

Hillary

February 2, 2010

Hillary Gitelman, Director
Napa County Conservation, Development & Planning Department
1195 Third Street, Second Floor
Napa, CA 94559

RECEIVED

FEB 04 2010

NAPA CO. CONSERVATION
DEVELOPMENT & PLANNING DEPT.

Re: Winery Definition Ordinance, Safety Concerns re: Addition of More Special Events

Dear Hillary,

Thank you so much for seeking direction from the Board of Supervisors and providing an open meeting where those of us from the general public who are not members of the various interest groups were able to hear the issues related to WDO changes.

Perhaps it is early in the stage to expect an all-inclusive review, however I did hear at least two speakers mention that enforcement of Use Permits is difficult on the one hand. and that there are violators on the other hand who already provide "food and wine" pairings without permit (I saw Tudal Winery with a sign out "Special restaurant tonight, drive in, no reservation needed" sign on Big Tree Road one Friday evening), and "weddings" without permits to do so.

However, safety matters were not addressed, and were a concern that came to mind after today's meeting. Most of the wineries in the county are north of Yountville, in a area that is vast for our Sheriff's Department to patrol -- as I recall, there are two patrol cars that are augmented by at least one State Police car on the Highway and one on Silverado Trail. Any time there is an accident, nearly all four vehicles are required to respond just to deal with traffic and preliminary investigations.

For those of us in the County who have had to call the Sheriff to respond to an emergency, "it will be 45 minutes before we can get there as we are just now finishing up from an accident in Pope Valley." They can, in the case of a "breaking and entering" burglary in process call for assistance from St. Helena and Calistoga Police, and I believe this is also available from the Yountville area, but I can assure you one is lucky if assistance can arrive, particularly during crew change.

However, what happens when wineries have weddings? Lots of people unfamiliar with the country roads think they "get it" when they drive to the event, but after a few drinks, "forget it" and can't find their way home, sometimes with dire consequences. In Napa, for weddings within the city limits, there is a cab to offer alternative driving assistance, but no such services in the countryside. In Napa, large hotels have recently opened and others are planned, offering sizeable and significant special events rooms.

Who attends weddings? About 4 to 1, the average guest is age 28 or younger, friends of the bride and groom, and peer cousins. Lots of less experienced drivers who have one drink too many invite tragedies of grand proportions, more litigation against the county because of "roads," and many more burdens on our Sheriff's Department and State Police, one would presume. Already our Sheriff's Department has volunteered for the third year in a row to freeze pay at the current level, and yet decisions by the Board could force yet more work on an over-taxed force. Our services are based on the number of "residents" in the county, and appear to be stressed because of the number of "non-residents" enjoying its beauty.

Is there a process by which the Sheriff's Department can be asked to weigh in on adequacy of staff to patrol increased activities at wineries,, and also deal with response to "noise issues" that often come hand in hand with such events (loud music after 10:00 p.m. as guests dance under the stars at a wedding reception).

I am not an authority on matters such as this, however cities are much better equipped, I believe, to deal with the type of nuisance that is often caused by a wedding party. And a lot of times the guests can walk back to their hotel room if they are in any downtown area, or meander to same within Carneros Inn and Meritage. They can't do this from any of the more remote winery locations.

1 of 4

As much as we don't like to stereotype "those under 30," I believe figures of those most prone to drinking while driving are available from law enforcement, as well as accident histories that relate to our county roads, as often the county becomes the "deep pockets" in most serious injury and fatality cases (such as "Napa County does not maintain safe roads and failed to mark a hazard that was obvious"). Simply put, this age group is much less experienced in driving and more prone to distraction, whether drinking or not.

Can or should the Sheriff's Department be asked to comment, and perhaps provide guidance and weigh in on the ideas before the Board of Supervisors related to changes in activities at wineries (changes to the WDO)? Does the Sheriff's Department have accidents "mapped" so that these can be compared to another map showing the location of all of the county's wineries?

