

**RECEIVED**

APR 21 2010

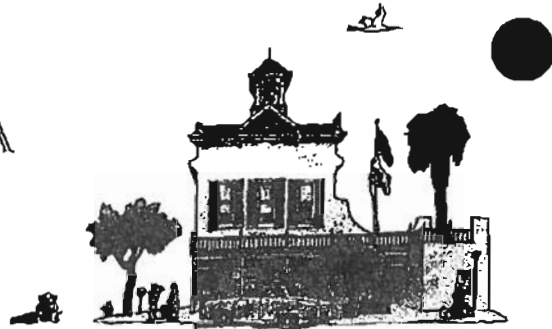
NAPA CO. CONSERVATION  
DEVELOPMENT & PLANNING DEPT.

CITY OF CALISTOGA

1232 Washington Street • Calistoga, CA 94515  
707.942.2800

CDPC 4-21-10  
AGENDA ITEM

9A



April 21, 2010

Heather Phillips, Chair of the Commission  
Napa County Conservation, Development & Planning Commission  
Office of the Clerk of the Planning Commission  
1195 Third Street, Suite 210  
Napa, CA 94559

Re: Proposed Amendments to the Napa County Winery Definition Ordinance  
Agenda Item #9A

Dear Chair Phillips and Members of the Commission:

We would like to thank the County of Napa for the opportunity to review and comment on the draft Winery-related Zoning Ordinance Amendments, Associated Interpretive Guidance Resolution, and Draft Negative Declaration in order to submit written comments during the public hearing process.

On April 8, 2010, the City of Calistoga initial concerns on the County of Napa's Winery Definition Ordinance proposal was forwarded to you expressing opposition to any changes to the Winery Definition Ordinance that would expand winery business activities for the following reasons:

- The cities and the County have agreed through mutually supportive General Plans that development belongs in the cities and the primary purpose of the unincorporated area is for agriculture.
- Increased business activities in the unincorporated area may impact or compete with businesses in the cities, specifically the lodging and restaurant industry.
- Increased business activities in the unincorporated area will create jobs and increase pressure for housing, particularly affordable housing.
- Increased business activities in the County's Ag Preserve can have negative impacts on the long term viability of agriculture.

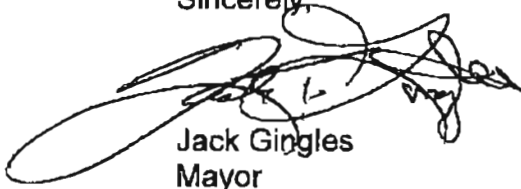
Given our concerns and those raised by other Napa Valley communities, we also requested that the Planning Commission and Board of Supervisors delay any action on this proposal until such time as inclusive and meaningful discussions with City representatives can occur on this topic.

On April 20, 2010, the Calistoga City Council completed our review of this proposal which included a recommendation from our Planning Commission and

public comment from our community. As a result, the City Council concluded that the City of Calistoga is opposed to any changes in the Winery Definition Ordinance that would expand existing winery business activities based upon the previously noted concerns presented in our City Manager's letter dated April 8, 2010 to the County. Given this opposition, the City requests that the County strictly enforce, through your code enforcement program, regulations as they exist under the 1990 Winery Definition Ordinance.

Once again, thank you for the opportunity to participate in the review of this proposal. Please do not hesitate to contact Charlene Gallina, Calistoga's Planning & Building Director at 942-2827 if you have any questions about our correspondence.

Sincerely,



Jack Gingles  
Mayor

cc: Napa County Board of Supervisors  
Nancy Watt, County Executive Officer  
Hillary Gitelman, Director  
Christopher Cahill, Planner  
Chris Canning, Calistoga Chamber of Commerce  
James C. McCann, City Manager  
Charlene Gallina, Planning & Building Director

## Cahill, Christopher

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**From:** Tran, Minh  
**Sent:** Tuesday, April 20, 2010 5:00 PM  
**To:** Gitelman, Hillary  
**Cc:** McDowell, John; Cahill, Christopher  
**Subject:** FW: WDO

Fyi...

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**From:** Dodd, Bill [mailto:Bill.DODD@countyofnapa.org]  
**Sent:** Tuesday, April 20, 2010 2:58 PM  
**To:** Tkscottco@aol.com; mbasayne@rainiergroup.com; fidd@comcast.net; Matt.Pope@countyofnapa.org; Heather Phillips (heather@comcast.net)  
**Subject:** FW: WDO

Dear Planning Commissioners:

This is an unusual step in communicating with you prior to your meeting. It is something that I have not done in my 10 years of service on the Board of Supervisors. The level of misinformation regarding the Winery Definition Ordinance is so high; I felt the need to communicate to you in writing on this important and sensitive subject.

I originally thought, and quite frankly, still believe, that we had a significant need in the County to change regulations to stimulate our economy, and more importantly, to adapt to the changing conditions in the wine business of how wine is marketed and sold. Our future economic vitality, whether in good economic times or bad, is dependent on our Napa County wineries ability to sell directly to their customers.

When this matter was last before the Board of Supervisors I saw the need to move towards the middle and give up on allowing weddings at wineries (though I do believe they could bring a value, if properly implemented) in favor of the compromise that the four industry groups came up with on business meetings. Business meetings at wineries make sense; they generate business in Napa during the week, when we have available and idle capacity, which is the demographic we are targeting along with the Destination Council. Midweek stays in hotels with higher income visitors – it all makes sense.

