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NAPA COUNTY EXECUTIVE OFFICE

A Tradition of Stewardship
A Commitment to Service

APPEAL PACKET FORM
(Chapter 2.88.050 of Napa County Code)

Please submit original plus two (2) copies of the entire Appeal Packet, including this form.

TO BE COMPLETED BY APPELLANT
(Please type or print legibly)

Appellant's Name: Scott Greenwood-Meinert

Telephone #: (707) 252-7122 Fax #: (707) 255-6876

E-Mail Address: scottgm@dpf-law.com

Mailing Address: 1455 First Street, Suite 301 Napa CA 94559

Status of Appellant's Interest in Property: Attorney

Action Being Appealed: Denial of use permit by the vote of Planning Commission

Permittee Name: Vintage Wine Estates dba Girard Winery

Permittee Address: 1077 Dunaweal Lane, Calistoga, CA 94515

Permit Number: P14-00053 Date of Decision: October 21, 2015

Nature of Permit or Decision: Denial of winery use permit by tie vote of Commissioners

Reason for Appeal (Be Specific - If the basis of the appeal will be, in whole or in part, that there was a prejudicial abuse of discretion on the part of the approving authority, that there was a lack of a fair and impartial hearing, or that no facts were presented to the approving authority that support the decision, factual or legal basis for such grounds of appeal must be expressly stated or they are waived. (attach additional sheet if necessary):

SEE ATTACHED LETTER.

Project Site Address/Location: 1077 Dunaweal Lane Calistoga CA 94515

Assessor's Parcel No.: 020-150-017

If the decision appealed from involves real property, the Appellant must also submit the original and two copies of 1) Title Insurance Report and 2) Assessor's Map Book Pages pursuant to County Code Section 2.88.050(B).

Signature of Appellant: Scott Greenwood-Meinert Date: 11-5-15 Print Name: SCOTT GREENWOOD-MEINERT

TO BE COMPLETED BY CLERK OF THE BOARD
Appeal Packet Fee \$ 538.24 Receipt Nos. 795242
Received by: [Signature] Date: 11/5/15

SCOTT GREENWOOD-MEINERT
scottgm@dpf-law.com

November 5, 2015

Supervisor Brad Wagenknecht
Supervisor Mark Luce
Supervisor Diane Dillon
Supervisor Alfredo Pedroza
Supervisor Keith Caldwell
Napa County Board of Supervisors
1195 Third Street, Room 310
Napa CA 94559

RE: Girard Winery Use Permit Appeal

Dear Chair Dillon and Supervisors:

We represent Vintage Wine Estates, the owners of 1077 Dunaweal Lane, Calistoga (the "Property") doing business as Girard Winery ("Girard"). On February 28, 2014, Girard submitted the application for a use permit to develop a winery on the Property. The permit application was subject to four public hearings and numerous studies on water and traffic, where Girard made costly modifications to the project in good faith to work with neighbors even though it was not required to do so. Throughout the application process, which has lasted close to two years, the Department of Planning, Building, and Environmental Services' ("PBES") staff supported the project because the proposed winery is consistent with agriculture lying in the middle of the Agricultural Preserve among 12 acres of vines.

PBES' support was based on their in-depth analysis of the project and conclusions that the proposed winery would not have any significant environmental impacts. These conclusions were affirmed and re-affirmed by numerous environmental experts, as well as other County departments like the Department of Public Works. However, the Planning Commission denied the permit application through a 2-2 decision on October 21, 2015 (J. Gill recused).

Girard appeals that 2-2 decision to the Board of Supervisors based on a prejudicial abuse of discretion by the Planning Commission, a lack of a fair and impartial hearing, and the absence of facts to support the decision.¹ The two commissioners that opposed the application based their position on an opinion that a shared water and wastewater system with Clos Pegase Winery across the street showed the Property could not support the project. This is not the case, and the record was replete with analysis to the contrary, including the staff report, comments and analysis from environmental experts, the draft CEQA negative declaration, and memoranda from County departments. The Planning Commission's 2-2 decision, resulting in denial, ignores that such a decision would force the Applicant to sever the Property's water and

¹ See Napa County Code § 2.88.050.

wastewater facilities from Clos Pegase and file a new winery use permit application. More significantly, it would force Clos Pegase to tear out producing vines, develop over open space, and waste significant sums of money in order to build a new wastewater facility and file a use permit modification application. Furthermore, the denial ignores that the County has approved similar projects sharing water and wastewater facilities in the past.

The Girard Winery project is, as the record shows, a restrained and efficient project. Girard respectfully asks that the Board give this project the review it deserves and approve the permit.

I. BACKGROUND: THE PROJECT & APPLICATION HISTORY.

A. *The Project*

Girard proposes the development of a winery on the Property with an annual production capacity of 200,000 gallons. The Property is 26.8 acres in area and currently includes 12 acres of vineyards with plans to plant more upon project approval. The project does not seek any variances or alternatives to zoning standards.

For visitation, Girard would welcome a maximum of 75 people per weekday and a maximum of 90 people per weekend day, by appointment only. The marketing program proposes four events per year with a maximum of 75 guests; four events per year with a maximum of 200 guests; and one harvest event per year with a maximum of 500 guests. As recognized by PBES Staff:

*The proposed Girard winery falls below the Pre-WDO winery comparison median for visitation proposal and falls between the average and median calculation for parcel size. For the By-Appointment winery comparison, the proposed winery is somewhat greater than the average daily visitation calculations, but **much lower than the average and median calculations for weekly and annual visitations**. The number of events is one higher than the median, but **much lower than the average**.²*

The project site is located on the east side of Dunaweal Lane between Silverado Trail and State Route (SR) 29. Dunaweal Lane is a lightly-travelled two-lane roadway with the main connecting intersections at Silverado Trail/Dunaweal Lane and SR 29/Dunaweal Lane. These intersections operate at Level of Service A or B overall and on all approaches, indicating free flow traffic.

The Property currently holds an existing storage building, ponds for the irrigation and wastewater processing system, a water well, and associated infrastructure. Currently, Clos Pegase Winery, which the Applicant also owns and is directly across the street, uses this infrastructure for their winery operations. Following best management practices and making the best use of natural and economic resources, Girard would share the water and wastewater

² PBES Staff Report for Girard Winery Use Permit (Oct. 21, 2015) [emphasis added].

treatment system with Clos Pegase. The County has approved similar shared water and wastewater systems in the past.

Historically there have been over 18 acres of vineyards planted on the Property; six of these 18 acres remain fallow but will be replanted in the near future. Girard currently transports all of the grapes from the Property to a facility over 40 miles away in the Town of Sonoma to make its wine. Girard would like to make wine from these grapes on-site, instead of transporting the grapes out of the County.

B. *Application History*

Girard submitted the application to the County, almost two years ago, on February 28, 2014. The Planning Commission held four public hearings on the project (Dec. 17, 2014; Jan. 21, 2015; Aug. 19, 2015; and Oct. 21, 2015). Upon the Board's review of this appeal, the County will hold its fifth public hearing on the Girard application. Throughout this process, the Applicant has tirelessly worked to address and respond to neighbors' perceived concerns and comments on the project. In addition to the significant time spent by Girard during the application process, Girard has spent substantial sums of money in good faith hiring numerous environmental experts to make sure there would be no environmental impacts, especially those related to traffic and groundwater.

