset was the unusually large and perfect circular stand of majestic redwood trees as well as the gardens created by Evelyn Kiken, a Master Gardiner. Reverie was also producing varietal estate wines that were not widely available in the Napa Valley such as Barbera, Tempranillo, Grenache and Roussanne. (Reverie believes it is producing the only Napa Valley Estate Barbera, one of two producing a 100% Napa Valley Estate Roussanne and one of the few bottling a Napa Valley Estate Petit Verdot as a varietal.) Reverie also found that not having its wines in distribution and therefore being only available from the Winery was important to its sales effort. (See attached calculations.)

Reverie was aware most wineries had an indoor tasting bar or room and/or some outside sitting area with amenities. Reverie decided to use its assets by creating a unique walking tour with tasting along the way. A typical visitor would remain outside throughout the tour. Generally, the visitor will tour the fermentation area to discuss the process, see fermentation tanks, the grape press and pumps and perhaps look at some nearby vines to discuss viticulture with the tour guide. The visitor would observe the barrel storage area leading to a discussion of barrels and ageing and then walk through the beautiful gardens to the redwood area. The tour would finish at several tables where orders were taken. During fermentation, the lucky visitor frequently got to see pumpovers from the top of a fermenting tank, taste new or fermenting grape juice and toss a few clusters into the destemer.

Non Wine Club Sales:

A high percentage of visitors who do not join the wine clubs, purchase wine. However the average aggregate sale to these customers is substantially less than to wine club members. (see attached calculations.)

Reverie also distinguishes itself by having an experienced group of tour leaders all of whom have been at Reverie for at least 3 years and includes the owner's son. Being a small hands-on winery, the owner/winemaker frequently meets with visitors. We believe this is a unique and memorable experience for them.

Unlike most Napa Valley wineries, Reverie does not normally charge a tasting or visitation fee.

Obtaining Visitors:

The major sources of visitors are referrals from existing customers, including wine club members, private tour drivers, concierges, repeat visitors and travel web sites (such as Trip Advisor), where Reverie has very high consumer satisfaction ratings. Reverie attempts to make itself known to concierges and private tour drivers by staff visits, customer recommendations, tastings and invitations to the winery.

Our Visitation Request:

Reverie is basing its request for visitation based on the number of visitors needed to purchase its estate grown production. (See calculations.)

The production limit being requested is 9200 gallons. Based on that amount, approximately 3800 cases would be produced before losses. Based on Reverie's average grape production in the last ten years approximately 3400 cases would be produced. However, during the last 10 years, production has been as great as 30% above the 10 year average as well as above average in each of the last 2 years. As a result of the likelihood of crops above the average, Reverie has requested an additional visitation of noted in the attached calculations (See Note g).

Wine club membership in recent years has been about 2,400 members. However, somewhere between 20% and 28% of Members need to be replaced every year due to lapse of membership. Most visitors to Reverie come as couples. Reverie believes about 15%-20% of visitors (or 30-40% of couples) join one of its wine clubs. A substantial percentage of visitors who do not join the wine clubs purchase wine. However the average aggregate sale to these customers is substantially less than to wine club members.

Reverie offers wine club members a 15% discount from posted prices on both wine club shipments and other wine purchases. Non-club visitors purchasing a case of wine or more receive a 10% discount. Almost all purchases of 6 bottles or more and wine club shipments are shipped by a commercial shipper generally in Spring or Fall as weather permits. Customers pay for shipping and sales taxes, if any. Virtually all sales are paid by credit card.

Sales to restaurants, retailers and on-line are miniscule.

Calculation and Conclusion:

Attached is a calculation of required visitation under two scenarios. Based on his experience of over 22 years as a wine maker-winery owner, winery board member, financial executive and (former) CPA, Norman Kiken believes the calculations are reasonable and fully support Reverie's request for visitation of a maximum of 40 persons a day and an average of 200 per week (a total of 10,400 annually).

CALCULATION OF VISITORS NEEDED

Sales and Wine Used Per 100 Visitors:

	Cases*		Total Cases		(Note)
	Per 100 Visitors	Per Sale	Per 100 Visitors	Bottle Per Sale	
Spouse/Significant Other (a)	50	0	0.0	0	
Join Wine Club (b) (c)	18	0.5	9.0	6	
Not Purchase	2	0	0.0	0	
Buy Bottles/Cases (d)	30	0.25	7.5	3	
Sampling-5-2oz (for all 100)			<u>3.3</u>		
Total	<u>100</u>		<u>19.80</u>		
Sold/Used Per Visitor			<u>0.198</u>		

Production

	9200 Gallons	Average (10 Years)
--	-----------------	-----------------------

Case Production	3,800	3,400
Sold to Continuing Wine Club	-1,872	-1,872
Off Site Direct Sales	<u>-100</u>	<u>-100</u>
Needed to Sell and Sample	1,828	1,428
Cases Per Visitor (per above)	0.198	0.198
Visitors Needed(g)	<u>9,232</u>	<u>7,212</u>

- (a) The vast majority of visitors are couples only one of whom purchases.
- (b) Equivalent to 36% of couples, believed above industry averages.
The majority of new members receive only 1 shipment in first year.
- (c) The existing wine clubs in recent years have been about 2,400 members. Approximately 22% drop out annually with approximately 1,872 continuing in the program.
- (d) All other visitors.
- (e) Due to seasonality of visits and emphasis on outdoor tastings, the Winery receives visitors on approximately 228 days. Based on those

days the average visitation would be 39 per day based on 9200 gallon production.

- (f) Production is based on each case being 2.375 gallons and for average each ton producing 140 gallons of wine, an industry standard.
- (g) During the last ten years production has been as high as 30% above the average. Accordingly, the request includes approximately 1168 extra visitors for such contingencies.

Dr. Liz Thach, MW

4322 Oakridge Lane, Penngrove, CA 94951, USA

Liz@lizthach.com 707.792.2002

6/2/2015

Norman Kiken, Manager
Reverie on Diamond Mountain, LLC
1520 Diamond Mountain Road
Calistoga, CA 94515

Dear Mr. Kiken,

Thank you for the opportunity to review your Marketing Plan for Reverie on Diamond Mountain, LLC ("Reverie") which is part of Reverie's application for a change in its winery operating permit.

In my opinion, based on my extensive experience in the wine business, I believe the assumptions used in the calculations are reasonable.

I have also read the narrative included as part of Reverie's marketing plan. I believe the descriptions of the changes that have occurred in the wine industry as they affect small wineries, particularly the emphasis on direct-to-consumer marketing and wine clubs, are consistent with my knowledge of developments in the wine industry.