When I first reviewed the proposals that are coming before you tomorrow, I was confused. Though I do believe Hillary thought this was the direction she received from the Board of Supervisors, I do not believe that to be the case. The Napa Valley Vintners, Napa Valley Grapegrowers and Farm Bureau stopped meeting with the Winegrowers of Napa County, though they all appeared to be in agreement at our last meeting. It is my opinion that this occurred because the Winegrowers had a different opinion and believed that the final details of our collective decisions will still be here long after we are gone and are important. The wine industry is NOT in lock step on this issue.

In the end, I believe the language as written is more restrictive than current code and does not stimulate our economy either now or in the future. More importantly, this is not just a short term decision to prime our economy; this is a new paradigm of how we will do business in the future.

At our last Board of Supervisors meeting on this subject we agreed to a change in the code language to address the business meeting issue, so I'm a bit perplexed as to why we need examples at all. The code should stand on its own. If you feel the need to include examples, only those examples of what is not allowed should be listed, otherwise we run into the danger of "if it's not listed, it's not allowed". At the minimum there should be no time constraints in any example. Government telling private businesses what they need to do, and how much time it takes to educate their consumers about their product is the last thing anyone needs and is also not enforceable.

The last item I am concerned about is the “Marketing Programs Appropriate to Production Volumes”. This section, dictating that the less wine you make means the less marketing you need flies in the face of the realities in the wine marketplace. In fact, the less wine you make, the more marketing you need as you cannot get the attention of distributors in the three tiered system.

1. Business events – options to make them acceptable, in order of preference:
  - a. No examples whatsoever
  - b. Only examples of what you cannot do
  - c. Take the math out of the examples – the first example would then read “A tour of the winery and private tasting event is provided for employees of a national bank. The afternoon includes a speech by the regional bank manager discussing business prospects for the coming year”.
2. Marketing Programs Appropriate to Production Volumes – eliminate this completely as the exact opposite is the reality – the smaller you are the more marketing you need as it’s difficult to sell wine through the three-tiered system.

I respectfully ask you to consider my concerns. Let me know if you have any questions.

Bill Dodd  
287-7249

BECKSTOFFER VINEYARDS  
POST OFFICE BOX 405  
RUTHERFORD, CALIFORNIA 94573  
PHONE 707 963-9471 FAX 707 963-8849

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APR 16 2010

COUNTY OF NAPA  
BOARD OF SUPERVISORS

W. ANDREW BECKSTOFFER  
*Chairman*

April 14, 2010

Diane Dillon, Chair  
Napa County Board of Supervisors  
1195 Third Street  
Napa, CA 94559

Dear Chair Dillon:

Not only the Board of Supervisors, but also the Napa Valley Vintners, the Napa Valley Grapegrowers, the Farm Bureau, the Winegrowers, and the event planners and caterers and others involved in the Winery Definition Ordinance discussion should be complimented for the way they approached their task in such an informed, civil and focused manner.

Involvement in this discussion could have been even greater had we not encountered several individuals and groups who said, "Why should we be involved when the county doesn't enforce its own rules anyway?"

It is thus extremely important that in this final phase of the Winery Definition Ordinance process some effective compliance and enforcement procedures be adopted and funded. Adoption of rules without adequate funding is, as you know, less than effective.

Thank you for your continued support of agricultural preservation here in our valley.

Sincerely,



W. Andrew Beckstoffer

WAB:jb

cc: Napa Valley Vintners  
Napa Valley Grapegrowers  
Napa County Farm Bureau  
Winegrowers of Napa County

**Cahill, Christopher**

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**From:** Christine Tittel [gech@comcast.net]  
**Sent:** Saturday, April 17, 2010 3:42 PM  
**To:** Gitelman, Hillary  
**Cc:** Dillon, Diane; Cahill, Christopher  
**Subject:** Fw: WDO

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APR 19 2010

NAPA CO. CONSERVATION  
DEVELOPMENT & PLANNING DEPT

Dear Ms Gitelman:

From the 70s to the 80s the number of wineries in the Napa Valley grew from 20 to 200. If I remember right, the local economy was booming in the 80s and again in the 90s after a recession. Since then the number of wineries, primarily in the ag preserve has kept growing to more than 400. Wineries will always be the backbone of the Napa Valley economy, but when they start operating in the red, it is a sign that they have exceeded their viable number, not that they need to grab an additional market share. Does the landlord of an empty store or the owner of an underperforming restaurant have an obligation to bail out a winery investment which was too risky within its marketing parameters by abdicating a portion of their business to a competition the county had protected them from?

If one were to compare the Napa Valley with the Sonoma Valley, Sonoma has a diversified economy which Napa has not. Vegetables, fruit, poultry, lamb and beef, cheese as well as wine from Sonoma are prized products throughout the country. This helps its cities even if wineries there are afforded an increased market share compared to those in Napa. Such diversification is not in the stars for Napa which has thrown its eggs into one basket. However, the modern day tourist is increasingly well traveled and informed and is no longer satisfied just by buying wine paraphernalia and by having wine and food pairings going from one winery to the next. Wine paraphernalia belong in interesting retail and book stores in town and wine and food pairings in ever more interesting restaurants.

