

San Francisco Chronicle

How a Napa farming nonprofit became a political power broker — and got caught up in a federal investigation

By Jess Lander, Esther Mobley

Feb 23, 2024

The Napa County Farm Bureau became a political power broker in the region in recent years under CEO Ryan Klobas. Now it's caught up in a federal investigation.

A mysterious federal investigation unfolding in Napa Valley has ensnared one of the wine industry's most powerful entities.

The Napa County Farm Bureau, an influential nonprofit representing local agricultural interests, was ordered to supply documents to the U.S. Department of Justice late last year — shortly before the sudden death of its CEO, Ryan Klobas. Interim CEO Tawny Tesconi told the Chronicle that the Farm Bureau was subpoenaed in early December and cooperated with federal investigators who sought records related to its political action committee, a PAC that's supported contentious winery developments and pro-development politicians.

Tesconi said she did not know what the investigation pertained to, and declined to comment on whether the subpoena mentioned anyone associated with the Farm Bureau by name. The Santa Rosa Press Democrat was the first to report on the Farm Bureau subpoena.

That subpoena came alongside three others that federal investigators issued to Napa County officials in December. The feds ordered the county to turn over records related to 40 people, businesses or entities, including prominent wineries; records related to waste management services; and records related to the redevelopment of the county airport.

"I used to really believe they were working for the farmer," Damery said, "and I think now they're working for power."

Patricia Damery, longtime Napa County Farm Bureau member until 2023

The nature of any overarching federal investigation remains unclear, and no criminal indictments have been issued. But the revelation of the Farm Bureau's involvement is notable, because the organization has in recent years become a political power broker in Napa Valley, a region defined by its \$9 billion wine industry.

At least seven of the entities named in a subpoena to Napa County in December, including the owners of Caymus Vineyards and Hall Wines, have made donations to the Farm Bureau's PAC, the Fund to Protect Napa Valley Agriculture. Many of the parties named in that subpoena also have another connection: They have links to or have made donations to Napa County Supervisor Alfredo Pedroza, who was embroiled in a major controversy over the Walt Ranch vineyard development.

The PAC has donated money to Pedroza's campaigns, too, including \$5,000 in January 2020. And Pedroza's campaigns have made payments to the Napa County Farm Bureau Foundation, a separate nonprofit connected to the bureau. Campaign records show that the campaign made \$7,960 in donations to the foundation between 2019 and 2021.

It's common for farm bureau chapters to get involved in local politics, but in recent years the Napa County Farm Bureau, which has upwards of 1,000 members, has doubled down on its political activity. The changes came under the leadership of Klobas, who joined in 2017, became CEO in 2018 and formed the PAC in 2019.

The month after the Farm Bureau received its subpoena, Klobas, 45, died in Orinda. A coroner's report has not been released, but the Jan. 16 death was an apparent suicide, the Contra Costa County Sheriff's Office told the Chronicle. Tesconi said she was appointed interim executive director the following week, and that Klobas was the active CEO at the time of his death.

Before joining the Farm Bureau, Klobas attended law school and worked in politics. He served as a campaign manager for U.S. Rep. Richard Pombo, R-Tracy, and, according to an obituary, as a deputy cabinet secretary for the California governor's office.

But his heart was always in agriculture, he said in an interview upon receiving an award for community impact in the North Bay, because his family grew grapes in Napa Valley after emigrating from Croatia.

Under Klobas' tenure, the Farm Bureau, its political action committee and its foundation helped shape key local issues that relate to Napa Valley's wine industry. In 2018, they fought against a heated ballot initiative that would have limited new vineyard plantings in Napa Valley's hillsides. The measure's proponents argued that it would protect the environment, while opponents including Klobas contended that it would hinder the growth of the wine industry. The measure failed.

“Ryan Klobas was extremely successful at what he did,” said Napa Valley resident Anne Wheaton. “He was a powerhouse.”

Yet not everything Klobas touched was a win for the Farm Bureau. Last year, the bureau publicly criticized the Board of Supervisors’ decision to shut down a 10-year vineyard development project called Le Colline. The land owners said the project would be a zero-emission vineyard and that they would invest significantly in fire mitigation, but environmentalists still opposed the project and appealed. Ultimately, just two supervisors voted against the appeal: Pedroza and Ryan Gregory, who have both been endorsed by the Farm Bureau.

In 2020, the bureau publicly withdrew its support of Supervisor Belia Ramos, citing her inconsistent stances on agricultural preserve issues, and endorsed her opponent, Mariam Aboudamous. The fund made a \$5,000 donation to Aboudamous’ 2020 campaign, though Ramos still won reelection and recently voted in favor of the Le Colline appeal. The Farm Bureau has again endorsed Aboudamous in this upcoming election.

The bureau also strongly supported Pedroza, giving the embattled politician its 2019 “friend of agriculture” award. Pedroza became the subject of public controversy in 2022 after voting in favor of Walt Ranch, a high-profile proposed vineyard whose development was opposed by environmentalists. Pedroza’s father-in-law had bought a property adjacent to Walt Ranch, which his critics said constituted a conflict of interest, since the vineyard’s approval would have raised his family’s property value.

But the Farm Bureau had not always been quite so political.

Previously, “we were more policy focused than politics focused,” said Supervisor Joelle Gallagher, who worked for the Farm Bureau from 1993 to 2001, including five years as its executive director. The organization would endorse candidates in local elections, she said, but there was no PAC and the bureau itself did not make any financial contributions to political races.

In the years since Gallagher left, she said, “the organization seemed a lot more political in that they seemed pretty focused on getting candidates elected.”

During her time with the bureau, Gallagher saw the bureau’s mission of protecting agriculture as inextricable from protecting the environment. But since then, she said, many players in Napa Valley have been pitted against each other as either pro-environment or pro-development. When she ran for county supervisor, she did not earn the bureau’s endorsement.

The Farm Bureau under Klobas came to be seen as pro-development, which in today’s Napa Valley is often understood to mean it supported the growth of the wine industry, including planting new vineyards.

“It was politically a huge shift in the Farm Bureau. People call it a hostile takeover,” said Patricia Damery, who was a longtime Farm Bureau member until 2023 when

her membership was suddenly and inexplicably canceled in the middle of a Zoom meeting. She was informed that she was six days late on paying her renewal dues, she said, but then the Farm Bureau board of directors declined to let her renew, despite being a member for over 30 years. They did not provide Damery with an explanation.

Damery, who is a farmer and also considers herself an environmentalist, said that in recent years, she has publicly disagreed with many of the Farm Bureau's pro-development stances on Napa County agriculture. She suspects this might be why her membership was revoked. "I used to really believe they were working for the farmer," Damery said, "and I think now they're working for power."