

Peter O'Malley  
P.O.Box 585  
Napa, Ca. 94559-0585

NOV 13 1989

RECEIVED  
NAPA COUNTY PLANNING  
DEVELOPMENT DEPARTMENT

11-8-89

Napa County Planning Commission  
1195 Third St.  
Napa, Ca. 94558

Dear Sirs,

This letter is a comment for the draft EIR on wineries here in the Napa Valley. I believe this is the proper agency to send my ideas to; if not please pass this on to the right office.

(358) My thoughts on wineries are that they should be limited to Hwy 29 and Silverado Trail. Wineries in other areas just lead to excessive traffic on roads designed only for light amounts of cars and trucks. People who have moved to the country for peace and quiet are being blown off the road by cars of tourists intent on tasting at as many cellars as possible. Often these people are inebriated as well as lost on these small lanes that are now permitted to have wineries.

(359) I am especially concerned about the possibility of parcel 45-250-28 being able to put in a winery. This parcel is zoned AW which permits a small winery. A quick glance at an assessors map will show that this parcel should be zoned RC. The parcel is right in the middle of fourty acres of single family homes which would be heavily affected by the noise. Also this area is a flood plain which can not have large buildings which would displace water into peoples homes. In addition since there is no county water system all the water for the winery would come from the same source as all the homes in the area; wineries use millions of gallons of water per year. Certainly as the residents in the area had to go to the considerable expense of putting in new wells, they would be inclined to vote against those policy-makers responsible for their plight. One more argument against a winery on this parcel is the lack of a large road for access. Berry Lane has many small children used to being able to play on that very quiet street.

Thankyou for your consideration to these ideas.

Sincerely,

Peter O'Malley

11-1-89

Dear Mr Redding,

(362) The proposed winery definition comes nowhere near providing the protection this valley needs from continued environmental degradation. Please support the "Environmentally Superior Alternative" to the current proposal.

Thank you,

Claire Perricelli

2046 West Park

94558

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NOV 2 1989

224-0493

Rodeno  
Robertson  
& Associates  
ATTORNEYS AT LAW

November 13, 1989

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NOV 13 1989

Napa County Conservation  
Planning Department  
1195 Third Street  
Napa, CA 94559

NAPA CO. CONSERVATION  
DEVELOPMENT & PLANNING DEPT

Re: Draft EIR 60  
Draft Winery Definition Ordinance

Gentlemen:

363 Thank you for the opportunity to comment on this Draft EIR. It appears to me there are several procedural defects in the manner in which you are going about this review. First, the Draft EIR was allegedly made available on October 13, 1989. In truth it was not made available until late that afternoon, and then only to a select few. For most of us in the general public, the Draft EIR was not available until Monday. Indeed, a fair argument can be made that the Draft EIR was not made available until the supplemental information transmission was made available on Friday, October 20, 1989. Therefore, it appears that the comment period should run at least through November 16, 1989, and probably through November 20, 1989, if one intends to observe all of the requirements of CEQA. I recognize that the county maybe under no obligation to provide a public review period or public hearings. However, having undertaken to allow the public to comment and hold hearings, the county is then obligated to comply with the requirements of procedural due process.

364 Secondly, it appears the Draft EIR is one small component of a larger study. In reviewing the Draft EIR, it appears that much of the true environmental information is not contained in this document. Rather it is contained in a Master Environmental Assessment, to which the Draft EIR refers. The county has impliedly recognized this fact. It has released, with the Draft EIR, one part of the Master Environmental Assessment, part three of the Economic Assumptions section. None the less, it is virtually impossible to comment with any degree of accuracy or certainty without having parts one and two of the Master Environmental Assessment available.

365 Substantively, it is clear that the Master Environmental Assessment is a part of the Draft EIR. All one needs to do is review the substance of the original Notice of Preparation issued on

June 28, 1989 and to read the introduction of the Draft EIR. The CEQA guidelines require the agency use its best efforts and disclose all that it reasonably can (15144). Since the MEA is an existing document and nearly available it, is certainly within the scope of the requirement to disclose all that can be reasonably disclosed. The document is defective without that undertaking.

366 I note in the preparation of the Draft EIR, the consultants have not reviewed any of the EIRs prepared for the wineries in the Highway 29. In the last two years, these EIRs include St. Michael's Villa, La Croix Blanche, Whitehall Lane, Stonehedge, and Swanson. There may have been other pertinent EIRs prepared about which I have no knowledge. Apparently, the only county EIR reviewed was one prepared by the consultant for a rezoning (R117667) and a preliminary subdivision map. There is no indication what this project concerned or what the EIR considered. Again, it appears the consultant has not used its best efforts to find and disclose all that it reasonably can.

367 The consultant seems to misunderstand the guideline requirement with respect to growth inducing impacts (15127G). The guideline requires the discussion of the ways in which a proposed project could foster economic or population growth in the surrounding environment. Included in this are projects which would remove obstacles to population growth, such as major expansion of waste water treatment plants, the construction of new highway, etc. The items cited as a growth inducing impact does not seem to be of the kind and character considered by the guidelines.

368 Indeed the EIR, in large part, seems to be concerned with economic and social changes resulting from the project. Economic and social changes stand in an interesting position in CEQA (15064F). Such changes are not to be treated as significant effects on the environment. They may be considered only to determine when a physical change will have a significant effect on the environment. The connection between the discussion of social and economic changes and physical changes seems to be lacking.

369 The lengthy discussion on the General Plan and the ordinance's consistency therewith, seems to be beyond the scope of CEQA. Either the consultant has misread the General Plan, misinterpreted it, or is seeking to rewrite it within the context of this study.

370 There seems to be no good definition of the "environment" upon which this ordinance will have an impact. Perhaps this environmental information is contained in the MEA, but it seems to be lacking in the Draft EIR. The discussion of context, page nine, talks about changes in the basic economic and social fabric of the county. Clearly without a nexus to physical change, this is contrary to the guidelines.

- (371) In that same section, the consultant uses an average tourist visit figure. Averages are deceptive. This average, 102 wineries with 15 tourist visits a week, could be 100 wineries with 5 visits a week and 2 with 500. If the consultant intends to use statistics then the reader should be provided with the full range of statistical tools. In addition to average he should "the median mean and standard deviation".
- (372) At page 15, the consultant characterizes or predicts the proliferation of "multi-use wineries". Since there currently exists a finite number of wineries in the county, the consultant should provide a tabulation, listing those wineries which are multi-use wineries and those facilities activities and programs likely to attract visitors in general. The impact on each multi-use activity should be evaluated. Additionally, the impact of those activities, when they take place in locations other than wineries, should be evaluated. For example, to my knowledge, Robert Mondavi Winery is the only winery in the AP-AW which regularly holds concerts at its premises. However, the "White Barn" which is also located in the AP-AW also holds concerts. What is the impact of that program? If the consultant's proposal is to restrict activities at wineries for the purposes of preserving the agriculture zoned lands, then those restrictions apply equally to all undertakings in the agriculturally zoned lands. Before such restrictions can be imposed, the environmental impact of each such activity must be evaluated. This has not been done in this Draft EIR.
- (373) The Draft EIR indicates that the minimum parcel size would have a minimal effect on only about a dozen wineries. Which ones? Since there are a finite number of wineries located in the county, it would appear that a tabulation of the wineries with respect to parcel size is appropriate so that the general reader will understand the basis for these comments.
- (376) The Draft EIR uses the terms "agricultural uses" and "nonagricultural uses" throughout the document. Where do these terms come from? If the definitions come from the Napa County General Plan and/or the Draft Ordinance, this should be so stated. If the definition has its source in some other documents, those documents and assumptions should be disclosed. With respect to the nonagricultural uses listed in the Draft EIR, particularly at page 31, it would appear appropriate for the consultant to prepare a tabulation of each alleged nonagricultural use and assess individually the impact of each such use on the agriculturally zoned lands. Over broad statements do not provide the decision maker or the general public with sufficient information on which to make an intelligent decision.
- (377) At page 32, the consultant states that projected increases in waste water generation are significant and the increased pollutant loads pose a real threat to ground water quality. What is the basis for this statement? Winery waste water seems to be handled in two ways through septic system and waste water aera-

tion ponds. What are the pollutants contained in winery waste water? This is not disclosed in the EIR. The consultant seems not to have interviewed either Bill Phillips of Summitt Engineering or Drew Aspergen of Napa Valley Vineyard Engineering. Both of these firms have been involved in several winery projects, particularly in the development of waste water treatment systems. In several of the county's use permit files on wineries, Clos Pegase for example, there are statements from these firms to the effect that winery waste water, when properly treated, is of sufficient quality to be used for vineyard irrigation. Wineries routinely have leach fields located in their vineyards and use the treated waste water for irrigation and frost protection. Thus, the cumulative impact of ground water quality by winery development contained in the EIR is only an assertion rather than a conclusion based upon facts.

(378) The consultant states at page 41 that during the period since 1968 overall population in Napa County has increased about 40 percent, at least partially due the growth of the wine industry. This appears to be an assertion. On what does the consultant base the assertion that the population increase is due to the growth of the wine industry? Such specific information is necessary in order for the decision makers and the public to understand the substance of the EIR.

(379) The traffic section seems unusually confused. At present, total winery trip ends amount to approximately 5.7 percent of the traffic in Napa County, and 21.1 percent of the traffic in North Napa County. The projected increase is 1.1 percent to 6.8 percent of the total traffic in Napa County and 2.4 percent increase to 23.5 percent of the total traffic in North Napa County. In the text, the consultant says that in North Napa County 30 percent of the increase in traffic will be attributed to wineries. At page 63, the consultant says of the total traffic expected in North Napa County, 8.2 percent are due to winery growth. These numbers seem inconsistent and there is no attempt in the document to explain the inconsistencies, or the underlying consistencies.

(380) If the concern is activity in the agriculturally zoned lands, the consultant should direct some attention to the 92 percent or 70 percent portion of the traffic that has nothing to do with wineries. What is that traffic? Where is it going? If the consultant is to prepare an adequate EIR, it cannot ignore the larger burden and focus on the smaller. I also note that there has been no discussion of the Railroad Line, the Wine Train, or public transportation. Since these issues were considered most important in the Whitehall Lane, Stonehedge, and Swanson EIR and use permit hearings, the failure to discuss the train seems a notable defect.

(382) Does the air quality section and analysis take into account the proposed changes in the Federal Clean Air Act? At page 57, the consultant acknowledges the substantial positive impact of the wine industry. However, there is no discussion with respect to

(383)

employment. Who is employed in the wine industry? What are their salary ranges? What contribution does this employment base make to Napa County?

384 The growth inducing impact discussion on page 58 and following seems to ignore the substance of the CEQA guideline (15126G).  
385 Additionally, it contains several assertions and what may be speculations, also in violation of the guidelines (15145). The consultant says, "events for which no permits were obtained may have drawn an equal number of visitors". What is the basis for this assertion? The consultant further says, "it is entirely possible that the additional events would actually cause an increase in the baseline visitor forecast". What is the basis for the assertion?

386 I note that in the Cumulative Impact section at page 59, the consultant again refers to the Master Environmental Assessment which is not available to the public at this time.

387 At page 63, has the consultant taken into the account the effect of the approved Cal Trans project which will create a virtually continuous left turn lane from Yountville to St. Helena?

388 The consultant proposes limitations on the use of Highway 29, at page 67. Has the consultant considered other sources of traffic, for example residential development in Calistoga and St. Helena? If the Consultant is considering restriction on wineries as a consequence of traffic on Highway 29, then should not those restrictions apply to all business in the cities and counties that use Highway 29?

389 The consultant at page 68 proposes limiting promotional events to charitable purposes only. Why? The consultant should explain how the environment distinguishes between a promotional event for a charitable purpose and a promotional event for a noncharitable purpose. In an attempt to respond to traffic impact, has the  
390 consultant considered as a mitigation measure requiring the wineries to charge for tours and tasting? This has been legal since January 1985. In order to control traffic, has the consultant considered toll gates at the borders to Napa County?

391 The consultant has obviously not reviewed the procedures in Napa County. At present, all applications are required to have an Initial Study and that it be circulated for comment. Projects routinely do archaeological research and secure sites which are potentially or particularly sensitive.

392 The consultant has apparently not reviewed the current requirements of the California Division of Forestry. CDF already imposes technical restrictions upon wineries with respect to smoke alarms and water reserves for sprinkler systems. While most of  
393 the county is protected by a volunteer fire service, how many of those volunteers work in vineyards or wineries? This has not been evaluated. Could it be that winery employees and vineyard

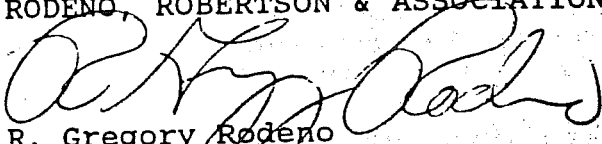
workers currently staff much of the volunteer fire service?

394

In conclusion I note the CEQA guidelines anticipate a Draft EIR would normally be less than 150 pages and for proposals of unusual scope or complexity less than 300 pages. Had the consultant reviewed the EIRs cited in this letter, he would have noted that nearly all of them exceed 150 pages for projects which were less complex in analysis than this Draft Winery Definition Ordinance. The mere lack of volume suggests a lack of consideration. Further, it suggests that the MEA documents are a part of this Draft EIR and it cannot be fairly evaluated without having those documents available for review.

Sincerely yours,

RODENO, ROBERTSON & ASSOCIATION

  
R. Gregory Rodeno

RGR:dch

Napa County Planning Commission  
Napa, California

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21 OCT 23 1989

Gentlemen

NAFACCO  
DEVELOPMENT  
LOCATION  
LAND DEPT.

My mother and I live  
at 4210 St Helena Hwy across the  
river from Sterling Home. He or I  
should say my mother has lived  
at this address for over 45 yrs. I have  
lived here for over 45 yrs. Not only  
has Sterling Home had dinners  
& parties but Fashion Shows, Art  
Shows & evening tours. I have called  
the Home several times because  
they played games 3 AM in the morning.  
At times Greyhound buses have left  
the Home after 10 PM creating noise  
by revving engines, at times loud  
music & yelling in the parking lot.

Tourists going north on Highway 29  
slow down stop and proceed past to  
go to Punawai Lane just recently  
there was a re-ender approximately 50  
yards from the lane the entered our  
property

397

Gentlemen I totally agree with  
Norma Tofanelli on questionable

398

marketing techniques. I also have  
logged Humawal Farm for years  
and have seen traffic increase  
almost ten fold more trucks  
& tour buses a once quite lane  
has almost turned into a free  
way

yours truly

W R Schlegel USN Ret

Walter R. Schlegel, USN Ret.  
4210 St. Helena Hwy. North  
Calistoga, CA 94515

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NOV 13 1989

PAUL G. SMITH  
P.O. BOX 130  
ST. HELENA,  
CALIFORNIA 94572

NAPA COUNTY CONSERVATION  
DEVELOPMENT & PLANNING DEPT.

NAPA COUNTY CONSERVATION DEVELOPMENT AND PLANNING DEPARTMENT  
OFFICE OF SPECIAL PROJECTS  
ATTN: WILLIAM L. SELLECK  
1195 THIRD STREET, ROOM 210  
NAPA,  
CALIFORNIA 94559

11/13/89

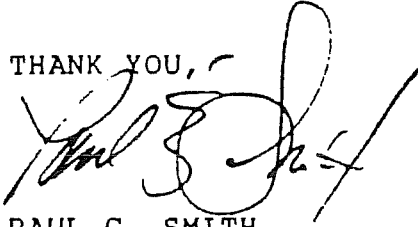
DEAR MR. SELLECK:

IN REVIEW OF THE NAPA COUNTY WINERY DEFINITION ORDINANCE, DRAFT ENVIRONMENTAL IMPACT REPORT DEIR 60, I HAVE FOUND SEVERAL AREAS WHICH I FEEL REQUIRE FURTHER CLARIFICATION.

SHOULD YOU HAVE QUESTIONS ON THE ENCLOSED, PLEASE CALL ME:

DAYTIME: (707) 963-9611  
EVENINGS: (707) 942-6232

THANK YOU,

  
PAUL G. SMITH

ENCL: COMMENTS, PAGES 1-17

PAGE SECTION SUBSECTION

PASSAGE IN QUESTION

QUESTION/COMMENT

(399) THE DEIR FAILS TO COMMENT ON THE ABILITY OF THE COUNTY TO ENFORCE A NEW ORDINANCE. WILL THE COUNTY BE ABLE TO ENFORCE THE "NEW" WINERY ORDINANCE TO A GREATER EXTENT THAN ENFORCEMENT OF EXISTING ZONING AND LAND USE LAW AS IT SPECIFICALLY PERTAINS TO WINERY OPERATIONS? HOW WILL THIS ORDINANCE BE ENFORCED? HOW WILL ENFORCEMENT BE FUNDED? WHAT WILL BE THE IMPACT IF THE ORDINANCE IS UNENFORCEABLE?

PAGE	SECTION	SUBSECTION
1	I SUMMARY	B. PROJECT IMPACTS AND MITIGATION MEASURES

MESSAGE IN QUESTION

"THE PROPOSED DWDO WOULD EFFECTIVELY REDUCE THE COUNTY'S GENERAL PLAN AGRICULTURAL LAND USE INTENT FROM 40 ACRES TO 10 ACRES."

QUESTION/COMMENT

400 ALTHOUGH THIS MAY BE TRUE IF PARCELS WERE ALLOWED TO BE SPLIT BELOW THE EXISTING 40 ACRE MINIMUM REQUIREMENT IN THE AP AND AW ZONES, THE EXISTING ZONING LAW ADEQUATELY PROTECTS SUCH FUTURE SUBDIVISION. FURTHER, AND AS ACKNOWLEDGED IN THE DEIR, RESTRICTING FUTURE WINERIES TO SUCH A LARGE PARCEL REQUIREMENT WILL PROMOTE LARGER WINERIES AND INCREASED ACTIVITY AT SUCH WINERIES.

PAGE	SECTION	SUBSECTION
13	II. PROJECT DESCRIPTION	D. OBJECTIVES

PASSAGE IN QUESTION

"UNLIMITED GROWTH COULD HAVE A POTENTIALLY NEGATIVE EFFECT ON THE OVERALL QUALITY OF LIFE THAT IS AN INTEGRAL PART OF NAPA COUNTY."

QUESTION/COMMENT

401

THE DEIR IMPLIES THAT WINE INDUSTRY GROWTH IS DETRIMENTAL TO THE "QUALITY OF LIFE" OF NAPA COUNTY. THE ABOVE STATEMENT IS COMPARATIVE BUT TO WHAT? THE DEIR DOES NOT ADEQUATELY ADDRESS WHETHER OR NOT GROWTH OF WINERIES ACTUALLY PROVIDES THE BASIS FOR STRENGTHENING THE AG PRESERVE BY LIMITING RESIDENTIAL AND "GENERIC" INDUSTRIAL GROWTH.

PAGE	SECTION	SUBSECTION
14	II	E. TECHNICAL DESCRIPTION

## MESSAGE IN QUESTION

"...BY ELIMINATING THIS EXEMPTION THE DWDO ALLOWS FOR THESE (VISITOR SERVING FACILITIES) USES AT SMALL WINERIES. THEREFORE, WHILE IN THE FUTURE THERE WILL BE FEWER SMALL WINERIES BUILT, A LARGER PERCENTAGE OF THEM WILL HAVE VISITOR SERVING FACILITIES."

## QUESTION/COMMENT

- 402 THE DEIR DOES NOT ADEQUATELY ADDRESS THE FISCAL IMPACT OF THIS RESULT ON NAPA COUNTY. WILL THIS "FEWER BUT LARGER" CONDITION FOSTER INCREASED ABSENTEE OWNERSHIP? WILL SUCH A CONDITION CAUSE PROFITS THEREBY GENERATED TO LEAVE THE COUNTY AS OPPOSED TO PROFITS OF THE SMALLER OWNER/RESIDENT/OPERATOR FACILITY WHICH WOULD LARGELY REMAIN IN NAPA COUNTY. SECOND: THE DWDO FAILS TO QUANTIFY WHAT THE IMPACT WILL BE ON THE
- 403 ADDITIONAL VISITOR SERVING FACILITIES IF THE "SMALL USE PERMIT EXEMPT WINERY" WERE ALLOWED TO CONTINUE. THESE SMALL FACILITIES PRESENTLY CANNOT LEGALLY CONDUCT PUBLIC TOURS OR TASTINGS OR OTHER VISITOR ACTIVITIES. IS IT REALLY A QUESTION OF WINERY SIZE OR PERMITTED USES, OR IS IT RATHER A QUESTION OF ENFORCEABILITY OF THE EXISTING AND FUTURE LAW?

PAGE	SECTION	SUBSECTION
14	II. PROJECT DESCRIPTION	E. TECHNICAL DESCRIPTION

PASSAGE IN QUESTION  
"PARCEL SIZE LIMITATIONS ARE NEEDED TO LIMIT THE NUMBER OF WINERIES AND THEREBY REDUCE TRAFFIC AND OTHER ENVIRONMENTAL IMPACTS."

QUESTION/COMMENT

405

THE DEIR FAILS TO PROVIDE DATA TO SUPPORT THE ABOVE STATEMENT. SPECIFICALLY, THIS STATEMENT IS INADEQUATE WITHOUT QUANTIFYING NUMERICALLY THE PRESUMED IMPACT OF THE PROPOSED 40 ACRE, OR ALTERNATE 10 MINIMUM PARCEL SIZES. IN OTHER WORDS, HOW MANY 40 OR 10 ACRE PARCELS ARE AVAILABLE IN NAPA COUNTY FOR WINERY DEVELOPMENT?

PAGE	SECTION	SUBSECTION
14	II. PROJECT DESCRIPTION	E. TECHNICAL DESCRIPTION

## MESSAGE IN QUESTION

"IT IS PREDICTED THAT LOSS OF THIS INCENTIVE WOULD INCREASE THE AVERAGE PRODUCTION CAPACITY, AND THEREFORE THE SIZE, OF NEW WINERIES BUILT IN THE FUTURE. THIS INCREASE IS ANTICIPATED, IN TURN, TO REDUCE THE TOTAL NUMBER OF NEW WINERIES BUILT. FEWER OF THESE LARGER WINERIES WOULD BE REQUIRED TO MEET THE FUTURE DEMAND OF WINE."

## QUESTION/COMMENT

THE DEIR DOES NOT ADEQUATELY ADDRESS THE FISCAL IMPACT OF THIS PROJECTED RESULT ON NAPA COUNTY. WILL THIS "FEWER BUT LARGER" CONDITION FOSTER INCREASED ABSENTEE OWNERSHIP? WILL SUCH A CONDITION CAUSE PROFITS THEREBY GENERATED TO LEAVE THE COUNTY AS OPPOSED TO PROFITS OF THE SMALLER OWNER/RESIDENT/OPERATOR FACILITY WHICH WOULD LARGELY REMAIN IN NAPA COUNTY.

PAGE	SECTION	SUBSECTION
14	II. PROJECT DESCRIPTION	E. TECHNICAL DESCRIPTION

## MESSAGE IN QUESTION

"UNDER THIS PROVISION, THERE WOULD NO LONGER BE AN INCENTIVE TO START WITH A SMALL WINERY AND GRADUALLY INCREASE PRODUCTION CAPACITY"

## QUESTION/COMMENT

- (407) THE TERM "INCENTIVE" SHOULD BE REPLACED WITH THE TERM "LOOPHOLE". THE TONE OF THE DEIR PRESUMES ALL SMALL WINERIES PLAN ON USING THE USE PERMIT EXEMPTION AS A MEANS TO BY-PASS THE USE PERMIT PROCESS IN ATTAINING ULTIMATE LARGER PRODUCTION. THE DEIR DOES NOT ADEQUATELY ADDRESS A REQUIREMENT THAT ANY USE PERMIT EXEMPT FACILITIES BE LIMITED IN THEIR PRODUCTION, AND THEY BE REQUIRED TO ACQUIRE A USE PERMIT BEYOND A CERTAIN LEVEL. THE DEIR DOES NOT COMMENT AS TO WHETHER BY MERELY REQUIRING A WINERY TO OBTAIN A USE PERMIT, THERE WILL BE IMPROVED CONTROL DUE, PRESUMEABLY, TO INCREASED COUNTY ENFORCEABILITY.
- (408)

AGE	SECTION	SUBSECTION
16	II	E. TECHNICAL DESCRIPTION

PASSAGE IN QUESTION

"IMPOSITION OF THE MINIMUM PARCEL SIZES WOULD HAVE A MINIMAL EFFECT ON THE WINE INDUSTRY."

QUESTION/COMMENT

409 THE DEIR SHOULD PROVIDE ADEQUATE DATA TO SUPPORT THE ABOVE STATEMENT. SPECIFICALLY, THIS STATEMENT IS INADEQUATE WITHOUT QUANTIFYING NUMERICALLY THE IMPACT OF THE PROPOSED 40 ACRE, OR ALTERNATE 10 MINIMUM PARCEL SIZES. IN OTHER WORDS, HOW MANY 40 OR 10 ACRE PARCELS ARE AVAILABLE IN NAPA COUNTY FOR WINERY DEVELOPMENT?

PAGE	SECTION	SUBSECTION
21	III	A. EFFECTS NOT INVOLVED

PASSAGE IN QUESTION

"THE DWDO WOULD NOT CAUSE ANY NET INCREASE TO ADMINISTRATIVE OR SERVICE FUNCTIONS. THE DWDO WOULD, IN FACT, PROVIDE AN INCREMENTAL INCREASE IN REVENUES THAT EXCEEDS PROJECTED EXPENDITURES THROUGH THE YEAR 2010."

QUESTION/COMMENT

- 410 THE DEIR INADEQUATELY ADDRESSES THE FISCAL IMPACT OF THE STATED ENCOURAGEMENT OF "FEWER BUT LARGER" WINERIES. WILL THIS "FEWER BUT LARGER" CONDITION FOSTER INCREASED ABSENTEE OWNERSHIP? WILL SUCH A CONDITION CAUSE PROFITS THEREBY GENERATED TO LEAVE THE COUNTY AS OPPOSED TO PROFITS OF THE SMALLER OWNER/RESIDENT/OPERATOR FACILITY WHICH WOULD LARGELY REMAIN IN NAPA COUNTY.
- 411 HOW WILL THE "NEW" ORDINANCE BE ENFORCED? HOW WILL THIS ENFORCEMENT BE FUNDED? WHAT WILL BE THE IMPACTS IF THE "NEW" ORDINANCE IS NOT ENFORCED.
- 412 THE DEIR DOES NOT COMMENT ON THE INCREASE DEMAND ON COUNTY STAFF PRECIPITATED BY THE ELIMINATION OF "USE PERMIT EXEMPT" WINERY CATEGORY; ALL WINERIES WOULD REQUIRE COMPLETE USE PERMIT PROCESSING. FOR INSTANCE,
- 413 WILL THE COUNTY BE ABLE TO ENFORCE PROPOSED VISITOR RESTRICTIONS BETTER THAN THEY NOW ENFORCE EXISTING "TOURS BY APPOINTMENT ONLY"?