When one visits the most famous wine regions of the world who have been around a century or two longer, one finds that wineries in Champaign, Burgundy, the Rhone Valley, Tuscany, Piemonte, Alsace, the Rhein or the Wachau entertain their best guests at local restaurants in their charming small towns. These towns are vibrant, unique and offer many other types of entertainment and discoveries. I visited two of those regions only a few months ago and could not find a single empty store.

When an economy is beholden to a monoculture, Peter has to rob Paul in order to justify the ever increasing investment in more and more wineries. Both they and the towns are the losers. The towns must be given their stable market share so they may develop viable secondary economies such as health and wellness, hot springs, hiking and bike trails, event centers etc. for the local population and for all visitors, especially new ones who do not necessarily drink wine. This synergy will eventually help the wine industry on a long term basis and the Napa Valley economy as a whole.

As it stands, the covenant of "agriculture in the county, commerce in the cities" would be violated by siphoning off commercial activity from the towns. If we are to be convinced that this "new" economic model will create more jobs and benefit the towns, one would need to account for the resulting increased housing demand, including affordable housing which would leave the cities holding the stick! This issue has been ignored by the Negative Declaration.

Christine Tittel  
Calistoga  
(707) 812-3748

**Cahill, Christopher**

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**From:** Gitelman, Hillary  
**Sent:** Monday, April 19, 2010 11:48 AM  
**To:** 'Christine Tittel'  
**Cc:** Dillon, Diane; Cahill, Christopher  
**Subject:** RE: WDO

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APR 19 2010  
NAPA CO. CONSERVATION  
DEVELOPMENT & PLANNING DEPT.

Wow. Thanks for this vehement response, Ms. Tittel. We will forward it to the Planning Commission so that they have your perspective.

As you are no doubt aware, the Commission will be considering the draft ordinance and resolution this Wednesday, and these documents represent the staff's recommendation. We believe – as you clearly do not – that the two documents taken together will ensure that there are not noticeable changes to the activities currently permitted at wineries. We expect to get (and have already received) input from caterers and event planners who oppose our recommendations for that reason.

It is always interesting to receive input from folks expressing dismay that we are being too permissive at the same time we receive input from others expressing dismay that we are being too restrictive!

Hillary

**From:** Christine Tittel [mailto:gech@comcast.net]  
**Sent:** Monday, April 19, 2010 11:37 AM  
**To:** Gitelman, Hillary  
**Cc:** Dillon, Diane; Cahill, Christopher  
**Subject:** Re: WDO

Thank you for your response Ms. Gitelman.

However, I find your statement in support - when it ought to be impartial - of the proposed language as disingenuous and misleading both me and the public.

When I read the March 2 version of "Marketing of Wine", the new language opens the door wide open to all kinds of activities at the wineries subject to interpretation (by who?). "*Cultural and social events directly related to the education and development of customers and **potential** customers*"? What activity and what person is *really* excluded?

It is interesting that weddings are specifically excluded because they would perfectly comply with the proposed language!

The same applies to the language of Business Events and especially "*any business content **unrelated to wine must be limited***"!

What standards are there to be used for evaluating **potential, unrelated or limited** and how can they be applied without such standards?

The language also ties the hands of "complaint driven enforcement". How is a complainer who **was** at the event prove that there were attendees who were not potential customers? Forget any neighbor who **was not** at the event!

**What is an event which is unrelated to the development of potential customers? All events can be made to be such - and in reality are such - when the winery is showcased and some wine is poured!**

I am afraid the document is **intentionally** porous because for the first time in the code, the permitted uses are not specifically enumerated because the people who crafted it are not able - willing - to do so.

In the example of business events which are not permitted, the document lists "*non-winery related conferences... where the development of consumers is subordinate to non-wine related content*". What does that mean? Is not the development of consumers a permitted - in fact the intended - activity as per the above language? Again, who determines who and what and under what criteria?

And then there is the issue of the sale of Wine Related Products.

This is not *maintaining the status quo* as you propose because if it indeed were so, one would not need to change the ordinance at all. It is not by coincidence that the cities of Yountville and Saint Helena and, I understand Calistoga vehemently object to the changes. I would think that you would credit their city managers, planning commissions and city councils with enough intelligence when they view the proposed changes as threats to their towns. It would be rather disparaging if you think they would be wasting their time if it was just about *maintaining the status quo*! The fact is that this is an outrageous encroachment into commercial activities which belong within these towns' borders and well outside the ag preserve only to serve the selfish interests of a market-grabbing minority.

Christine Tittel

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

**From:** [Gitelman, Hillary](#)

**To:** [Christine Tittel](#)

**Cc:** [Dillon, Diane](#) ; [Cahill, Christopher](#)

**Sent:** Monday, April 19, 2010 8:24 AM

**Subject:** RE: WDO

Thank you for this email Ms. Tittel.

I believe the ordinance and resolution that will be discussed by the Planning Commission on Wednesday essentially perpetuate the status quo, wherein commercial endeavors are directed to the incorporated areas, and only those limited events directly related to wine are permitted as part of wine marketing at wineries.