As you may know, I am the Professor of Management & Wine Business in the Wine Business Program at Sonoma State University. I also hold the title of Master of Wine, the first woman in California to hold that title. My publications include over 120 wine articles, 7 wine books and 8 book chapters. I am also on the Editorial Board for *The International Journal of Wine Business Research and Wine Economic Policy*. I have lectured throughout the world on wine related topics.

Sincerely,



Dr. Liz Thach, MW

June 1, 2015

Charlene Gallina, Supervising Planner
Napa County Planning, Building and
Environmental Services
1195 Third Street, Suite 210
Napa, CA 94559

RE: Norman Kiken and Reverie Winery Use Permit Application

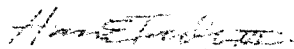
Dear Charlene,

My wife, Maureen, and I reside at 1395 Diamond Mountain Road and have done so since 1998. We have known Norm Kiken and the Reverie wine crew since that time and they have always been considerate neighbors. In addition, Norm and Reverie Winery have, over the years, been extremely generous to our local Calistoga community. They have always supported the many fundraising events that both Maureen and I have been personally involved with.

We whole-heartedly support Norm, and Reverie's right to update their winery permit bringing it into compliance with current standards.

Please feel free to contact me if you have any questions.

Sincerely,



Hal Taylor
1395 Diamond Mountain Road
Calistoga, CA 94515
707-799-4187 cell

Gallina, Charlene

From: Barbara Barrera <BBarrera@dpf-law.com>
Sent: Tuesday, June 02, 2015 2:57 PM
To: heather@vinehillranch.com; napacommissioner@yahoo.com; Anne.cottrell@lucene.com; tkscott@aol.com; mattpope384@gmail.com; McDowell, John; Gallina, Charlene
Cc: Scott Greenwood-Meinert
Subject: Reverie on Diamond Mountain - Major U/P Mod No. P13-0000237
Attachments: Reverie Ltr.pdf

Good afternoon – please find attached a letter and attachments from Scott Greenwood-Meinert which he requested I email to you relating to the Reverie on Diamond Mountain matter, Major Use Permit Mod No. P13-0000237.

BARBARA BARRERA
ASSISTANT TO TOM ADAMS,
SCOTT GREENWOOD-MEINERT,
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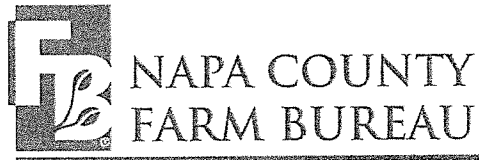
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From: Barbara Barrera
Sent: Tuesday, June 02, 2015 2:51 PM
To: Barbara Barrera
Subject: Scanned Document

JUN 03 2015

Agenda Item #

9B



Napa County Farm Bureau, 811 Jefferson Street, Napa, CA 94559
Telephone: 707-224-5403 FAX: 707-224-7836

June 3, 2015

Napa County Planning Commission
Chair Heather Phillips and Commissioners

re: Reverie on Diamond Mountain Major Modification P13-00027 / P15-00141

Last Friday, Jim Laube's Wine Spectator blog "Wine Flights" noted that consequences for noncompliance in Napa County are so minimal that "...some vintners are willing to develop properties without permits and pay the fine".

Laube's blog is widely followed. We have worked too hard to protect our land and other resources with carefully-crafted regulations to allow their irrelevance to be our legacy.

Napa County Farm Bureau has repeatedly, both individually and jointly with the Napa Valley Vintners, Grapegrowers and Winegrowers, urged the county to enforce these regulations. The Vintners offer a program to help their members maintain compliance. Enforcement is a critical component for the protection of quality of life and resources as well as for the integrity of our system of governance.

We appreciate that staff is steering the ship in the right direction, as indicated by recent staff reports and recommendations. Requiring demolition of unpermitted structures is appropriate. We also appreciate the willingness to enforce demonstrated recently by this Commission.

We do, however, disagree with staff's recommendation in this case and instead support Option 3, denial - for several reasons, including:

- Staff reports that this application was not filed in response to a code compliance investigation; however, the application was "voluntarily" submitted "...in advance of submitting required information in the Winery Audit process.", in effect pre-empting investigation.
- The property has also recently sold, or is in escrow, so the "blessing" of use permit violations and increased entitlements serve to increase the property value, rewarding non-compliant behavior.
- Staff reports that the applicant is "uninterested" in the opportunity to participate in stream restoration in exchange for approval of some of the unpermitted activities.

Denial should also include a requirement to prove compliance with the original use permit for a period of time as well as to complete the stream restoration before being allowed to re-apply. Protection of our watersheds is critical and operating within your use permit is not punishment.

Napa County Farm Bureau also opposes any further approval of hold and haul systems and has presented this position for APAC consideration. Hold and haul is not sustainable. As recently reported, thousands of trucks move over our crowded roads, hauling winery waste to Oakland for disposal, increasing our traffic as well as our carbon footprint. Projects that require water to be trucked in and/or waste to be trucked out should not be permitted. They are not appropriate for the site nor beneficial to the community.

Attached is a copy of a letter dated April 29, 2015 and prepared by Abbott & Kindermann, LLP which details the CEQA consequences of processing after-the-fact permits such as this one.

We appreciate the opportunity to comment and thank staff for a thorough report.

Sincerely,

A handwritten signature in cursive script that reads "Norma J. Tofanelli". The signature is written in black ink and is positioned above the printed name and title.

Norma J. Tofanelli
President

Attachment: Abbott & Kindermann, LLP April 29, 2015

April 29, 2015

SENT BY ELECTRONIC MAIL

Chair Diane Dillon and Members of the Board
of Supervisors
c/o Gladys Coil
Napa County Administration Building
1195 Third Street, Suite 310
Napa, CA 94559
gladys.coil@countyofnapa.org

Chair Heather Phillips and Members of the
Planning Commission
c/o Melissa Frost
Napa County Planning Department
1195 Third Street, Suite 210
Napa, CA 94559
melissa.frost@countyofnapa.org

Re: Napa County Code Enforcement/Compliance

Dear Chairs Dillion and Phillips and Members of the Board of Supervisors and Planning
Commission:

Abbott & Kindermann, LLP represents Beckstoffer Vineyards in various land use matters. For the reasons discussed in this letter, Beckstoffer urges the County cease processing after-the-fact permits to bring illegally constructed structures and/or illegally converted winery tasting rooms and event structures into compliance, and further to prohibit the illegal increase in marketing activities, events and employees. Wineries that are out of compliance with their use permits or that are operating without any permits should not be rewarded for such behavior to the detriment of those who do comply. The County's continued willingness to issue after-the-fact permits has spawned excessive noncompliance by various wineries big and small throughout the County. Instead of routinely issuing after-the-fact permits, it is time for the County to commence strict enforcement of existing permits. If, after enforcement citations have been issued, a winery continues to flagrantly violate its existing permit, the County should commence the revocation process.