I realize the Board has given its guidance today, and I may be too late. However, until today I had no forum to get acquainted with the issues. If no further input can be solicited, just consider this an idea that was submitted too late for consideration.

No reply is requested.

Thank you once again, Hillary, for you time, courtesy, and consideration.

Sincerely,



Lois Ann Battuello
1634 Main Street
St. Helena, CA 94574

Loisbatt@comcast.net

Lois Battuello

From: "Lois Battuello" <loisbatt@comcast.net>
To: "lois Battuello" <loisbatt@comcast.net>
Sent: Wednesday, February 03, 2010 5:28 AM
Subject: stuff does happen

Date: December 11, 2009 9:13:05 AM PST
Subject: winery liability

pressdemocrat.com

Santa Rosa winery to pay \$3 million to teen injured in DUI

By PAUL PAYNE
THE PRESS DEMOCRAT

Published: Thursday, December 10, 2009 at 5:47 p.m.
Last Modified: Thursday, December 10, 2009 at 5:47 p.m.

A Santa Rosa winery has agreed to pay \$3 million to settle a lawsuit brought by a Sebastopol man who was permanently disabled in an alcohol-related car crash in 2006.

Paradise Ridge Winery was sued by Analy High graduate Joshua Apodaca, the passenger in a car driven by a 19-year-old classmate, Sean Bradley, who allegedly was served beer at a wedding reception hosted by the winery.

A crash early the next morning left Apodaca with a serious brain injury and his family sought damages from Paradise Ridge, Bradley and the owners of a Sebastopol 7-Eleven store where Bradley bought additional alcohol.

Under the terms of a settlement approved in Superior Court, the winery will pay \$3 million, 7-Eleven will pay \$500,000 and Bradley will pay about \$105,000. The money is intended to cover the cost of life-time care for Apodaca, buy him a house equipped for the disabled and pay more than \$1.1 million in attorney fees.

Apodaca's lawyer, Patrick Emery, would not comment on the specifics of the case but said the service of alcohol to minors is an important issue given the number of weddings in Sonoma County.

Walter Byck, president and founder of the Fountaingrove-area winery, could not immediately be reached for comment. He previously denied any wrongdoing and

said winery employees were instructed to check identification.

The Bradleys lawyer, Phillip Kelly, also did not return a call.

The suit stemmed from the events of July 14, 2006 when Apodaca and Bradley attended a wedding at the winery.

In court documents, Bradley said he was served six to eight beers by the winery despite telling an employee he left his identification in his car.

When the reception ended, Bradley and Apodaca got a ride to Bradley's parents' home in Sebastopol. There, they drove off together in a Subaru sedan, stopping at a 7-Eleven on Pleasant Hill Avenue North, where Bradley allegedly bought two bottles of Mike's Hard Lemonade.

The crash occurred early the next morning, a few blocks from Bradley's house.

Authorities said the car was speeding when it plowed into trees and a redwood fence. Both men had to be cut from the wreckage.

Tests taken at a hospital revealed Bradley had a blood-alcohol level of .14 percent, almost twice the legal limit. He was convicted of driving under the influence and causing bodily injury and sentenced to nine months in jail and three years' formal probation.

Apodaca, now 23, suffered brain and orthopedic injuries, according to court documents. His mother, Darlene Lindstrom, and grandfather, Jack Lindstrom, were named by the court as conservators of his estate because of his disabilities.

They first sued Bradley and his parents for damages related to the crash. Paradise Ridge and the 7-Eleven were added later as defendants.

Apodaca's award will buy an annuity yielding monthly payments. Over the course of his lifetime, it is expected to pay out \$4.9 million.

Fireman's Fund Insurance Company and Mitsui Sumitomo Insurance Group will pay damages for the winery. The Bradleys were covered for \$100,000 by an automobile insurance policy and the 7-Eleven owners will be covered under a corporate indemnity policy.