SECTION	SUBSECTION
IV	B. WINERY AND VISITOR FACILITIES FORECASTS

## MESSAGE IN QUESTION

"EVEN THOUGH THE AVERAGE SIZE OF WINERIES INCREASES, TOTAL DEVELOPMENT IN THE COUNTY, INCLUDING BUILDINGS, PARKING AND DRIVEWAYS, AND WASTE DISPOSAL PONDS, STILL DECREASES BY 11%."

## QUESTION/COMMENT

4) THE DWDO FAILS TO SPECIFICALLY QUANTIFY WHAT EFFECTS ELIMINATION OF THE SMALL WINERY USE PERMIT EXEMPT CATEGORY WILL HAVE ON THE ABOVE. THE DWDO FAILS TO RECOGNIZE THAT MANY SMALLER FACILITIES CURRENTLY OCCUPY, AND WOULD CONTINUE TO OCCUPY A GARAGE, BARN, OR OTHER PRE-EXISTING STRUCTURES. ADDITIONALLY, THESE SMALL WINERIES WILL GENERALLY NOT BE LARGE ENOUGH TO REQUIRE WASTEWATER PONDS.

PAGE	SECTION	SUBSECTION
26	IV.	B. WINERY AND VISITOR FACILITIES FORECASTS

PASSAGE IN QUESTION

"FURTHER DIRECT IMPACTS OF THE DWDO RESULT FROM THE ECONOMIES OF SCALE OF LARGER WINERIES. WINERY EMPLOYEES, BOTH PERMANENT AND SEASONAL, ARE PROJECTED TO DECREASE BY 4%."

QUESTION/COMMENT

(415)

THE DEIR FAILS TO SPECIFICALLY IDENTIFY TO WHAT EXTENT THE SMALL OWNER OPERATOR, OR "USE PERMIT EXEMPT" FACILITY MAY BE SELF SUFFICIENT, AND THEREBY NOT REQUIRE EMPLOYEES OTHER THAN THE OWNER OPERATOR AND IMMEDIATE FAMILY.

PAGE	SECTION	SUBSECTION
26	TABLE 1	LAND USE PROJECTIONS SUMMARY

MESSAGE IN QUESTION  
"WASTE DISPOSAL PONDS"

## QUESTION/COMMENT

416 THE DWDO FAILS TO SPECIFICALLY QUANTIFY WHAT EFFECTS ELIMINATION OF THE SMALL WINERY USE PERMIT EXEMPT CATEGORY WILL HAVE ON THE AREA PROJECTED TO BE DEDICATED TO WASTE DISPOSAL PONDS. SPECIFIC REGARD SHOULD BE MADE OF THE FACT THAT WASTEWATER DISPOSAL PONDS ARE GENERALLY NOT REQUIRED FOR SMALLER FACILITIES DUE TO THE FACT THAT UNDERGROUND "SEPTIC" TYPE OF SYSTEMS ARE SATISFACTORY.

PAGE	SECTION	SUBSECTION
29	V.	A. LAND USE (AGRICULTURAL RESOURCES)

PASSAGE IN QUESTION

"ADOPTION OF THE PROPOSED DWDO WOULD HAVE A SIGNIFICANT ADVERSE IMPACT ON LAND USE IN NAPA COUNTY."

QUESTION/COMMENT

(417) THE DEIR IS INADEQUATE AS IT FAILS TO RECOGNIZE THE POSITIVE ROLE SMALL WINERIES PLAY IN MAINTAINING AGRICULTURAL AND WATERSHED LANDS. THE DEIR SHOULD ADDRESS THE FACT THAT MANY OF THE SMALL "USE PERMIT EXEMPT" WINERIES UTILIZE PRE-EXISTING STRUCTURES. THE DEIR IGNORES COMPLETELY THE STANDARD MODE OF MANY SMALL WINERIES: UTILIZE AN EXISTING STRUCTURE RATHER THAN CONSTRUCT A NEW FACILITY ON AGRICULTURAL OR WATERSHED LANDS. WHILE THE DEIR ADMITS THE DWDO MAY INDUCE FEWER BUT LARGER FACILITIES, THE DEIR DOES NOT ADEQUATELY RECOGNIZE THE CONTRIBUTION THE USE PERMIT EXEMPT WINERIES HAVE MADE, AND WOULD CONTINUE TO MAKE IN RETAINING AGRICULTURAL LANDS.

AGE	SECTION	SUBSECTION
31	V.	A. LAND USE (AGRICULTURAL RESOURCES)

MESSAGE IN QUESTION

"THE DWDO SHALL BE AMENDED TO REQUIRE ALL NEW WINERIES TO COMPLY WITH THE GENERAL PLAN CRITERIA OF 40 ACRES MINIMUM PARCEL SIZE IN THE AGRICULTURAL RESOURCE AND AGRICULTURAL WATERSHED AREAS."

QUESTION/COMMENT

118 THE DEIR SHOULD PROVIDE DATA TO SUPPORT THE ABOVE STATEMENT SUGGESTING PARCEL SIZE COMPLIANCE. SPECIFICALLY, THIS STATEMENT IS INADEQUATE WITHOUT QUANTIFYING NUMERICALLY THE IMPACT OF THE PROPOSED 40 ACRE, OR ALTERNATE 10 MINIMUM PARCEL SIZES. IN OTHER WORDS, HOW MANY 40 OR 10 ACRE PARCELS ARE AVAILABLE IN NAPA COUNTY FOR WINERY DEVELOPMENT?

PAGE	SECTION	SUBSECTION
50	V	E. VISUAL/AESTHETIC CONSIDERATIONS

PASSAGE IN QUESTION

"THE PROJECTED ADDITION OF 155 NEW WINERIES, 90 NEW TASTING ROOMS, NUMEROUS EXPANSIONS, AND AROUND 600 ACRES OF WINERY DEVELOPEMNT (AS PROJECTED IN THE EPS FORECAST) WILL HAVE AN EXTENSIVE IMPACT ON THE VISUAL QUALITY OF NAPA COUNTY AND ON THE QUALITY OF NAPA'S PROPOSED SCENIC HIGHWAYS."

QUESTION/COMMENT

- (419) THE DEIR FAILS TO ADEQUATELY ASSES DESIGN REVIEW AS PROPOSED MITIGATION.
- (420) THE DEIR FAILS TO ASSES THE CONTRIBUTIONS OF THE SMALL WINERIES WHICH MAY USE A PRE-EXISTING STRUCTURE FOR ITS OPERATIONS, AND BY CURRENT LAW IS NOT OPEN TO PUBLIC TOURS AND TASTINGS.

AGE	SECTION	SUBSECTION
-----	---------	------------

3

SUPPLEMENTAL INFORMATION TRANSMITTAL,  
DRAFT EIR 60

PASSAGE IN QUESTION

"THE DESIGN REVIEW EVALUATION SHOULD INCLUDE REVIEW OF SIZE, DESIGN, COLOR, STYLE, EFFECT ON OTHER PROPERTY OWNERS, DISTURBANCE OF EXISTING TERRAIN AND VEGETATION, LOCATION OF IMPROVEMENTS WITHIN THE SITE, AND OTHER RELEVANT FACTORS."

QUESTION/COMMENT

421

I SUGGEST THE BROAD ISSUE OF PROJECT SCOPE (IE: PRODUCTION, TOURS, TASTINGS, SPECIAL EVENTS, ETC.), BE ADDED TO THE LIST OF DESIGN REVIEW ELEMENTS.

PAGE	SECTION	SUBSECTION
5		SUPPLEMENTAL INFORMATION TRANSMITTAL, DRAFT EIR 60

PASSAGE IN QUESTION

"THE COUNTY OF NAPA SHOULD UNDERTAKE DEVELOPMENT AND ADOPTION OF WINERY DESIGN STANDARDS AND GUIDELINES FOR USE IN DESIGN REVIEW."

QUESTION/COMMENT

THE ABOVE PARAGRAPH SHOULD BE AMENDED TO READ: "THE COUNTY OF NAPA, IN CONJUNCTION WITH APPROPRIATE MEMBERS OF THE WINE INDUSTRY AND AGRICULTURAL COMMUNITIES, SHOULD UNDERTAKE DEVELOPMENT AND ADOPTION OF WINERY DESIGN STANDARDS AND GUIDELINES FOR USE IN DESIGN REVIEW." FURTHER, A MECHANISM SHOULD BE DEVELOPED TO PROVIDE THE NAPA COUNTY PLANNING COMMISSIONERS, AND BOARD OF SUPERVISORS, IMMUNITY FROM CONFLICTS OF INTEREST SO THAT THOSE MEMBERS WHO ARE MOST KNOWLEDGEABLE ABOUT WINERY AND AGRICULTURAL MATTERS ARE ALLOWED TO CONTRIBUTE THEIR EXPERTISE TO ISSUES WHICH MAY BE DIFFICULT FOR THE LAYPERSON.

422



November 13, 1989

RECEIVED

William L. Selleck  
NAPA CO CONSERVATION  
DEVELOPMENT & PLANNING DEPT  
OFFICE OF SPECIAL PROJECTS  
1195 Third St. Rm. 210  
Napa, CA 94559

NOV 13 1989

NAPA CO. CONSERVATION  
DEVELOPMENT & PLANNING DEPT.

Hand Delivered

Dear Mr. Selleck:

Having spoken before Napa County Conservation Development & Planning Commission at the Public Hearing on the 18th of October 1989 and not having had the opportunity to read the lengthy and hastily drawn document I wish to make a few comments concerning DEIR 60 and Master Environmental Assessment Part 3. A volume of information of this magnitude in itself is a great deal of information to digest and respond to in the narrow, rigid time frame allotted by the Conservation Development and Planning Commission for a public response, without trying to undertake writing a rebuttal EIR.

423

In an overview, the use of statistics is most interesting when one considers that the selected use of numbers to support a viewpoint have little to do with the practical realities of an integrated agricultural community. The Numbers of Wineries in Napa County using 1968 as a baseline of 30 and 1986 having a number of 186 neglects the fact that before 1906 there over 300 wineries in the Napa Valley on a land base of less than 7,000 acres versus today's 31,000 acres. The ratio being seven times greater efficiency in today's wineries for production of agricultural crops through mechanization. By comparing 161 percent increase in the 1968 to 1988 land base vs. the 520% increase in wine production capacity leads one to believe that there is excess and idle capacity available within the industry. These types of comparisons have little to do with the reality of wine production and winery management.

424

The importance of the Napa Valley contribution to the World wine scene is that it is based on quality. Quality in the world sense is uncompromising attention to detail of the most minute nature which cumulatively make the percentage difference of ultimate wine quality. The research, experimentation and flexibility of winemakers have quickly been demonstrated by the increase of wine quality let us say from the 60s to the 70s and 70s on to the 80s which will continue into a new phase into the

90s and forward. This quality is made by individuals representing small entities who take that extra time for the extra step and obtain that extra quality which has brought us this world recognition. There is a difference of quality obtained from grapes by the time duration and manner in which they are harvested and transported, which in itself, is one of the first increments of difference and is represented by the increasing use of small harvest containers for the champagne industry versus the heaping gondolas of ten years ago. These changes are market driven as quality is the only commodity we have to sell.

Napa County is by virtue of its success, vineyards and wineries. Its economic inner structure has pathetically thin alternatives. The success of Napa is based on its climate, geographical location, but most of all on the dedication of the people within the community who pursue uncompromised quality of a wine product. The lack of interface structure has precluded us from long term success in other agricultural crops. Prunes and walnuts have left due to higher yields obtained in other parts of the state. Yield is a base of an agricultural commodity and in production of prune juice quality is not the overriding factor. Price and quantity interdict quality. Napa Valley has obtained a stature where grapes are no longer grown, but rather, bottles of wine.

425 We have attained our world recognition with a minimum amount of local regulation and have created a mechanism of self-regulation through market forces which increasingly precludes the proliferation of non-quality operations. The very price of our land and cost of operations exceed those of all other agricultural and processing areas and leave us only quality as the difference for sales.

426 In planning for the future, one must remember the past. We are a county which created the agricultural preserve with the intent of maximizing our lands in a genteel use which would accomodate economic growth with a minimum of infringement on our natural beauty. Time, however, increases the intensity of usage just as time has created one billion more people on this planet from the agricultural preserve to date and a second billion by 1996. Progress will best be served by the continuation of our agricultural dedication, yet understanding that this growth will in itself, clear more land, plant more vineyards and by virtue of this endeavor, create the need of more wineries.

427 Hauling grapes to an industrial park aesthetically, as well as intrisically, separates wine from its place of origin. As a visitor to a winery it is important to have a sense of the feeling of land not the sense of an industrial park like the one you just drove to from your place of work. These aesthetic values are part of the successful marketing of our only agricultural crop.

428 The intensity of small endeavors such as my own or many other wineries under the Small Winery Use Permit Exemption is the very basis on which the world class image is built in the Napa Valley. The fact that a single new champagne facility has more capacity than 50 entrepreneurial small wineries merely underscores that their reputation is the magnet which attracts massive off-shore investment. When it's all said and done, the reason small winery use permits were created was to facilitate small entities an equal opportunity to participate in the wine industry without burdensome requirements which would have otherwise precluded all but the independently wealthy from their endeavors. Interestingly enough, not only would the withdrawal or alteration to nonconforming use jeopardize the financial fabric of those currently in business, but precludes the creation of the new wineries dedicated to quality first and the innovations that that hunger has brought to the industry at large.

429 In the 25 years that I have been growing grapes in the Napa Valley as well as other agricultural crops within and without of the County, Napa is now poised on a new explosion of production. This, in itself, has less to do with increased utilization of previously unused lands, but rather with intensification of farming current properties. Many of the critical assumptions used within the EIR are typically understated and undervalued with the realities of market emphasis. University of California at their Oakville Experimental Station is sustaining yields in the range of 10 to 14 tons per acre for the last seven years. These higher density modified trellis system plantations are already well beyond the experimental stage within the County. The identification of phylloxera serves only to accelerate vineyard replanting based on higher density commonly found pre-prohibition. The critical assumptions used by the EIR understate the values by a horrendous margin. Using the Agricultural Commissioner's running averages we have in effect somewhere between 3.5 and 3.75 tons per acre on vines planted 8 x 12 or 454 per acre. The mathematics on this is real easy when you look at it as buds per linear foot. An internode length of 3.5 to 4 inches per bud on an 8 x 12 will give you approximately 12 to 15 thousand buds per acre. If we move the vine spacing to 5 feet and the row spacing to 8 feet we obtain 1,089 vines per acre or 20 to 24 thousand buds per acre. The big trick is the weight per cluster so using the 3.75 tons divided by the 15,000 buds we end up with .5 pounds per cluster. Annual variation in cluster weight is due to soil moisture and set at bloom. Set means the number of seeds which develop within each individual grape, four seeds being the largest berry and one being the smallest. Crop projections are based on cluster counts increasing or decreasing the weight by the seed count within the cluster. 1989 is a year of 2.5 to 3 seeds per berry coupled with late moisture and lack of heat yielding extraordinary crop production. 1987 in contrast, you have a 1.5 to 1.75 seeds per berry and low soil moisture resulting in a less than average crop. Using a closer plantings, drip system,

vertical trellis, plant analysis and educated management our 20,000 plus buds per acre producing two clusters per bud yield an average crop of 10 tons per acre. This is the critical assumption which drives the replanting of existing vineyards not 20 or 30 percent as used in the report. Sustainably, these yields will require a dramatic increase in capacity at the winery site. Within these parameters it is possible in the same variety to utilize the significant differences of root stock to alter the maturation dates spreading them to as much as 3 weeks in adjacent blocks. The implications for utilization is that our 44,232,000 gallons of approved capacity at a 65% utilization times a 1.2 turns of capacity yields 34,450,000 gallons of capacity less approximately 3,800,000 gallons bulk shipments leaves us with only a 12% utilization capacity beyond shipments. One must remember that a winery has to have an empty tank to rack to as a normal course of processing. In small wineries this could amount to as high as 20% of their tank capacity. Agricultural commodities such as grapes in an expanding acreage scenario need a greater than 12% margin of processing capacity as the production swings can exceed that by a factor of 1.5 to 2.

Vineyard development and growth within Napa County represents a phenomenal growth for the future even excepting the proposed build-out as outlined by the Environmental Assessment Part 3. As seen in this hastily drawn document, the use of soil amenities such as cross linked polymers can significantly alter and enhance the water holding capacity of soils. These polymers when properly manufactured have the capability to absorb 400 times their weight in water which then becomes available to root hairs by plant demand. This product discovered in the '30s is just now becoming integrated into agricultural plantations in water limited areas of the world as the shortcomings of drip systems demonstrates itself due to the lack of water holding capacity on which soils they are used. For example, the Valencia Orange district in Spain irrigation system is based on Roman and Moorish aqueducts which, though superbly engineered, have not been expanded on since the Moorish eviction 600 years ago. Production has remained static until just recently where, with the use of polymers, a 30% increase in yield as well as acreage is being experienced by polymer users. This material is the first soil amenitive which can economically alter water holding capacity available thereby radically increasing productivity profile and soil capability over a wide range of soils which heretofore had been thought to be too marginal in tonnage production to consider usable under today's economic profile. Land under a polymer and drip regime utilizing steep slopes has the potential of equal or 75% production rates of the to be planted high yield valley floor vineyards, i.e., 6 to 7 tons per acre of quality fruit.

Within the inter-structure of grape growing the University of California represents a keystone of research driven not by pure research but by reactions of needs identified within the industry. Currently, by lobbying, demand and illegal importations of grape vines, the system is about to be the

recipient of a million and a half dollar Federal Grant for a National Grape Importation facility. This is a reaction to the current demand of new varieties and broader clonal selection than has been available to vineyardists to date. The new lands that will be planted within the Napa Valley will not necessarily be in climate regimes conducive to expansion of current varieties but will draw on this new world collection and produce varieties not now commonly found in our product lines such as Primitivo, Nebbiolo, Dolcetto, Brunello Di Montalcino, Catarratto Bianco Lucido, and innumerable other selections. These small steps will culminate in the next ten to fifteen years in huge plantations of vineyards beyond those necessitated by replanting due to disease and economic disadvantage.

433

The burden suggested by creating county agency involvement in agricultural land development the requirement of grading and/or leveling permits, water impoundment, etc. permits will only increase cost to the County by their taking on an increasing responsibilities that now reside in state agencies, but will increase the cost of development endeavors which thereby will allow those development endeavors to flow to counties without such regulation, placing them in the development and experimentation forefront which heretofore has been part of Napa and from which it is drawn its reputation for leadership in the world.

434

The tactic of the Environmental Impact Statement as a requirement shows only the inability of the County to create and administer its own regulations. Circumvention of legal statutes by use of the EIR only inhibits agricultural development. This brings to mind what will happen with a grading and leveling ordinance as well as the implications in water right law where we all sit on top of the ground discussing aquifers which have not been delineated or tested. Conversely, agricultural

435

development could be enhanced and encouraged with the continued pursuit of acquisition of Lake Berryessa water for distribution to the only user for which it was originally designed-- agriculture. Acquisition of this water in anticipation of population growth rather than agricultural use seems to be a misdirected implementation of our County's struggle for the maintenance and development of its agricultural resource within the Bay Area bowl.

436

As increased winery production will flow from higher yields per acre and expanded lands the number of wineries is of much less importance than their size. Using one critical assumption which is that the consumer wishes to try the product and visit the location of its creation in order to understand the framework in which it was made and be able to relate completely to its quality we assume that tastings will always be an integral part of any processing facility. As facilities increase in size the need for hospitality centers such as in-house food preparation, large tasting rooms and shopping facilities spreads the large number of visitors through activities allowing organized management of these visitors. A small facility in contrast, does not generate enough visitors to staff anything but limited

437

438

tasting. Wine glasses, cork screws and even T-shirts are trophies of commitment of the consumers to the winery and the Napa Valley just as baseball cards are to kids--a cultural inheritance.

I think back at the small winery use permit ordinance under which I am, I believe, the first recipient. Its purpose was to allow government to function at an administrative level and encourage and sustain agricultural endeavors and zoning. Alteration of this ordinance will most certainly economically catch small winery use permit holders in a no-win situation causing some to go out of business and burden others with financial encumbrances to fight for their economic survival with their banks and litigation against the County. The net result will be the diminishment of small wineries and concentration of economic power in larger facilities lessening the color and interest of our economic environment.

439

It appears the only way to solve the problem is to make all wineries (small winery exemption wineries and non-conforming pre-use permit wineries) conform in uses. Expansion, alteration would all then fall under the new existing rules. The uncertainty that created 50-60 applications just prior to the moratorium, should be viewed very soberly by Napa County Conservation and Planning Department as a failure to meet the needs of the community which they serve, thereby causing panic reaction. The agricultural veil is the wall which we can stand behind with the support of the Bay Area residents so long as our commitment to agriculture and parenthetically its products maintain the stature which people can point to with pride. The physical development of our hillsides will allow us to contain population expansion to the incorporated city limits so long as those yet unplanted grounds are viewed to have potential of expansion of wine and quality otherwise they shall be viewed as building sites.


441

As I recall, there was a public plebiscite on growth and highways, the result of which is our current 1% growth and Cal-Trans liquidating their acquired right-of-ways for which, in their infinite wisdom, they had decided Napa needed a four-lane freeway up the valley. We, the people, said "Let there be grid-lock." The attitude was and still should be, only the dedicated and hardiest will wish to visit if the traffic is bad enough. The great catch-all, public safety and welfare, can be over done by exorbitant road requirements, etc., so the mitigation is diminishment of the public usage side of wineries without cessation. After all, why kill the goose that lays the golden eggs?

442

The future lies in the County's ability to sustain growth in agriculture and thereby, wineries, from an administrative level. It is from here we as a County can absorb minimum population and create maximum public benefit.

Yours truly,

  
Richard M. Steltzner

NOV 13 1989

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November 10, 1989

FEDERAL EXPRESS

Board of Supervisors  
County of Napa  
c/o Conservation-Development  
and Planning Department  
1195 Third Street, Room 210  
Napa, California 94559-3092

Re: Draft Winery Definition Ordinance - EIR

Dear Supervisors:

This law firm represents Mr. and Mrs. Scott Heldfond who have a home at 1777 Inglewood off Highway 29 near St. Helena.

We have been involved in the matter of the application of the La Croix Blanche Napa, Inc. for a use permit for a 100,000 gal. capacity winery to be located off Highway 29 near Inglewood. This has given us a familiarity with the issues. In addition, the undersigned had a home on Greenfield Road in Conn Valley for over ten years. And lastly, by way of credentials, the undersigned served as Chairman of the Bay Conservation and Development Commission for a number of years and, partly from that experience, is familiar with land-use regulatory process.

We have carefully reviewed the DEIR 60 report prepared by LSA Associates. We have also consulted with hydrologist, with traffic engineers and planners. We hope our comments will assist you in arriving at a sound decision which will benefit both the economy and environment of beautiful Napa County. Our comments follow:

General Comments

443

The DEIR appears to underestimate the impact of additional wineries on the environment of the Napa Valley. One hesitates to argue with the "experts", but then they do not always agree and in this instance appear to be wrong. Even with the "Mitigated DWDO Alternative", we feel congestion and further invasion of the ag preserve will take place. It is a rare tourist attraction area that is able to maintain the essential values that

bring in the tourists. The political constituency for holding the line is often difficult to organize on a sustained basis whereas those who wish to develop economic exploitive enterprises are always there.

Mitigated DWDO Alternative

444 This "Environmentally Superior Alternative" is the only true alternative the County should follow.

a) To allow non-agricultural use to be permitted in the Agricultural Resource or Watershed zones will lead to incremental encroachments on the County's greatest single asset - its prime agricultural land.

b) The 18 month grace period simply invites a flood of what shouldn't happen.

c) All future development should require a Use Permit to assure proper policing and control.

d) Abatement of illegal uses is a must.

e) Implementation of the MEA Mitigation Measures is sound.

445 f) The Interim Measures should extend the moratorium on Winery construction (which would appear legally possible in light of continuing efforts to reasonably apply the County's police power in a comprehensive manner) rather than allow a nine (9) new wineries per year.

When there is a problem, which is acknowledged by this very process, why exacerbate it by permitting new wineries, especially when the process appears to be nearing a solution.

Specific Suggestions

We have some specific suggestions.

446 1) Minimum Lot Size

In order to avoid a commercial/recreation (spelled: "Disneyland") economy in the Valley, no new winery should be allowed on less than forty (40) acres. This will help to mitigate all the environmental factors - water quality, traffic, noise, visual/aesthetic, odor and public health and safety. Also, this is in concert with the General Plan Land Use requirement.

Board of Supervisors  
County of Napa  
November 10, 1989  
Page Two.

447

2) Winery Separation

Provide on Highway 29 that the wineries be separated by no less than 2,500 feet (with a "grandfather" provision as to existing wineries).

Again, this would mitigate the environmental factors; especially traffic hazards caused by left hand turns. Highway 29 is dangerous and can only become more so. Are we to leave a legacy that requires a four lane highway?

448

3) Estate Grape Supply

Provide that a winery supply at least fifty per cent (50%) of its own grapes from the land surrounding the winery.

This will cut down the traffic problems caused by bringing in grapes and will assure a true "ag" use as compared to a retail use.

449

The new ordinance should apply to all pending wineries; i.e., those who have not started actual construction on the effective date. This complies with constitutional due process requirements and will avoid excessive "grandfathering".

450

In sum, it seems only logical to have "wineries" that are really only tourist attractions be located on commercial or industrial land, not on prime agricultural land. The essential issue is: Is Napa going to be the American Bordeaux or the American Riveria? An agricultural asset with unlimited life or a recreational facility subject to "trendy" popularity and ecological deterioration.

Thank you for your consideration.

Sincerely,

SULLIVAN, ROCHE & JOHNSON

  
William D. Evers

WDE/nr

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November 9, 1989

RECEIVED

NOV 13 1989

Napa County Conservation,  
Development & Planning Department  
Office of Special Projects  
1195 Third Street, Room 210  
Napa, CA 94559-3001

Attention: Mr. William L. Selleck

Re: Napa County Winery Definition  
Ordinance  
Comments on Draft  
Environmental Impact Report

Dear Mr. Selleck:

As an integral part of our consulting services to the wine industry, both vintners and growers, we have continued to track the progress of the Winery Definition Ordinance, and the Master Environmental Assessment of Wine Industry Growth. The attached comments are provided on the draft documents for your consideration. While the timing may not be quite appropriate, also attached are some comments regarding the Draft Ordinance itself.