Background Facts

On August 6, 2014, the Napa Valley Register reported that almost half of the wineries randomly audited in 2013 were out of compliance with their use permits. Of the 20 of the wineries audited, eight were out of compliance. That's 40 percent of wineries that were out of compliance. The specific violations noted in the audit included a winery with a cap of 400 weekly visitors hosting 1,400 people in a week. Assuming this only occurred one week out of the year, this might not be deemed an egregious violation, but what if it was happening *every* week? What impact was this having on the neighbors and local roadways? Perhaps an increase of 1,000

people each week at this anonymous winery might not be so impactful alone, but what if there is another winery down the road doing the exact same thing or worse – say holding multiple marketing events at the same time in violation of its permit? (Notably, there were two wineries prohibited from holding marketing events that each held seven and eight marketing events.) Would these violations be cumulatively significant and/or cumulatively considerable? Presumably, the limitations on winery permits are included for a reason: to prevent excessive noise, traffic, and other impacts on the environment, including neighbors and neighborhoods.

Amazingly, if this percentage of non-compliance were extrapolated to the total number of wineries operating in the Valley (approximately 400 wineries), the County would have to presume that upwards of 160 wineries are currently operating out of compliance either by having more events, more visitors, and/or producing more wine than their permits allow.

At the Board of Supervisors and Planning Commission joint workshop held on March 10, 2015, the development of new wineries in Napa County was discussed. The issue of ongoing code violations at existing wineries was also mentioned at this meeting. The Napa Valley Grapegrowers, the Winegrowers of Napa County and the Napa Valley Vintners encouraged the County to enforce its existing regulations and to follow through on its General Plan policies. These groups issued a joint statement, which reads in pertinent part as follows:

“Strict oversight of existing procedures, paired with fewer creative solutions to non-conforming parcels, will go a long way toward diminishing community and industry concerns.”

Beckstoffer Vineyards whole-heartedly embraces this proposed approach. Far too often, the County is apt to allow permit and code violations to continue (sometimes for years) without any serious attempt to bring violators into compliance. Even when the County does issue code enforcement citations, it directs the violators to submit a planning application to amend the existing entitlements (typically a conditional use permit), whereby the violator seeks forgiveness as opposed to having gone through the proper entitlement process to expand its use *before* effectuating the expanded use. The concern is that allowing code violators to come into compliance after perfecting their egregious violations (e.g., exceeding production capacity, erecting structures and/or converting office spaces into tasting rooms without obtaining a building permit, etc.) creates an unfair playing field and penalizes those who comply with the law. In short, the County’s failure to enforce its code, allowing ongoing violations and issuing after-the fact permits, encourages more violations. As discussed in detail below, this process is having the practical effect of allowing these winery owners/operators to skirt CEQA compliance. They do so by claiming that a new and elevated “baseline” - created by the code violations that have been allowed to continue for years at a time – must be considered for purposes of the CEQA analysis of the after-the-fact permit.

Circumventing CEQA

Any time a non-exempt discretionary project is proposed to an agency, that agency must determine if the project may have a significant effect on the environment. To do this, agencies typically prepare an initial study which considers all phases of project planning, implementation, and operation. An initial study includes a description of the project and an identification of the environmental setting and potential or actual environmental impacts.

The term “environmental setting” is not defined by CEQA; however, CEQA Guidelines section 15360 defines “environment” as follows:

[T]he physical conditions which exist within the area which will be affected by a proposed project including land, air, water, minerals, flora, fauna, ambient noise, and objects of historical or aesthetic significance. The area involved shall be the area in which significant effects would occur either directly or indirectly as a result of the project. The “environment” includes both natural and man-made conditions.

Section 15125 of the Guidelines discusses the content of an environmental setting section of an EIR, and has been interpreted to apply to negative and mitigated negative declarations as well. Subsection (a) of section 15125 provides that the description of the physical environmental conditions in the vicinity of the project (including the project site), should reflect the state of the environment as it exists at the time environmental analysis is commenced. It further states that the description of the environmental setting *normally* constitutes the baseline physical conditions by which a lead agency determines whether an impact is significant. (Cal. Code Regs. Tit.14, § 15126, subd. (a).)

When the County waits or refuses to timely enforce code violations and then grants violators after-the-fact permits, it not only encourages (rather than discourages) noncompliance, but it can affect the legitimacy of the environmental review conducted for a project because the CEQA baseline can be altered. Regardless of whether this outcome is intended, it is the same – the purpose of CEQA is undermined and circumvented, and many “impacts” go unstudied and unmitigated. Worse yet, the County’s continuous issuance of after-the-fact permits undercuts the cumulative impacts analysis in the County’s General Plan such that the cumulative impacts analysis can no longer be relied upon, and instead, a new cumulative impacts analysis must be conducted for each and every discretionary project review.

By way of example, imagine a winery’s conditional use permit allows for 25 events per year, a maximum of 250 visitors per day, and 25 full time employees. Imagine also that the winery decides it would like to increase its marketing capabilities and revenues and simply starts accepting 400 visitors per day, holding 50 to 100 events per year and increases its number of employees to 75 people. Such arbitrary increases would double the number of events and people

travelling to and from the winery, many times during peak traffic hours. And, depending on the type of events being held, the increase in activity could be having noise, traffic, and other impacts on the environment. Yet, the County might be wholly unaware of this until one or more neighbors (or a competitor winery) complained, or the winery was part of a random audit. Presumably, upon learning of the permit violations, County Code Enforcement would issue a citation and/or the Planning Department would issue a cease and desist order for failure to comply with the permit issued. Instead, what appears to be happening is that a Code Enforcement citation is issued and then the winery is directed to file an application for an after-the-fact permit increasing the limits on events, visitors, and employees to allow the expanded uses. Ironically, the permit application identifies the “existing” expanded use, effectively increasing the baseline of the environmental impacts analysis, and understating the true impacts of the project. In short, unless the County starts considering the after-the-fact applications according to the pre-violation baseline, the County should issue cease and desist orders, requiring violators to stop the activities in excess of their permit allowances and restricting them from applying for their proposed increased operations until at least one year after they have come into compliance.

The County Can And Must Enforce Its Code

Citizens are becoming more vocal in their opposition to the County’s practice of issuing after-the-fact permits. They are confused as to why the County hasn’t done more to address this spiraling problem. The County often defends its consideration of these after-the fact permit approvals on the grounds that Due Process must be observed. The County is correct that it must comply with its ordinances, state statutes, and the state and federal constitutions. However, while County staff must comply with required processes, the County’s appointed and elected officials are not required to bend to the whimsies of wineries under the fabricated threat of the County’s economic ruin should it choose to start making wineries comply. In fact, Chapter 18.144 of the Napa County Code provides the appointed and elected officials with all the ammunition they need to direct their staff and legal counsel to enforce the entitlements issued by the County.