California law states that bars, wineries and other licensed alcohol purveyors are not responsible for what intoxicated patrons do once they walk out the door. Apodaca's lawsuit was based on the exception to this rule, which is a prohibition on serving alcohol to obviously intoxicated minors.

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From: Jill Sandy [mailto:jill@collectivetalents.com]
Sent: Friday, February 12, 2010 4:54 PM
To: Gitelman, Hillary
Cc: David Aten; Andrew Healy; Jenne Hohn
Subject: Re: WDO hearing at the Planning Commission

COPC
MEETING

FEB 17 2010

AGENDA ITEM
NO. 10A

Hi Hillary,

Thank you so much for sending, and for the request of feedback. It's nice to finally see something in writing! Attached please find my comments, organized in the most straightforward way I could put them together, but not necessarily the most formal. Our "group" is in agreement with this, but I would rather just let it stand as my honest input, rather than scripted positioning. I do have respect for the process, however, so please let me know if it in fact needs to be formally addressed or cc'd, etc.

I will plan on being at the planning commission meeting (assuming that is open to the public), and if there is anything else we can be of assistance with – I am all in favor of contributing what I can.

Good luck with the rest of the prep!

jill

On 2/10/10 4:52 PM, "Gitelman, Hillary" <Hillary.Gitelman@countyofnapa.org> wrote:

David

We have been scrambling to prepare for next Wednesday's planning commission discussion of the WDO and are preparing to transmit our staff report to the Commissioners and post it to the website (probably tonight or tomorrow). I've attached an advance copy of the substantive materials, so you can take a look and let me know what you think.

As you will see, we've divided the universe of potential WDO changes into four bite size pieces in the hopes that it will force the Commission and the Board to be more specific about their direction to staff, and that short term changes won't be held up by longer term things.

This is still a work in progress which I expect to change based on your input and the input of others before the Board meeting on March 2, so please view it as such and pass it on. The Planning Commission's discussion will probably start shortly after 9AM on Wednesday, February 17.

Thanks,

Hillary

Comments on WDO Proposals

2.12.10

Hillary and Teem,

Thank you for taking the time and putting in the effort to separate the different proposal adoptions, clarifying the actual subjects at hand, and outlining procedures in order to move forward with decisions. You and the rest of your staff are an obvious asset to the board, entire county, and are personally very reassuring. The following are comments only, based on my best understanding of the information provided, and plain common sense. Despite my somewhat amateur grasp on the politically correct process to communicate them, I hope they can prove of some use.

Proposal 1: Consensus Clarifications to the WDO
(Proposed as a stand alone ordinance)

In full agreement with these proposed changes. Since there isn't clearer definition/clarification in the language of what exactly a marketing event is (or isn't), discretion is defaulted to the wineries themselves, allowing any such event (within use permit parameters) deemed by the winery to effectively market their product.

Proposal 2: Policy Interpretations of the WDO
(Proposed for adoption by Planning Commission resolution)

Don't think that this is relevant if proposal #1 is accepted, as these events will be subject to interpretation as above.

However, if proposal 1 is not adopted, then...

-Do not associate marketing events/visitation with production levels. Use permit parameters should be determined and set purely on infrastructure. By allowing wineries to determine the most effective methods to bring their wine to market, impact can be self-regulated. The more successful wineries are at selling their product, the less need they have for further marketing and visitation.

-Do not perform "spot" audits. They require significant investments of county time, energy, and monies. These resources could be better spent on focused efforts in addressing and resolving complaints, as well as clarifying/broadening existing solutions to wineries and other Napa County businesses (which would also foster goodwill efforts, rather than having the opposite effect the audits would create)

-TCOs-the sooner wineries can market, the sooner they can acquire revenue streams, and the less reliance they will develop on unsolicited visitation. If the zoning/building/etc. is approved for the building structure, then marketing events should be allowed ASAP, rather than be restricted during the TCO time.