II. A SHARED WATER & WASTEWATER SYSTEM IS SMART LAND USE POLICY BECAUSE IT IS AN EFFICIENT USE OF NATURAL RESOURCES.

A. *Smart planning requires sustainable solutions for better utilization of limited resources.*

The proposed sharing of a water-wastewater system is a good use of limited natural resources that saves water and protects open space. That's why the County has approved several wineries throughout Napa where wastewater treatment facilities are located on a different parcel than the main winery parcel, such as Cuvaision in Carneros, and more recently H&L Winery (P12-00272), where a connection for process waste to an existing off-site pond (owned by a parent company Trefethen) was approved with a CEQA Categorical Exemption³. The County has also approved projects where multiple businesses share a treatment plant, such as Beaulieu Vineyards sharing a facility with Rutherford Grill and the Rutherford Inn in Rutherford, and Markham and Freemark Abbey Wineries sharing the St. Helena Integrated Treatment Company (acronym unstated) with the Culinary Institute of America and the Wine Country Inn.

The wine industry, encompassing both winery and vineyard owners, are efficiently using recycled wastewater throughout Napa County because it is good land use planning and the best use of resources. The Napa Sanitation District's pipelines to the Milliken-Sarco-Tulocay region

³ Girard is working with Environmental Services' staff and Girard's experts on a more comprehensive list of shared water and wastewater facilities and pending facilities, which will be supplementally submitted.

and Carneros to water starved customers have received great attention. In fact, Vintage Wine Estates will be contributing \$1,800,000 in the future for the Carneros pipeline, which will serve Vintage's Mitsumo Vineyard. But, for over 20 years now, the Town of Yountville has piped recycled wastewater to customers like Mondavi, Clos du Val, Chimney Rock, Stag's Leap Wine Cellars, Silverado Vineyards and others. These pipelines are nothing more than examples, along with the shared facilities set forth above, of efficient uses of facilities and water to benefit the Agricultural Preserve.

While the County General Plan does not yet have policies for or against shared water-wastewater systems, the County has well-recognized policies that address the significant of preserving agriculture, open space, and water. By Close Pegase and Girard sharing an existing water treatment system, Clos Pegase will avoid constructing a separate and unnecessary water and water treatment facility on the Clos Pegase parcel, at a cost of hundreds of thousands of dollars, and likely at a loss of vineyard and open space, which is why, in part, PBES staff supported this application.

- B. *The use of a shared water and wastewater system is a sustainable practice; it does not mean that a parcel is not self-sustaining.*

The two dissenting commissioners in the Commission's 2-2 decision based their vote on the concept that any development on a parcel should be self-sustaining. The notion that a parcel should be self-sustaining is based on the principle that such parcels have increased environmental impacts outside of that parcel. The most often cited example of this ironically relates to another type of wastewater system, referred to as "hold and haul." A property owner utilizes a hold and haul wastewater system (due to either site constraints or economic reasons) by constructing a holding tank that stores process wastewater temporarily until a wastewater truck can remove the tank's remnants and transport it to a waste processing site (normally to East Bay Municipal Utility District in Oakland). Of course, hold and haul systems have related environmental impacts like increased miles traveled and related greenhouse gas emissions, which is why the Agricultural Protection Advisory Committee unanimously voted to recommend to the Board that it prohibit the use of such systems in the future.

A shared water and wastewater system does not demonstrate a property is not self-sustaining for a development. In fact, Girard is a perfect example of the fact that such a system can be self-sustaining, and even a better use of natural resources, as the plethora of documents from County staff and Girard's experts irrefutably indicate. A shared wastewater system is an efficient use of resources and will "lessen project demand on groundwater resources."⁴ In fact, the Napa Sanitation District has recognized it as a best management practice when considering future development in the Airport Industrial Area. The County should promote policies encouraging shared water and wastewater facilities as it would help lower the amount of agricultural land taken for use by wastewater ponds.

⁴ PBES Staff Reports for Girard Winery Use Permit, p. 3 (Aug. 19, 2015 & Oct. 21, 2015).

- C. *The legal implications of future ownership are dictated by contract and the use permit's conditions of approval.*

The Planning Commission and staff discussed the legal implications of an ownership split between Girard and Clos Pegase after approval. As PBES staff and County Counsel reiterated to the Planning Commission, shared facilities require water and facilities agreements typically in the form of recorded easements. That way if there is a dispute between property owners, the easement would provide for certain rights between the parties and dispute resolution provisions that would allow the parties to resolve those disputes in court or through arbitration. The County typically reviews and approves the form of such an easement.

Upon approval of the Girard use permit, all of Girard's water and wastewater use for the winery would be subject to the County's ongoing jurisdiction. Clos Pegase already has a use permit subject to County jurisdiction. Layering an easement upon the use permits creates a safe legal web for both wineries and the environment.

III. THE PROJECT IS HIGHLY-WATER EFFICIENT BECAUSE IT USES RECYCLED WATER FOR IRRIGATION & FROST PROTECTION, NOT GROUNDWATER.

Water will be provided by an existing well. The existing yield from this well is more than sufficient to serve all planned uses on the Property, including the irrigation of vines. However, **Girard will not use groundwater for vineyard or landscape irrigation; instead Girard will use the recycled water from an existing on-site wastewater treatment system pond for irrigation** which will significantly reduce its use of groundwater.

O'Connor Environmental, a private consultation firm with expertise in hydrology, prepared a Water Availability Analysis-Phase Two Analysis (dated Feb. 18, 2014; revised Mar. 26, 2015; supplemented Jun. 18, 2015; and further supplemented on Sep. 29, 2015) for the proposed Girard Winery, on a 26.5 acre parcel, as well as for the Clos Pegase Winery, on a 20.4 acre parcel (both located on the Valley Floor). For the analysis, County Regulations state that any project which reduces water usage or any water usage below the established threshold is assumed not to have a significant effect on groundwater levels. Under the acceptable water use criteria of 1.0 acre foot per acre, per year ("af/yr") for properties on the Valley Floor, the "Allowable Water Allotments"⁵ for the respective properties are:

- Girard Winery Property = 26.5 af/yr
- Clos Pegase Winery Property = 20.4 af/yr

Collectively, the total Allowable Water Allotment for the two parcels is 46.92 af/yr. However, **the total groundwater demands of the Girard Winery project as conditioned with the Clos Pegase Winery is significantly less than its allowable allotment — only 8.22 af/yr.** Notably,

⁵ The County determines "Allowable Water Allotments" by multiplying the acreage of each parcel by the one acre-foot for properties on the Valley Floor.

the alternate water source (coming from processed winery wastewater) for the irrigation and frost protection of vineyards and general landscaping significantly reduces the demand on groundwater. Simply, the Girard Winery, even when viewed with Clos Pegase, is remarkably efficient in its use of water.