Thanks again,

Hillary

**From:** Christine Tittel [<mailto:gech@comcast.net>]

**Sent:** Saturday, April 17, 2010 3:42 PM

**To:** Gitelman, Hillary

**Cc:** Dillon, Diane; Cahill, Christopher

**Subject:** Fw: WDO

Dear Ms Gitelman:

From the 70s to the 80s the number of wineries in the Napa Valley grew from 20 to 200. If I remember right, the local economy was booming in the 80s and again in the 90s after a recession. Since then the number of wineries, primarily in the ag preserve has kept growing to more than 400. Wineries will always be the backbone of the Napa Valley economy, but when they start operating in the red, it is a sign that they have exceeded their viable number, not that they need to grab an



additional market share. Does the landlord of an empty store or the owner of an underperforming restaurant have an obligation to bail out a winery investment which was too risky within its marketing parameters by abdicating a portion of their business to a competition the county had protected them from?

If one were to compare the Napa Valley with the Sonoma Valley, Sonoma has a diversified economy which Napa has not. Vegetables, fruit, poultry, lamb and beef, cheese as well as wine from Sonoma are prized products throughout the country. This helps its cities even if wineries there are afforded an increased market share compared to those in Napa. Such diversification is not in the stars for Napa which has thrown its eggs into one basket. However, the modern day tourist is increasingly well traveled and informed and is no longer satisfied just by buying wine paraphernalia and by having wine and food pairings going from one winery to the next. Wine paraphernalia belong in interesting retail and book stores in town and wine and food pairings in ever more interesting restaurants.

When one visits the most famous wine regions of the world who have been around a century or two longer, one finds that wineries in Champaign, Burgundy, the Rhone Valley, Tuscany, Piemonte, Alsace, the Rhein or the Wachau entertain their best guests at local restaurants in their charming small towns. These towns are vibrant, unique and offer many other types of entertainment and discoveries. I visited two of those regions only a few months ago and could not find a single empty store.

When an economy is beholden to a monoculture, Peter has to rob Paul in order to justify the ever increasing investment in more and more wineries. Both they and the towns are the losers. The towns must be given their stable market share so they may develop viable secondary economies such as health and wellness, hot springs, hiking and bike trails, event centers etc. for the local population and for all visitors, especially new ones who do not necessarily drink wine. This synergy will eventually help the wine industry on a long term basis and the Napa Valley economy as a whole.

As it stands, the covenant of "agriculture in the county, commerce in the cities" would be violated by siphoning off commercial activity from the towns. If we are to be convinced that this "new" economic model will create more jobs and benefit the towns, one would need to account for the resulting increased housing demand, including affordable housing which would leave the cities holding the stick! This issue has been ignored by the Negative Declaration.

Christine Tittel  
Calistoga  
(707) 812-3748

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APR 13 2010



NAPA CO. CONSERVATION  
DEVELOPMENT & PLANNING DEPT.



napavalleyvintners

Hillary Gitelman, Director  
Napa County Department of Conservation, Development and Planning  
1195 Third Street, Suite 210  
Napa, CA 94559

April 5, 2010

Dear Director Gitelman,

We have reviewed and wish to comment on the draft ordinance amending sections to the county code related to the marketing of wine, wine-related products and food and wine pairing in Agricultural Preserve or Agricultural Watershed zones; and the accompanying resolution establishing an interpretive guide for county staff to follow in handling related cases.

The Industry Task Force comprised of the Napa Valley Grapegrowers, the Napa County Farm Bureau, and the Napa Valley Vintners has met to discuss both documents and would like to voice our support for the language as written, assuming no change to either document. The changes are largely as we expected based on the proceedings at February/March Planning Commission and Board of Supervisor hearings.

We urge you to demonstrate greater County commitment in the areas of enforcement and code compliance. Numerous representatives at public meetings spoke to the need for increased enforcement; letters submitted to elected officials called for stronger enforcement measures; and we expected the March 23 resolution to reflect those requests. We believe there must be a more clear commitment to the increased use of "spot" audits and other measures aimed at maintaining compliance with permitted winery visitation and marketing programs.

We'd like to thank you for the diligent work you have done to date, and for the opportunity to comment on these documents.

Regards,

Handwritten signature of Bruce Phillips.

Bruce Phillips  
President  
Napa Valley Grapegrowers

Handwritten signature of Jon-Mark Chappellet.

Jon-Mark Chappellet  
Past President  
Napa County Farm Bureau

Handwritten signature of Pat Stotesbery.

Pat Stotesbery  
Past President  
Napa Valley Vintners



**RECEIVED**

**APR 13 2010**

**NAPA CO. CONSERVATION  
DEVELOPMENT & PLANNING DEPT.**

April 12, 2010

Ms. Hillary Gitelman, Director  
Napa County Planning Commission  
1195 Third Street  
Napa, California 94559

Dear Ms. Gitelman:

I have received a copy of the draft ordinance and draft resolution of the WDO from Jenne Hohn. I have been involved in the process for some time now and was honored to speak to the Board of Supervisors at their meeting in October regarding proposed changes to the WDO. I spoke of the impact of taking our events out of Napa County including the loss of large amounts of tax revenue and loss of business for local entrepreneurs.

As I read the draft legislation & resolution it seemed to be a far cry from discussions I heard at the March 2 meeting and the information the Board of Supervisors put forward which seemed to indicate that they were clearly moving toward loosening the current ordinance instead of tightening and further restricting winery definition on marketing of wine. I know I left that meeting with a sense of hope and excitement for what seemed to be good steps towards common ground for organizations regarding what has been a very heated issue for our valley.