Proposal 3:
Special Events Permit Process for Social & Cultural Events

Do not support, due to the necessary and significant ongoing investments in developing the permitting process, paper-pushing on both sides, and regulation/ enforcement. However, should you move along with it, comments are as follows:

-The lawful adherence to a use permit already requires that wineries fall within its set parameters. An insistence for upfront review of a marketing plan and event calendar is redundant, unnecessary regulation, and excessive interference.

-Could a winery submit a standard event cost breakdown for separate applications, (suggested) or would they have to be specifically tailored to each application? Could these applications be submitted "in theory", to better allow for advance planning?

-Sections F-L - shouldn't these be addressed within use permits already? Noise, arrival/departure times, etc.? Also, the application and fees have already been paid during the use permit application process, so again, entire SEP process is excessive, redundant, and wasteful.

Proposal 4: Tours & Tasting without Appointment

Jill Sandy
CONSULTING

2341 STONEHOUSE DRIVE NAPA, CALIFORNIA 94558 707.815.1511

2 of 4

2.12.10

(Proposed as a stand along ordinance)

Traffic issues really require \$200k in consultant fees? Based off of already existing use permit parameters? Wow, hope we have someone local, yet unbiased that can be hired.

Remarks on Philippakis Letter

Cultural & Social events are not accessories to Tours and Tastings, they are similar to Tours and Tastings, accessories to the winery. They serve the same purpose as tours and tastings, in exposing consumers to the brand and creating an opportunity to distinguish that brand through education and experience...ultimately resulting in wine sales, which is the main reason for winery operation, which is the main reason for our local agriculture.

They may not be customary in Napa County specifically, but due to the changing face/importance of direct marketing, now social and cultural events are becoming customary and beneficial to winery operation and sustenance, when not prohibited by government.

Who is the example of what is customary at a winery? If European wineries are the standard, why do we have a non-customary labeling system? If any other wine region is the standard, including our closest neighbor, why don't they have these restrictions imposed, and dictate how a winery can best market their wine? Historically, instances as far back as in the Bible reference "social and cultural" celebrations taking place in vineyards with winemakers as regular occurrences. I see no basis for how it is "not clear that cultural and social events are customarily a part of winery and agricultural operations". They have always been a part of winery operations, and now they are simply proving to be extremely effective as a direct to consumer mechanism...which is a bonus, not a deterrent for us to also "wish them to be".

Regardless, so what if it wasn't customary? We've adopted new technologies into generally accepted winemaking principles. How is a new method of taking a product to market not viewed with the same acceptance? Especially when the selling of that product is what allows agriculture to remain a viable business.

Webster defines marketing as "to expose for sale in market", "the act or process of selling or purchasing in a market", "An aggregate of functions involved in moving goods from the producer to consumer" so why is it "not acceptable that any event in which wine is sold is a marketing event"? At these events, wine is not only being sold, but it is being presented, tasted, paired with food, and experienced in a setting that develops appreciation for the brand, product, and ultimately region as a whole...therefore developing customers, increasing the market share, as well as the overall market size with the result of immediate and residual sales.

Concluding Statements

Whether or not the other proposals are adopted - but especially if they are - there is no logical reason that Proposal 1 cannot be adopted, and that the language used cannot be left open to interpretation by the winery owner, rather than baseless, assumed authority/interpretation by special interests.

Proposal 1 is the only item in which a decision can be made now that bears no infrastructural impact, requires no further investment of county time or money, (other than adopting the language change in the WDO, which I don't believe requires any further efforts other than a vote), and leaves employers the freedom to lawfully and efficiently operate (within their existing awarded permits) based on individual business models. This ultimately allows them to sell more premium wine so that we can sell more premium grapes - which is the reason that they are grown in the first place, and that we are blessed to be able to operate in the beautiful business of agriculture.

Thank you again for your stewardship of time and effort on this subject,

Jill

Jill Sandy Consulting
2341 Stonehouse Drive

Jill Sandy
CONSULTING

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Comments on WDO Proposals
2.12.10

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4 of 4

Cahill, Christopher

From: Tom Leonardini [tomsr@whitehalllane.com]

Sent: Tuesday, February 16, 2010 12:16 PM

To: Terry Scott

Subject: Re: Changes To The WDO To Be Discussed With Recommendations ToThe BOS...