In general, the attached comments relate primarily to technical or site planning issues. I also have a general comment regarding the entire process surrounding the DWDO, the MEA and their related mitigation measures. The main purpose for the DWDO was the preservation of agriculture in Napa County with a focus on regulation of wineries. Simplistic alternatives include:

- No growth
- Controlled growth
- Uncontrolled growth

Obviously "uncontrolled growth" is not a viable alternative. The "no growth" alternate is not realistic, would be highly improbable from a legal standpoint and a disaster to the wine industry. "Controlled growth", through a final WDO, MEA and their related restrictions, must also be carefully considered so as to avoid serious detrimental impact on the wine industry. If restrictions make agriculture and related processing not economically viable, the pressures for other types of development will be brought to bear on Napa County. One only has to look at Orange County, Santa Clara-San Jose-Morgan Hill and Santa Rosa to see what the end result can be.

Napa County Conservation,  
Development & Planning Department  
November 9, 1989.  
Page 2

But, back to the basic premise of the ordinance. Wineries are extremely important to the protection of agricultural. There needs, however, to be definition of acceptable winery-related uses and reasonable controls on new facilities, expansion of existing wineries, parcel sizes, etc. There will be a great deal of input to the County on the EIR and MEA. The mitigation measures should be adjusted as appropriate and then decisions will need to be made regarding complete or partial mitigation, Statements of Overriding Considerations, etc. to avoid a final set of documents which, in the end, would be detrimental to agriculture.

We will be looking forward to the upcoming hearings and documents in this process. If we can be of assistance, or if you need us to expand on any of these comments, please feel free to call.

Sincerely,

Bill Phillips  
Bill Phillips, P.E.  
PRESIDENT

abg

COMMENTS ON  
DWDO - DRAFT EIR

Section I. Paragraph B - Project Impacts and Mitigation Measures

- (452) Land Use, Impact a. -- Reduce Agricultural Land Use Intent from 40 acres to 10 acres. Mitigation Measure: 40 acre requirement for all new wineries.

Comment: Do not concur with interpretation of intent. Ordinance would not facilitate creation of new substandard (from a zoning standpoint) parcels; would allow restricted (capacity keyed to acreage) use of existing parcels less than 40 acres. Such uses (small "estate" wineries) would be supportive of the agricultural use and not deny the landowner a right to look at economic alternates for use of the land.

- (453) Land Use, Impact b. -- Legalize or expand illegal uses in the Agricultural Resource Area. Mitigation measure 1: Prohibit all "non-agricultural" uses.

Comment: Some level of sales and marketing activities are essential to the continued existence and economic viability of agricultural uses. The intent of the WDO is to place reasonable controls on such uses without a detrimental effect on the basic purpose of the ordinance: preservation of agriculture. Perhaps the more appropriate action is clarification of permitted uses in either the General Plan or the Zoning Ordinance. (One example is the latest version of the Sonoma County General Plan which provides for agricultural support facilities and promotes sales and marketing of locally produced agricultural products).

- (454) Mitigation Measure 2: Abate existing non-agricultural uses.

Comment: May not be appropriate to abate, for example, uses which commenced prior to establishment of County Use Permit requirements for same.

Paragraph D. Cumulative Impacts and Mitigation Measures

1. Land Use

- (455) Comments: Same as noted above.

2. Water Quality

- (456) Mitigation Measure 1: Prohibit wineries on hillside with shallower and coarser soils.

Comment: Restrictions already in force through Environmental Management Department and Regional Water Quality Control Board standards.

Mitigation Measure 2: Storm runoff to detention basins. Remove pollutants, use runoff for frost protection.

457

Comment: Requirement for detention basins needs evaluation on a case by case basis depending upon downstream conditions and other concerns.

Need to define "removal of pollutants" -- what constituents, to what levels? Could be an extremely costly proposition.

Use to augment frost protection one potential use as is replenishment of groundwater. Frost protection use requires storage which (1) may not be available or (2) would require removal of vines to construct.

5. Visual/Aesthetic Considerations

Mitigation Measure 1: Design Review Ordinance including design standards and guidelines.

458

Comment: Guidelines, maybe; design standards, no.

6. Traffic

Mitigation Measure 3: Flared intersection improvements at locations along SR-29.

459

Comment: Entrance requirements along SR-29 set by CalTrans, public or private entrance as appropriate.

Mitigation Measure 4: Free right and left turn lane pockets provided with improvements.

460

Comment: Requirement should be keyed to level of use with standards set by CalTrans and Napa County Public Works.

Mitigation Measure 5: Development limitations and restrictions.

461

Comment: Such as?

Mitigation Measure 7: Employee work hours

462

Comment: Not reasonable to mandate that all winery employees cannot leave between 4:00 and 6:00. Other approaches such as different hours for different staff functions (production, administrative, maintenance) would be more viable. Very difficult to enforce.

Mitigation Measure 8: Promotional events for charitable purposes only.

463

Comment: Again, question of sales/marketing aspects related to agricultural use must be considered.

Mitigation Measure 11: Require employees to car pool.

464

Comment: Unenforceable.

## 9. Air Quality

Mitigation Measure 1: All new ponds to have mechanical aeration.

465

Comment: In multi-celled pond systems, there are situations in which supplemental aeration may not be required in all of the ponds.

Mitigation Measure 2: "There shall be no accumulation of pond residue."

466

Comment: Do not understand the proposed restriction. Need to define pond residue. Aerated lagoons of the facultative type are designed to retain bentonite, dead cells (treatment process microorganisms) and other inert solids for five to ten years without detrimental effect before cleanout is required.

Mitigation Measure 3: If field application of waste materials, mix with soils during application.

467

Comment: In some instances, chopping and spreading of pomace, stems, etc. as a mulch without mixing with the soil has proven to be a good erosion control technique. Application can be thin enough to avoid vector or odor problems.

Mitigation Measure 4: One-quarter mile buffer between wastewater ponds and dwelling not located on winery property.

468

Comment: Basis for recommended distance? One-quarter mile excessive, not required if ponds are properly designed and operated.

Too restrictive. May also impact implementation of repair projects to existing winery wastewater systems with problems. Would, in essence, eliminate the ability to build medium-size wineries on medium-size parcels.

## 11. Community Services

Mitigation Measure 1: Store septage onsite and deliver "during winter months only when the treatment facility is operational."

469

Comment: Would concur with verbiage regarding regularly scheduled septage transfer operations. Should allow, however, for emergency transfers.

Only when the treatment facility is operational? -- or is intent: when sufficient excess treatment capacity is available.

Storage onsite to meet the requirements of Napa County Environmental Management. Storage of any significant amount of septage on site is not viable.

Mitigation Measure 2: Onsite sewage disposal for types of wastewater the City will not treat.

470

Comment: With the potential exception of wineries which might be constructed in the service area of the Napa County Sanitation District, this requirement is already in force through Environmental Management and the Use and Building Permit processes.

#### Section VIII. Alternatives Comparison

##### Paragraph B. Mitigated DWDO Alternative

Key Element 1: Prohibit non-agricultural uses.

471

Comment: See previous comment under "Land Use"

Key Element 2: Eliminate grace period or grandfathering.

472

Comment: Need to acknowledge, for example, established uses which commenced prior to consideration in the Use Permit process.

Key Element 5: Implement mitigation measures associated with the MEA.

473

Comment: See separate comments.

Key Element 6: Adopt Interim Measure -- Until MEA mitigation measures implemented, no more than nine new wineries or expansions.

474

Comment: Administrative nightmare -- how to select nine projects? Why nine? Implementation of measures such as Design Review and a Grading Ordinance will take years. The resulting delays and uncertainties would have extremely adverse impacts on the planning efforts of vineyard and winery owners.

SUMMIT ENGINEERING, INC.  
Consulting Civil Engineers

COMMENTS ON  
DRAFT - MEA MITIGATION MEASURES

Measure 1: No expansion of existing public visitor

nt: May adversely impact a winery with an existing permitted  
c visitors facility needing repair or modifications to handle  
ing visitor load.

oils & Seismicity

Measure 2: Erosion Control Ordinance

nt: An additional source would be the documents prepared by  
ssociation of Bay Area Governments (ABAG) re: erosion and  
nt control. Input should also come from the civil and  
cal engineering professionals.

ty

Measure 1: Coordination between Napa County and the Regional  
ty Control Board.

nt: Already being done.

nces

Measure 1: Water conservation programs approved by the County

: More appropriate agency may be Environmental Management,  
are responsible for well and water systems permits as well  
ewater permits.

Measure 4: No vineyard irrigation in areas where groundwater  
supply unless imported water is used.

Irrigation water could also be provided from rainfall  
nts.

Mitigation Measure 5: No vineyard irrigation if groundwater levels decline over three or more years.

480

Comment: The reason for such a decline should be evaluated and all users of the groundwater assigned some sort of proportioned reduction of groundwater use until the decline is remedied.

6. Visual Quality

Mitigation Measure 1: Design Review Board.

481

Comment: Add civil engineers to the list of professionals. Do not make the Board too large or decisions will never be reached.

Mitigation Measure 5: Develop and adopt winery design standards and guidelines for use in design review.

482

Comments: Guidelines, yes; standards, no.

7. Traffic/Circulation

Mitigation Measure 1: No new or expanded public visitor facilities.

483

Comment: See comment under Land Use.

Mitigation Measure 2: Development limitations and restrictions.

484

Comment: Such as?

8. Air Quality

Mitigation Measure 3: Apply dust palliative and water twice daily.

485

Comment: Twice daily watering excessive. Apply palliative and maintain as necessary to mitigate dust emissions from site.

9. Cultural Resources

Mitigation Measure 4: Contract with California Archaeological Inventory at Sonoma State University to provide project review.

486

Comment: Qualified private archaeological firms are available for project review activities also.

487

General Question: Through what vehicle will mitigation measures be applied to a vineyard project, for example? Obviously, through the Use Permit process for a winery; but how would they be applied for a vineyard development?

COMMENTS ON  
DRAFT WINERY DEFINITION ORDINANCE

Sec. 12423. Winery Development Area.

- (a) The winery development area of a winery shall be contiguous to and shall not exceed 120% of the winery area calculated according to subparagraph (b) herein.

488

Comment: We seem to be on the horns of a dilemma here. On one hand, we have aspects of the draft ordinance which will apparently reduce the number of small wineries -- such as the elimination of the small winery exemption and restrictions to wineries on parcels under 40 acres. On the other, the ordinance will restrict expansion of existing wineries to 20%, facilities which already have established infrastructure (access, wastewater, site modifications, etc.) and represent existing environmental impacts. Expansion of those wineries can be accomplished with significantly less impact than that of a new winery of the same capacity. The 20% limitation may not be in the best interests of the industry and the County in the long run.

Sec. 12419. Wineries located in open Space Areas - Production capacity.

489

Comment re: production capacity: definition? gallons from:

- ° Grapes crushed
- ° Juice fermented
- ° Wine bottled
- ° Finished casegoods
- ° Tank volume

?

Planning Department;  
Board of Supervisors;

RECEIVED

NOV 13 1989

RECEIVED  
ENVELOPE  
DIVISION  
PLANNING DEPT.

12:00  
3:00

What is a winery? It use to be a place where grapes were crushed, fermented, stored then bottled for sale. Now they are another hobby for an entrepreneur.

(490) Most wineries have tours, tasting, selling other products besides wines, cooking lessons, concerts, wedding auctions, art lessons, banquets and much more. They are built with this purpose in mind. This is a definite use of ag land for commercialism. As the Grand Jury stated, these are all against the General Plan.

(491) Wineries should not be allowed on parcels smaller than 40 acres. Also where they are located should not affect neighbors as to intrusion on neighbors privacy, impact on water and traffic.

To quote a few incidences in our neighborhood of Dunawall Lane  
Cunawall Lane it is a +

ely 6 or 7 acres of flat land, drilled another well this Sept. Must be the 4<sup>th</sup>. Eventually they will hit the same strata of the neighbors Waste running alongside Silverado Trail.

Clos Pegase was supposed to be a small winery of 50,000. Now it's expanding to 200,000, digging more tunnels and building waste ponds across Dunawal Lane. There septic mound was never adequate because we could see waste water running on the surface. This is on a parcel of 21 acres with about 11 or 12 acres of flat land.

(492) They have functions day or night At 10:30 P.M. I could hear loud hollering and clapping. This is with house windows closed. Sometimes very loud music.

Water table is getting lower which affects dry farming since water is being pumped out of the ground to benefit one certain area.

An environmental study was never done for the original permit and neither for expansion.

(493) I believe a serious study has to be done even for a winery to be located on 40 acre parcels as to the effect it will have on surrounding properties.

(494) If implemented the Winery Definition Ordinance should do a good job if it is enforced and not changed or rezoned for certain wineries and follows the General Plan regarding these extra functions that are allowed now.

(495) As Grand jury report stated, these are all against the General Plan.

Sincerely  
Pauline Tofanelli  
1076 Dunawear Lane  
Calistoga, Calif 94515

942-6049

To: Conservation, Development, and Planning  
Commission

RE

From: Vince Tofanelli, Nancy Tofanelli

NOV 14 1989

Subject: Draft Environmental Impact Report  
(DEIR-60) on Winery Definition

Date: Nov. 9, 1989

(496)

After reviewing the entire draft E.I.R.  
the only reasonable solution to the question of  
what a winery should be in this valley is to  
adopt the mitigated Alternative (Environmentally  
Superior Alternative). Please do so promptly to  
protect our County.

Sincerely,  
Vince Tofanelli  
Nancy Tofanelli

RECEIVED  
October 24, 1989

OCT 24 1989

Dear Editor,

There is now before the Napa County Planning Commission a Draft Winery Definition Ordinance (DWDO) which, if passed in its present form, will have a significant adverse impact on the quality of life in the Napa Valley. The DWDO has been evaluated in a draft EIR by LPA Associates of Point Richmond. Copies are available at local libraries or the Napa County Planning Department on Third Street. If you care about the Napa Valley and preservation of its agricultural lands, it is important to read the draft EIR. Here's why:

The EIR states that adoption of the DWDO would have a "predicted result in the proliferation of 'multi-use wineries'...wineries with substantial facilities or activity programs likely to attract visitors in general rather than just the wine-drinking public. Such facilities/activities include aerial tramways, art museums and outdoor art displays, cooking schools, concerts, etc. Legalizing the operation of what are essentially commercial facilities/activities within the agriculturally-zoned portions of the County will promote additional similar development. These uses are viewed by the industry as an important marketing tool...Proliferation of the multi-use winery could, in turn, increase the total number of people visiting the Napa County annually "

To review. Among other things, the DWDO proposes:

1. Reduction of the County General Plan (GP) land use from 40 to 10 acres for wineries.
2. Legalization of all existing illegal uses and permitted expansion of non-agricultural uses in the Agricultural Resource (AR) area.
3. Allowance of non-agricultural uses in both AR and Agricultural Watershed (AW) areas. Non-agricultural uses include public tasting rooms, retail sales of all wine-related products (not just wine), museums, catering, classes and all promotional events, like concerts. These events can be totally for the wineries' financial profit.
4. Giving all wineries existing at the time of the ordinance passage, an 18-month "grandfathering" right to all of the above activities. There's 185 Napa wineries.

The EIR predicts that the result of the grandfathering would be "the submission of over 100 applications from existing wineries to (1) allow for public tours and tastings, (2) hold an unlimited number of public and promotional events, (3) install picnic areas, and/or (4) sell wine-related items...In the long-term, this action would probably encourage the opening of more tasting rooms, the holding of more promotional events, the creation of more picnic areas, and the selling of more souvenirs than would otherwise be the case...increased visitor activity is likely to be significant from the standpoint of an individual neighborhood." Think of your neighborhood. The EIR goes on to state that "the opportunities presented under the 18-month

'grandfather' clause would be inconsistent with the intent of the agricultural land use in the GP. "It should be noted that in a memorandum to the Napa County Supervisors Margaret Woodbury, Napa County Counsel, stated that the provision "would give all existing wineries which have not heretofore legally engaged in these uses 18 months to request and be granted use permits for these uses, even though identical new wineries would not be entitled to request authorization for such uses." In Woodbury's opinion, the action would likely be challenged in court. "This provision may well be successfully challenged since state law does not permit local agencies to adopt discriminatory rules for the same types of future uses on essentially similar properties within the same zoning districts." Either the County allows no wineries the right to perform non-agricultural activities in AR areas, or all wineries. All wineries forever!

The draft EIR states that the DWDO proposals are inconsistent with the Napa County GP and recommends on page 72 an Environmentally Superior Alternative. The EIR makes interesting points and projections.

In the next 20 years, 30% of all new wineries will be in Northern Napa Valley. Currently, there are approximately 87,200 daily trips which end in the Northern Napa Valley and 257,600 trips which end in Southern Napa Valley. Winery-related trips ending in the Northern end account for over 21% of the total trips ending in the Northern end. Daily traffic volumes throughout Napa County will significantly increase between 1989 and 2010. Volumes along the major routes in Northern Napa County will increase by approximately 33,500 daily trips, 30% of which are attributed to wineries, while volumes along the major routes in Southern Napa County will increase by a daily estimates of 112,000 trips, 3% of which are winery-related.

Large scale promotional events such as musical concerts and art shows would be the most problematic form of visitor-serving activity since they would tend to increase general traffic congestion and create localized traffic problems. The DWDO would, in essence, create a situation in which wineries would have no limit to number nor size of promotional events. By the year 2010, the visitors to the Valley would hit 3½ million, with ½ million coming for these events. Each Valley neighborhood, with wineries, would get their share.

Some people may argue that elimination of illegal public tours and tastings may be economically damaging. The EIR states that "private tours and tastings can, and often do, attract as many visitors as public tours and tastings."

One must ask what the impact of the proposed DWDO would have on water, noise, environment, historical preservation, air, privacy and overall life quality. The EIR states that "unlimited growth could have a potentially negative effect on the overall quality of life that is an integral part of Napa County." "The DWDO does not address industry growth."

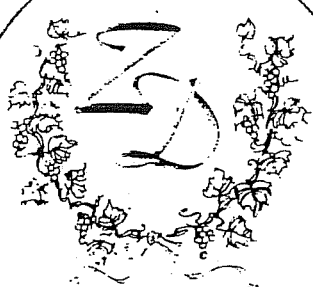
If you agree with the Draft EIR, it is important that you write your support of the "Environmentally Superior Alternative" to the Director of the Planning Commission Jeffrey Redding. It is important that you contact the Planning Commission, Board of Supervisors and your neighbors. All written comments must be in Mr. Redding's possession by November 13, 1989. In seeking Indian independence, Mohandas Gandhi said, "almost anything you do will be insignificant, but it is very important that you do it."

Sincerely,



George Vierra  
St Helena

cc. Jeffrey Redding



RECEIVED  
NOV 13 1989  
12:00 PM  
VAPAC  
DEVELOPMENT

November 10, 1989

Mr. Jeffrey Redding  
Napa County Planning Department  
1195 Third Street, room 210  
Napa, CA 94559-3092

Re: Comments on Winery Definition Ordinance DEIR 60 and MEA Part 3

Dear Mr. Redding,

I appreciate to opportunity to comment on this ordinance, which could have substantial effects on many wineries. The documents are so long and comprehensive that I will comment only on a few items which I consider important for continued success of ZD Wines.

1. DEIR 60, p.1.,B., PROJECT IMPACTS AND MITIGATION, Land Use  
p. 2., D. CUMULATIVE IMPACTS 1. Land Use

(498) Requiring all new wineries to comply with the General Plan criteria of 40 acres will have effects not discussed in this document. If the facility of an existing winery, on a parcel less than 40 acres, needs to expand its facility (and crush more than 2400 gal/acre), it will be forced to purchase a second parcel of land (greater than 10 acres and probably 40 or more) and operate from two facilities rather than one expanded winery (or of course sell the first and build the second much larger). I don't believe this meets the intent of the ordinance, but it is a very real option for wineries in this situation. Why should the parcel size matter, as long as the facility meets requirements for setback, noise, waste disposal, or any other mitigation measures required by County code?

(499) This section (p.2) also suggests that public tasting rooms and other activities for wineries are inconsistent with the General Plan Land Use Element. If this is true, it must be true for established wineries as well as new ones, making the prohibition of tasting rooms and other non-agricultural uses apply to new wineries only a highly discriminatory mitigation measure, favoring established wineries over new ones.

(500) While a reasonable purpose for the WDO is to prevent other businesses from masquerading as wineries, this requirement goes far beyond that purpose. Visitor facilities should be allowed as part of both existing and new wineries. Perhaps a percentage of area allowed would help assure that the business is primarily a winery.

(501) (502)

2. DEIR p. 14, E. TECHNICAL DESCRIPTION, Findings, 3rd item

"Parcel size limitations are needed to limit the number of wineries and thereby reduce traffic and other environmental impacts."

503 This finding first of all implies that increasing the number of wineries will increase traffic, in direct contradiction the MEA finding (section 1, p.6, 5.B) that "Very little direct relationship could be found between increasing the number of wineries or vineyards and increased visitor activity." In fact a more reasonable conclusion from the information presented here is that the primary effect of increasing the number of wineries would be to spread the visitors we have over a broader area, reducing traffic density.

504 The second implication in this statement is that we need to reduce the number of wineries for environmental reasons. The MEA shows (sect. 2, p.19, 13.) that winery buildings (and paved areas) occupy a total of about 14.5 million square feet, or about 333 acres, and there are (sect. 1, p. 38, table 9) 32,800 acres of vineyard. This means that wineries occupy only one percent of the vineyards in the County. What better way is there to assure maintenance of open space? If the intent of the WDO is to preserve agricultural land and open space, then we should be encouraging wineries, not restricting them or favoring existing wineries over new ones. Business considerations will ultimately limit the number of wineries without intervention by the County.

3. DEIR 60 p. 15, 2. Seventy-Five Percent Napa County Source Rule

507 The whole concept of this rule is objectionable to ZD Wines. We have prospered over the years by experimentation and innovation, purchasing grapes necessary for our style of wine, wherever they came from. We found that in many years it was possible to find grapes of better quality for our style than we could find in Napa, and at a lower price. Price is becoming less of a factor today, as prices in other areas are increasing dramatically. However, this requirement limits the options of the winery, essentially legislating winemaking practices. Is the County better qualified than the winery to decide where the grapes are purchased? Last year the County growers sold 36% of their grapes out of Napa County, and have total flexibility on where and how much to sell next year. This means that any winery in the state can compete with the Napa wineries for Napa grapes, but Napa Wineries can only purchase 25% of their grapes in other areas, independent of what appellation they will use on the label. The effect will be a dramatic increase in prices of Napa grapes, potentially disastrous for many small wineries who purchase their grapes. This could be exacerbated by large wineries who will have the ability to drive prices up simply by purchasing a relatively small portion of their grapes on the open market for the purpose of maintaining a high price differential between

their grapes and wineries who purchase most of their grapes.

508

The Federal labeling laws already require that 75% Napa grapes be used if a Napa appellation is to be used on the label. This should be adequate to assure a continued excellent market for Napa grapes, without this requirement in a County ordinance which is particularly burdensome to small wineries who purchase their grapes on the open market.

Sincerely,

  
Norman C. deLeuze

JOINT MEETING OF BOARD OF SUPERVISORS AND  
PLANNING COMMISSION TO HEAR CONSULTANTS'  
PRESENTATION ON DWDO, EIR  
OCTOBER 17, 1989

Jim Hickey: Mr. Chairman, [I am] Jim Hickey, the Executive Director of the Special Project Office. In June of 1989 you signed a contract with Agland Investment Services, Incorporated for the completion of two environmental studies one being the Draft Winery Definition Ordinance for an EIR that's identified in the report as DWDO EIR which was to evaluate the environmental impacts of a Draft Winery Definition Ordinance prepared by representatives of the wine industry the Grape Growers Association, the vintners association, the Napa County Farm Bureau, with the assistance of Mr. Lober a former County Council, and Mr. Wessmeier, the current County Council. The second part of the assignment in the contract with Agland was to do an in-depth study to evaluate the cumulative effects of winery development past, present and future on the County. That study was also to provide background data as a basis for a re-draft of the County Scenic Highway Element for the County's General Plan. The contract calls for the consultants to make a presentation of the draft report to the County at approximately 120 days from the date of signing which is mid-October which is where we are today obviously, at October 17th. This will be the consultants only scheduled appearance before the Board and the Commission on the Draft Winery Definition Ordinance EIR. The contract as signed called for one presentation. The departmental staff will attend the public hearing, we'll the record the questions that will be forwarded to the consultants for incorporation in the Final EIR. I think it is important to understand that what the presentation today will be on the Draft Environmental Impact Report, it will not be a discussion primarily focussed on the question of the Winery Definition Ordinance itself. That will happen in December in accordance with the schedule approved by the Board for the review of the Final Environmental Impact Report and the Winery Definition Ordinance at that time. I might comment also that we have circulated with the Draft Environmental Impact Report the economic analysis that is referenced in the EIR. It's identified as the Part III of the Economic Analysis. Part I will be the Master Environmental Assessment itself, Part II will be the Appendices to that document. Because of the priority on the Winery EIR that obviously has taken first consideration the consultants have submitted a draft document which needs to be reviewed, comments returned to them for a printing of the MEA which should be available in the near future. In the presentation of the report today, William Mott, President of Agland, will comment on the work that has been done to date by his firm and will introduce the representatives from the Economic Planning Systems, Inc., the Economic Modelling Consulting firm in Berkeley, and LSA Associates, Inc. of Pt. Richmond, the firm that worked on the Environmental Impact Report. With that, I ask Mr. Mott to make his presentation.

William Mott: Thank you Mr. Hickey. You I think probably have had a chance to at least see a little bit of the work that we have been doing since initiating the project. [This] is a consortium of three firms working on this project, it is a complex and broad subject matter that we're covering which required quite a range of expertise. With our firm with me is Mr. Scott, Agricultural Economist. The Economic and Planning Systems is represented by their President Walter Kieser, and Michael Cale is representing LSA and ablely assisted by Patricia Collins. We will go through this hopefully quickly, to leave some room

for questions and discussion of some of the subject matter. Essentially we're trying to forecast the growth of the wine industry which is the predominant factor for looking at our vineyards, wineries, and the visitor-serving facilities, and the visitors to the wine industry. A number of other things were measured but these are important. An important part of our work was establishing a base of what is happening in Napa County in the wine industry and vineyard industry right now. We looked at both where the industry was in December 31, 1988 and also used mid-year this year as a base.