Under Chapter 18.144, the County can revoke permits for non-compliance. To be clear, we are not suggesting revocation would be appropriate for wineries that bring their facilities into compliance within a reasonable time frame (i.e., cease hosting unauthorized marketing events, allowing visitation in excess of permit limits, etc.). However, revoking permits for wineries where the violations are chronic and flagrant is exactly what – and all – the County needs to start doing to send a message to the community and wineries that such violations will not be tolerated and non-compliance will not be rewarded. Importantly, the County does not require additional funds to effectuate this outcome. The County would likely need to only revoke one or two high-profile winery permits to send a message to others that no winery is above the law – no one winery owner is so powerful it can manipulate the law.

Chairs Dillon and Phillip, and Members of the Board of Supervisors and Planning Commission
Re: Code Compliance Issues
April 29, 2015
Page 5

Conclusion

The County's after-the-fact permitting process encourages non-compliance and unfairly penalizes those who do comply with the permitting process. After-the-fact permitting must stop. Beckstoffer respectfully requests that the County cease processing all after-the-fact permit applications where there have been significant exceedances of marketing events, wine production, and visitation, and order those permits revoked should the wineries fail to come into compliance with their permits. It further requests that you require all wineries that have converted structures to marketing venues without the requisite permits to restore such structures to their original condition or revoke the wineries' permits for non-compliance. The County's continued consideration and approval of after-the-fact permits where egregious non-compliance has occurred is unacceptable and Beckstoffer will exercise the necessary remedies to ensure that such after-the-fact permits are challenged.

Very truly yours,



Katherine J. Hart

cc: David Morrison
John McDowell



From: Yeoryios <yapallas@gmail.com>
Sent: Wednesday, June 03, 2015 7:53 AM
To: john.mcdowell@countyofnapa.org
Cc: 'Heather Phillips'; anne.cottrell@lucerne.com; yca@apallaslawgroup.com
Subject: Reverie Conditional Use Permit Breaches
Planning Commission Mtg.

Expires: Sunday, November 29, 2015 12:00 AM

JUN 03 2015

Agenda Item # 9B

Dear John,

I have read with interest the Reverie staff report, and I must say, that this is a poster child of what is wrong with the permissive nature of the "build it and seek forgiveness" attitude which has for too long been the policy of this county. I see very little distinction between what has occurred at Reverie relative to a number of breaches of county ordinances/codes and violations of use permit conditions, and the recently disposed, although in an anodyne fashion, the Caves Project. Recall that in the latter matter, the PC decided to forego the requirement that the property be restored to a condition consistent with the use permit granted the Caves. Specifically, the PC did not require the removal of the offending tasting pavilion nor the sealing of the cave portal that accessed the tasting pavilion. I think that was the wrong decision but the citizens lost that vote 4 to 1.

Regarding the Reverie Project, I am disappointed to see the staff report recommending the conditional approval of historical breaches of use permit conditions applicable to this property. I shall refrain from engaging in *ad hominem* arguments to burnish my points here but I suppose the blithe disregard of those conditions by the operator certainly opens a window into the moral fiber of an operator of a business enterprise that would engage in so many sustained and long standing violations for which he now seeks "papal absolution". Certainly it was not by accident that a second story was added to the property and certainly it was not by chance or careless error that the visitations and events were exceeded from the numbers approved in the use permit. And of course, one cannot ignore the malfunctioning septic system that has been in use for years. This was volitional action that the county must neither countenance nor approve.

Leaving such points aside, I want to urge the PC to reconsider its promiscuous granting of *ex post facto* approvals of use permit violations. Reading between the lines here, I think this winery probably got caught up in an enforcement action or audit proceeding and thus had to "fess up" and seek retroactive approval of its illegal activities. I point this out to illustrate my point that the "after the fact" county approval of structures or impermissible activities, is a bankrupt and horrid policy. Instead of encouraging compliance *ab initio*, it fosters the view that "I will build beyond my use permit, and if caught (low percentage generally) I will merely seek retroactive approval." We saw that mind set play out in the Caves hearing. One can only speculate as to how many other scofflaws are out there doing the Caves/Reverie *mea culpa* shuffle with a wink, a smile a bag full of money earned through conditional use permit violations. Let's stop this unlawful activity by not falling prey to the "It's easier to ask for forgiveness than permission" business model that may be prevalent in the Valley. And let's not cobble public policy from anecdotal testimonials from neighbors about what a "great person and neighbor" the violator is. This is poor foundation for effective public policy when it comes to enforcement of use permit conditions that are enacted for the public health and welfare of all the citizens of the county.

Unlike the Caves matter where the staff provided the PC a palette of choices from which to craft a cogent and enforceable decision, here I find it extraordinary that you are recommending the very thing that was decided opposite in the Caves. Does not this smack of selective enforcement? Would not the County be found vulnerable to an attack about selective enforcement? How can the Caves be required to stop its operations for 1 year, and yet in Reverie you are recommending retroactive approval (or as you euphemistically call it "recognition") of activities that, but for the sharp eyed audit of this entity, would have gone unnoticed. The County has to tack a consistent course in similarly situated breaches. I see very little difference between what

occurred in the Caves and the breaches that your report seeks to retroactively launder in Reverie. It makes no sense and it is bad public policy. The citizens of this county must know the rules of the game and draw comfort from the fact that such rules will be enforced firmly and appropriately against all who violate them without selectively putting the county's heavy thumb on the scale of justice.

Please reconsider your recommendations and enforce the use permit conditions aggressively and effectively. Doing otherwise would cause the citizens of this county to lose (if not already lost) faith in its policy making processes and those who govern them. And when that faith is lost it is hard to rebuild and recapture.

In sum, I want to remind you of a few equitable principles in the California Civil Code. They go something like "No one can profit from his own wrong" and "Those who seek equity must come to [the county] with clean hands" Civil Code Section 3517 and *Kendall-Jackson Winery Ltd. V. Superior Court* (1999) 76 Cal.App. 4th, 970, 978. I am certain that the pending sale of this property to the far east investors which own the adjacent property is conditioned on whitewashing all the use permit violations that exist on this property. I am equally certain that the price has been enhanced with an "as built" compliant property than without. The value of the property through the proffered retroactive approval of these violations will undoubtedly be enhanced. Should not the citizens of this county be able to capture some of this "newly created value" as a stiff sanction to be directed to enhanced code enforcement? And shouldn't the citizens of this county, in the public interest, be compensated for the long term breaches of the use permit conditions? After all how else will you get the scofflaws of this county, of which I am certain there are many, to comply with their conditional use permit? Enhanced enforcement and taking the profit incentive out of the violative behavior will go a long way to returning to conditional use permit compliance and level the playing field for CEQA review and other regulatory oversight. The letter from the Law Firm of Abbott & Kindermann, LLP dated April 29, 2015 and addressed to the Board of Supervisors and the Planning Commission, succinctly stated the confounding problem of retroactive whitewashing of use permit violations: *"In short, the County's failure to enforce its code, allowing ongoing violations and issuing after-the fact [sic] permits, encourages more violations. ...[T]his process is having the practical effect of allowing these winery owners/operators to skirt CEQA compliance. They do so by claiming that a new and elevated 'baseline'—created by the code violations that have been allowed to continue for years at a time—must be considered for purposes of the CEQA analysis of the after-the-fact permit."*