RECEIVED
FEB 17 2010
NAPA CO. CONSERVATION
DEVELOPMENT & PLANNING DEPT.

Terry:

Thanks very much for your note. The tone of your message shows that you are genuinely interested in OBJECTIVE input.

Unfortunately, I am unavailable to attend this meeting. On a personal level, I recently loaned a substantial amount of money to a Rutherford winery to keep their doors open. Their business has been decimated with the recession, etc. The largest winery and/or vineyard financing entity in our area, American AgCredit, has advised about the bleak financial landscape in the Napa Valley wine industry. Wineries are, in fact, loosing a substantial amount of money and growers are faced with a real possibility of not being able to sell the grapes!!

My daughter Katie spoke at your meeting in November. Prior to her attendance, our staff met with Katie and we discussed the issues at length. We thought a reasonable COMPROMISE would be to let wineries amend their current use permit to include the word "WEDDINGS" as approved - permitted events. Nothing more than one word! The number of permitted monthly or annual events, the required closing time, the ban on amplified music, etc., etc., etc., nothing would change. Every winery's use permit would stay exactly the same with the exception of adding one word. NOTHING MORE THAN ONE WORD. I understood one proposal was to allow weddings for existing permitted wineries for a two year trial period. Thereafter, this issue could be revisited to determine the effect weddings had on our community. Seems too easy!!

At your November meeting, there was a long line of speakers waiting to give their input to your commission. My daughter Katie was one of the speakers in line. Mr. Beckstoffer came along, cut to the front of the line and spoke for 30+ minutes. He spoke so long, other speakers were either limited in time or not able to speak at all. This is not fair. To let a few high visibility citizens bully their way to inflicting their self interests in our business operations doesn't seem quite reasonable. Can you imagine people from all over the country coming to the Napa Valley for weddings? Attendees could be here for multiple days, staying in hotels and B&B's, patronizing restaurants, visiting wineries and shopping. For the wedding itself, what a shot in the arm for florists, photographers, printers, limousine companies, valet parkers, etc. I could go on and on - I'll stop here.

I hope this clearly states the feeling of a Napa Valley winery that would love to have additional guests.

Best wishes for a successful hearing.

Thomas Leonardini Sr.
Proprietor
Whitehall Lane Winery
(707) 963-9454 #11 Voice
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(415) 990-9454 Car
tomsr@whitehalllane.com

On 2/15/10 4:37 PM, "Tkscottco@aol.com" <Tkscottco@aol.com> wrote:

02/17/2010

Gentlemen,

This is to advise you that this Wednesday, February 17th, at 9:00 AM, the Napa County Planning Commission (PC) will be discussing staff proposals relating to possible changes to the WDO. A majority (three or more) of the Commissioners will recommend any changes to the Board of Supervisors (BOS).

This issue has been hotly debated by the NVVA, Grape Growers, Wine Growers and Farm Bureau trade associations. Frankly, the trade associations are NOT in concert with wether any changes and/or specifically what changes should be made. It seems to have become a political "hot potato" with much division within these organizations, especially the NVVA.

My sense is that the trade recommendations may favor the interests of a minority of "old guard" members at the expense of needed changes in the best interests of the majority of their members. Therefore, I'm asking that if you have strong feelings about the county making changes to the WDO to allow business and/or social events at wineries, with fewer restrictions, and open public tours and tastings for all wineries, you should plan to attend and express those feelings.

The PC will be making recommendations to the BOS regarding changes to the WDO. I would like to have your input in the public forum. This is a rare opportunity to level the playing field for all wineries and provide a potential economic stimulus to Napa wineries. At the very least, we could loosen some of the restrictions the County and WDO currently impose on post -WDO wineries.