The work the Economic and Planning Systems is principally looking at the secondary impacts that growth in the industry incurs: items such as traffic, tourism, etc. And finally to analyze the environmental impacts of the growth of the wine industry and Walter will be speaking on this subject. A second part of the work has been the analysis of the wine industry Definition Ordinance in its draft form in an EIR framework and that you will hear from LSA along with some of the mitigation measures that are proposed to minimize any environmental impacts. And I suspect that we're trying to allow as much time on that subject as possible. Essentially our firm and Economic and Planning Systems provided base data that is then given to LSA for evaluation.

I'd like to take you briefly through some of the work that we did which is in Part III of the Report, the first item was the division of the County into six sub-regions for study purposes to look at the concentration of both vineyards and wineries in the County and this is the map that is I think, self-explanatory, and you can see the areas that we devised.

We divided the main valley, the Napa Valley, into some sub-areas as well because of the concentration of both vineyards and wineries in the area and you will see the sub-areas mentioned throughout the report particularly the work of Walter Kieser. The next project was to develop a vineyard analysis and project what the growth of the vineyards would be over the next 20 years, not an easy subject but must be done in order to conduct this project. Essentially the methodology we used was to take the U.S.G.S. soils maps and look at where vineyards are planted now, the soil types, and then using that and projecting where the soil types are, and these soil types are divided by depths of soil, slope and so forth. Determine what the theoretical planning could be of vineyards in Napa County. That theoretical number surprised a number of people, it came out to about 120,000 acres of potential vineyard land. We then looked at the constraints to vineyard. We developed five constraints that would keep people from planting vineyards on these 120,000 acres -- a big one was economic climate, many of the soil types were in areas that we felt were too warm for the varieties that are in strong demand in Napa County. We also had a water availability constraint and a land availability constraint. A number of the acres of land that are good for vineyards are devoted to other purposes such as the veterans home, the various urban uses that are not likely that they're going to be changed to vineyards. We then came up with an estimate of the acres that we felt that would be planted looking a great deal at past history of growth in vineyards and that number right now we have estimated at 32,900 acres and we estimate that it will increase to about 51,700 acres in 20 years. We did it by sub-region and one of the areas we foresaw was about 4,000 new acres in Napa Valley, the region 4. You can say "well every acre is already planted in the valley" but if you start going around and looking critically there are a number of knolls, there are a number of bases of foothills, at the foot of the hills, that are still open space. There is some land also north of St. Helena that is destined for planting but would be part of that 4,000 acres. We also looked at

technology and how that will change and influence the wine industry and that was particularly translated into yield increases, tons per acre, and for this year we were projecting a yield of 3.73 tons per acre, which is about 120,000 tons. That was before we had rainfall, but that is the number we're using. As you all know or many know the yield last year was quite a bit below this because of some abnormal weather. We're projecting the yield would go to 4.57 tons per acre. We discussed it with several experts at the University of California, with various vineyardists. We know there are a number of vineyards that get a lot more than 4.57 tons per acre right now, but averages tend to be pulled down by a number of reasons and this is the figure after looking at all the factors that we came up with.

The major conclusion I think is that there is enough land available to service the expected demand for the premium wine segment of the Napa Valley which is by far the majority. We did not find the Ordinance particularly influencing vineyards in that we felt that the decision to plant or not plant vineyards is principally an economic one tied mostly to the price of wine, therefore the price of grapes. We did not feel the wine Ordinance really influenced that factor.

The next area we've looked at is the wine supply and demand forecast. We developed the number of wineries in Napa County as there are now there are approximately 50 that were in some stage of approved but not built or partially built. There are a large number of wineries in the County, and a large number produce a very small amount of wine. This is not unusual I think in California. Approximately half the farms in California according to the census produce less than \$10,000 worth of crops a year, so I don't think that it is particularly unusual that we have a large number of very small wineries. The important part of the wine industry here is that it is a very large part of Napa County. It is almost a billion dollar industry and wine grapes are 92% of the agricultural output of the County. On the other hand Napa is fairly small factor in the California wine industry. Of the crush I think it is about 4.7%.

But where Napa is very important is in a segment of the wine industry called the premium wine industry and that is table wines essentially selling for \$3.00 a bottle and up. The other side of the table wine industry is what is sometimes referred to as jug wines or wines sold in larger bottles with often generic names and that is usually \$3.00 and below. Napa is predominantly in the premium industry and fortunately that is a part of the industry that is growing quite rapidly where as the overall table wine market is somewhat flat to even decreasing. The demand for premium wine will continue to grow based on our analysis. Recent growth rates have been above 10% per year, and we expect those will continue but will moderate and go down to 5% in the latter half of the next 20 years. The ratio of production between the popular premium and the super/ultra premium wines is about 75% popular premium and those are wines that sell for \$7.00 and below. So we do have a large segment of the premium wine industry in the lower-priced segment and in general, we find that at Napa Valley vineyards the economics principally have to be devoted to the wines that sell at \$7.00 and above a bottle. But there are certain varieties of grapes that can compete in that popular premium at \$7.00 and below a bottle. We feel that Napa County wine will capture the declining market share of all California wine and Napa will be a dominant factor in the super-premium wine industry. Despite a reduced market share Napa County wine production will more than double from 26 million gallons now to nearly 57 million gallons in the year 2010. The adoption of the Draft Wine Definition Ordinance will not affect overall wine production or vineyard acreage. We would add that Napa wineries in their search for wines

that fit in the \$3-\$7 per bottle category will probably look outside of Napa County because of the higher cost of producing grapes here.

Another element of our work was to take a sample of wineries, different sizes, approximately 30 wineries out of a list of 100 active we have, and ask a series of questions related to their operating characteristics that had an influence on environmental issues. Some of you in the room may have participated in that, we had a lot of cooperation and we developed a lot of data which is in the report in summary form. We divided it into five sizes of wineries which was later divided by Walter Kieser into three sizes of wineries -- small, medium and large. I will not go into that, it's rather detailed information relating to water usage, effluent output, number of visitors, square footage, coverage of a winery, and things like that. This material as I mentioned was then given to Walter Kieser's group for further analysis of the impact of the wine industry on the surrounding environment and the secondary industries within Napa County. I would like to at this time turn that podium over to him to continue in Part III of this report. Also I would like to thank Mr. Hickey and Will Selleck for all their work on this, they were working hand in hand with us in developing data and put in a number of long hours on this project. We had very tight time constraints on the project and I think fortunately we made about 98% of it.

**Walter Kieser:** Thank you Bill. My name is Walter Kieser, I'm a Principal with the firm Economic and Planning Systems located in Berkeley, California. I'd like today to talk a little bit about the work that we contributed to this effort which primarily focussed on the effort of taking the economic forecast, the grape production forecast and the vineyard forecast and the wine forecast that was prepared by Agland and converting it into a number of secondary economic variables that allowed us to understand what grape and vineyard forecasts meant for the County both in economic and in environmental terms. To accomplish this, there were four basic elements of data that we relied upon, the first of course was the work that has just been presented to you by Mr. Mott regarding the forecast of grape production and segmentation of that industry into the popular premium and the super-ultra and the wines. That was a primary piece of information obviously and probably the lead variable that most importantly and significantly drove all aspects of our analysis. The second general body of information we relied upon is the permit data that the County maintains on wineries. The County as you are aware keeps very detailed records through its land use permit process on wineries. Working closely with Mr. Selleck of the Planning Department we looked carefully at the records of some 160 wineries that have been created over the last eight years to try and understand the structural relationships and the size and the various kinds of elements that make up the wineries and how they interact with the industry in general. The third general area was something else that Mr. Mott mentioned which has to do with the wineries surveyed. That data provided us with an understanding of some of the economic relationships that the wineries have. For example, the number of employees, the seasonal nature of employees, waste production, and those kinds of variables. The final general area of information that we relied upon was a general visitor analysis. As you know one of the key elements or most important elements of this whole effort regarding wineries and the Winery Definition Ordinance is the relationship between the wineries and the industry generally with the visitor industry. We made a special effort to look carefully at this doing our own research as well as relying on research that the County has independently contracted with Dean Runyon, an analysis which you may have been kept up to date on which has to do with doing an overall visitor analysis in the County. Final results of that effort were not available to us and I don't think are available

right now, however, we worked closely with Mr. Runyon's organization to gain access to preliminary survey data that he had which consisted of both Napa County resident patterns as well as intercept survey which was conducted last Fall at the wineries themselves.

So, using all four of those types of information that I've just discussed, we conducted a forecast, an economic forecast using a rather complex model we constructed that basically established a number of estimating relationships between the increased amount of vineyards and the increased amount of wine production and predicted from that the number of wineries, the number of winery employees, and all the variables that are necessary to look at the impacts of this growth that will occur in the County over the next 20 years.

The first thing that we did was what we'll call a baseline forecast of growth for wineries. And basically what we discovered there is that if you take the Agland wine survey, grape production and wine forecast and convert it using our variables and assumptions about the net gallons per average vineyard size and what not, you come up with a number of wineries in the year 2010, roughly close to 500 wineries and that's up from a number of 186 today. So we're talking about a baseline forecast over the next 20 years that's more than doubling of your existing base of wineries. It's a very important assumption and again, that conclusion is based entirely upon the assumption about the market share Napa County will enjoy of the overall growth in the premium wine market as well as the growth of that premium wine market in the State and the Nation and internationally.

The second general conclusion that we made was regarding the visitor forecast and this is a very important conclusion looking at a variety of the data that I've mentioned before, we indicated that the existing visitors to the County which are estimated to be somewhere in the range of two million visits per year will increase to near double that to perhaps 3.6 million over the next 20 years. So again, roughly a doubling of visitors. One of the important aspects of our analysis or forecast was that after looking at the data closely we discovered or we believe that these visitors presently, and in the future are not directly linked, will not be directly linked in the future to the absolute number of wineries, or the visitor-serving wineries at any given winery. Rather the overall visitor forecast and the growth in visitor forecast is driven by economic growth and changes in the Bay region and in the nation for that matter that are beyond the control of this County. The fact is that the Bay Region is transitioning into a rather dominant international visitor destination and it happens that places like Monterey and Napa and other close-by portions of the Bay Area or destinations in the Bay Area receive a lot of attention and visits from those international and national-level visitors. At the same time the Bay Region itself and Northern California, including the Valley is growing very rapidly as you're aware and both in terms of absolute number and economic strength. This converts into a disposable income of residents which translates into the desire for travel. We expect a good deal of visitor pressure coming from the local Bay Area and Northern California residents as well. Accordingly, we believe that this forecast is driven mainly by these external demand factors rather than the attractors, any particular attractor in the County. Not to say that there isn't some relationship there but we don't believe it to be a direct and strong one.

There is an overall constraint that we believe will apply and in fact in doing our forecast we found them to be the road capacity, particularly on Highway

29 North, the number of lodging facilities that will be available in the County, and within the County cities, as well as the level of special attractors, that is, the effort on the part of the County or businesses from the County, wineries, to attract visitors. All three will have an influence on the forecast in the future. Those influences are reflected in our forecast.

The final general area that we looked at had to do with the impacts that the Winery Definition Ordinance might have on the baseline forecast of wineries or on the visitor forecast. Now I'll just run through a number of the key findings. I think overall it's important to point out that from an economic perspective we don't believe that the Winery Definition Ordinance will have a significant overall effect. It certainly will have an effect on a number of individual properties because of the way it excludes certain properties below 10 acres, below 40 acres and what not. But overall, it won't have a dramatic effect on constraining winery growth. It will do some shifting which I will go into. First of all, we don't believe that the Ordinance would have any impact on production. That is, it's our opinion and opinion of our colleagues on this team that the production will be the same one way or the other. We feel that because of a number of the elements of the Ordinance that there will be more larger wineries. There will be a tendency away from the current distribution of wineries that favor smaller wineries. The smaller wineries that do occur will be larger; they'll have higher production than presently experienced. That is primarily because the incentives for smaller wineries will be removed by the Ordinance. The popular premium wineries which will be affected by the 75% rule to be located in the AP/AW lands will have a tendency to locate in industrial and other parts of the County that are not subject to the Ordinance. Although the production will remain, it may shift off to the airport industrial area, those types of areas for the so-called popular premium wines.

We believe that the visitor-serving areas within wineries the applications will be larger because the existing prohibitions against such uses will disappear and hence there will be a tendency for wineries to want to include these uses. And so we've shown an increase in the amount of visitor-serving areas per each winery. More small wineries will have visitor-serving facilities again because the Ordinance removes that regulation that currently exists. And finally, we think that the overall level of visitors have the possibility of increasing due to the fact that these so-called special events and what not that are currently prohibited or strongly regulated will be less regulated under the Ordinance. Accordingly in the potential growth-inducing aspect of the Ordinance we believe that there is the potential for visitors to actually increase as these events that basically are not directly related to the business of making wines become a stronger draw for visitors. We would moderate that of course by the discussion of the constraints or the inclusion of the constraints of traffic, lodging, and these other things that will ultimately influence visitor growth. All this work that we did is documented in the reports that you've received both in EIR and some of the technical appendices and I'd be happy to answer questions regarding my efforts. Before that, I would like to introduce Michael Cale who is going to discuss the environmental analysis that followed on from the forecast that we prepared. Thank you very much.

**Michael Cale:** Good morning, Mr. Chairman, members of the Board, I'm Michael Cale with LSA Associates and we had the responsibility of preparing the Environmental Impact Report which was the culmination of the efforts of Agland and EPS. I understand from some of you it may be very difficult to read viewgraph and I will for the most part just iterate what is up there so that you will understand what

is available to the Board. The purpose of the EIR was to evaluate the significant effects associated with adopting the Draft Winery Definition Ordinance in effect, in the terms of sink when this became the project and therefore our efforts were to recommend mitigation that would either avoid the adverse effects or reduce those effects to levels of insignificance. The EIR on the Draft Winery Definition Ordinance is not intended to evaluate the effects of industry growth. The EIR is focussed on a specific element of the industry which is wineries. Industry growth in general is discussed in the Master Environmental Assessment which is a separate document currently under review by the County. One of the areas that came to light in our evaluation is what we've titled planning issues or land use issues with certain provisions of the Draft Winery Definition Ordinance as proposed that we felt were inconsistent with the intent of agricultural land uses defined in the Napa County General Plan.

First, the DWDO establishes an 18-month grace period or grandfather clause. We saw this as an opportunity to recognize existing uses as legal that would include illegal uses. Secondly, to permit expansion of non-agricultural uses in agricultural areas. We felt both of these are in conflict with the intent of the General Plan regarding agricultural land in Napa County. The second point was the DWDO would establish a 10-acre minimum for wineries as opposed to the General Plan intent of 40 acres. We're drawing back to the Napa County General Plan and it explicitly has a 40-acre minimum for agricultural land use. The Ordinance itself becomes part of the zoning ordinance for the County of Napa and should be consistent with the General Plan. We therefore felt that it should be amended to reflect what is currently within the General Plan if that is to be the intent of agricultural land use in the County.

The next one is titled Impact Analysis regarding the Draft Winery Definition Ordinance. Direct impacts of the Ordinance are minimal because the economic analysis of the DWDO forecast and by the year 2010 there will be fewer new wineries with the DWDO than without it. There are no direct adverse affects. However, the bugaboo which everyone has become very familiar with over the years is cumulative impacts. Because many resources are already being taxed or are at capacity and I use the example traffic, the cumulative effect caused by the addition of any new wineries would be significant. The implication of traffic for clarification we're not trying to imply that the wine industry is solely responsible for traffic impacts of Napa County, but they are contributing to what's going on out there along with several other cumulative effects.

The next key element that we looked at in terms of what the Draft Winery Definition Ordinance brought to the EIR process was its ability to mitigate. The Draft Winery Definition Ordinance recognizes the significant issues. If you read the findings of fact attached to it, it's very explicit in pointing these key points of Napa County out. It does not provide the mechanisms to avoid or reduce the impacts to a level of insignificance. The EIR recommends mitigations that if incorporated into the DWDO would improve the ability by the Ordinance to achieve its legislative intent and thereby would reduce the majority of impacts to a level of insignificance or avoid them. Our conclusions regarding the DWDO are that the Ordinance as proposed would permit certain winery-related uses not now allowed, it would potentially have more significant adverse cumulative effects than current policy. The Draft Winery Definition Ordinance with mitigation would be a significant benefit to the County.

In conclusion, Mr. Chairman, from the standpoint of the EIR, we're very supportive of a Winery Definition Ordinance for the County of Napa, but we feel

that there are certain elements, that being mitigation, that are missing from the documents being presented to the County. If these are incorporated into the process, we think you'd have a very viable document that would serve the County well in the years to come. That would conclude my presentation, I will be happy to respond to any questions.

**Bob White:** Do the Board Members or Planning Commissioners have any questions? Allright, Chairman Jones.

- (509) **Dan Jonas:** I'm curious if you could be a little more or expand on the connection between the County General Plan and ... if you could expand on the relationship and why you think that it doesn't conform to the County General Plan. I know that we have a 40-acre minimum for current lot splits for farmers but we regularly act on use permits for wineries on lots that are smaller than that because they're of record. I'm just curious how you're making that connection and I think it would be helpful to us if you could explain that.

TAPE 2A

**Michael Cale, LSA:** Our intent is not to jeopardize the existing legal parcels and I would concur with you what you are doing on legal parcels is correct. In reviewing the General Plan, we saw that it did call out the 40-acre minimums as the intent. When the Ordinance was put forward our conclusion was that the ordinance should reflect what is in the General Plan. If a somewhat lesser would suffice for a winery, I'm not questioning that. I'm not trying to get it to say that it must be 40 acres. We can merely go on what we were seeing in the General Plan and if the General Plan needs to be amended to allow wineries to exist on 10 acres or 15 acres, then that should occur. What we saw was 40-acre minimums. We see an Ordinance that would put into the Zoning Ordinance for the County that would in effect not be consistent with what the General Plan was telling us. So our point was merely let's make them say the same thing.

- (510) **Mel Varrelman:** Mr. Chairman to that same point I thought the purpose of the Ordinance lot size of 10 acres was to eliminate lots less than 10 acres from winery development even though they may be legal parcels.

**Michael Cale, LSA:** I believe that you are correct, it comes back to the current winery exemptions for small wineries and then our thought process was that it still should come back to the 40 acres. If they're going to establish a minimum maintain consistency with what the General Plan is telling us.

**Mel Varrelman:** So if the Ordinance were to say 40 acres then lots of record less than 40 acres would not have winery sites?

**Michael Cale:** Correct.

- (511) **Bob White:** Okay. Would the wineries in existence be grandfathered in?

**Michael Cale:** Any existing legal use should be allowed to be grandfathered in and recognized as a legal use, yes sir.

**Bob White:** That's very important.

**Dan Jonas:** Mr. Chairman?

Bob White: Yes, Mr. Jonas.

512 Dan Jonas: When you say all legal uses should grandfathered in, your analysis of the EIR, your analysis in the environmental document talks about legal and non-legal uses and what would also be helpful then is to, there are wineries out there that would be on acreages of less than 40 that currently have public tours and tastings. One of the things in the environmental document suggested is mitigation that public tours and tastings are not an agricultural related use. And then you go on to state in the document that as one of the mitigations that there we should abate non-legal uses. So I'd like to have a better understanding of, in other words if we recognize wineries as legal uses on parcels that already exist that are less than 40 acres, if that were the direction that we would go, then I presume that they are legal use you don't need to abate anything. Does that also extend to the public tours and tastings aspect? For example, that facility?

Michael Cale: The question that I would have, you would want to go to the use permit or permit that was issued to that particular facility. At the time it was approved was it permitted to have public tours and tastings? Then it's a legal use. If this is something they have done without the benefit of the County granting approval, you then have an illegal use and it should be abated.

Bob White: Supervisor Mikolajcik?

513 John Mikolajcik: What reason would there be that a winery can't be on less than 10 acres?

Michael Cale: I'm not trying to say they should or they shouldn't, and you can be perfectly correct, I'm not an expert on saying a winery cannot exist on less than 10 acres, you currently have them on, I think, some 1 acre parcels. The Ordinance as it is presented to you is eliminating or suggesting to eliminate the small winery exemption. If wineries are viable on smaller lots or smaller parcels, I think that should be recognized in the General Plan as you do have a General Plan update coming up in 1990, that should probably be incorporated into the process to take into account what is a viable unit for wineries. If it's going to be less than 40 acres, if it's 15, 10 or 5, put it into the General Plan.

Bob White: Any other questions? Mikolajcik?

514 John Mikolajcik: This document, you and the staff wrote it up and you really understand it. It's going to take me about 4 weeks to read it, and I think everyone else in the room the same way, to understand it. So I think everybody should fasten their seatbelts for the next month and a half so that we can all understand it. It's a very complex document for people that don't understand it. I do have some understanding. Of course, I never did read an EIR. I guess everyone understands me there, don't you Walt? If it's sensible, if the County can survive, a good economy, employment for people in the County, I will support it. But if it hinders people, from making a living, or a good economy, I will not support it.

515 Bob White: I'd like to ask you a question, in preparing this Draft, was our County Counsel ever contacted on some of his legal questions or concerns?

Michael Cale: I had a conversation with the Chief Deputy regarding some of the issues that were of concern to County Counsel. From the legal standpoint, some

we approach from the environmental standpoint, there is some overlap but we're trying not to tread in to jurisprudence and make legal interpretations in the EIR's. But we did have some dialogue regarding some issues that were of mutual concern.

Bob White: With Margaret Woodbury?

Michael Cale: Yes.

(516) Bob Westmeyer: If the Board pleases, you might want to ask the consultant to go over pages 120-125. He's suggesting certain non-agricultural uses be deleted from the AP & AW and since he's not coming back you may just want to ask him to go through those uses and identify which ones he feels should be deleted from the Ordinance and which ones should not go, so everyone understands the position.

Michael Cale: Okay, we discussed that first one on the 40 acres and I think the next one is on page 2 under Land Use, "DWDO shall be amended to prohibit non-agricultural uses from the agriculture resource and agricultural watershed areas. Non-agricultural uses including . . .". Do you have that?

Mel Varrelman: Mr. Chairman, I have about six documents up here, each numbered differently, I'm not sure which document we're in. I'm not if anyone else in the audience is really aware of where we're at, and I know County Counsel referred to 120-125, perhaps he can be more specific on which document we're talking about.

Bob Wessmeyer: It's the Draft EIR Number 60.

John Mikoladjcik: What page?

Bob Wessmeyer: Page 120. It's a reprint of the Ordinance and in the beginning under Cumulative Impacts, he's suggesting as a mitigation measure that non-agricultural uses be prohibited, which is on page 2 of the same document, the next to the last paragraph. So if the Board wishes more specificity on that, he might want to go over the uses in the Ordinance and identify which ones he believes should be deleted (Varrelman interjects - "which I feel are inconsistent with the General Plan") so everyone understands what his recommendation is.

(517) Bob White: I have one concern on that, is golf courses going to be abated on this, will not be allowed?

Varrelman: He doesn't make the decision Mr. Chairman...

Bob White: No, I'm asking if the use is golf courses.

Michael Cale: If golf courses would not be allowed?

Bob White: Yeah.

Michael Cale: Looking at the Ordinance as it's proposed, I don't see golf courses in it. So I'm assuming that the Ordinance that's in front of you would ~~deny golf courses in agricultural areas.~~

Mel Varrelman: He owns a set of golf clubs. (laughter)

Bob White: We have two golfers on the Board here, maybe three.

Michael Cale: Certainly, as Supervisor Verrelman pointed out, we know that those sorts of amendments are certainly at the discretion of the Board to change them accordingly. We weren't trying to add or delete.

Bob White: Okay, Mick?

518 John Mikolajcik: Well agricultural watershed zoning now means recreational, also.

Mel Varrelman: Before we get too far, Mr. Chairman, County Counsel asked a very specific question I think should be answered, by the consultant with regard to uses that he feels are inconsistent with the General Plan. I would really like to have him go through that.

Bob White: First of all, Supervisor Verrelman, I'm going to let Mr. Mikalodjik ask the question he wishes to then we'll go to page 120.

John Mikolajcik: I say that the Ordinance reads now that agricultural watershed can be used as recreational uses. In your Ordinance it does not.

Michael Cale: It's not my Ordinance, sir. We did not write the Ordinance.

John Mikolajcik: I'm sorry.

Michael Cale: If it's not in there now then may you'd want to add it. We did not add or delete anything to this Ordinance.

Mel Varrelman: It's obvious this Board wants to pass the buck on this one.

Michael Cale: Definitely.

Bob White: Let's go to the concerns of our County Counsel, page 120 and concerns of the Board, section 8 is it Robert?

Michael Cale: Perhaps to simplify the process somewhat Mr. Chairman, in our comments, and we certainly can make it more explicit in the final, we were concerned with non-agricultural uses associated with wineries and the expansion of those types of uses be it special events, or things that are drawing people into the area that were non-agricultural. The criteria that is in the proposed Ordinance, and a lot of it is consistent with the prior Ordinance, we don't take exception to that, we're not saying that you should not have a single family dwelling residential care facilities, these are fairly standard uses allowed in an "ag" zone. We were concentrating on winery-related activities and trying to mitigate those. So I would not at this time delete any of these uses from the Ordinance there in front of you, or attempt to delete them.

Dan Jonas: Mr. Chairman?

Bob White: Yes, Mr. Jonas?

Dan Jonas: Where you start on page 122, or even 121, uses permitted upon granting a use permit you could have to, 5, on top of page 122, 5 a, b, c, H 1, 2, 3, 4, I 1, 2, 3, 4. County Counsel talked about 120 to 125, there's an awful

lot of winery-related and acceptable uses, I think it's going to be most helpful to this commission and helpful to the Board of Supervisors to understand, fairly, what the delineation of either an acceptable or non-acceptable "ag" use is in relation to the EIR.

**Michael Cale:** I stand corrected. We can then move to, we can move off of page 120. I see nothing on page 121, we can move to the top of page 122. Where we have found concern moving down to sub-paragraph I, very quickly, is public tours and tasting, should be eliminated. Public Promotional activities should be eliminated. Display of wine-related items, again that's a difficult call, it's getting back to is that an agricultural use or is it a marketing activity and how's it going to be done. It's like art displays, that's very gray. Some of the things that are going on I would have some severe reservations about. Coming to page 123, 1202.5, sub-paragraph B, Public Promotional Activities. Moving to page 125, sub-paragraph J, and we begin with Public Tours and Tastings, Public Promotional Activities, that's under, I sorry, under K. At the top of page 126, sub-paragraph B, Public Promotional Activities. That would conclude the concerns expressed by County Counsel.