Through this lens, the Board should note the findings of Napa County's 2014 Annual Groundwater Monitoring Report prepared by Luhdorff and Scalmanini (the "County Groundwater Report"), which was presented to the Board on March 3, 2015. The County Groundwater Report clearly states that **based on the network of monitored groundwater level in the area, the groundwater levels in the area south of Calistoga are stable, even in context of the current drought.** As recognized by PBES staff, "Given that the mean annual recharge is significantly higher than the proposed demand, it is highly unlikely that the proposed pumping would result in long-term declines in groundwater elevations or depletion of groundwater resources."⁶ In fact, the use of pre-treated recycled water for irrigation and frost protection purposes, which the County's Water Availability Analysis does not take into account, may result in groundwater recharge.⁷

To further alleviate neighbor concerns, Girard has agreed to: (1) monitor and maintain records of water volumes pumped from the two wells; (2) make the data available to the County upon request; (3) proactively notify the County if water use from the wells exceeds 10 acre-feet in any given year; and (4) include both wells into the County's Groundwater Monitoring program if the County requests that they do so. These concessions are included in the project's proposed conditions of approval. Concerns about self-sufficiency and simply and obviously misplaced in this situation.

4. CONCLUSION

Girard has worked closely with the County, environmental consultants, and neighbors for close to two years and four public hearings to develop a project that is consistent with agriculture in the middle of the Agricultural Preserve. Throughout this time, the project had the support of PBES staff because, among other things, the project uses water and wastewater very efficiently, the amount of visitation and the area to accommodate visitation is relatively modest in

⁶ PBES Staff Report for Girard Winery Use Permit, p. 3 (Aug. 19, 2015).

⁷ See O'Connor Environmental, Inc., "Supplemental Water Report: Summary of Water Availability Analysis findings and response to 08/18/15 letter from Shute, Mihaly, and Weinberger concerning the proposed Girard Winery" (Sep. 29, 2015), which states:

The total Proposed Demand for the existing Clos Pegase and proposed Girard wineries represents only ~24% of the parcel-based groundwater recharge and less than 0.3% of the total aquifer recharge. This suggests that there is a significant margin of safety available to account for uncertainties in the estimates of recharge and water use and that even if one assumed recharge was as low as 25% of the estimated value, proposed water use would still remain less than mean annual recharge.

Napa County Board of Supervisors
November 5, 2015
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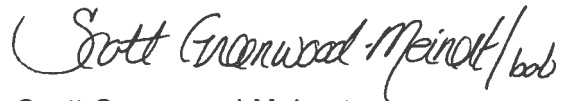
comparison to similar facilities, and the proposal includes substantial greenhouse gas offsets. Furthermore, the project would allow Girard to process the 12 acres of estate grapes on the Property, instead of processing those grapes 40 miles away in the Town of Sonoma.

As recognized by two Planning Commissioners, the proposed winery is a model for future winery applications in a time where the County is scrutinizing projects more than ever. While two commissioners did not support the Girard application based on their opinion that a shared water and wastewater system with Clos Pegase Winery across the street was inappropriate, we hope the Board recognizes that such shared facilities are an efficient, sustainable use of our natural resources and will collectively help to limit groundwater use in this instance, and in the future throughout the valley.

The CEQA process has worked: the County's review has been thorough, the public has had substantial time to comment, and the Applicant has made substantial modifications to the project in good faith to address these comments. This is a commendable project for the County and we look forward to the Board's review.

Sincerely,

DICKENSON, PEATMAN & FOGARTY

A handwritten signature in cursive script that reads "Scott Greenwood-Meinert/bab". The signature is written in black ink and is positioned above the printed name.

Scott Greenwood-Meinert

SGM:bab

Land Use Package LU004242

Dickenson, Peatman & Fogarty
Attn: Scott Greenwood-Meinert
1455 First St., STE 301
Napa, CA 94559

707-252-7155

Subject Property:
020-150-017-000

1000 Foot Radius
\$500.00 Fee

CLTA Property Owner's Notice Guarantee

ORIGINAL

LIABILITY: \$1,000.00

ORDER NO.: LU004242-099

FEE: \$500.00

First American Title Insurance Company

a Corporation, herein called the Company,

GUARANTEES

COUNTY OF NAPA

herein called the Assured, against actual loss not exceeding the liability amount stated above which the Assured shall sustain by reason of any incorrectness in the assurances set forth in Schedule A.

LIABILITY EXCLUSIONS AND LIMITATIONS

1. No guarantee is given nor liability assumed with respect to the identity of any party named or referred to in Schedule A or with respect to the validity, legal effect or priority of any matter shown therein.
2. The Company's liability hereunder shall be limited to the amount of actual loss sustained by the Assured because of reliance upon the assurances herein set forth, but in no event shall the Company's liability exceed the liability amount set forth above.

Dated: October 29, 2015 at 7:30 am

First American Title Insurance Company



Dennis J. Gilmore
President



Jeffrey S. Robinson
Secretary

**SCHEDULE A
PROPERTY OWNER'S NOTICE GUARANTEE**

- 1. That, according to the last equalized "Assessment Roll" in the Office of the Napa County Tax Assessor -
 - a. The persons listed as "Assessed Owner" are shown on the assessment roll as owning real property within 1000 feet of the property identified on the assessment roll as Assessor's Parcel Number 020-150-017-000.
 - b. The Assessor's Parcel Number and any addresses shown on the assessment roll are attached hereto.

APN: 020 150 004 000
FRED J & JULLE LAMB FISHER TR ETAL
6200 ST HELENA RD
SANTA ROSA CA 95404-9692

APN: 020 150 011 000
PAULINE DI GIULIO TOFANELLI ETAL
1076 DUNAWAEL LANE
CALISTOGA CA 94515-9798

APN: 020 150 012 000
VINTAGE WINE ESTATES INC
205 CONCOURSE BLVD
SANTA ROSA CA 95403

APN: 020 150 023 000
PETER RAUCH ETAL
4481 SILVERADO TR
CALISTOGA CA 94515

APN: 020 150 025 000
HEIDI M ANGELL TR
4498 SILVERADO TRAIL
CALISTOGA CA 94515-9647

APN: 020 150 027 000
RICHARD & CAROLYN
DUVAL CZAPLESKI TR
1016 DUNAWAEL LN
CALISTOGA CA 94515

APN: 020 150 028 000
PAULINE DEGIULIO TOFANELLI ETAL
1076 DUNAWAEL LN
CALISTOGA CA 94515-9799

APN: 020 150 045 000
CALISTOGA CITY OF
1232 WASHINGTON ST
CALISTOGA CA 94515-1440

APN: 020 150 046 000
ANDREW H DANNEO TR
1085 DUNAWAEL LN
CALISTOGA CA 94515-9799

APN: 020 150 049 000
FRANK J AND EUGENIA M ROMEO
3432 BRITTAN AVE
SAN CARLOS CA 94070-3454

APN: 020 150 050 000
REALTY INCOME PROPERTIES 2 LLC
11995 EL CAMINO REAL
SAN DIEGO CA 92130-2539

APN: 020 150 052 000
JOHN PAOLETTI TR
11590 W SUNSET BLVD
LOS ANGELES CA 90049

APN: 020 150 053 000
REALTY INCOME PROPERTIES 2 LLC
11995 EL CAMINO REAL
SAN DIEGO CA 92130-2539

APN: 020 180 035 000
CALISTOGA CITY OF
1232 WASHINGTON ST
CALISTOGA CA 94515-1440

APN: 020 350 013 000
HEIDI M ANGELL TR
4498 SILVERADO TRAIL
CALISTOGA CA 94515-9646

APN: 020 350 016 000
MORRIS & GINA E ROSNOW TR ETAL
709 LISBOA CT
WALNUT CREEK CA 94598-4429

APN: 020 350 022 000
FAIRWINDS ESTATE WINERY LLC
1336D OAK ST
SAINT HELENA CA 94574

APN: 020 350 025 000
NATHAN ROBINSON
2001 19TH ST
SAN FRANCISCO CA 94107

APN: 020 350 026 000
SHANE HOWARD & SUZANNE
PHIFER PAVITT TR
4660 SILVERADO TR
CALISTOGA CA 94515-9648

APN: 020 350 027 000
SUSAN L MOYER TR
3759 CEDARBRAE LN
SAN DIEGO CA 92106

APN: 020 350 028 000
LYLE R ANGELL ETAL
4498 SILVERADO TR
CALISTOGA CA 94515

SCHEDULE A
(Continued)