Allow me to make a modest proposal which I heard recently reverberating around the county halls. Why not simply require all persons found to have violated their conditional use permits in a material way, to revert the property, where practicable, to a state which would comply with historically approved conditional use permit. Such in terrorism ordinance or sanction would certainly focus the citizens' attention to their contractual obligations under their use permits. Such proposal provides clarity, is swift in its application, and encourages compliance, unless, of course, the BoS, in its infinite wisdom botches it by its other promiscuities in granting variance permits. On that, more later.

Finally, I have read with great interest the learned and substantive letter addressed to you by Mr. George Caloyannidis dated May 18, 2015, the contents of which I adopt herein as though fully set forth in this email to you. In addition, I would like to have the above referenced and previously submitted Abbott & Kindermann, LLP letter dated April 29, 2015 and part of the Caves administrative record noticed by the PC under Evidence Code Section 452 et seq. as though fully set forth in this hearing.

With warmest regards,

Yeoryios C. Apallas
Lawyer and Counselor at Law
(Senior Assistant Attorney General (Ret.))
APALLAS LAW GROUP
4054 SILVERADO TRAIL
NAPA, CA 94558-1119
(707) 224-1886
CELL: (707) 320-3806
YCA@APALLASLAWGROUP.COM

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Gallina, Charlene

From: Frank Cafferata <frank.cafferata@gmail.com>
Sent: Wednesday, June 03, 2015 8:29 AM
To: Gallina, Charlene
Subject: Revere permit change

Planning Commission Mtg.

JUN 03 2015

Agenda Item #

9B

We support Norm Kiken's application for a permit change and are against the County's intrusive regulations on small business.

Frank and Janie Cafferata
Calistoga, Ca

Gallina, Charlene

From: McDowell, John
Sent: Wednesday, June 03, 2015 8:17 AM
To: Frost, Melissa; Gallina, Charlene
Subject: FW: Reverie Winery expansion

Planning Commission Mtg.

JUN 03 2015

Agenda Item # 9B

-----Original Message-----

From: tartanredmgb@gmail.com [mailto:tartanredmgb@gmail.com]
Sent: Wednesday, June 03, 2015 8:16 AM
To: McDowell, John
Subject: Reverie Winery expansion

To: John McDowell:

I live at 4281 Scott Way, which is in the neighborhood of this winery.

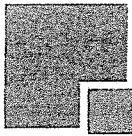
I wish to state that such an expansion of it is not in the interests of the public nor the environment. Diamond Mountain Road and nearby roads are not adequate now, and traffic is already excessive. Ground water is in short supply in this area. I have had wells go dry, and so have three of my neighbors.

Please include me, and my wife as opponents of this project.

Don and Anne Scott

942 0546

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April 29, 2015

SENT BY ELECTRONIC MAIL

Chair Diane Dillon and Members of the Board
of Supervisors
c/o Gladys Coil
Napa County Administration Building
1195 Third Street, Suite 310
Napa, CA 94559
gladys.coil@countyofnapa.org

Chair Heather Phillips and Members of the
Planning Commission
c/o Melissa Frost
Napa County Planning Department
1195 Third Street, Suite 210
Napa, CA 94559
melissa.frost@countyofnapa.org

Re: Napa County Code Enforcement/Compliance

Dear Chairs Dillon and Phillips and Members of the Board of Supervisors and Planning
Commission:

Abbott & Kindermann, LLP represents Beckstoffer Vineyards in various land use matters. For the reasons discussed in this letter, Beckstoffer urges the County cease processing after-the-fact permits to bring illegally constructed structures and/or illegally converted winery tasting rooms and event structures into compliance, and further to prohibit the illegal increase in marketing activities, events and employees. Wineries that are out of compliance with their use permits or that are operating without any permits should not be rewarded for such behavior to the detriment of those who do comply. The County's continued willingness to issue after-the-fact permits has spawned excessive noncompliance by various wineries big and small throughout the County. Instead of routinely issuing after-the-fact permits, it is time for the County to commence strict enforcement of existing permits. If, after enforcement citations have been issued, a winery continues to flagrantly violate its existing permit, the County should commence the revocation process.

Background Facts

On August 6, 2014, the Napa Valley Register reported that almost half of the wineries randomly audited in 2013 were out of compliance with their use permits. Of the 20 of the wineries audited, eight were out of compliance. That's 40 percent of wineries that were out of compliance. The specific violations noted in the audit included a winery with a cap of 400 weekly visitors hosting 1,400 people in a week. Assuming this only occurred one week out of the year, this might not be deemed an egregious violation, but what if it was happening *every* week? What impact was this having on the neighbors and local roadways? Perhaps an increase of 1,000

people each week at this anonymous winery might not be so impactful alone, but what if there is another winery down the road doing the exact same thing or worse – say holding multiple marketing events at the same time in violation of its permit? (Notably, there were two wineries prohibited from holding marketing events that each held seven and eight marketing events.) Would these violations be cumulatively significant and/or cumulatively considerable? Presumably, the limitations on winery permits are included for a reason: to prevent excessive noise, traffic, and other impacts on the environment, including neighbors and neighborhoods.

Amazingly, if this percentage of non-compliance were extrapolated to the total number of wineries operating in the Valley (approximately 400 wineries), the County would have to presume that upwards of 160 wineries are currently operating out of compliance either by having more events, more visitors, and/or producing more wine than their permits allow.

At the Board of Supervisors and Planning Commission joint workshop held on March 10, 2015, the development of new wineries in Napa County was discussed. The issue of ongoing code violations at existing wineries was also mentioned at this meeting. The Napa Valley Grapegrowers, the Winegrowers of Napa County and the Napa Valley Vintners encouraged the County to enforce its existing regulations and to follow through on its General Plan policies. These groups issued a joint statement, which reads in pertinent part as follows:

“Strict oversight of existing procedures, paired with fewer creative solutions to non-conforming parcels, will go a long way toward diminishing community and industry concerns.”