**Bob White:** County Counsel said that that covers concerns. I think maybe the Planning Commission should have some concerns.

**Dan Jonas:** Well, I'm just, I have kind of a general question. The environmental document, I presume, analyzes the effects as not significant with the mitigations as proposed. The question is if the Ordinance is not adopted with the mitigations, in other words if for example, you want to leave Public Tours and Tastings in there as a permitted use, is the EIR then, does it need more work to adequately address that, or is it adequately addressed at that point?

519

**Michael Cale:** The options available to the County, again, a Statement of Overriding Considerations is always an option available to the County if the economic benefit outweighs the environmental effects, the County may adopt the Statement of Overriding Considerations. If it is felt that that activity is so beneficial that it outweighs the impacts associated with it, you can do a Statement of Overriding Consideration. So you're not limited, the door is not shut, you just have to weigh the options in front of you.

**Dan Jonas:** Let me ask the question a little differently, maybe I'll get the same answer. You make an assumption in the EIR that the 40 acres needs to be the minimum to be consistent with the General Plan. If the decision was, since it's our Ordinance, it should be 10 or 5 or some other number, is the EIR still adequate, does it adequately address the impacts?

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**Michael Cale:** Yes.

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**Dan Jonas:** Same answer, I suppose. The Statement of Overriding Consideration?

**Michael Cale:** I would say yes at this point in time, that or do a General Plan amendment that would bring the General Plan and your Ordinance to be consistent.

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**Dan Jonas:** Is the rationale because the economic model says that basically there's going to be this much growth whether it happens on 5 acres parcels of 40 acre parcels or so on, so that really, it's just a question of distribution, not so much a question of how we write that?

Michael Cale: It's just a land use issue, just interpreting the General Plan.

523 Guy Kay: Page 122, 5.b., following your logic would that be in or out? We need your recommendation. He's talked about marketing activities as being inconsistent with the General Plan so I presume this 5.b. would be one issue you would take off as one that would be less than desirable.

Michael Cale: It comes to an interpretation of the word "marketing", marketing of wine produced by the winery suggests that we are dealing with an agricultural product that is being dispensed on location, or some other avenue. Marketing is such a vague word and I don't understand necessarily what they mean by the word "marketing". As dealing with an agricultural product I would suggest that it should be legitimate within the constraints of the Ordinance. I'm not entirely sure what they mean by marketing. Does that mean putting up a billboard sign out on the highway that says there's wine for sale I would say no, if it means they're going to run an advertisement in the Napa Register, where do you draw the line, it's not that clear to me.

524 Dan Jonas: I think it might be helpful to us if we could get, at least at some point, some idea of what that means. . . we've had problems before with ordinances and quite frankly I think our own General Plan because of omissions as inclusions. In other words, I think if we leave a 5.b. in for example, says marketable wine produced by the winery, and then you omit other things, well then five years from now somebody comes back in and says "well, our public tours and tastings are our marketing" and you have nothing in your ordinance that specifically eliminates that. You say eliminate it, if we eliminate it by omission, then it's not there. So, I think that we need to type some how within the confines of the environmental document what marketing a wine produced by the winery does mean. Does it mean that somebody, the general public, can come in and buy it, I assume that it does because you talked about retail sales, and to me retail sales is the general public. But on the other hand, throughout the environmental document you say no public tours and tastings, signs on the winery that say "not open to the public" and I'm pretty confused by some level of inconsistency there. I think that to me, retail sales says that you are open to the public. Yet, I have a feeling that throughout the environmental document you're trying to avoid to the greatest degree that you can the public impact on the ag lands, travelling in and out and doing that sort of thing. So I think before this thing is final, we are going to need to have a better understanding of what that is, and I think that also the Ordinance needs to reflect where we can identify those things that are not permitted, not just by omission but by definition "this is not permitted".

525 Mel Varrelman: Mr. Chairman, to piggy back on Dan's comments, if we were to take the broader marketing and discuss it in your environmental document and what the ramifications of that could be because marketing as you pointed out is a very vague term that can be interpreted any way an entrepreneur would like, it might be beneficial to the County to do that.

526 Michael Cale: Both your points I think are extremely well taken and we will work on that before the final to help clarify it. Thank you for your comments.

Paul Battisti: Mr. Chairman, I would want everybody to have the opportunity to talk about the EIR first, but will we have an opportunity to get back to the MEA as well?

Bob White: You mean today?

Paul Battisti: This morning, because it's already been discussed.

Bob White: This is not a public hearing, it's not an advertised public hearing. It says on the agenda it's a public hearing, but it hasn't been advertised as such so we probably will take a few comments but we'll have to limit the comments.

Paul Battisti: I guess I haven't made my point, we heard a presentation on the MEA, but we didn't have an opportunity to ask any questions about it. Will there be an opportunity to do that if I have a question for Mr. Mott.

Bob White: If you had any questions, you could have asked them during the presentation or you can do it now.

Paul Battisti: Are there any other questions, though, before we get to that, on the EIR? If not, Mr. Mott, I do have a question.

William Mott: Yes, sir, we'll try to answer any questions on the other document.

527 Paul Battisti: On the other document, on page 21, there's a reference to 51,660 acres, paragraph two, second paragraph, as the forecast for the year 2010. On the same page next to the last paragraph there's a reference to 58,740 acres as the number for the 21 year period. Which is the correct one? Or are they both correct?

William Mott: That was put in to see if you read the document. (laughter)

Paul Battisti: Well, there a 14% difference, that's why I'm interested.

William Mott: The 51,660 is the correct number.

Paul Battisti: Those numbers are repeated in the appendix as well, that's the reason I'm curious.

William Mott: Yes, 51,660 is the correct number, we have a virus in our computer, I'm afraid.

Dan Jonas: Mr. Mott, I think that the second number relates to the available land for planting whereas the first number is the actual economic forecast. I think they're both correct numbers.

Paul Battisti: Well I thought that the number you were discussing earlier was 123,700.

William Mott: That was the theoretical available, the 58,000 is the number after constraining the theoretical number. The 51,700 is what we project it will be due to normal growth patterns that have been established in the County and what we project the wine industry to do.

Bob White: Any other questions?

Mel Varrelman: Mr. Chairman, Mr. Mott, the current California excise tax on wine is a penny a gallon and there are proposals that are floating around that would

raise that from 20 cents to \$1.28 per gallon. Do you think it would be worthwhile in your assessment to factor that range into it to see what the impact on Napa County, on wine production, wine growth would be?

William Mott: If we were doing one in the Central Valley in California, I think I would be more inclined to look at that. The price level of the Napa wines, premium wines is such to make that number a fairly modest impact on the consumer buying patterns. But we can take a little harder look at it. I think from what I understand it probably has a good chance of passing, the new tax.

Mel Varrelman: I think there's going to be an increase in the excise tax on wine, where that number settles it's not clear right now. I wouldn't mind having a report on Central Valley impacts by November 16th.

Bob White: Mikolajcik, you have a question?

528 John Mikolajcik: Well I don't know which one can answer, of the consultants. In your study where do you feel the biggest growth in vineyards will be in Napa Valley in wineries?

William Mott: It depends whether a percentage change or gross acres, I believe it was the Carneros which was showing the most in gross acres. Percentage change was the American Canyon area, that lower portion of the Napa County.

John Mikolajcik: We want a big winery down there, the biggest there is in Napa County. (laughter)

529 Michael Cale: Mr. Chairman, County Counsel asked me to clarify one point. With the environmentally superior alternative, we have also listed interim measures which suggest a limitation on new wineries or expansion of existing facilities to nine per year and he asked if I would clarify where the number came from. The number nine is based on historical data that was supplied by staff, they go back over time and look at what they have been doing, and the number nine came up. So we're not suggesting something that is inordinate, it will slow down a lot of the permits that are perhaps being seen currently, but is consistent with what has happened in Napa County historically.

Bob White: Okay, thank you for bringing that to our attention.

530 Guy Kay: Chairman, one more question on that. When I read this I annotated my book to try to find out how we would choose between expansions or new wineries or do we need to look at it from a total capacity standpoint, or do we need to look at it from a traffic impact standpoint, or to make some rationale as to which wineries in this nine would be considered.

Michael Cale: Sounds like an issue for the decision maker. It's a good question.

Guy Kay: No, I don't think it is only for the decision makers because we need to have some . . . you're recommending all this because of an environmental reason, and therefore, the size and rate and location also has an environmental impact and therefore needs to be addressed.

Michael Cale: I agree with you and we will discuss this further and we need more opportunity to talk with the Planning Director and staff to get some further

information and to delve into that somewhat deeper. The point's well taken.

(531) **Bob White:** I want to bring something to your attention here to, page three, on this report here, Environmental Assessment, you're stating that there are reports that there a decreasing number of groundwater sources in the Carneros region, this is very true, the. . . if you're predicting the greater growth will be in the Carneros region in the future for planning vineyards and new wineries, but right now they'll have to find some other sources of water. . .

**Agnes delZampo:** What page are you on, Mr. Chairman?

**Bob White:** Page three, Water Availability and Quality, are you with me? The thing is the Napa Sanitation District right now are using Disan filters to filter the water and if things go right we will be using that water on golf courses and I feel that this water will meet the State Water Quality Control Board's measures and we'll be able to use that water, raw water, for the irrigation of grapes, planting of new grapes, irrigation for agriculture in that area. I sit on the Sanitation Board and we have to find lands to dispose of this water and the Disan filters we have right now have proven that they do meet the State Water Quality standards, so I just wanted to bring that out. There is groundwater problems in that area and if there's groundwater problems that there is right now there won't be any future plantings out there, unless we do get a water supply such from the Sanitation District.

**Michael Cale:** Thank you, Mr. Chairman, the point is well taken.

**Bob White:** Okay, any other questions? Alright, as I said before, this is not a public hearing, it's not an advertised public hearing, but we have ...

**Guy Kay:** I have one more question.

**Michael Cale:** Okay.

(532) **Guy Kay:** If I may, Mr. Chairman, in the environmentally superior alternative, there is as one of the mitigation measures, you're asking to find appropriate mechanisms to implement those mitigation measures associated with the MEA. I've read the MEA, admittedly rather rapidly, I can't find any in Part III, that are mitigation measures being recommended. So, in order to evaluate this in its entirety we need to have that information available to us.

**Michael Cale:** That is correct, the document you are searching for is Part II, that is the one Mr. Hickey made reference to, it's still under review by the Department and they're making a determination on how they want to process it. The document is there, it's just currently not public.

**Bob White:** Dan, did you have a question, any of the other Board members?

**Guy Kay:** Just a second, however, we're in the public comment period on the Draft Environmental Impact Report, and if people are going to be able to comment on that they need to know what those measures are. It's a loop we have to close before the comment period is closed.

**Bob White:** The only thing is that this was not advertised as a public hearing and this was proposed to the planning...

Guy Kay: Excuse me Bob, I'm not suggesting that we take comments on it, I'm merely saying that we need to know what those mitigation measures are and they have to be available not only to us but to the public so that they can have that information in its entirety in order to make comment on the document itself.

Bob White: Okay.

Guy Kay: I think that the question that comes up then is how soon is that going to be a published document?

(533) Bob White: Well, you'll have to ask the consultant.

Jim Hickey: You can ask the consultant, but the consultant will say as soon as they get the comments back from the County. So the end result, again, it's a priority matter. You're working against a deadline in terms of the Winery Definition Ordinance, it was given top priority. We have the document. Depends on about how many comments come in, in terms of the EIR, because obviously those have to go back to the consultant so that he can finish the EIR so that he can meet the balance of the schedule. We can get it as soon as possible, but I can't give you a date specific at this point in time. If you like we can pull those pages off the MEA with those particular provisions, if that would satisfy Mr. Kay. Just so that we can see what the recommendations are, and they're available to the public, so...

Bob White: Well, it says the public review period for the EIR runs for 30 days from October 13th to November 12th.

Jim Hickey: That's right.

Bob White: So we have to get the information out by that time.

Jim Hickey: Again, the procedural step is the review comments go back to the consultant, the consultant then modifies as he sees the document. It is then printed, it is then available for distribution. We can work with the consultant to bring out those pages that deal with it, or we can have it printed the way it is without review.

Guy Kay: Mr. Chairman, if there's a 30-day deadline on public comment and they can't make comment without Part II of the MEA, how will the public be able to comment?

Michael Cale: What you have are two documents, and one of course is the EIR and one the MEA. The EIR has a set criteria that are State guidelines when things have to happen. The MEA itself is a database, it's an informational document, it does not have to be distributed in the same sense as you need to do with an EIR. I think Mr. Hickey's recommendation whereby we extrapolate those conditions or mitigation measures and provide those would probably be adequate at this time. The database would subsequently follow when he could complete his review and it would satisfy the CEQA requirements because the EIR is the only thing that is truly governed by CEQA.

Bob White: Okay, does that answer your question, Guy and Supervisor Batiste?

Jim Hickey: Yes, will there be that extrapolation then, made available?

Michael Cale: Be happy to.

Guy Kay: The next question is when? Because it has to be not five minutes before the 30 days are over.

Michael Cale: We will commence that activity probably this afternoon or tomorrow and have it returned to the County within a couple of days.

Guy Kay: Okay, that's fine, thank you.

Bob White: Okay, for the next 25 minutes I'm going to open it up for brief comments from people in the audience, even though it's not a public hearing. And I'll ask you to just take a couple of minutes if you want to make brief statements. You wouldn't want to make comment on what they heard this morning. The reason this is not a public hearing is because this will go before your Planning Commission and then they will hear the facts and bring their recommendations to the Board of Supervisors. Okay I don't see anyone wishing to make comment, Mr. Hickey?

Jim Hickey: The hearing before the Planning Commission will commence tomorrow morning in this room at nine o'clock and will run until all of the comments have been presented. Moving on with the next item on your agenda which is a decision by the Commission and the Board on how you want to proceed to process the Master Environmental Assessment. There were three options given to the Board, one was to accept it as an informational document as Mike Cale has indicated; you are not required to process it under any particular procedure; you could accept it as a simple document for purposes of reference by the County.

Secondly you could consider public meetings to benefit from public input relative to the document in that it does have some significance and relevancy certainly to future planning and decision making relative to the industry.

Or third, you could process it as an Environmental Impact Report, which would be to schedule public hearings and actually take testimony and so on, relative to the document. Of the three, in the past the County's procedure has been to treat Master Environmental Assessments as a full-blown EIR and process them accordingly. Based on the previous action the recommendation would be to treat this MEA in the same fashion so that the County could benefit from the maximum use of the document in the future. However, again, you have three options of whichever way you want to go. We're looking for direction from the Board so that in processing that document we can set it up accordingly.

Mel Varrelman: Mr. Chairman, I think we ought to follow the recommendations of the Department in past practices and expose it to as broad as possible, a segment of the population of Napa County, I think that's one of the best ways to utilize the document and also to find out . . .

(there is a gap between tape 2a and 2b here)

Dan Jonas: I would agree with that because in view of the recommendations of the EIR consultant on the Winery Definition Ordinance EIR and the interim measure situation in particular, relating back to this, I think you're going to be sorry if you wind up implementing any portion of the mitigations involved in that EIR without dealing with this one in a similar fashion.

Paul Battisti: Mr. Chairman, I would like to ask this question, what are the time table implications of this action?

Jim Hickey: The time table implications obviously, if you receive the document and you indicate this is acceptable to the County, you have completed the processing and then it simply becomes a resource document. If you go into public meetings and you schedule two meetings, again, you have shortened the whole process. If you look at a full EIR process which would be to advertise hearings, hold hearings, bring the recommendations to the Board, hold hearings before the Board, you're probably looking at something that is closer to 45 or 60 days. Keep in mind there is no time deadline running on the Master Environmental Assessment, it's the expiration of the moratorium on wineries that's the driving force for the Environmental Impact Report on the winery definition. You don't have that on the MEA side.

Paul Battisti: Conceivably the findings in the MEA going through that process too, would have an impact on the Ordinance decision, would it not?

Jim Hickey: Well, it could, but I mean that really the combining of the two documents presented certain problems in that one deals with the past, present, and future impacts of the industry, the other deals with a specific ordinance which was drafted for particular purpose in terms of what's a winery question. And while the two are interrelated one is specific in point and the other is a very general analysis. One is a very general planning tool and the other is a decision making process that the Board's going to have to and the Commission is going to have to resolve in terms of how they're going to proceed with individual wineries. So they're related; they're both dealing with the wine industry; but one is point specific, and one is more general.

Mel Varrelman: Mr. Chairman, Mr. Hickey, would you restate the recommendations of the Department?

Jim Hickey: Well, we would recommend that the Board and the Commission agree to process the Master Environmental Assessment, basically as you would process an Environmental Impact Report.

Bob White: Yes sir, do you have a comment.

Bill Mott: Yes, I would like to make one comment, a clarification that in the contract that we signed with the Board of Supervisors there were not funds allocated to make an EIR out of the MEA, it was essentially specified an MEA and I'm afraid that there would be extra cost associated with going to the EIR process on the MEA.

Bob White: Was this brought to their attention?

Jim Hickey: This is an area where their attorneys may have to talk to our attorneys. We feel that the contract is clear on what is intended in terms of the documents, the decision to divide the documents was for ease of processing but the decision to divide did not change the content of the documents. Therefore, we feel that the definition of what was to be the project is clear in the contract. The consultants do not agree with that definition.

Mel Varrelman: I was just going to say Mr. Mott, that we don't charge people to come to our meetings, so you're allowed to come for free if you want. I'll

move to recommendation to the Department, Mr. Chairman.

Bob White: Second by Mikalodjcik, all those in favor.

"Aye"

Bob White: All those opposed? (none). It's unanimous. That concludes this part of it, and we're going to take up one other item. Supervisor Negri will not be able to be here this afternoon.

PLANNING COMMISSION PUBLIC HEARING ON DWDO EIR, OCTOBER 18, 1989

Dan Jonas: Item number seven on our agenda, Selection of the Commission to participate in the discussion and action regarding Winery Definition Ordinance and EIR. For those of you who were not here at yesterday's joint meeting between the Planning Commission and the Board of Supervisors that was agendized and posted for that meeting and was in fact completed at that meeting. Commissioner Fornier?), Commissioner Kay, Commissioner Winter's names were all put into a basket, the name was drawn by Board of Supervisors Chairman Bob White and Commissioner Kaye's name was selected to participate in discussion on the winery environmental documents. So that is the situation at this point. We will be operating today with a three-member Commission because we do have three members of this Commission who had a conflict of interest on the winery issue and that was the reason for that drawing. Commissioner Winter you are excused.

Thank you.

Jeffrey Redding: Chairman Jonas, Jeffrey Redding, Director of Conservation Development Planning Department. At this juncture I've asked Margaret Woodbury who is the Chief Deputy County Counsel to speak to the Commission, if you please, as well as members of the audience about the role of the three commissioners who are present and just as importantly the role or opportunity that the two commissioners will have regarding the Draft EIR and the Winery Definition Ordinance. So, if you please, I'd like to ask Margaret Woodberry to comment briefly on that.

Margaret Woodbury: I want to clarify this because there has been an important recent change in the SPCC rules. Up to the last couple of months the SPCC would not allow the Commissioner chosen by lot to serve on the Commission under the rule of necessity to speak and participate other than by vote, which was extremely awkward, and there had been a lot of protesting about it over the years. They have reversed themselves and now the Commissioner chosen by lot may participate fully as if he had no conflict. However, the two commissioners with conflicts who were not chosen in the lottery under the rule of necessity, the rules apply to them the same as before, they cannot participate of course, as commissioners, they also may not participate as public citizens during the comment period from the various podiums unless they are the sole owners of businesses which are the source of their conflict, in this case that does not exist. And the exception perhaps is Commissioner Fornier, who is not here, and he will have to make that decision.

Dan Jonas: Next item on our agenda, is item number 8, Public Hearings, Review of Adequacy of Draft Environmental Impact Report on adoption of the County of Napa, by the County of Napa, of a new Winery Definition Ordinance.

Jeffrey Redding: Mr. Chairman, member of the Commission, Jeffrey Redding, Director of Conservation Development Planning Department. I want to introduce the subject matter to you and to the audience in a brief way, and then continue with today's agenda. Again, as you've introduced, Mr. Chairman, the purpose of today's hearing is to provide an opportunity for the public to testify on the adequacy of the Environment Impact Report prepared by Agland Investments Company to analyze and identify, as well as provide mitigation measures, for the adoption of the Winery Definition Ordinance, as it was presented to the County on February

the 28th for environmental review purposes. The purpose of the hearing is not for comment on the Winery Definition Ordinance itself, it is also not to comment on the background material contained in the Master Environmental Assessment that has also been prepared under contract to the County. It is for the purpose again, of soliciting oral testimony on the Draft EIR on the Winery Definition itself. The public review period on that document also runs until noon on November the 13th, persons who are in attendance today and testify today, are also urged to put their comments in writing and file them with my Department in room 210 downstairs on or before November 13th at 12:00.

The consultant who has prepared the Draft EIR will also be preparing the Final EIR and as the Commission knows, I'd like to remind the audience of this, Final EIR's consist of the Draft EIR which you presently have which is the subject of today's public hearing, as well as the comments that are made during the public review period, both oral and in writing, and the consultants response to those comments. The Final EIR as it then is referred to, returns for a public hearing and it will be up to the Commission to recommend to the Board of Supervisors whether or not the Final EIR is adequate and, more importantly, does it adequately address the comments that were raised during the public review period.

Hopefully by establishing some ground rules early on, the testimony to the Commission can be on point and the role of the Commission at today's meeting will be clarified. Couple of other matters I wanted to discuss with you, with the members of the audience who are present. Should there be a need for time for additional public testimony on the Draft EIR, an additional day has been reserved tomorrow beginning at 10:00 a.m. in the main library across the street south of the County building, beginning at 10:00 a.m. again in the community meeting room which is the room off to your left as you enter the library. The public hearing will begin at 10:00 a.m., again, in the main library, and will be continuing until all of the testimony has been concluded.

Dan Jonas: Excuse me, Jeff?

Jeffrey Redding: Yes?

Dan Jonas: I'd like to make it clear that it is the express intention of this Planning Commission that if at all possible we want to get through with this meeting today. That meeting will occur tomorrow only if there is public testimony that still needs to be taken as of five o'clock today. So, if there are people here who are working under the impression or know of people who are not here who are working under the impression that tomorrow is a guaranteed hearing time at ten o'clock, that is not the case. That is only if there is additional testimony needed to be taken because of time constraints today.

Jeffrey Redding: And, Mr. Chairman, members of the audience, the public notices that have gone out on this matter clearly state that tomorrow's meeting is if necessary on that. Following the conclusion of the public testimony today, and, if necessary, tomorrow, the review period which concludes on the 13th of November at twelve, the comments will be forwarded to the consultants who will then respond and send the Final EIR to the County for processing. By the schedule adopted by the Board of Supervisors on August 29th, the Final EIR's will be delivered to the County no later than December 19th with the Commission public hearings on the Final EIR and the Winery Definition Ordinance to be December 27th, and again, if necessary, on December 28th at nine a.m. The Board of

Supervisors public hearings on the Final EIR, Winery Definition, will begin on January 11th, that is an unusual day for the Board to meet. That is a Thursday rather than a Tuesday, but this is the calendar adopted by the Board and will be in force unless there are any changes that they would like to make to it. Also, I'd like to put in a plug and remind the audience and the Commission that copies of the Environmental Impact Report which is the subject of today's public hearing, is available in room 210 for sale, the sale is \$12.50 which is the cost of printing that document from the consultant, and again it is available and there are copies available. We also have copies available in the public library, both in St. Helena and in Calistoga, as well as in the main library on Division Street, which is the adjacent property to the south of the County Building.

Diana Mitchell: I was just to going to ask you Jeff about what you were talking about, you said we were not to speak on the Ordinance itself, is that correct?

Jeffrey Redding: Well, I didn't say it quite that strongly, but I said the public hearing is not for that purpose.

Diana Mitchell: My question would then be, is part of this Draft EIR as an Appendix, is this for information only?

Jeffrey Redding: Yes, it is. It is to complete the document and allow people who are reviewing it to see all in one format the Ordinance and the Draft, so for example, testimony on the specifics of the Ordinance, what provisions ought to be deleted or what provisions should be substituted, what concerns people may have relative to the Ordinance itself is not the subject of the public hearing, however, the environmental effects of adopting that Ordinance is the subject.

When would the time frame for adopting the Ordinance or considering adoption of the Ordinance then happen?

Jeffrey Redding: The schedule adopted by the Board on the 29th of August indicates that the hearings on the Final EIR and the Winery Definition itself will begin on December the 27th, continue on to December the 28th, if necessary. Members of the public, again, are urged to submit written comments both on the Draft EIR during the public review period which runs until November 13th as well as on the Winery Definition Ordinance at any time. But today's meeting is not the subject of the hearing.

Guy Kay: I have reason to believe that there will be some comment concerning aspects of the proposed ordinance, which in fact may be suggested to be modified for various reasons. If that's the case and if there's available language to do that, that probably should be reviewed in the Final Environmental Impact Report so that such language could be considered later without need to go through another environmental review. Does that sound reasonable?

Jeffrey Redding: I think that certainly if people have comment on the Winery Definition, even though it's not the subject of today's public hearing, they are encouraged to file those with the County as quickly as possible. As you know the Environmental Impact Report is written on the Winery Definition and is written broadly, and at this point the Winery Definition can be reduced in scope but cannot be enlarged in scope significantly because the environmental document will not cover enlargements or broadening of that document. The Chair of course is welcome to hear testimony obviously on that document, the Winery Definition itself, but that is not the purpose of today's meeting.

Margaret Woodbury: Mr. Chairman, I might go along with Jeff on that to indicate if there is a desire to discuss that it should be in the content of discussing the adequacy of the Alternatives Analysis of the document. The alternatives are basically the lesser available versions of the same document. As Jeff says you can't expand on it, add things, but you could delete under the alternatives analysis and if that is being proposed for one environmental reason or another, those should be evaluated and comments could be directed to the consultants to look at that in their Final EIR. Because at present, they have got another schedule analysis of that.