Please join us, if you can, and voice your concerns and feelings. This may be your best chance to influence the process in a positive manner and benefit your wineries...

Terry Scott

FEB 17 2010

AGENDA ITEM
NO. 15A

From: Rex Stults <RStults@napavintners.com>
To: Gitelman, Hillary
Sent: Tue Feb 16 17:27:02 2010
Subject: Planning Commission- Business Meetings- NVV input

Dear Hillary,

In consideration of the County staff report section on Business Meetings for tomorrow's planning commission meeting, the Napa Valley Vintners Board of Directors met today and, by unanimous vote, recommends the attached language which defines Business Meetings.





As noted in the staff report, "Clearly this is one area of the code that would benefit from clarification..." Hopefully the NVV's language, which was subjected to considerable thought and input from the varying perspectives of our board members, will be helpful in the County's clarification effort.

It would be great, if possible, for the planning commissioners to receive this prior to tomorrow's meeting. As it is after 5 pm, I know that could be a challenge.

Thank you,

Rex

Rex Stults, Industry Relations Director
Napa Valley Vintners
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Napa Valley Vintners were going green almost 40 years before the phrase was coined, and still lead the charge in green practices, sustainable farming and stewardship of the land. Learn more.

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p.o. box 141, st. helena, ca 94574 · 707.963.3388 main · 707.963.3488 fax

"Business Meetings"

Business meetings shall mean those events where the duration of the event is greater than the period limited directly to the education and development of customers or potential customers. They are aimed at companies, businesses or non-profits for their employees or direct customers for matters that directly relate to their operations or products. This non education and development portion (the "business portion") shall be allowed to accommodate meetings held for business purposes of the attendees at a winery. This business portion shall be clearly incidental and subordinate to the primary use of the winery and therefore shall be less than fifty percent (50%) of the total time including the period directly related to education and development. Such business meetings shall be (a) limited in number and frequency consistent with the winery's use permit; (b) counted against the total of allowed marketing events as provided in the winery's use permit; (c) at no charge from the winery except to the extent of recovery of variable costs. For purposes of example and without limitation, weddings, birthday and anniversary parties would not be allowed hereunder.



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February 17, 2010

CNPC
MEETING

FEB 17 2010,

AGENDA ITEM
NO. 10A

Via Hand Delivery

Napa County Planning Commission
1195 Third Street
Napa, CA 94559

Re: Proposed Changes to WDO

Dear Members of the Commission:

At the February 2nd Board hearing, one of the Supervisors asked, with reference to the proposed widening of the definition of marketing events, "Why not?" The answer is simple: such events are a violation of Measure P.

Although there may be myriad economic reasons why we would wish to allow wineries to host events that are only indirectly related to "the education and development of consumers and members of the wine trade with respect to wine produced by or at the winery" (2008 General Plan Policy AG/LU-13), there is one overwhelming reason why we cannot do so – namely, Napa County's agricultural zoning prohibits it. In particular, Napa's zoning expressly prohibits the commercial use of agricultural land. As I explained in a letter to the Board earlier this month, wineries and wine marketing events are themselves allowed only because they are considered to be "accessory agricultural uses."

I am particularly concerned by the discussion of "business events" contained in Proposal #2 of the Staff Report. It is difficult to understand how a business event is not a commercial use of agricultural land. Or, more to the point, I would ask how any of the business events used as examples in the staff report could reasonably be considered an agricultural land use.

One of the examples was particularly striking, that of the NCLOG meeting. During the nine years I was a City Planning Commissioner, I attended dozens of NCLOG meetings, all of which were held at various Valley restaurants. The sole purpose of such meetings was NCLOG business (with a good bit of NCLOG socializing thrown in), and the wine and food served were clearly ancillary to that purpose. Hosting such an event at a winery, and adding a fifteen-minute presentation about wine produced on the site, would not transform the meeting into an accessory agricultural land use.