I would like to plead the case for removing the stringent event examples as outlined in the most recent draft resolution. They are so restrictive that I believe strongly they will cause people who are currently employed in winery hospitality & marketing departments to lose their jobs at an even greater rate than what we are already experiencing. Our hope was to create jobs & opportunities and the current proposal does not seem to provide those opportunities.

To change the wording to say that "life celebrations including weddings, wedding rehearsal dinners, anniversary parties or similar events are only allowed as part of the winery's ability to market their wine and if directly related to an educational aspect to develop customers and potential customers of the winery & ambassadors of Napa Valley and are part of the approved winery marketing plan" would allow wineries a choice as to if they wish to host these events. I believe that a large number of wineries will choose not to host weddings & other life celebrations but given the option, they then can market their wines as they wish even if it's hosting a small handful of these events each year.

As one of the top event planners in the country, I am often approached by wineries who wish to have me market their wine to my clients. These wineries have no other direct access to these couples and guests, because of the choke hold the current WDO has created. I; however, am often tied to suggesting wines from the region where the couple is getting married...more often than not that is in Sonoma County. I will not waste your time reading this letter to explain the dollars and cents behind the amount of wine purchased, consumed, taken home and the number of wine clubs people have joined at my events. But I can tell you in the 15 years I've been doing events in Napa & Sonoma Valleys it has been significant. I can guarantee that our clients do not want to be holed up in a ballroom at the Westin, Ritz Carlton, St. Regis or Meadowood. They can find that experience in any city in the world. They don't come here to be married in a church, host their corporate event in a ballroom, or celebrate at a restaurant. They can do that in their hometown. Why spend money to travel to a destination when you're not going to give your guest a unique experience?

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<http://www.sashasouzaevents.com>

707-253-8160 (phone)

707-255-5131 (fax)

This begs to ask the question, "Would you spend your time & money to travel to Burgundy, France if you stayed at the Sheraton and spent your days in a meeting room? And what if they hosted all the meeting events at a ballroom or prefunction space?"

Most would send their regrets as unable to attend since they would not get to experience all the area has to offer when they are there. Why travel so far when they may only get a half a day to experience the true beauty of the area? That is exactly what our clients believe. They feel this is one of the most beautiful places on earth and not experiencing it is reason enough to stay away.

With regard to the business meetings and corporate events, it is easy to create a winecentric experience around the event. Why does it matter if the CEO discusses that they earned \$1.2 billion that year in sales? They will be celebrating with food & wine, two things we are known for in this valley. Does it matter that the winery is using their space to host a fundraiser for Make a Wish Foundation or American Cancer Society? They are consuming wine, enjoying a tour of the winery and also taking home a great EXPERIENCE.

I know the Napa Valley Destination Council was established to assist & garner midweek business. This will come from the corporate attendees. As I stated above they will more than likely not get that business to come here if they cannot offer experiences to the corporations of the world that include something other than a hotel ballroom. Further, the weekend business will always be social in nature - the celebrations of life create the experience for the guests. Even if you were to allow weddings at wineries, they would not come if they were restricted from Friday, Saturday and Sunday events. To deny people the actual flavor of Napa Valley is not helping to build the Napa Valley brand.

By funneling all of the business to the hotels & restaurants it makes companies that deal with event coordination, catering, event rentals, event décor, lighting and many other categories as unnecessary. Because these entities often have everything you need built in to the property these entrepreneurs will never be recommended or hired by potential clients. The hotels & restaurants will do everything for the client and thus put people like me out of business. I take great pride in what I do, I make sure that the rules are always followed and have no issue telling my clients what is and is not permitted by the winery, estate or other location - I do everything I can to protect the beauty of the area, enforce the noise ordinances, and shuttle guests to & from the location of the celebration without incident. It's what professionals in this industry do every day. What I do not understand is the argument that there will be many drunk people at these events. This valley encourages winery tastings to car loads of people, let them drink all day and tell them they should be responsible but still put them in their cars on our valley roads. The wineries do it day after day from 10 a.m. to 4 p.m. with or without an appointment. That seems much more irresponsible for the valley & the residents than a few hundred weddings ever could be. But yet, we encourage people to come here, drink up, have a picnic and send them on their merry way all the while telling them that we don't want them to bring their friends, family or coworkers here.

I also find it sad that we were not given a seat at the table for discussions. The hospitality and events industry is made up of savvy business people who have a lot to offer and negotiate for a living. We are fair and would have made a great partner in the process. It has become evident that our voices were not heard by our government. It also seems that the special interest groups, who continue to create fear and are unwilling to allow others to make choices for themselves in a Democratic society, are not interested in what the people of this valley want.

I love where I live and raise my family. Napa is where I have chosen to call home. I think it is superior to all other areas and my goal is to protect the valley in ways that make sense for the people who live here. The draft resolution to the WDO as currently written does not make sense to anybody other than the people who do not need the proposed changes to the WDO to help them survive. Everybody will be affected and I believe it will be an immediate and difficult blow to many who are already struggling.

I am concerned that Napa County will not be able to sustain with the downturn in the economy. At the rate it is going, shutting out entire industries, this will hasten the downturn and send us down the slippery slope we are already perched upon. Napa Valley already has a lot of bad PR regarding weddings and wineries. I think

that by disallowing wineries the ability to choose how they are able to market themselves to a large audience it is going to guarantee that only the larger wineries owned by mass brands & individual wine growers with the most land will control Napa Valley. The smaller winery owner, grape grower, wine grower and wine makers will find other, more fertile grounds, to grow their vines and become profitable. I fear that our reputation has been tarnished and we are now seen as a stuck up, snobby, overly-restricted Totalitarian government - exactly the reputation that the French had before the 1976 tasting that put Napa Valley on the global map as THE wine region. We were a group of passionate people who root for the little guy.