APN: 020 350 033 000
CLIFFORD S & HEIDY H KNOLES TR
ETAL
55 FAIRWAY DR
NOVATO CA 94949

APN: 020 350 041 000
MARILYN V CRANDALL TR
PO BOX 1087
CALISTOGA CA 94515-6087

APN: 020 350 042 000
MICHELE M AMENDOLA &
JACK A CHANDLER TR ETAL
PO BOX 2654
YOUNTVILLE CA 94599

SCHEDULE OF EXCLUSIONS FROM COVERAGE OF THIS GUARANTEE

1. Except to the extent that specific assurances are provided in Schedule A of this Guarantee, the Company assumes no liability for loss or damage by reason of the following:
 - (a) Defects, liens, encumbrances, adverse claims or other matters against the title, whether or not shown by the public records.
 - (b) (1) Taxes or assessments of any taxing authority that levies taxes or assessments on real property; or, (2) Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not the matters excluded under (1) or (2) are shown by the records of the taxing authority or by the public records.
 - (c) (1) Unpatented mining claims; (2) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (3) water rights, claims or title to water, whether or not the matters excluded under (1), (2) or (3) are shown by the public records.
2. Notwithstanding any specific assurances which are provided in Schedule A of this Guarantee, the Company assumes no liability for loss or damage by reason of the following:
 - (a) Defects, liens, encumbrances, adverse claims or other matters affecting the title to any property beyond the lines of the land expressly described in the description set forth in Schedule (A), (C) or in Part 2 of this Guarantee, or title to streets, roads, avenues, lanes, ways or waterways to which such land abuts, or the right to maintain therein vaults, tunnels, ramps or any structure or improvements; or any rights or easements therein, unless such property, rights or easements are expressly and specifically set forth in said description.
 - (b) Defects, liens, encumbrances, adverse claims or other matters, whether or not shown by the public records; (1) which are created, suffered, assumed or agreed to by one or more of the Assureds; (2) which result in no loss to the Assured; or (3) which do not result in the invalidity or potential invalidity of any judicial or non-judicial proceeding which is within the scope and purpose of the assurances provided.
 - (c) The identity of any party shown or referred to in Schedule A.
 - (d) The validity, legal effect or priority of any matter shown or referred to in this Guarantee.

GUARANTEE CONDITIONS AND STIPULATIONS

1. **Definition of Terms.**

The following terms when used in the Guarantee mean:

 - (a) the "Assured": the party or parties named as the Assured in this Guarantee, or on a supplemental writing executed by the Company.
 - (b) "land": the land described or referred to in Schedule (A)(C) or in Part 2, and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule (A)(C) or in Part 2, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways.
 - (c) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.
 - (d) "public records": records established under state statutes at Date of Guarantee for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge.
 - (e) "date": the effective date.
2. **Notice of Claim to be Given by Assured Claimant.**

An Assured shall notify the Company promptly in writing in case knowledge shall come to an Assured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as stated herein, and which might cause loss or damage for which the Company may be liable by virtue of this Guarantee. If prompt notice shall not be given to the Company, then all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any Assured unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.
3. **No Duty to Defend or Prosecute.**

The Company shall have no duty to defend or prosecute any action or proceeding to which the Assured is a party, notwithstanding the nature of any allegation in such action or proceeding.
4. **Company's Option to Defend or Prosecute Actions; Duty of Assured Claimant to Cooperate.**

Even though the Company has no duty to defend or prosecute as set forth in Paragraph 3 above:

 - (a) The Company shall have the right, at its sole option and cost, to institute and prosecute any action or proceeding, interpose a defense, as limited in (b), or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest as stated herein, or to establish the lien rights of the Assured, or to prevent or reduce loss or damage to the Assured. The Company may take any appropriate action under the terms of this Guarantee, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this Guarantee. If the Company shall exercise its rights under this paragraph, it shall do so diligently.
 - (b) If the Company elects to exercise its options as stated in Paragraph 4(a) the Company shall have the right to select counsel of its choice (subject to the right of such Assured to object for reasonable cause) to represent the Assured and shall not be liable for and will not pay the fees of any other counsel, nor will the Company pay any fees, costs or expenses incurred by an Assured in the defense of those causes of action which allege matters not covered by this Guarantee.
 - (c) Whenever the Company shall have brought an action or interposed a defense as permitted by the provisions of this Guarantee, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from an adverse judgment or order.
 - (d) In all cases where this Guarantee permits the Company to prosecute or provide for the defense of any action or proceeding, an Assured shall secure to the Company the right to so prosecute or provide for the defense of any action or proceeding, and all appeals therein, and permit the Company

GUARANTEE CONDITIONS AND STIPULATIONS (Continued)

to use, at its option, the name of such Assured for this purpose. Whenever requested by the Company, an Assured, at the Company's expense, shall give the Company all reasonable aid in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest as stated herein, or to establish the lien rights of the Assured. If the Company is prejudiced by the failure of the Assured to furnish the required cooperation, the Company's obligations to the Assured under the Guarantee shall terminate.

5. Proof of Loss or Damage.

In addition to and after the notices required under Section 2 of these Conditions and Stipulations have been provided to the Company, a proof of loss or damage signed and sworn to by the Assured shall be furnished to the Company within ninety (90) days after the Assured shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the matters covered by this Guarantee which constitute the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the Assured to provide the required proof of loss or damage, the Company's obligation to such assured under the Guarantee shall terminate. In addition, the Assured may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Guarantee, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Assured shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the Assured provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Assured to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in the above paragraph, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this Guarantee to the Assured for that claim.

6. Options to Pay or Otherwise Settle Claims: Termination of Liability.

In case of a claim under this Guarantee, the Company shall have the following additional options:

- (a) To Pay or Tender Payment of the Amount of Liability or to Purchase the Indebtedness.

The Company shall have the option to pay or settle or compromise for or in the name of the Assured any claim which could result in loss to the Assured within the coverage of this Guarantee, or to pay the full amount of this Guarantee or, if this Guarantee is issued for the benefit of a holder of a mortgage or a lienholder, the Company shall have the option

to purchase the indebtedness secured by said mortgage or said lien for the amount owing thereon, together with any costs, reasonable attorneys' fees and expenses incurred by the Assured claimant which were authorized by the Company up to the time of purchase.