Beckstoffer Vineyards whole-heartedly embraces this proposed approach. Far too often, the County is apt to allow permit and code violations to continue (sometimes for years) without any serious attempt to bring violators into compliance. Even when the County does issue code enforcement citations, it directs the violators to submit a planning application to amend the existing entitlements (typically a conditional use permit), whereby the violator seeks forgiveness as opposed to having gone through the proper entitlement process to expand its use *before* effectuating the expanded use. The concern is that allowing code violators to come into compliance after perfecting their egregious violations (e.g., exceeding production capacity, erecting structures and/or converting office spaces into tasting rooms without obtaining a building permit, etc.) creates an unfair playing field and penalizes those who comply with the law. In short, the County’s failure to enforce its code, allowing ongoing violations and issuing after-the fact permits, encourages more violations. As discussed in detail below, this process is having the practical effect of allowing these winery owners/operators to skirt CEQA compliance. They do so by claiming that a new and elevated “baseline” - created by the code violations that have been allowed to continue for years at a time – must be considered for purposes of the CEQA analysis of the after-the-fact permit.

Circumventing CEQA

Any time a non-exempt discretionary project is proposed to an agency, that agency must determine if the project may have a significant effect on the environment. To do this, agencies typically prepare an initial study which considers all phases of project planning, implementation, and operation. An initial study includes a description of the project and an identification of the environmental setting and potential or actual environmental impacts.

The term “environmental setting” is not defined by CEQA; however, CEQA Guidelines section 15360 defines “environment” as follows:

[T]he physical conditions which exist within the area which will be affected by a proposed project including land, air, water, minerals, flora, fauna, ambient noise, and objects of historical or aesthetic significance. The area involved shall be the area in which significant effects would occur either directly or indirectly as a result of the project. The “environment” includes both natural and man-made conditions.

Section 15125 of the Guidelines discusses the content of an environmental setting section of an EIR, and has been interpreted to apply to negative and mitigated negative declarations as well. Subsection (a) of section 15125 provides that the description of the physical environmental conditions in the vicinity of the project (including the project site), should reflect the state of the environment as it exists at the time environmental analysis is commenced. It further states that the description of the environmental setting *normally* constitutes the baseline physical conditions by which a lead agency determines whether an impact is significant. (Cal. Code Regs. Tit.14, § 15126, subd. (a).)

When the County waits or refuses to timely enforce code violations and then grants violators after-the-fact permits, it not only encourages (rather than discourages) noncompliance, but it can affect the legitimacy of the environmental review conducted for a project because the CEQA baseline can be altered. Regardless of whether this outcome is intended, it is the same – the purpose of CEQA is undermined and circumvented, and many “impacts” go unstudied and unmitigated. Worse yet, the County’s continuous issuance of after-the-fact permits undercuts the cumulative impacts analysis in the County’s General Plan such that the cumulative impacts analysis can no longer be relied upon, and instead, a new cumulative impacts analysis must be conducted for each and every discretionary project review.

By way of example, imagine a winery’s conditional use permit allows for 25 events per year, a maximum of 250 visitors per day, and 25 full time employees. Imagine also that the winery decides it would like to increase its marketing capabilities and revenues and simply starts accepting 400 visitors per day, holding 50 to 100 events per year and increases its number of employees to 75 people. Such arbitrary increases would double the number of events and people

travelling to and from the winery, many times during peak traffic hours. And, depending on the type of events being held, the increase in activity could be having noise, traffic, and other impacts on the environment. Yet, the County might be wholly unaware of this until one or more neighbors (or a competitor winery) complained, or the winery was part of a random audit. Presumably, upon learning of the permit violations, County Code Enforcement would issue a citation and/or the Planning Department would issue a cease and desist order for failure to comply with the permit issued. Instead, what appears to be happening is that a Code Enforcement citation is issued and then the winery is directed to file an application for an after-the-fact permit increasing the limits on events, visitors, and employees to allow the expanded uses. Ironically, the permit application identifies the "existing" expanded use, effectively increasing the baseline of the environmental impacts analysis, and understating the true impacts of the project. In short, unless the County starts considering the after-the-fact applications according to the pre-violation baseline, the County should issue cease and desist orders, requiring violators to stop the activities in excess of their permit allowances and restricting them from applying for their proposed increased operations until at least one year after they have come into compliance.

The County Can And Must Enforce Its Code

Citizens are becoming more vocal in their opposition to the County's practice of issuing after-the-fact permits. They are confused as to why the County hasn't done more to address this spiraling problem. The County often defends its consideration of these after-the fact permit approvals on the grounds that Due Process must be observed. The County is correct that it must comply with its ordinances, state statutes, and the state and federal constitutions. However, while County staff must comply with required processes, the County's appointed and elected officials are not required to bend to the whimsies of wineries under the fabricated threat of the County's economic ruin should it choose to start making wineries comply. In fact, Chapter 18.144 of the Napa County Code provides the appointed and elected officials with all the ammunition they need to direct their staff and legal counsel to enforce the entitlements issued by the County.

Under Chapter 18.144, the County can revoke permits for non-compliance. To be clear, we are not suggesting revocation would be appropriate for wineries that bring their facilities into compliance within a reasonable time frame (i.e., cease hosting unauthorized marketing events, allowing visitation in excess of permit limits, etc.). However, revoking permits for wineries where the violations are chronic and flagrant is exactly what – and all – the County needs to start doing to send a message to the community and wineries that such violations will not be tolerated and non-compliance will not be rewarded. Importantly, the County does not require additional funds to effectuate this outcome. The County would likely need to only revoke one or two high-profile winery permits to send a message to others that no winery is above the law – no one winery owner is so powerful it can manipulate the law.

change
mind
set

Chairs Dillon and Phillip, and Members of the Board of Supervisors and Planning Commission
Re: Code Compliance Issues
April 29, 2015
Page 5

Conclusion

The County's after-the-fact permitting process encourages non-compliance and unfairly penalizes those who do comply with the permitting process. After-the-fact permitting must stop. Beckstoffer respectfully requests that the County cease processing all after-the-fact permit applications where there have been significant exceedances of marketing events, wine production, and visitation, and order those permits revoked should the wineries fail to come into compliance with their permits. It further requests that you require all wineries that have converted structures to marketing venues without the requisite permits to restore such structures to their original condition or revoke the wineries' permits for non-compliance. The County's continued consideration and approval of after-the-fact permits where egregious non-compliance has occurred is unacceptable and Beckstoffer will exercise the necessary remedies to ensure that such after-the-fact permits are challenged.

Very truly yours,



Katherine J. Hart

cc: David Morrison
John McDowell

Gallina, Charlene

From: Kathy Noel <kathynoel02@gmail.com>
Sent: Tuesday, June 02, 2015 5:21 PM
To: Gallina, Charlene
Subject: Reverie Winery

Planning Commission Mtg.