Napa County Planning Commission
February 17, 2010
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Similarly, hosting a corporate retreat at a winery is not an accessory agricultural land use; it is a commercial use of agricultural land and as such is a violation of Measure P. Other business events would be equally problematic. Shareholder meetings or Board of Directors meetings cannot magically become accessory agricultural uses simply because we call them wine marketing events.

I think there is a very simple test that can be used to determine whether an event is or is not a wine marketing event: please ask yourselves, "What is the primary purpose of the event?" Using our examples, the primary purpose of a NCLOG meeting is, as its name suggests, for the members of NCLOG to meet and conduct NCLOG business. The primary purpose of a corporate retreat is, similarly, to have a corporate retreat. And that is the problem with having a business meeting at a winery: the reason for the event is a business meeting and not a wine education and marketing event.

In contrast, it would be completely acceptable for the business entity in question to host its meeting at a commercial venue such as a hotel or conference center. Then, when the meeting was finished, the attendees could adjourn to a winery for wine tasting, wine education and a meal with wine. This is a model that would capture the coveted "corporate event" market while still respecting the constraints of Measure P. But hosting a business meeting at a winery, no matter how one attempts to disguise it with language about "marketing," is a violation of our agricultural zoning.

One last thought: I recently learned that the Sonoma visitors' bureau has developed a "Sonoma County" app for the iPhone and other smartphones. When downloaded, it tells users where to go in Sonoma for food, wine, hospitality and shopping. If the Napa County government wishes to provide an economic stimulus for its citizens, its time and effort might be better spent subsidizing the development of similar technology for Napa County.

Thank you for your attention to these thoughts.

Sincerely,

Katherine Philippakis

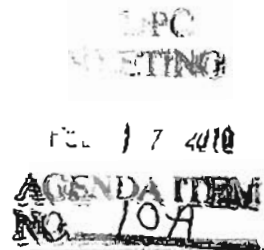
cc: Bruce Phillips, Napa Valley Grapegrowers

252952174681.1

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February 17, 2010

Terry Scott, Chairman
Conservation, Development and Planning Commission
County of Napa
1195 Third Street, room 210
Napa, California 94559



Re: Proposed Changes to Ordinance 947 (Winery Definition Ordinance)

Dear Chairman Scott:

Good morning, Chairman Scott and Commissioners, unlike others who have or may appear before you this morning, I am not here either for or against any of the four scenarios outlined in the position paper prepared by Director Gitelman. There is no more consensus among my clients than you are seeing here today. I have clients that would be eager to embrace some or all of the changes being contemplated to the WDO, while others are working successfully within the existing WDO and are fine with the status quo. It is important to keep in mind that the wine industry as a whole is neither unprofitable nor monolithic. Any changes made to the WDO must respect the variety of wineries we have in the Valley. Some wineries are clearly suffering from the downturn; others are profiting having made the adjustment to the current economic conditions.

Having said that, as someone who has worked with the existing WDO since before it was adopted, I would like to offer the Commission some thoughts as you move forward with your review.

1. There are no quick fixes. Any changes must take into account both short and long-term consequences. It is important that the Commission build as much consensus as possible among the various stakeholders and that any changes be vetted through public hearings and environmental review such that direct and indirect impacts can be evaluated and addressed. Taking the time necessary will help prevent lawsuits and similar challenges that no one likes and the county cannot afford.
2. Any adopted changes to the existing WDO should be clear and enforceable so that the playing field is level for all. I agree with staff that changes to the county general plan would be necessary if the definition of marketing is to be expanded or a change from tastings by appointment to public tastings is proposed. The goal of any change should be ease of implementation, enforceability and consistent application. There is nothing more frustrating (time consuming and expensive) to winery clients, than to receive different answers from different staff persons or to

receive letters of incompleteness because terms are not clearly defined or are subject to interpretation. I know your staff would also appreciate this.