Such purchase, payment or tender of payment of the full amount of the Guarantee shall terminate all liability of the Company hereunder. In the event after notice of claim has been given to the Company by the Assured the Company offers to purchase said indebtedness, the owner of such indebtedness shall transfer and assign said indebtedness, together with any collateral security, to the Company upon payment of the purchase price.

Upon the exercise by the Company of the option provided for in Paragraph (a) the Company's obligation to the Assured under this Guarantee for the claimed loss or damage, other than to make the payment required in that paragraph, shall terminate, including any obligation to continue the defense or prosecution of any litigation for which the Company has exercised its options under Paragraph 4, and the Guarantee shall be surrendered to the Company for cancellation.

- (b) To Pay or Otherwise Settle With Parties Other Than the Assured or With the Assured Claimant.

To pay or otherwise settle with other parties for or in the name of an Assured claimant any claim assured against under this Guarantee, together with any costs, attorneys' fees and expenses incurred by the Assured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of the option provided for in Paragraph (b) the Company's obligation to the Assured under this Guarantee for the claimed loss or damage, other than to make the payment required in that paragraph, shall terminate, including any obligation to continue the defense or prosecution of any litigation for which the Company has exercised its options under Paragraph 4.

7. Determination and Extent of Liability.

This Guarantee is a contract of Indemnity against actual monetary loss or damage sustained or incurred by the Assured claimant who has suffered loss or damage by reason of reliance upon the assurances set forth in this Guarantee and only to the extent herein described, and subject to the Exclusions From Coverage of This Guarantee.

The liability of the Company under this Guarantee to the Assured shall not exceed the least of:

- (a) the amount of liability stated in Schedule A or in Part 2;
(b) the amount of the unpaid principal indebtedness secured by the mortgage of an Assured mortgagee, as limited or provided under Section 6 of these Conditions and Stipulations or as reduced under Section 9 of these Conditions and Stipulations, at the time the loss or damage assured against by this Guarantee occurs, together with interest thereon; or
(c) the difference between the value of the estate or interest covered hereby as stated herein and the value of the estate or interest subject to any defect, lien or encumbrance assured against by this Guarantee.

8. Limitation of Liability.

- (a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures any other matter assured against by this Guarantee in a reasonably diligent

GUARANTEE CONDITIONS AND STIPULATIONS (Continued)

manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

- (b) In the event of any litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title, as stated herein.
- (c) The Company shall not be liable for loss or damage to any Assured for liability voluntarily assumed by the Assured in settling any claim or suit without the prior written consent of the Company.

9. Reduction of Liability or Termination of Liability.

All payments under this Guarantee, except payments made for costs, attorneys' fees and expenses pursuant to Paragraph 4 shall reduce the amount of liability pro tanto.

10. Payment of Loss.

- (a) No payment shall be made without producing this Guarantee for endorsement of the payment unless the Guarantee has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.
- (b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within thirty (30) days thereafter.

11. Subrogation Upon Payment or Settlement.

Whenever the Company shall have settled and paid a claim under this Guarantee, all right of subrogation shall vest in the Company unaffected by any act of the Assured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the Assured would have had against any person or property in respect to the claim had this Guarantee not been issued. If requested by the Company, the Assured shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The Assured shall permit the Company to sue, compromise or settle in the name of the Assured and to use the name of the Assured in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the Assured the Company shall be subrogated to all rights and remedies of the Assured after the Assured shall have recovered its principal, interest, and costs of collection.

12. Arbitration.

Unless prohibited by applicable law, either the Company or the Assured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Assured arising out of or relating to this Guarantee, any service of the Company in connection with its issuance or the breach of a Guarantee provision or other obligation. All arbitrable matters when the Amount of Liability is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Assured. All arbitrable matters when the amount of liability is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Assured. The Rules in effect at Date of Guarantee shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permits a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

13. Liability Limited to This Guarantee; Guarantee Entire Contract.

- (a) This Guarantee together with all endorsements, if any, attached hereto by the Company is the entire Guarantee and contract between the Assured and the Company. In interpreting any provision of this Guarantee, this Guarantee shall be construed as a whole.
- (b) Any claim of loss or damage, whether or not based on negligence, or any action asserting such claim, shall be restricted to this Guarantee.
- (c) No amendment of or endorsement to this Guarantee can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

14. Notices, Where Sent.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this Guarantee and shall be addressed to the Company at First American Title Insurance Company, Attn: Claims National Intake Center, 1 First American Way, Santa Ana, California 92707. Claims.NIC@firstam.com Phone: 888-632-1642 Fax: 877-804-7606