I hope you will see my letter to you for what it is: as a plea to please reconsider the draft resolution. I believe strongly in creating relationships and love where I have lived for 11 years. I may not have been born here but I call Napa Valley home, am a 4<sup>th</sup> generation Californian and have children born in this valley. Thank you for taking the time to read my letter to you about the draft changes being presented.

Please feel free to contact me at 707-253-8160 or 707-332-4083 to discuss if you have any questions, I would love to talk to you at your convenience.

Take care,

//via email//

Sasha V. Souza, mbc



## JENNE HOHN EVENTS

April 12, 2010

**RECEIVED**

APR 12 2010

NAPA CO. CONSERVATION  
DEVELOPMENT & PLANNING DEPT.

Hillary Gitelman, Director  
Napa County Planning Commission  
1195 Third Street  
Napa, California 94559

Dear Hillary:

Thank you for sending me the draft ordinance and draft resolution to the WDO on March 29. Thank you also, for all of the time you have committed to this process thus far. I would like to extend my input to those documents, in particular, the draft resolution.

It was my understanding at the Board of Supervisors meeting on Tuesday, March 2, that the Board was in agreement to loosen the language of the WDO, not tighten it. The draft ordinance states, "Marketing of wine may include cultural and social events directly related to the education and development of customers and potential customers provided such events are clearly incidental, related and subordinate to the primary use of the winery." My suggestion is to leave the draft ordinance as is. The problem lies in the draft resolution, Exhibit A, Interpretive Guidance, Part I.

Please remove the event examples. It is nearly impossible to define an event within the parameters of the proposed examples. There is no cookie cutter event. To ask a winery to operate within the confines of these suggested examples will create a very "grey" event experience for Napa Valley wineries and in turn, Napa Valley visitors.

Please omit or restructure the following sentence: "Examples of cultural and social events that are not permitted include weddings, wedding rehearsals, anniversary parties, and similar events where the education and development of consumers is subordinate to non-wine-related content." These types of events actually do serve to market wine and "are directly related to the education and development of customers and potential customers of the winery..."

The sentence could be revised as follows: "Weddings, wedding rehearsals, anniversary parties, and similar events are only permitted as part of 'marketing of wine' if they are directly related to the education and development of customers and potential customers of the winery and are part of an approved marketing plan that in its totality is "clearly incidental, related and subordinate to the primary operation of the winery as a production facility" (Sections 18.16.030(G)(5) and 18.20.030 (I)(5))." I would like to cite an example from personal experience.

In October of 2009, I was fortunate to have a client who owns an on-line wine store as well as multiple wine shops around the country. He chose to have his wedding in the Napa Valley. His nuptials took place at Auberge du Soleil at noon. The cake cutting and the white dress happened there too. At 8 pm, all guests were shuttled from Villagio and Auberge to a winery in Calistoga. The guests were given a tour (which all participated in) of the facility, followed by dinner and dancing. Guests were shuttled back to their hotels at

evening's end after an unforgettable experience. The winery sold wine for the party, to the guests (wine and wine club memberships), and the client's relationship with the winery was strengthened. The Napa Valley brand was strengthened. Without types of events like these to support it, the winery could cease to act as a production facility at all.

Please also consider removing the following: "Examples of business events that are not permitted include non-winery related staff meetings, conferences, shareholder meetings, and similar events where the education and development of consumers is subordinate to non-wine-related content." There are nearly 500 non-profit agencies in Napa County. Occasionally, a non-profit agency needs a place to host a business meeting and a winery will open their doors to do so. Where will these organizations go now?

One of the goals of the Destination Council is to attract mid-week business. Business travelers are here to engage in business activities but the draw is to be in the Napa Valley. Most of these travelers will spend time in hotels and so why limit what wineries can do in relation to business travelers? The Destination Council needs to be able to sell more than just room nights at hotel properties.

As the recent winner of the Napa Chamber Foundation's Hospitality Tourism Award, I am speaking on behalf of the event industry - an industry that was regrettably never given a seat at the table in these discussions. As reported by the Destination Council, "The visitor serving industry employs 17,500 people in Napa County." And, "tax revenue generated by tourism spending is \$125 million annually." Please hear our voices now. The Napa Valley Hospitality and Tourism Industry is composed of: hotel properties, wineries, event management companies, event planners, caterers, photographers, florists, transportation companies, music booking agencies, officiants, makeup artists, salons, spas, golf courses, balloon companies, audio visual companies, bakeries, restaurants, artists, and so much more. Please allow this industry to continue to serve and flourish in our own backyard.

What started as something simple has become complicated. Eight months later, event departments are closing at wineries, people are losing their jobs at an exponential rate. A bad economy has hurt our local tourism-based population. While the economy is now in a state of re-build, we must find a way to compete on an international level and maintain the prestige of the Napa Valley brand. That competition includes re-defining marketing events - not commercial industry in the Ag Preserve - but simply, a loosened definition of a marketing event wherein a winery must operate within the confines of their current permit structure.

Thank you for your consideration of my input.