3. Be clear why changes are being made. Is it because the changes will provide a stimulus or is it because the vision of what a winery is has changed since the general plan was adopted only 8 months ago? If the vision has changed since then, the Commission should recommend the initiation of public outreach, general plan, and zoning amendments reflecting this vision and proceed with environmental review.
4. If changes are to be made to broaden the definition of marketing or public tasting, the public and other stakeholders must be involved. The Commission has established formal agreements and trust with the neighbors of wineries embedded in the conditions of approval. That trust must be maintained going forward. It is critical that comprehensive outreach to the public and other non-industry stakeholders to inform the public about possible future changes to the WDO before actual public hearings are held. The current notification procedure may not be sufficient to fully inform the stakeholders. Perhaps the Commission should consider holding hearings at various locations throughout the Valley including evening meetings to fully vet any proposed changes.

In addition future changes to the WDO will likely impact other members of the hospitality industry such as hotelier and restaurateurs. As partners of the wine industry, their input should be specifically solicited so that they too may gauge the effects of any changes to the WDO within their industries.

5. Be aware of unintended consequences. Both direct and indirect impacts of any change to the WDO must be fully evaluated. Impact on staff resources and other county planning efforts must be carefully assessed. Unintended consequences should also be assessed. For example, a more vibrant wine industry may likely (and hopefully) increase the demand for new vineyards. Since availability of Napa County fruit in the long term is critical to the success of our industry, the Commission should expect an increase in vineyard applications. These should be processed as expeditiously as possible. As the Commission is aware, up to five years is necessary for new grapes to come on line. Another potential effect could occur if the range of accessory uses is expanded for wineries. Other non-winery agricultural uses permitted in the AP or AW zones such as vineyard management companies, veterinary clinics, olive oil production facilities may request similar social or cultural events to enhance their business. The county has a duty to treat businesses in the same zoning district similarly. In addition, as Ms. Philippakis notes in her letter, will the county be asked to come to the rescue of other agricultural or related industries? (See handout).

I am not arguing for or against, but only that the cumulative changes to the ag preserve and watershed should be examined.

6. A metric must be developed to gauge success or failure of the 'temporary' changes. Before a trial period is approved, the county should adopt a standard by which the success or failure of the changes to the WDO are evaluated at the end of the proposed two year period.

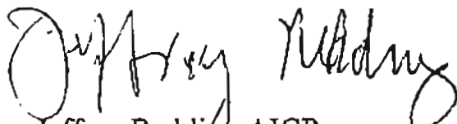
As to the whether or not tours and tastings should be by appointment or open to the public I would say that as long as approved visitation numbers are maintained such a change may not result in any additional traffic beyond those vehicles already on the county road network. Certainly any proposed changes should be subject to public and environmental review. Issues such as how or whether to enforce the visitation numbers and the costs of doing so must also be evaluated before any change is made.

While currently there is no consensus among the industry or my clients as to the extent suggested of changes to the WDO, there is one area where I believe there is consensus: we would like to continue to work with the staff to improve the existing permit process. Reducing processing time by streamlining the submittal and review process makes good economic sense in both good and bad times but is particularly important in today's global economy. Improving the process in itself can act as an economic stimulus for the wine and related industries. I would urge the Commission to support this staff effort and to monitor its progress. (minor mods for conversion form by appointment to public; a single completeness checklist; make use of GP EIR to assess cumulative impacts, etc.)

2010 is the 20th anniversary of the adoption of the WDO in 1990. Since adoption in 1990 the WDO has served as a nationwide model of how to balance the protection of our agricultural land and still produce and market wine of the highest quality. The guidelines we adopted in 1990 have served the industry well and have helped to create the quality of life and built the environment we enjoy today. While it is fair that programs in existence for 20 years should be evaluated from time to time to be sure they are still responsive to current conditions, I would strongly urge the Commission to ensure that any changes it recommends retain the long-term viability and sustainability of the county's agricultural economy and that impacts of any changes are fully vetted prior to adoption.

Thank you for the opportunity to comment.

Sincerely,


Jeffrey Redding AICP

CC: Hilary Gitelman, Director