First American Title

APN: 020 150 004 000
FRED J & JULLE LAMB FISHER TR ETAL
6200 ST HELENA RD
SANTA ROSA CA 95404-9692

APN: 020 150 011 000
PAULINE DI GIULIO TOFANELLI ETAL
1076 DUNAWAEL LANE
CALISTOGA CA 94515-9798

APN: 020 150 012 000
VINTAGE WINE ESTATES INC
205 CONCOURSE BLVD
SANTA ROSA CA 95403

APN: 020 150 023 000
PETER RAUCH ETAL
4481 SILVERADO TR
CALISTOGA CA 94515

APN: 020 150 025 000
HEIDI M ANGELL TR
4498 SILVERADO TRAIL
CALISTOGA CA 94515-9647

APN: 020 150 027 000
RICHARD & CAROLYN
DUVAL CZAPLESKI TR
1016 DUNAWAEL LN
CALISTOGA CA 94515

APN: 020 150 028 000
PAULINE DEGIULIO TOFANELLI ETAL
1076 DUNAWAEL LN
CALISTOGA CA 94515-9799

APN: 020 150 045 000
CALISTOGA CITY OF
1232 WASHINGTON ST
CALISTOGA CA 94515-1440

APN: 020 150 046 000
ANDREW H DANNEO TR
1085 DUNAWAEL LN
CALISTOGA CA 94515-9799

APN: 020 150 049 000
FRANK J AND EUGENIA M ROMEO
3432 BRITTAN AVE
SAN CARLOS CA 94070-3454

APN: 020 150 050 000
REALTY INCOME PROPERTIES 2 LLC
11995 EL CAMINO REAL
SAN DIEGO CA 92130-2539

APN: 020 150 052 000
JOHN PAOLETTI TR
11590 W SUNSET BLVD
LOS ANGELES CA 90049

APN: 020 150 053 000
REALTY INCOME PROPERTIES 2 LLC
11995 EL CAMINO REAL
SAN DIEGO CA 92130-2539

APN: 020 180 035 000
CALISTOGA CITY OF
1232 WASHINGTON ST
CALISTOGA CA 94515-1440

APN: 020 350 013 000
HEIDI M ANGELL TR
4498 SILVERADO TRAIL
CALISTOGA CA 94515-9646

APN: 020 350 016 000
MORRIS & GINA E ROSNOW TR ETAL
709 LISBOA CT
WALNUT CREEK CA 94598-4429

APN: 020 350 022 000
FAIRWINDS ESTATE WINERY LLC
1336D OAK ST
SAINT HELENA CA 94574

APN: 020 350 025 000
NATHAN ROBINSON
2001 19TH ST
SAN FRANCISCO CA 94107

APN: 020 350 026 000
SHANE HOWARD & SUZANNE
PHIFER PAVITT TR
4660 SILVERADO TR
CALISTOGA CA 94515-9648

APN: 020 350 027 000
SUSAN L MOYER TR
3759 CEDARBRAE LN
SAN DIEGO CA 92106

APN: 020 350 028 000
LYLE R ANGELL ETAL
4498 SILVERADO TR
CALISTOGA CA 94515

APN: 020 350 033 000
CLIFFORD S & HEIDY H KNOLES TR ETAL
55 FAIRWAY DR
NOVATO CA 94949

APN: 020 350 041 000
MARILYN V CRANDALL TR
PO BOX 1087
CALISTOGA CA 94515-6087

APN: 020 350 042 000
MICHELE M AMENDOLA &
JACK A CHANDLER TR ETAL
PO BOX 2654
YOUNTVILLE CA 94599

COUNTY ASSESSOR'S PARCEL MAP

Tax Area Code
1000, 55000

20-15

NOTE: This Map Was Prepared For Assessment Purposes Only, No Liability Is Assumed For The Accuracy Of The Data Delineated Hereon.

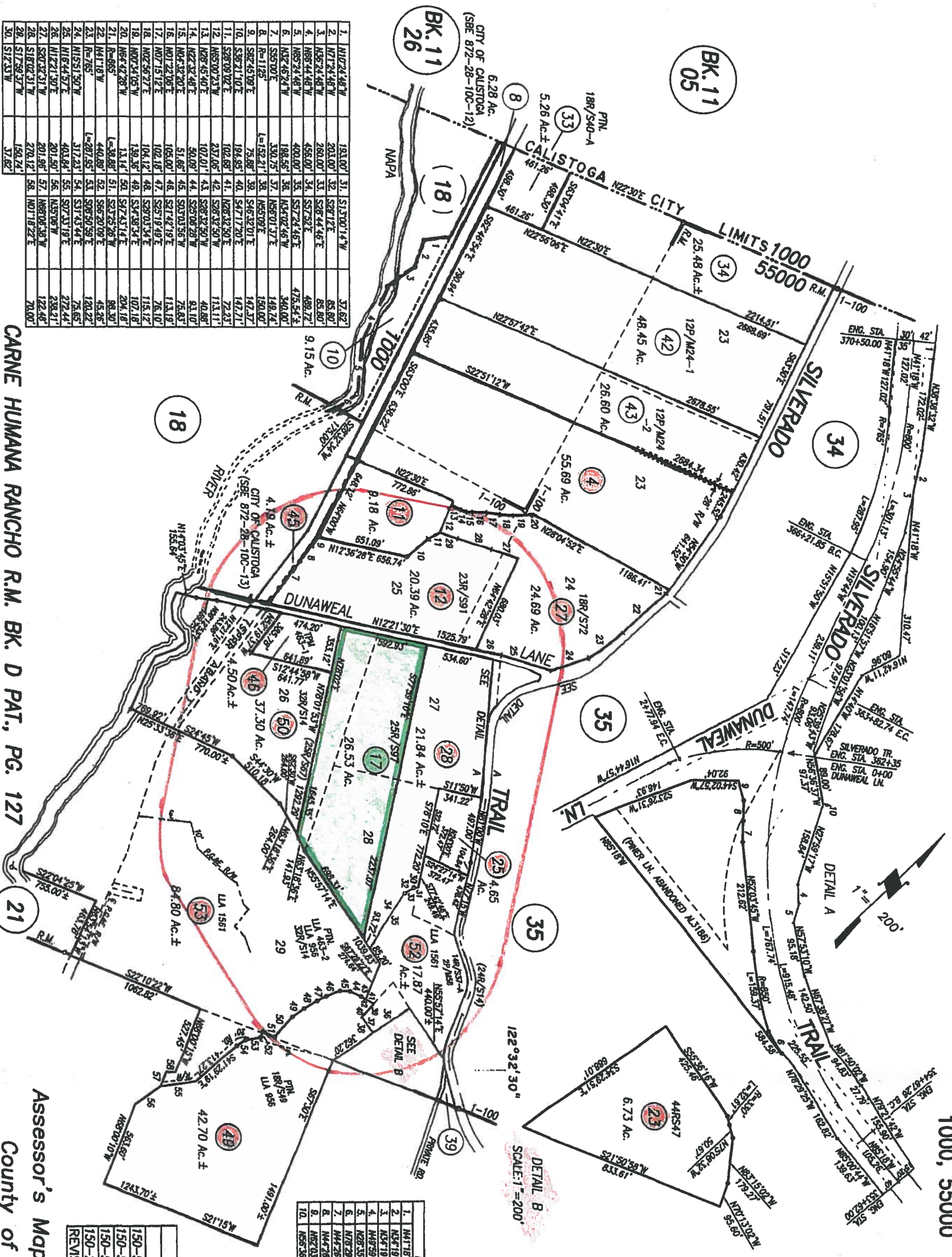
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2.	N1724.467W	203.00'	S2.	S28174'E	85.60'
3.	N3624.467W	280.00'	S3.	S2844.46'E	83.80'
4.	N8524.467W	458.00'	S4.	S2758'E	489.72'
5.	N8524.467W	400.00'	S5.	S2724.46'E	475.54'
6.	N3246.247W	198.56'	S6.	N34202.467W	340.00'
7.	S35500'E	330.75'	S7.	N56701.37'E	149.74'
8.	R-1125'	L=152.21'	S8.	N55109'E	190.00'
9.	S8245.109'E	75.88'	S9.	S46327.01'E	142.37'
10.	S3621.107'E	194.95'	S10.	S4717.20'E	142.71'
11.	S28709.102'E	102.69'	S11.	N28182.80'E	72.43'
12.	N85700.231'W	237.05'	S12.	S2832.90'W	113.11'
13.	N2845.407'E	107.01'	S13.	S2832.90'W	40.88'
14.	N2732.487'E	80.09'	S14.	S2906.28'W	93.10'
15.	N4732.207'E	51.66'	S15.	S3070.95'W	78.83'
16.	N0722.007'E	105.00'	S16.	S2742.19'E	113.19'
17.	N0715.127'E	102.16'	S17.	S2519.49'E	76.10'
18.	N0756.277'E	104.12'	S18.	S2903.94'E	116.12'
19.	N0734.105'W	130.36'	S19.	S4738.34'E	107.18'
20.	N6542.287'W	13.14'	S20.	S4745.14'E	204.18'
21.	R-885'	L=30.88'	S21.	S2325.26'W	98.30'
22.	N4118'W	440.88'	S22.	S6620.09'E	45.36'
23.	R-785'	L=287.55'	S23.	S2830.99'E	120.22'
24.	N1551.307'W	312.23'	S24.	S1743.44'E	75.65'
25.	N1644.577'E	403.84'	S25.	S10733.19'E	222.44'
26.	N1221.307'E	201.96'	S26.	N15300'W	238.21'
27.	S40732.31'W	201.96'	S27.	N88708.38'W	122.48'
28.	S1782.31'W	120.12'	S28.	N0718.22'E	70.00'
29.	S1782.31'W	120.12'	S29.	N0718.22'E	70.00'
30.	S1233'W	37.62'	S30.	S1233'W	37.62'