Sincerely,  
Jenne Hohn

# CITY OF CALISTOGA

1232 Washington Street • Calistoga, CA 94515

707.942.2800



**RECEIVED**

APR 12 2010

NAPA CO. CONSERVATION  
DEVELOPMENT & PLANNING DEPT.

April 8, 2010

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

Re: Proposed Amendments to the Napa County Winery Definition Ordinance

Dear Honorable Chair and Board of Supervisors:

Public concern was expressed at the April 6, 2010 Calistoga City Council meeting regarding pending amendments to the County's Winery Definition Ordinance (WDO), including the following changes:

1. Development of a draft ordinance implementing consensus-based clarification to the definition of "marketing of wine" and to other sections of Napa County code permitting retail sales of wine-related items and food-wine pairings;
2. Development of a draft resolution articulating Planning Commission policies related to business events and other matters; and
3. Development of a draft ordinance permitting tours and tastings without appointment.

Charlene Gallina, Calistoga's Planning & Building Director is in receipt of the County's draft Winery-related Zoning Ordinance Amendments, Associated Interpretive Guidance Resolution, and Draft Negative Declaration and will present a recommendation to our Planning Commission on April 14, 2010 and subsequently to the Calistoga City Council on April 20, 2010 for direction on a comment letter for transmittal to the Napa County Planning Commission and Board of Supervisors.

In the meantime, the City Council has directed me to forward our initial concerns associated with the proposed changes to the County's Winery Definition Ordinance.

At this time, the City of Calistoga is opposed to any changes to the Winery Definition Ordinance that would expand winery business activities for the following reasons:

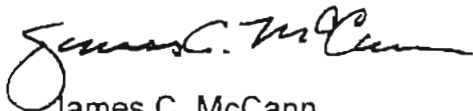


- The cities and the County have agreed through mutually supportive General Plans that development belongs in the cities and the primary purpose of the unincorporated area is for agriculture.
- Increased business activities in the unincorporated area may impact or compete with businesses in the cities, specifically the lodging and restaurant industry.
- Increased business activities in the unincorporated area will create jobs and increase pressure for housing, particularly affordable housing.
- Increased business activities in the County's Ag Preserve can have negative impacts on the long term viability of agriculture.

Given our concerns and those raised by other Napa Valley communities, we request that the Planning Commission and Board of Supervisors delay any action on this proposal until such time as inclusive and meaningful discussions with City representatives can occur on this topic.

Please do not hesitate to contact me at (707) 942-2805 if you have any questions about our correspondence. Thank you very much.

Sincerely,



James C. McCann  
City Manager

cc: County Planning Commission  
Nancy Watt, County Executive Officer  
Hillary Gitelman, Director  
Christopher Cahill, Planner  
City Council  
Planning Commission  
Chris Canning, Calistoga Chamber of Commerce  
Charlene Gallina, Planning & Building Director

**From:** Gitelman, Hillary  
**Sent:** Tuesday, March 30, 2010 8:10 AM  
**To:** Cahill, Christopher  
**Subject:** Fw: WDO

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Sent from my BlackBerry

**From:** George Caloyannidis [mailto:gecalo@comcast.net]  
**Sent:** Sunday, March 28, 2010 4:17 PM  
**To:** CDP  
**Subject:** Fw: WDO

Dear Ms Gitelman:

For your information.

For the past five years, I have been heavily involved with the Calistoga Economic Vitality Report and the Urban Plan Oversight Committee, all approved by the City Council. I am a member of the non-profit Calistoga Vitality Group.

I am very familiar with the economic inter-relationships highlighted in the attachment and missing from the input.

I am sending a signed copy through the mail.

George

**RECEIVED**

MAR 30 2010

NAPA CO. CONSERVATION  
DEVELOPMENT & PLANNING DEPT.

March 28, 2010

George Caloyannidis  
2202 Diamond Mountain Road  
Calistoga, CA 94515

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

RE: Proposed Changes in the Winery Definition Ordinance (WDO)

Dear Chairwoman Dillon:

I have reviewed the entire file and I will not try to add valid concerns which have already been raised by the various groups or individuals.

From an overall point of view, I do not believe that the proposed changes address all concerns, especially those raised by Katherine Philippakis and Jeffrey Redding, nor do they add any degree of clarity in the way the additional contemplated commercial activities will be evaluated as to their effectiveness, let alone in the mechanism by which they can be enforced. While it would seem imperative to have an enforcement mechanism in place before adding activities, the lack of enforcement personnel as highlighted by Lois Ann Battuelo is of great concern. We can not simply allow the fox guarding the chicken pen.

However, I would like to take the opportunity to add important concerns which have not yet been addressed.

It seems that the basic impetus for contemplating changes in the WDO is *not prompted by having identified specific failures in any of its current provisions to perform as intended* but rather by the unsubstantiated notion that changes would help wineries in the Ag Preserve and the Napa Valley economy in general, during the current, temporary downturn in the economy. No supporting data or economic studies have been presented as a foundation for action as they should. They have rather been accepted intuitively and on face value. This is not enough reason to make fundamental changes in a model which has performed well and exactly as intended.

Since the proposed changes will not increase the number of visitors already mandated by individual winery use-permits and since wineries will not be allowed to profit by the new contemplated events, it is hard to understand how this would help their balance sheet. If we assume that these wineries are having a hard time disposing their inventories or that their visitation quotas are not being fulfilled, they need to provide substantiating data, which they have not. Further they need to substantiate exactly how the proposed changes will help achieve this goal. It is not enough to say that business meetings at the wineries will increase sales. And if indeed it is shown that business meetings do increase sales, it must also be shown that such meetings are not effective in town venues *where they belong*. This is the European model, which some have evoked.