Dan Jonas: I think the difficulty in this is that when we look at project that has an EIR we certainly look at one of the ways to mitigate it is to, "change the project", those changes usually are reduction in scope, which is what I think you're saying here as well. But I think that it's going to be very hard for us to discern whether we're talking about a change that is a reduction in scope until we hear a certain amount of testimony and understand that. I think my feeling today is that we have to recognize that these two things are really intertwined. And that discussion of the Draft Ordinance or the EIR without some discussion of the Draft Ordinance is going to be difficult. Also that the, I think we all need to recognize that the consultant has recommended some very significant mitigation measures that in fact adjust the Draft Ordinance significantly. And I think that if the consultant has that ability to make some decisions about what mitigates by adjustment of the Ordinance, then the public needs to be able to respond not only to those mitigations, which is clearly allowed, but also maybe respond with a different alternatives situation that may be prudent for us to have the consultant explore. And I think as long as we keep it in that context, we should allow that testimony.

Jeffrey Redding: I agree with that, and the purpose again, it's easy certainly for me to give you my recommendation on how to conduct the hearing and it's much more difficult for you to conduct the hearing in that fashion and I appreciate that. Again, for the Final to be valuable to you and to the public the consultant will respond to comments that are of an environmental nature and will not be responding to comments that are related strictly to the Ordinance itself, and I don't want members of the public to leave this room with some feeling that if they've made their comments on the Draft in this forum, that that is all they need to do and those comments will automatically be picked up by you in consideration of the Draft Ordinance itself. That's my only concern, is that we cover our bases and have the public as best they can and as best you can focus on the task at hand. But the Draft Winery Ordinance itself will be the subject of separate hearings that people are urged to the extent that they can to make the comments at that time.

One other suggestion that I have as a ground rule is that you may wish to take testimony from people once before allowing people to repeat either testimony or to have a second opportunity to testify to give the broad range of input before you allow people to make second presentations to you. That may not be the case, but that's just my suggestion.

I'd like to close by again giving the Department's recommendation which is that you open the hearing, conduct public testimony on the Draft EIR. At the conclusion of the hearing either today, as you've indicated, or tomorrow, if necessary, the Commission should close the hearing and return the draft to the Department. We will then transmit the comments to the consultant who will

prepare the Final EIR which will come back to this body at the end of December in accordance with the calendar adopted by the Board of Supervisors on August 29th, which is in your packet. If I can answer any questions that you may have at this point, I'd like to do so. We will be available for questions in a limited way on the content of the Draft EIR and will be making comments as necessary to elaborate on testimony that is presented today. Mr. Chairman, members of the Commission, I thank you for your attention.

Dan Jonas: Mr. Kay?

Guy Kay: Just one point, in the Draft Environmental Impact Report, refers to the Master Environmental Assessment within the EIR, there is a reference to mitigation measures which are recommended in the MEA which are not available. We had some discussion about that yesterday, but I think it would be important to you to make those who are present here and put it on the record when that will be available and that there will be time to consider those and use those in public commentary later.

Jeffrey Redding: The Environmental Impact Report that you have, DEIR 060, stands alone and does analyze the environmental affects of the winery definition. It does include under the discussion of the environmentally superior alternative, a reference to the MEA and the mitigation measures contained therein. Those mitigation measures will be available to the public tomorrow, is my understanding, from the Executive Director of Special Projects, who is basically in charge of contract administration. So, if members of the audience will contact the Executive Director tomorrow or my office alternatively, we can provide copies of those measures.

Dan Jonas: Can we make sure that the Commission has those as well?

Jeffrey Redding: Certainly, we will deliver those to you as soon as they're available.

Dan Jonas: Thank you.

Jeffrey Redding: One other thing, we would appreciate for the record getting the name and address of persons who are testifying as well as any organizations which they represent so that we can transmit that information to the consultant directly.

Dan Jonas: This is a public hearing on the adequacy of the Draft Environmental Impact Report on the adoption by the County of Napa of the new Winery Definition Ordinance. I'm going to set a few ground rules before we start, some of those Mr. Redding has already covered and that is that we are talking about the Draft Environmental Document and not the Ordinance itself. I think we're going to try to understand that there is some overlap and certainly we're going to let people go at least a certain distance before we might interrupt if it's clearly not a discussion on the environmental effects of the Draft Ordinance. We have two mikes at our disposal on each side of the room, I'm going to expect today that the public that is going to comment is going to take responsibility to use both. I'm going to make an assumption that this public hearing is over when somebody isn't standing at the other mike waiting to talk when the previous person is done. So, if you want to talk today, you better be prepared that if that person only gets up and says three words and nobody's over here, I may say that the public hearing is closed before you have a chance to get there. That's a little

more strict than we usually are, but by the same token I have to assume that everybody who is here wants to talk, and in fact there may be more later. We expect a lot of people want to comment about this and we do not want to drag this on for two days worth of meetings for the sake of picking up three speakers who didn't make it today because they wasted enough time between speakers waiting for them to get to the microphone. At this point in time. . . the only other thing I want you to do is, just so we get the names clearly because this is going to, unlike a lot of comments that are part of the minutes and quite frankly on the tape, they are responding by name in the Draft environmental document and the final environmental document to your comments, so it would be helpful if we do get your name. I'd like you to spell your name for purposes of the record and get your address to make sure that it shows up in the final document correctly. With that, the public hearing is open and we'll start with the public testimony at this point in time.

Diana Mitchell: I have one question of the Chair, please, when someone is representing a group or an organization, would it be appropriate to give us a figure of who they represent? You know, 50 people, 100 people, membership, so forth and so on?

Dan Jonas: I think that would be helpful, and I think as well, if somebody just wants to stand up and say "I agree with so-and-so", I'd like you to do that, name that person, tell us that you agree with him so that we understand that and not give the same presentation completely over again. We'd like to keep that to a minimum. The environmental consultant is required to respond to the comment and all that's going to happen if we get the same comment ten times is nine more times in the document he's going to say "person b, c, and d each, ditto", and that's going to be it. So it's not going to add anything to the document having the comment ten times versus one time.

Diana Mitchell: Mr. Chairman, I don't want to be fastidious, it might be appropriate to put a chair at each podium, in case somebody is a long speaker the other person doesn't get too tired waiting.

Dan Jonas: Okay.

Andrew Beckstoffer: My name is Andrew Beckstoffer, I'm a grape grower here in the County and I'm here representing a group of industry people who formed a committee to be primarily responsible for preparing the Draft Winery Definition Ordinance. That group represented the Napa Valley Grape Growers Association, the Napa County Farm Bureau, the Napa Valley Vintner's Association, although those organizations are separate organizations and among themselves as well. But we did represent an industry group that represented those peoples and had representatives from those people there. I'd also say to you so that we understand that I've been a 20-year resident of the County and I think represented on that Committee, although we never took this as a count, there must be over 100 man-years of Napa County citizenry there and while we certainly feel the pressure of being the County's largest employer, our wives shop at the shopping centers and we recognize what the traffic problems are, and kids drink the water, we all breathe the air, so hopefully we are responsible as Napa County citizens as well as representatives of the industry.

I'd like to make some general comments today, the group will prepare written specific comments on the Draft EIR within the period. We received the EIR only on Friday, we have not had an opportunity to look at the MEA, which I

understand, is a separate document. But we will prepare written specific comments later. I'll make more general comments today. There was to be a member of the Committee from a winery here this morning, I think he may be a casualty of some, he's okay, but he got tied up in San Francisco, he may or may not appear but we'll be making joint comments about this.

534 My first comment about the Draft EIR is I certainly think we must say initially that we appreciate the concern that the consultant showed for agriculture and for protection of agriculture in the County. We appreciate that concern, we have some concerns whether we're over-protected or not or unprotected, but nevertheless he has showed adequate concerns.

535 Secondly, we must applaud his suggestion or the EIR's suggestion that we do adopt Alternative 2. We do have a project, that's of major importance. We feel that we must have an Ordinance and we must have one on time or that there will be real chaos in the County, in the industry and certainly for the agenda of the Planning Commission and Board of Supervisors into the year 1989. So it of major importance that the consultant did suggest adoption of the project, in other words the no-project alternative was not suggested.

536 The Draft EIR states that there were no impacts of the 75% grape sourcing requirements and really no impacts for the fact that the Ordinance said there would be no public tours and tastings or new wineries. I really doubt he would have said that had we been doing that 2-5 years ago. The Ordinance seems to support the idea that in Napa County today with regard to wineries there is an age of restraint, if you will, upon us different than they were in the past, and I think that's a positive impact on the County and a positive impact of the Draft Winery Definition Ordinance. I think there's a very definite impact of limiting the traffic and congestion and other problems that would be associated with limiting wineries that would be producing wines from non-Napa County grapes and the traffic congestion that would be associated with people visiting those wineries if they market their wines primarily through public tours and tasting facilities. So I think there's a real positive impact rather than no impact with regard to both the 75% and the Ordinance would suggest no public tours and tastings for new wineries.

537 There is a trend developing, I think, that some of us see in the County. While there might not be today major abuse of that, there is a trend I think of so-called zip code wineries and things that this would eliminate and that's a positive impact. One of the statements made by the consultant yesterday, and I think it was Mr. Walter Kieser, he said that the Ordinance would have no impact on production, and I would certainly ask the consultant when he says "production" whether he's talking about the production of grapes or the production of wine. I would agree that there would be no impact on the production of grapes, but I do think there would be a major impact on the production of wine, on the production of wine made from non-County grapes, because I think the Ordinance in its present form would limit wineries that were developed to produce wines made from non-County grapes, and it would also limit the traffic congestion which would be associated with people visiting those wineries. So there would be an impact, both in terms of the 75% and no tours and tastings to those wineries.

538 It seems important that we recognize as we go through this that there would be a major impact on the County unless we're allowed to grow our grapes and market our wines as required in 1990's. The interchange yesterday, I think between Chairman Jonas and Commissioner Kay when they asked the consultant for

his interpretation, was of major importance. It is of major importance just whose opinion of what is marketing holds sway here, it's important not only that we understand what's necessary to market or what is marketing, but also what is necessary and what is marketing of super-premium wine. There is a whole difference of intensity, if you will, between marketing let's say of a wine produced in a more standard area and a wine produced in an area such as this where we have super-premium wines. It's very clear even to a poor farmer that we need to do things different in the 1990's than we did in the 1950's or even the 1960's.

We as grape growers are very clear that our grapes have seeds in them; they must be made into wine that's potable, there are grapes that are better other places. We need to have those wines sold for a certain price and market it in a certain way if they're going to be able to support the kind of land prices that we have here, the kind of money we have invested in vineyards, which then supports the economy, the employment in the County, and everything else. So there is a chain that goes right through our ability to market our wines and whose interpretation of just what is marketing and what is not.

(539) The consultant, Mr. Cale, yesterday, made comment that I think needs some clarification, and he said that the cumulative effect of any new wineries would be significant. Now, I'm not sure whether we need to assume that his mitigation measures would thus be designed to eliminate any new wineries. I'm not sure whether the assumption is proper or not, but let me say to you that if that is the case, those mitigation measures would have a major impact on the County. (540) We need more of the "right kind" of wineries. We need it not only to satisfy the grape production increases that were stated in the MEA, but we also need it for the viability of this industry. This has to be a living industry, wineries go out and wineries come in, and we need to protect the valley forever, and not just for the next several years by saying no new wineries or let's stick with the existing wineries. There has to be some viability here and if the mitigation measures are designed to eliminate all new wineries, I think they're indeed harsh and would have a major impact of themselves.

(541) When we look at the impacts that are stated in the Draft Environmental Impact Report, the question comes very quickly impacts relative to what? Impacts relative to the existing situation, impacts relative to what would happen if we didn't have an Ordinance, or somebody's judgement as to what a perfect world might be? I would remind everybody that when the Ag Reserve which passed in this County in 1968, it was passed with a 20-acre limitation, and then later was brought up to 40 acres so that we need to take a step, we need to take a major step, but we don't need to try to turn back the clock here, we don't need to try to undo what we're doing today, the impacts have to be relative to the world as it exists in Napa County in 1989 and to what it takes to sell our wines in 1989. Clearly, there are overriding economic considerations I would say to mitigation measures that would take us too far back that are needed to allow us to continue our business and to operate as we are, as is required in 1989.

With regard to some of the specific impacts and mitigations suggested in the Draft Environmental Impact Report there is a mitigation measure suggested there that rather than the 10-acre minimums asked for or established for new wineries in the Draft Winery Definition Ordinance that we go to 40-acre minimums. Well, it seems to me that the 10-acre minimums were done to allow smaller wineries, recognizing the cost of 40 acres here in the County and the ability of the smaller people to start on an acreage somewhat less than 40 acres. That

would not change, not anticipated to change, in any the minimum parcel size allowed in either the AP or AW. Currently the allowable uses in the AP and AW are allowed on any legal parcel, and certainly there are parcels less than 40 acres in the AP and AW today. I don't see how allowing a 10-acre minimum for new wineries, would as they say, reduce the General Plan Agricultural Land Use Intent from 40 acres to 10 acres. I don't agree with that impact as they say it is.

Michael Cale, another one of the consultants yesterday, implied, not stated directly, that the elimination of the small winery exemption would eliminate small wineries in the County. I don't think this is the case at all, it eliminates only the incentive of not having to do a Use Permit for a small winery. Again I think that the Ordinance properly states that we are entering what I've called an age of restraint here in the County which says that all wineries will now come under Use Permit restrictions, that does not eliminate, in my view at all, small wineries. In fact, under this new Ordinance, I see a growth in new small wineries, so-called estates wineries that produce grapes from their own land perhaps or certainly from Napa County; that they sell Napa Valley wines, internationally by means other than local visitation. You have to remember that the wineries here sell their wine in great part at places other than simply at their local tasting rooms. And I do not think that this Ordinance would eliminate small wineries, in fact, I think that small wineries were probably encouraged by this Ordinance. It needs to be said, I guess, not for you, but just for the record perhaps, that we don't want to forget the Use Permit process in here. If this Ordinance is going to be a living document it has to be interpreted year after year by people sitting in your chairs and interpreting it through the Use Permit process. And the Ordinance brings everybody into that trail, if you will. Simply eliminating the small winery exemption from that process does not in any way eliminate the small winery.

The consultant and the EIR suggested that the Draft Winery Ordinance be amended to prohibit non-agricultural uses. Again we need an interpretation here of non-agricultural uses and they suggest mitigation that would work to eliminate future agricultural uses in my view. Mr. Cale, the consultant, stated that he would allow, and I'll refer back to the Uses 5.b. that was allowed which would be the marketing of wine as well as the retail sale of wine, but he would disallow public tours and tastings for existing wineries, for example. The question is, are public tours and tastings non-agricultural or agricultural uses in the 1990's? The consultant did say that if marketing deals with "ag" products, it's okay. In other words, it's an agricultural use. Well, it seems to me that if the interpretation is that marketing is allowed for agricultural products and public tours and tastings are necessary for marketing our wines, that public tours and tastings then become an agricultural use. The Ordinance eliminates public tours and tastings for new wineries, not because they're non-agricultural uses, but because of the side effects of traffic, and noise, and other congestion and environmental impacts on the County, not because they're non-agricultural uses. And that's important as we go through this process.

The EIR states that we need to abate these uses for existing wineries, it's important that we recognize that they are legal conforming uses today and that we must allow legal conforming uses to continue into the future, even though we stop abuses and stop activity that would impact negatively in the County in the future. Again the impacts, it seems to me, that we measure must be measured against what goes on in 1989. Certainly there was no attempt and I don't see any mechanism in the Draft Ordinance which would allow for the legalization of

547 illegal uses. That was not the intent and I don't see the provision in the Draft Ordinance which allows that.

548 The EIR addresses visual impacts and suggests that we adopt a scenic highway ordinance. I would certainly support that later. It seems something that is necessary, but is not necessary to do it with this Ordinance and certainly on a time table that we have with the moratorium, there's no time to do it today.

549 Lastly, the environmental document suggests that we have an interim measure while we implement some of the measures, this is where he suggests that we have nine new wineries or expansions while we go through the process. I think that it's extremely important that we pass the Ordinance on time, we don't have interim measures. Again, because the impact of that on both the County, the industry, and again the agenda for you, for the next year, would be major.

That's all the general comments I have today, again I would state that we will prepare specific written documents and are prepared to comment on the Ordinance or anything we've done in the past. Before I leave I would ask if perhaps you don't want to address this now, but, the December 27th date is a very difficult date and if there's anything that could be done to move that date to sometime, if only shortly, before the Christmas holiday, it would be greatly advantaged. The 23rd December is so much better than the 27th in my view, so I'd ask you to consider that if you can. Thank you.

Dan Jonas: Andy, could we get your address?

Andrew Beckstoffer: 525 Zinfandel Lane, St. Helena.

Dan Jonas: Thank you. Commissioner Mitchell?

Diana Mitchell: Yes, I had one question, you made a comment that we need more of "right" kind of wineries, could you be specific and give me your definition as a representative of this group of what the "right" kind of winery is?

550 Andrew Beckstoffer: That "right" winery would first of all produce wines from Napa County grapes and it would do it in such a way as not to impact us negatively in terms of traffic, noise, or any of the environmental factors. For example, we're saying the "right" kind of winery would no longer have public tours and tastings but would abide by the regulations and uses that are specific to the Winery Draft Ordinance.

Dan Jonas: I didn't hear you comment on the public promotional activities, that this seems to allow in part a significant number, I thought.

Andrew Beckstoffer: The public promotional activities, I think, are eliminated for new wineries in the Ordinance.

Dan Jonas: The new Ordinance has not been adopted.

551 Andrew Beckstoffer: So, in other words, I said the "right" kind of wineries would be wineries allowed by the Draft Ordinance and the Draft Ordinance, I think eliminates public promotional activities in any significant form.

Diana Mitchell: Thank you.

(gap between tapes)

552 Dan Jonas: I understand. I guess my concern here is that the consultant started out with the presentation yesterday that the baseline in fact is 1989 and an extension thereof based on the economic analysis that was in the MEA and that that is the baseline by which we are measuring significant or insignificant effects. So, I think that that part is there. Then I think that he further states that even with the "four times a year" the fact that there are public events, that is beyond, quite frankly, what is occurring there now, and that in fact is a significant effect. We need to make it clear that, I believe, it's more the mitigated DWDO that is restricting to a level of insignificance the public events than it is the Draft Ordinance itself. I want to try to keep that clarified so that we all know what we're talking about.

I want to, before I forget, because it's easy to forget, I have had a previous meeting with Andy Beckstoffer and Joseph Peatman to discuss, I think, what would more appropriately be called the "history of efforts" up until, roughly, last Friday on the Draft Winery Definition Ordinance. At the point in time we had that meeting the EIR was not in anybody's hands for discussion, so there was no discussion on the environmental document. I've also had a meeting with Lester Hardy prior to the publication of the Draft environmental document and afterwards to discuss the general ramifications of different aspects of that. I've had a phone conversation with Francine Davis to briefly discuss the document. Beyond that I've had no other public discussion on the document outside of this meeting.

I have had no public discussion, period, and have not returned phone calls.

Guy Kay: I either won or lost yesterday when my name was pulled out of the basket, but people need to understand that I am part of the industry and that over the last two and a half to three years there hasn't been a week gone by that I haven't talked to or met somebody on this subject. You don't want to be as specific as I was.

Dan Jonas: Go ahead.

553 George Vierra: My name is George Vierra, I live at 3271 St. Helena Highway North, St. Helena, California. I am also an owner/manager of a winery Merlion on Vallejo Street in Napa. I received the Draft Environmental Impact Report yesterday, tried to read it last night as best as possible, understanding there's some specific constraints of getting my opinion before the Commission. You're aware of course of the fact that the General Plan was adopted in '54 and "Ag Preserve" in '68 with the intent was to preserve the agricultural lands in the valley. And you also know the Grand Jury as well as the Draft EIR basically says there exists illegal uses of Agricultural Preserve at the present time. From what I read of the Draft EIR I basically agree with the recommendations of the EIR the mitigated DWDO alternative of page 72 with a few modifications.

Guy Kay: Excuse me, which one do you like, say that again.

George Vierra: The mitigated DWDO....Page 72.

Guy Kay: The environmentally superior alternative?

George Vierra: Yes.

It's title is Mitigated DWDO Alternative on page 72.

(554) I believe that, the modifications that I would agree with, that I would  
(555) propose would be number 1, over time all public tours and tastings on AP lands  
(556) be eliminated. Number 2, tours and tastings on AP land by appointment be  
allowed, that limits for the wineries should be considered, possibly ten visitors  
per day or whatever would be considered to be correct. Number 3, I believe the  
County should attempt to set up complexes in properly zoned areas. County  
Administrator Jay Hull recently made a proposal to Napa Valley Vintners about  
opening such a complex in downtown Napa. The Vintners Village north of St.  
Helena is such a complex, there are 14 wineries with tasting rooms. That's not  
quite 10 percent of all the Napa Valley wineries, but getting close, in one  
location. It requires staffing and it sells wine. It makes good economic sense.  
The wineries themselves still have tours and tastings by appointment, they're  
very rare occurrences. They are true wineries to me, the definition of a winery  
to me is a place where one ferments, ages, bottles, and ships wine, nothing else.

(557) My last modification be that you do not limit the size of vineyards for  
wineries. I do believe the small, family wineries should be allowed on small  
vineyard parcels, I don't believe the County should try to get involved in making  
economic arguments for opening or not opening wineries. Again a winery ferments,  
ages, bottles, and ships wines and nothing else. The County should be aware of  
our most valuable asset, which is land. Every available square foot of land that  
can grow grapes should not be wasted with roads, or parking lots, or buildings.  
Without the vineyards, Napa Valley would not have the demand that it presently  
enjoys in the world. Put the wineries in other locations, follow the pattern  
of the wineries of Burgundy, France, where the wineries are in the villages, they  
value their land too much to be able to waste it with buildings, bricks, and  
mortar.

The Draft EIR of the Winery Definition, as I said, was received yesterday.  
It's very large, very complicated. The input, from what I can understand, was  
primarily from the organizations like the Napa Valley Vintners and Grape Growers.  
To me, it is now necessary to have time for the non-organizational wineries,  
vineyardists, and citizens of Napa Valley to have their input. According to the  
EIR there's going to be major growth of wineries in the upper end of the Napa  
Valley.

I propose, even though I understand your concern about time, that hearings  
be held in other locations, with more time for people to study the EIR, and then  
to give all citizens a chance to be heard. I propose that hearings be held in  
large areas, if necessary, it looks like there will be large turnouts, like  
highschool gyms. The Napa Valley newspapers and libraries can help to inform  
about the EIR and the hearings. I propose that the following schedules be used:  
that Calistoga and St. Helena be sometime the week of October 23rd spread  
throughout the week, maybe one early in the week, maybe one late in the week;  
Yountville and Napa the week of October 30th, one early in the week and one late  
in the week. The document I received from the Planning Commission indicated that  
the hearings, or at least the information, was going to be extracted from the  
public until the 12th of November. I would hope that the entire time would be  
open to all the citizens of the Napa Valley.

Dan Jonas: Mr. Vierra? First of all, there is no requirement by law that we hold a single public hearing on the the Draft environmental document.

George Vierra: I understand that.

Dan Jonas: The review period is open until November 12th. Everybody, every citizen in Napa County and every citizen outside of Napa County, for that matter, has an opportunity to respond in writing . . .

George Vierra: I understand that.

Dan Jonas: . . . or at the counter of the Planning Department or however they want to get the information in to the draft document.

George Vierra: I think there's benefits of hearings because you have an opportunity to hear other people's opinions and interpretations of the EIR, which you can't do if you just simply sit in your own office and write a letter, your own interpretation, and then send it to you.

Dan Jonas: I understand that but I also see a few seats today, and so I don't necessarily agree that this Winery Definition has a tremendous impact, at least a felt impact, on those people outside of the industry.

George Vierra: Well I suggest that you remember that we're just finishing harvest, as a matter of fact after this speech, we have one more vineyard that I have to check this afternoon. We're still finishing fermentation. When you receive an EIR on Tuesday morning and read it over and expect to be able to drop everything and show up at a meeting on Wednesday, is not necessarily something that everybody can accomplish and I do believe, even though it's not law, I believe that you should do everything you can, because I think it's an extremely vital and important piece of information in the Ordinance that can be passed, I think for you basically just to say because it's not law, it's not the correct thing you should be doing. I think you should basically get as much input as you possibly can from people throughout the Valley, not just the professionals who helped, indeed, draft the Ordinance. . . Can I finish?

We can continue, but I just have one more paragraph. I'm sure you are aware of the recent decision by the U.S. Supreme Court to deny to challenge the Marin County zoning law. An Appellate Court opinion said that Marin zoning no doubt preserves bucolic atmosphere for the benefit of a proportion of the population at the expense of those who would flow into the County if there's no zoning. The protection of agricultural lands was one of Marin's highest planning priorities. I'm telling you that I hope that you maintain zoning that preserves what I feel is Napa County's most valued asset which is our land. Now you can talk.

Dan Jonas: Are there any questions of Mr. Vierra?

Barbara Winiarski: My name is Barbara Winiarski, 5766 Silverado Trail, and I am speaking on behalf of the United Napa Valley Associates, you asked for membership, it's about 700 now, it's been growing all the time this year. I simply want to, we want to hear all these hearings, obviously, and give our comment to the EIR in writing, that you should be, you say, by November 12th?

Jeffrey Redding: That's right. The last day to have the Department receive

comments would be noon on the 13th since the 12th falls on a Sunday.

Barbara Winiarski: And that the comments should be both on the EIR and on the Draft Ordinance?

Dan Jonas: Well I think the comments are on the Draft environmental document. I think the consultant certainly is going to be able to sort it out. If your comment extends beyond that. . . I think staff's concern is if you comment on the Draft Ordinance that the consultant is not going to respond to that in the environmental document. I'm sure that they can sort out the difference. I just want to emphasize that my opinion is that you get a far more concise response from the environmental consultant when you respond to the document in writing, than you do at a Draft hearing. And in particular, these hearings, because the consultants are not present at these hearings and what we're relying on for getting those notes to them are our notes and the tape, or transcript of the tape, that is going to go there. And I think that getting written comments, even if you do make a presentation at this hearing, is very important if you want concise answers to your questions.

559 Barbara Winiarski: Okay, then, the only other thing I too want to say that we are impressed by the concern, or the intent of the General Plan shown in this report as a whole. Thank you.