CARNE HUMANA RANCHO R.M. BK. D PAT., PG. 127
KILBURN HOMESTEAD TRACT R.M. BK. 1, PG. 100

Assessor's Map Bk. 20 Pg. 15
County of Napa, Calif.
1955-61

150-50 & 51 60	2-27-96
150-50 & 51 RS	8-25-98
150-52 & 53 LLA	12-31-07
150-23 RS	2-11-15
REVISION	DATE

1.	N4118'W	31.26'
2.	N3419.51'W	74.33'
3.	N3419.51'W	83.25'
4.	N4059.59'W	37.24'
5.	N2635.58'W	41.32'
6.	N10729.25'W	48.12'
7.	N4478.11'W	40.79'
8.	N4478.11'W	39.72'
9.	N82703.39'W	39.72'
10.	N5636.37'W	1.61'



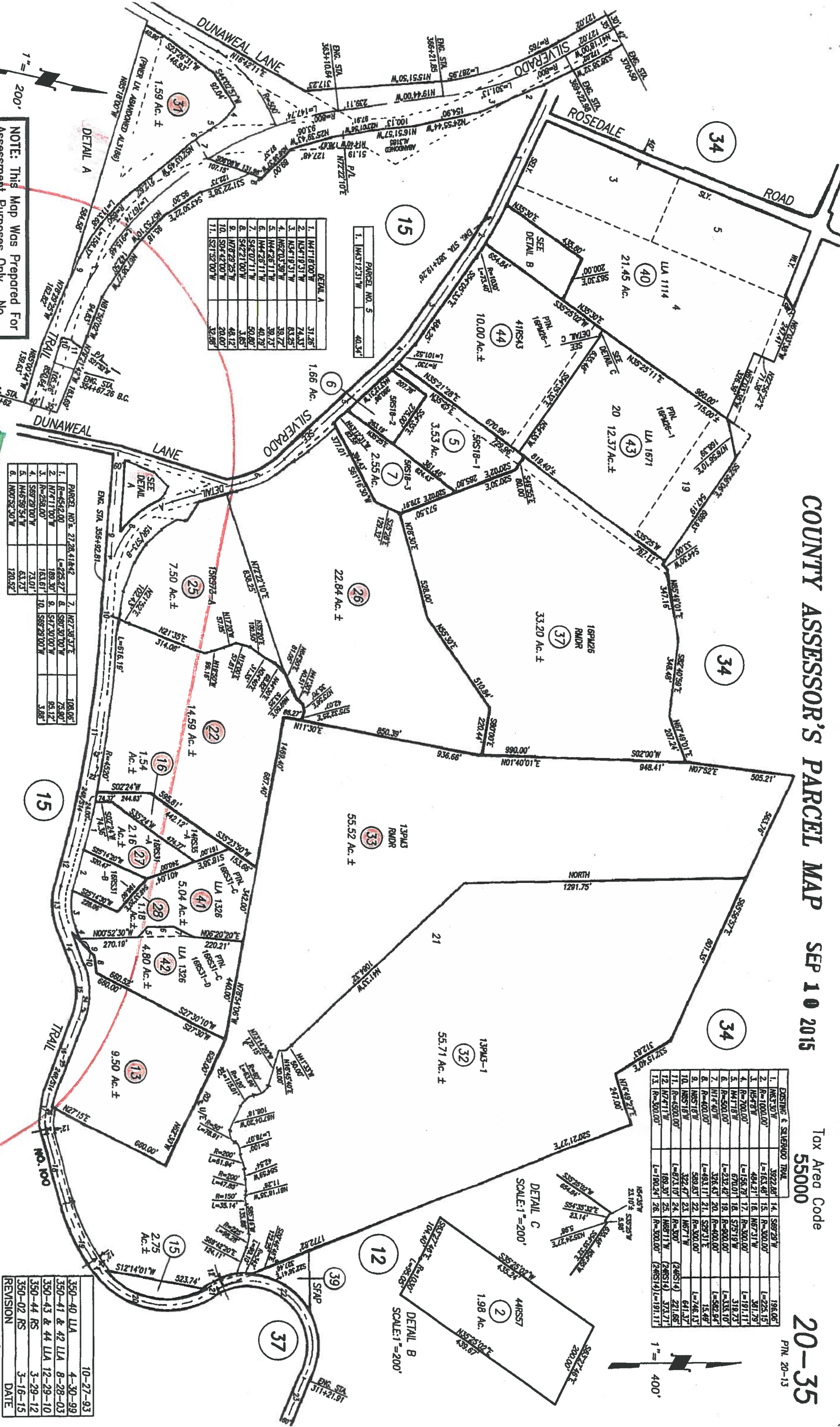
SEP 10 2015



COUNTY ASSESSOR'S PARCEL MAP SEP 10 2015

Tax Area Code
55000

20-35
PIN 20-13



NOTE: This Map Was Prepared For Assessment Purposes Only, No Liability Is Assumed For The Accuracy Of The Data Delineated Hereon.

DETAIL A

1.	N47°16'00"W	31.26'
2.	N47°19'31"W	74.53'
3.	N62°03'30"W	83.25'
4.	N42°26'11"W	39.72'
5.	N44°26'11"W	40.79'
6.	S42°07'11"W	50.80'
7.	S42°21'00"W	1.65'
8.	N72°29'25"W	48.12'
9.	S04°42'00"W	20.00'
10.	S04°42'00"W	20.00'
11.	S21°52'00"W	32.28'

PARCEL NO. 5

1.	N43°12'31"W	40.34'
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DETAIL A

1.	R=4542.00	108.05'
2.	N17°11'00"W	75.97'
3.	R=2582.00	95.12'
4.	S09°29'00"W	3.88'
5.	N46°59'54"W	63.73'
6.	N00°52'30"W	120.52'
7.	N27°30'37"E	108.05'
8.	S07°30'00"W	75.97'
9.	S17°30'00"W	95.12'
10.	S09°29'00"W	3.88'

EXISTING & SILVERADO TRAIL

1.	N63°30'W	196.06'
2.	R=1000.00'	L=225.15'
3.	N5°47'W	361.79'
4.	R=700.00'	L=191.11'
5.	R=700.00'	L=158.79'
6.	N41°18'W	319.73'
7.	R=500.00'	L=232.42'
8.	N14°40'W	L=335.10'
9.	R=400.00'	L=582.94'
10.	N05°16'W	L=748.13'
11.	N05°16'W	L=748.13'
12.	R=450.00'	L=641.37'
13.	R=189.30'	L=221.65'
14.	N02°24'26"	L=190.24'
15.	R=300.00'	L=191.11'
16.	N67°31'W	L=225.15'
17.	R=300.00'	L=191.11'
18.	S75°19'W	L=319.73'
19.	R=400.00'	L=582.94'
20.	R=400.00'	L=582.94'
21.	S29°31'E	L=15.49'
22.	R=300.00'	L=748.13'
23.	N67°11'W	L=748.13'
24.	R=300'	L=641.37'
25.	N68°11'W	L=221.65'
26.	R=300.00'	L=190.24'
27.	(248514)	L=221.65'
28.	(248514)	L=221.65'
29.	(248514)	L=221.65'
30.	(248514)	L=221.65'

PTN CARNE HUMANA RANCHO BK. D, PAT., PG. 127
PTN. KILBURN HOMESTEAD TRACT R.M. BK. 1, PG. 100

1964
20-35

COUNTY ASSESSOR'S PARCEL MAP

Tax Area Code
1000, 55000

LOT 1 SEC. 6 & PTN. LOT 5
SEC. 7, T.8N., 6W., M.D.B.&M.