The Board must also consider the fact that it is entirely possible that the Napa Valley may have reached a saturation point in its number of wineries. We must always remember that each additional winery comes at a heavy environmental cost and that there is no study which proves that additional wineries in the Ag Preserve, increase overall sales or enhance the general Napa Valley economy to justify that cost. Propping up struggling wineries by changing the model, will only encourage new ones and increase the chances of massive future failures.

The Board must also consider one more significant relationship which has yet to be acknowledged.

As empty stores indicate, businesses in the city of Napa and the towns in the upper Valley are suffering as well. Any commercial activity, from conferences, meetings, weddings, wine and food pairings and sales of any items whatsoever drain away the lifeblood of businesses in these towns. It also negatively impacts the ability of towns to improve existing venues or plan and build new ones under a viable business model. The City of Calistoga for example would like to be able to build an event center, would like to be able to develop a sustainable business model for weddings in its park, have restaurants which are able to provide private rooms where small business meetings can take place and attract resorts where large meetings and conferences can take place. When wineries, increasingly encroach on such economic activity, they preclude towns from providing the corresponding accommodations.

Interesting towns make for extended visits from which many more wineries, especially those in the Ag Preserve, will profit. Uninteresting towns encourage short visits which increase traffic and by and large limit visits to wineries on the main traffic corridors without allowing for time to discover more remote ones. It is time to realize that every meal served - or any wine book sold - at a winery is one less meal and book sold at a town store, ultimately resulting in impoverished town experiences. The Napa Valley economy as a whole - and wineries in particular - are the ultimate losers.

As Jeffrey Redding suggests, it is incumbent upon the Board to seek the input of a much wider circle than it currently has. The Various Chambers of Commerce, City Councils and business owners need to be made aware and asked to weigh in when increased commercial activity at wineries is being contemplated before any changes in the WDO are enacted because they are potentially severely impacted.

I hope that the Board will pick up the thread and engage in an active campaign to seek comprehensive input.

Sincerely,

George Caloyannidis, Architect, PhD

CC: Hilary Gitelman, Director Planning  
James McCann, Calistoga City Manager  
Jack Gingles, Mayor City of Calistoga  
Dieter Deiss, President Calistoga Vitality Group

**Cahill, Christopher**

**From:** Gitelman, Hillary  
**Sent:** Tuesday, March 23, 2010 3:27 PM  
**To:** - Board of Supervisors; 'Bob Fiddaman'; 'Michael Basayne'; 'Tkscottco@aol.com'; 'Matthew Pope'; Heather Phillips  
**Cc:** Watt, Nancy; Westmeyer, Robert; Tran, Minh; Anderson, Laura; Cahill, Christopher; McDowell, John  
**Subject:** WDO  
**Follow Up Flag:** Follow up  
**Flag Status:** Red

All:

FYI, we have distributed a draft ordinance to the wine industry groups that is consistent with the Board's direction on the WDO, and have also distributed a draft resolution containing "Interpretive guidance" which we believe is consistent with the ordinance.

We've already heard some criticism of the Interpretive stuff, and hopefully we'll be working through the issues in the coming weeks. Our plan is still to get this subject to hearing at the Planning Commission on April 21, and to the Board on May 18. Please let me know if you'd like copies of the documents in advance of those discussions, or if I can help with any questions.

Hillary

(Please do not "reply all.")

03/24/2010

## Cahill, Christopher

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**From:** Luce, Mark  
**Sent:** Tuesday, March 23, 2010 7:58 PM  
**To:** Gitelman, Hillary; 'Bob Fiddaman'; 'Michael Basayne'; 'Tkscottco@aol.com'; 'Matthew Pope'; Heather Phillips  
**Cc:** Watt, Nancy; Westmeyer, Robert; Tran, Minh; Anderson, Laura; Cahill, Christopher; McDowell, John; Dodd, Bill  
**Subject:** RE: WDO

As maker of the motion, I continue to support the new definition of wine-marketing. However, I am very concerned about the resolution and examples provided in the attached. It goes way beyond the language we agreed on. Our compromise wording was to address the new world marketing realities (people market by hosting events) and the resolution simply hearkens back to the poor unenforceable concepts of the past.

The new wording requires that we define what must happen at an event to qualify as marketing. The new wording of wine-marketing has moved away from characterizing the business/non-winery aspect of the event (it is none of our business) and instead characterize what activities ultimately make this a marketing event.

Winery owners get to market when they get people on their property. Our interpretive document should distinguish between people who are just leasing their facility and those who are truly using the event as an opportunity to market their wine. It should be generic, applicable to all kinds of events without prejudice as to the non-winery activity (retreats, celebrations, ceremonies of various kinds). To judge the types of celebrations and ceremonies allowed would be a seriously intrusion on our citizens fundamental liberties.

The resolution should cite the years of debate and controversy over the previous marketing definition, that it has been poorly enforced if at all, and recognize this is our attempt to resolve the question considering the current day realities.

I urge you to read the language in the new marketing definition and provide examples that clearly follow from this language as that is what we agreed to do.

Thank you for your consideration.

Mark Luce