JUN 03 2015

Agenda Item # 9B

Charlene Galina, Supervising Planner
Napa County Planning, Building and Environmental Services
1195 Third Street, Suite 210
Napa, CA 94559

Dear Ms. Galina,

My name is Kathy Noel and I am employed by Solage Calistoga as a Concierge. I am writing this email on behalf of Reverie Winery, in Calistoga. Our resort sends many of our discriminating guests to Reverie Winery, and I am in full support of the permit process that the winery is requesting. This business is such a great and unique resource for the Calistoga/ North Napa County area. I believe that granting the requested updates would have a positive impact on business in our area.

Please contact me should you have questions or concerns on this matter. I can be reached directly at 707.226.0876 or via email: knoel@solagehotels.com.

Thank you for your time and attention to this.

Kathy Noel

Charlene.gallina@countyofnapa.org

Dear Sirs or Ms. Gallina

We understand the County is dealing with the complex issue of sustaining and protecting our agricultural heritage, in the face of dramatic changes in the nature of wine distribution and sales. The matter has become more critical as we begin to suffer from our own success in attracting guests to our world class wine destination.

The matter is further complicated in that, no one regulatory interpretation or fix will suffice. It requires a case- by-case assessment to determine if a winery can be economically viable, while providing an authentic educational and wine tasting experiences and while limiting commercialization and protecting our agricultural culture.

My wife and I understand the challenge in depth and believe we can speak to the issues with credibility and experience in this matter.

We are 20 year residents of the Napa County and have been vineyard owners and own and operate two hospitality related companies based in the County, Designated Drivers, and Behind the Scenes, a boutique Destination management Company. We also have known Norm Kiken, the owner of Reverie Winery and his family since coming to the Napa Valley.

Reverie Winery is a valuable resource and its continued economic viability is dependent upon achieving a balance between the economic necessities of direct to consumer sales with sustainable agriculture.

Norm Kiken has been an excellent steward of the land. Reverie is a shining example of a wineries ability to balance the challenges of the economic viability of a small family estate winery with the needs of the community at large.

We strongly urge the Commission to approve Reverie's requests for the change in its operating permit.

Very Truly,

**Daniel Marks
Ona Marks
2587 Wine Country Ave
Napa, CA 94558
707-483-3444**

RECEIVED

JUN 2 2015

Napa County Planning, Building
& Environmental Services

Gallina, Charlene

From: dan marks <marksdan@yahoo.com>
Sent: Tuesday, June 02, 2015 12:53 PM
To: Gallina, Charlene
Subject: Reverie Winery
Attachments: dans letter.docx

Attached please find our letter of support for Reverie Winery

Gallina, Charlene

From: Matt Chanoff <mattchanoff@gmail.com>
Sent: Tuesday, June 02, 2015 3:17 PM
To: Gallina, Charlene
Subject: Reverie Winery request for permit changes

Planning Commission Mtg.

JUN 03 2015

Agenda Item # 9B

Dear Ms. Gallina,

I live at 1440 Diamond Mountain Road, and am writing to support the request by Reverie Winery to modify permits, which goes before your committee tomorrow. These seem like perfectly reasonable property improvements to me.

Please feel free to contact me.

Sincerely,

Matthew Chanoff
415 722-0149

Gallina, Charlene

From: Joan Teachworth <joan@nvcab.com>
Sent: Tuesday, June 02, 2015 1:28 PM
To: Gallina, Charlene
Subject: Kiken Permit

Dear Charlene,

I live on Diamond Mountain. I have known Norm Kiken and Reverie for over 20 years. Norm Kiken and Reverie have been an asset to the Napa Valley, Calistoga and Diamond Mountain. I strongly support approval of Reverie's winery permit modification.

Joan Teachworth

4451 St Helena hwy Calistoga,, CA 94515

707-363-6767



Calistoga Chamber
of Commerce

RECEIVED

JUN 1 2015

Napa County Planning, Building
& Environmental Services

May 22, 2015

Napa County Planning Commission

c/o John McDowell
Deputy Planning Director
1195 Third Street, Suite 210
Napa, CA 94559

Dear Honorable Members of the Napa County Planning Commission:

The Calistoga Chamber of Commerce would like to voice our support for Reverie Winery and urge you to approve their Use Permit Modification at your June 3rd hearing.

Reverie Winery has been a great business and member of the Calistoga community for many years. As guests from around the world come to visit and seek our guidance on where to go; we enjoy sending them to Reverie to enjoy the wonderful outdoor experience they provide in their unique and dramatic natural setting.

As the Chamber, it's important that our member businesses are a reflection of the service and character we promote as being part of the Calistoga brand in the Napa Valley. Reverie is a fine example of a strong local business and we encourage you to lend your support to their application.

Sincerely,

Chris Canning
Executive Director
The Calistoga Chamber of Commerce

Gallina, Charlene

From: Aaron Harkin <aaronharkin@gmail.com>
Sent: Monday, June 01, 2015 4:59 PM
To: Gallina, Charlene
Subject: Reverie Support letter
Attachments: Reverie Winery Support Letter 05-22-2015.pdf

Charlene-

Please see the attached.

Thank you for your efforts!

Best,
Aaron

Gallina, Charlene

RECEIVED

From: Gregory Haas <gregory.haas@aubergeresorts.com>
Sent: Monday, June 01, 2015 4:59 PM
To: Gallina, Charlene; normkiken@gmail.com
Subject: Reverie Winery

JUN 1 2015

Napa County Planning, Building
& Environmental Services

Good afternoon Ms.Gallina, I am writing to express my support of Reverie Winery and their request to increase their production and visitation.

I have worked very closely with Reverie over the past ten years and Reverie has always been a favorite visit for our guests. Reverie is one of the very best wineries for hospitality and is outstanding at educating our guests in the importance of protecting the culture of the Napa Valley.

Reverie and the Kiken Family have always been a huge support to the community of Calistoga. Reverie is not only a great support to the community of Calistoga but to the larger community of the Napa Valley. Reverie's dedication to the protection, preservation and stewardship of the Napa Valley is truly outstanding.

I strongly recommend allowing Reverie to increase their production and visitation.

Sincerely, Gregory Haas



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GREGORY HAAS
Guest Relations Coordinator

580 Lommel Rd, Calistoga, CA, 94515
P: 707.254.2808 F: 707.254.2888



aubergeresorts.com gregory.haas@aubergeresorts.com

Gallina, Charlene

From: lemos1518@netzero.net
Sent: Monday, June 01, 2015 1:14 PM
To: Gallina, Charlene
Subject: Reverie on Diamond Mountain Winery Use Permit Modification #P13-00027 and Ue Permit Exception to the Conservation Regulations (P15-00141)

For the Attention of County of Napa Planning Building and Environmental Services Department

Re: Project Title: Reverie on Diamond Mountain Use Permit Modification #P13-00027-MOD, Use Permit Exception for the Conservation Regulations #P15-00141, and an Exception to the Napa County Road and Street Standards (RSS)

* As a long time resident of Calistoga I am perplexed and bewildered as to why the County of Napa Planning Building and Environmental Services Department would consider authorizing the above permit modification, instead of fining and ordering a motion to cease and desist to Norman Klein for substantially exceeding and violating the preceding permit issued for winery based operations on this property without required County Approvals.