20-18

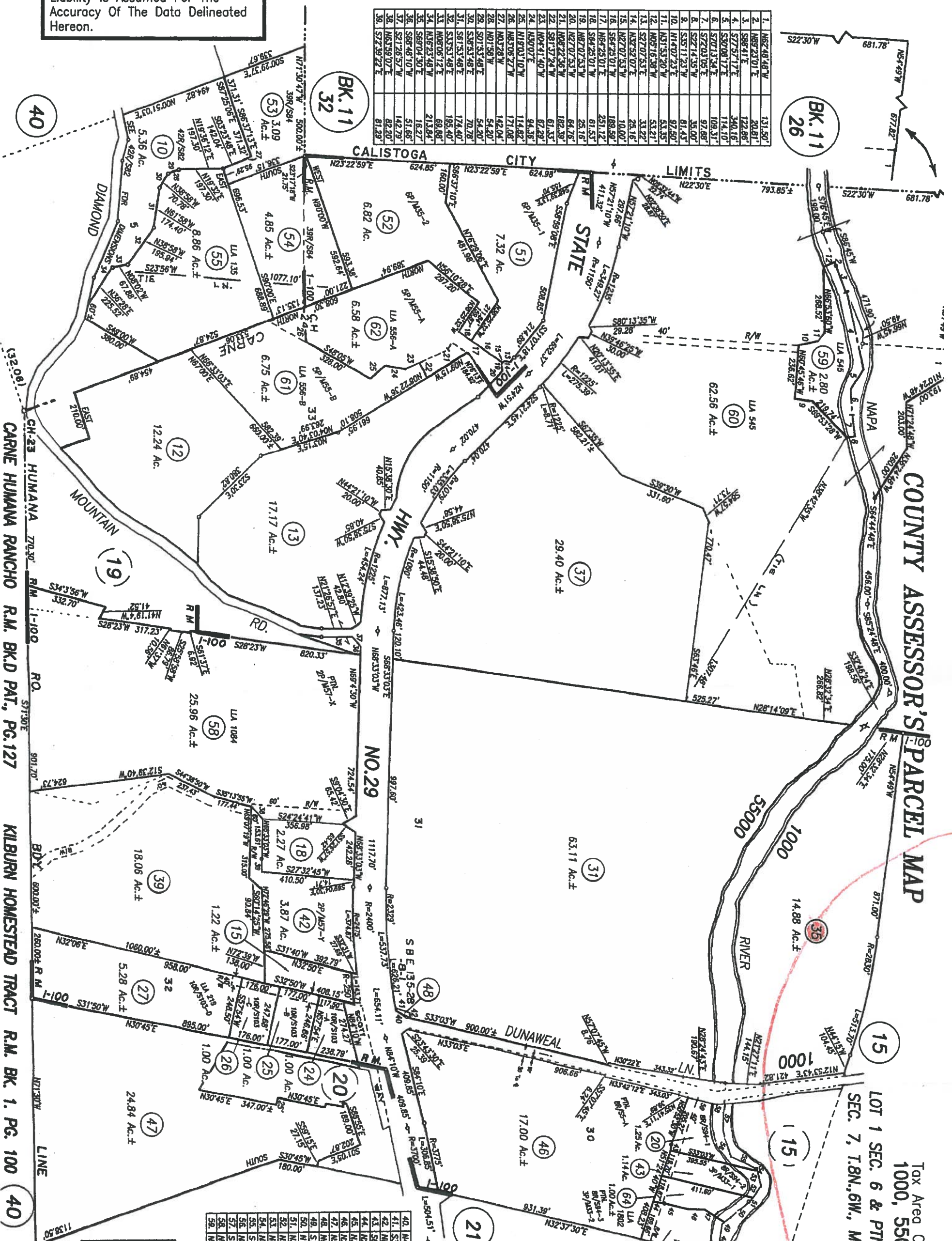
DEC 16 2014

BK. 11
26

BK. 11
32

40

1.	N62°48'48"W	131.50'
2.	N88°23'01"E	202.81'
3.	S88°41'E	122.86'
4.	S77°57'17"E	340.16'
5.	S37°08'17"E	114.10'
6.	S70°13'34"E	109.31'
7.	S72°03'05"E	92.88'
8.	S22°14'55"W	95.00'
9.	S35°11'23"W	81.43'
10.	N16°07'22"E	97.80'
11.	N31°53'20"W	53.35'
12.	N05°16'38"W	53.21'
13.	S27°07'53"E	33.22'
14.	N32°52'01"E	23.16'
15.	N27°07'53"W	10.00'
16.	S64°25'01"W	189.50'
17.	N64°25'01"E	251.12'
18.	S84°25'01"W	81.33'
19.	N87°07'53"W	25.16'
20.	N87°07'53"W	64.76'
21.	N88°23'36"W	182.39'
22.	S81°37'24"W	61.33'
23.	N04°41'40"W	67.29'
24.	N30°07'E	84.36'
25.	N18°03'10"W	114.82'
26.	N83°08'27"W	171.08'
27.	N03°28'W	142.04'
28.	N01°58'W	54.20'
29.	S01°53'48"E	54.20'
30.	S38°53'48"E	70.78'
31.	S51°53'48"E	195.40'
32.	S33°53'48"E	69.88'
33.	N08°06'12"E	213.84'
34.	N38°23'48"W	18.27'
35.	S69°04'30"E	51.66'
36.	S68°48'10"W	142.29'
37.	S21°26'57"W	82.20'
38.	N63°59'07"E	82.20'
39.	S72°39'22"E	81.29'



40.	N47°45'40"E	51.15'
41.	S39°12'35"W	60.64'
42.	N39°30'25"W	20.00'
43.	S67°49'10"E	30.22'
44.	N29°43'20"E	51.35'
45.	N33°03'E	108.45'
46.	N21°17'26"E	75.83'
47.	N27°29'54"E	101.76'
48.	N07°54'30"W	132.94'
49.	S19°25'50"W	23.09'
50.	N19°25'50"W	141.85'
51.	N34°33'10"W	22.93'
52.	N34°33'10"W	65.71'
53.	N34°33'10"W	65.44'
54.	N83°48'W	65.44'
55.	S46°07'40"W	128.47'
56.	N67°33'45"W	118.81'
57.	S68°37'40"E	108.88'
58.	N12°59'E	33.73'
59.	N33°02'E	137.65'

180-53 & 54 COC	3-15-05
180-53 & 54 RS	4-20-09
180-37 COBR	12-31-12
180-37 COC	5-16-13
180-10 RS	12-18-13
180-64 & 65 LIA	7-22-14
REVISION	DATE

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1955-61

20-18