560 Joseph Peatman: My name Peatman, I'm an attorney, my address is 809 Coombs Street, is that adequate enough? I'm disturbed by a couple of things that appear in the Draft EIR. One of them is on page 16, another one is on page 59. Both of them find that the Draft Ordinance is inconsistent with the General Plan. That's, I think, an opinion, that probably anybody is entitled to have as to whether or not the Ordinance is consistent with the General Plan. What I might point out that that position is inconsistent with the interpretation that has been placed upon the General Plan by the Board of Supervisors and by the Planning Commission since the General Plan was adopted in 1976. The more disturbing thing it that is doesn't identify in whose opinion it's inconsistent with the General Plan. I would hope that you would ask the report to identify in whose opinion the Ordinance is inconsistent with the General Plan before all these hearings are over. At least, so that the subject might be discussed before the Board of Supervisors. I don't think it is the legal opinion of those who drafted the Draft Ordinance that it is inconsistent with the General Plan. And I don't think it would be the opinion of various County Counsels who have advised the Board of Supervisors since 1976 that the activities that they have permitted by Use Permit are inconsistent with the General Plan. That would be indeed suprising. So I think we need to know where, who gave that opinion and, or if it's not going to be identified, I think it ought to come out of there. And I'm not appearing today representing anybody, I'm just trying to get a basis for starting to be able to advise people as to what position they ought to take with regard to the content of the Ordinance.

Dan Jonas: Joe, you said there was a second, page 59.

Joseph Peatman: It appears on 16 and it appears on 59.

Dan Jonas: In other words it appears twice.

Joseph Peatman: It may appear other places, I read the Ordinance, I read the MEA, the MEA doesn't provide any information which would support such a

statement. The bibliography that is, the people who were consulted in preparing the report, doesn't provide any guidance as to who would be responsible for such a statement.

Dan Jonas: I think, certainly with the reinforcement you've given it at this hearing, the question was asked yesterday as well of the consultant as to, if they could elaborate on the concepts that they used in coming to that conclusion. So I think it's more important than just whose opinion that it is, but what progression of logic was used in coming to the conclusion that it was as well. Hopefully they'll be responding to both issues, essentially.

Joseph Peatman: It would be nice if they could be specific with regard to page, chapter and verse in the General Plan, this is supposed to be an informational document.

Dan Jonas: Is it time to close the public hearing? For those people who have wandered in since we started this, I made it very clear at the beginning of this meeting that I wanted both microphones used, I wanted somebody waiting at the microphone when the previous speaker finished. You're welcome to pull up a chair to this microphone, but if somebody isn't in that chair, this hearing may very well get closed.

Gregory Rodeno: Mr. Chairman, my name is Gregory Rodeno, I live at 7878 Money Road in Oakville, I'm a grape grower and owner of a small winery and it's in that capacity that I am here today. I received my copy of the Draft EIR Monday afternoon, I must say that's a relatively short period of time in which to review a rather complex document. I have one technical comment about this EIR, this time, and one more general comment. I understand the balance of the Master Environmental Assessment will be available this week, is that correct?

Dan Jonas: No, my understanding is what we are doing is we are extracting from the portion of the Master environmental document that is still under departmental review before publishing, those portions of it that suggest mitigations as identified in the interim measure that we should implement at some point in time. It was the feeling of Commissioner Kay, and I think certainly the Commission concurs, that that information is pertinent to the discussion that we have here and that that information, if not available for our public hearings, on this, certainly needs to be available to the public for comment prior to the expiration of the, and in fact somewhat significant prior to the, comment period. My understanding is that it is going to be available tomorrow, but it is only going to be an extraction of information, not the entire document.

Gregory Rodeno: Is there any timetable for the availability of the balance of the MEA?

Dan Jonas: What we heard yesterday is that at this point in time they cannot make any commitments as to when that will be available. It sounds like it is not likely to be available prior to the expiration of the comment period on this Draft environmental document. I do want to remind everybody, though, that it is the opinion, certainly of our Planning Director, and I think the other people that have reviewed this today, that this document stands on its own even without the extractions that are being done on the MEA.

Jeffrey Redding: Perhaps I can answer the question in three ways, one, the mitigation measures that are suggested by the consultant on page 72, I believe,

of the document, will be available from the consultant tomorrow, and will be available from the Planning Department. Secondly, yesterday the consultant indicated that the Master Environmental Assessment that parts one and two, which identifies the environmental effects of wine industry growth, both under the baseline conditions, that is under the current ordinance, and under the winery definition, would be available within 30-45 days. The Board of Supervisors has indicated that the Master Environmental Assessment will have its own public review process, will be undergoing its own public hearings, both at the Commission and Board and there will be adequate and plentiful time for the public to comment. The Master Environmental Assessment is not necessary for the Board to adopt a Winery Definition Ordinance, which as you know has its own specific time frame associated with it and that's why the Board agreed to separate those two documents.

(561) Gregory Rodeno: Thank you, let me just interject a note of disagreement in this otherwise cheery session, I don't think that's true. At least as I read this EIR it seems to me that much of the data on which the consultants base their statements and conclusions is contained in the Master Environmental Assessment and it is very difficult if not indeed impossible to make an intelligent comment or judgement either about the content or the proposed Draft Ordinance without having available, at least in somewhat more than reference form, the information which the consultant relied upon for its factual summaries and conclusions. I'd like to point out at this time at least one area of concern and confusion in my mind, which in fact may be fully explained by the MEA. Page 52, the consultant suggests that the volume along major routes in north Napa County will increase by approximately 33,500 daily trips ends, 30% of which are attributed to wineries, and that's the critical part. While on page 63 at the bottom paragraph, he says, "of the total trip ends expected in north Napa County in 2010, 9900 trips ends or 8.2% are due to winery growth...". I have a question on the consistency of those two percentages, more to the point, it seems to me that if one is going to determine that winery traffic is significant in one case, what's the generator of the other 91.8% of the traffic, and the other case what is the generator of the 70% traffic. And it seems to me that it may be patently obvious that 70% is more significant than 30% and 91.8% is more significant than 8.2%, but there's no comment at all with respect to the sources of the other traffic. Frankly, I'm going to respond in writing, that's really all I've managed to pick up in the short period of time I've had to review this. Thank you.

Jeffrey Redding: Mr. Chairman, if I might, on the two comments Greg has just raised, the background data under which the assumptions relative to vineyard acres to be planted over the period and wine production and new wineries is already out in the public arena; it is available in the Department for sale and it does form the background of the assumptions contained in the Draft EIR. So what we were talking about will be available later is the Environmental Assessment of those impacts associated with growth in the wine industry generally. But there is the economic model available and we urge Greg to get a copy and read that comment on it, specifically, to the extent that it has to do with the EIR itself. Also we have noted that contradiction or apparent contradiction in the numbers of traffic volumes and that's really the purpose of today's hearing is to point out those kinds of issues so that we can assure that the final is internally consistent.

Gregory Rodeno: I have received a copy of the economic model that is the environmental analysis that is of concern to me and also specifically with my

traffic comment, I'm very curious as to what generates all the other traffic, if wineries amount, if wineries from now forward will amount to somewhere 8.2 and 30 percent, that means that somewhere between 70-90 percent comes from another source. What is that other source? It's again sort of self-apparent that it is easier to control larger numbers than it is to reduce the smaller numbers.

Dan Jonas: Commissioner Kay?

563 Guy Kay: Just one point, Greg, because maybe I'm misinterpreting what I'm reading here. On page 52, it's talking about present trip end relationships and it says that right now 30 percent of all this activity can be attributed to total winery activity and that would include tourism, trucks, gondolas, you name it, whatever is going in and out of wineries. The other one talks about the increment of traffic which could be attributed to new wineries, post 1989. I think that's the difference.

Gregory Rodeno: As I read it, the page 52 comment says "will increase by 30 percent, of which will be winery-related..." and the other one, your analysis may be correct, what I'm saying is that at least as it is presently drafted it is unclear. And number one and number two, what about the flip side of that coin the 70-90 percent that is not otherwise addressed?

564 Jeffrey Redding: Mr. Chairman, the document indicates as I read it that the 70 percent increase is again, that number is the one we're using, is attributable to overall growth in the Bay Area and is the visitor, if you will, contribution that the valley itself has as a destination point as opposed to the destination point that the wineries would have. And that's the split and that's what the consultant explained yesterday at the hearing.

565 Dan Jonas: Well, yeah, and I think growth in Lake County, growth in Calistoga and St. Helena and any other place, and "all other" I think is the response we're going to get to that question, and I think that probably the EIR consultant in the case will simply say that this is not the traffic that the DWDO and EIR is supposed to study so therefore it's not even what we're looking at. Clearly they admit that there's going to be an increase in traffic even if there's not another winery, still, from other sources. I think the other issue, too, certainly in that, is that I doubt if we're going to be able to attack the 70% effectively without regional planning. And that's a whole other can of worms.

Anne Kirlin: I'm Anne Kirlin, address 2456 Third Avenue, I'm speaking as an owner of a small winery, by the name Revere. I'll be very brief because I recognize that the proper form for most of what I want to say is really the Ordinance hearings as opposed to the environmental hearing. I do however, feel compelled to alert you to a serious problem with the Draft Ordinance and to really emphasize to you that I think the various environmental documents prepared today support the policy position I am proposing. In simple terms, the problem is that the proposed ordinance by destroying the small winery exemption, makes existing small wineries non-conforming uses. As Planning Commissioners, and myself as a land use attorney, we know that that is not a desirable status. I do not believe that that was the intent of the majority of the negotiating team that drafted the Ordinance, but they have not succeeded in getting around that problem if you look at the language and despite lovely preambles and so forth, the actual language of the Ordinance makes them non-conforming uses. The various environmental documents prepared in connection with the Draft Ordinance state

that the small wineries produce only about 1% of the wine in the valley and yet they represent about 25% of the owners of operating wineries. There's a significant population affected out there. The environmental effects of these wineries, in part, because current standards under your small winery exemption permit process, are neutral or innocuous, and I don't believe reading the document, well I don't believe reading the documents that it would necessitate revision to the Draft EIR to reinstate or to retain the small winery exemption in some form. Indeed the environmental document suggests that eliminating the small winery exemption will have adverse environmental affects on the valley by encouraging larger wineries and more, with more public functions. Our ultimate objective is to restore in some fashion in this Ordinance or some companion ordinance the small winery exemption. We do not expect to stand alone at the microphone in this because we have contacted all other small winery owners in the valley and I expect you will be hearing from them. We'll be working very closely with staff, and all affected parties in the course of the next month and we'll come up with some concrete written proposals for language for the Ordinance and hope that you will consider them favorably. I've given you a hand out which explains our position in greater detail, it's been distributed by the clerk here. Several of you have a, this is a 10/18 versions, Mr. Jonas and Mr. Kay you have a 17 version. There was an error in that, you can throw it in the waste basket and utilize this one, you don't need more paper in your lives. Thank you very much.

Norma Tofanelli: Norma Tofanelli, 1001 Dunaweel Lane, and I live in Calistoga. I am speaking as a private citizen and as third generation of a grape growing family that has been growing grapes in the traditional farming methods since 1929 on the same property in Calistoga and we've seen many changes in the wine industry and many changes that have impacted the local farmer. I would like to generally state that I support the mitigations as proposed in the EIR and I'd like to make a comment on perhaps the reason why you may see some empty seats here. I know a lot of private citizens over the last two or three years as the winery definition quandary has proceeded have withdrawn from that discussion because they felt that it was a closed, that it truly was not a hearing, that no one really wanted to hear what the private individual had to say, that it was controlled by the winery interest. When the Grand Jury report was released two years ago, although it was not made easily available to the public either and the newspapers, the press in the valley did not really draw attention to what it said, but the individuals that I know who read this, and when they saw no real interest being given to what the Grand Jury said felt even further removed from this process and felt that this winery definition is merely a way for the wineries to seek to legalize what is clearly illegal and a violation of the General Plan. And many of us thought that there was no purpose in coming to these hearings because we had been to hearings.

We have had to resort to private lawsuits to try to have these laws upheld, and I think that's one of the reasons that you became involved in what is a winery pursuit because of the citizen concern over what was happening in their neighborhoods as more and more wineries were coming into the area. Many of the concerns expressed, and I've been to many of these hearings over the last two or three years, many concerns were over the impacts to the physical environmental, the loss of water quality and quantity, the traffics, etcetera. Many of the comments and concerns have been over the public nature of what the wineries are doing in terms of promotional and in terms of promotional and marketing aspects I think we have a very serious problem if we're saying having the highschool senior prom at a local winery is a part of their marketing effort

567 to sell their wine. We're in a very, very, very sad state if that's what we're promoting and I live in an area where this goes on constantly, private dinners have nothing to do with anything other than the private concern, class reunions, wedding receptions, again as I say Junior, Senior proms, these kinds of events are, used to be held in areas that were designed for them, at restaurants. In Calistoga, for instance, many of these events were held in Calistoga at the Napa County Fairgrounds. Buildings that were built by the taxpayers that now sit empty many times because the competition from the wineries and the advertising that the wineries do for their reception areas directly cuts into that, and that's a direct loss to the taxpayers of Napa County.

568 I would like to respond to something Mr. Beckstoffer said, and that was that these uses, if I understood him correctly, that the intent of the consultant on the EIR in talking about illegal uses, was not that current uses were illegal if inconsistent with the General Plan. In regard to that I would like to just quote briefly from the Napa County Grand Jury report, 1987-88, General Government Committee Land Use, their page 38 and 39. And that pointed out "in recent years there has been an increase in the number of commercial, promotional, cultural and entertainment activities occurring in wineries and other facilities located on agriculturally-zoned land outside of city limits. These activities include: concerts, cooking classes, art shows, benefits, and non-agricultural meetings and seminars. These activities are urban uses and by definition are not needed for the quote, and from the General Plan, "production of food and fiber, the growing of crops, produce and feed and the raising of livestock and animals". It continues on page 39 and I think that this is extremely important "the occurrence of these activities is a threat to the permanent preservation of agricultural soil and are illegal as defined by the current Napa County General Plan". It goes on to suggest the Board of Supervisors and the Planning Commission, the Planning Department and County Counsel's office have not been consistent in upholding the General Plan and perhaps are in violation by allowing these uses and by attempting to make legal what is illegal which is also pointed out in the Grand Jury report, which I will submit this copy because I feel that this is important that it become a portion of the Final EIR.

569 I would like to make two other points. I would like to support basically what George Vierra said, he is the owner of a winery, he was part owner of Vijon winery prior to selling that and now owns Merlion. And I don't believe that people are saying that wineries should curtail all of their marketing activities not with the people I've spoken to. But the point is that these activities do not belong in the rural areas. The area that I live in on Dunaweel Lane, was four wineries, is no longer a rural area. One of the neighboring wineries had a car commercial filmed on the premises at approximately 1:00 a.m. Now mind you, this is a farming family, we do most of the work ourselves, only what we cannot accomplish, we cannot finish ourselves, do we hire out. My mother, my brother, my sister-in-law, myself and my brother's daughter are out there in the vineyard. We grew up with a hoe in our hand, or grape knife, depending on the season. But, you know, we're up and on that tractor very early in the morning. This winery started unloading cars at approximately 1-1:30 in the morning. Huge semi's came in, cars going down those ramps, we were awake for hours. Those are not rural activities. And that's not to say that wineries should not be marketing, but they belong in areas that are properly zoned, the idea of tasting centers I think are vital to this County, it's perhaps the only thing that will preserve part of what people come to the Valley for. In speaking to people I was part owner of a small newspaper in Calistoga and we made a very real attempt to talk to visitors to Calistoga to find out why they came to the area...

Dan Jonas: Ms. Tofanelli?

Norma Tofanelli: Yes?

Dan Jonas: I need you to concentrate on the environmental document.

(570) Norma Tofanelli: Okay, just saying that I support George, one of the major things that as pointed out in the EIR, people come for the quality of life here. Allowing the spread of commercial activities hurts the Valley and may perhaps kill the goose that's laying the golden egg. We should concentrate, as the EIR points out, these activities in the areas that are zoned for them. The other thing I would like to comment on is that another reason that perhaps there are empty seats here, the notice of EIR completion that I received states that the publishing schedule to let people know that the EIR is available is Wednesday, today, in the Vallejo Times Herald, tomorrow in the Napa County Record and St. Helena Star, and Friday in the Weekly Calistogan. Many of the upper valley people won't even receive this until Saturday. The Calistoga library has very limited hours, they're closed on Sunday, there's perhaps an hour a day four times a week that people may have access to this. In an attempt to spread the information, myself and another person have made 30 copies of this report and we're going to be distributing them to people because we feel it's very important whether they support the Ordinance, whether they support mitigation, whatever their feelings are, that they contribute so that you have that input as you are reviewing this. I do feel that public hearings are important, because, as pointed out by a prior speaker, you do have a chance to hear what the other person says, and hear other views that may affect how you've been looking at it and I believe it's more important than simply writing a letter in isolation. So I would ask that the Commission consider, rather than closing the public hearing at either the end of the day today or tomorrow, allowing yourself the flexibility to be dependent upon the comments that are received from the public as word spreads that this is available, because, again, this meeting is noticed as the opportunity to comment on the Draft EIR. And without having had the chance to even see it, people can't really comment. But allow yourself the flexibility dependent on public comment to reschedule a public hearing perhaps sometime around the 1st of November to allow those people to speak to you about how they feel. And I thank you for your time, and I will be responding in writing, in particular as I read through the document.

Dan Jonas: I'd like everybody to understand that the comment period, quite frankly, isn't for our benefit it's for the EIR consultants' benefit to respond to these. I mean it's really just filtering through us, the real meat of this issue is when we have the hearings on the Final environmental document and that's when it's very important that we have read all the written comments, that we understand the comments that we have heard. And quite frankly, what we're concerned about is the response from this thing, not necessarily how we feel about, because how we feel about it is the issue of the final hearing, not the draft hearing. At this point in time, we're just a conduit. We're not supposed to be making decisions at this point in time in regards to the presentations that are before us. We're supposed to make those decisions at the final hearing and that then includes all the information, not only that was given in public testimony, but was in fact given in writing, and the responses to the same by the consultant.

Norma Tofanelli: I understand that but I also have to question the intent of

holding a public hearing before the notice, holding a public hearing on the adequacy of a document before the notice has even appeared in the paper that the document is available. It concerns me.

Dan Jonas: I think that the information has been in at least numerous papers of general circulation that this document, when it was going to be available, and the timing of these hearings. I'm not going to argue that there are certain newspapers that may not carry that information until later. Certainly that information has been readily available. It's been front page news numerous times, you know, that this was coming up, that discussions had gone on, where the EIR consultant was in the process, right all along the way.

571 Diana Mitchell: Excuse me, before you leave, may I? It's really not a question to you, but I did want to bring out something, first of all I think that your comments on the Grand Jury report is excellent. I would like to see a copy of that if you have one available. Secondly I, why I agree in part with Chairman Jonas, I have said this publicly before after everybody had left, it was ten minutes to five one day, that I feel that it is really, really a sad state of affairs that we do not have the consultant present at these hearings. I know that we're a conduit, I know he's going to get it, I know you can write, but there's nothing like having someone in the audience that cannot not only has your words, see your expressions, the emotion too, it has to be considered too. And I think to put something into a cut and dry, write it, why is the written word any more important than the spoken word, and we have had consultants that sit here for hours and hours for a winery or a building and yet this document, which is going to affect the whole County, we couldn't come up with a few "thou" to put him in the audience. And I think that's really too bad. So I was going to save that for Commission comments, but it's just a perfect opportunity and I thank you for that opportunity to say it now.

Norma Toffanelli: I thank you for that and the final, then I will sit down. I have been to various hearings on the adequacy of the EIR's, and there are many times we have a misconception that we convey in writing that is very easily cleared up by the consultant and then our written comments make much more sense.

Dan Jonas: We're all disappointed that they're not here.

572 Lester Hardy: My name is Lester Hardy, I reside at 1513 Taylor Street in St. Helena. I'm employed professionally in the wine industry as a wine maker and I'm here to speak simply for myself. In my view, the single most important conclusion of the EIR is the conclusion that the Draft Winery Definition Ordinance in the form submitted would require amendment of the Land Use Element of the General Plan. I think Mr. Peatman was correct in pointing out that the drafters of the EIR took a stricter and more careful . . . (gap in tape) . . . Boards of Supervisors, Planning Commissions, and County Counsels, I think frankly that speaks to the credit of your consultants on this EIR and not the reverse. It's very clear to me, and I'm certainly not an expert in land use law, that the conflict between the zoning or proposed zoning and the General Plan exists, and the possibility of permitting are in fact encouraging non-agricultural uses in the agricultural lands that the General Plan clearly intends to protect. It seems to me that conclusion is fundamentally sound and in fact, difficult to argue with. I think there is room for considerable discussion in some areas as to what constitutes legitimate agricultural uses and the area of marketing has been highlighted here today and I think that is the most problematic area and one I'm sure that the Commission will be chewing on severely

as time goes on but my personal point of view is that if it's absolutely essential when all is said and done, that the winery ordinance that is ultimately adopted by consistent with the Land Use element of the current General Plan and I think it would be a disaster frankly if that were not the case. Thank you.

Dan Jonas: We're going to take about a ten minute break at this time. I do not expect that you need to be standing at the podium when we return.

Napa County Conservation Development Planning Commission Meeting is reconvened at 10:53. This is a continuation of the Public Hearing on the Draft Environmental document on the Winery Definition Ordinance, if you could please utilize both microphones we would appreciate it.

(573) Celia Ramsay: Good morning, my name is Celia Ramsay, I'm with the Kent Rasmussen Winery, I own the Kent Rasmussen Winery along with my husband Kent. And I just wanted to go on record that and let you know that I agree with what Ann Kirlin has said before, and I believe that destruction of the small winery exemption would be a terrible mistake and the impact would be very severe on the families that operate small wineries whose contribution to the Napa Valley, I might add, is not an insignificant one. Thank you.

Dan Jonas: Excuse me, could you state your address for the record?

Celia Ramsay: I'm sorry, it's 2125 Cuttingsworth Road, Napa.

Dan Jonas: Thank you.

Ms. Ramsay, I have a question. Is there any significant problem if, I think what the Draft Ordinance is trying to do is bring all the wineries under a Use Permit situation. If the existing small wineries were in fact recognized with use permits would that take away the problem?

Celia Ramsay: Well, as you know, it's a little more difficult to apply for a Use Permit, those of us that already exist under the small winery exemption, if we were to have any problems with needing to put in a new tank, since we would be legally non-conforming, we would not be able to do a lot of things. If we were to burn down, for instance, I understand, that if 60% of our winery were destroyed rather than just reconstruct, we would have to go back and apply for a use permit. So it would be starting from square one, fairly costly, for many of us the rather under capitalized and our family operations.

Dan Jonas: I understand, and staff would have to probably comment . . .

Celia Ramsay: If it were just that we would automatically be recognized as having a use permit that would be one thing, but since we would have to reapply, go through a process to sort of re-establish ourselves when we've been in existence often, in many cases, for many years, I don't think that's . . .

Dan Jonas: One of the rationales for, at least I think, in eliminating the small winery exemption, was so that, was because a fair number apparently, of small wineries, wind up do coming back at some point for use permits to expand beyond what is allowed in the small winery permit.

Celia Ramsay: I think that the evidence is such that that in fact doesn't happen all that often, and in fact, I know that my husband and I have no intention of

growing much beyond, you know, a small increase in production for our wine, which would still fall within the restrictions of the small winery exemption. We would just as soon not have to come back and do it because we were forced to.

574 Dan Jonas: I understand; I think that's something though that we need to speak to and look at within the environmental document, whether that is an impact or that isn't an impact. Because, I think the point is that if the small winery already as an exempt status, they come back and they want to go from that under 20,000 gallons to, for example, 50,000, it's very difficult for a Planning Commission to say "no" because they're an existing business and if we do maybe we're putting out of business as well.

Celia Ramsay: Very much, yes.

Dan Jonas: In a situation like that, so I think that the consultant's recommendations are in the Ordinance is trying to recognize that this does have an effect. I can tell you I don't want to make a lot of non-conforming uses, I'm not sure that I'm convinced that the solution to that is to keep the exemption.

Celia Ramsay: I'm not convinced that the other solution is appropriate either, though.

Dan Jonas: Okay.

Celia Ramsay: Thank you.

Claire Vandendressche: I'm Claire Vandendressche, I reside at 1115 Loma Vista Drive, and I'm an owner of a small winery...

Guy Kay: I'm sorry, you're going to talk louder...I don't even know your name...

Claire Vandendressche: My name is Claire Vandendriessche, can you hear me?

Dan Jonas: I think one of the problems, and I'm reminded of it more often than I wish myself by the audiences, that you have to pretend there is no microphone in front of you and you're talking with someone in that corner, and that person is your 13 year old daughter whose just done something you're not happy about. And I think if you do that the microphone will be sufficient.

Claire Vandendressche: Why a microphone in that case?

Dan Jonas: There's a good answer to that. I think that the problem that we have is that as we increase the volumes on all the microphones we start getting feedback problems, so trust me, we've had the sound people in here time and time again and in fact we've recently changed microphones up here and that has caused us to reduce the volume. That's why I'm getting the comments now about having to speak up, I try to pretend that I'm talking to someone standing back at the clock back there.

Claire Vandendressche: My name is Claire Vandendriessche, I reside at 1115 Loma Vista Drive, can you hear Mr. Kay?

Guy Kay: I can hear you but I can only write at the speed of sound. So I know you're Clair Vanden...

Claire Vandendressche: driessche.

Guy Kay: Okay, thank you.

575 Claire Vandendressche: You're welcome. I reside at 1115 Loma Vista Drive, and I'm the owner of a small winery, White Rock Vineyards. I would like to say that we do not feel threatened in any way by the elimination of the small winery exemption. We do not because we feel that our concerns are addressed by Mr. Clifford Lober's proposed Certificate of Present Extent of Legal Non-Conformity. And moreover, if an when we wish to expand, we do not mind, in fact from the very beginning we fully expected having to take out a use permit if that time ever came. And that's all I have to say.

Dan Jonas: I'm presuming that Mr. Lober is going to introduce some of that into the record.

Margaret Woodbury: Perhaps I can clarify that. The legal non-conforming uses, at the moment there is a procedure for determining the extent of the present legal non-conforming uses that this Commission, or the predecessor, the guy we'll remember has been through that. There has been a proposal circulated that has nothing to do with this draft ordinance to make that a more reasonable procedure, run through the zoning administrator.

Dan Jonas: In other words to recognize these a legal uses?

Margaret Woodbury: Legal, non-conforming uses. As many legal, non-conforming uses at the moment has certain protection.

Guy Kay: And this would give them entitlement to what they have which would allow for taking care of emergencies.

Margaret Woodbury: Right, it would make it very clear on the record so when they came to pull the bidding permit to do routine maintenance and so forth they wouldn't run into a big administrative hassle, wouldn't make it hard to get loans.

Claire Vandendressche: I understand this is going to cover other wineries as well, not just small wineries.

Dan Jonas: Okay.