* The changes to the original permit are not minor, but involve substantial increases in the number and type of marketing events permitted at Reverie, and will result in major increases in terms of numbers of people visiting and working at the premises, with the concurrent impact on traffic in the vicinity. (84% increase in permitted wine production, and well over 100% increase in visitors, events and employees.)

* At this time of drought, as a valley floor resident, I strongly object to the building of a new well by Reverie. At a time when we are all being asked to conserve, because of the water crisis that California faces, how can anyone authorize the building of a new well, not for sustainability, but merely for profit and business growth. That hillside water is part of our valley aquifer and as such should be protected and not raped for profit. We need to ensure, that although our water table may seem 'adequate' for current uses, it remains that way, and is protected, because there is no replenishment in sight.

* I am also concerned as to whether the Napa County Planning Building and Environmental Services Department is looking as the 'whole' picture in terms of all the projects planned, or in permit process, for Calistoga and its nearby environs. There needs to be something left to protect!

Yours sincerely,

Josephine Richard
1518 Myrtle Street,
Calistoga, CA 94515

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June 1, 2015

Charlene Gallina, Supervising Planner
Napa County Planning, Building and
Environmental Services
1195 Third Street, Suite 210
Napa, CA 94559

RECEIVED

JUN 1 2015

Napa County Planning, Building
& Environmental Services

RE: Norman Kiken and Reverie Winery Use Permit Application


Dear Charlene,

My wife, Maureen, and I reside at 1395 Diamond Mountain Road and have done so since 1998. We have known Norm Kiken and the Reverie wine crew since that time and they have always been considerate neighbors. In addition, Norm and Reverie Winery have, over the years, been extremely generous to our local Calistoga community. They have always supported the many fundraising events that both Maureen and I have been personally involved with.

We whole-heartedly support Norm, and Reverie's right to update their winery permit bringing it into compliance with current standards.

Please feel free to contact me if you have any questions.

Sincerely,



Hal Taylor
1395 Diamond Mountain Road
Calistoga, CA 94515
707-799-4187 cell

Gallina, Charlene

From: Hal Taylor <hal@haltaylorarchitects.com>
Sent: Monday, June 01, 2015 11:42 AM
To: Gallina, Charlene
Cc: Norman Kiken
Subject: Reverie Winery use permit application
Attachments: Reverie Permit ltr 2015.pdf

Charlene,

Please find attached a letter of support for Norm and Reverie winery.

Thanks

Hal Taylor
Build It Green C.G.B.P.
Taylor Architects
P.O. Box 384
Calistoga, CA 94515
Fax: 707-942-1372
Cell: 707-799-4187



RECEIVED

JUN 1 2015

Napa County Planning, Building
& Environmental Services

June 1, 2015

Napa County Planning Commission
c/o John McDowell
Deputy Planning Director
1195 Third Street, Suite 210
Napa, CA 94559

Dear Honorable Members of the Napa County Planning Commission:

This letter is to voice our support for approving the Reverie Winery Use Permit Modification.

As a directly adjacent property owner, we have witnessed the great care and pride in which the Reverie business has conducted its self over the years. They have been thoughtful and attentive neighbors that have been very attentive to any and all concerns.

Their beautiful property is a fine example of being great stewards of the land and protecting the environment. In addition, they are a fine example of a model small winery business that represents the Diamond Mountain District.

Your consideration in a vote of support is appreciated.

Sincerely yours

A handwritten signature in black ink, appearing to read "K. D. Heininger", written in a cursive style.

Karl Daniel Heininger
President

Gallina, Charlene

From: Scott Greenwood-Meinert <scottgm@dpf-law.com>
Sent: Monday, June 01, 2015 8:35 AM
To: Matt Pope; Heather Phillips; napacommissioner@yahoo.com; Anne Cottrell; tkscottco@aol.com
Cc: Gallina, Charlene; McDowell, John
Subject: Letter of Support For Reverie
Attachments: Calistoga Hills - Napa County Planning Commission.pdf

Dear Commissioners and Staff, please see the attached letter of support for Reverie and its use permit modification application which we submit for the record. Thank you.

SCOTT GREENWOOD-MEINERT
707.252.7122 | SCOTTGM@DPF-LAW.COM

LONNIE'S WINE TOURS & TRANSPORTATION
TOURS WITH A LOCAL
2471 SOLANO AVENUE SUITE 221, NAPA, CA 94558
PHONE: (707) 478-3036
Email: info@lonnieswinetours.com
TCP 27492 P

RECEIVED

JUN 1 2015

Napa County Planning, Building
& Environmental Services

May 30th, 2015

Dear Charlene Gallina,
Supervising Planner
Napa County Planning, Building and Environmental Services
1195 Third Street, Suite 210
Napa, CA 94559

RE: Letter of support for Reverie Winery

I Lonnie Smith, the owner of Lonnie's Wine Tours and Transportation, have been bringing visitors to Reverie Winery since 2001. Every person I have ever brought there, has always enjoyed their experience at Reverie Winery.

It would be a great loss to the Community and Napa Valley, if Reverie was not granted the planning permit. Of all the wineries I take visitors to in Napa Valley, Norm Kiken has always kept the same employees working for him. It would be sad to see them lose their jobs.

Sincerely,

Lonnie Smith
Owner/Operator

Gallina, Charlene

From: Lonnie Smith <lonniejsmith@gmail.com>
Sent: Monday, June 01, 2015 11:10 AM
To: Gallina, Charlene
Subject: Letter of support for Reverie Winery
Attachments: Letter of support for Reverie.pdf

Hi Charlene,

This is a support letter for Reverie Winery.

Sincerely,

Lonnie Smith
Owner/Operator
Lonnie's Wine Tours and Transportation
Cell: (707) 478-3036
lonniejsmith@gmail.com
www.lonnieswinetours.com
Visit and like us on Facebook: www.facebook.com/lonnieswinetoursandtransportation

Gallina, Charlene

From: Lonnie Smith <lonniejsmith@gmail.com>
Sent: Saturday, May 30, 2015 9:06 PM
To: Gallina, Charlene
Subject: Letter of support for Reverie Winery
Attachments: Letter of support for Reverie.pdf

Hi Charlene,

This is a support letter for Reverie Winery.

Sincerely,

Lonnie Smith

Owner/Operator

Lonnie's Wine Tours and Transportation

Cell: (707) 478-3036

lonniejsmith@gmail.com

www.lonnieswinetours.com

Visit and like us on Facebook: www.facebook.com/lonnieswinetoursandtransportation

