



Agenda Date: 11/1/2005
Agenda Placement: 9B

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Nancy Watt - County Executive Officer
County Executive Office
REPORT BY: Britt Ferguson, Assistant County Executive Officer, 253-4406
SUBJECT: Sponsorship Request - Great Wine Capitals Global Network Annual Assembly

RECOMMENDATION

County Executive Officer requests that the Board consider a request for funding from the St. Helena Chamber of Commerce for the Great Wine Capitals Global Network Annual Assembly, to be held in San Francisco and Napa County on November 13-17, 2005. (Supervisor Dodd)

EXECUTIVE SUMMARY

The Global Network of Great Wine Capitals is an organization that works to encourage international winery tourism, as well as economic, academic and cultural exchanges between the regions that are members. Currently, the Global Network includes representatives from Melbourne, Australia, Bordeaux, France, Napa-Valley-San Francisco, Porto, Portugal, Cape Town, South Africa, Bilbao-Roja, Spain, Florence, Italy and Mendoza, Argentina. Each year, the Global Network holds a conference, called the Annual General Meeting, in one of the regions and the 1995 conference is being held in San Francisco-Napa County. The St. Helena Chamber of Commerce is the Napa County host for this conference and is requesting that the County assist in sponsoring the conference in the amount of \$7,500.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	The Agriculture Commissioner has proposed that this \$7,500 expense be paid out of his department's budget. This expenditure is not currently budgeted and the Agriculture Commissioner thinks it is likely that budget savings and revenue increases will be sufficient to cover this cost without the need for additional General Fund contribution. Staff will monitor the Agriculture

	Department budget and if an adjustment is required, will request such adjustment at Mid-Year or Third-Quarter.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	The Agriculture Commissioner is recommending this expenditure because of the benefit to the wine industry from participation in this organization.
Is the general fund affected?	Yes
Future fiscal impact:	This would be a one-time expenditure. However, if the Board agrees to make this expenditure, it could be that similar requests from other organizations will be made in the future.
Consequences if not approved:	The Global Network conference will go forward regardless, and it is unclear what the exact consequences will be.
Additional Information:	None

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

The Global Network of Great Wine Capitals is an organization that works to encourage international winery tourism, as well as economic, academic and cultural exchanges between the regions that are members. Currently, the Global Network includes representatives from Melbourne, Australia, Bordeaux, France, Napa-Valley-San Francisco, Porto, Portugal, Cape Town, South Africa, Bilbao-Roja, Spain, Florence, Italy and Mendoza, Argentina. According to the St. Helena Chamber of Commerce, each country is only allowed to have one wine region be a member of the Global Network. Napa County participation in Global Network has been lead by the St. Helena Chamber of Commerce and the Napa Valley Vintners.

Each year, the Global Network holds a conference, called the Annual General Meeting, in one of the regions and the 2005 conference is being held in San Francisco-Napa County. The St. Helena Chamber of Commerce is the Napa County host for this conference and is requesting that the County assist in sponsoring the conference in the amount of \$7,500. Copies of a letter from the St. Helena Chamber of Commerce and the conference agenda are attached.

Staff has worked to obtain additional information about the Global Network, the extent of Napa County's wine industry involvement in the organization, the benefits membership, and the value of participation in the annual conference. At this time, staff has only been able to obtain a limited amount of information, as described below. The County Agricultural Commissioner has indicated his belief that the organization and conference benefits the county and industry.

According to the St. Helena Chamber of Commerce, the Global Network has been in existence for 7 years and is managed by the Bordeaux Chamber of Commerce. Though the Napa County region has been a member of the Global Network since its inception, no local organizational efforts occurred in Napa County until 2003, when the Chamber took that on as a priority. Also according to the St. Helena Chamber of Commerce, the benefits to the County of providing funding for this conference include:

- | The wine industry is the social and economic backbone of our County and thus the industry deserves to be supported, nurtured and held in high esteem.
- | The conferences offer an opportunity for members of the wine industry and related groups to exchange ideas and information and learn from one another.

Approximately 100 representatives from other wine regions will attend the conference in Napa-San Francisco. Last year, approximately 10 representatives from Napa County attended the conference in Melbourne. According to the St. Helena Chamber of Commerce, attendees typically comprise one of three groups: persons directly involved in the wine industry, persons involved in supporting the wine industry (like bankers, lawyers, chambers of commerce, vintners associations, marketing groups) and government officials.

The total cost of the Napa-San Francisco Conference will be approximately \$85,000. In addition to any funding the County might provide, funding for the conference will include \$10,000 each from the St. Helena Chamber and the Vintners Association, \$5,000 from the City of St. Helena and various private sector contributions.

Discussion and Analysis

This is a discretionary expense and your Board may wish to consider two issues in deciding whether or not to agree to the St. Helena Chamber's request to sponsor the Global Network conference. The first issue is the use of County funds for sponsorship of such conferences. The St. Helena Chamber of Commerce has made the point that the wine industry, which is the backbone of the County's economy, will benefit from the exchange of ideas and information that takes place at these events. Although staff cannot independently verify the type of benefits that would derive from these conferences, staff believes that, in theory, it is appropriate to use public funds to sponsor educational or informational events that support local economic development. The County Agricultural Commissioner will be a speaker in this conference and believes that the information provided will be of benefit to participants. Your Board does not have a policy that addresses County sponsorship of conferences of this sort, although your Board supports memberships and conferences (such as CSAC, RCRC, Redwood Empire Association and the like) through the Central Services budget. A consideration is any potential precedent which could be set in agreeing to sponsor this conference outside the usual process. Here, too, the Agricultural Commissioner believes that the unique benefits of this conference warrant County sponsorship and would support funding the request out of the Agricultural Commissioner's department budget.

If your Board were to agree to sponsor this event, the County would enter into an agreement with the St. Helena Chamber of Commerce. Since the amount involved is under \$50,000, the County Executive Officer would authorize that agreement.

SUPPORTING DOCUMENTS

- A . Request for Support Letter
- B . Great Wine Capitals Agenda

CEO Recommendation: Approve

Reviewed By: Maiko Klieman