576 Steward Smith: My name is Stewart Smith, Smith-Madrone Winery, 4022 Spring Mountain Road, St. Helena. The owner and operator, all of family, it's a small winery up in the up valley. My comment really is not for myself but for the arbitrary 10-acre size parcel and what my concern is that some grower who would like to make wine from their own vineyard would not be able to do so under this new concept. Seems to me that if there were a, and again I don't know if this is an appropriate time to address this or not, but what the heck, as they say, there are a lot of growers who might want to make wine just from their own vineyards and I'm concerned about what's going on in the valley, I think the process that we're going through is a good one but I don't want to see a second-class citizen develop in this small, less-than-10-acre size. There have been some very successful, very, very, small wineries established in the up valley. And it just seems to me that if there were, for lack of a better word, an estate winery, where they could only make wine from the grapes they grow, that it

wouldn't really impact the valley in an adverse. And would in fact, maybe allow some more traditional winery concepts. As Andy was trying to say, what's a good winery? There's a case and I just think that, I don't want to see a 100,000 case winery put on a two-acre parcel. Highway 29 is an important visual driveway for me, but I just feel as though some of these smaller people, who might in the future, maybe not this year or next year, but maybe 10 or 15 or even 20 years from now, have that opportunity. And, all I really wanted to say.

577 Dan Jonas: Okay, I have a, maybe something that would be helpful if there is some response to, I think one of the positions the EIR consultant has taken in relation to this parcel size issue with the General Plan, and I think it's the transposition that I understood when I read the document was that wineries under the Draft Winery Definition Ordinance all require use permits. That means they're discretionary decisions. If we were to look at a lot split today of less than 40 acres in the aglands, we could not do that. If we have an existing parcel, we can allow that to continue to exist. And I think that the philosophy that they're using, in my mind, to find that this does not meet the General Plan intent is that if you in fact exercise discretionary permits on parcel sizes that are lower than your General Plan permits you to create, which again, creation is discretionary, then you probably have a philosophical disagreement between what you're doing and what the General Plan allows. I think the other thing to keep in mind is that our consultant's also saying that the method to take care of this isn't necessarily to restrict the Draft Winery Definition Ordinance to 10 acres or 40 acres but maybe to rethink the way that you handle that concept in your General Plan. So, it's also important, I think, for everyone to realize it's equally important to comment on that issue. Maybe this isn't handled by the minimum parcel size, but it's handled by an adjustment in the language of the General Plan to recognize just the issue that you brought up.

Stewart Smith: As I read it, anything under 40 acres is somehow less than full citizenship. In other words, there are requirements on acreage and gallons per acre that can be produced, and if you're going to do it between 40 and 10, you might as well create a third-class citizen from 10 on down. I have no gain in this, I don't have a smaller than 10-acre parcel anywhere, I've got my winery, slam the door as far as I'm concerned. But I do think in being fair to some of these other people out there, that they should be allowed to, if they grow the grapes themselves, and want to process it themselves, they'd be allowed to do that, and it seems to be under this current, as I read it, they wouldn't be able to do that. That's all.

578 Francine Davis: Francine Davis, 263 Petrified Forest Road, Calistoga, I am speaking as a private citizen. Firstly, I'd like to commend staff and the consultant team for preparing what I consider to be, generally, a thorough, objective, draft EIR. I would agree with Lester Hardy, regarding his comments, relative to the General Plan consistency with the document, that is the Ordinance. I agree with Mr. Beckstoffer's comments regarding small wineries. I agree with the superior alternative for the document which includes the mitigations, as much as they're feasibly possible. In the light of Mrs. Kirlin's comments, I would like to address a problem that I see on page 14 of the document, regarding the small winery exemption. In the third paragraph, I'll give you a chance to turn ...

Guy Kay: Which page, say it again please?

Francine Davis: Page 14.

Guy Kay: Thank you.

Francine Davis: On page 14, the clerk, yes I would submit a copy to the clerk, if there's an additional one.

Guy Kay: Go ahead.

579 Francine Davis: In the third paragraph, it states that wineries under this exemption "are not permitted to operate visitor-serving facilities". Well this is true on the books, in effect, a large number of small winery exemptions are open to the public. By right, they have retail sales and they are creating impacts caused by these sales. Particularly in the area of traffic. By strict letter of the law, small winery exemptions do not provide wine tastings, but if you look through just three of the many advertising publications distributed state-wide, California Visitors Review, this one which we all see everywhere, A Tour Guide to California Wineries, published by the Wine Institute itself. And the Napa Valley Guide, which you see in also a lot of places around the Valley and in the State, you will notice that holders of small winery exemptions are advertising tours and tastings in a tour guide to California wineries this small brochure put out by the Wine Institute. There are six small winery exemptions advertising tastings. Two of these wineries advertise tours by appointment only. Two picnicking, and three of them access for the handicapped. Approximately twelve small winery exemptions are advertising tours and tastings by appointment in Napa Valley Guide, this publication. And a handful are on the Napa County Winery Map in California Visitor's Review doing the same thing. With regard to signage, I have passed around several photographs for your consideration which show a direct solicitation of roadside traffic. As your consultant asked yesterday, where do we draw the line? The EIR points out elsewhere in the document that private tours and tastings can and often do create as many impacts as public tours and tastings. I would therefore, challenge the conclusion that small wineries will have visitor-serving facilities because prohibitions will be eliminated. Effectively, practically, operating small wineries with exemptions are open to the public now and are creating significant local impacts. This is good reason for requiring them to have permits. At least we'll be able to impose environmental standards relative to the actual use. In other words, I believe that there is a definite local impact created from these small winery exemptions as they operate today. Finally, I don't believe that the elimination of this exemption would diminish the number of small wineries starting up in the Napa Valley. There are now 33 small wineries with use permits many of which are the most prestigious of our wineries, to list just a few: Dunne Vineyards, 5,000 gallon capacity; Diamond Creek, I believe it's 10,000, but it was questioned in the Data Base that I received from Planning; Richie Creek, 5,000 gallons; Green and Red Vineyards, 6,000 gallons; Grace Family Winery, 3,000 gallons. The Napa Valley is known for its small, high-quality wineries, and there's no reason to think that this will stop just because they're required to take out a permit. A last word about non-conforming status, there are some wineries that have been in existence prior to 1974 that to this day, as I understand it, are technically non-conforming because they opened before use permits were required. Strictly speaking, they will remain non-conforming for that part of the facility that isn't covered by expansion. These wineries are among the most highly regarded, bankable wineries in the County. A large winery in this context would be Robert Mondavi Winery, a small one would be Stoney Hill Vineyards. Thank you.

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Dan Jonas: I again want to remind everybody to utilize both microphones.

581 Carol Poole: Carol Poole, 1135 Mount George Avenue, I'm speaking for the NAPAC, Napa Agricultural Preservation Action Committee. NAPAC will be reviewing this document and will be making our recommendations in writing. Before that we do not have any comments on whether we agree or disagree with the conclusions. What I would like to speak to is generally the manner in which this was written and some of the conclusions were presented. There's numerous instances where the consultant has concluded that the Draft Winery Definition Ordinance is in conflict with the General Plan, and I think that he has left out those interim steps whereby he came to those conclusions. And I'd like to see more information in the Draft EIR on those interim steps. Specifically, on page 29, which has been talked about before where he says that the Draft Winery Definition Ordinance would effectively reduce the County's General Plan Agricultural Land Use intent from 40 acres to 10 acres. I think that needs a lot more clarification. On page 16 he, in the grandfathering clause, the end of the second paragraph, he says that the opportunities presented under the 18-month grandfather clause would be inconsistent with the intent of the agricultural land use and the General Plan. And then on page 18, under conformance with relevant plans and policies, the end of the section the last paragraph says that language in the Draft Winery Definition Ordinance which permits further expansion into the agricultural resource area, or procure a mechanism to legalize illegal uses is inconsistent with the intent of the Napa County General Plan. To adopt a Draft Winery Definition Ordinance as proposed, the County would be required to consider a General Plan Amendment that would modify the goals and policies contained in the Land Use Element. If we don't agree with the mitigation measures that he's presented, than I assume we're looking at General Plan Amendments. And I think that this is, I see Margaret shaking her head, if that's not true then I'd like to hear why, but if it is true then I think maybe we should get some feedback as to what the form of those general amendments might be.

582 Dan Jonas: I think that certainly the two issues that you talked about are somewhat intertwined but I think they also more predominantly stand alone. And that is that there may be a definite question, and I think that we do need the inner steps as it relates to the 40/10 acre question and so on, I think that's confusing to a number of people and to a degree myself included. But, I think when they talk about, you know, the Winery Definition Ordinance identifies what a winery is, it says a winery is the process and fermentation and so on. Well, I think what the consultant is referring to on the other page referred to, is that when you then legitimize the illegal uses, he's talking about the illegal uses, you know, the ancillary uses of public tours and tastings as an example, that they don't have a use permit for selling non-related products, the public use picnics, proms, as indicated here, those kinds of things, I think that that probably is a lot clearer question of its carrying out the intent of the General Plan because clearly the General Plan does not identify those as agricultural uses that are allowed on the prime ag lands. So I think there really are two issues there, and I think in respect to those issues, it certainly doesn't require General Plan amendment, and he's not even suggesting a General Plan amendment to amend the General Plan to say "yeah, let's do proms and picnics and public promotional events". I think he is suggesting that a General Plan amendment may be very appropriate in relation to the minimum parcel size question as it comes into play under the Winery Definition Ordinance. And that probably was clear as mud.

Woodbury: Mr. Chairman, I might note that we've already informally and will be

(583) formally requesting from the consultant a detailing of where he reached his conclusion because we do not agree with it, the minimum parcel size set forth in the General Plan is 40 acres. There is not a density requirement for acres per winery or acres per house, or anything of that sort in the General Plan and we are at sea to figure how he reached the conclusion that he did because this County has a great many smaller than 40 acre legal parcels in the agriculturally zone land. And we don't see the inconsistency at the moment. I understand the general approach that he may be trying to reach, but that's not a matter of consistency, that's a matter of future planning.

Diana Mitchell: Before you go on, Mrs. Poole didn't indicate the membership that she was representing.

Carol Poole: NAPAC.

Diana Mitchell: No the number of the membership.

Dan Jonas: Carol, do you have some idea of how many members that you're representing?

Carol Poole: Well, we technically aren't a membership organization, we have a Board of Directors of 12 people and we receive contributions (can't hear her)

Dan Jonas: Let the record reflect that Carol Poole indicated that NAPA has a Board of Directors of 12 and has received contributions from over 100 people.

I have a question, maybe Margaret, you can answer or maybe Will can. I'm trying to get some clarity in my own mind about how they maybe came to a conclusion that it was inconsistent, you know the parcel size issue was inconsistent with our General Plan. I'm going to come at it from a little different angle, in a commercial or industrial setting, where we have an existing parcel that is below that which we would create if we were to create them today, do we allow by use permit the uses that would be allowed on a larger parcel to exist and consider that consistent from a zoning standpoint and from a General Plan standpoint.

(584) Woodbury: From a General Plan standpoint it would be perfectly consistent to have a zoning ordinance that allowed it. As a zoning matter, we're often more restrictive than the General Plan as in say, the industrial areas, where we have varying parcel sizes. But you've got to bear in mind that the implication of this statement is that this acreage minimum of 10 acres, essentially, it suggests that this would result in a proliferation in less than 40 acre parcelization and that simply cannot occur because the subdivision NAPAC requires consistency with the General Plan for any divisions of land in the future and the General Plan says the 40-acre minimum. So, we do not understand how they've reached that conclusion. The General Plan does not require it as far as we can tell. There are some other problems, of course, too. There are other policies of the General Plan besides the agricultural policies which affect, AW OS designations which are being furthered perhaps by some of these activities that are not agricultural and that needs to be explored further and we'll be discussing that with them.

George Davis: Alright. Mr. Chairman, members of the Commission, my name is George Davis, 263 Petrified Forest Road, Calistoga. I am a spokesperson for some of the neighbors scattered county wide in areas around Calistoga, Soda Canyon, and the corridor between Yountville and St. Helena along Highway 29 who are

appreciative of the use permit process. Without public hearings property owners would have no input regarding environmental impacts created by wineries next door to them. We live in a privileged, enhanced, rural setting. If we work together, and consider the long range effects of our actions, if we rise above purely personal interests, hopefully we can keep it that way. Wineries are allowed on agricultural ground almost by grace. The Draft EIR recognizes some of the cumulative impacts created by the marketing aspects of the business. We have some hard decisions to make regarding the increased commercialization of our Valley. Any such decision making process involves public dialogue. Small wineries have nothing to fear for coming for a use permit. Everyone benefits from a future in which all businesses are subject to the same environment-enhancing standards. In conclusion, I would like to go on record for public support of the Draft Ordinance with proposed mitigations.

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Andrea Anderson: My name is Andrea Anderson, I'm a consultant for the Alcohol/Wine Industry. On page 15 of the EIR I wanted to point out, unfortunately, that Napa County is not an appellation, Napa Valley is an appellation. And it's the BATF labelling requirements, so your consultant might want to double check that. Secondly the Federal and State Government allow a winery to sell wine that is produced for them at another facility, but on page 31 it states that retail sales of wine only produced by the winery would be allowed. That evidently it would be a non-agriculture use for wine produced off the winery to be sold in the tasting room. I just wanted to make a point that the Federal and State Government allow, the BATF and the ABC, Alcoholic Beverage Control, Bureau of Alcohol, Tobacco and Firearms, allow a winery to sell at their tasting room, retail room, wine that is produced for them by another winery. That's my comments.

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Dan Jonas: You are aware, though, that both the U.S. and State Constitution...

Andrea Anderson: Allow you to restrict it tighter, this is true.

Dan Jonas: Is that all the public comment we have? We would appreciate it if you would utilize both microphones.

Richard Steltzner: My name is Richard Steltzner, Steltzner Vineyards. I operate a small winery under the winery use permit. I have not had time to review this document as yet, I would like to make a few references to some of the agricultural things I have done in the past. Over the past 10 years I have raised many alternative crops in the County, as much as 40 acres of blackberries, I have an experimental planting of kiwis, and some mandarine oranges. In Lake County I also grow wild rice. All of these agricultural experiments are extremely successful, however, they lack the entire inner structure of support. There are no berry processing areas here. I was required to haul fruit to Manteca or to Watsonville for processing. In the other crops that I have raised, wild rice being the easiest to transport, we have gone from what I would call an experimental state to where we're growing now 700 acres on a financially successful basis. The only reason blackberries or mandarines or kiwi or some of the other crops that could be raised in the County are not going to be successful is if there's no inner structure. Wineries are the inner structure of the Napa Valley's agricultural base. To restrict that would be to preclude its economic value for the long term. I think you should look very carefully at any restriction which slows the ability to process fruit. I currently crush about 100 tons myself, that's some 25 less trips on the highway. I also sell 200 tons, those 200 tons are still going down the highway, still adding to the

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congestion. Looking at the page of interest to me, which is small wineries, yes, if it is deemed that they should be brought up to full winery status, they should be grandfathered in as existing businesses. In the expansion they then comply with all the rules and regulations as they exist. To curtain them off from the possibility of growth because of any regulation that in place is economically punitive against that winery and its location. If it doesn't have existing water treatment and it doesn't fit, that alone will preclude its become larger. If it has adequate space and water treatment facilities can be placed on the premises, then it should be allowed to expand. I think you'll find most of them are not going to expand, but the fear of non-expansion or any increased volume is going to make them economically crippled. Your banker is not going to look very favorably at a loan if you can't do anything about increased volume and you have that capability. That would be extremely difficult for the few that have or would want to expand. I will definitely have more comments when I read this but the basic principle of agricultural on-site processing be it wheat or wild rice or berries is that you can process the crop at or near its point of production. To take that away limits severely anything that you can do. Thank you.

Dan Jonas: Mr. Steltzner?

Richard Steltzner: Yes.

Dan Jonas: I'm just curious since you have some experience with other crops, I drive through the Central Valley for example and it seems to me like you can have an awful long distance between processing facilities.

Richard Steltzner: Correct.

Dan Jonas: Whereas the feedback I think the Commission keeps getting time and time again with the wine industry is that every parcel or almost every parcel, certainly when they decide they want a winery every parcel needs a winery to be able to process. I appreciate it if you have to take berries to Watsonville, that's an inconvenience. I guess what I question is that if you have to take grapes from somewhere between Yountville and St. Helena to Yountville and St. Helena, whether that's really an issue. And I guess it would help me if you would define for me what you consider reasonable proximity.

Richard Steltzner: The deterioration of berries shipped to Watsonville on our marvelous freeways made them into a lower grade berry. We have a reputation in the Napa Valley for the highest quality wines. The moment you pick a bunch of grapes, you have the potential if not actual fermentation taking place. The highest quality wines are processed at the closest time period and cared for. The ability to truck grapes to the Gallo facility produces a very high quality wine but never can produce the quality of wine that on-site processing can. We are talking about the last five percent of quality which we are selling and on which our market is based. If you lose the last 5% you then drop into the next category down. The finest wines are produced by some of the smallest wineries because they have the ultimate control. The smallest wineries with the smallest use permits have no distribution but are being sold very well, very successfully and that's on which our reputation is based here in the Napa Valley. There is a difference between here and Yountville. There is a difference of four hours waiting in line because they're busy. There is a difference of grapes being held over night where you can smell the VA beginning to come off a gondola of uncrushed grapes. Those are significant differences in the last 5%. In the

bottom end of the line, doesn't matter, you can treat those but on the top end, top end wines are made carefully and in small lots.

Dan Jonas: Thank you. I appreciate that. I think that is some of the most concise response to that question that we've had since I've been here.

Richard Steltzner: Thank you.

Dan Jonas: Is there no one else that wishes to address the Commission on this Draft environmental document? Commissioners?

Guy Kay: I don't have any comments at this time. I'm appreciative of everyone's effort and I'm certainly hopeful that those people who have in fact promised to give us written responses to this document do so.

589 Dan Jonas: I would like to make just a couple of comments that I think the environmental consultant may want to deal with. On page 56 of the environmental document, I think this is just a typo, but they're talking about the Napa Sanitation District and they talk about the ability to operate a 50.4 million gallons per day, I believe that's 15 million gallons per day. I think that that may be right or wrong but I think we need to check that because I remember some hearings a few years ago where in fact the plant talked about running at a current 8 million gallons per day but during rainy season that doubled and put them near capacity or at capacity. And certainly it would take more than five times that to put them at capacity if they were at 50. So I think that's a typographical error that should be corrected certainly. The other one I had was on page 67 which I think we've addressed, which was develop limitations and restrictions need to be implemented to limit growth for wine-related activities in the County. I take it that that is part of what the interim measure is all about and they'll be responding to my questions on that. The other thing I wanted to enter into the record and I would like to have the environmental consultants respond to, and this is probably the most controversial aspect of my question is the 75% . . . (gap between tapes). . . the way the Draft Winery Definition Ordinance is worded right now, the 75% Napa County grapes refers to the expansion only. And even if the winery currently is operating with 75% Napa County grapes, if it wanted to double in size, all it needs to do from a capacity standpoint, stressing from a capacity standpoint, if they wanted to double in size all they have to do under the current Winery Definition Ordinance is transfer that 75% to the expansion. And they can then use the first 100% for outside of County grapes on prime ag lands. I think that is something that the environmental document needs to talk about. If it's not an environmental problem, if it's part of the baselined, if it's already there and they feel like they've analyzed that that's fine, but I don't want this to come up a year and half from now when we're talking about a use permit and somebody walks in the front door and says "Gee, they're really only crushing 33% Napa County grapes total because they're applying this other over on this side" and either a new Commission or this Commission says "Gee, we never knew that". And that bothers us. I think that we need to lay that right on the table and understand that. I just would like that part addressed within the environmental document if that's not there, I recognize that the Draft Winery Definition Ordinance talks about ultimate size of the facility with 120% expansion rule. I think sometimes we recognize there's a difference between the physical size of the winery and its ability to have capacity because we have seen capacity requests that double the capacity of a winery with essentially no physical change in their pre-existing size because they apparently sized themselves sufficiently to start with from

a physical plant size. Commissioner Mitchell?

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Diana Mitchell: I'm going to put most of my comments in writing I have several of them that I would like to make and it's, as you say you can just put them in writing at this point. But I do want to ask the other Commissioners if they saw anything in this document that specifically addresses possible erosion. I see vegetation/wildlife, visual considerations, water quality, water resources, but I would like to have the consultants address erosion control, the necessity or non-necessity for having something in place too.

Dan Jonas: I think from expansion that discussion would be in order, I do recall that there is some place within the document, I don't know where it is right now, but I recall that there was some discussion about keeping the wineries off the sloped lands.

Woodbury: For sewage disposal systems.

Dan Jonas: Okay, that was in relation to sewage disposal. The other thing that may be, and again this ties to certain degree to the MEA data base. You know, the consultants discussed yesterday in regards to, I think there was something like 128,000 acres of "absolute potential" vineyard land available in Napa County, that realistically that number is reduced to 58,000, that's my recollection of the number, because of other constraints. I think that we need to understand if that included the impracticality of creating sufficient erosion controls on certain portions of those lands. I remember them talking about weather and some soils types being real marginal, or somewhat marginal, for that. Commissioner Mitchell?

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Diana Mitchell: I'd also ask like Margaret if it's not going to be very complicated if you could give me an overview of the SDAF, Special District Augmentation Fund. Supposedly, I guess, if you operate in a deficit in relation to the fire protection agencies it says in this document that is probably caused by, or in my opinion, that's what I'm getting out of it, is probably caused by the different tourists elements that we have in our County that it can be offset by an increase. What is that special district?

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Margaret Woodbury: Well that's another section that in the draft where we have a disagreement with the consultant about their legal conclusion. Also because they don't take any account of the gann limit and, special augmentation funds are basically the way that tax, property tax money, is distributed between the counties and the cities and the districts since Prop 13 because although cities, counties and districts have various tax rates in place before Prop 13, there isn't enough property tax revenue to spread around to meet those rates because of the limitation of the proposition. And so there is this, this state has created this system of fairly distributing among the various entities what small pie there is. And that provision in the Draft EIR, it has a mitigation, from the point of view of our comments it has a problem because no matter how much growth the industry may increase revenues if you have a Gann limit which is driven by population and there are increases, it's not going to keep up as you well know, we're already at the limit. So, that doesn't seem to do much mitigation. There's two parts of that there, whether it's viable mitigation measure, and whether they're even correct at all about being able to adjust the special augmentation fund.

Diana Mitchell: Also they allude to the net positive revenue expected at the

County, now or 2010?

Dan Jonas: 2010.

Margaret Woodbury: If they know something we don't know about taking of the Gann limit I sure would like to know.

Dan Jonas: Will, regards to Mr. Beckstoffer's question early on regarding the hearings on the Final environmental document for the 27th, so on. Perhaps you could explain to us what the practical limitations are or what the Department's considerations were in scheduling those at that time versus the week before.

Will Selleck: The practical limitations were have enough time for the consultant to produce the document and get it to the Commission to get it noticed for a public hearing. We can pre-notice, which we are proposing to do, the hearings even before we have the document. However, I believe the consultant has about a week to 10 days to prepare to the responses once the close of the public hearing. That document then comes through the staff for review, we send it back to them, they make the changes, bring it back to us, we proof it, and then they've got about a week to print it. You start adding those steps up and it takes this much time to get it back to the Commission. We did not like where that hearing came out either. We can't, I don't think we can shave off enough to move it forward a week, I just don't think it's in the process, we can look at that but I don't think it's there. And we can't move it the other direction because we will then not have an ordinance in place before the moratorium terminates. We only have about 2 or 3 days.

Dan Jonas: I understand, I don't think anybody's suggesting that it move the other way, the suggestion was if we could move it up.

Will Selleck: We can re-analyze that again and see if we've got, it really depends on the amount of comments, right now the consultant does not have a lot of comments to respond to. However, if there are extensive comments, and if those comments come in right at the end of the review period, which seems like that may be occurring, then that tends to slow the production of the report down. Maybe one thing that I would suggest is that, to try to move that hearing date up if everybody could get their written comments in as soon as possible. We'll be feeding those to the consultant to try to get him a head start on this thing.

Dan Jonas: Okay, Commissioner Mitchell?

595 Diana Mitchell: Beginning on page 2c Growth Induction, the consultant uses the word "possible", "it is possible that these promotional events will increase the visitor forecast". Is it possible or probable? I would like to ask that specific question. Under the same page, mitigation, cumulative impacts and mitigation measures, land use, it says that "non-agricultural uses including public tasting rooms, retail sales, except for wine produced by the winery and wine-related  
596 articles. For example, wine glasses and cork screws". That throws me completely, I would like a specific definition of what the consultant has in mind, why he feels that a wine glass and a cork screw would be necessary to sell a bottle of wine, if we're not going to have tours and tastings as he's recommending, anyway. I would like more examples. He leaves out t-shirts completely, you have a logo on your t-shirt, is that necessary for your marketing, I have no idea. Again, I was thrown at a loss because I thought we'd be having a longer public hearing, so I think instead of keeping everybody here

for after the lunch break and so forth, I will put the rest of my comments in writing.

Dan Jonas: Public hearing is still open, last chance. I'm going to close the public hearing at this time on the comments on the Draft EIR. I want to just take a few minutes and remind everyone that the comment period is open until noon on November the 13th. It is very, very critical that you encourage anyone and that you include yourself in that, in asking any questions that you have or expressing any concerns that you have in relation to the adequacy of the environmental document, to the consultant, get to the Planning Department so that we can have those questions answered. I think the other thing to keep in mind, is that this clearly is not the final chapter on this, the final draft environmental document will be before this commission in December and that will also be a time to talk about it because we will also have to have a hearing on the winery definition ordinance as well and that will also be an issue at that point in time. So please encourage anyone who was not able to attend today, either because of harvest, because of other concerns, that they can write their comments and have them responded to in the final document. Thank you. Now the Commission meeting is not over, but we're close.

1. The first step in the process of the  
 2. is to determine the scope of the  
 3. project. This involves identifying the  
 4. objectives, the resources available, and  
 5. the constraints. Once the scope is  
 6. defined, the next step is to develop a  
 7. plan. This plan should outline the  
 8. tasks to be completed, the sequence of  
 9. activities, and the timeline. The plan  
 10. should also identify the risks and  
 11. the mitigation strategies. The final  
 12. step is to execute the plan. This  
 13. involves implementing the tasks and  
 14. activities as outlined in the plan.  
 15. The project manager should monitor the  
 16. progress and make adjustments as needed.  
 17. The final step is to evaluate the  
 18. results of the project. This involves  
 19. comparing the actual results with the  
 20. planned results and identifying the  
 21. lessons learned.

The following information was obtained from the records of the Department of the Interior, Bureau of Land Management, regarding the land owned by the United States in the State of California.